

# **WEST VIRGINIA LEGISLATURE**

## **2025 REGULAR SESSION**

### **Introduced**

## **House Bill 3036**

By Delegates Mallow, Heckert, Marple, DeVault, and

Miller

[Introduced February 28, 2025; referred to the

Committee on the Judiciary]

1 A BILL to amend and reenact §22-6-2 the Code of West Virginia, 1931, as amended, relating to  
2 requiring the secretary of the Department of Environmental Protection to adopt rules  
3 relating to the standardization of leases, deeds or contracts relating to oil and gas,  
4 consistent in format with the purpose of making the terms of these documents less  
5 confusing to the landowners.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 6. OFFICE OF OIL AND GAS; OIL AND GAS WELLS; ADMINISTRATION;  
ENFORCEMENT.**

**§22-6-2. Secretary -- Powers and duties generally; department records open to public;  
inspectors.**

1 (a) The secretary shall have as his or her duty the supervision of the execution and  
2 enforcement of matters related to oil and gas set out in §22-6-1 *et seq.*, §22-6a-1 *et seq.*, §22-8-1  
3 *et seq.*, §22-9-1 *et seq.*, §22-10-1 *et seq.*, and §22-21-1 *et seq.* of this code.

4 (b) The secretary ~~is authorized to~~ may propose rules for legislative approval in accordance  
5 with ~~the provisions of~~ §29A-3-1 *et seq.* of this code necessary to effectuate the above stated  
6 purposes.

7 (c) The secretary shall have full charge of the oil and gas matters set out in §22-6-1 *et seq.*,  
8 §22-6a-1 *et seq.*, §22-8-1 *et seq.*, §22-9-1 *et seq.*, §22-10-1 *et seq.*, and §22-21-1 *et seq.* of this  
9 code. In addition to all other powers and duties conferred upon him or her, the secretary shall:  
10 ~~have the power and duty to~~

11 (1) Supervise and direct the activities of the Office of Oil and Gas and see that the  
12 purposes set forth in §22-6-2(a) and §22-6-2(b) of this code are carried out;

13 (2) Determine the number of supervising oil and gas inspectors and oil and gas inspectors  
14 needed to carry out the purposes of §22-6-1 *et seq.*, §22-6a-1 *et seq.*, §22-8-1 *et seq.*, §22-9-1 *et*  
15 *seq.*, §22-10-1 *et seq.*, and §22-21-1 *et seq.* of this code and appoint them as such. All appointees

16 ~~must~~ shall be qualified civil service employees, but no person is eligible for appointment until he or  
17 she has served in a probationary status for a period of six months to the satisfaction of the  
18 secretary;

19 (3) Supervise and direct such oil and gas inspectors and supervising inspectors in the  
20 performance of their duties;

21 (4) Make investigations or inspections necessary to ensure compliance with and to enforce  
22 the provisions of §22-6-1 *et seq.*, §22-6a-1 *et seq.*, §22-8-1 *et seq.*, §22-9-1 *et seq.*, §22-10-1 *et*  
23 *seq.*, and §22-21-1 *et seq.* of this code;

24 (5) Prepare report forms to be used by oil and gas inspectors or the supervising inspector  
25 in making their findings, orders, and notices, upon inspections made in accordance with §22-6-1 *et*  
26 *seq.*, §22-6a-1 *et seq.*, §22-8-1 *et seq.*, §22-9-1 *et seq.*, §22-10-1 *et seq.*, and §22-21-1 *et seq.* of  
27 this code;

28 (6) Employ a hearing officer and such clerks, stenographers, and other employees, as may  
29 be necessary to carry out his or her duties and the purposes of the Office of Oil and Gas and fix  
30 their compensation;

31 (7) Hear and determine applications made by owners, well operators and coal operators  
32 for the annulment or revision of orders made by oil and gas inspectors or the supervising inspector,  
33 and to make inspections, in accordance with the provisions of §22-6-1 *et seq.*, §22-6A-1 *et seq.*,  
34 §22-8-1 *et seq.*, and §22-9-1 *et seq.* of this code;

35 (8) Cause a properly indexed permanent and public record to be kept of all inspections  
36 made by the secretary or by oil and gas inspectors or the supervising inspector;

37 (9) Conduct research and studies as the secretary ~~shall deem~~ determines necessary to aid  
38 in protecting the health and safety of persons employed within or at potential or existing oil or gas  
39 production fields within this state, to improve drilling and production methods and to provide for the  
40 more efficient protection and preservation of oil- and gas-bearing rock strata and property used in  
41 connection therewith;

(10) Collect a permit fee of \$400 for each permit application filed other than an application for a deep well, horizontal wells regulated pursuant to §22-6A-1 *et seq.* of this code, or a coalbed methane well; and collect a permit fee of \$650 for each permit application filed for a deep well: *Provided*, That no permit application fee is required when an application is submitted solely for the plugging or replugging of a well, or to modify an existing application for which the operator previously has submitted a permit fee under this section. All application fees required hereunder are in lieu of and not in addition to any fees imposed under §22-11-1 *et seq.* of this code relating to discharges of stormwater but are in addition to any other fees required by the provisions of this article: *Provided, however*, That upon a final determination by the United States Environmental Protection Agency regarding the scope of the exemption under section 402(l)(2) of the federal Clean Water Act (33 U.S.C. 1342(l)(2)), which determination requires a "national pollutant discharge elimination system" permit for stormwater discharges from the oil and gas operations described therein, any permit fees for stormwater permits required under §22-11-1 *et seq.* of this code for such operations may not exceed \$100.

(11) On or after July 1 of each year, collect from the responsible operator of the first 400 wells subject to §22-6-1 *et seq.*, §22-6A-1 *et seq.* or §22-21-1 *et seq.* of this code that has not yet been plugged, and that produces more than an average, calculated by dividing the annual production by 365, of 250,000 cubic feet of gas per day or more as reported to the State Tax Commissioner in the previous reporting year, an annual oversight fee of \$350 for each well;

(12) On or after July 1 of each year, collect from the responsible operator of the first 400 wells subject to §22-6-1 *et seq.*, §22-6A-1 *et seq.* or §22-21-1 *et seq.* of this code that has not yet been plugged, and that produces an average, calculated by dividing the annual production by 365, of less than or equal to 250,000 cubic feet of gas but more than 60,000 cubic feet of gas per day as reported to the State Tax Commissioner in the previous reporting year, an annual oversight fee of \$75 for each well;

(13) On or after July 1 of each year, collect from the responsible operator of the first 4,000

68 wells subject to §22-6-1 *et seq.*, §22-6A-1 *et seq.* or §22-21-1 *et seq.* of this code that has not yet  
69 been plugged, and that produces an average, calculated by dividing the annual production by 365,  
70 of less than or equal to 60,000 cubic feet of gas but more than 10,000 cubic feet of gas per day as  
71 reported to the State Tax Commissioner in the previous reporting year, an annual oversight fee of  
72 \$25 for each well; *Provided*, That responsible operators with 500 or fewer unplugged wells that  
73 produce an average, calculated by dividing the annual production by 365, of less than or equal to  
74 60,000 cubic feet of gas but more than 10,000 cubic feet of gas per day are not subject to fees  
75 under this subdivision;

76 (14) Perform all other duties which are expressly imposed upon the secretary by the  
77 provisions of this chapter;

78 (15) Perform all duties as the permit issuing authority for the state in all matters pertaining  
79 to the exploration, development, production, storage and recovery of this state's oil and gas;

80 (16) Adopt rules with respect to the issuance, denial, retention, suspension or revocation of  
81 permits, authorizations and requirements of this chapter, which rules shall assure that the rules,  
82 permits and authorizations issued by the secretary are adequate to satisfy the purposes of §22-6-1  
83 *et seq.*, §22-6a-1 *et seq.*, §22-8-1 *et seq.*, §22-9-1 *et seq.*, §22-10-1 *et seq.*, and §22-21-1 *et seq.*  
84 of this code particularly with respect to the consolidation of the various state and federal programs  
85 which place permitting requirements on the exploration, development, production, storage and  
86 recovery of this state's oil and gas; and

87 (17) Adopt rules, no later than July 1, 2026, with respect to the standardization of leases,  
88 deeds, or contracts relating to oil and gas, consistent in format with the purpose of making the  
89 terms of these documents less confusing to the landowners. The rules shall also provide that all  
90 leases, deeds, or contracts relating to oil and gas, or renewals or extensions of any of these  
91 documents dated after July 1, 2026, shall conform to these rules; and

92 ~~(17)~~(18) Perform such acts as may be necessary or appropriate to secure to this state the  
93 benefits of federal legislation establishing programs relating to the exploration, development,

94 production, storage and recovery of this state's oil and gas, which programs are assumable by the  
95 State.

96 (d) The secretary ~~shall have authority to~~ may visit and inspect any well or well site and any  
97 other oil or gas facility in this state and may call for the assistance of any oil and gas inspector or  
98 inspectors or supervising inspector whenever such assistance is necessary in the inspection of  
99 any such well or well site or any other oil or gas facility. Similarly, all oil and gas inspectors and  
100 supervising inspectors ~~shall have authority to~~ may visit and inspect any well or well site and any  
101 other oil or gas facility in this state. Such inspectors shall make all necessary inspections of oil and  
102 gas operations required by §22-6-1 *et seq.*, §22-6a-1 *et seq.*, §22-8-1 *et seq.*, §22-9-1 *et seq.*,  
103 §22-10-1 *et seq.*, and §22-21-1 *et seq.* of this code; administer and enforce all oil and gas laws and  
104 rules; and perform other duties and services as may be prescribed by the secretary. The  
105 inspectors shall note and describe all violations of §22-6-1 *et seq.*, §22-6a-1 *et seq.*, §22-8-1 *et*  
106 *seq.*, §22-9-1 *et seq.*, §22-10-1 *et seq.*, and §22-21-1 *et seq.* of this code and promptly report  
107 those violations to the secretary in writing, furnishing at the same time a copy of the report to the  
108 operator concerned. Any well operator, coal operator operating coal seams beneath the tract of  
109 land, or the coal seam owner or lessee, if any, if ~~said~~ the owner or lessee is not yet operating said  
110 coal seams beneath ~~said~~ the tract of land may request the secretary to have an immediate  
111 inspection made. The operator or owner of every well or well site or any other oil or gas facility shall  
112 cooperate with the secretary, all oil and gas inspectors and the supervising inspector in making  
113 inspections or obtaining information.

114 (e) Subject to ~~the provisions of~~ §29B-1-1 *et seq.* of this code, all records of the office shall  
115 be open to the public.

NOTE: The purpose of this bill is to require the secretary of the Department of Environmental Protection to adopt rules relating to the standardization of leases, deeds, or contracts relating to oil and gas, consistent in format with the purpose of making the terms of these documents less confusing to the landowners.

Strike-throughs indicate language that would be stricken from a heading or the present law

and underscoring indicates new language that would be added.