

opportunity for a public hearing shall be provided in accordance with § 14-105(b) of this subtitle prior to the issuance of any permit for production.

(c) If the Department bifurcates the permit process, the environmental assessment required under [§ 14-105(a)(4)] § 14-104 of this subtitle may also be bifurcated to address separately environmental issues associated with exploration and production. However, prior to granting a permit to conduct exploratory drilling in the coastal plain, the Department shall require the applicant to submit an environmental assessment that contains general information regarding the environmental impacts of possible production, including the potential effects of transporting and storing oil or gas and the potential adverse environmental impacts that may arise due to the environmental characteristics of the drilling site.

DRAFTER'S NOTE:

Error: Incorrect cross-references in § 14-106(b) and (c) of the Environment Article, recodified from former § 6-104.3(b) and (c) of the Natural Resources Article.

Occurred: Ch. 739, Acts of 1994.

14-304.

The following regulations are additional to the [rules and] regulations prescribed by the Department and do not limit the [rule-making] REGULATORY authority of the Department granted under § 14-303 OF THIS SUBTITLE:

[(a)](1) Every applicant for a storage permit shall, at the time of application, file with the Department a surety bond in the amount of \$1,000, payable to the Comptroller of the State on a form approved by the Department and executed by a responsible surety company authorized to do business in the State. The bond is intended to assure that necessary safety measures are maintained, and that any well or other opening used in connection with the storage project is properly sealed after abandonment of the project if this action is considered necessary by the Department to protect one or more of the natural resources of the State. Any transferee shall file a similar bond.

[(b)](2) A permeable sand or stratum containing gas, or into which gas or a liquefied petroleum derivative has been forced under pressure, may not be drilled or left open in a manner permitting an avoidable escape of gas to occur. A well connected with a storage reservoir containing either natural gas or a petroleum derivative stored under pressure, may not be situated within 50 yards of any existing building used as a residence or office.

[(c)](3) All [fresh-water] FRESHWATER sands penetrated in drilling to a storage reservoir shall be fully protected by cement grout placed to provide an effective seal to the nearest thick clay bed above the gas storage stratum having a thickness of at least 25 feet. In order to provide an effective seal in the nearest thick clay bed above the gas storage stratum, the clay bed shall have a thickness and other geologic properties adequate, in the opinion of the Department, to constitute sufficient protection to the potable [fresh-water] FRESHWATER supplies existing in any aquifers.

DRAFTER'S NOTE: