----- Original Message -----From: Williams, Mike To: Finnbear Cc: Williams, Mike Sent: Thursday, October 13, 2011 11:56 AM Subject: RE: Forced Pooling information?

There are no regulations. It is only a recommendation. To the best of my knowledge no Mandatory Pool of less than 90% of the property being leased has been issued.

Michael D. Williams, Geologist Division of Mineral Resources Management 2045 Morse Road, H-3 Columbus, OH 43229 614-265-6629 mike.williams@dnr.state.oh.us

From: Finnbear Sent: Thursday, October 13, 2011 11:53 AM To: Williams, Mike Subject: Re: Forced Pooling information?

I have seen that webpage on the ODNR website. Where are the actual regulations that specify that (>90% is recommended)? Mark

----- Original Message ----- **From:** Williams, Mike **To:** Finnbear **Cc:** Williams, Mike **Sent:** Thursday, October 13, 2011 11:34 AM **Subject:** RE: Forced Pooling information?

Here is a link to the Mandatory Pooling info page and a highlight of the %. At this time this Division is not accepting Mandatory Pools for any horizontal wells. There is a feature of the law for unitization, 1509.28. We don't believe that it applies to horizontals. The law has only been used once in Ohio in 1994. It is primarily for use by one company on another.

Mandatory Pooling Overview

Mandatory pooling is requested when an operator is unable to acquire the leases to meet the necessary acreage and/or distance requirements when applying for a drilling permit.

Mandatory pooling is created by section <u>1509.27 of the Ohio Revised Code</u> and has been in effect since October 15, 1965. A mandatory pooling order can be applied for if a tract of a land is of insufficient size or shape to meet the requirements for drilling a well and the owner has been unable to form a drilling unit on a just and equitable basis. There must be no obvious alternate location and the operator must have assembled the majority (>90% is recommended) of his unit with lessors that want to have a well drilled.

Michael D. Williams, Geologist

Division of Mineral Resources Management 2045 Morse Road, H-3 Columbus, OH 43229 614-265-6629 mike.williams@dnr.state.oh.us

From: Finnbear Sent: Thursday, October 13, 2011 11:29 AM To: Williams, Mike Subject: Forced Pooling information?

Mike,

Can you direct me to information on forced pooling regulations in OH for oil and gas well drilling units? I am on the board of directors of a landowner group and some of our members are concerned about the forced pooling issue and are asking questions I don't have a solid answer for. I can only find <u>ORC</u> <u>1509.27</u> dealing with this issue but it does not specify what % of a drilling unit may be pooled. I also wanted to thank you for directing my previous question to Mr. Dillman who promptly got me exactly the information I was looking for. Thanks again - Mark