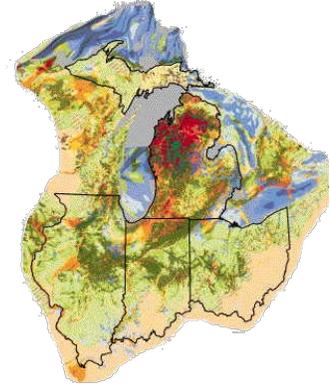


SECTION ONE – ENVIRONMENTAL REGULATIONS

CHAPTER 11: Oil, Gas, and Mineral Resources

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Purpose and Applicability of Regulations

The Oil, Gas, and Minerals Division (OGMD) of the Michigan Department of Environmental Quality (DEQ) fosters the conservation and orderly development of hydrocarbon and mineral resources; while preventing damage to the environment and protecting public health and safety. The OGMD also maintains a variety of geological and regulatory records, maps, publications, and computerized information for public use. Although most manufacturers in the state do not participate in activities that are regulated by the OGMD, it is important to have a general understanding of the various OGMD programs in case you interact with industries, such as mining, that are regulated.

Agencies and Their Laws and Rules

The OGMD regulates oil, gas, and mineral resources by administering parts of the Natural Resources and Environmental Protection Act, Public Act 451 of 1994, as amended (Act 451): Part 615 (Supervisor of Wells), Part 616 (Orphan Well Fund), Part 617 (Unitization), Part 625 (Mineral Wells), Part 631 (Ferrous Mineral Mining), Part 632 (Nonferrous Metallic Mineral Mining), Part 635 (Surface and Underground Coal Mine Reclamation), and Part 637 (Sand Dune Mining). Some of the OGMD's programs and areas of involvement include: oil and gas and mineral well permitting, ferrous and non-ferrous metallic mining and reclamation activities, and sand dune mining. The OGMD also serves as a collector and distributor of a variety of geological information and records. The following is a brief description of each of these programs.

11.1 Geological Information and Records

The OGMD maintains regulatory records on oil, gas, and mineral programs, maps, and publications on the geology of Michigan. This information includes records for over 70,000 oil, gas, and mineral wells; and maps and documents on surficial and bedrock geology, fuel and mineral resources, and geological topics of general interest.

11.2 Oil and Gas

The OGMD regulates the locating, spacing, drilling, operating, and plugging of oil and gas wells, and the operation of associated storage and disposal facilities. The OGMD also regulates oil and gas production rates and allocates production among the owners of a common reservoir. The OGMD reviews applications and issues permits to drill and operate wells for the production of oil and gas and for the disposal of associated brine. The OGMD staff conduct inspections of oil and gas sites for compliance with regulatory requirements.

The OGMD manages cleanups at oil, gas, and mineral sites utilizing Part 201 (Environmental Remediation) as a guide. See Chapter 7 for more information about environmental remediation.

The OGMD utilizes the Orphan Well Fund to plug oil and gas wells and conducts associated cleanup activities where no owner or operator is known, for which owners or operators are insolvent, or where an environmental emergency is declared.



11.3 Mineral Wells

The OGMD oversees the location, construction, operation, and closure of mineral wells, which includes wells for waste disposal, brine production, solution mining, underground storage, and mineral exploration. The OGMD reviews applications and issues permits for mineral wells, compiles records, and conducts inspections to assure compliance.

11.3.1 Waste Disposal

Some manufacturers in the state dispose of liquid wastes by underground injection. The OGMD regulates the wells used for this disposal. In addition, these wells are regulated by the U.S. Environmental Protection Agency (U.S. EPA), Underground Injection Control Branch. In those instances where the waste is considered hazardous and the manufacturer is storing and or treating the waste prior to discharge, the treatment and storage facilities are subject to regulations administered by the DEQ's Hazardous Waste Program (see Chapter 2 for more information).



Contact the DEQ, Hazardous Waste Program for questions concerning the permitting of Treatment, Storage, and Disposal Facilities at 800-662-9278 or visit their Web site at www.michigan.gov/deqwaste (select "Hazardous and Liquid Industrial Waste" then "Hazardous and Liquid Industrial Waste Management").



Contact the U.S. EPA, Region 5, Underground Injection Control Branch for questions concerning federal Underground Injection Control Regulations and permitting. Call 312-886-2446 or visit their Web site www.epa.gov/r5water/uic/index.htm.

11.4 Metallic Mineral Mining and Reclamation

The OGMD conducts permitting, inspection, and enforcement of mining reclamation requirements at metallic mines under Part 631 (Ferrous Mineral Mining), Part 632 (Nonferrous Metallic Mineral Mining), and Part 634 (Small Native Copper Mining).

11.5 Sand Dune Mining

The OGMD regulates sand mining in designated coastal sand dune areas pursuant to Part 637 (Sand Dune Areas). The OGMD reviews sand dune mining applications and issues permits, evaluates mining and reclamation plans, determines financial responsibility requirements, conducts regular inspections, and pursues enforcement action as necessary.

WHERE TO GO FOR HELP

SUBJECT: Conservation; regulation; and protection of oil, gas, sand dunes, brines, and metallic and non-metallic minerals

CONTACT: DEQ, Oil, Gas, and Minerals Division
517-284-6823 or 517-284-6826
www.michigan.gov/ogs