SECTION 22 – OIL AND GAS WELL REGULATIONS

(Amended May 17, 1993, effective June 17, 1993)

- 22.01 The purpose of this Section is to insure that any operation incidental to exploration, production, or storage of gas and/or oil takes place in a manner not endangering public health, safety, and welfare and is consistent with zoning and land use regulation in Leroy Township. In the event of conflict between these regulations and Ohio Revised Code Chapter 1509, The Ohio Administrative Code, or applicable Federal regulations, the most stringent regulations shall apply.
- 22.02 Prior to drilling, the driller shall, by certified mail, return receipt requested, notify all landowners any portion of whose land falls within one thousand (1000) feet of the location of the actual drill site, and shall request permission from said owners to locate and test all existing water wells, on the landowners' property, even though the water well is more than one thousand (1000) feet from the proposed drill site. Water samples shall be collected in accordance with procedures approved by the Lake County Health Department. Testing shall consist of a chemical analysis and shall be certified by the Lake County Health Department, and the results of the text shall be submitted to the Zoning Inspector prior to the commencement of operations on the property. All tests shall be conducted at the driller's expense.
- 22.03 Not less than seven (7) days prior to any drilling operation, the driller shall file and deposit with the Zoning Inspector five (5) copies of:
 - 1. A plat, drawn to scale, showing the location of:
 - A. Ingress and egress points.
 - B. The well.
 - C. All known wells within three thousand (3000) feet.
 - D. Storage tanks.
 - E. Separators.
 - F. Power shutoffs.
 - G. Transmission lines.
 - H. Oil flow shutoffs.
 - I. Permanent and temporary pits.
 - J. Access roads.
 - K. All dikes and swales for erosion control and spill prevention.

- 2. A list of pertinent emergency telephone numbers.
- 3. A copy of the state permit.
- 4. A copy of the state-approved brine and waste disposal plan. The plan shall include a description of the method of disposal of brine, frac-water, sludge, and any other oil field wastes, the name, address and telephone number of the person, corporation or firm other than the owner disposing of the waste, the location of the disposal sites being used and the name, address and telephone number of the owner of the disposal site and proof of liability insurance carried by the person, corporation or firm disposing of the waste and a copy of the registration certificate required of brine transporters by the State of Ohio, Ohio Department of Natural Resources, Division of Oil and Gas.
- 5. A copy of the Spill Prevention, Control and Countermeasure Plan (SPCC) as required by Title 40 Code of Federal Regulations, Part 112.
- 6. A schedule of the proposed drilling operation.
- 7. Proof of liability insurance for all operations related to drilling, production, storage and transmission of all products, by-products, and wastes.
- 8. A bond in an amount set by the Township Trustees in accordance with Section 5 per well, and in the form of a bank check or money order made payable to Leroy Township to be held and disposed of as hereinafter provided. Any proceeds from any bond shall be used for repair of township roads.
- 22.04 No gas well, oil well, storage tank or separator unit shall be placed within five hundred (500) feet of any building or structure of any kind or any known source of water.
- 22.05 No equipment shall be placed within fifty (50) feet of any property line unless both properties are part of the same drilling unit. In no case shall any equipment be placed directly on the property line.
- 22.06 All permanent production facilities shall be enclosed by a chain-link fence not less than six (6) feet in height.
- 22.07 All shut-off valves shall be painted a conspicuous color for ease of identification in emergencies.
- 22.08 All gas and oil lines shall be buried at a minimum depth of thirty (30) inches. The location of such lines shall be drawn on a map and a copy deposited with the Zoning Inspector and Township Fire Department.

- 22.09 Prior to the beginning of drilling, all access roads shall be paved with slag, gravel, crushed stone or other suitable material and shall be sufficiently wide enough to permit access by emergency vehicles in all weather. All access roads shall be clearly market and shall have a paved turnaround of sufficient size for the largest firefighting equipment used by the Township. All access roads shall be dept in repair and maintained at all times and shall be kept plowed and free of snow to allow access by fire and safety vehicles.
 - 1. Where access roads cross natural or man-made drainage channels, culverts shall be installed. Culverts shall be sized according to the drainage area and approved prior to the installation by the Township Road Supervisor.
- 22.10 All gates, storage tank manholes, discharge valves, fill valves, shut-off valves, and fence gates shall be locked. All locks at a given well shall utilize a master key. A master key with the well number shall be provided to the Zoning Inspector, the Fire Chief, and the Lake County Sheriff. The owner shall provide a master key for each of its wells located in the Township.
- 22.11 A sign shall be posted and maintained at the site at all times showing:
 - 1. Access street name, number, or both.
 - 2. Owner.
 - 3. Lease name.
 - 4. Well number.
 - 5. Permit number
 - 6. All emergency telephone numbers.
- 22.12 All truck loading and parking areas shall be located outside of any road right-of-way.
- 22.13 All gas and oil production storage and brine storage shall be diked to prevent contamination of surface or ground water. All dikes shall be liquid tight. All diked areas shall have at least two (2) layers of lining materials, separated by a minimum two (2) inch clay layer. The layers shall be laid in opposite directions to assure their integrity. Dikes surrounding storage facilities shall have a capacity three (3) times that of the storage vessel.
- 22.14 In locations where dikes may be damaged by storm runoff, a diversionary dike or swale shall be constructed to prevent damage to the containment dikes.
- 22.15 If, during construction of any temporary or permanent pit or containment dike, a subsurface drainage system is encountered, said subsurface drainage system shall be

- removed to a distance of twenty (20) feet from the pit, or containment dike, and shall be rerouted to prevent ponding.
- 22.16 If a well is located on a steep slope or in a flood plain, storage tanks only shall be used; no open storage pits shall be permitted. All tanks shall be adequately and permanently anchored to resist slippage or flotation. All tanks shall be liquid tight.
- 22.17 No person all conduct any well drilling, production or transmission operation that contaminates or pollutes the land surface or any surface or subsurface water. No salt water (brine), sludge, frac-water or any other oil field wastes shall be deposited or discharged in the Township for any purpose. No person shall vary or change the waste disposal plan or method initially submitted without prior approval of the Zoning Inspector. The owner shall maintain a record at the drill site of the name, address and telephone number of the person, corporation or firm disposing of the waste, the location of the disposal sites being used, and the name, address and telephone number of the owner of the disposal site, the method of disposal being used and the date, time and license place number of the last vehicle to have left the drill site hauling waste.
- 22.18 The owner and/or operator of all transmission lines shall provide the Zoning Inspector and Fire Chief with a plat drawn to scale of all transmission lines within one thousand (1000) feet of the well. All transmission lines, buried or above ground, shall be marked with permanent markers. All lines crossing public highways shall be marked with permanent markers at each side of the right-of-way.
- 22.19 Prior to drilling, the Leroy Township Zoning Inspector and the owner or authorized representative of the owner shall inspect and videotape all township roads in the vicinity of the drilling site and over which the owner expects to move equipment and/or vehicles. Upon the completion of drilling, any and all damage to township roads shall be assessed by the Road Supervisor and a representative of the owner and the estimated cost of repairs, if any, shall be deducted from the bond deposited with the Zoning Inspector. In the event that the bond exceeds the estimated cost of the repairs required, the remainder of the bond shall be returned to the owner.
- 22.20 The Zoning Inspector, Fire Chief and law enforcement agency in authority in the Township may inspect oil and gas wells and storage facilities at any time to insure compliance with local regulations.
- 22.21 Definitions applicable only to this section:
 - 1. "Well" means any borehole, whether drilled or bored, within the Township, for production, extraction, or injection of any gas or liquid mineral, excluding potable water to be used as such, but including natural or artificial brines and oil field waters.
 - 2. "Oil" means crude petroleum oil and all other hydrocarbons, regardless of gravity, that are produced in liquid form by ordinary methods, but does not include hydrocarbons that were originally in a gaseous phase in the reservoir.

- 3. "Gas" means all natural gas and all other fluid hydrocarbons not defined above as oil, including condensate.
- 4. "Waste" includes: (1) physical waste, as such term is generally understood in the oil and gas industry; (2) inefficient storing of oil or gas; (3) locating, drilling, equipping, operating, or producing an oil or gas well in a manner that reduces or tends to reduce the quantity of oil or gas ultimately recoverable under prudent and proper operations from the pool into which it is drilled, or that causes or tends to cause unnecessary or excessive surface loss or destruction of oil or gas; (4) other underground or surface waste in the production or storage of oil, gas, or condensate, however caused.
- 5. "Owner" means the person who has the right to drill on a tract or drilling unit and to drill into and produce from a pool and to appropriate the oil or gas that he produces therefrom either for himself or for others.
- 6. "Pool" means an underground reservoir containing a common accumulation of oil or gas, or both, but does not include a gas storage reservoir. Each zone of a geological structure that is completely separated from any other zone in the same structure may contain a separate pool.
- 7. "Drilling unit" means the minimum acreage on which one well may be drilled, but does not apply to a well for injecting gas into or removing gas from a gas storage reservoir.
- 8. "Brine" means all saline geological formation water resulting, obtained or produced in connection with the exploration, drilling or production of oil or gas.