

INSTRUCTIONS FOR OIL & GAS DRILLING APPLICANTS

All oil and gas drilling, re-drilling, or deepening operations in the state require a drilling permit. Notification is also required for seismic shot holes. If drilling is to be on state-owned land, the agency that owns or manages the land will be the lead agency and will start the State Environmental Policy Act (SEPA) process. The Oil & Gas Drilling Permit Application (Oil & Gas Form 1) and related forms may be obtained online at http://www.dnr.wa.gov/BusinessPermits/Topics/MiningEnergyResourceRegulation/Pages/energy_regulation.aspx or from the Oil & Gas Supervisor, Department of Natural Resources (DNR), Division of Geology and Earth Resources (DGER), MS 47007, Olympia, WA 98504-7007.

PERMIT APPLICATION

The applicant for a drilling, re-drilling, or deepening permit shall:

- 1. Obtain a copy of the Oil and Gas Conservation Act (Chapter 78.52 RCW), the Rules and Regulations (Chapter 344-12 WAC), the Drilling Permit Application (Oil & Gas Form 1), the Oil & Gas Blanket Drilling and Production Bond, and the SEPA environmental checklist.
- Submit to the Oil & Gas Supervisor the completed Drilling Permit Application (Oil & Gas Form 1), SEPA environmental checklist, approved Oil & Gas Blanket Drilling and Production Bond, and fee (cash or a check drawn upon or issued by a Washington State qualified public depository and payable to the Department of Natural Resources).

a.	Fees:		
	To drill, re-drill, or deepen	to 3500 feet	\$ 250
		3501-7000 feet	\$ 500
		7001-12,000 feet	\$ 750
		12,001 feet plus	\$ 1,000
	Shallow well (<2,000 feet) for geologic information only		\$ 100
	Notification for seismic shot holes		\$ 100
b.	Bonds (Oil & Gas Supervisor sets amount):		

One well \$ 50,000 minimum Blanket bond (two or more wells) \$250,000 minimum

Shallow well (<2,000 feet) for geologic information only \$ 20,000

Note: In lieu of a bond, the applicant may submit a cash deposit, assignment of a savings account, or a certificate of deposit in a Washington bank.

c. Required Information:

The applicant shall provide with the application the following information (see WAC 344-12-050):

- Drill site layout, blowout prevention equipment details, mud program, casing and cementing program, and mud pit details.
- Map by a licensed surveyor of the well location showing location and source of water supply and topographic features of well site area, including drainage patterns and associated surface waters and wetlands.
- Narrative statement describing proposed measures to be used for protection of the
 environment, including, but not limited to: fires, soil erosion, pollution of surface and
 ground waters, damage to fish and wildlife or other natural resources, air and noise
 pollution, hazards to public health and safety, site restoration, and methods and site for
 disposal of waste materials.

PERMIT ISSUANCE

1. Upon receipt of the above material, the Oil & Gas Supervisor will notify other agencies with jurisdiction and cause an inspection to be made of the proposed site.

Note: The applicant or designated representative should plan to be present during the inspection or provide adequate instructions as to the location of the proposed site.

2. Upon completion of the application and site evaluation, the Oil & Gas Supervisor will make a determination of significance or non-significance (SEPA process) for sites on Department of Natural Resources land. For sites on state-owned land under other jurisdiction or where local government has jurisdiction, the owning agency will be the lead representative for the SEPA process. A determination of non-significance will be posted for 15 days. A drilling permit will be issued at the conclusion of the posting period if no significant adverse impacts to the environment are noted during the posting period. If a determination of non-significance cannot be made, the applicant will be so advised. The applicant may be required to submit additional information or be notified that an Environmental Impact Statement is required.

PERMIT REQUIREMENTS

- 1. The permittee shall give adequate notice to the Oil & Gas Supervisor to allow witnessing of all tests, including drill stem, water shutoff, and production tests, running of casing, plugging operations, and final site reclamation.
- 2. Within 30 days of the completion or abandonment of the well (see WAC 344-12-670), the permittee shall present a record and log of the well, on the Well Record or History (Oil & Gas Form No. 2), to the Oil & Gas Supervisor. A detailed description of lithology shall be furnished within 30 days after completion or abandonment of any exploratory or wildcat well.
- 3. Within 6 months after completion or abandonment of the well, the permittee shall furnish well records and logs of all kinds not included in item 2 above to the Oil & Gas Supervisor. These will, upon request, be kept confidential for 1 year (see WAC Rule 344-12-070).
- 4. Prior to initiating abandoning and plugging procedures (see WAC 344-12-125 and 344-12-131), the permittee shall give notice to the Oil & Gas Supervisor on the Notice of Intention to Abandon and Plug Well (Oil & Gas Form No. 3).
- 5. Within 15 days after plugging the well, the permittee shall file a Report on Results of Plugging Well (Oil & Gas Form No. 4) with the Oil & Gas Supervisor, giving the results of the plugging procedure (see WAC 344-12-131).
- 6. Release of the bond requires approval by the Oil & Gas Supervisor of the plugging of the well or wells and reclamation of the well site or sites (see WAC 344-12-063).