

(3) NOTIFY THE DEPARTMENT WHEN A WELL IS ABOUT TO BE ABANDONED;

(4) SEAL AND PLUG THE WELL IN A MANNER APPROVED BY THE DEPARTMENT; AND

(5) POST A PERFORMANCE BOND TO THE STATE IN THE AMOUNT OF \$2,500 WITH GOOD AND SUFFICIENT SURETY, CONDITIONED UPON COMPLIANCE WITH THE PROVISIONS OF THIS SUBTITLE.

REVISOR'S NOTE: This section presently appears as Article 66C, section 678 (a) through (d) inclusive, of the Code. The only changes made are in style.

6-106. LOCATION OF WELLS.

(A) DISTANCE FROM PROPERTY BOUNDARY - GENERAL RULES.—A WELL FOR THE PRODUCTION OF GAS OR OIL MAY NOT BE DRILLED ON ANY PROPERTY NEARER THAN 1,000 FEET TO THE BOUNDARY OF THE PROPERTY EXCEPT BY AGREEMENT WITH THE OWNERS OF THE GAS AND OIL ON ADJACENT LANDS.

REVISOR'S NOTE: This subsection presently appears as the first sentence of Article 66C, section 679(a) of the Code. The only changes made are in style.

(E) EXCEPTIONS.—ON PROPERTY ON WHICH IT IS IMPOSSIBLE TO LOCATE A WELL THE REQUIRED DISTANCE FROM THE BOUNDARY, AND WHERE NO AGREEMENT WITH THE OWNERS OF THE GAS AND OIL ON ADJACENT LANDS HAS BEEN MADE, A WELL MAY BE LOCATED NEARER THAN 1,000 FEET TO THE BOUNDARY WITH THE CONSENT OF THE DEPARTMENT. HOWEVER, WHEN ANY PERMIT TO DRILL A WELL NEARER THAN 1,000 FEET TO THE BOUNDARY HAS BEEN APPLIED FOR, THE DEPARTMENT SHALL NOTIFY EVERY LANDOWNER, ROYALTY OWNER, OR LEASEHOLDER WITHIN 1,000 FEET OF THE LOCATION OF THE PROPOSED WELL, GIVING THEM A REASONABLE OPPORTUNITY TO FILE OBJECTIONS TO THE ISSUANCE OF THE PERMIT. THE DEPARTMENT THEN SHALL HOLD A HEARING. IF THE DEPARTMENT DETERMINES THAT IT IS NECESSARY FOR THE WELL TO BE LOCATED NEARER THAN 1,000 FEET TO THE BOUNDARY, IT MAY ISSUE THE PERMIT. IF A PERMIT IS ISSUED, ANY LANDOWNER, ROYALTY OWNER, OR LEASEHOLDER WITHIN 1,000 FEET OF THE PROPOSED WELL HAS THE RIGHT TO A REHEARING AND APPEAL TO THE COURTS PROVIDED IN THIS SUBTITLE. A REQUEST FOR A REHEARING OR AN APPEAL