AN ACT
Relating to conventional wells and the development of oil, gas and coal; imposing powers and duties on the Department of Environmental Protection; and providing for preliminary provisions, for general requirements, for underground gas storage, for enforcement and remedies, for related funds, parties and activities and for miscellaneous provisions.

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

CHAPTER 1

PRELIMINARY PROVISIONS

Section 101. Short title.

This act shall be known and may be cited as the Conventional Oil and Gas Wells Act.

Section 102. Declaration of purpose.

The purposes of this act are to:

(1) Permit the optimal development of the oil and gas resources of Pennsylvania consistent with the property rights of owners of the oil and gas resources and the protection of the health, safety, environment and property of the residents of this Commonwealth.
(2) Protect the safety of personnel and facilities employed in the exploration, development, storage and production of natural gas or oil or the mining of coal.

(3) Protect the safety and property rights of persons residing in areas where exploration, development, storage or production occurs.

(4) Protect the natural resources, environmental rights, property rights and values secured by the Constitution of Pennsylvania.

(5) Provide a flexible and cost-effective way to implement and enforce the provisions of this act.

Section 103. Scope.

This act relates to conventional wells and well sites only.

Section 104. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Abandoned well." Any of the following:

(1) A well that has not been used to produce, extract or inject gas, petroleum or other liquid within the preceding 12 months.

(2) A well for which equipment necessary for production, extraction or injection has been permanently removed.

(3) A well, considered dry, not equipped for production within 60 days after drilling, redrilling or deepening, except that it shall not include a well granted inactive status.

"Alteration." An operation which changes the physical characteristics of the well bore, including removing, repairing or changing the casing. For the purpose of this act only, the
term shall not include:

(1) Repairing or replacing of casing if the activity does not affect the depth or diameter of the well bore, the use or purpose of the well does not change and the activity complies with regulations promulgated under this act.

However, this exclusion shall not apply to production casings in coal areas when the production casings are also the coal protection casings and shall not apply when the method of repairing or replacing the casing would affect the coal protection casing.

(2) Stimulation of a well.

"Anti-icing." Brine applied directly to a paved road prior to a precipitation event.

"Bridge." An obstruction placed or occurring naturally in a well at a specified depth.

"Building." An occupied structure with walls and roof within which persons live or customarily work.

"Casing." A string or strings of pipe commonly placed in wells drilled for natural gas or petroleum.

"Cement" or "cement grout." Hydraulic cement properly mixed with water only or a mixture of materials adequate for bonding or sealing of well bores as approved by regulations promulgated in this act.

"Coal mine." Operations in a coal seam, which include the excavated and abandoned portions as well as the places actually being worked, all underground workings and shafts, slopes, tunnels and other ways and openings and all shafts, slopes, tunnels and other openings in the course of being sunk or driven, together with all roads and facilities connected with them below the surface.
"Coal operator." A person who proposes or has a permit to operate or operates a coal mine either as owner or lessee.

"Completion of a well." The date after treatment, if any, that the well is properly equipped for production of oil or gas, or, if the well is dry, the date the well is abandoned.

"Conventional well." As follows:

(1) A bore hole drilled or being drilled for the purpose of or to be used for construction of a well regulated under this act that is not an unconventional well, irrespective of technology or design.

(2) The term includes, but is not limited to, the following:

   (i) Wells drilled to produce oil.

   (ii) Wells drilled to produce natural gas from formations other than shale formations.

   (iii) Wells drilled to produce natural gas from shale formations located above the base of the Elk Group or its stratigraphic equivalent.

   (iv) Wells drilled to produce natural gas from shale formations located below the base of the Elk Group where natural gas can be produced at economic flow rates or in economic volumes without the use of vertical or nonvertical well bores stimulated by hydraulic fracture treatments or multilateral well bores or other techniques to expose more of the formation to the well bore.

   (v) Irrespective of formation, wells drilled for collateral purposes, such as monitoring, geologic logging, secondary and tertiary recovery or disposal injection.

"Council." The Pennsylvania Grade Crude Development Advisory
"De-icing." Brine applied directly to a paved road after a precipitation event.
"Department." The Department of Environmental Protection of the Commonwealth.
"Drilling." The drilling or redrilling of a well or the deepening of an existing well.
"Dust control." The process of applying a material to the surface of a dirt road for the purpose of mitigating air pollution.
"Fresh groundwater." Water in that portion of the generally recognized hydrologic cycle which occupies the pore spaces and fractures of saturated subsurface materials.
"Gas." A fluid, either combustible or noncombustible, which is produced in a natural state from the earth and which maintains a gaseous or rarified state at standard temperature of 60 degrees Fahrenheit and pressure 14.7 PSIA, a manufactured gas, byproduct gas or mixture of gases.
"Inactivate." To shut off the vertical movement of gas in a gas storage well by means of a temporary plug or other suitable device or by injecting bentonitic mud or other equally nonporous material into the well.
"Linear foot." A unit or measurement in a straight line on a horizontal plane.
"Noncoal area." An area where there are no workable coal seams.
"Notice." For the purpose of providing required notice to the department, includes notice provided by telephone, e-mail or other available electronic means.
"Oil" or "petroleum." Hydrocarbons in liquid form at a
standard temperature of 60 degrees Fahrenheit and pressure of 14.7 PSIA.

"Operating coal mine." The portion of a workable coal seam which is covered by an underground mining permit issued by the department.

"Operating well." A well not plugged and abandoned.

"Orphan well." A well abandoned prior to April 18, 1985, that has not been affected or operated by the present owner or operator and from which the present owner, operator or lessee has received no economic benefit, except only as a landowner or recipient of a royalty interest from the well.

"Outside coal boundaries." When used in conjunction with the term "operating coal mine," the boundaries of the coal acreage assigned to a coal mine under an underground mine permit issued by the department.

"Owner." A person who owns, manages, leases, controls or possesses a well or coal property; except that for purposes of sections 303(b)(4) and (5) and 310, the term "owner" shall not include those owners or possessors of surface real property on which the abandoned well is located who did not participate or incur costs in the drilling or extraction operation of the abandoned well and had no right of control over the drilling or extraction operation of the abandoned well. The term shall not apply to orphan wells except where the department determines a prior owner or operator benefited from the well as provided in section 310(a).

"Person." An individual, association, partnership, corporation, political subdivision, agency of the Federal or State Government or other legal entity.

"Pillar." A solid block of coal surrounded by either active
mine workings or a mined-out area.

"Plat." A map, drawing or print accurately drawn to scale showing the proposed or existing location of a well or wells.

"Prewetting." Mixing brine with antiskid material prior to roadway application.

"Retreat mining." The removal of coal pillars, ribs and stumps that remain after the development mining has been completed in a section of a coal mine.

"Secretary." The Secretary of Environmental Protection of the Commonwealth.

"Well." A bore hole drilled or being drilled for the purpose of or to be used for producing, extracting or injecting gas, petroleum or other liquid related to oil or gas production or storage, including brine disposal, but excluding bore holes drilled to produce potable water. The term does not include:

1. A mine bore as referenced in 25 Pa. Code Ch. 73 (relating to standards for onlot sewage treatment facilities).

2. A bore hole drilled or being drilled for the purpose of or to be used for systems of monitoring, producing or extracting gas from solid waste disposal facilities, as long as the wells are subject to the act of July 7, 1980 (P.L.380, No.97), known as the Solid Waste Management Act, and do not penetrate a workable coal seam. The term also does not include a bore hole drilled or being drilled for the purpose of or to be used for degasifying coal seams if the following conditions are satisfied:

   (i) (A) the bore hole is used to vent methane to the outside atmosphere from an operating coal mine;

   (B) the bore hole is regulated as part of the
mining permit under the act of June 22, 1937
(P.L.1987, No.394), known as The Clean Streams Law,
and the act of May 31, 1945 (P.L.1198, No.418), known
as the Surface Mining Conservation and Reclamation
Act; and

(C) the bore hole is drilled by the operator of
the operating coal mine for the purpose of increased
safety; or

(ii) the bore hole is used to vent methane to the
outside atmosphere under a Federally funded or State-
funded abandoned mine reclamation project.

"Well operator" or "operator." All of the following:

(1) A person designated as the well operator or operator
on the permit application or well registration.

(2) Where a permit or registration was not issued, a
person who locates, drills, operates, alters or plugs a well
or reconditions a well with the purpose of production from
the well.

(3) In cases where a well is used in connection with the
underground storage of gas, a storage operator.

"Well site." The areas occupied by equipment or facilities
necessary for or incidental to drilling, completion, production
of or plugging a well.

"Wetland." An area that is inundated or saturated by surface
or groundwater at a frequency and duration sufficient to
support, and that under normal circumstances supports, a
prevalence of vegetation typically adapted for life in saturated
soil conditions, including swamps, marshes, bogs and similar
areas.

"Workable coal seams." The term includes:
(1) A coal seam in fact being mined in the area in question under this act by underground methods.

(2) A coal seam which, in the judgment of the department, can reasonably be expected to be mined by underground methods.

CHAPTER 3
GENERAL REQUIREMENTS

Section 301. Well permits.

(a) Permit required.—Except as provided under subsection (j), a person shall not drill a well or alter an existing well without having first obtained a well permit under this section and shall not operate an abandoned or orphan well unless the person is in compliance with subsection (m). A copy of the permit shall be kept at the well site during drilling or alteration of the well. No person shall be required to obtain a permit to redrill a nonproducing well if:

(1) the redrilling has been evaluated and approved as part of an order from the department authorizing the cleaning out and plugging or replugging of a nonproducing well, under section 13(c) of the act of December 18, 1984 (P.L.1069, No.214), known as the Coal and Gas Resource Coordination Act; and

(2) the redrilling is incidental to the plugging or replugging operation and the well subsequently is plugged within 15 days of redrilling.

(b) Plat.—

(1) The permit application shall be accompanied by a plat prepared by a certified professional in erosion and sediment control, a competent engineer or a competent surveyor on forms to be furnished by the department showing
the following:

(i) The political subdivision and county in which the tract of land upon which the well to be drilled is located.

(ii) The name of the surface landowner of record and lessor.

(iii) The names of all surface landowners or water purveyors whose water supplies are within 1,000 feet of the proposed well location.

(iv) The name of the owner of record or operator of all known underlying workable coal seams, if any.

(v) The acreage in the tract to be drilled.

(vi) The proposed location of the well determined by survey.

(vii) The courses and distances of the location from two or more permanent identifiable points or landmarks on the tract boundary corners.

(viii) The proposed angle and direction of the well, if the well is to be deviated substantially from a vertical course.

(ix) The number or other identification to be given to the well.

(x) The workable coal seams, if any, underlying the tract of land upon which the well is to be drilled or altered, which are to be cased off in accordance with section 307.

(xi) Other information needed by the department to administer this act.

(2) The applicant shall forward, by certified mail, a copy of the plat to the surface landowner, all surface
landowners or water purveyors whose water supplies are within 1,000 feet of the proposed well location, the owner and lessee, if any, of the workable coal seams and every coal operator required to be identified on the well permit application and shall submit proof of the notification with the well permit application. With respect to surface landowners, notification shall be accomplished under this section by sending notice to the persons to whom the tax notices for the surface property are sent, as indicated in the assessment books in the county in which the property is located. With respect to surface landowners or water purveyors whose water supplies are within 1,000 feet of the proposed well location, notification shall be made on forms and in a manner prescribed by the department sufficient to identify, for those persons, the rights afforded them under section 308 and the advisability of taking their own predrilling or prealteration survey. With respect to the coal operator, lessee or owner, if any, notification shall be accomplished under this section by sending notice to the persons to whom tax notices for the workable coal seams are sent, as indicated in the assessment books, if available, or as indicated in the records of the recorder of deeds office in the county in which the seams are located. If certified mail or notification is returned undeliverable, the applicant shall include a completed affidavit attesting to the attempted delivery, which shall satisfy the notification requirements under this section.

(3) If the applicant submits to the department written approval of the proposed well location by the surface landowner and the coal operator, lessee or owner, if any, of
the coal underlying the proposed well location and no objections are raised by the department within 15 days of filing or if no approval has been submitted and no objections are made to the proposed well location within 15 days from receipt of the notice by the surface landowner and the coal operator, lessee or owner, if any, or by the department, the approval shall be filed and become a permanent record of the location, subject to inspection at any time by an interested person.

(c) Applicants.--If the applicant for a well permit is a corporation, partnership or a person that does not reside in this Commonwealth, the applicant shall designate an agent for the operator who shall be the attorney in fact for the operator and who shall be a resident of this Commonwealth upon whom notices, orders or other communications issued under this act or the regulations adopted under this act may be served and upon whom process may be served. Every well operator required to designate an agent under this section shall, within five days after the termination of the designation, notify the department of the termination and designate a new agent.

(d) Permit fee.--An application for a well permit shall be accompanied by a permit fee, established by regulation of the department, which bears a reasonable relationship to the cost of administering this act.

(e) Issuance of permit.--The department shall issue a permit within 45 days of the submission of a permit application unless the department denies the permit application for one or more of the reasons set forth under this subsection, provided that the department shall have the right to extend the period for 15 days for cause shown upon notification to the applicant of the

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reasons for that extension. The department may impose permit
terms and conditions as are necessary to assure compliance with
this act and other laws administered by the department. The
department has the burden of proving that the conditions were
necessary to protect against probable harmful impact to health,
safety, environment or property and shall allow the optimal
development of oil and gas resources consistent with the
property rights of the owners of the oil and gas resources. The
department shall have the authority to deny a permit to a person
for the following reasons:

(1) The well site for which a permit is requested is in
violation of the provisions of this act or if issuance of a
permit would result in a violation of this act or any other
applicable environmental statute, rule or regulation.

(2) The permit application is incomplete.

(3) Unresolved objections to the well location by a coal
mine owner or operator remain.

(4) The requirements of section 315 have not been met.

(5) The applicant, with respect to other well or wells
which the applicant operates, is in continuing violation of
this act or other applicable statute administered by the
department. The right of the department to deny a permit
under this paragraph shall not be effective until a final
administrative determination has been made of the violations
and no appeal is pending in which a stay has been granted.

(f) Drilling.--Upon issuance of a permit, the well operator
may proceed with the drilling of the well at the location shown
on the plat after providing the department 24 hours' notice of
the date that drilling will commence. In noncoal areas where
more than one well is to be drilled as part of the same
development project, only the first well of the project need be located by survey. The remaining wells of the project shall be shown on the plat in a manner prescribed by regulation. Prior to drilling each of the additional project wells, the well operator shall notify the department of the operator's intention and provide reasonable notice of the date drilling will commence. If, before or during the drilling of a well which is not within the outside boundaries of an operating coal mine, a well operator encounters conditions of a nature as to render drilling of the bore hole or portions of the bore hole more hazardous than usual or otherwise difficult, the well operator shall have the right upon oral notice to the department to immediately plug all or portions of the bore hole, if drilling has occurred, and to commence a new bore hole not more than 50 feet from the location shown on the plat if the location of the new bore hole does not violate section 305 and if, for wells subject to the act of July 25, 1961 (P.L.825, No.359), known as the Oil and Gas Conservation Law, the new location complies with existing law, regulation or spacing order and if the new bore hole is a minimum of 330 feet distant from the nearest lease boundary. If drilling occurred at an original bore hole, within 10 days of commencement of the new bore hole, the well operator shall file with the department a written notice of intention to plug, a well record, a completion report, a plugging certificate for the original bore hole and an amended plat for the new bore hole. The well operator shall forward a copy of the amended plat to the surface landowner identified on the well permit application within 10 days of commencement of the new well bore.

29 (g) Posting.--The well permit number and operator's name, address and telephone number shall be posted at the drilling
site in a conspicuous manner prior to commencement of drilling.

(h) Labeling.--The well operator shall install the permit number issued by the department in a legible, visible and permanent manner at the well upon completion.

(i) Expiration.--Well permits issued for drilling of wells covered by this act shall expire three years after issuance unless operations for drilling the well are commenced within the period and pursued with due diligence or unless the permit is renewed in accordance with regulations of the department. If drilling is commenced during the three-year period, the well permit shall remain in force until the well is plugged in accordance with section 310 or the permit is revoked. A drilling permit issued prior to April 18, 1985, for a well which is an operating well on April 18, 1985, shall remain in force as a well permit until the well is plugged in accordance with section 310. Nothing in this subsection shall be construed to rescind the provisions pertaining to drilling permits contained in the Oil and Gas Conservation Law.

(j) Exceptions.--The Environmental Quality Board may establish by regulation certain categories of alterations of permitted or registered wells for which the permitting requirements of this section shall not apply. The well operator or owner who proposes to conduct the alteration activity shall first obtain a permit from the department. Requirements for modifications shall be as the Environmental Quality Board shall require by regulation.

(k) No transfer permitted.--No permit issued under this section may be transferred without prior approval of the department. Requests for approval of transfer shall be made on forms or in a manner prescribed by the department. The
department shall approve or deny the transfer request within 45
days of receipt of a complete and accurate application. The
department shall only have the authority to deny the request for
the reasons set forth under subsection (e)(4) or (5). Approval
of the transfer request shall permanently transfer
responsibility to plug the well under section 310 to the
recipient of the transferred permit or registration.

(l) Accelerated approval.--The department may establish a
procedure for accelerated approval of well permit applications
in hardship cases, as defined by regulation of the Environmental
Quality Board, consistent with the requirements of this act.

(m) Regulations.--The Environmental Quality Board may
establish by regulation requirements for permitting and
operation of abandoned or orphan wells. A person who proposes to
conduct abandoned or orphan well operations shall first obtain a
permit to adopt and operate an abandoned or orphan well.

Section 302. Permit objections.

(a) General rule.--If a well location referred to in section
301(b) is made so that the well, when drilled, will be located
on a tract whose surface is owned by a person other than the
well operator, the surface landowner affected shall be notified
of the intent to drill and have right to file objections, in
accordance with section 701, based solely on an assertion that
the well location violates section 305 or that information in
the application is untrue in any material respect, within 15
days of the receipt by the surface owner of the plat provided
for in section 301(b). Receipt of notice by the surface owner
shall be presumed to have occurred 15 days from the date of the
certified mailing when the well operator submits a copy of the
certified mail receipt sent to the surface owner and an
affidavit certifying that the address of the surface owner to
which notice was sent is the same address that is listed in the
assessment books in the county in which the property is located.

If no objections are filed or none are raised by the department
within 15 days after receipt of the plat by the surface
landowner, or if written approval by the surface landowner is
filed with the department and no objections are raised by the
department within 15 days of filing, the department shall
proceed to issue or deny the permit.

(b) Special circumstances.--If a well location referred to
in section 301(b) is made so that the well, when drilled, will
penetrate anywhere within the outside coal boundaries of:

(1) an operating coal mine; or

(2) a coal mine already projected and platted but not
yet being operated for which a technically complete mine
permit application has been filed with the department or
within 1,000 linear feet beyond the boundaries and the well,
when drilled, or the pillar of coal around the well will, in
the reasonable opinion of the coal owner or operator,
endanger the mine, the coal owner or operator affected shall
have the right to file objections in accordance with section
701 to the proposed location within 15 days of the receipt by
the coal operator of the plat provided for in section 301(b).
An alternative location at which the proposed well could be
drilled to overcome the objections shall be indicated if
possible. If no objections to the proposed location are filed
or if none are raised by the department within 15 days after
receipt of the plat by the coal operator or owner, or if
written approval by the coal operator or owner of the
location is filed with the department and no objections are
raised by the department within 15 days of filing, the
department shall proceed to issue or deny the permit.
(c) Procedure upon objection.--If an objection is filed by a
coal operator or owner or is made by the department, the
department shall fix a time and place for a conference in
accordance with section 701 not more than 10 days from the date
of the service of the objections on the well operator, at which
conference the well operator and coal operators or owners
present or represented shall consider the objections and attempt
to agree upon a location. If the parties fail to agree upon a
location, the department shall, by an appropriate order,
determine a location on a tract of land as near to the original
location as possible where, in the judgment of the department,
the well can be safely drilled without unduly interfering with
or endangering the mine as described in subsection (b). The new
location, as agreed upon by the parties or as determined by the
department, shall be indicated on the plat on file with the
department and shall become a permanent record, whereupon the
department shall proceed to issue or deny the permit.
(d) Survey.--Within 120 days after the commencement of
drilling operations, the coal operator shall accurately locate
the well by a closed survey on the same datum as the mine
workings or coal boundaries are mapped and file the results of
the survey with the department and forward by certified mail a
copy to the well operator.
Section 303. Orphan well adoption and identification.
(a) Orphan wells.--
(1) Well owners or operators who discover abandoned
wells on property purchased or leased by them shall identify
the well to the department within 60 days of discovery and
advise the department that they are seeking classification of
the well as an orphan well. No fee shall be required for the
identification.

(2) Operators shall undertake reasonable diligence to
identify abandoned, orphan, active or inactive wells through
review of the department's public well databases and field
examination prior to hydraulic fracturing. The department may
not require operators to undertake landowner surveys for
these wells.

(3) (i) During hydraulic fracturing, the operator shall
periodically monitor orphan, abandoned, active or
inactive wells that are located within the area of the
operator's oil and gas operating interest and are within:

(A) two hundred feet of the top hole location of
an oil well being hydraulically fractured and within
400 feet of a gas well being hydraulically fractured;
or

(B) half the well field spacing if the spacing
exceeds the distances under clause (A).

(ii) The area of monitoring for horizontal
conventional wells shall include wells within half the
well field distances of the lateral portion of the wells.
An operator shall provide notice to the department if the
well being hydraulically fractured communicates with the
monitored well in a manner that has the potential to
cause an adverse environmental impact.

(4) A person who is not a well owner or operator and who
discovers an abandoned well on property owned or leased by
the person shall identify the well to the department within
60 days of discovery and advise the department that the
person is seeking classification of the well as an orphan well. No fee shall be required for the identification.

(5) A person who proposes to conduct orphan well operations shall first obtain a permit to adopt and operate an orphan well in accordance with section 301.

(b) Information.--Information regarding wells to be identified shall be provided on forms or in a manner prescribed by the department and shall include:

(1) The name and address of the well operator and, if the well operator is a person that does not reside in this Commonwealth, the name and address of an agent for the operator upon whom notices, orders, process or other communications issued under this act may be served.

(2) The well name and the location of the well indicated by a point on a 7.5-minute United States Geological Survey topographic map or any other location description sufficient to enable the department to locate the well on the ground.

(3) The approximate date of the drilling and completion of the well and the approximate depth of the well, producing horizons, well construction information and driller's logs, if available.

(4) An indemnity bond, an alternative fee in lieu of bonding or other evidence of financial security submitted by the well operator and deemed appropriate by the department as satisfying the requirements of section 315. No bond, alternative fee or other evidence of financial security shall be required for identification of an orphan well.

(c) Guidelines.--The department may adopt and promulgate guidelines designed to ensure a fair implementation of this section which recognizes the practical difficulties of locating
unpermitted wells and complying with the reporting requirements
of this act.

Section 304. Inactive status.

(a) General rule.--Upon application, the department shall
grant, within 60 days of receipt of the application, inactive
status for a permitted or registered well if the following
requirements are met:

(1) The condition of the well is sufficient to prevent
damage to the producing zone or contamination of fresh water
or other natural resources or surface leakage of any
substance.

(2) The condition of the well is sufficient to stop the
vertical flow of fluids or gas within the well bore and is
adequate to protect freshwater aquifers, unless the well
poses a threat to the health and safety of persons or
property or to the environment.

(3) The operator anticipates future use of the well for
primary or enhanced recovery or future gas storage, or the
operator anticipates the construction of a pipeline for
approved disposal or other appropriate uses related to oil
and gas well production.

(4) The applicant satisfies the bonding requirements of
sections 303 and 315, except that the department may require
additional financial security for a well on which an
alternative fee is being paid in lieu of bonding under
section 315(d).

(b) Monitoring.--The owner or operator of a well granted
inactive status shall be responsible for monitoring the
mechanical integrity of the well to ensure that the requirements
of subsection (a)(1) and (2) are met and shall report the same
on an annual basis to the department in a manner and form as the
department shall prescribe by regulation. A well granted
inactive status under subsection (a) shall be plugged when the
well no longer meets the requirements of subsection (a).

(c) Return to active status.--An owner or operator who has
been granted inactive status for a well which is returned to
active status shall notify the department that the well has been
returned to active status. The owner or operator may make
application to return the well to inactive status in accordance
with subsection (a).

(d) Revocation of inactive status.--

(1) The department shall have the right to revoke
inactive status and order the immediate plugging of a well
under any of the following circumstances:

(i) When the well is in violation of this act or
rules or regulations promulgated under this act.

(ii) When the owner or operator demonstrates
inability to perform the owner's or operator's
obligations under this act.

(iii) When the owner or operator becomes financially
insolvent.

(iv) Upon receipt by the department of notice of
bankruptcy proceedings by the permittee.

(2) If the department revokes inactive status, a well
owner or operator aggrieved by the denial shall have the
right to appeal the denial to the Environmental Hearing Board
within 30 days of receipt of the revocation. Upon cause shown
by a well owner or operator, the Environmental Hearing Board
may grant a supersedeas under section 4 of the act of July
13, 1988 (P.L.530, No.94), known as the Environmental Hearing
Board Act, to allow the well to retain inactive status during
the period of appeal.

Section 305. Well location restrictions.

(a) General rule.--Wells may not be drilled within 200 feet
measured horizontally from an existing building or existing
water well without the written consent of the owner of the
existing building or existing water well. Where the distance
restriction would deprive the owner of the oil and gas rights or
the right to produce or share in the oil or gas underlying the
surface tract, the well operator may be granted a variance from
the distance restriction upon submission of a plan which
identifies the additional measures, facilities or practices to
be employed during well site construction, drilling and
operations. The variance, if granted, shall include additional
terms and conditions as the department requires as necessary to
ensure the safety and protection of affected persons and
property. The provisions may include insurance, bonding and
indemnification, as well as technical requirements.

(b) Limitation.--No well site may be prepared or well
drilled within 100 feet measured horizontally from a stream,
spring or body of water as identified on the most current 7.5-
minute topographic quadrangle map of the United States
Geological Survey or within 100 feet of wetlands greater than
one acre in size. The department may waive the distance
restrictions upon submission of a plan which identifies the
additional measures, facilities or practices to be employed
during well site construction, drilling and operations. The
waiver, if granted, shall impose permit conditions as are
necessary to protect the waters of this Commonwealth.

(c) Protection of threatened or endangered species.--Well
permit applicants are obligated to determine impacts to threatened or endangered species in accordance with applicable law. The department shall, on making a determination on a well permit, consider the impact of the proposed well on habitats of threatened or endangered species that are listed in a final rulemaking by a Federal or State agency with statutory authority to list species for protection.

Section 306. Well site restoration.

(a) General rule.--Each oil or gas well owner or operator shall restore the land surface within the area disturbed in siting, drilling, completing and producing the well.

(b) Plan.--During and after all earthmoving or soil disturbing activities, including, but not limited to, activities related to siting, drilling, completing, producing and plugging the well, erosion and sedimentation control measures shall be implemented in accordance with an erosion and sedimentation control plan prepared in accordance with the act of June 22, 1937 (P.L.1987, No.394), known as The Clean Streams Law. For purpose of determining the five-acre permit threshold under the Clean Streams Law, the earth disturbance footprint of the well site may be combined with a portion of the access road only if it is directly connected to the well site and will be constructed at the same time as the well site. Well sites may be restored prior to drilling and completing the well.

(c) Pits, drilling supplies and equipment.--Within nine months after completion of drilling of a well, the owner or operator shall restore the well site, remove or fill all pits used to contain produced fluids or industrial wastes and remove all drilling supplies and equipment not needed for production or repairs.
production or repairs may be stored on the well site consistent
with the property rights of the owner of the oil and gas
resources or if the express written consent of the surface
landowner is obtained or is contained in historical documents.
(d) Production and storage equipment.--Within nine months
after plugging a well, the owner or operator shall remove all
production or storage facilities, supplies and equipment and
restore the well site.
(e) Clean Streams Law.--Restoration activities required by
this act or in regulations promulgated under this act shall not
be more stringent than applicable provisions of The Clean
Streams Law. There shall be no mandatory requirement to return
well sites to approximate original contours or conditions.
(f) Violation.--Failure to restore the well site as required
in this act or in regulations promulgated under this act is a
violation of this act.
(g) Extension of restoration.--The restoration period may be
extended by the department for an additional 12 months upon
application of the well owner or operator providing evidence of
inability to comply due to adverse weather conditions or lack of
essential fuel, equipment or labor, or upon a demonstration that
the extension will result in less earth disturbance, increased
water reuse or more efficient development of the resource.
Section 307. Protection of fresh groundwater and casing
requirements.
(a) General rule.--To aid in the protection of fresh
groundwater, the well operator shall control and dispose of
brines produced from the drilling, alteration or operation of an
oil or gas well in a manner consistent with the act of June 22,
1937 (P.L.1987, No.394), known as The Clean Streams Law, or any
(b) Casing.--To prevent the migration of gas or fluids into sources of fresh groundwater and to prevent pollution or diminution of fresh groundwaters, there shall be run and permanently cemented a string or strings of casing in each well drilled through the fresh water-bearing strata to a depth and in a manner prescribed by regulation by the department. The regulations shall be consistent with practices that have proven to be satisfactory in regional areas and are in accordance with geologic variability or anomalies in the regional areas. If it is anticipated that cement used to permanently cement the surface casing cannot be circulated to the surface, a cement basket may be installed immediately above the depth of the last circulation zone. The casing shall be permanently cemented by the displacement method. Additional cement may be added above the cement basket, if necessary, by pumping from the surface to fill the annular space.

(c) Noncoal areas.--In noncoal areas, the surface casing may be employed as the production casing, provided the operator pumps a volume of cement equal to or greater than 120% of the calculated annular space and, at well completion or earlier, the top of the cement is determined to be at or above the depth of 50% of the casing. If the casing coverage is insufficient, the operator shall produce oil only leaving the annulus open, run alternative production casing or pump additional cement through a pour string from the surface to fill the annular space.

(d) Procedure when coal removed.--When a well is drilled at a location where the coal has been removed from one or more coal seams, the well shall be drilled and cased to prevent the migration of gas or fluids into the seam from which the coal has
been removed, in a manner prescribed by regulation of the department. The department and the coal operator, owner or lessee shall be given at least 72 hours' notice prior to commencement of the work protecting the mine.

(e) Procedure when coal not removed.--When a well is drilled at a location where the coal seam has not been removed, the well shall be drilled to a depth and size as will permit the placing of casing, packers in, and vents on, the hole at the points and in a manner prescribed by the department by regulation as will exclude all gas or fluids from the coal seam, except as may be found naturally in the coal seam itself, and will enable the monitoring of the integrity of the production casing.

Section 308. Protection of water supplies.

(a) General rule.--A well operator who affects a public or private water supply by pollution or diminution shall restore or replace the affected supply with an alternate source of water adequate in quantity or quality for the purposes served by the supply. The quality of a restored or replaced water supply will be deemed adequate if it meets the standards established under the act of May 1, 1984 (P.L.206, No.43), known as the Pennsylvania Safe Drinking Water Act, or is comparable to the quality of the water supply before it was affected by the operator if that water supply did not meet these standards.

(b) Pollution or diminution of water supply.--A landowner or water purveyor suffering pollution or diminution of a water supply as a result of the drilling, alteration or operation of an oil or gas well may notify the department and request that an investigation be conducted. Within 10 days of the notification, the department shall investigate the claim. If the department finds that the pollution or diminution was caused by the

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drilling, alteration or operation activities or if it presumes the well operator responsible for pollution under subsection (c), the department shall issue orders to the well operator as are necessary to assure compliance with subsection (a). The orders may include orders requiring the temporary replacement of a water supply where it is determined that the pollution or diminution may be of limited duration.

(c) Presumed responsibility.--Unless rebutted by one of the five defenses established in subsection (d), it shall be presumed that a well operator is responsible for the pollution of a water supply that is within 1,000 feet of the oil or gas well where the pollution occurred within six months after the completion of drilling or alteration of the well.

(d) Defenses.--In order to rebut the presumption of liability established in subsection (c), the well operator must affirmatively prove one of the following five defenses:

(1) The pollution existed prior to the drilling or alteration activity as determined by a predrilling or prealteration survey.

(2) The landowner or water purveyor refused to allow the operator access to conduct a predrilling or prealteration survey.

(3) The water supply is not within 1,000 feet of the well.

(4) The pollution occurred more than six months after completion of drilling or alteration activities.

(5) The pollution occurred as the result of some cause other than the drilling or alteration activity.

(e) Independent survey.--An operator electing to preserve its defenses under subsection (d)(1) or (2) shall retain the
services of an independent certified laboratory to conduct the
predrilling or prealteration survey of water supplies. A copy of
the results of the survey shall be submitted to the department
and the landowner or water purveyor in a manner prescribed by
the department.

(f) Other remedies preserved.--Nothing in this section shall
prevent a landowner or water purveyor who claims pollution or
diminution of a water supply from seeking any other remedy at
law or in equity.

Section 309. Use of safety devices.

A person engaged in drilling an oil or gas well shall equip
the well with casings of sufficient strength and with other
safety devices as may be necessary in a manner prescribed by
regulation of the department and shall use every effort and
endeavor effectively to prevent blowouts, explosions and fires.

Section 310. Plugging requirements.

(a) General rule.--Upon abandoning a well, the owner or
operator of the well shall plug the well in a manner prescribed
by regulation of the department in order to stop a vertical flow
of fluids, other than artesian flow, or gas within the well
bore, unless the department has granted inactive status for the
well under section 304 or the well has been approved by the
department as an orphan well under section 303. Where the
department determines that a prior owner or operator received
economic benefit, other than economic benefit derived only as a
landowner or from a royalty interest subsequent to April 18,
1979, from an orphan well or from a well which has not been
registered, the owner or operator shall be responsible for the
plugging of the well. In the case of gas wells penetrating
workable coal seams which were drilled prior to January 30,
1956, or which were permitted after that date but not plugged in accordance with this act, which the owner or operator of the well or a coal operator or his agent proposes to plug for the purpose of allowing the mining through of the well, the gas well shall be cleaned out to a depth of at least 200 feet below the coal seam in which the mining through is proposed and, unless impracticable, to a point 200 feet below the deepest mineable coal seam. The gas well shall be plugged from that depth in accordance with the provisions of section 13 of the act of December 18, 1984 (P.L.1069, No.214), known as the Coal and Gas Resource Coordination Act, and the regulations of the department.

(b) Areas underlain by coal.--Prior to the abandonment of a well in an area underlain by a workable coal seam, the well operator or owner shall notify the coal operator, lessee or owner and the department of the well operator's or owner's intention to plug and abandon the well and submit a plat, on a form to be furnished by the department, showing the location of the well and fixing the date and time at which the work of plugging will be commenced, not less than three working days nor more than 30 days after receipt of the notice, in order that their representatives may be present at the plugging of the well. The notice may be waived by the department and the coal operator, lessee or owner, who may waive their right to be present, but the waiver by a coal operator, lessee or owner shall be in writing and a copy attached to the notice of abandonment filed with the department under this section. Whether or not the representatives appear, the well operator may, if the operator has fully complied with the requirements of this section, proceed at the time fixed to plug the well in the
manner as prescribed by regulation of the department. When plugging has been completed, a certificate shall be prepared and signed on a form to be furnished by the department by two experienced and qualified people who participated in the work and shall set forth the time and manner in which the well has been plugged. One copy of the certificate shall be mailed to each coal operator, lessee or owner to whom notice was given by certified mail, and another copy shall be mailed to the department.

(c) Abandoned wells.--Prior to the abandonment of a well, except an uncompleted bore hole plugged immediately upon suspension of drilling in an area not underlain by a workable coal seam, the well operator shall notify the department of the well operator's intention to plug and abandon the well and submit a plat or the longitude or latitude of the well, on a form to be furnished by the department, showing the location of the well and fixing the date and time at which the work of plugging will be commenced, not less than three working days nor more than 30 days after the time when the notice is received, in order that the department representative may be present at the plugging of the well. The notice or waiting period may be verbally waived by the department. In noncoal areas where more than one well has been drilled as part of the same development project and the wells are now to be plugged, three working days' notice shall be provided to the department prior to plugging the first well of the project, subject to waiver of notice described in this section. In the plugging of subsequent wells, no additional notice shall be required if the plugging on the project is continuous. If the plugging of subsequent wells is delayed for any reason, notice shall be given to the department.
of the continuation of the project. Whether or not a department representative appears, the well operator may, if the well operator has fully complied with the requirements of this section, proceed at the time fixed to plug the well in the manner as prescribed by regulation of the department. When plugging has been completed, a certificate shall be prepared and signed on a form to be furnished by the department by two experienced and qualified people who participated in the work, and shall set forth the time and manner in which the well was plugged. A copy of the certificate shall be mailed to the department.

(d) Wells abandoned upon completion of drilling.--When a well is to be abandoned immediately after completion of drilling, the well operator shall give at least 24 hours' notice by telephone, confirmed by certified mail, to the department and to the coal operator, lessee or owner, if any, fixing the date and time at which the work of plugging will be commenced. The notice may be waived by the department and the coal operator, lessee or owner, who may waive their right to be present. Whether or not a representative of the department or of the coal operator, lessee or owner, if any, appear, the well operator may, if the well operator has fully complied with the requirements of this section, proceed at the time fixed to plug the well in the manner provided by regulation prescribed by the department. The well operator shall prepare the certificate of plugging and mail copies of the certificate of plugging as provided in subsections (b) and (c).

(e) Orphan wells.--If a well is an orphan well or abandoned without plugging or if a well is in operation but is not adopted under section 303, the department shall have the right to enter
upon the well site and plug the well and to sell the equipment, casing and pipe at the abandoned well or unregistered well site as may have been used in the production of the well in order to recover the costs of plugging. In the case of a well which is in operation but has not been adopted, the department shall make an effort to determine ownership of the well and provide written notice to the owner of pending action which may be taken under this subsection. If the department cannot determine ownership of the well within 30 days, it may proceed under this subsection. Costs of plugging shall have priority over all liens on equipment, casing and pipe, and the sale shall be free and clear of any liens to the extent the costs of plugging exceed the sale price. If the equipment price obtained for casing and pipe salvaged at the abandoned well or unregistered well site is inadequate to pay for the cost of plugging the abandoned or unregistered well, the owner or operator of the abandoned or unregistered well shall be legally liable for the additional costs of plugging the well. Notwithstanding provisions to the contrary, and provided that a reasonable attempt failed to place plugging materials at the producing formations, an orphan well in a noncoal area may be plugged from the casing seat as the attainable bottom of the well.

(f) Limitation of liability.--A person is not subject to liability for environmental remediation related to an orphan well and is not required to plug an orphan well solely because the person obtains approval from the department to plug an orphan well. A person undertaking the plugging of an orphan well with approval from the department is eligible for all protections and immunities provided under 27 Pa.C.S. § 8107 (relating to project liability limitation and exceptions).
notice provisions under 27 Pa.C.S. § 8107 shall not apply to the
approval and protections provided under this section. Notice to
the department and the surface owner shall be provided on forms
developed by the department. When plugging has been completed, a
certificate shall be prepared and signed on a form to be
furnished by the department by two experienced and qualified
individuals who participated in the work and set forth the time
and manner in which the well was plugged. A copy of the
certificate shall be mailed to the department.

(g) Persons who voluntarily plug an orphan well.--Persons
who voluntarily plug an orphan well may either:

(1) apply to the Commonwealth Finance Authority for a
$5,000 payment per well plugged payable from the Marcellus
Legacy Fund established under 58 Pa.C.S. § 2315 (relating to
Statewide initiatives); or

(2) be credited for each plugged well in the form of a
permit-fee waiver for any succeeding well permit application.

(h) Notification.--With respect to the coal operator, lessee
or owner, if any, notification shall be accomplished under this
section by sending notice to the persons to whom tax notices for
the workable coal seams are sent, as indicated in the assessment
books, if available, or as indicated in the records of the
recorder of deeds office in the county in which the seams are
located. If certified mail or notification is returned
undeliverable, the applicant shall include a completed affidavit
attesting to the attempted delivery, which shall satisfy the
notification requirements under this section.

Section 311. Alternative methods.

If provision is made in this act for adoption of regulatory
requirements for casing, plugging or equipping a well, a well
operator may request the authority to use an alternative method or material by filing an application with the department describing the proposed alternative method or material, in reasonable detail, indicating the manner in which it will accomplish the goals of this act and regulations adopted under this act. Notice of filing of an application shall be given by the well operator by certified mail to all coal operator or operators affected. A coal operator may, within 15 days following the notice, file objections to the proposed alternative method or material. If no objections are filed within the 15-day period and if none are raised by the department, the department shall make a determination whether to allow the use of the proposed alternative method or material.

Section 312. Well reporting requirements.

(a) General rule.—A well operator shall file, either electronically or a hard copy, with the department, on a form provided by the department, an annual report specifying the amount of production on the most well-specific basis available. Annual reports shall also specify the status of each well, except that in subsequent years only changes in the status must be reported. The Commonwealth shall have the right to utilize the information in enforcement proceedings, in making designations or determinations under section 1927-A of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, or in aggregate form for statistical purposes.

(b) Records.—

(1) Well operators shall maintain a record of each well drilled or altered.

(2) A record of the well containing information as required by regulation shall be filed with the department.
(3) A completion report containing additional information as required by regulation shall be filed with the department within 30 days after the completion of the well and it shall be kept on file by the department.

(4) Within 90 days after the completion of drilling or recompletion of a well, if requested by the department, the well operator shall submit a copy of the electrical, radioactive or other standard industry logs if they have been run.

(5) If requested by the department within one year, the well operator shall file a copy of drill stem test charts, formation water analysis, porosity, permeability or fluid saturation measurements, core analysis and lithologic log or sample description or other similar data as compiled. No information shall be required unless the well operator has had the information compiled in the ordinary course of business. No interpretation of the data is to be filed.

(c) Collection of data.—Upon notification by the department prior to commencement of drilling, the well operator shall collect for the department additional data as the department shall specify, such as representative drill cuttings and samples from cores taken and any other geological information that the operator reasonably can compile. No interpretation of the data is to be filed.

(d) Retention and filing.—All electrical, radioactive or other standard industry logs, drill stem test charts, formation water analyses, porosity, permeability or fluid saturation measurements, core analysis and lithologic logs or sample description or other similar data as compiled, required under
subsection (b) or drill cuttings required under subsection (c), shall be retained by the well operator and shall be filed with the department within three years after completion of the well. Upon request of the well operator, the department shall extend the date for the filing of the data, but the extension shall not exceed five years from the date of completion of the well, provided that the department shall have the right to utilize the information in enforcement proceedings, in making designations or determinations under section 1927-A of The Administrative Code of 1929, or in aggregate form for statistical purposes.

Section 313. Notification and effect of well transfer.

The owner or operator of a well shall notify the department, in writing, in a form as the department may direct by regulation, of the sale, assignment, transfer, conveyance or exchange by the owner or to the owner of the well within 30 days after the sale, assignment, conveyance or exchange. No transfer shall relieve the well owner or operator of an obligation accrued under this act, nor shall it relieve the well owner or operator of the obligation to plug the well until the requirements of section 315 have been met, after which time the transferring owner or operator shall be relieved from any obligation under this act, including the obligation to plug the well.

Section 314. Coal operator responsibilities.

(a) General rule.--

(1) At any time prior to removing coal or other underground material or extending the workings in a coal mine within 500 feet of an oil or gas well of which the coal operator has knowledge or an approved well location of which the coal operator has knowledge, the coal operator shall
forward, by certified mail, to or file with the well operator and the department a copy of the relevant part of the coal operator's maps and plans which it is presently required by law to prepare and file with the department, showing the pillar which the coal operator proposes to leave in place around each oil or gas well in the projected workings.

(2) Following the filing of maps and plans, the coal operator may proceed with mining operations in the manner projected on the maps and plans, but the coal operator shall not remove any coal or cut any passageway within 150 feet of a well or approved well location until written approval has been granted as provided in this section.

(3) If, in the opinion of the well operator or the department, the plan indicates that the pillar proposed to be left around a well or approved well location is inadequate to protect either the integrity of the well or the public health and safety, the well operator affected shall attempt to agree with the coal operator upon a suitable pillar, subject to the approval of the department, but, failing to agree, the well operator may, within 10 days from receipt of the plan, file objections in accordance with section 701 to the proposed plan indicating the size of the pillar to be left with respect to each well.

(4) If no objections are filed within the 10-day period or if none are raised by the department, the department shall grant approval to the coal operator reciting the following:

(i) The filing of the maps or plans.
(ii) That no objections have been made to the plan.
(iii) That the pillar proposed to be left for each well is approved in the manner as projected.
(b) Objections.--

(1) If objections are filed by a well operator or are raised by the department, the department shall direct that a conference be held in accordance with section 701 within 10 days of the filing of the objections.

(2) At the conference the coal operator and the person who has filed the objections shall attempt to agree upon a proposed plan showing the pillar to be left around each well, which will satisfy the objections and be approved by the department, and if the plan is agreed upon, the department shall grant approval to the coal operator reciting the filing of the plan and that the pillar to be left for each well is approved as agreed upon.

(3) If no plan showing the pillar to be left with respect to each well can be agreed upon at the conference, the department shall, by an appropriate order, determine the pillar to be left with respect to the well.

(4) In a proceeding under this section, the department shall follow as nearly as possible the original plan filed by the coal operator. The department shall not require the coal operator to leave a pillar in excess of 100 feet in radius, except that, if it is established that unusual conditions exist requiring the leaving of a larger pillar, the department may require a pillar up to but not exceeding 150 feet in radius.

(5) The pillar to be left with respect to each well as determined by the department shall be shown on the maps or plans on file with the department as provided in subsection (a) and the department shall approve the pillar to be left for each well.
(c) Pillars of reduced size.--Application may be made at any time to the department by a coal operator to leave a pillar of less size than that shown on the plan filed by the operator or approved or determined by the department under the provisions of this section. If an application is filed, the department may, following the procedure prescribed in this section, by an appropriate order, determine a different plan showing a pillar of less size with respect to all wells covered by the application and shall grant approval for the pillar to be left with respect to each well.

(d) Violation.--No coal operator shall, without the written approval of the department after notice and opportunity for hearing as prescribed in this section, remove any coal or cut any passageway so as to leave a pillar of less size with respect to an oil or gas well than that approved by the department under this act.

(e) Construction.--Nothing in this act shall be construed to require a well operator to pay for a coal pillar required by law to be left around a well drilled prior to April 18, 1985. A requirement for a coal operator to leave a pillar of coal of a certain size around a well drilled after April 18, 1985, shall not in any way affect the rights which the coal operator would have had prior to April 18, 1985, to obtain payment for the coal, nor any duty or right which the well operator, storage operator or land owner may have had prior to April 18, 1985, to pay for or not to pay for the coal.

(f) Mining through plugged wells.--A coal operator who intends to mine through a plugged oil or gas well must file a plan to completely remove a pillar from around the well in accordance with subsection (a). This plan shall be subject to
the requirements of this section. No coal operator may mine
through a plugged oil or gas well of which the coal operator has
knowledge until written approval has been granted by the
department in accordance with this section.

(g) Establishment of conditions.--The Bureau of Deep Mine
Safety in the department shall have the authority to establish
the conditions under which the department may approve a coal
operator's plan to mine through a plugged oil or gas well.

Section 315. Bonding.

(a) General rule.--

(1) Upon filing an application for a well permit and
before continuing to operate an oil or gas well, the owner or
operator of an oil or gas well shall file with the department
a bond for the well and the well site on a form to be
prescribed and furnished by the department. A bond filed with
an application for a well permit shall be payable to the
Commonwealth and conditioned that the operator shall
faithfully perform all of the drilling, water supply
replacement, restoration and plugging requirements of this
act. No bond or bond substitute shall be required for any
well drilled prior to April 18, 1985, where the well would
have otherwise been subject to the bonding requirements of
section 215 or 603.1 of the former act of December 19, 1984
(P.L.1140, No.223), known as the Oil and Gas Act. The amount
of the bond required shall be in the amount of $2,500 per
well for at least two years following the effective date of
this act, after which time the bond amount may be adjusted by
the Environmental Quality Board every five years to reflect
the projected costs to the Commonwealth of performing well
plugging.
(2) In lieu of individual bonds for each well, an owner or operator may file a blanket bond, on a form prepared by the department, covering all of its wells in this Commonwealth as enumerated on the bond form. A blanket bond shall be in the amount of $25,000 for at least five years following the effective date of this act, after which time the bond amount may be adjusted by the Environmental Quality Board every two years to reflect the projected costs to the Commonwealth of performing well plugging. An adjustment may not exceed the prior amount by more than $10,000.

(3) Liability under the bond shall continue until the well has been properly plugged in accordance with this act and for a period of one year after filing of the certificate of plugging with the department. Each bond shall be executed by the operator and a corporate surety licensed to do business in this Commonwealth and approved by the secretary. The operator may elect to deposit cash, certificates of deposit or automatically renewable irrevocable letters of credit from financial institutions chartered or authorized to do business in Pennsylvania and regulated and examined by a Federal agency or the Commonwealth, which may be terminated at the end of a term only upon the financial institution giving 90 days' prior written notice to the permittee and the department or negotiable bonds of the United States Government or the Commonwealth, the Pennsylvania Turnpike Commission, the State Public School Building Authority or any municipality within the Commonwealth, or United States Treasury Bonds issued at a discount without a regular schedule of interest payments to maturity, otherwise known as zero coupon bonds, having a maturity date of not more than 10
years after the date of purchase and at the maturity date
having a value of not less than $25,000, with the department
in lieu of a corporate surety. The cash deposit, certificate
of deposit, amount of the irrevocable letter of credit or
market value of the securities shall be equal at least to the
sum of the bond. The secretary shall, upon receipt of
deposits of cash, letters of credit or negotiable bonds,
immediately place the cash, letters of credit or negotiable
bonds with the State Treasurer, whose duty it shall be to
receive and hold the cash, letters of credit or negotiable
bonds in the name of the Commonwealth, in trust, for the
purpose for which the deposit is made. The State Treasurer
shall at all times be responsible for the custody and
safekeeping of deposits. The operator making deposit shall be
entitled from time to time to demand and receive from the
State Treasurer, on the written order of the secretary, the
whole or any portion of collateral deposited upon depositing
with the State Treasurer, in lieu of the collateral
deposited, other collateral of the classes specified in this
act having a market value at least equal to the sum of the
bond and also to demand, receive and recover the interest and
income from the negotiable bonds as the bonds become due and
payable. Where negotiable bonds mature or are called, the
State Treasurer, at the request of the owner of the bonds,
shall convert the negotiable bonds into other negotiable
bonds of the classes specified in this act as may be
designated by the owner. Where notice of intent to terminate
a letter of credit is given, the department shall give the
operator 30 days' written notice to replace the letter of
credit with other acceptable bond guarantees as provided in

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this act, and if the owner or operator fails to replace the letter of credit within the 30-day notification period, the department shall draw upon and convert the letter of credit into cash and hold it as a collateral bond guarantee.

(b) Release.--No bond shall be fully released until all requirements of this act identified in subsection (a) or section 313 are fully met. Upon release of all of the bonds and collateral as provided in this section, the State Treasurer shall immediately return to the owner the amount of cash or securities specified in the bond.

(c) Noncompliance.--

(1) If a well owner or operator fails or refuses to comply with the applicable requirements of subsection (a), the regulations promulgated under this act or the conditions of the permit relating to this act, the department may declare the bond forfeited and shall certify the same to the Attorney General, who shall proceed to enforce and collect the full amount of the bond and, where the owner or operator has deposited cash or securities as collateral in lieu of a corporate surety, the department shall declare the collateral forfeited and shall direct the State Treasurer to pay the full amount of the funds into the Well Plugging Restricted Revenue Account or to proceed to sell the security to the extent forfeited and pay the proceeds of the sale into the Well Plugging Restricted Revenue Account.

(2) A corporate surety or financial institution that fails to promptly pay in full a forfeited bond shall be disqualified from writing further bonds under this act or other environmental act administered by the department.

(3) A person aggrieved by reason of forfeiting the bond
or converting collateral under this section shall have a
right to appeal to the Environmental Hearing Board in the
manner provided by law.

(4) Upon forfeiture of a blanket bond for a violation
occurring at one or more well sites, the person whose bond is
forfeited shall submit a replacement bond to cover all other
wells the person owns or operates within 10 days of the
forfeiture. Failure to submit the replacement bond
constitutes a violation of this section as to each of the
wells owned or operated by the person.

(d) Individuals.--

(1) An individual who cannot obtain a bond to drill new
wells due to an inability to demonstrate financial resources
may meet the collateral bond requirements of subsection (a)
by making phased deposits of collateral to fully
collateralize the bond. Individuals shall be limited to
drilling 10 new wells per calendar year. The individual
shall, for each well to be drilled, deposit $500 and shall,
thereafter, annually deposit 10% of the remaining bond amount
for a period of 10 years. Interest accumulated by the
collateral shall become a part of the bond until the time
when the collateral, plus accumulated interest, equals the
amount of the required bond. The collateral shall be
deposited, in trust, with the State Treasurer as provided in
subsection (a) or with a bank selected by the department
which shall act as trustee for the benefit of the
Commonwealth, to guarantee the individual's compliance with
the drilling, water supply replacement, restoration and
plugging requirements of this act. The individual shall be
required to pay all costs of the trust.
(2) Individuals may continue to use phased collateral to obtain permits so long as they have not missed payments for wells drilled under this subsection and so long as they remain in compliance with this act and regulations and permits issued under this act. If an individual has missed payments for wells under this subsection, the operator shall:

(i) immediately submit the appropriate bond amount in full; or

(ii) cease all operations and plug the wells in accordance with section 310.

(3) For the purposes of this subsection, the term "individual" means an applicant who is a natural person doing business under the person's own name.

(e) Preservation of remedies.--All remedies for violation of this act, regulations adopted under this act and conditions of permits are expressly preserved. Nothing in this section shall be construed as an exclusive penalty or remedy for violations of law. No action taken under this section shall waive or impair any other remedy or penalty provided in law.

(f) Change of law.--Owners or operators who have failed to meet the requirements of this section prior to August 1, 1992, shall not be required to make payments under this section on a retroactive basis as a condition of obtaining a permit under this act nor shall the failure be deemed a violation of this act.

CHAPTER 5

UNDERGROUND GAS STORAGE

Section 501. Underground gas storage.

Underground gas storage shall be conducted in accordance with 58 Pa.C.S. Ch. 32 Subch. C (relating to underground gas
CHAPTER 7

ENFORCEMENT AND REMEDIES

Section 701. Conferences.

(a) General rule.---The department or a person having a direct interest in a matter subject to this act may, at any time, request that a conference be held for the purpose of discussing and endeavoring to resolve by mutual agreement a matter arising under this act. Unless otherwise provided, conferences shall be held within 90 days after a request for a conference is received by the department, and notice of the conference shall be given by the department to all interested parties. A representative of the department shall attend the conference and the department may make recommendations. An agreement reached at a conference shall be consistent with this act and, if approved by the department, it shall be reduced to writing and shall be effective, unless reviewed and rejected by the department, within 10 days after the close of the conference. The record of an agreement approved by the department shall be kept on file by the department with copies furnished to the parties. Scheduling of a conference shall not affect the authority of the department to issue an appropriate order to compel compliance with this act.

(b) Notification.---If a coal operator is to be given notice by the department of a proceeding to be held under this section, the department shall also send simultaneously a copy of the notice to the collective bargaining representative of the employees of the coal operator.

Section 702. Public nuisances.

A violation of section 306, 307, 308, 309 or 310 or of a
rule, regulation, order, term or condition of a permit relating to those sections constitutes a public nuisance.

Section 703. Enforcement orders.

(a) General rule.—Except as modified by subsections (b), (c) and (d), the department may issue orders necessary to aid in enforcement of this act. An order issued under this act shall take effect upon notice, unless the order specifies otherwise. The power of the department to issue an order under this act is in addition to any other remedy which may be afforded to the department under this act or other law.

(b) Suspension and revocation.—

(1) The department may suspend or revoke a well permit or well registration for a well in continuing violation of the following:

   (i) This act.
   (iv) Any other statute administered by the department.

(2) The right of the department to revoke a permit or registration under this subsection shall not be effective until a final administrative determination has been made of the violation and no appeal is pending in which a stay has been granted.

(3) A suspension order of the department shall automatically terminate if the violation upon which it is based is corrected by the operator in order to bring the well into compliance with this act.
(c) Written notice.--Prior to the suspension or revocation of a well permit or registration, the department shall serve written notice upon the well operator or its agent of the intention of the department to suspend or revoke and shall state with specificity the statutory provisions, appropriate rule or regulation or other reason and the factual circumstances which surround the violation upon which the suspension or revocation is based. The well operator shall have 15 days to request a conference with the department to give cause why the action should not be taken. Upon receipt of the written notice, the department shall hold a conference and shall, within 15 days after the conference, make a decision on whether to suspend or revoke the well permit or registration. The department shall provide written notice of its decision to the well operator or its agent, which shall become effective upon receipt of the notice.

(d) Immediate orders.--An order of the department requiring the immediate cessation of drilling operations shall only be effective if authorized by the secretary or a designee.

(e) Grievances.--A person aggrieved by an order of the department issued under this section shall have the right, within 30 days of receipt of the notice, to appeal the action to the Environmental Hearing Board.

Section 704. Restraining violations.

(a) General rule.--In addition to other remedies provided in this act, the department may institute a suit in equity in the name of the Commonwealth for an injunction to restrain a violation of this act or the rules, regulations, standards or orders adopted or issued under this act and to restrain the maintenance or threat of a public nuisance. Upon motion of the
Commonwealth, the court shall issue a prohibitory or mandatory preliminary injunction if it finds that the defendant is engaging in unlawful conduct, as defined by this act, or in conduct causing immediate and irreparable harm to the public. The Commonwealth shall not be required to furnish bond or other security in connection with the proceedings. In addition to an injunction, the court, in equity, may level civil penalties as specified in section 706.

(b) District attorney.--In addition to other remedies in this act, upon relation of the district attorney of a county affected or upon relation of the solicitor of a municipality affected, an action in equity may be brought in a court of competent jurisdiction for an injunction to restrain a violation of this act or the rules and regulations promulgated under this act or to restrain a public nuisance or detriment to health.

(c) Concurrent penalties.--Penalties and remedies under this act shall be deemed concurrent. Existence or exercise of a remedy shall not prevent the department from exercising another remedy at law or in equity.

(d) Jurisdiction.--Actions instituted under this section may be filed in the appropriate court of common pleas or in Commonwealth Court, and those courts are hereby granted jurisdiction to hear the actions.

Section 705. Criminal penalties.

(a) General violation.--A person who violates a provision of this act commits a summary offense and, upon conviction, shall be sentenced to pay a fine of not more than $300 or to imprisonment of not more than 90 days, or both. Each day during which the violation continues is a separate and distinct offense.
(b) Willful violation.--A person who willfully violates a provision of this act or an order of the department issued under this act commits a misdemeanor and, upon conviction, shall be sentenced to pay a fine of not more than $5,000 or to imprisonment of not more than one year, or both. Each day during which the violation continues is a separate and distinct offense.

(c) Authority.--The department may institute a prosecution against a person or municipality for a violation of this act.

Section 706. Civil penalties.

In addition to other remedies available at law or in equity for a violation of this act, a rule or regulation of the department or an order of the department, the Environmental Hearing Board, after a hearing, may assess a civil penalty regardless of whether or not the violation was willful, but penalties need not be assessed for accidental violations or those that resulted in no damage or risk of adverse effect on natural resources or the property of others. The civil penalty shall not exceed $25,000, plus $1,000 for each day during which the violation continues. In determining the amount, the Environmental Hearing Board shall consider the willfulness of the violation, damage or injury to the natural resources of this Commonwealth or their uses, endangerment of the safety of others, costs of remedying the harm, savings resulting to the violator as a result of the violation and other relevant factors. The Environmental Hearing Board shall mitigate the penalty amount for any person who voluntarily plugged an orphan well in accordance with this act. The penalty shall be payable to the Orphan Well Plugging Fund and shall be collectible in the manner provided at law for the collection of debts. If a person
liable to pay a penalty neglects or refuses to pay the same
after demand, the amount, together with interest and costs that
may accrue, shall become a lien in favor of the Commonwealth on
the real and personal property of the violator, but only after
the lien has been entered and docketed of record by the
prothonotary of the county where the property is situated. The
Environmental Hearing Board may transmit to the prothonotaries
of the respective counties certified copies of the liens, and it
shall be the duty of each prothonotary to enter and docket the
liens of record in the prothonotary's office and index them as
judgments are indexed, without requiring payment of costs as a
condition precedent to entry. Notwithstanding any other
 provision of law to the contrary, actions for civil penalties
under this act may be commenced at any time within a period of
five years from the date the offense is discovered.
Section 707. Existing rights and remedies preserved and
cumulative remedies authorized.

Nothing in this act shall prevent the Commonwealth or a
district attorney from proceeding in a court of law or in equity
to abate pollution forbidden under this act or abate a nuisance
under existing law. It is declared to be the purpose of this act
to provide additional and cumulative remedies to control
activities related to drilling for or production of oil and gas
within this Commonwealth, and nothing in this act abridges or
alters rights of action or remedies existing in equity or under
the common law or statutory law, criminal or civil. Neither this
act, the granting of a permit under this act nor an act done by
virtue of this act stops the Commonwealth in exercising rights
under the common law or decisional law or in equity, from
suppressing a nuisance, abating pollution or enforcing common
law or statutory rights. No court of this Commonwealth with
jurisdiction to abate public or private nuisances shall be
deprived of jurisdiction in an action to abate a private or
public nuisance instituted by a person on grounds that the
nuisance constitutes air or water pollution.

Section 708. Production of materials, witnesses, depositions
and rights of entry.

(a) General rule.--The department may make inspections,
conduct tests or sampling or examine books, papers and records
pertinent to a matter under investigation under this act it
deems necessary to determine compliance with this act, and duly
authorized agents and employees of the department are authorized
at all reasonable times to enter and examine a property,
facility, operation or activity.

(b) Entry and access.--An owner, operator or other person in
charge of a property, facility, operation or activity, upon
presentation of proper identification and purpose for inspection
by the agents or employees of the department, shall give the
agents and employees free and unrestricted entry and access and,
upon refusal to grant entry or access, the agent or employee may
obtain a search warrant or other order authorizing entry and
inspection. It is sufficient probable cause to issue a search
warrant authorizing an examination and inspection if there is
probable cause to believe that the object of the investigation
is subject to regulation under this act and that access,
examination or inspection is necessary to enforce the provisions
of this act.

(c) Department powers.--The department shall have the power
in any part of this Commonwealth to subpoena witnesses,
administer oaths, examine witnesses, take testimony or compel
the production of books, records, maps, plats, papers, documents and other writings as it may deem necessary or proper and pertinent to proceedings or investigation held by the department. In case of refusal to obey a subpoena served upon a person, the court shall, on application of the department, have power to enforce the subpoena in contempt proceedings. The fees for serving a subpoena shall be the same as those paid to sheriffs for similar services.

(d) Witnesses.--The department or a party to proceedings before the department may depose witnesses residing within or outside this Commonwealth in the manner prescribed by law for taking depositions in civil actions.

(e) Witness fees.--Witnesses summoned before the department shall be paid the same fees as those paid to witnesses in the courts of record of general jurisdiction. Witnesses whose depositions are taken under this act and the officers taking the depositions shall be entitled to the same fees as those paid for similar services in the courts.

(f) Ownership information.--A purchaser of oil or gas shall, upon request, provide to the department information necessary for the department to determine ownership of facilities from which the oil or gas was obtained. The purchaser shall provide notice to the owner of the facilities identified to the department. The information shall be kept confidential for a period of five years. The department shall have the right to utilize the information in enforcement proceedings. The department may only request information under this section when a well does not meet the requirements of section 301(h).
(1) Drill, alter, operate or utilize an oil or gas well
without a permit or registration from the department as
required by this act or in violation of the rules or
regulations adopted under this act, orders of the department
or in violation of a permit issued by the department.

(2) Conduct activities related to drilling for or
production of oil and gas:

(i) contrary to this act, rules or regulations
adopted under this act, an order of the department or a
term or condition of a permit; or

(ii) in a manner that creates a public nuisance or
adversely affects public health, safety, welfare or the
environment.

(3) Refuse, obstruct, delay or threaten an agent or
employee of the department in the course of lawful
performance of any duty under this act, including, but not
limited to, entry and inspection.

(4) Attempt to obtain a permit or identify a well as an
orphan well by misrepresentation or failure to disclose all
relevant facts.

(5) Cause the abandonment of a well by removing casing
or equipment necessary for production without plugging the
well in a manner prescribed under section 310. The owner or
operator of a well may temporarily remove casing or equipment
necessary for production if it is part of the normal course
of production activities.

Section 710. Collection of fines and penalties.

Fines and penalties shall be collectible in the manner
provided by law for the collection of debts. If a person liable
to pay a penalty neglects or refuses to pay after demand, the
amount, together with interest and costs that may accrue, shall be a judgment in favor of the Commonwealth upon the person's property, but only after the judgment has been entered and docketed of record by the prothonotary of the county where the property is situated. The department may, at any time, transmit to the prothonotaries of the respective counties certified copies of all judgments, and it shall be the duty of each prothonotary to enter and docket them in the prothonotary's office and index them as judgments are indexed, without requiring the payment of costs as a condition precedent to entry.

Section 711. Third party liability.

If a person other than the well operator renders a service or product to a well or well site, that person is liable with the well owner or operator for violations of this act arising out of and caused by the person's actions at the well or well site, in accordance with State law.

Section 712. Inspection reports.

(a) Posting required.--The department shall post inspection reports on its publicly accessible Internet website. The inspection reports shall include:

(1) The nature and description of violations.
(2) The operator's written response to the violation, if available.
(3) The status of the violation.
(4) The remedial steps taken by the operator or the department to address the violation.

(b) Removal.--The department shall remove a notice of violation issued in error from the public record as soon as practical after the department learns of the error.
(c) Training required.--The department shall provide adequate training to its inspectors.

(d) Minor violations.--The department will adopt a practice and procedure to alleviate the unwarranted use of notices of violation for minor violations that pose no material harm to the public health or environment, including the development of separate forms for inspections where warnings rather than notices of violation will be issued and where compliance can be accomplished within 48 hours. Warnings under this subsection, and the alleged violations upon which they are based, may not be the basis for a civil penalty when compliance is achieved within 48 hours.

CHAPTER 9

RELATED FUNDS, PARTIES AND ACTIVITIES

Section 901. Well plugging funds.

(a) Appropriation.--Fines and civil penalties collected under this act shall be deposited in the Orphan Well Plugging Fund. Other than permit fee surcharges under this section, permit fees collected under this act are hereby appropriated to the department to carry out the provisions of this act.

(b) Abandoned Well Plugging Fund.--To aid in indemnifying the Commonwealth for the cost of plugging abandoned wells, a $50 surcharge is added to the permit fee established by the department under section 301 for new wells. Money collected as a result of a surcharge shall be paid into the Abandoned Well Plugging Fund and shall be expended by the department to plug abandoned wells which threaten the health and safety of persons or property or pollute the waters of this Commonwealth.

(c) Orphan Well Plugging Fund.--

(1) A $100 surcharge for wells to be drilled for oil
production and a $200 surcharge for wells to be drilled for
gas production are added to the permit fee established by the
department under section 301 for new wells. Surcharges shall
be deposited into the Orphan Well Plugging Fund and shall be
expended by the department to plug orphan wells. If an
operator rehabilitates a well abandoned by another operator
or an orphan well, the permit fee and the surcharge for the
well shall be waived.

(2) Expenditures by the department for plugging orphan
wells shall be limited to fees collected under this act and
58 Pa.C.S. Ch. 32 (relating to development).

Section 902. Local ordinances.

Except with respect to ordinances adopted under the act of
July 31, 1968 (P.L.805, No.247), known as the Pennsylvania
Municipalities Planning Code, and the act of October 4, 1978
(P.L.851, No.166), known as the Flood Plain Management Act, all
local ordinances and enactments purporting to regulate oil and
gas well operations regulated by this act are superseded. No
ordinances or enactments adopted under the Pennsylvania
Municipalities Planning Code or the Flood Plain Management Act
shall impose conditions, requirements or limitations on the same
features of oil and gas well operations regulated by this act or
that accomplish the same purposes as set forth in this act. The
Commonwealth, by this enactment, preempts and supersedes the
regulation of oil and gas wells.

Section 903. Effect on department authority.

This act does not affect, limit or impair the right or
authority of the department under the act of June 22, 1937
(P.L.1987, No.394), known as The Clean Streams Law, the act of
January 8, 1960 (1959 P.L.2119, No.787), known as the Air
Pollution Control Act, the act of November 26, 1978 (P.L.1375, No.325), known as the Dam Safety and Encroachments Act, and the act of July 7, 1980 (P.L.380, No.97), known as the Solid Waste Management Act.

Section 904. Relationship to solid waste, surface mining, underground injection wells, wastewater treatment and recycling by centralized waste treatment facilities and storage tanks.

(a) General rule.--The obligation to obtain a permit and post a bond under Articles III and V of the act of July 7, 1980 (P.L.380, No.97), known as the Solid Waste Management Act, and to provide public notice under section 1905-A(b)(1)(v) of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, for a pit, impoundment, method or facility employed for the disposal, processing or storage of residual wastes generated by the drilling of an oil or gas well or from the production of a well which is located on the well site shall be satisfied if the owner or operator of the well meets the following conditions:

(1) the well is permitted under the requirements of section 301 or was registered under the former act of December 19, 1984 (P.L.1140, No.223), known as the Oil and Gas Act;

(2) the owner or operator satisfies the financial security requirements of section 315 by obtaining a surety or collateral bond for the well and well site; and

(3) the owner or operator maintains compliance with this act and applicable regulations of the Environmental Quality Board.

(b) Noncoal surface mining.--Obligations under the act of 20190HB1635PN2141
December 19, 1984 (P.L.1093, No.219), known as the Noncoal Surface Mining Conservation and Reclamation Act, or rule or regulation promulgated under the Noncoal Surface Mining Conservation and Reclamation Act, for a borrow area where minerals are extracted solely for the purpose of oil and gas well development, including access road construction, shall be satisfied if the owner or operator of the well meets the conditions imposed under subsection (a)(1) and (2) and the owner or operator maintains compliance with this act and applicable regulations of the Environmental Quality Board.

(c) Solid Waste Management Act.--Except as otherwise provided in this section, nothing in this section shall diminish duties or obligations that an owner or operator may have under the Solid Waste Management Act. This section shall not apply to waste classified as hazardous waste under the Solid Waste Management Act or the Resource Conservation and Recovery Act of 1976 (Public Law 94-580, 42 U.S.C. § 6901 et seq.).

(d) Road spreading of brine for dust control, road stabilization, anti-icing and de-icing.--Consistent with the provisions of the Solid Waste Management Act which require the department to encourage the beneficial use or reuse of residual waste derived from commercial and industrial purposes where the use does not harm or threaten public health, safety, welfare or the environment, the department shall approve the use of brine for dust control, road stabilization, anti-icing and de-icing upon application using forms developed by the department and in accordance with conditions reasonably necessary for the protection of the environment and prevention of pollution. With respect to any aspect of water quality, applicants may rely on regional characterization of the brine. The department may not
impose conditions requiring brine to exceed the physical character or chemical composition of a commercial product for which the brine is an effective substitute. Persons engaged in the beneficial uses of brine shall maintain records and make reports as the department requires.

(e) Secondary products from produced water. -- Notwithstanding any provision of law to the contrary and to promote beneficial uses and legitimate recycling, material derived from produced water from conventional formations, including, but not limited to, salt, is not waste if:

(1) the material is of a physical character and chemical composition that is consistently equivalent to an intentionally manufactured product or raw material; and

(2) the use of the material presents no greater threat of harm to human health and the environment than the use of the product or raw material.

(f) Regional characterization of produced water. -- Generators of produced water from conventional formations may satisfy an obligation to provide a chemical analysis of the waste through certification that the physical properties and chemical composition of the produced water are fairly represented by a regional analysis of produced water submitted to the department and the solid waste management or treatment facility that receives the waste.

(g) Class II injection wells. -- Notwithstanding any provision of law to the contrary, Class II well permits issued by the Environmental Protection Agency pursuant to the Safe Drinking Water Act (Public Law 93-523, 21 U.S.C. § 301 and 42 U.S.C. §§ 201 and 300f et seq.) shall be deemed to satisfy the department's obligation to consider potential pollution.
resulting from underground injection or disposal to the wells.

Unless or until the Commonwealth takes primacy of the Class II Underground Injection Control (UIC) program, the department's review and approval, if any, of injection wells shall be limited to a review of surface activities related to construction, modification, operation or closure of the well.

(h) Wastewater treatment and recycling requirements.--A centralized waste treatment facility that was authorized by the department prior to August 20, 2010, to treat, for disposal, recycling or recovery of material, wastewater generated from exploration, production or gathering activities associated with conventional oil and gas well operations or any new centralized waste treatment facility that treats, for disposal, recycling or recovery of material, wastewater generated from exploration, production or gathering activities associated with conventional oil and gas well operations shall not be subject to the requirements of 25 Pa. Code § 95.10 (relating to treatment requirements for new and expanding mass loadings of Total Dissolved Solids (TDS)). As used in this subsection, the term "centralized waste treatment facility" shall have the meaning given to the term "centralized waste treatment (CWT) facility" in 40 CFR 437.2(c) (relating to general definitions).

(i) Storage tanks.--Permanent aboveground or underground tanks that are used to store brines, crude oil, drilling or frac fluids and similar substances or materials and are directly related to the exploration, development or production of crude oil or natural gas regulated under this act, as well as liquid traps and associated gathering lines directly related to oil or gas production and gathering operations, are exempt from the obligations under the act of July 6, 1989 (P.L.169, No.32),
known as the Storage Tank and Spill Prevention Act, and any rule or regulation promulgated under the Storage Tank and Spill Prevention Act.

CHAPTER 11
MISCELLANEOUS PROVISIONS

Section 1101. Regulatory authority.

(a) General rule.--The Environmental Quality Board shall promulgate regulations to implement the provisions of this act. The board shall consult with the council in the formulation and development of all regulations and policies effecting conventional oil and gas operations to ensure consistency with the duties of the council and purposes of the act of June 23, 2016 (P.L.375, No.52), known as the Pennsylvania Grade Crude Development Act. Policies adopted by the department after April 16, 2012, shall expire within three years of the effective date of this act with respect to conventional operations unless revised and reissued in accordance with this section.

(b) Limited applicability.--Immediately upon the effective date of this subsection, the provisions of 58 Pa.C.S. § 3226 (relating to Oil and Gas Technical Advisory Board) are limited in applicability to unconventional oil and gas operations. The department may consult with the Oil and Gas Technical Advisory Board in the formulation, drafting or presentation stages of regulations applicable to conventional oil and gas operations.

Section 1102. Construction.

(a) Unconventional wells.--Nothing in this act shall be construed to apply to unconventional wells.

(b) Coal and Gas Resource Coordination Act.--

(1) The requirements under section 5 of the act of December 18, 1984 (P.L.1069, No.214), known as the Coal and
Gas Resource Coordination Act, for the issuance of a permit under the former act of December 19, 1984 (P.L.1140, No.223), known as the Oil and Gas Act, shall apply to this act.

(2) Nothing in this act shall be construed to change, repeal or otherwise affect the provisions of the Coal and Gas Resource Coordination Act.

Section 1103. Land recycling and remediation.

(a) General rule.--The cleanup and remediation of spills and releases from oil and natural gas operations shall not be required to comply with the notice and review provisions of the act of May 19, 1995 (P.L.4, No.2), known as the Land Recycling and Environmental Remediation Standards Act. The provisions of this section shall not be construed to affect, limit or impair other obligations or rights of operators or other responsible parties established under the Land Recycling and Environmental Remediation Standards Act whenever site remediation is voluntarily conducted or required.

(b) Reporting.--The following apply to spills onto the ground at a well site:

(1) The following spills must be reported within two hours of discovery:

   (i) more than 5 barrels of oil within a 24-hour period; or

   (ii) more than 15 barrels of brine within a 24-hour period if the total dissolved solids concentration of the brine is equal to or greater than 10,000 mg/kg.

(2) Spills of less than 5 barrels of oil or less than 15 barrels of brine need not be reported unless there is an immediate threat to public health, safety or the environment.

(c) Water pollution.--A spill from oil and natural gas
operations polluting or threatening to pollute waters of this Commonwealth must be reported immediately upon discovery.

(d) Standard for crude oil in soil.--Notwithstanding the provisions of 25 Pa. Code Ch. 250 (relating to administration of Land Recycling Program), the attainment standard for crude oil in soil shall be 10,000 mg/kg of total petroleum hydrocarbons. For sites remediated under the attainment standard under this subsection, the person conducting the remediation shall submit a report to the department documenting attainment of the standard. The remediation standard is not applicable to spills or releases involving materials other than crude oil.

(e) Conventional oil and gas operations.--Regardless of whether a person conducts remediation in accordance with the Land Recycling and Environmental Remediation Standards Act, remediation of a spill related to conventional oil and gas operations may be conducted according to established field practices, including bioremediation, to attain the chosen cleanup standards consistent with the protection of public health and the environment.

Section 1104. Repeal.

Repeals are as follows:

(1) The provisions of 58 Pa.C.S. (relating to oil and gas) are repealed insofar as they relate to conventional wells.

(2) All acts and parts of acts are repealed insofar as they are inconsistent with this act.

Section 1105. Continuation.

Except as otherwise provided in this act, all conventional oil and gas well activities initiated under 58 Pa.C.S. (relating to oil and gas) or under the former act of December 19, 1984
(P.L.1140, No.223), known as the Oil and Gas Act, shall continue and remain in full force and effect and may be completed under this act. Orders, rules and decisions which were made under 58 Pa.C.S. or the former Oil and Gas Act as to conventional wells and which are in effect on the effective date of this section shall remain in full force and effect until revoked, vacated or modified under this act. Contracts, obligations and collective bargaining agreements entered into under 58 Pa.C.S. are not affected nor impaired by this act. Nothing in this act shall alter the common law establishing the subsurface as the dominant estate in Pennsylvania, or alter or abridge the terms of any contract, mortgage or other agreement entered into prior to the effective date of this section.

Section 1106. Effective date.

This act shall take effect immediately.