

OIL AND GAS ACT - AMEND INDEMNITY BONDS

Act of Jul. 6, 1995, P.L. 286, No. 41

Cl. 58

Session of 1995

No. 1995-41

HB 1639

AN ACT

Amending the act of December 19, 1984 (P.L.1140, No.223), entitled "An act relating to the development of oil and gas and coal; imposing duties and powers on the Department of Environmental Resources; imposing notification requirements to protect landowners; and providing for definitions, for various requirements to regulate the drilling and operation of oil and gas wells, for gas storage reservoirs, for various reporting requirements, including certain requirements concerning the operation of coal mines, for well permits, for well registration, for distance requirements, for well casing requirements, for safety device requirements, for storage reservoir obligations, for well bonding requirements, for a Well Plugging Restricted Revenue Account to enforce oil and gas well plugging requirements, for the creation of an Oil and Gas Technical Advisory Board, for oil and gas well inspections, for enforcement and for penalties," further providing for an indemnity bond.

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

Section 1. Section 203(a) of the act of December 19, 1984 (P.L.1140, No.223), known as the Oil and Gas Act, amended July 2, 1992 (P.L.365, No.78), is amended to read:

Section 203. Well registration and identification.

(a) Within one year of the effective date of this amendatory act, every person who was the owner or operator of a well in existence prior to April 18, 1985, which well has not been registered with the department and for which no drilling permit has been issued by the department, shall register such well with the department. Any well owner or operator who registers a well pursuant to this subsection and any well owner or operator who has previously registered a well pursuant to this act shall, within one year of the effective date of this amendatory act, identify any abandoned well on property such well owner or operator owns or leases and request approval from the department for classification of the well as an orphan well. Information regarding wells to be registered or 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 corporation, partnership or a person nonresident of the Commonwealth, there shall be designated on the well registration application the name and address of an agent for such operator upon whom notices, orders, process or other communications issued pursuant to this act may be served.

(2) The well name of such well and the location of the well indicated by a point on a 7 1/2 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, completion of said well and the approximate depth of said well, the producing horizons, well construction information and driller's logs, if available.

(4) An indemnity bond, an alternative fee in lieu of bonding or such other evidence of financial security submitted by the well operator and deemed appropriate by the department and satisfying the requirements of section 215. No bond, alternative fee or other evidence of financial security shall be required for identification of an orphan well. For those wells drilled prior to the effective date of the act of November 30, 1955 (P.L.756, No.225), known as the Gas Operations Well-Drilling Petroleum and Coal Mining Act, which have not been bonded, the well operator shall have [three] **five** years to comply.

(5) A registration fee of \$15 per well or a blanket registration fee of \$250 for multiple well registration applications which are submitted simultaneously. The registration fee shall be waived for a period of one year from the effective date of this amendatory act, and no fee shall be charged for identification of an orphan well.

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Section 2. This act shall take effect immediately.

APPROVED--The 6th day of July, A. D. 1995.

THOMAS J. RIDGE