

349.080 Authority of Coalbed Methane Well Review Board to issue pooling orders.

- (1) Whenever an applicant proposes to drill, deepen, convert, or reopen a well for purposes of production of coalbed methane and the ownership of the right to produce coalbed methane is in dispute, the department shall refer the application to the review board for its consideration and the issuance of appropriate pooling orders, if any, in accordance with KRS 349.085. Upon the issuance of a pooling order by the review board, and if all other provisions of this chapter are complied with, the department shall issue a permit to drill, deepen, convert, or reopen the well and require the development and operation of all pooled tracts and interests as a single leasehold estate in accordance with the pooling order.
- (2) No pooling as permitted by this section shall be ordered except:
 - (a) When an application has been filed to drill, deepen, or reopen a well within the distance limitations prescribed in KRS 349.075; or
 - (b) A request for pooling has been made pursuant to this section or KRS 349.085.
- (3) No pooling, as permitted by this section, shall be ordered with respect to any tract or portion thereof upon which a well is drilled, deepened, or converted or reopened:
 - (a) Unless the pooling was requested prior to the commencement of the drilling, deepening, converting, or reopening of the coalbed methane well; and
 - (b) Unless the request, if made by the owner of an operating interest who elects to participate in the risk and cost of the drilling, deepening, converting, or reopening of the coalbed methane well, is accompanied by a bond or other security satisfactory to and in an amount set by the review board for the payment of such owner's share of the cost of drilling, deepening, converting, or reopening the well.
- (4) Production from any well which is ordered pooled pursuant to this section shall be deemed for all purposes to have been so produced from each tract or portion thereof included in the pool in proportion to the amounts established in the pooling order.

Effective: July 13, 2004

History: Created 2004 Ky. Acts ch. 65, sec. 16, effective July 13, 2004.