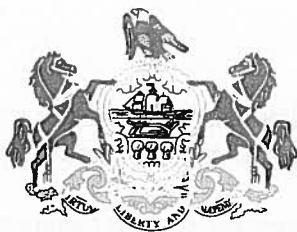


TIM KRIEGER, MEMBER
57TH LEGISLATIVE DISTRICT

HARRISBURG OFFICE:
B-14 MAIN CAPITOL BUILDING
PO BOX 202057
HARRISBURG, PA 17120-2057
PHONE: (717) 260-6146
FAX: (717) 260-6501

tkrieger@pahousegop.com
www.repkrieger.com



House of Representatives
Commonwealth of Pennsylvania
Harrisburg

DISTRICT OFFICES:
101 EHALT STREET
SUITE 105
GREENSBURG, PA 15601
PHONE: (724) 834-6400
FAX: (724) 834-6799

17 SOUTH SIXTH STREET
YOUNGWOOD, PA 15697

COMMITTEES:
ENVIRONMENTAL RESOURCES
AND ENERGY
JUDICIARY
LIQUOR CONTROL
STATE GOVERNMENT

MEMORANDUM

TO: All Members of the House of Representatives

FROM: Representative Tim Krieger *TAK*

DATE: August 16, 2011

RE: Legislation Co-Sponsorship – Amending the Pennsylvania Oil and Gas Act

In the near future, I plan to introduce legislation amending the Pennsylvania Oil and Gas Act. The legislation I plan to introduce will affect the notifications to, and drilling activities in and near gas storage facilities. Specifically, the legislation I am proposing will do the following:

- Require an unconventional well operator to provide a copy of their plat plan to the operator of a gas storage facility when a proposed well is to be located within 2,000 linear feet of a gas storage reservoir.
- Permits the gas storage operator to object to the location of an unconventional well, where the well will penetrate within 2,000 linear feet of the protective boundary of the gas storage field. The gas storage field operator will also be provided the ability to suggest alternative locations. In the event a suitable agreement cannot be reached, my proposed legislation calls for the establishment of a 3 member panel to develop an acceptable recommendation for a location to the Department of Environmental Protection (DEP) and all parties.
- Permits the gas storage facility operator to obtain information about the drilling plan from the operator of a well or unconventional well in advance of the beginning of drilling, and also permits the gas storage facility operator the ability to inspect the well drilling operations.
- Requires the well operator to provide, prior to commencing any drilling activity, 72 hours written notice to the DEP and gas storage facility operator, when a well or unconventional well is drilled within 2,000 linear feet of the gas storage facilities protective boundary.
- Requires all costs of protecting a gas storage facility to be borne by the well operator, however, all parties must agree on these costs.
- Requires the well operator, in the event a well is to be drilled into a gas storage reservoir, to provide written assurance that hydraulic fracturing or other technology will not cause a microseismic event to occur within 300 feet above or below the storage interval.
- Requires the well operator to provide the gas storage facility operator with copies of any tests taken on water wells or natural springs, as may be required, and stipulates that a permit

application for those wells that will penetrate the storage reservoir shall describe the manner in which the well will be plugged up at the end of its economic life.

Pennsylvania is host to a number of significant gas storage facilities. These operations play an important role in our nation's energy infrastructure. Consequently, there should be some measure of protection afforded to these facilities, while allowing natural gas drilling operations and natural gas storage facilities to co-exist.

If you are interested in joining me as a co-sponsor of this legislation, please contact Nancy Shenk via email at nshenk@pahousegop.com or by phone 260-6146.