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PERMANENT ADMINISTRATIVE ORDER

DGMI 2-2018

CHAPTER 632
DEPARTMENT OF GEOLOGY AND MINERAL INDUSTRIES

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& LEGISLATIVE COUNSEL

FILING CAPTION: Makes minor adjustment to allow well plugging/decommissioning based on current, accepted best practices.

EFFECTIVE DATE: 03/13/2018

AGENCY APPROVED DATE: 03/12/2018

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AMEND: 632-010-0198

REPEAL: Temporary 632-010-0198 from DGMI 1-2017

RULE TITLE: Abandonment, Unlawful Abandonment, Suspension, Well Plugging

NOTICE FILED DATE: 01/12/2018

RULE SUMMARY: OAR 632-010-0198 addresses how DOGAMI deals with abandonment, unlawful abandonment, suspension and well plugging. Subsection (8)(c) is modified to clarify that the plugging procedure required in that subsection only applies to any open casing

RULE TEXT:

- (1) Proper completion and decommission require adequate protection of the environment and of aesthetic qualities of the surface in the area of operation.
- (2) A well is properly completed for the purposes of this chapter when the permittee demonstrates to the satisfaction of the department that the well is capable of effective production or reinjection and appropriate equipment exists for flow testing and monitoring temperature, pressure or other subsurface conditions.
- (3) A well is considered properly plugged and decommissioned, for the purposes of this chapter, when the conditions of ORS 520.005 to 520.991 and these rules are fulfilled and the person has shown to the satisfaction of the department that all proper steps have been taken to protect groundwater and surface water from contamination resulting from the drilling or drilling related activities and to prevent the commingling of fluids between zones or to surface.
- (4) All holes must be plugged and all related disturbance must be reclaimed in accordance with these rules as soon as practical. A hole may not be left unplugged for longer than 30 days from the completion of drilling operations and prior to completion of the well without prior written approval from the department.
- (5) Suspension: The department may authorize a permittee to suspend operations or remove equipment from a well for the period stated in the department's written authorization, upon receipt of a written request from the permittee showing good cause. The period of suspension may be extended by the department, upon written request made before expiration of the previously authorized suspension, accompanied by a statement by the permittee showing good cause.
- (6) Decommission: Before any work is commenced to decommission a well drilled for oil or gas, the permittee must give notice to the department of the intention to decommission such well. If verbal notice is given but plugging is not planned

within 10 days, written notice must also be given within 10 days. The notice must be given on forms supplied by the department and must contain the present condition of the well, proposed work, and such other information as reasonably may be required by the department.

(7) Unlawful Abandonment.

(a) After operations on or at a well have been suspended with the approval of the department pursuant to section (2) of this rule, if operations are not resumed within 30 days from the date specified in the suspension approval, the well is considered unlawfully abandoned unless the permittee has obtained a written extension from the department. Written application showing good cause is required for the extension to be considered.

(b) If a permittee has not paid the annual permit renewal fee, or any other fees owed, within 60 days after the anniversary date, the well is considered out of compliance, and the permittee is subject to enforcement for violation of these rules and the department may issue an order requiring the permittee to decommission the well.

(c) If a well is left idle for a period of 30 consecutive days without a written request for suspended status, the well is considered unlawfully abandoned.

(d) Upon any unlawful abandonment as defined in these rules, notice will be sent to the permittee and to the permittee's surety informing them the department has determined the well unlawfully abandoned.

(e) Any well unlawfully abandoned may be plugged, suspended, or otherwise repaired by the department using the bond or other financial security, and if the bond or other financial security is not sufficient, the department may bring an action or proceeding as authorized by ORS 520.175.

(8) Plugging Methods and Procedure: The methods and procedure for plugging a well are as follows:

(a) Producing strata and strata having fluid at greater than hydrostatic pressure must be plugged with cement from at least 50 feet below the top of each fluid-bearing zone to at least 50 feet above the top of each zone;

(b) A cement plug not less than 100 feet in length must be placed across the base of the freshwater-bearing strata in an uncased hole;

(c) When there is an open hole below the base of any open casing, a cement plug not less than 100 feet in length must be placed to extend at least 50 feet above and at least 50 feet below the base of the casing; the department may require a pressure test on the casing shoe plug to document that an adequate seal was achieved.

(d) The top of all casing strings must be cut off at least 4 feet below ground surface, and casing and all annuli must be plugged with cement to a depth of at least 10 feet;

(e) The permittee will have the following options as to the method for placing cement in the hole:

(A) Dump bailer;

(B) Pump through tubing or drill pipe; or

(C) Other method approved by the department.

(f) The interval between plugs must be filled with an approved heavy mud-laden fluid.

(9) Reclamation of surface lands affected by these operations is intended to return the surface to pre-exploration condition and/or beneficial use that is compatible with the local land use designation for the parcel(s).

(10) Affidavit on completion: Within 60 days after a well is plugged, the permittee must file a written statement with the department certifying that the well was properly plugged and decommissioned.

(11) Wells Used for Fresh Water:

(a) When an oil or gas well is proposed to be decommissioned and may safely be used as a freshwater well and such use is desired by the landowner, the well need not be filled above the required sealing plug set below fresh water, provided authorization is obtained from the Oregon Water Resources Department;

(b) Application for leaving a well partially unplugged as a freshwater well must be submitted to the department by the landowner, together with evidence of a permit and security from the Oregon Water Resources Department or its statement that neither a permit nor a bond is required; and

(c) The permittee must leave a freshwater well in a condition approved by the department.

(12) The surety furnished by permittee may not be released until all procedures required by these rules have been completed and the department has authorized such release.

(13) The affected surface lands must be restored to a pre-exploration and/or beneficial use acceptable to the department, after consultation with the surface owner. Reclamation activities may include, but are not limited to replanting or reseeding of affected land for return to secondary beneficial use that is compatible with the land-use designation.

STATUTORY/OTHER AUTHORITY: ORS 520

STATUTES/OTHER IMPLEMENTED: ORS 520.095