

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 568

Session of
1979INTRODUCED BY STAPLETON, ORLANDO, COPPERSMITH AND MOORE,
MARCH 27, 1979SENATOR MELLOW, ENVIRONMENTAL RESOURCES, AS AMENDED,
APRIL 24, 1979

AN ACT

1 Regulating the terms and conditions of certain leases regarding
2 natural gas and oil.

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

5 Section 1. A lease or other such agreement conveying the
6 right to remove or recover oil, natural gas or gas of any other
7 designation ~~underlying another's property~~ FROM LESSOR TO LESSEE <—
8 shall not be valid if such lease does not guarantee the lessor
9 at least one-eighth royalty of all oil, natural gas or gas of
10 other designations removed or recovered from the subject real
11 property.

12 Section 2. An oil, natural gas or other designation gas well
13 or oil, natural gas or other designation gas lease which does
14 not provide a one-eighth metered royalty shall be subject to
15 such an escalation when its original state is altered by new
16 drilling, deeper drilling, redrilling, artificial well
17 stimulation, hydraulic fracturing or any other procedure for

1 increased production.

2 Section 3. Whenever such an increased production procedure
3 has been completed prior to the effective date of this act,
4 metering and the above royalty shall commence within 90 days
5 after the effective date of this act.

6 Section 4. This act shall take effect in 60 days.