

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

Introduced

Senate Bill 720

By Senators Clements and Rose

[Introduced March 6, 2025; referred
to the Committee on Energy, Industry, and Mining;
and then to the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding a new section,
2 designated §22C-9-7b, relating to requiring a declaration of pooled unit to be filed with the
3 clerk of county commissions in which all wells in a unit are to be drilled; requiring
4 information in the declarations; requiring declaration of pooled unit when unit boundary
5 penetrated by wellbore and information necessary for same; requiring amended
6 declaration of pooled unit in certain circumstances; requiring operator provide certain
7 information regarding acreage upon request; and establishing process for lessor or royalty
8 owner to cure non-compliance with section, including bringing civil action.

Be it enacted by the Legislature of West Virginia:

ARTICLE 9. OIL AND GAS CONSERVATION.

§22C-9-7b. Declaration of Pooled Unit.

1 (a) Within 60 shall file days after a drilling permit is issued, the operator shall file a
2 "Declaration of Pooled Unit" in the office of the Clerk of the County Commission of the county or
3 counties in which all wells in a unit are to be drilled and proof of recording shall be furnished to the
4 oil and gas conservation commission. The following information shall be included in each
5 Declaration of Pooled Unit:

6 (1) The name of the unit; Provided, That the clerk shall index the name of the unit in the
7 grantee index or lease index or another public index as the clerk may in its discretion use;

8 (2) The API number(s) and name(s) of the well(s) to be drilled in the unit;

9 (3) The taxing districts and county(s) in which the unit is located;

10 (4) A plat indicating the latitude and longitude of each well to be drilled in the unit, and the
11 proposed well bore and the area declared to be included within the unit;

12 (5) A tract or index number identifying each mineral and surface parcel on the plat; and

13 (6) An index to the plat shall include the following information for each parcel included in
14 the unit:

15 (A) The name of the original lessor(s) and original lessee(s) identified on the lease(s) of the

mineral parcel(s) included in the unit;

(B) The internal lease number(s) the operator assigned to such lease(s) in its records;

(C) The date of each lease included in the unit;

(D) The recording information from the county in which each lease or memorandum of each lease is recorded, including Book and Page;

(E) The surface tax map parcel identification for each surface parcel and each surface parcel believed to be above each mineral parcel;

(F) The gross acres of the parcel included in the original lease(s);

(G) The net acreage of the lease(s) within each parcel included in the unit; and

(H) The percentage of the net acreage each mineral parcel contributes to the acreage of the entire pooled unit.

(b) A Declaration of Pooled Unit is required when the unit boundary is traversing penetrated by a wellbore drilled from a well two or more units. In addition to the requirements established in subsection (a) of this section, the Declaration of Pooled Unit shall include no less than the following information:

(1) The API number(s), name(s), and completion date(s) of the traversing well(s);

(2) The names of the units being traversed by these well(s);

(3) The total horizontal length of the wellbore(s) of the traversing well(s);

(4) The length of the perforated wellbore(s) within each unit as a percentage of the total horizontal wellbore(s); and

(5) The operator's allocation of production between affected units and the allocation factor assigned to each well.

(c) If a Declaration of Pooled Unit is amended to add or remove any lands, within 60 days, the operator shall prepare an "Amended Declaration of Pooled Unit" and record it in the office of the clerk of the county commission in the county or counties in which the unit and the affected lands are located and provide proof of the recording to the Oil and Gas Conservation Commission.

42 The Amended Declaration of Pooled Unit shall also include all information required in either
43 subsections (a) or (b) of this section.

44 (d) Upon written request via email or letter to an operator's Owner Relations Department,
45 by any lessor or other royalty owner in the unit, the operator shall provide information regarding the
46 data and method used by the operator in its calculation of the acreage included in the unit within 60
47 days of receipt of email or letter.

48 (e) If an operator fails to comply with any requirement of this section, any interested lessor
49 or other interested royalty owner may send to the operator, by certified mail, a written request
50 compliance. In such request, the lessor or other royalty owner shall reasonably identify the
51 deficient Declaration of Pooled Unit or amended Declaration of Pooled Unit, as applicable. If the
52 operator fails to cure such noncompliance within 60 days after receiving the written request, the
53 lessor or other royalty owner may bring a civil action to enforce the provisions of this section and
54 shall be entitled to recover from the operator any resulting attorney fees or court costs incurred by
55 the claimant the civil action.

56 (f) This act shall take effect in 120 days from passage.

NOTE: The purpose of this bill is to require a declaration of pooled unit to be filed with the clerk of county commissions in which all wells in a unit are to be drilled.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.