



Ohio Revised Code

Section 1311.021 Lien for labor or work or materials upon oil or gas well or facilities.

Effective: March 30, 2007

Legislation: House Bill 487 - 126th General Assembly

(A) Every person who performs any labor or work upon or furnishes material for digging, drilling, boring, operating, completing, or repairing, any well drilled or constructed for the production of oil or gas or any injection well which furthers the production of oil and gas or which disposes of waste products generated by oil and gas operations, or for altering, repairing, or constructing any oil derrick, oil tank, or leasehold production pipe line by virtue of a contract, express or implied, with the owner or part owner, or the owner's or part owner's authorized agent, of any oil and gas lease or leasehold estate or, in the event there is no lease or estate, any mineral estate, and every subcontractor, laborer, and material supplier who performs any labor or work or furnishes material to an original contractor or any subcontractor, in carrying forward, performing, or completing the contract, has a lien to secure the payment thereof upon the oil and gas lease or leasehold estate or, in the event there is no lease or estate, any mineral estate, the oil or gas produced therefrom and the proceeds thereof, and upon all material located thereon or used in connection therewith.

(B) The lien, insofar as it extends to oil or gas or the proceeds of the sale of oil or gas, is not effective against any purchaser or pipe line carrier of such oil or gas until a copy of the affidavit provided for in section 1311.06 of the Revised Code is delivered to such purchaser or pipe line carrier by certified mail.

(C) To the extent not inconsistent with this section, the lien provided by this section is governed by this chapter, and shall be perfected and enforced as other liens as provided by this chapter, except as follows:

(1) No owner, part owner, or lessee who contracts for labor or work to be performed or materials furnished for an improvement need prepare, provide, or record a notice of commencement pursuant to section 1311.04 of the Revised Code.

(2) No subcontractor or material supplier who performs work or labor upon or furnishes material in



furtherance of an improvement need prepare, provide, or serve a notice of furnishing pursuant to section 1311.05 of the Revised Code.

(3) The affidavit required to be made and filed by an original contractor, subcontractor, material supplier, or laborer under section 1311.06 of the Revised Code to claim a lien under this section need not include the first date that the lien claimant performed any labor or work or furnished any material to the improvement giving rise to the claimant's lien.

(4) For the purpose of determining issues of priority, liens created under this section are effective from the date the first visible work or labor is performed or the first materials are furnished at the site of the improvement.

(5) An owner, part owner, or lessee may request from an original contractor an affidavit setting forth the name and address of, a description of labor or work performed or materials furnished by, and the total amount of the contract and the balance owed to, all unpaid laborers, subcontractors, and material suppliers providing labor or work or furnishing material for the improvement, and the serving of the affidavit after such a request shall be a condition precedent to any right by the original contractor to file a lien under this section. If an owner, part owner, or lessee has not made a request under this division, the original contractor need not serve an affidavit as provided in this division to file a lien under this section.

(6)(a) An owner, part owner, or lessee who receives an affidavit pursuant to division (C)(5) of this section or a notice pursuant to division (C)(6)(c) of this section may make payment jointly to the original contractor and any laborers, subcontractors, and material suppliers who are listed in such an affidavit or who serve such a notice for the amount shown to be unpaid by such affidavit and notices or may require the original contractor to obtain lien waivers from any such persons prior to making payment to the original contractor.

(b) No person who fails to serve the owner, part owner, or lessee with a notice pursuant to division (C)(6)(c) of this section and who is omitted from an affidavit provided to the owner, part owner, or lessee pursuant to division (C)(5) of this section shall have a right to file a lien pursuant to this section if the owner has paid the full amount due on the contract, including payment to the parties listed on the affidavit or from whom notices were received either in the full amount due to such



parties or in such lesser amount as represents their pro-rata portion of the full amount of the contract with the original contractor.

(c) Any laborer, subcontractor, or material supplier may serve upon the owner, part owner, or lessee a notice in writing, which notice shall be such as will inform the owner, part owner, or lessee of the improvement, of the nature of the work performed or to be performed, the materials furnished or to be furnished, the amount due or to become due therefor, the identity of the person with whom such laborer, subcontractor, or material supplier has contracted, and the identity of the well, oil derrick, oil tank, or leasehold production pipe line, the permit number, and the county upon which such work was or is to be performed or materials were or are to be furnished.

(7) The provisions of division (B) of section 1311.15 of the Revised Code shall be applicable with respect to payments to any subcontractors, material suppliers, or laborers identified on the affidavit provided in division (C)(5) of this section.