



## West Virginia Surface Owners' Rights Organization

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### **Much More Funding Needed for Many More Oil and Gas Inspectors.**

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- In 2019 the DEP Office of Oil and Gas ("OOG") had only 18 inspectors.
- The OOG always said this was only enough to do permits and respond to complaints -- the OOG did not do inspections of wells unless there was a complaint (usually just calling and telling the driller to fix the problem and almost never having the resources to issue a fine to deter other violations).
- Surface owners and environmentalists always knew 18 were not enough inspectors.
- In 2018 scientific proof determined that 18 inspectors are not enough! This is based on a study by Princeton and McGill Universities that 79 active conventional wells in 13 counties were leaking an average of 9 cubic feet of gas -- per hour.<sup>1</sup> This is plain wasteful, gyps royalty owners, gyps state tax collections, often stinks, and warms the planet.
- The Legislature's response was to allow the number of inspectors from 18 to 9!<sup>2</sup> We are not making this up! (Pennsylvania has 78, Ohio 29, and Kentucky 17 but for only 1/4 the number of active wells.<sup>3</sup>)
- Even in 2019 with 18 inspectors for 75,000 oil and gas wells in West Virginia there was only 1 inspector for every 4,000 wells!<sup>4</sup> A 2012 Legislative Auditor PERD report lists the dangers from wells.<sup>5</sup>
- That same year there were 20,000 tanks associated with oil and gas drilling -- and the same 18 inspectors -- 1 for every 1,000 tanks!
- There are usually 200 or 300 new permits a year now that need inspectors to go to the sites to review at least those with new well pads -- and again by the same 18 inspectors -- 1 for every 11 permits.
- There are now just about 18 horizontal drilling rigs operating in West Virginia operating 24 hours a day 7 days a week -- and each should be visited a number of times by the same 18 inspectors.
- And there are 6 companies using federal money to plug orphaned wells in 6 regions in West Virginia -- and those plugging operations (the most tempting operations for shortcuts that cannot be caught after the plugging is done) have no regular inspections by OOG inspectors! Instead the companies doing the plugging get to hire and pay their own "compliance officers" -- we are not making this up.
- A report by the Groundwater Protection Council and the Interstate Oil and Gas Compact Commission says nationally inspectors inspect an average of 590 wells a year -- so we need 127.<sup>6</sup>

**We estimate, based on DEP estimates, that it would take 45 inspectors to inspect the 75,000 active wells once only every 5 years.<sup>7</sup> They would cost \$3 Million.<sup>8</sup> We therefore ask that S.B. 448 be amended to raise the severance taxes dedication from .75% to 1.5% of oil and gas severance taxes revenue collected (capped at \$3 Million).<sup>9</sup> In the alternative, place an oversight fee on wells producing less than an average of 10,000 cubic feet of gas a day in the amount citizens pay to register their cars, \$51, and/or otherwise add fees needed order to fund 45 inspectors(like all other industries overseen by DEP).**

1. “Measuring methane emission from abandoned and active oil and gas wells in West Virginia,” SCIENCE OF THE TOTAL ENVIRONMENT 651 (2019) pp 1849-1858, Riddick, Mauzerall, Celia, Kang Bressler, Chu and Gum. Summarized with link to study on home page of web site of the West Virginia Surface Owner’s Rights Organization just under the picture.  
<https://wvoro.org/scientists-say-lots-of-unplugged-and-plugged-oil-and-gas-wells-are-leaking-lots-of-methane-in-west-virginia/>

2. The DEP Office of oil and gas has traditionally been funded only by one-time drilling permit application fees. **It is the only program at DEP that does not charge annual fees**, just a one time drilling permit application fee. **It is also the only program at DEP that does not get federal money.** And because 1 Marcellus shale horizontal well produces 60 times the gas of a conventional vertical well, many fewer new wells are drilled causing the **income from permit application fees to sharply decline.**

3. <https://ohiorivervalleyinstitute.org/maximizing-impact-of-federal-orphaned-well-program-in-states/>

4. It is true that most of an inspector’s work on a well occurs up front -- checking the permits’ soil erosion and sedimentation plans, and the drilling and casing plans, plus making sure the well is drilled properly. But that is NOT the end of it. Roads washout and leaks occur and inspections should be regular.

5. Page 8 at [http://www.wvlegislature.gov/legisdocs/reports/perd/Oilgas\\_9\\_2012.pdf](http://www.wvlegislature.gov/legisdocs/reports/perd/Oilgas_9_2012.pdf) “While many abandoned wells may actually pose little environmental threat, others are a concern. These wells may be leaking crude oil or salt water at the surface, potentially polluting nearby streams. The sites themselves may also create problems due to a lack of proper reclamation, creating sediment and erosion control problems that consequently affect the state’s surface waters. According to DEP’s 2011 State of the Environment, the greatest concern is the uncertainty of what may be happening below the surface. Unplugged wells or improperly plugged wells can lead to groundwater contamination with crude oil, salt water and natural gas. The problem may go unnoticed for years, resulting in more potential damage to groundwater.”

6. Page 55 (pdf page 57)

<https://www.slideshare.net/MarcellusDN/2014-gwpc-report-state-oil-gas-regulations-designed-to-protect-water-resources>

7. Inspectors identifying, driving to, checking, reporting on each well can do two a day according to testimony from the DEP in 2022 legislative session.

8. We estimate that in order to hire an inspector and pay salary and benefits and equip the inspector with a four-wheel drive vehicle would cost an average of \$75,000.

9. 2019 is a more typical severance tax collection year than recently. \$462 Million was collected. \$3 Million of that would be 0.6%