

OHIO DEPARTMENT OF NATURAL RESOURCES  
 DIVISION OF OIL AND GAS RESOURCES MANAGEMENT  
 ATTN: SURETY SECTION  
 2045 MORSE ROAD, BLDG. F-2  
 COLUMBUS, OH 43229-6693

Date Approved: \_\_\_\_\_  
 Statement of Condition as of: *(date)* \_\_\_\_\_  
 OWNER NUMBER: \_\_\_\_\_

**EXEMPT DOMESTIC WELL OWNER  
 FINANCIAL STATEMENT (FORM 3A)**

OWNER: \_\_\_\_\_ TELEPHONE NUMBER: \_\_\_\_\_  
 (Area Code)  
 ADDRESS: \_\_\_\_\_  
 (Street) (City) (State) (Zip)

List below the name and address of spouse, if applicant is doing business as a partnership, company, corporation, etc. (i.e., Family Farm); list below the name(s), title(s), and address(es) of the principal member(s) and/or partner(s).

| NAME | TITLE | ADDRESS | TELEPHONE |
|------|-------|---------|-----------|
|      |       |         |           |
|      |       |         |           |
|      |       |         |           |

**STATEMENT OF FINANCIAL CONDITION** (including out-of-state holdings):

| ASSETS<br>(do not include assets of doubtful value)   | IN DOLLARS<br>(omit cents) | LIABILITIES<br>(current liabilities; i.e., credit cards, bank loans) | IN DOLLARS<br>(omit cents) |
|---|----------------------------|--|----------------------------|
| 1. Cash   |                            | 18. Notes Payable - Bank   |                            |
| 2. Current Investments - <b>Schedule D</b>            |                            | 19. Notes Payable - Other  |                            |
| 3. Account Receivables                                |                            | 20. Other Current (specify)  |                            |
| 4. Less: Allow/Doubt Accounts                         |                            |  |                            |
| 5. Net Account Receivables                            |                            | 21. Total Current Liabilities  |                            |
| 6. Inventories  |                            | 22. Long-Term Debt (i.e., real estate loans)                         |                            |
| 7. Other Current (specify)                            |                            | 23. Other Non-Current (specify)                                      |                            |
|   |                            |  |                            |
| 8. Total Current Assets                               |                            | 24. Total Non-Current Liabilities                                    |                            |
| 9. Equipment - <b>Schedule A</b>                      |                            | 25. Total Liabilities  |                            |
| 10. Tangible Equip. Oil/Gas Prop. - <b>Schedule B</b> |                            | • TOTAL ASSETS IN OHIO   |                            |
| 11. Real Estate - <b>Schedule C</b>                   |                            | • TOTAL LIABILITIES IN OHIO  |                            |
| 12. Net Fixed Assets                                  |                            | • NET FINANCIAL WORTH IN OHIO  |                            |
| 13. Investments - <b>Schedule D</b>                   |                            |  |                            |
| 14. Personal Property (furniture/collectibles)        |                            | <b>This Section Must Be Completed</b>                                |                            |
| 15. Other Non-Current (specify)                       |                            |  |                            |
|   |                            | Estimated Gross Personal Yearly Income                               |                            |
| 16. Total Non-Current Assets                          |                            | Estimated Yearly Well Operating Expense                              |                            |
| 17. Total Assets                                      |                            | Estimate Cost to Plug and Abandon Well(s)                            |                            |

**SCHEDULE A** - Equipment (cars, trucks, boats, farm equipment); attach additional sheets if necessary

| TYPE | LOCATION (state/county) | DATE ACQUIRED | COST                     | MARKET VALUE |
|------|-------------------------|---------------|--------------------------|--------------|
|      |                         |               |                          |              |
|      |                         |               |                          |              |
|      |                         |               |                          |              |
|      |                         |               |                          |              |
|      |                         |               |                          |              |
|      |                         |               | <b>TOTAL FOR LINE 9:</b> |              |

**SCHEDULE B** - Tangible Equipment on Producing Oil and/or Gas Properties

| PERMIT # | COUNTY | EQUIPMENT<br>(pump jacks, tanks, separators, salvageable tubing or casing) | ESTIMATED WELL VALUE      |
|----------|--------|--|---------------------------|
|          |        |  |                           |
|          |        |  |                           |
|          |        |  |                           |
|          |        |  |                           |
|          |        |  | <b>TOTAL FOR LINE 10:</b> |

**SCHEDULE C - Real Estate - Line 11; list all property (include number of acreage and type of buildings)**

| LOCATION AND DESCRIPTION OF PROPERTIES (INCLUDE ACREAGE) | NAME RECORDED ON TITLE | INTEREST OWNED | UNPAID MORTGAGE | MARKET VALUE |
|--|------------------------|----------------|-----------------|--------------|
|  |                        |                |                 |              |
|  |                        |                |                 |              |
|  |                        |                |                 |              |
|  |                        |                |                 |              |
|  |                        |                |                 |              |
|  |                        |                |                 |              |
| <b>TOTAL FOR LINE 11:</b>                                |                        |                |                 |              |

**SCHEDULE D - Investments/Securities - Line 2 and/or 13**

| DESCRIPTION  | IN NAME OF | MARKETABLE<br>Yes/No | PLEGGED<br>Yes/No | NUMBER<br>SHARES | MARKET VALUE |             |
|--|------------|----------------------|-------------------|------------------|--------------|-------------|
|  |            |                      |                   |                  | Current      | Non-Current |
|  |            |                      |                   |                  |              |             |
|  |            |                      |                   |                  |              |             |
|  |            |                      |                   |                  |              |             |
|  |            |                      |                   |                  |              |             |
|  |            |                      |                   |                  |              |             |
| <b>Total for Line 2 (current-maturing in one year):</b>                |            |                      |                   |                  | <b>\$</b>    |             |
| <b>Total for Line 13 (non-current-maturing greater than one year):</b> |            |                      |                   |                  | <b>\$</b>    |             |

**PERSONAL INFORMATION** (Attach additional sheet and describe if answering "yes" to questions 2 and 3)

1. Exempt Domestic Well Owner:                      Yes  No  (see Domestic Well Owner criteria on page 2 of attached information sheet)
2. Are you a defendant in any suits or legal actions?      Yes  No
3. Have you ever been declared bankrupt?              Yes  No
4. List one financial reference:

|        |           |              |       |             |
|--------|-----------|--------------|-------|-------------|
| (NAME) | (ADDRESS) | (CITY/STATE) | (ZIP) | (TELEPHONE) |
|--------|-----------|--------------|-------|-------------|

**NOTICE:** The purpose of this financial statement is not to extend credit, but rather to establish the financial responsibility of the applicant in lieu of the bonding requirement as specified in Chapter 1509.07 of the Ohio Revised Code. The Division is authorized to make all inquiries necessary to verify the accuracy of this statement. Regardless of a change in financial condition, the applicant must update the statement once every two years.

Knowingly falsifying this statement or knowingly swearing or affirming that false information contained hereon is true is a misdemeanor offense of the first degree which carries a maximum penalty of six months imprisonment and a one thousand dollar (\$1000.00) fine.

I declare under the penalties of perjury that this financial statement is true and correct and that you may consider this statement as continuing to be true and correct until a written notice of a change is given to you by the undersigned.

\_\_\_\_\_  
Signature of Registered Owner

PLEASE DO NOT WRITE BELOW THIS LINE -- FOR DIVISION USE ONLY

Update: \_\_\_\_\_ New: \_\_\_\_\_ Accepted by: \_\_\_\_\_ Date: \_\_\_\_\_

Remarks: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**FINANCIAL STATEMENT (FORM 3A)**  
**Information Sheet**

THIS FORM MUST BE COMPLETED IN INK OR TYPED. PLEASE READ THE INSTRUCTIONS CAREFULLY AND COMPLETE ALL SECTIONS AS REQUESTED. SEND THE ORIGINAL FORM TO THE DIVISION.

**GENERAL**

The basis for financial statement submittal is found in Chapter 1509.07 of the Ohio Revised Code. It is used in lieu of bond at the discretion of the Chief. Financial Statements are accepted in the following situations:

1. For exempt domestic or non-domestic well owners as an update to a previously **approved** financial statement.
2. For new exempt domestic well owners, with only one well under their owner number, if the criteria for an exempt domestic well owner on the following page is met. If an exempt domestic well owner wants more than one well, the owner may file a Surety Bond, Certificate of Deposit,

**UPPER LEFT HAND CORNER**

Please note the proper mailing address, particularly the line "**ATTN: SURETY SECTION**," which will allow for prompt processing at the Division.

**UPPER RIGHT HAND CORNER**

The "Statement of Condition" requires a date which will be used as a time reference.

**APPLICANT'S NAME - ADDRESS**

The next section to fill out concerns the name of the Owner. If filing an update of a previously approved financial statement, the name listed must match the name registered under the approved owner number within the Division's records. Next is the address, where the applicant must indicate a mailing address and street address of residence. The following spaces provide for the name and address of the spouse if the applicant is doing business as an individual. Likewise, the name, address and position of members and/or partners is required if the applicant is doing

**STATEMENT OF FINANCIAL CONDITION**

This section follows the same format used by all banks in their loan application. On lines 2, 9, 10, 11 and 13 there are references to various schedules which require total amounts. These schedules are listed below and will be discussed later.

The column to the right asks for your financial conditions within the State of Ohio. In other words, from the assets which are listed above, indicate which are actually located in Ohio. If the applicant is doing business solely within the State of Ohio, then these amounts should be identical to the

The next section to be completed is the "Estimated Gross Yearly Income" Section (the gross yearly income refers to your income, not the income from the well). The section must have at least **two** of these items completed.

**SCHEDULES**

The following schedules are a breakdown of the totals found on lines 2, 9, 10, 11 and 13.

As a practical matter, every asset does not need to be listed under these headings. The applicant must indicate sufficient tangible assets which will offset the corresponding liabilities in order to arrive at an acceptable net worth.

**SCHEDULE A - EQUIPMENT**

Please note that "Market Value" is the fair price of the item (willing buyer and seller). Add up the amounts and place the total on line 9. Normally listed items include: cars, trucks, tractors, farm equipment, boats, etc.

**SCHEDULE B - TANGIBLE EQUIPMENT ON PRODUCING OIL AND/OR GAS PROPERTIES**

Wells that were not given permit numbers, require a brief legal description of the location. Add all of the **estimated well** values and place the total

**SCHEDULE C - OTHER REAL ESTATE**

Add the "Market Value" column, and write the total on line 11. Include the county, acreage, size and type of structures (i.e., two-story house, two

**SCHEDULE D - INVESTMENT SECURITIES**

Briefly describe the investment. The column labeled "Marketable" asks if the security listed is freely marketable to the general public. "Current" means that the item will mature within one year. The current securities should be added and total placed on line 2. The total for non-current

**PERSONAL INFORMATION**

Line 1, Exempt Domestic Well Owner. If yes is checked, all of the following criteria must be met.

1. The well is owned by the owner of the surface estate of the tract on which the well is located. In other words, the person(s) signing this form as Registered Owner must own the property and rights to appropriate the gas for his/her own use.
2. The well must be used to primarily provide gas for the owner's **domestic** use. Wells primarily supplying gas to rental properties, residences adjacent to the tract on which the well is located or businesses **do not** qualify as domestic wells.
3. The well must be more than 200 feet from any inhabited private dwelling not located on the tract on which the well is located.
4. The well must be more than 200 feet from any public building.
5. The owner must maintain the well at their own expense to maintain productivity, properly dispose of brine, plug the well when it is no longer capable of production, and restore the well site.
6. Effective August 1993, the financial statement will only be accepted for new exempt domestic well owners with **one** well. Existing exempt domestic well owners with multiple wells under a previously approved financial statement **can continue** to submit updated financial statements but are not permitted to receive additional wells unless a Surety Bond, Certificate of Deposit, Irrevocable Letter of Credit, or Cash Bond is submitted. New exempt domestic well owners requesting to receive more than one well must also submit a Surety Bond, Certificate of Deposit,