

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 32 Session of
1991

INTRODUCED BY LLOYD, MERRY, FREEMAN, TRELLO, DALEY, BILLOW,
GIGLIOTTI, HALUSKA, D. R. WRIGHT, LAUGHLIN, VEON, ITKIN,
PESCI AND COLAIZZO, JANUARY 15, 1991

REFERRED TO COMMITTEE ON CONSERVATION, JANUARY 15, 1991

AN ACT

1 Amending the act of December 19, 1984 (P.L.1140, No.223),
2 entitled "An act relating to the development of oil and gas
3 and coal; imposing duties and powers on the Department of
4 Environmental Resources; imposing notification requirements
5 to protect landowners; and providing for definitions, for
6 various requirements to regulate the drilling and operation
7 of oil and gas wells, for gas storage reservoirs, for various
8 reporting requirements, including certain requirements
9 concerning the operation of coal mines, for well permits, for
10 well registration, for distance requirements, for well casing
11 requirements, for safety device requirements, for storage
12 reservoir obligations, for well bonding requirements, for a
13 Well Plugging Restricted Revenue Account to enforce oil and
14 gas well plugging requirements, for the creation of an Oil
15 and Gas Technical Advisory Board, for oil and gas well
16 inspections, for enforcement and for penalties," providing
17 for accounting of oil or gas production.

18 The General Assembly of the Commonwealth of Pennsylvania
19 hereby enacts as follows:

20 Section 1. The act of December 19, 1984 (P.L.1140, No.223),
21 known as the Oil and Gas Act, is amended by adding a section to
22 read:

23 Section 217. Responsibility of well operator to provide
24 accurate accounting.

25 (a) A well operator shall provide each person who has

1 leased, sold or otherwise conveyed to the well operator the
2 right to remove or recover oil or gas from real property with a
3 statement which shall accompany each payment to such person and
4 which shall specify the production from that property for the
5 period covered by the payment.

6 (b) Upon the written request of a person who has leased,
7 sold or otherwise conveyed to the well operator the right to
8 remove or recover oil or gas from real property, and in the
9 presence of the well operator and such person, if either so
10 desires, the department shall inspect, or cause to be inspected,
11 for accuracy any meter used by the well operator to measure the
12 production from the property in question. The well operator
13 shall replace or repair such meter within a reasonable time if
14 the department determines that the meter is not accurate within
15 commercially reasonable limits of accuracy. An inspection fee
16 shall be charged, in accordance with a fee schedule established
17 by department regulations, to the person requesting the
18 inspection, except that such fee shall be charged to the well
19 operator if the department determines that the meter is not
20 accurate within commercially reasonable limits.

21 (c) The department shall promulgate such rules and
22 regulations as are necessary to carry out the provisions of this
23 section.

24 Section 2. This act shall take effect in 60 days.