

HOUSE BILL No. 5652

March 16, 2004, Introduced by Reps. Gillard, Accavitti, Byrum, Tobocman, Bieda, Lipsey, Hood, Vagnozzi, Meisner, McConico, Hopgood, Smith, Condino, Law, Rivet, Dennis, Kolb, Farrah, Plakas, Woodward, Adamini and Gleason and referred to the Committee on Conservation and Outdoor Recreation.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 61506 (MCL 324.61506), as amended by 1998 PA
303.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 61506. The supervisor shall prevent the waste
2 prohibited by this part. To that end, acting directly or through
3 his or her authorized representatives, the supervisor is
4 specifically empowered to do all of the following:

5 (a) To promulgate and enforce rules, issue orders and
6 instructions necessary to enforce the rules, and do whatever may
7 be necessary with respect to the subject matter stated in this
8 part to implement this part, whether or not indicated, specified,
9 or enumerated in this or any other section of this part.

10 (b) To collect data to make inspections, studies, and

1 investigations; to examine properties, leases, papers, books, and
2 records as necessary to the purposes of this part; to examine,
3 check, and test and gauge oil and gas wells and tanks, plants,
4 refineries, and all means and modes of transportation and
5 equipment; to hold hearings; and to provide for the keeping of
6 records and making of reports, and for the checking of the
7 accuracy of the records and reports.

8 (c) To require the locating, drilling, deepening, redrilling
9 or reopening, casing, sealing, operating, and plugging of wells
10 drilled for oil and gas or for secondary recovery projects, or
11 wells for the disposal of salt water, brine, or other oil field
12 wastes, to be done in such manner and by such means as to prevent
13 the escape of oil or gas out of 1 stratum into another, or of
14 water or brines into oil or gas strata; to prevent pollution of,
15 damage to, or destruction of fresh water supplies, including
16 inland lakes and streams and the Great Lakes and connecting
17 waters, and valuable brines by oil, gas, or other waters; — to
18 prevent the escape of oil, gas, or water into workable coal or
19 other mineral deposits; to require the disposal of salt water and
20 brines and oily wastes produced incidental to oil and gas
21 operations in a manner and by methods and means so that
22 unnecessary damage or danger to or destruction of surface or
23 underground resources, ~~to~~ neighboring properties or rights, or
24 ~~to~~ life does not result.

25 (d) To require reports and maps showing locations of all
26 wells subject to this part, and the keeping and filing of logs,
27 well samples, and drilling, testing, and operating records or

1 reports. All well data and samples furnished to the supervisor
2 as required in this part, upon written request of the owner of
3 the well, shall be held confidential for 90 days after the
4 completion of drilling and shall not be open to public inspection
5 except by written consent of the owner.

6 (e) To prevent the drowning by water of any stratum or part
7 of the stratum capable of producing oil or gas, or both oil and
8 gas, and to prevent the premature and irregular encroachment of
9 water, or any other kind of water encroachment, that reduces or
10 tends to reduce the total ultimate recovery of oil or gas, or
11 both oil or gas, from any pool.

12 (f) To prevent fires or explosions.

13 (g) To prevent blow-outs, seepage, and caving, in the sense
14 that ~~the conditions indicated by~~ such terms are generally
15 understood in the oil business.

16 (h) To regulate the mechanical, physical, and chemical
17 treatment of wells.

18 (i) To regulate the secondary recovery methods of oil and
19 gas, including pulling or creating a vacuum and the introduction
20 of gas, air, water, and other substances into the producing
21 formations.

22 (j) To fix the spacing of wells and to regulate the
23 production from the wells.

24 (k) To require the operation of wells with efficient gas-oil
25 ratios and to establish the ratios.

26 (l) To require by written notice or citation immediate
27 suspension of any operation or practice and the prompt correction

1 of any condition found to exist that causes or results or
2 threatens to cause or result in waste.

3 (m) To require, either generally or in or from particular
4 areas, certificates of clearance or tenders in connection with
5 the transportation of oil, gas, or any product of oil or gas.

6 (n) To require identification of the ownership of oil and gas
7 producing leases, properties, and wells.

8 (o) To promulgate rules or issue orders for the
9 classifications of wells as oil wells or gas wells; or wells
10 drilled, or to be drilled, for secondary recovery projects, or
11 for the disposal of salt water, brine, or other oil or gas field
12 wastes; or for the development of reservoirs for the storage of
13 liquid or gaseous hydrocarbons, or for other means of
14 development, extraction, or production of hydrocarbons.

15 (p) To require the filing of ~~an~~ adequate surety, security,
16 or cash bonds of owners, producers, operators, or their
17 authorized representatives in such reasonable form, condition,
18 term, and amount as will ensure compliance with this part and
19 with the rules promulgated or orders issued under this part and
20 to provide for the release of the surety, security, or cash
21 bonds.

22 (q) To require the immediate suspension of drilling or other
23 well operations if there exists a threat to public health or
24 safety.

25 (r) To require a person applying for a permit to drill and
26 operate any well regulated by this part to file a complete and
27 accurate written application on a form prescribed by the

1 supervisor.

2 (s) To require the posting of safety signs and the
3 installation of fences, gates, or other safety measures if there
4 exists a threat to public health, safety, or property.

5 (t) To prevent regular or recurring nuisance noise or regular
6 or recurring nuisance odor in the exploration for or development,
7 production, or handling of oil and gas. **The standard for sound**
8 **emanating from oil or gas exploration, development, or production**
9 **facilities that begin operating on or after the effective date of**
10 **the 2004 amendment to this section shall not be more than 50**
11 **decibels on the a-weighted network at a distance of 100 feet.**

12 (u) To require that any new roads that are built on state
13 lands to facilitate oil or gas development not exceed 20 feet in
14 width and that any improvements that are made to roads on state
15 lands to facilitate oil or gas development not cause the road to
16 exceed 20 feet in width, except to provide for a safe turning
17 radius at corners. Upon request, the supervisor may allow a
18 greater width to accommodate placement of a pipeline in the road
19 right-of-way if the supervisor determines that such placement is
20 the best alternative to protect natural resources.