

AUTHENTICATED, OHIO LEGISLATIVE SERVICE COMMISSION DOCUMENT #258104

Ohio Revised Code

Section 1510.08 Assessments on production of oil and natural gas.

Effective: December 19, 2016 Legislation: House Bill 471 - 131st General Assembly

(A)(1) Except as provided in division (A)(2) of this section, an operating committee may levy assessments on the production of crude oil, condensate, and natural gas in this state for the purposes of a marketing program established under this chapter.

(2) The operating committee shall not levy an assessment that was not approved by producers or that exceeds the amount authorized under division (B)(1) of section 1510.04 of the Revised Code. The operating committee shall not levy an assessment against a producer who is not eligible to vote in a referendum for the marketing program that the operating committee administers, as determined under division (A)(3) of section 1510.02 of the Revised Code.

(B) The technical advisory council may require a first purchaser to withhold assessments from any amounts that the first purchaser owes to producers and, notwithstanding division (A)(2) of this section, to remit them to the chairperson of the council at the office of the division of oil and gas resources management. A first purchaser who pays an assessment that is levied pursuant to this section for a producer may deduct the amount of the assessment from any money that the first purchaser owes the producer.

The operating committee may, through the referendum process, elect to authorize the producer of a horizontal well to directly pay the assessment to the operating committee in lieu of having the first purchaser remit the assessment. The producer shall direct the payment to the operating committee along with a form furnished by the operating committee and approved as to content by a qualified independent producer association. The operating committee may establish, through the referendum process, additional terms, limitations, and conditions for assessment and refunds for those producers who directly pay the assessment to the operating committee.

(C) A marketing program shall require a refund of assessments collected under this section after receiving an application for a refund from a producer who is the owner or operator of the well that was assessed. The producer shall submit the application for a refund on a form furnished by the



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operating committee and approved as to content by a qualified independent producer association. The operating committee shall ensure that refund forms are available where assessments for its program are withheld.

A producer who desires a refund shall submit a request for a refund not later than the thirty-first day of March of the year in which the request is submitted. The operating committee shall refund the assessment to the producer not later than the thirtieth day of June of the year in which the request for the refund is submitted.

(D) The operating committee shall not use money from any assessments that it levies for any political or legislative purpose or for preferential treatment of one person to the detriment of another person who is affected by the marketing program that the operating committee administers.

(E) If the operating committee requests that a producer seeking a refund provide additional information to support a refund request, any additional information provided to the operating committee is not a public record under section 149.43 of the Revised Code, is confidential, and the operating committee shall treat the information as confidential.