THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 1378 Session of 2014

INTRODUCED BY SCARNATI, HUTCHINSON, YAW, ERICKSON, WARD, EICHELBERGER, VULAKOVICH, VOGEL, MENSCH, ALLOWAY, WHITE, ARGALL, ROBBINS, FOLMER, WOZNIAK, FONTANA, COSTA, BLAKE AND SOLOBAY, MAY 22, 2014

SENATOR YAW, ENVIRONMENTAL RESOURCES AND ENERGY, AS AMENDED, JUNE 25, 2014

AN ACT

- 1 Requiring the Environmental Quality Board to differentiate
- 2 regulations relating to conventional oil and gas wells and
- unconventional gas wells in this Commonwealth.
- 4 The General Assembly of the Commonwealth of Pennsylvania
- 5 hereby enacts as follows:
- 6 Section 1. Short title.
- 7 This act shall be known and may be cited as the Pennsylvania
- 8 Conventional Oil and Gas Well Regulations Act.
- 9 Section 2. Legislative findings and declarations.
- 10 The General Assembly finds and declares as follows:
- 11 (1) The conventional oil and gas industry has had a
- benign impact on human health and the environment in this
- 13 Commonwealth since the former act of December 19, 1984
- 14 (P.L.1140, No.223), known as the Oil and Gas Act, was
- 15 enacted.
- 16 (2) Small businesses, which are often located in small
- 17 towns and rural areas of this Commonwealth, have

- traditionally comprised much of the conventional oil and gas
 industry in this Commonwealth.
- 3 (3) Regulations for the conventional oil and gas
 4 industry must permit the optimal development of oil and gas
 5 resources of this Commonwealth, protect the health, safety,
 6 environment and property of the citizens of this Commonwealth
 7 and not unreasonably hamper the ability of this Commonwealth
 8 to compete effectively with other states.
- 9 (4) The provisions of 58 Pa.C.S. (relating to oil and 10 gas) create standards for unconventional gas wells that are 11 not applicable to conventional oil and gas wells.
- 12 (5) The regulations promulgated by the Environmental
 13 Quality Board under 58 Pa.C.S. and other laws of this
 14 Commonwealth relating to conventional oil and gas wells or
 15 unconventional gas wells should differentiate between
 16 conventional oil and gas wells and unconventional gas wells.
- 17 Section 3. Definitions.
- 18 The following words and phrases when used in this act shall
- 19 have the meanings given to them in this section unless the
- 20 context clearly indicates otherwise:
- "Conventional oil and gas well." A bore hole drilled for the
- 22 purpose of producing oil or gas from a conventional formation.
- 23 Irrespective of technology or design, the THE term includes any <--
- 24 of the following:
- 25 (1) A well drilled to produce oil.
- 26 (2) A well drilled to produce natural gas from
- formations other than shale formations.
- 28 (3) A well drilled to produce natural gas from shale
- formations located above the base of the Elk Group or its
- 30 stratigraphic equivalent.

- 1 (4) A well drilled to produce natural gas from shale
 2 formations located below the base of the Elk Group where
 3 natural gas can be produced at economic flow rates or in
 4 economic volumes without the use of vertical or nonvertical
 5 well bores stimulated by hydraulic fracture treatments or by
 6 using multilateral well bores or other techniques to expose
- 8 (5) Irrespective of formation, a well drilled for 9 collateral purposes, such as monitoring, geologic logging, 10 secondary and tertiary recovery or disposal injection.

more of the formation to the well bore.

- "Unconventional formation." A geological shale formation
- 12 existing below the base of the Elk Sandstone or its geologic
- 13 stratigraphic equivalent where natural gas generally cannot be
- 14 produced at economic flow rates or in economical volumes except
- 15 by vertical or horizontal well bores stimulated by hydraulic
- 16 fracture treatments or by using multilateral well bores or other
- 17 techniques to expose more of the formation to the well bore.
- "Unconventional gas well." A bore hole drilled for the
- 19 purpose of producing gas from an unconventional formation.
- 20 Section 4. Oil and gas well regulations.
- 21 (a) General rule. -- Regulations PROPOSED REGULATIONS AND
- 22 REGULATIONS promulgated by the Environmental Quality Board under
- 23 58 Pa.C.S. (relating to oil and gas) or other laws of this
- 24 Commonwealth relating to conventional oil and gas wells or
- 25 unconventional gas wells shall differentiate between
- 26 conventional oil and gas wells and unconventional gas wells.
- 27 (b) Codification. -- Regulations under subsection (a) that
- 28 apply to conventional oil and gas wells shall be separate from
- 29 regulations that apply to unconventional gas wells.
- 30 Section 5. Applicability.

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- 1 This act shall apply to regulations promulgated on or after
- 2 the effective date of this section.
- 3 Section 6. Effective date.
- 4 This act shall take effect immediately.