

Mississippi Secretary of State  
700 North Street P. O. Box 136, Jackson, MS 39205-0136

**ADMINISTRATIVE PROCEDURES NOTICE FILING**

AGENCY NAME Mississippi State Oil & Gas Board		CONTACT PERSON Howard O. Leach		TELEPHONE NUMBER 601-576-4921	
ADDRESS 500 Greymont Avenue, Suite E		CITY Jackson		STAT E MS	ZIP 3920 2
EMAIL <a href="mailto:hleach@ogb.state.ms.us">hleach@ogb.state.ms.us</a>	SUBMIT DATE August 20, 2012	Name or number of rule(s): Miss. State Oil & Gas Board's Statewide Rule 1.11 (" <u>Surface Casing</u> ")			

Short explanation of rule/amendment/repeal and reason(s) for proposing rule/amendment/repeal:

To amend and revise existing Statewide Rule 1.11 ("Surface Casing") to require that surface casing in oil and gas wells be cemented to the surface.

Specific legal authority authorizing the promulgation of rule: Miss. Code Anno. Section 53-1-17(3)(a) (1972)

List all rules repealed, amended, or suspended by the proposed rule: Statewide Rule 1.11 ("Surface Casing")

**ORAL PROCEEDING:**

An oral proceeding is scheduled for this rule on Date: Sept. 19, 2012 Time: 10:00 a.m. Place: Hearing Room, Miss. State Oil & Gas Board, 500 Greymont Avenue, Suite E., Jackson, MS

Presently, an oral proceeding is not scheduled on this rule.

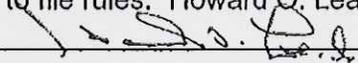
If an oral proceeding is not scheduled, an oral proceeding must be held if a written request for an oral proceeding is submitted by a political subdivision, an agency or ten (10) or more persons. The written request should be submitted to the agency contact person at the above address within twenty (20) days after the filing of this notice of proposed rule adoption and should include the name, address, email address, and telephone number of the person(s) making the request; and, if you are an agent or attorney, the name, address, email address, and telephone number of the party or parties you represent. At any time within the twenty-five (25) day public comment period, written submissions including arguments, data, and views on the proposed rule/amendment/repeal may be submitted to the filing agency.

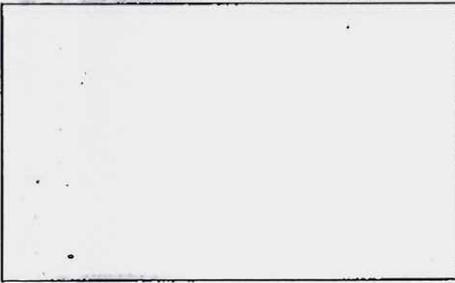
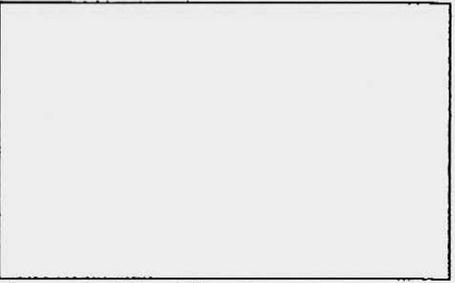
**ECONOMIC IMPACT STATEMENT:**

Economic impact statement not required for this rule.  Concise summary of economic impact statement attached.

TEMPORARY RULES	PROPOSED ACTION ON RULES	FINAL ACTION ON RULES
<input type="checkbox"/> Original filing <input type="checkbox"/> Renewal of effectiveness To be in effect in _____ days Effective date: <input type="checkbox"/> Immediately upon filing <input type="checkbox"/> Other (specify):	Action proposed: <input type="checkbox"/> New rule(s) <input checked="" type="checkbox"/> Amendment to existing rule(s) <input type="checkbox"/> Repeal of existing rule(s) <input type="checkbox"/> Adoption by reference Proposed final effective date: <input checked="" type="checkbox"/> 45 days after filing <input type="checkbox"/> Other (specify):	Date Proposed Rule Filed: Action taken: <input type="checkbox"/> Adopted with no changes in text <input type="checkbox"/> Adopted with changes <input type="checkbox"/> Adopted by reference <input type="checkbox"/> Withdrawn <input type="checkbox"/> Repeal adopted as proposed Effective date: <input type="checkbox"/> 30 days after filing <input type="checkbox"/> Other (specify):

Printed name and Title of person authorized to file rules: Howard O. Leach, Board Attorney 08/20/12

Signature of person authorized to file rules: 

OFFICIAL FILING STAMP 	DO NOT WRITE BELOW THIS LINE OFFICIAL FILING STAMP 	OFFICIAL FILING STAMP 
Accepted for filing by	Accepted for filing by <b>CB19069E</b>	Accepted for filing by

The entire text of the Proposed Rule including the text of any rule being amended or changed is attached.



DELBERT HOSEMANN  
Secretary of State

**CONCISE SUMMARY OF ECONOMIC IMPACT STATEMENT**

An Economic Impact Statement is required for this proposed rule by Section 25-43-3.105 of the Administrative Procedures Act. This is a Concise Summary of the Economic Impact Statement which must be filed with the Secretary of State's Office.

AGENCY NAME <b>Miss. State Oil &amp; Gas Board</b>		CONTACT PERSON <b>Howard O. Leach</b>		TELEPHONE NUMBER <b>1-601-576-4921</b>
ADDRESS <b>500 Greymont Avenue - Suite E</b>		CITY <b>Jackson</b>	STATE <b>Miss.</b>	ZIP <b>39202</b>
EMAIL <b>hleach@ogb.state.ms.us</b>		DESCRIPTIVE TITLE OF PROPOSED RULE <b>Statewide Rule 11 ("Surface Casing")</b>		
Specific Legal Authority Authorizing the promulgation of Rule: ##### <b>MCA Sec.53-1-17(3) (1972)</b>		Reference to Rules repealed, amended or suspended by the Proposed Rule: <b>Statewide Rule 11 ("Surface Casing")</b>		

**A. Estimated Costs and Benefits**

1. Briefly summarize the benefits that may result from this regulation and who will benefit:

Amend Statewide Rule 11 to require that surface casing in oil and gas wells be cemented to the surface. The adoption of the proposed amendments will significantly reduce the likelihood of freshwater contamination and other damage to the environment during oil and gas operations.

2. Briefly describe the need for the proposed rule:

There is a need to further insure that freshwater aquifers and oil and gas strata are not contaminated by the intrusion of saltwater and other pollutants during the course of oil and gas operations.

3. Briefly describe the effect the proposed action will have on the public health, safety, and welfare:

The public health, safety and welfare will be significantly enhanced by further reducing the likelihood of freshwater contamination and the intrusion of saltwater and other contaminants into oil and gas strata occurring during the course of oil and gas operations.

4. Estimated Cost of implementing proposed action:

- a. To the agency  
 Nothing    Minimal    Moderate    Substantial    Excessive
- b. To other state or local government entities  
 Nothing    Minimal    Moderate    Substantial    Excessive

5. Estimated Cost and/or economic benefit to all persons directly affected by the proposed rule:

- c. Cost:  
 Nothing    Minimal    Moderate    Substantial    Excessive
- d. Economic Benefit:  
 Nothing    Minimal    Moderate    Substantial    Excessive

6. Estimated impact on small businesses:

Nothing  Minimal  Moderate  Substantial  Excessive

- a. Estimate of the number of small businesses subject to the proposed regulation: ±130  
b. Projected costs for small businesses to comply: Minimal  
c. Statement of probable effect on impacted small businesses: Minimal economic impact

7. The cost of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):

substantially less than  moderately less than  minimally less than  
 the same as  minimally more than  moderately more than  
 substantially more than  excessively more than

8. The benefit of adopting the rule compared to not adopting the rule or significantly amending the existing rule (check option):

substantially less than  moderately less than  minimally less than  
 the same as  minimally more than  moderately more than  
 substantially more than  excessively more than

**B. Reasonable Alternative Methods**

1. Other than adopting this rule, are there less costly or less intrusive methods for achieving the purpose of the proposed rule?

yes  no

2. If yes, please briefly describe available, reasonable alternative(s) and the reasons for rejecting those alternatives in favor of the proposed rule. (Please see §25-43-4.104 for factors you must consider.)

Not Applicable

**C. Data and Methodology**

1. Please briefly describe the data and methodology you used in making the estimates required by this form.

Review of surface casing requirements imposed by other state oil and gas conservation agencies and the approximately eighty (80) years of experience of this agency in permitting and regulating the drilling, completion and operation of oil and gas wells in the State of Mississippi.

**D. Public Notice**

1. Where, when, and how may someone present their views on the proposed rule and request an oral proceeding on the proposed rule if one is not already scheduled?

A public hearing will be conducted by the Miss. State Oil & Gas Board in the Hearing Room of said agency located at 500 Greymont Avenue, Suite E, Jackson, Mississippi, commencing at 10:00 o'clock, A. M. on September 19, 2012. Written comments can be submitted to the agency at the above address not later than 5:00 o'clock, P. M. on Tuesday, September 11, 2012.

SIGNATURE

TITLE

Attorney, Miss. State Oil & Gas Board

DATE

August 20, 2012

PROPOSED EFFECTIVE DATE OF RULE

Forty-five (45) days after approval.