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## TITLE 312 NATURAL RESOURCES COMMISSION

### **Proposed Rule** LSA Document #05-14

#### DIGEST

Amends 312 IAC 16-5-19, governing performance standards and enforcement of plugging and abandoning of oil and gas wells, to allow the use of water as a material for filling uncemented intervals in a plugged well. Effective 30 days after filing with the secretary of state.

### **312 IAC 16-5-19**

SECTION 1. 312 IAC 16-5-19, AS READOPTED AT 28 IR 1315, SECTION 1, IS AMENDED TO READ AS FOLLOWS:

#### **312 IAC 16-5-19 Plugging and abandoning wells**

**Authority:** IC 14-37-3-6

**Affected:** IC 14-37-8

Sec. 19. (a) Wells for oil and gas purposes shall be plugged in accordance with IC 14-37-8.

(b) With respect to a well for oil and gas purposes, an owner or operator must place bottom plugs using one (1) of the following procedures:

(1) A cement plug from total depth to three (3) feet below ground elevation.

(2) A cement plug from the shallower of total depth of fifty (50) feet below to ~~no~~ **not** less than one hundred (100) feet above each completed zone unless the placement of the plug would require the removal of a permanent plugback and one (1) of the following:

(A) A mechanical plug set inside cemented casing within two hundred (200) feet above the uppermost completed zone with a ten (10) gallon cement plug placed on top of the mechanical plug.

(B) A cement plug from the top of to ~~no~~ **not** less than two hundred fifty (250) feet above the uppermost completed zone.

(3) A mechanical plug between each completed zone unless the placement of the plug would require the removal of a permanent plugback and one (1) of the following:

(A) A mechanical plug set inside cemented casing within two hundred (200) feet above the uppermost completed zone with a ten (10) gallon cement plug placed on top of the mechanical plug.

(B) A cement plug from the top of to ~~no~~ **not** less than two hundred fifty (250) feet above the uppermost completed zone.

(4) A dry hole that does not enter a commercially mineable coal resource may be filled with mud-laden fluid, well cuttings, pea gravel, or crushed rock from the bottom of the hole to fifty (50) feet below the deepest underground source of drinking water. The owner or operator shall place a cement plug from fifty (50) feet below the deepest underground source of drinking water to three (3) feet below the surface.

(5) If a well is flowing at the surface, however, the operator must place plugs under one (1) of the following:

(A) Subdivision (1).

(B) Subdivision (2) and (2)(A).

(C) Subdivision (3) and (3)(A).

(c) An owner or operator must place any top plug as a cement plug from fifty (50) feet below:

(1) the deeper of the lowest commercially mineable coal seam or underground source of drinking water to three (3) feet below ground elevation; or

(2) to ~~no~~ **not** less than one hundred (100) feet above each commercially mineable coal seam, and a cement plug from fifty (50) feet below the deepest underground source of drinking water to three (3) feet below ground elevation.

Notwithstanding ~~subdivision~~ **subdivisions** (1) and ~~subdivision~~ (2), fallback of a top plug may be topped off by surface placement of cement slurry.

(d) Uncemented casing from fifty (50) feet below the deeper of the lowest commercially mineable coal seam or underground source of drinking water to three (3) feet below ground elevation must be:

- (1) removed;
- (2) ripped; or
- (3) cemented in place using a method approved by the division.

(e) Uncemented intervals must be filled with:

- (1) pea gravel;
- (2) crushed rock;
- (3) drilling mud;
- (4) gel; or ~~fresh~~
- (5) water.

(f) An owner or operator must obtain prior approval from the division for the use of cement. Cement must meet American Petroleum Institute (API) specification 10(A) or American Society for Testing and Materials (ASTM) Specification C150 Standards for Portland cement. If a pozzolan cement mixture is used, the pozzolanic content by volume must not exceed fifty percent (50%).

(g) An owner or operator must obtain prior approval from the division for the use of a mechanical plug. The mechanical plug must meet API specification 11D1.

(h) An owner or operator must place any cement plug using one (1) of the following methods:

- (1) Dump bailing on top of a mechanical plug.
- (2) Pump and plug or displacement through:
  - (A) tubing;
  - (B) coiled tubing; or
  - (C) drill pipe.
- (3) For any well with two (2) or fewer completed zones and circulated casing, surface pumping or bullhead plugging from the uppermost completed zone to three (3) feet below ground elevation.

(i) To ensure the proper plugging of wells, the division may require one (1) or more of the following:

- (1) Use of mechanical plugs in nonstatic wells (as defined in 312 IAC 16-1-44.6).
- (2) Submission of cement and service company tickets.
- (3) Removal of any unauthorized material placed in a hole before plugging.
- (4) Sampling and testing of cement plugs.

(j) The division director may authorize the use of alternative plugging materials and methods to achieve any of the following:

- (1) To protect human health or safety.
- (2) To protect the environment.
- (3) To prevent unreasonably detrimental effects upon fish, wildlife, or botanical resources.
- (4) To avoid unreasonable efforts to remove obstructions below the deepest underground source of drinking water.

An owner or operator must obtain prior approval from the division director before using an alternative material or method.

(k) Except as provided in subsection (l) or (m), an owner or operator must not plug a well unless a division representative is present to witness the plugging. If a well is plugged without a division representative present to witness the plugging, the owner or operator may be required by the division director to drill out and plug the well in the presence of a division representative.

(l) If an owner or operator and a division representative have scheduled the plugging of a well, but a division representative is not present at the scheduled time or place, the owner or operator may plug the well in the absence of a division representative only after making a reasonable attempt to have another division representative present to witness the plugging. If a division representative did not witness the plugging, the owner or operator may seek approval for the plugging from the division director under a Special Plugging Affidavit. To qualify for approval of a Special Plugging Affidavit, the owner or operator must do the following:

- (1) Provide a confirmation number to establish that the plugging was scheduled with the division.
- (2) Demonstrate that a reasonable attempt was made to have another division representative present to witness the plugging.
- (3) Submit a cement ticket that identifies the well and shows the amount of cement delivered.
- (4) Submit the completed Special Plugging Affidavit.

(m) If a well was plugged by a former owner or operator before the effective date of this section and a division representative was not present to witness the plugging, the owner or operator shall request the approval of a Special Plugging Affidavit from the division director. To qualify for a Special Plugging Affidavit under this subsection, the owner or operator must submit the following:

- (1) A cement ticket that identifies the well and shows the amount of cement delivered.
- (2) The completed Special Plugging Affidavit.

(n) The owner or operator must submit a report of each permanent plugback on a form approved by the division.

(o) A plugging and abandonment report must be signed by the following persons:

- (1) The owner or operator or an authorized agent for the owner or operator.
- (2) The person who supplied or prepared the cement.
- (3) The division representative who witnessed the plugging.
- (4) The division employee who reviewed the information contained in the report.

(p) Within six (6) months after plugging a well, the owner or operator must perform the following acts:

- (1) Cut off and remove all casing from three (3) feet below ground elevation to the surface.
- (2) Remove substructures.
- (3) Clear the well site of refuse and equipment.
- (4) Remove and properly dispose of waste fluids from the well site.
- (5) Fill all excavations at the well site.
- (6) Restore the well site as nearly as practicable to its condition before drilling.
- (7) If necessary, initiate a cleanup at the well site under sections 24 through 29 of this rule.

(q) In addition to the requirements of subsection (p), the owner or operator must, within six (6) months after the plugging of the last well on the lease, perform the following acts:

- (1) Remove and properly dispose of waste fluids.
- (2) Remove the tank battery from the lease.
- (3) Clear the lease of refuse and equipment.
- (4) Fill all excavations.
- (5) Restore the tank battery and excavation site as nearly as practicable to its condition before operation.
- (6) If necessary, initiate a cleanup of the tank battery and excavation site under sections 24 through 29 of this rule.

(r) The owner of surface rights may, with the consent of the owner or operator, accept responsibility for either or both of the following, by so indicating on the division's well completion form:

- (1) Equipment, fixtures, or excavations placed with respect to a well drilled for oil and gas purposes.
- (2) A well plugged up to a zone containing fresh water.

If the owner of surface rights accepts responsibility under this subsection, the owner or operator and its agents are released from responsibility for those items for which the owner of surface rights accepts responsibility. (*Natural Resources Commission; 312 IAC 16-5-19; filed Feb 23, 1998, 11:30 a.m.: 21 IR 2344; filed Aug 6, 2004, 12:00 p.m.: 27 IR 3882; readopted filed Nov 17, 2004, 11:00 a.m.: 28 IR 1315*)

### **Notice of Public Hearing**

*Under IC 4-22-2-24, notice is hereby given that on May 26, 2005 at 9:30 a.m., at the Indiana Government Center-South, 402 West Washington Street, Room W272, Indianapolis, Indiana the Natural Resources Commission will hold a public hearing on a proposed amendment to 312 IAC 16-5-19, governing performance standards and enforcement of plugging and abandoning of oil and gas wells, to allow the use of water as a material for filling uncemented intervals in a plugged well. Copies of these rules are now on file at the Indiana Government Center-South, 402 West Washington Street, Room W272 and Legislative Services Agency, One North Capitol, Suite 325, Indianapolis, Indiana and are open for public inspection.*

Michael Kiley  
Chairman  
Natural Resources Commission