



Ohio Revised Code

Section 1509.34 Priority liens by division of oil and gas resources management for well owner's failure to pay fees or for costs incurred to correct conditions causing health or safety risks.

Effective: September 29, 2011

Legislation: House Bill 153 - 129th General Assembly

(A)(1) If an owner fails to pay the fees imposed by this chapter, or if the chief of the division of oil and gas resources management incurs costs under division (E) of section 1509.071 of the Revised Code to correct conditions associated with the owner's well that the chief reasonably has determined are causing imminent health or safety risks, the division of oil and gas resources management shall have a priority lien against that owner's interest in the applicable well in front of all other creditors for the amount of any such unpaid fees and costs incurred. The chief shall file a statement in the office of the county recorder of the county in which the applicable well is located of the amount of the unpaid fees and costs incurred as described in this division. The statement shall constitute a lien on the owner's interest in the well as of the date of the filing. The lien shall remain in force so long as any portion of the lien remains unpaid or until the chief issues a certificate of release of the lien. If the chief issues a certificate of release of the lien, the chief shall file the certificate of release in the office of the applicable county recorder.

(2) A lien imposed under division (A)(1) of this section shall be in addition to any lien imposed by the attorney general for failure to pay the assessment imposed by section 1509.50 of the Revised Code or the tax levied under division (A)(5) or (6) of section 5749.02 of the Revised Code, as applicable.

(3) If the attorney general cannot collect from a severer or an owner for an outstanding balance of amounts due under section 1509.50 of the Revised Code or of unpaid taxes levied under division (A)(5) or (6) of section 5749.02 of the Revised Code, as applicable, the tax commissioner may request the chief to impose a priority lien against the owner's interest in the applicable well. Such a lien has priority in front of all other creditors.

(B) The chief promptly shall issue a certificate of release of a lien under either of the following circumstances:



- (1) Upon the repayment in full of the amount of unpaid fees imposed by this chapter or costs incurred by the chief under division (E) of section 1509.071 of the Revised Code to correct conditions associated with the owner's well that the chief reasonably has determined are causing imminent health or safety risks;
 - (2) Any other circumstance that the chief determines to be in the best interests of the state.
- (C) The chief may modify the amount of a lien under this section. If the chief modifies a lien, the chief shall file a statement in the office of the county recorder of the applicable county of the new amount of the lien.
- (D) An owner regarding which the division has recorded a lien against the owner's interest in a well in accordance with this section shall not transfer a well, lease, or mineral rights to another owner or person until the chief issues a certificate of release for each lien against the owner's interest in the well.
- (E) All money from the collection of liens under this section shall be deposited in the state treasury to the credit of the oil and gas well fund created in section 1509.02 of the Revised Code.