

**SUBSTITUTE FOR
SENATE BILL NO. 1026**

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
by amending section 61506b (MCL 324.61506b), as added by 1998 PA
303.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 61506b. (1) Except as provided in subsections (2) and
2 (3), ~~beginning on the effective date of this section,~~ the
3 supervisor shall not issue a permit for or authorize the drilling
4 of an oil or gas well if both of the following apply:

5 (a) The well is located within 450 feet of a residential
6 building.

7 (b) The residential building is located in a city or township
8 with a population of 70,000 or more.

9 (2) The supervisor may grant a waiver from the requirement of
10 subsection ~~(1)-(a)~~ (1) if the clerk of the city, village, or



1 township in which the proposed well is located has been notified of
2 the application for a permit for the proposed well and if either of
3 the following conditions is met:

4 (a) The owner or owners of all residential buildings located
5 within 450 feet of the proposed well give written consent.

6 (b) The supervisor determines, ~~pursuant to~~ **AFTER** a public
7 hearing held before the waiver is granted, that the proposed well
8 location will not cause waste and there is no reasonable
9 alternative for the location of the well that will allow the oil
10 and gas rights holder to develop the oil and gas.

11 (3) Subsection (1) does not apply to a well utilized for the
12 injection, withdrawal, and observation of the storage of natural
13 gas ~~pursuant to~~ **UNDER** this part.

14 (4) **UNTIL THE SUPERVISOR HAS ISSUED INSTRUCTIONS UNDER**
15 **SUBSECTION (5), THE SUPERVISOR SHALL NOT ISSUE A PERMIT FOR OR**
16 **AUTHORIZE THE DRILLING OF AN OIL OR GAS WELL IF ALL OF THE**
17 **FOLLOWING APPLY:**

18 (A) **THE PROPOSED WELL IS LOCATED IN A COUNTY WITH A POPULATION**
19 **OF 320,000 OR MORE.**

20 (B) **THE PROPOSED WELL IS LOCATED IN A DISTRICT ZONED PRIMARILY**
21 **FOR RESIDENTIAL USE BY A LOCAL UNIT OF GOVERNMENT.**

22 (C) **THERE ARE 40 OR MORE RESIDENTIAL BUILDINGS IN ANY 90-**
23 **DEGREE QUADRANT WITHIN 1320 FEET OF THE PROPOSED WELL.**

24 (5) **THE SUPERVISOR SHALL ISSUE INSTRUCTIONS THAT APPLY TO**
25 **WELLS DESCRIBED IN SUBSECTION (4). THE INSTRUCTIONS SHALL ESTABLISH**
26 **REQUIREMENTS FOR ALL OF THE FOLLOWING:**

27 (A) **NOISE SUPPRESSION.**



1 (B) NOTIFICATION OF PERMIT APPLICATIONS AND DECISIONS TO THE
2 SUPERVISOR OF THE TOWNSHIP OR MAYOR OF THE CITY WHERE THE PROPOSED
3 WELL IS LOCATED, TO THE STATE SENATOR AND REPRESENTATIVE WHOSE
4 DISTRICTS INCLUDE THE LOCATION OF THE WELL, AND TO INDIVIDUALS
5 RESIDING WITHIN 1,320 FEET OF THE WELL.

6 (C) PROHIBITION OF IN-GROUND DRILLING PITS.

7 (D) PERIMETER FENCING.

8 (E) SITE SECURITY.

9 (F) CERTIFICATION OF DRILLING PERSONNEL IN WELL SAFETY.

10 (G) REDUCTION OR CAPTURE OF PRODUCED GASSES AND VAPORS.

11 (H) POSTING OF INFORMATION ON CHEMICAL ADDITIVES.

12 (I) BERMING, SCREENING, OR ENCLOSURES AFTER COMPLETION OF THE
13 WELL.

14 (J) NIGHTTIME DELIVERIES AFTER COMPLETION OF THE WELL.

15 (K) SHROUDING OF LIGHTS AND FLARES.

16 (L) ANALYSIS OF ALTERNATIVE WELL LOCATIONS.

17 (M) MONITORING OF GROUNDWATER IN PROXIMITY TO THE WELL SITE.