

IC 14-37-8

Chapter 8. Plugging and Abandonment

IC 14-37-8-1

When plugging and abandonment required; violations

Sec. 1. (a) An owner or operator shall plug and abandon a well that:

- (1) is completed as a nonproductive well;
- (2) ceases to produce oil or natural gas; or
- (3) is no longer operated for the purpose for which the well is permitted;

unless the owner or operator is authorized to delay the plugging and abandonment of the well under section 8 of this chapter.

(b) An owner or operator of a well who:

- (1) ceases to operate the well; and
- (2) knowingly fails to plug and abandon the well in violation of subsection (a);

is subject to the criminal penalty set forth in IC 14-37-13-6. Each day that the well remains not plugged and not abandoned constitutes a separate violation of subsection (a).

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

IC 14-37-8-2

Plugging methods

Sec. 2. (a) Plugging methods must be approved by the commission and must permanently confine all oil, natural gas, and water in their original strata. Mud-laden fluid, cement, mechanical plugs, or other methods or materials approved by the director must be used singly or in combination.

(b) Subject to subsection (c), the commission shall adopt rules under IC 4-22-2 to prescribe plugging methods for wells that impact commercially minable coal resources.

(c) The plugging methods under subsection (b) do not apply to a well if the consent of the coal owner or coal lessee is granted under IC 14-37-4-8.5(d)(2).

As added by P.L.1-1995, SEC.30. Amended by P.L.140-2011, SEC.11.

IC 14-37-8-3

Sealing and capping of wells

Sec. 3. An owner or operator of a well that:

- (1) is required to be plugged under section 1 of this chapter; and
- (2) is not converted under this chapter to another type of well for oil and gas purposes;

shall seal and cap the well at the casinghead until the plugging operations begin.

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

IC 14-37-8-4

Plugging a well immediately after completion of drilling operations

Sec. 4. (a) This section applies to a well that is being plugged as a dry hole immediately following the completion of drilling or redrilling operations.

(b) Subject to subsection (c), an owner or operator must give verbal or written notice of intent to plug a well to an oil and gas inspector at least twelve (12) hours before beginning the plugging of the well under this chapter.

(c) Except as provided in subsection (d), an oil and gas inspector must be present during the plugging of a well.

(d) Subsection (c) does not apply if:

- (1) the owner or operator notifies an oil and gas inspector under subsection (b);
- (2) as part of the notice the owner or operator informs the oil and gas inspector of the plan for plugging the well; and
- (3) the oil and gas inspector gives the owner or operator verbal or written approval of the plan.

As added by P.L.1-1995, SEC.30. Amended by P.L.140-2011, SEC.12.

IC 14-37-8-4.2

Plugging of a well

Sec. 4.2. (a) This section applies to the plugging of a well other than a well that is plugged under section 4 or 4.3 of this chapter.

(b) An owner or operator must give written notice of intent to plug a well to the department on a form provided by the department at least ten (10) days before beginning the plugging of the well under this chapter.

(c) The notice under subsection (b) must include a plan for plugging a well:

- (1) that describes the specific methods that will be used; and
- (2) that is sufficient to demonstrate compliance with the requirements of this chapter.

(d) The owner or operator may not begin the plugging of any well under this section until after receipt of written approval from the department of the plan referred to in subsection (c).

(e) The owner or operator shall give an oil and gas inspector verbal or written notice at least forty-eight (48) hours before the scheduled time to begin plugging operations on a well.

As added by P.L.140-2011, SEC.13.

IC 14-37-8-4.3

Emergency plugging of a well

Sec. 4.3. (a) This section applies to the plugging of a well other than a well referred to in section 4 of this chapter if an emergency or other urgent condition requires the immediate plugging of the well.

(b) An emergency condition exists if a well is found to be leaking or discharging oil, gas, or other fluids in quantities that are capable of:

- (1) causing substantial harm to the environment; or
- (2) posing an immediate threat to public health or safety.

(c) An urgent condition exists if delay in the plugging of a well will result in a substantial increase in the cost to plug the well due to impending weather or other conditions that are beyond the control of the owner or operator.

(d) An owner or operator may begin plugging a well under this chapter upon verbal approval from the division director or a designated representative of the division director.

(e) An oil and gas inspector must be present during the plugging of a well only if the presence of the inspector is required in the approval given under subsection (d).

As added by P.L.140-2011, SEC.14.

IC 14-37-8-4.4

Report of well plugging

Sec. 4.4. Not later than thirty (30) days after the completion of well plugging operations under this chapter, the operator shall submit a report of well plugging to the department describing in detail the specific methods used to plug the well. The report must:

- (1) be on a form provided by the department; and
- (2) include an affidavit that:
 - (A) certifies that the well was plugged in accordance with this chapter; and
 - (B) is signed by the person who performed the well plugging operations and the well owner or operator.

As added by P.L.140-2011, SEC.15.

IC 14-37-8-5

Repealed

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

IC 14-37-8-6

Repealed

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

IC 14-37-8-7

Redrilling and replugging of hole

Sec. 7. The director of the division of oil and gas may require an owner or operator to redrill and replug a hole if the operator does not comply with section 4, 4.2, or 4.3 of this chapter.

As added by P.L.1-1995, SEC.30. Amended by P.L.140-2011, SEC.16.

IC 14-37-8-8

Delay or deferral of plugging and abandonment of well; temporary abandonment of well

Sec. 8. (a) An owner or operator may delay the plugging and abandoning of a well that has been drilled, completed, and cased for production if the owner or operator satisfies the requirements for:

- (1) deferring abandonment of the well under subsection (b); or
- (2) temporarily abandoning the well under subsection (c).

(b) An owner or operator of a well may defer abandoning the well for not more than one (1) year, or any lesser period prescribed by the division, if the well conforms to the requirements of this article and rules adopted under this article. To defer abandoning a well under this subsection, the owner or operator of the well must notify the department in writing that the owner or operator intends to defer abandonment of the well. The notice must be given to the department not more than sixty (60) days after the later of the following:

- (1) The date of the completion and casing of the well.
- (2) The date on which the operation of the well is terminated.

(c) An owner or operator of a well may temporarily abandon the well if the well conforms to the requirements of this article and rules adopted under this article. To temporarily abandon a well under this subsection, the owner or operator must file with the division, on a form prescribed by the division, an application for temporary abandonment. The application must be filed not more than sixty (60) days after any of the following:

- (1) The date on which the drilling of the well is completed.
- (2) The date on which the operation of the well is terminated.
- (3) The expiration of the period during which the owner or operator defers abandoning the well under subsection (b).

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

IC 14-37-8-9

Repealed

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

IC 14-37-8-10

Hearing on oil or gas well leaks

Sec. 10. Any person may request a hearing before the commission under IC 4-21.5 to consider whether a well for oil and gas purposes is:

- (1) leaking or may leak a deleterious substance into an aquifer containing fresh water or onto the surface of the land; or
- (2) allowing oil or gas from the well to escape into the atmosphere.

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

IC 14-37-8-11

Notice of proceedings to persons responsible for plugging and abandoning wells

Sec. 11. Each person who is responsible for plugging and abandoning a well shall be notified of a proceeding under section 10 of this chapter.

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

IC 14-37-8-12

Orders to remedy conditions causing environmental harm

Sec. 12. The commission may order any responsible person to:

- (1) plug and abandon;

(2) replug; or
(3) repair;
a well to remedy a condition found to cause environmental harm or waste.

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

IC 14-37-8-13

Authorization for department or person to enter land to perform remedial action

Sec. 13. (a) If after thirty (30) days from the service of an order under section 12 of this chapter the well has not been properly:

- (1) plugged and abandoned;
- (2) replugged; or
- (3) repaired;

the commission may authorize the department or another person to enter upon the land where the well is located and to remedy the condition.

(b) A person who acts in accordance with an authorization under this section is not liable for damages resulting from operations reasonably necessary or proper to plug, abandon, replug, or repair the well, except for damages to growing crops and improvements.

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

IC 14-37-8-14

Limited liability of person plugging, abandoning, replugging, or repairing well under commission authorization

Sec. 14. (a) A person who plugs, abandons, replugs, or repairs a well under an order or authorization entered under this chapter:

- (1) does not assume responsibility for future remedial action on the well; and
- (2) is not liable for conditions subsequently arising with respect to the well.

(b) A person who remedies or attempts to remedy a condition under this chapter does not by that action admit liability for:

- (1) the condition; or
- (2) damages resulting from the condition.

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

IC 14-37-8-15

Expenses of remedial action

Sec. 15. A person:

- (1) who has no obligation to plug, abandon, replug, or repair a well; but
- (2) who does so under section 12, 13, 14, or 16 of this chapter; may recover in a civil action against any responsible person the reasonable expenses of the remedial action or may apply to the oil and gas environmental fund under IC 14-37-10 to recover the reasonable expenses of the remedial action.

As added by P.L.1-1995, SEC.30. Amended by P.L.236-2001, SEC.2.

IC 14-37-8-16

Temporary action prior to remedial action

Sec. 16. The director may enter an order under IC 4-21.5-4 to provide temporary action to prevent or minimize injury that may occur before remedial action is performed under section 12 or 13 of this chapter if the director determines that substantial injury would otherwise result.

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

IC 14-37-8-17

Repealed

(Repealed by P.L.80-2005, SEC.8.)