



Senate of Pennsylvania

Senator Richard A. Kasunic
32nd Senatorial District

MEMO

Date: *January 10, 2011*
To: *All Senators*
From: *Senator Richard A. Kasunic*
Subject: *Memo #24: Surface Owners Protection Act*

In the near future, I plan to introduce the Surface Owners' Protection Act that would provide certain rights and compensation to the surface owners of a split-estate. As the exploration of minerals in the Marcellus and other stratigraphic formations expands, issues between surface owners of a split-estate and oil/gas operators over competing uses of the land may become more widespread. The legislation is modeled after New Mexico's Surface Owners' Protection Act that was enacted in 2007 following an unprecedented energy development boom in the state.

The bill would require that an oil/gas operator (operator) provide the surface owner with written notice prior to beginning operations. With that notice, the operator will also provide a surface use and compensation agreement. The surface owner will then have 20 days to accept, reject, or negotiate the agreement. If after 30 days an agreement is not reached, the operator shall post a bond (\$10,000 / well or \$25,000 blanket) and may enter the property to commence operations. The surface owner maintains the option of taking the issue to court to resolve the differences. The bill would only apply to oil and gas operations that commence after its enactment.

If you wish to co-sponsor either piece of legislation, please call my office at 787-7175 or email jbonifanti@pasenate.com.