

025585556

## SENATE BILL NO. 639

Offered January 18, 2002

*A BILL to amend and reenact §§ 45.1-361.12 and 45.1-361.29 of the Code of Virginia, relating to coalbed methane; safety of miners.*

\_\_\_\_\_  
Patron—Wampler

\_\_\_\_\_  
Referred to Committee on Agriculture, Conservation and Natural Resources

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 45.1-361.12 and 45.1-361.29 of the Code of Virginia are amended and reenacted as follows:**

§ 45.1-361.12. Distance limitations of certain wells.

A. If the well operator and the objecting coal owners present or represented at the hearing to consider the objections to the proposed drilling unit or location are unable to agree upon a drilling unit or location for a new well within 2,500 linear feet of the location of an existing well or a well for which a permit application is on file, then the permit or drilling unit shall be refused.

B. The minimum distance limitations established by this section shall not apply if the proposed well will be drilled through an existing or planned pillar of coal required for protection of a preexisting well drilled to any depth, and the proposed well will neither require enlargement of the pillar nor otherwise have an adverse effect on existing or planned coal mining operations.

C. *The Department shall review the minimum distance limitation established by this section for its sufficiency in ensuring (i) the safety of persons engaged in coal mining and gas production and (ii) the minimal adverse effect on existing or planned coal mining operations.*

§ 45.1-361.29. Permit required; gas, oil, or geophysical operations; coalbed methane gas wells; environmental assessment.

A. No person shall commence any ground disturbing activity for a well, gathering pipeline, geophysical exploration or associated activity, facilities or structures without first having obtained from the Director a permit to conduct such activity. Every permit application or permit modification application filed with the Director shall be verified by the permit applicant and shall contain all data, maps, plats, plans and other information as required by regulation or the Director.

B. For permits issued on July 1, 1996, or thereafter, new permits issued by the Director shall be issued only for the following activities: geophysical operations, drilling, casing, equipping, stimulating, producing, reworking initially productive zones and plugging a well, or gathering pipeline construction and operation. Applications for new permits to conduct geophysical operations shall be accompanied by an application fee of \$100. Applications for all other new permits shall be accompanied by an application fee of \$200.

C. For permits issued prior to July 1, 1996, prior to commencing any reworking, deepening or plugging of the well, or other activity not previously approved on the permitted site, a permittee shall first obtain a permit modification from the Director. All applications for permit modifications shall be accompanied by a permit modification fee of \$100. For permits issued on July 1, 1996, or thereafter, prior to commencing any new zone completions a permittee shall first obtain a permit modification from the Director.

D. All permits and operations provided for under this section shall conform to the rules, regulations and orders of the Director and the Board. When permit terms or conditions required or provided for under Article 3 (§ 45.1-361.27 et seq.) of this chapter are in conflict with any provision of a conservation order issued pursuant to the provisions of Article 2 (§ 45.1-361.13 et seq.) of this chapter, the terms of the permit shall control. In this event, the operator shall return to the Board for reconsideration of a conservation order in light of the conflicting permit. Every permittee shall be responsible for all operations, activity or disturbances associated with the permitted site.

E. No permit or permit modification shall be issued by the Director until he has received from the applicant a written certification that (i) all notice requirements of this article have been complied with, together with proof thereof, and (ii) the applicant has the right to conduct the operations as set forth in the application and operations plan.

F. A permit shall be required to drill any coalbed methane gas well or to convert any methane drainage borehole into a coalbed methane gas well. In addition to the other requirements of this section, *to ensure the safety of persons engaged in coal mining operations*, every permit application for a coalbed methane gas well shall include:

1. The method that the coalbed methane gas well operator will use to stimulate the well.

INTRODUCED

SB639

59 2. a. A signed consent from the coal operator of each coal seam which is located within 750  
60 horizontal feet of the proposed well location (i) which the applicant proposes to stimulate or (ii) which  
61 is within 100 vertical feet above or below a coal bearing stratum which the applicant proposes to  
62 stimulate.

63 b. The consent required by this section may be (i) contained in a lease or other such agreement; (ii)  
64 contained in an instrument of title; or (iii) in any case where a coal operator cannot be located or  
65 identified and the operator has complied with § 45.1-361.19, provided by a pooling order entered  
66 pursuant to § 45.1-361.21 or § 45.1-361.22 and provided such order contains a finding that the operator  
67 has exercised due diligence in attempting to identify and locate the coal operator. The consent required  
68 by this section shall be deemed to be granted for any tract where title to the coal is held by multiple  
69 owners if the applicant has obtained consent to stimulate from the co-tenants holding majority interest in  
70 the tract and none of the coal co-tenants has leased the tract for coal development. The requirement of  
71 signed consent contained in this section shall in no way be considered to impair, abridge or affect any  
72 contractual rights or objections arising out of a coalbed methane gas contract or coalbed methane gas  
73 lease entered into prior to January 1, 1990, between the applicant and any coal operator, and any  
74 extensions or renewals thereto, and the existence of such lease or contractual arrangement and any  
75 extensions or renewals thereto shall constitute a waiver of the requirement for the applicant to file an  
76 additional signed consent.

77 3. The unit map, if any, approved by the Board.

78 G. No permit required by this chapter for activities to be conducted within an area of Tidewater  
79 Virginia where drilling is authorized under subsection B of § 62.1-195.1 shall be granted until the  
80 environmental impact assessment required by § 62.1-195.1 has been conducted and the assessment has  
81 been reviewed by the Department.

82 H. The operator of any coalbed methane well drilled within 250 feet of a cemetery shall comply with  
83 a written request of any person owning an interest in a private cemetery or the authorized agent of a  
84 public cemetery that the operator of such well suspend operations for a period from two hours before to  
85 two hours after any burial service that takes place on the surface area of such cemetery. However, if the  
86 well operator or a mine operator determines that suspension of such operations will have an adverse  
87 effect on the safety of the well operations or mining operations, the operator shall be under no  
88 obligation to comply with the request, and operation of the well shall continue.