

IC 14-37-7

Chapter 7. Drilling

IC 14-37-7-1

Documentation required by commission

Sec. 1. The commission may require a person drilling or modifying a well for oil and gas purposes to furnish the following:

- (1) A copy of the driller's log and completion report of the well.
- (2) A copy of any geophysical or instrumental log.
- (3) Drill cuttings or cores.
- (4) Other information required by rule.

As added by P.L.1-1995, SEC.30. Amended by P.L.80-2005, SEC.5.

IC 14-37-7-2

Confidentiality of records

Sec. 2. Upon written request by the operator, the department shall keep the records and materials submitted under section 1 of this chapter confidential for one (1) year from the date of completion. The records and materials become public records at the end of this period.

As added by P.L.1-1995, SEC.30.

IC 14-37-7-3

Repealed

(Repealed by P.L.140-2011, SEC.29.)

IC 14-37-7-3.5

Selection of suitable location for drilling an oil and gas well

Sec. 3.5. (a) For purposes of this section, "waste" means locating, spacing, drilling, equipping, operating, or producing a well for oil and gas purposes in a manner that unreasonably reduces or tends to unreasonably reduce the quantity of commercially minable coal resources ultimately to be recovered from a mine.

(b) Except as provided in subsection (c), the division may require an owner or operator to make reasonable modifications to the specific location for the drilling of a well for oil and gas purposes as required by this section if the modifications:

- (1) are necessary to protect commercially minable coal resources from waste;
- (2) do not violate the drilling unit, well spacing, or other requirements of this article; and
- (3) are necessary to protect the health and safety of miners.

(c) Subsection (b) does not apply if the coal owner or coal lessee authorizes the drilling under IC 14-37-4-8.5(d)(2).

(d) If an owner or operator proposes to drill a well for oil and gas purposes:

- (1) on land within the permit boundaries of an active underground mine permitted under IC 14-34;
- (2) on land underlaid by an inactive underground mine permitted under IC 14-34; or

(3) on land:

(A) associated with a mine referred to in subdivision (1) or (2) that is projected by the owner or operator to be mined; and

(B) on which a commercially minable coal resource is located;

the owner or operator shall provide notice of the intent to drill the well to the permittee of the mine under IC 14-34 or, in the case of an inactive underground mine, to the person that has the right to develop the coal resource.

(e) Except as provided in subsection (f), not more than fifteen (15) days after receipt of the notice required by subsection (d), the permittee of the mine under IC 14-34 or other person with the right to develop the coal resources shall state in writing whether the specific location selected for the drilling of the well is likely to result in either or both of the following:

(1) A significant waste of the volume of coal ultimately to be recovered from the underground mine.

(2) Endangerment of the health and safety of miners.

(f) Subsection (e) does not apply if the permittee of the mine under IC 14-34 consents in writing to the placement of the well.

(g) A person that makes an affirmative determination under subsection (e) shall:

(1) promptly provide a copy of the determination to the owner or operator and the director; and

(2) identify alternative well locations that would:

(A) reduce or avoid waste of the volume of coal ultimately to be recovered from the underground mine;

(B) eliminate the likelihood of endangerment of the health and safety of miners;

(C) not violate the drilling unit, well spacing, or other requirements of this article; and

(D) not result in waste.

(h) If:

(1) the permittee of a mine under IC 14-34 or other person with the right to develop the coal resources; and

(2) the owner or operator;

are unable to agree on a suitable location for the well that is not likely to result in endangerment of the health and safety of miners, the parties may request an informal hearing. Subject to subsection (i), the director shall conduct, within thirty (30) days after a request is made, an informal hearing under IC 14-37-3-16 to gather information to identify an alternative well location as described in subsection (g)(2).

(i) The information that the director gathers under subsection (h) may include the following:

(1) Whether the location is in an active, inactive, abandoned, or projected underground coal mine.

(2) Whether the location is in an unsealed inactive area or a sealed area of a coal mine with the potential for introducing

oxygen into the area from drilling or the well.

(3) The proximity and size of coal pillars in an alternative location that might be drilled through, including whether in a panel or support for a submain or main entries.

(4) The equipment technology and operating or drilling experience history of the operator.

(j) If:

(1) after the informal hearing under subsection (h), the director does not identify a suitable location for the well that is not likely to result in endangerment of the health and safety of miners; and

(2) the location for the well for which notice was provided under subsection (d) is not likely to result in endangerment of the health and safety of miners;

the owner or operator is not required to modify the location of the proposed well and may proceed with the submittal of the permit application to the department under this article.

(k) An owner or holder of mineral interests shall comply with the requirements under IC 32-23-7-6.5.

As added by P.L.140-2011, SEC.8.

IC 14-37-7-4

Well owner's or operator's duties regarding coal mines

Sec. 4. (a) If a vertical or vertical part of a horizontal well is drilled and completed as a producing well:

(1) through a commercially minable coal resource; and

(2) within an area permitted under IC 14-34 or for which an affidavit and map has been filed under section 8 of this chapter;

an owner or operator shall set a production string of casing properly centralized and cemented to ensure that adequate cement is placed behind the casing in the area between fifty (50) feet below and one hundred (100) feet above the commercially minable coal seam.

(b) On completion of the coal seam protection requirements of subsection (a), the owner or operator shall prepare and submit to the director an affidavit on a form provided by the division that includes the following:

(1) Verification that the commercially minable coal resource was protected as required by subsection (a).

(2) A cross-section drawing of the well showing the location of each centralizer in the completed well.

(3) Evidence that adequate cement was circulated behind the casing as required by subsection (a).

(c) The director may require the owner or operator to run a cement bond-variable density log or other similar logging procedure to determine the adequacy of cement bonding if the director believes either or both of the following:

(1) That adequate cement has not been circulated to protect the commercially minable coal resource.

(2) That centralizers were not placed at locations necessary to properly centralize the casing through the coal seam.

(d) If the logging procedure under subsection (c) indicates that adequate cement bonding has not occurred between fifty (50) feet below and one hundred (100) feet above the commercially minable coal resource, the owner or operator shall perform remedial action, as ordered by the director, that results in adequate bonding.

(e) The owner or operator shall:

(1) submit:

(A) to the division the original affidavit required by subsection (b) and a copy of any logs required by subsection (c); and

(B) to the owner or operator of the commercially minable coal resource, if known, a copy of the affidavit required by subsection (b) and of any logs required by subsection (c); and

(2) complete the submission under subdivision (1) not later than thirty (30) days after the later of the following:

(A) The date of completion of the well.

(B) The date of completion of any logging procedure under subsection (c).

(f) If the director finds that coal seam protection measures taken by an owner or operator did not adequately protect the coal seam during coal mining operations in close proximity to a well that has not been plugged under IC 14-37-8-2 for which an affidavit is submitted under subsection (b), the owner or operator shall perform additional remedial action to ensure protection of the coal resource and the health and safety of miners. Significant water, gas, or other fluid movement into the underground mine that is transmitted through the annular space outside the protective casing string is evidence of a failure to adequately protect the coal seam.

(g) Preparation of the log and any remedial action required under this section are at the expense of the owner or operator.

As added by P.L.1-1995, SEC.30. Amended by P.L.140-2011, SEC.9.

IC 14-37-7-5

Repealed

(Repealed by P.L.140-2011, SEC.29.)

IC 14-37-7-6

Owner's or operator's obligations for plugging operations not limited

Sec. 6. This chapter does not limit the obligation of an owner or operator for plugging operations under this article.

As added by P.L.1-1995, SEC.30.

IC 14-37-7-7

Pollution of drinking water

Sec. 7. An owner or operator may not construct, operate, maintain, convert, plug, abandon, or conduct another injection activity in a manner that allows the movement of fluid containing pollution into an underground source of drinking water if the

presence of the pollution may:

- (1) cause a violation of a primary drinking water regulation under 40 CFR Part 142; or
- (2) otherwise adversely affect the health of a person.

As added by P.L.1-1995, SEC.30.

IC 14-37-7-8

Area considered a commercially minable coal resource

Sec. 8. (a) The owner or lessee of coal or another person with an interest to develop a coal resource may file with the division an affidavit that:

- (1) identifies by a map prepared by an engineer licensed under IC 25-31 or a geologist licensed under IC 25-17.6:

- (A) the location of coal that the owner or lessee controls by deed, lease, or other instrument for later commercial production;
- (B) the location of coal that is in an area targeted for later commercial production;
- (C) the location of the coal seam or seams of interest; and
- (D) the approximate depth of the coal seam or seams of interest; and

- (2) states that the coal:

- (A) can be mined using generally accepted underground mining practices; and
- (B) is of sufficient quantity and quality to be commercially saleable.

(b) All coal in an area designated under subsection (a) is considered a commercially minable coal resource.

(c) An affidavit referred to in subsection (a) may be made before applying for permits for the actual mining of the commercially minable coal resource. The division shall:

- (1) subject to subsection (e), keep the affidavit and map confidential; and
- (2) use the affidavit and map solely for determining if a commercially minable coal resource is present in an area for which a permit application has been filed under IC 14-37.

(d) The division shall determine if the proposed well location is in an area underlain by coal identified in subsection (a) upon receipt of:

- (1) a permit application referred to in subsection (c)(2); or
- (2) an inquiry from a person interested in oil and gas explorations or drilling a well for oil and gas purposes.

(e) The name of the person who filed the map referred to in subsection (c) is not confidential.

As added by P.L.140-2011, SEC.10.