

INTRODUCTION

The Alabama Legislature enacted the first oil and gas statute for the state in 1911. The Legislature, in Act No. 1 of the 1945 *Acts of Alabama*, established the Oil and Gas Board. The position of State Geologist had been established in 1848, and in the 1945 act the Legislature provided that the State Geologist would serve as the State Oil and Gas Supervisor. Since 1945, the Alabama Legislature has periodically revised and amended the State's oil and gas statutes. The current Alabama statutory law concerning oil and gas is set forth in this publication.

Initial orders promulgated under the 1945 oil and gas statutes were adopted on September 3, 1946, and published as "Order No. 1, General Order Prescribing Rules and Regulations Governing the Conservation of Oil and Gas in Alabama," effective October 1, 1946. In Order No. 73-1, effective January 26, 1973, the Board promulgated Alabama's first rules and regulations governing the drilling, producing, and pipeline operations in submerged offshore lands. In Order No. 76-100, issued on August 13, 1976, effective October 1, 1976, the Board promulgated new rules and regulations. In that Order, the Board repealed Order No. 1 and all amendment thereto, and adopted new rules and regulations. That Order further provided that Order No. 73-1, relating to rules and regulations governing drilling, producing, and pipeline operations in submerged offshore lands of Alabama, remain in effect except for amendments to Rule OS-7.

Since the issuance of Order No. 76-100 the Board has adopted various amendments to the rules and regulations. A significant amendment to Order No. 76-100 occurred on February 3, 1984, when the Board issued Order No. 84-31, effective May 29, 1984, promulgating the nation's first rules and regulations governing the permitting, drilling, and production of coalbed methane gas.

In Order No. 2000-80 issued on January 27, 2000, effective May 16, 2000, the Board repealed all prior rules and regulations and promulgated new rules and regulations subject to adoption of the rules under Alabama Administrative Procedure Act. After the issuance of said Order, the rules were published pursuant to the requirements of said Act and were adopted by the Board on April 7, 2000, in Order No. 2000-104. These new rules and regulations became effective May 16, 2000. Since May 16, 2000, the rules and regulations have been further amended. The edition of the rules and regulations set forth herein was amended August 10, 2010. Also, a complete set of sample forms is included herein.

The following is a chronological list of rules and regulations promulgated by the Board.

CHRONOLOGICAL LIST OF RULES AND REGULATIONS PROMULGATED BY THE STATE OIL AND GAS BOARD

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
10/1/46	9/3/46	1	A-1 - A-3 B-1 - B-33 C-1 - C-6 D-1 - D-6 E-1 F-1 G-1 H-1	General order prescribing rules & regulations governing conservation of oil & gas in Alabama: General Drilling - production Oil Gas Transportation Processing Reports Supervisor & agents
4/17/53	4/17/53	10	No rule number designated	Permissible tolerance in production volumes allowed for oil wells

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
5/18/56	5/18/56	47	A-2	Advertisement, newspaper
7/19/57	7/19/57	69	B-3	Spacing of wells
8/16/57	8/16/57	70	B-3	Spacing of wells
11/20/59	11/20/59	132	No rule number designated	Location of heater treater: safety
6/22/62	6/22/62	194	A-2	Advertisement, newspaper
1/18/63	1/18/63	207	B-5	Well record: log
4/16/65	4/16/65	65-12	C-3	Oil measurements
7/28/72	7/28/72	72-38	B-3	Spacing of wells
9/26/72	9/26/72	72-45	B-26	Deviation tests
12/19/72	12/19/72	72-61	B-22	Tubing
1/26/73	1/26/73	73-1	OS-1 - OS-8	Rules & regulations governing drilling, producing & pipeline operations in submerged offshore lands
2/22/73	2/22/73	73-8	B-2	Slush pits
2/22/73	2/22/73	73-9	No rule No. designated	Storage transportation & disposal of salt water
2/22/73	2/22/73	73-10	A-3	Definitions: completion & abandonment
5/31/73	5/31/73	73-18	B-27	Notification of fire, breaks, leaks or blow-outs
10/23/73	10/23/73	73-50	B-26	Drilling of Wells: deviation tests, inclination survey, directional drilling, & directional survey
5/28/74	5/28/74	74-21	B-3	Spacing of wells
6/25/74	6/25/74	74-28	B-27	Notification of fire, breaks, leaks or blowouts
7/30/74	7/30/74	74-30	A-2	Advertisement, proration of costs
8/27/74	8/27/74	74-40	No rule No. designated	Supervisor's right to call pre-hearing conference
10/1/76	8/13/76	76-100	A-1 - A-8 B -1 - B-5 C-1 - C-17 D-1 - D-12 E-1 - E-5 F-1 - F-8 G-1 - G-7	Repealed Order No. 1 & adopted new rules & regulations & provided that Order No. 73-1 will remain in effect except for amendments to Rule OS-7: General Well permit Drilling Producing Safety & environment Oil Gas

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
			H-1 - H-3 I-1 - I-2 J-1 K-1 - K-3 L-1 - L-23 OS-7	Transportation Processing Reports Supervisor & agents Rules of practice & procedure Applications of other rules & orders of the Board
11/4/77	11/4/77	77-235	A-3 M-1	Definitions: nonconsenting owner, consenting owner, force integrated unit & force pooled unit Forced integration or forced pooling
12/21/77	12/21/77	E-77-261	A-3	Definitions: rescinded definition orally amended on an emergency basis on 12/21/77
9/29/78	9/29/78	78-170	B-1 B-2 B-4 C-2 C-10 C-13 D-10 D-11 E-1 E-3 E-4 E-6 G-8 J-1 L-17	Permitting of wells Spacing of wells Organization reports Notice of activities Well record Deviation tests Location of heater treater: safety Notice of recompletion and/or rework Notification of fire, breaks, leaks or blow-outs Pits, emergency reserve pits, dikes & firewalls Disposal of saltwater & other waste fluids Restoration of drilling location Permissible tolerance & production volumes allowed for gas wells Reports Affidavits
11/7/78	11/7/78	E-78-184	C-12	Drilling fluid
11/30/78	11/30/78	E-78-197	N-1 - N-9 A-4	Natural Gas Policy Act of 1978 well status determination rules & procedures Forms
5/11/79	5/11/79	79-50	B-2	Spacing of wells
5/11/79	5/11/79	79-51	B-2	Spacing of wells
9/7/79	9/7/79	79-125	L-17	Affidavits

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
9/7/79	9/7/79	79-126	L-3	Emergency orders
9/12/79	9/12/79	79-115	B-2	Spacing of wells
6/11/80	6/11/80	80-112	B-2	Spacing of wells
10/3/80	10/3/80	80-193	L-4	Commencement of proceedings
10/3/80	10/3/80	80-194	L-17	Affidavits
1/16/81	1/16/81	81-16	E-4	Underground injection control
1/16/81	1/16/81	81-17	B-2	Spacing of wells
11/13/81	11/13/81	81-246	E-4	Underground injection control
1/29/82	1/29/82	82-28	E-3	Pits, emergency reserve pits, dikes & firewalls
5/14/82	5/14/82	82-96	E-4	Underground injection control
9/28/82	9/28/82	82-188	A-3	Definitions: shut-in & spud
			A-4	Forms
			A-6	Agents to have access
			B-1	Permitting of wells
			B-3	Bond
			B-4	Organization reports
			C-2	Notice of activities
			C-3	Casing requirements
			C-5	Plugging methods & procedures
			C-6	Notice of intention to plug & abandon
			C-9	Wells used for fresh water
			C-10	Well record
			C-13	Deviation tests
			D-2	Dual completions
			D-6	Identification of tank or tank batteries
			D-8	Location of fired vessels
			D-10	Permit to clean tank bottoms
			E-3	Pits, emergency reserve pits, dikes & firewalls
			E-5	Abandonment of radioactive logging sources
			E-6	Radioactive surveys
			E-7	Restoration of drilling location
			F-1	Oil production tests
			F-2	Oil allowable
			F-4	Oil to be measured

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
			F-7 G-1 G-2 H-1 L-10 L-17 OS-2	Permissible tolerance in production volumes allowed for oil wells Gas production test & capacity test Gas allowable Certificate of compliance, authorization to transport Notice Affidavits Control of Wells: conductor & surface casing setting depths
9/28/82	9/28/82	82-189	L-4	Commencement of proceedings
9/28/82	9/28/82	82-190	L-12	Preparation of notice
9/28/82	9/28/82	82-191	L-13	Continuance of hearing without new notice
10/7/83	10/7/83	83-245	400-1-3-.10	Well record
5/29/84	2/3/84	84-31	400-4	Rules & regulations governing the permitting, drilling, & production of coalbed methane gas
5/29/84	2/3/84	84-32	400-1-1-.03	Definitions: gas, pool, pressure maintenance & waste
5/29/84	2/3/84	84-33	400-1-5-.02	Operations involving hydrogen sulfide
9/11/84	5/22/84	84-203	400-3	Rules & regulations governing permitting, drilling, & producing operations in submerged offshore lands of Alabama
9/11/84	5/22/84	84-204	400-1-2-.05	Change of operator
9/11/84	5/22/84	84-205	400-1-2-.01	Permitting of wells
12/4/84	9/20/84	84-377	400-1-3-.03	Casing requirements
12/4/84	9/20/84	84-378	400-1-3-.10	Well record
12/4/84	9/20/84	84-379	400-1-2-.02	Spacing of wells
12/4/84	9/20/84	84-380	400-1-14	Appointment of a Hearing Officer
5/7/85	1/23/85	85-29	400-1-5-.04	Underground injection control
7/10/85	4/17/85	85-88	400-1-12-.04	Commencement of proceedings
7/10/85	4/17/85	85-89	400-1-12-.12	Preparation of notice
7/10/85	4/17/85	85-90	400-1-13	Orders providing for forced integration or forced pooling
10/11/85	6/26/85	85-183	400-1-2-.01 400-1-3-.02 400-4-3-.01	Permitting of wells Notice of activities Notice of activities
4/16/86	12/19/85	85-362	400-3-3-.02	Well casing & cementing

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
4/16/86	12/19/85	85-363	400-1-3-.06 400-3-1-.02	Notice of intention to plug & abandon, or request to classify wells temporarily abandoned or shut-in Applications of other rules & orders of the Board
4/16/86	12/19/85	85-364	400-1-4-.02	Multiple completions
10/4/86	4/18/86	86-104	400-1-12-.10	Notice
11/24/86	1/13/86	85-367	400-1-2-.04	Organization reports
11/24/86	1/13/86	85-368	400-1-5-.08	Transportation of waste liquids
11/24/86	6/27/86	86-194	400-3-5-.02	Safety & environment: oil spill contingency plan & contingency spill monitoring plan
2/11/87	10/10/86	86-262	400-1-3-.10	Well record
2/9/88	11/13/87	87-192	400-1-12-.04	Commencement of proceedings
2/9/88	11/13/87	87-193	400-1-1-.04	Forms
2/9/88	11/13/87	87-194	400-1-2-.02	Spacing of wells
2/9/88	11/13/87	87-195	400-1-5-.03	Pits, emergency reserve pits, dikes & firewalls
2/9/88	11/13/87	87-196	400-1-2-.01	Permitting of wells
2/9/99	11/13/87	87-197	400-1-3-.02	Notice of activities
2/9/88	11/13/87	87-198	400-1-5-.07	Restoration of drilling location
2/9/88	11/13/87	87-199	400-1-3-.05	Plugging methods & procedures
2/9/88	11/13/87	87-200	400-1-3-.16	Daylight hours
2/9/88	11/13/87	87-201	400-4-3-.01	Notice of activities
2/9/88	11/13/87	87-202	400-1-9-.02	Plant project hearing required
2/20/89	6/24/88	88-142	400-1-2-.01	Permitting of wells
2/20/89	6/24/88	88-143	400-1-12-.04	Commencement of proceedings
2/20/89	6/24/88	88-144	400-1-12-.05	Form & content of pleadings
2/20/89	6/24/88	88-145	400-2-X-.03	Application & filing procedure
2/20/89	8/5/88	88-183	400-1-8-.04	Gathering lines
2/20/89	9/16/88	88-217	400-1-5-.02	Operations involving hydrogen sulfide
4/28/89	12/16/88	88-256	400-1-3-.10	Well record
4/28/89	12/16/88	88-257	400-1-1-.03	Definitions: abandoned well & temporarily abandoned well
4/28/89	12/16/88	88-258	400-1-3-.06	Notice of intention to plug & abandon, or request to classify wells as temporarily abandoned or shut-in
11/16/89	8/9/89	89-117	400-1-3-.02	Notice of activities
11/16/89	8/9/89	89-122	400-4-3-.01	Notice of activities

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
11/16/89	8/9/89	89-123	400-1-1-.04	Forms
11/16/89	8/9/89	89-124	400-1-5-.05	Abandonment of radioactive logging sources
6/7/90	3/2/90	90-75	400-3-4-.05	Platforms & fixed structures
6/7/90	3/2/90	90-76	400-4-1-.03	Application of other rules & orders of the Board
6/7/90	3/2/90	90-77	400-4-5-.02	Pits
6/7/90	3/2/90	90-78	400-4-5-.01	Produced water
6/7/90	3/2/90	90-82	400-3-6-.01	Pipelines & gathering lines in or over submerged offshore lands
8/20/90	5/18/90	90-139	400-4-3-.02	Casing requirements
8/20/90	5/18/90	90-140	400-4-1-.03	Application of other rules & orders of the Board
8/20/90	5/18/90	90-142	400-1-2-.05	Change of operator
11/6/90	7/27/90	90-256	400-1-5-.01	Notification of fire, breaks, leaks & blow outs
11/6/90	7/27/90	90-257	400-1-1-.04	Forms
11/6/90	7/27/90	90-258	400-1-2-.02	Spacing of wells
11/6/90	7/27/90	90-259	400-4-2-.02	Spacing of wells
1/14/91	9/14/90	90-365	400-4-2-.01	Permitting of wells
1/14/91	9/14/90	90-366	400-1-2-.01	Permitting of wells
5/10/91	1/30/91	91-164	400-2-X-.08	Forms
10/18/91	4/25/91	91-271	400-1-12-.10	Notice
10/18/91	5/31/91	91-328	400-1-4-.01	Protection of oil & gas
2/12/92	8/23/91	91-401	400-3-6	Transportation: rescinded
2/12/92	11/1/91	91-470	400-1-9	Processing
2/12/92	11/1/91	91-471	400-1-8-.04	Gathering lines
9/3/92	7/10/92	92-127	400-1-2-.02	Spacing of wells
9/3/92	7/10/92	92-128	400-4-2-.02	Spacing of wells
6/8/93	3/5/93	93-55	400-1-3-.03	Casing requirements
7/28/93	4/16/93	93-82	400-1-12-.17	Affidavits
8/19/93	5/21/93	93-110	400-3-5-.01	Survey of shallow hazards
2/10/98	10/3/97	97-124	400-1-12-.14	Conduct of hearing
9/11/98	5/15/98	98-64	400-1-12-.10	Notice
8/13/99	3/5/99 7/1/99	99-21 99-46	400-4-5-.04	Protection of drinking water sources during the hydraulic fracturing of a coalbed methane gas well

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
12/14/99	8/20/99 11/5/99	99-56 99-81	400-4-5-.04 400-4-1-.02	Protection of underground sources of drinking water during the hydraulic fracturing of coal beds Definitions: underground source of drinking water
5/16/00	1/27/00 4/7/00	2000-80 2000-104	400-1 400-1-1 400-1-2 400-1-3 400-1-4 400-1-5 400-1-6 400-1-7 400-1-8 400-1-9 400-1-10 400-2 400-2-1 400-2-2 400-2-3 400-2-4 400-2-5 400-2-6 400-2-7 400-2-8 400-2-9 400-3 400-3-1 400-3-2 400-3-3 400-3-4 400-3-5 400-3-6 400-3-7	Repealed prior rules and regulations and adopted new rules and regulations for: Rules and regulations governing onshore lands operations General Permitting of wells Notification and approval of activities Drilling Testing and Allowable Production Processing Transportation Safety and Environment Reports Rules and regulations governing submerged offshore lands operations General Permitting of wells Notification and approval of activities Drilling Testing and allowable Production Transportation Safety and Environment Reports Rules and regulations governing coalbed methane gas operations General Permitting of wells Notification and approval of activities Drilling Testing and allowable Production Transportation

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
			400-3-8	Safety and Environment
			400-3-9	Reports
			400-4	Rules and regulations governing Class II underground injection control
			400-4-1	General
			400-4-2	Class II underground injection control operations
			400-5	Rules and regulations governing the underground storage of gas in reservoirs
			400-5-1	General
			400-5-2	Permitting of wells
			400-5-3	Underground storage facility design and development
			400-5-4	Underground storage operating pressures
			400-5-5	Volume verification
			400-5-6	Casing requirements
			400-5-7	Storage well mechanical integrity test
			400-5-8	Wellhead components, valves, and fittings
			400-5-9	Recompletion or reworking
			400-5-10	Gas measurement and analysis
			400-5-11	Wells drilled through a storage area
			400-5-12	Safety and Environment
			400-6	Rules and regulations governing the underground storage of gas in solution-mined cavities
			400-6-1	General
			400-6-2	Permitting of wells
			400-6-3	Bond
			400-6-4	Underground storage facility design and development
			400-6-5	Underground storage operating pressures
			400-6-6	Volume verification
			400-6-7	Casing requirements
			400-6-8	Storage well and storage cavity mechanical integrity test
			400-6-9	Wellhead components, valves, and fittings

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
			400-6-10	Plugging and abandonment of storage wells
			400-6-11	Requests to classify a storage well and storage cavity as temporarily abandoned or shut in
			400-6-12	Recompletion or reworking
			400-6-13	Gas measurement and analysis
			400-6-14	Safety and Environment
			400-7	Rules and regulations governing practice and procedure and forced integration or forced pooling
			400-7-1	Rules and regulations governing practice and procedure
			400-7-2	Rules and regulations governing forced integration and forced pooling
11/21/00	6/16/00 10/6/00	2000-127 2000-185	400-2-4-.05	Abandonment of radioactive logging sources
			400-6-1-.05	Definitions: underground storage
3/12/01	10/6/00 1/31/01	2000-183 2001-21	400-1-7-.01	Production facilities, processing facilities, and plants
3/12/01	10/6/00 1/31/01	2000-184 2001-22	400-2-8-.03	Pollution prevention and control
9/4/01	5/10/01 7/27/01	2001-67 2001-126	400-7-1-.05	Commencement of proceedings
			400-7-1-.11	Notice
			400-7-1-.12	Preparation of notice
			400-7-1-.13	Prehearing conference
			400-7-1-.14	Continuances of hearing
			400-7-1-.15	Conduct of hearing
			400-7-1-.16	Power of Board to require attendance of witness and production of evidence
			400-7-1-.17	Rules of evidence
			400-7-1-.18	Affidavits
			400-7-1-.19	Copies
			400-7-1-.20	Order of docket of hearing
			400-7-1-.21	Place of hearings
			400-7-1-.22	Preparation of proposed orders
			400-7-1-.23	Determination of rulings upon evidence
			400-7-1-.24	Entry of rules, regulations, and orders
9/4/01	5/10/01 7/27/01	2001-68 2001-127	400-3-8-.03	Protection of underground sources of drinking water during the hydraulic fracturing of coal beds

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
1/17/02	9/28/01 12/7/01	2001-154 2001-191	400-1-2-.05	Change of operator
1/17/02	9/28/01 12/7/01	2001-155 2001-192	400-2-2-.05	Change of operator
1/17/02	9/28/01 12/7/01	2001-156 2001-193	400-3-2-.05	Change of operator
1/17/02	9/28/01 12/7/01	2001-157 2001-194	400-1-8-.01	Certificate of compliance, authorization to transport
1/17/02	9/28/01 12/7/01	2001-158 2001-195	400-2-7-.01	Certificate of compliance, authorization to transport
1/17/02	9/28/01 12/7/01	2001-159 2001-196	400-3-7-.01	Certificate of compliance, authorization to transport
4/23/02	12/7/01 2/15/02	2001-189 2002-16	400-7-2-.01	Forced integration or forced pooling
4/14/03	10/18/02 2/14/03	2002-481 2003-16	400-3-8-.03	Protection of underground sources of drinking water during the hydraulic fracturing of coal beds
12/22/03	6/13/03 10/10/03	2003-69 2003-135	400-2-6-.09	Platforms and fixed structures
9/9/05	4/22/05 7/13/05	2005-44 2005-75	400-1-4-.03 400-2-4-.03 400-3-4-.03 400-1-4-.04 400-2-4-.04 400-3-4-.04 400-1-6-.06 400-2-6-.06 400-3-6-.05	Well record Well record Well record Directional surveys Directional surveys Directional surveys Recompletion or reworking Recompletion or reworking Recompletion or reworking
9/9/05	4/22/05 7/13/05	2005-45 2005-76	400-1-2-.05 400-2-2-.05 400-3-2-.05	Change of operator Change of operator Change of operator
9/9/05	4/22/05 7/13/05	2005-46 2005-77	400-1-4-.13	Blow-out prevention
3/13/06	2/2/06	2006-26	400-7-1-.11	Notice
3/13/06	2/2/06	2006-27	400-7-2-.01	Forced integration or forced pooling
10/16/07	9/7/07	2007-133	400-3-8-.03	Hydraulic Fracturing of Coal Beds
7/17/09	3/26/09	2009-33	400-7-1-.05 400-7-1-.11 400-7-1-.17 400-7-2-.01	Commencement of Proceedings Notice Affidavits Forced Integration or Forced Pooling

EFFECTIVE DATE OF RULE	DATE APPROVED BY BOARD	ORDER NO.	RULE NO.	RULE DESCRIPTION
10/27/09	9/10/09	2009-68	400-1-4-.17 400-2-4-.14 400-3-4-.17	Request to Classify Wells as Temporarily Abandoned or Shut-in Request to Classify Wells as Temporarily Abandoned or Shut-in Request to Classify Wells as Temporarily Abandoned or Shut-in
8/10/10	6/18/10	2010-67	400-1-1-.01 400-1-1-.05 400-1-2-.01 400-1-2-.02 400-1-5-.09 400-1-5-.10 400-2-1-.01 400-2-1-.05 400-2-2-.01 400-2-2-.02 400-2-5-.09 400-2-5-.10 400-3-1-.05 400-3-2-.01 400-3-2-.02 400-7-1-.11 400-7-2-.01	Applicability Definitions Well Permit Spacing of Wells Permissible Tolerance in Production Volumes Allowed for Oil Wells Permissible Tolerance in Production Volumes Allowed for Gas Wells Applicability Definitions Well Permit Spacing of Wells Permissible Tolerance in Production Volumes Allowed for Oil Wells Permissible Tolerance in Production Volumes Allowed for Gas Wells Definitions Well Permit Spacing of Wells Notice Forced Integration or Forced Pooling
1/25/11	12/9/10	2010-117	400-1-2-.05 400-2-2-.05 400-3-2-.05	Change of Operator Change of Operator Change of Operator
5/16/11	3/31/11	2011-35	400-1-9-.03(3) 400-2-8-.05(3) 400-3-8-.02(3)	Wastes Manifest Wastes Manifest Wastes Manifest
8/3/11	6/22/11	2011-62	400-2-6-.10	Production Facilities

