
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 568

Session of
1979

INTRODUCED BY STAPLETON, ORLANDO, COPPERSMITH AND MOORE,
MARCH 27, 1979

AS REPORTED FROM COMMITTEE ON CONSERVATION, HOUSE OF
REPRESENTATIVES, AS AMENDED, JUNE 12, 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 from lessor to lessee shall not be valid if such
8 lease does not guarantee the lessor at least one-eighth royalty
9 of all oil, natural gas or gas of other designations removed or
10 recovered from the subject real property.

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

1 WELL IS ALTERED THROUGH ROUTINE MAINTENANCE OR CLEANING AND
2 PRODUCTION IS NOT INCREASED.

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

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