Ohio Update 2019
### Tax Language and Audits

- **House Bill 430**
  - Clears up areas of interpretation
  - Working on language with examples to avoid doubt

### Oxygen Concentration Issues

- **SOOGA/Dominion/Aspire/Cobra**
  - Short term and long term solutions
  - Investigate producers pooling resources to lay own lines
<table>
<thead>
<tr>
<th>Wayne National Forest / BLM</th>
<th>Brine Injection Wells</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Technical workgroup to identify impacts and projections for development</td>
<td>• Push from northern Ohio to limit wells and provide local control</td>
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<tr>
<td>• Appalachia Resist and other groups continue to protest and threaten to disrupt</td>
<td>• Concerns about roads from northern and southern Ohio</td>
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<tr>
<td>• Community and Nature Bill of Rights</td>
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</tbody>
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Form 10 / EPCRA

• Has been changed by ODNR
  • Want additional information
  • “Optional”

• EPCRA
  • Still not online
  • Brine is not a reportable item

OGPUPS / OUPS (Ohio811)

• Transition to a single call system
• First year fees are flat
  • Subsequent years are based on previous year volumes
• Polygon system
**Orphan Wells**

- State required to spend 30% of Severance Tax revenue to plug
  - ~$15 million per year at current rates
    - Was ~$3 million
- State believes it can plug 200 wells/year
  - Wants to improve the process
- Phase II legislation is being considered
  - Eliminate permit fees, offer tax credits, land owner grants, etc.

**ODNR**

- ODNR budget is ~$20 million/year, asking for ~$27 million
  - State was grabbing all excess funds
  - Push to funnel money to “locals”
- Working to make helpful changes
  - Minimum Sev Tax
  - Well transfer fee
  - Domestic gas as production
Spacing Rule Update

• Update to lateral spacing
• Decrease in spacing for vertical wells (half previous)
  • 10 acres for “shallow” well <4000’
  • 20 acres for “deep” well >4000’
• Maybe by the end of the year

Five Year Rule Review

• Gene Huck is representative to ODNR meetings