

INDIANA

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Administration

1. Agency regulating oil and gas exploration/production: [Division of Oil and Gas](#), 402 West Washington Street, Room W293, Indianapolis, IN 46204. Phone: (317) 232-4055.
2. Contact for regulatory updates: Herschel McDivitt
3. Docketing procedure: Upon receipt of a petition concerning a matter within the jurisdiction of the Department, the hearing date will be fixed and notice will be given.
 - a. Emergency orders: There is authority under the law to issue an emergency order, by the Director of the Department of Natural Resources.
 - b. Notice: 15 days by the Department
4. Agency regulating air emissions: [Indiana Department of Environmental Management \(IDEM\)](#)
5. Agency regulating water quality: [Indiana Department of Environmental Management \(IDEM\)](#)

License

1. License required: No, but corporations and LLC's must be registered with Indiana Secretary of State and in good standing.
2. Conditions of license: See previous.

Bond/Surety

1. Purpose of surety: Ensure plugging and abandonment of wells.
2. Plugging and restoration: Yes.
3. Compliance bond required: Yes. Except for exemption provided for by statute. Qualified Operators may submit annual well fee in lieu of bond.
4. Types of surety accepted: Surety bond, certificate of deposit, cash.
5. Conditions of bond: Restoration of surface to its former condition and plugging of well.

- a. Amount per well: \$2,500
- b. Amount of blanket bond: \$45,000

Land Leasing Information

- 1. Leasing method: Sealed bids, but may offer competitive public bidding.
- 2. Notice method: N/A
- 3. Minimum bidding \$ (per acre): Set a minimum acceptable royalty rate, which may not be less than 12 1/2% and call for competitive offers by prospective lessees for cash bonuses in addition to the set royalty provision.
- 4. Qualification of the bidder: N/A
- 5. State statutes: [IC 14-38-1-11](#)
[IC 14-38-1-12](#)
[IC 14-38-1-14](#)
[IC 14-38-1-16](#)
- 6. Maximum acres: 3 sections or an equivalent area.
- 7. Royalty rates: N/A
- 8. Agency in control of leasing: Contact: Herschel McDivitt, Director Phone: (317) 232-4058 E-mail: hmcdivitt@dnr.in.gov.

Setbacks

- 1. What rules/regulations/policies does your jurisdiction have regarding well setbacks from private residences and/or other habitable structures for use by humans or animals? In Indiana, oil and gas conservation law does not impose any setback requirements with respect to well locations. However, Indiana property statutes which govern the establishment of oil and gas estates in land do specify that any grant of oil and gas rights shall not authorize the “location of a well for oil and gas to be nearer than two hundred (200) feet to an existing house, barn, or other structure (except fences) without the express consent of the owner of the structure”. [IC 32-23-7-6\(3\)](#).
- 2. Are there other sources of information on this matter that you could identify?
No.

Spacing

1. Spacing requirements: Yes
 - a. Density: Oil well - 10 acres for sandstone and 20 acres for all other reservoirs except wells in the established Trenton formation which allow 5 acre spacing. Gas well - above 1,000 feet same as above; below 1,000 feet, 40 acres. Coal bed methane well – 40 acres.
 - b. Lineal: Oil wells and Coal bed methane wells - 330 feet from a property or unit line; 660 feet from another well producing from the same formation. Gas well - above 1,000 feet same as oil; below 1,000 feet, 330 feet from a property or unit line and 1,320 feet from another well. Non Commercial Gas well - no spacing or unit requirements. Established Trenton field wells 165 feet from property or unit line.
2. Exceptions: Yes
 - a. Basis: When geological and pool conditions justify.
 - b. Approval: By hearing.

Pooling

1. Authority to establish voluntary: Yes
2. Authority to establish compulsory: Yes

Unitization

1. Compulsory unitization of all or part of a pool or common source of supply: Yes
2. Minimum percentage of voluntary agreement before approval of compulsory unitization: None
 - a. Working interest:
 - b. Royalty interest:

Drilling Permit

1. Permits required for:
 - a. Drilling a producing or service well: Yes
 - b. Seismic drilling: Yes if deeper than 200 feet.

- c. Recompletion: Yes
 - d. Plugging and abandoning: No, but a plan for plugging must be submitted and approved.
2. Permit fee:
- a. Drilling: \$250 + \$500 for expedited processing (if requested).
 - b. Seismic drilling: N/A
 - c. Recompletion: None
 - d. Plugging and abandoning: None.
 - e. Annual fee for each Class II well: None.
 - f. Annual fee for existing permitted wells: Yes.

<u>Number of Wells</u>	<u>Amount</u>
1 well	\$150
2-5 wells	\$300
6-25 wells	\$750
26-100 wells	\$1,500
>100 wells	\$1,500 plus \$15 for each well over 100

NOTE: The Division of Oil and Gas will send a notice to operators before December 1 of each year listing the wells permitted to the operator as of November 1 of that year.

- 3. Require filing report of work performed: Yes
- 4. Sundry notices used: No.

Vertical Deviation

- 1. Regulation requirement: No
 - a. When is a directional survey necessary: When the operator drills a directional hole.
 - b. Filing of survey required: Yes.
 - c. Format of filing: Surveyed well plat

Casing and Tubing

- 1. Minimum amount required:

- a. Surface casing: Yes - below all fresh water, except where production casing cemented to surface.
 - b. Production casing: Yes, to top of last stratum drilled.
2. Minimum amount of cement required:
- a. Surface casing: To surface, except as noted in 1. above
 - b. Production casing: Yes, to bottom of last string run and/or cemented to surface.
 - c. Setting time: Upon completion of drilling.
3. Tubing requirements:
- a. Oil wells: No
 - b. Gas wells: No
 - c. Class II wells: Yes

Hydraulic Fracturing

1. Permitting:
 - a. Before drilling: Only for coal bed methane (CBM) wells.
 - b. Before fracing: Only for CBM wells.
 - c. How long before: Before permit is issued to drill.
2. Reporting requirements:
 - a. Where reported: Indiana Division of Oil and Gas
 - b. When reported: 30 days after completion of well.
3. Source water requirements: Operator must describe and identify the location of source regardless of volume. In addition, operator must provide registration information if the source is a “significant water withdrawal facility” which is registered under Indiana Water Resource Management Act.
4. Mechanical integrity:
 - a. Cementing log required: No
 - b. Pressure testing: No

- c. Pressure monitoring: No
 - d. Blowout preventer required: No.
5. Disposal of flowback fluids:
- a. Retaining pits: Only for temporary storage, same as drilling and completion pits.
 - b. Tanks: Only for temporary storage.
 - c. Approved discharge to surface water: Only through authorized NPDES permitted facility.
 - d. Underground injection: Only into approved Class II well.
6. Chemical disclosure requirement:
- a. Mandatory: Yes for CBM wells since July 1, 2011. Yes for all other well types since July 1, 2012.
 - b. Where disclosed: Indiana Division of Oil and Gas
 - c. When disclosed (pre-fracing, post-fracing, both): Both for CBM wells. Post-fracing for all other well types.
 - d. Time limit to disclose: Within 30 days of completion of well.
 - e. Information required to be disclosed:
 - i. Volume and source of base fluid.
 - ii. Type and amount of proppant used.
 - iii. Description of each additive product used including each of the following:
 - 1. Trade name of the product as identified on manufacturer MSDS
 - 2. Description of the type of, or purpose for, each additive product used
 - 3. Copy of MSDS for each product used
 - 4. Maximum volume of each additive product expressed either as % by mass or % by volume of total fracturing fluid

5. Maximum surface pressure and injection pressure
 6. Other information required by Division of Oil and Gas
- f. Trade secret protection: Yes, if manufacturer of product chooses to identify specific components as “proprietary”.
 - g. Required disclosure to health/emergency personnel: Oil and Gas Act does not require this disclosure although MSDS information will be downloadable from Division of Oil and Gas website.

Underground Injection

1. Agencies that control the underground injection of fluid by well class:
 - a. Class II – Indiana Department of Natural Resources, Division of Oil and Gas
 - b. All other Classes: U.S. Environmental Protection Agency

Completion

1. Completion report required: Yes
 - a. Time limit: Within 30 days of completion of the well.
 - b. Where submitted: Division of Oil and Gas, 402 West Washington Street, Room 293, Indianapolis, IN 46204.
 - c. Confidential time period: Yes. If requested, one year from date of completion.
2. Well logs required to be filed: Yes, if run. Three copies of each log run.
 - a. Time limit: Within 30 days of date run.
 - b. Where submitted: Division of Oil and Gas, 402 West Washington Street, Room 293, Indianapolis, IN 46204.
 - c. Confidential time period: Yes. If requested, one year from date of completion.
 - d. Available for public use: Yes
 - e. Log catalog available: No
3. Multiple completion regulation: No
 - a. Approval obtained:

4. Commingling in well bore: No

a. Approval obtained:

Oil Production

1. Definition of an oil well: Statutes or regulations do not define oil well. (However, "oil" means all liquid petroleum produced at a well.)

2. Potential tests required: No

a. Time interval:

b. Witness required:

3. Maximum gas-oil ratio: No

a. Provision for limiting gas-oil ratio: No

b. Exception to limiting gas-oil ratio: No

4. Bottom-hole pressure test reports required: No

a. Periodical bottom-hole pressure surveys: No

5. Commingling oil in common facilities: No

6. Measurement involving meters: No

7. Production reports:

a. By lease: No

b. By well: No

c. Time limit:

Gas Production

1. Definition of a gas well: Statutes or regulations do not define a gas well. ("Gas" means natural gas.)

2. Pressure base _____ psia @ _____ degrees F.

3. Initial potential tests: No.

a. Time interval:

b. Witness required:

4. Bottom-hole pressure test reports required: No.
 - a. Periodical bottom-hole pressure surveys: No.
5. Commingling of gas in common facilities: No.
6. Measurement involving meters: No.
7. Production reports:
 - a. By lease: No.
 - b. By well: No.
 - c. Time limits: