

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 2804 Session of
2004

INTRODUCED BY HUTCHINSON, CAUSER, DALLY, FORCIER, LYNCH,
McILHATTAN, METCALFE, R. STEVENSON AND WILT, JULY 16, 2004

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
JULY 16, 2004

AN ACT

1 Amending the act of December 18, 1984 (P.L.1069, No.214),
2 entitled "An act requiring coordination of coal mine and gas
3 well operators; authorizing Department of Environmental
4 Resources enforcement powers; and providing penalties,"
5 further providing for minimum distance between gas wells, for
6 voluntary agreements and for validity of voluntary
7 agreements.

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

10 Section 1. Sections 7, 8 and 9 of the act of December 18,
11 1984 (P.L.1069, No.214), known as the Coal and Gas Resource
12 Coordination Act, are amended to read:

13 Section 7. Minimum distance between gas wells.

14 (a) No permit for a gas well covered by this act may be
15 issued to drill a new gas well, or reopen a gas well which has
16 been plugged in accordance with the Gas Operations Well-Drilling
17 Petroleum and Coal Mining Act, unless the proposed gas well is
18 located not less than 1,000 feet from any other well, [and not
19 less than 330 feet from the boundary of the tract on which the
20 gas well is to be located.] For the purpose of this section

1 "other well" shall not include any:

2 (1) Oil or gas well or injection well which does not
3 penetrate a workable coal seam.

4 (2) Oil or gas well or injection well which has been
5 plugged in accordance with this act or any other act of this
6 Commonwealth which would meet State and Federal requirements
7 for the safe mining through of a gas well.

8 (3) Nonproducing oil or gas well which was drilled and
9 abandoned prior to November 30, 1955.

10 (4) Storage well.

11 (b) The department shall, upon request of the permit
12 applicant or the owner of the workable coal seam which underlies
13 the proposed gas well, grant an exception from the minimum 1,000
14 feet distance requirement of subsection (a), where the permit
15 applicant and the owner of the workable coal seam consent in
16 writing. In no case shall the minimum distance between the
17 proposed gas well and any other well be less than 900 feet
18 pursuant to this subsection.

19 (c) The department shall, upon the request of the permit
20 applicant or the owner of the workable coal seam which underlies
21 the proposed gas well, grant an exception to the requirements of
22 subsection (a), where the vertical distance between the
23 producing formation of the proposed gas well and the producing
24 formation of any other well is 1,000 feet or greater, where the
25 permit applicant and the owner of the workable coal seam consent
26 in writing.

27 [(d) The department shall, upon request of the permit
28 applicant, grant an exception from the requirement that a gas
29 well may not be located less than 330 feet from the boundary of
30 the tract on which the gas well is to be located if any of the

1 following conditions are proven:

2 (1) The proposed gas well must be located within 330
3 feet of the boundary to conform to the requirements of the
4 Gas Operations Well-Drilling Petroleum and Coal Mining Act.

5 (2) The topography of the tract on which the proposed
6 gas well is to be located is such that it cannot be located
7 any place on the tract which is not within 330 feet of the
8 boundary of the tract.

9 (3) The nature, character or location of the producing
10 formations sought to be drilled are such that drilling the
11 gas well more than 330 feet from the boundary of the tract
12 would not be efficient or economical or would prevent removal
13 of the maximum amount of gas.

14 (4) Locating the proposed gas well less than 330 feet
15 from the boundary of the tract is necessary to protect
16 property or to protect against potential injury to any
17 natural person.

18 (5) If the proposed gas well must be located within 330
19 feet to take advantage of any exception pursuant to
20 subsection (b) or (c) or this subsection.

21 (6) If the proposed gas well must be located within 330
22 feet as the result of any recommendation of the panel
23 provided for in section 12.

24 Section 8. Voluntary agreements.

25 The owners of adjoining rights in oil and gas properties may
26 agree to combine the rights in order to establish a tract to
27 conform to the requirements of section 7. The agreements shall
28 be in writing.

29 Section 9. Validity of voluntary agreements.

30 No agreement entered into for the purpose of complying with

1 section 7 or for the purpose of bringing about the integrated
2 development or operation of gas properties shall be held to
3 violate any statute of this Commonwealth prohibiting monopolies
4 or acts, arrangements, agreements, contracts, combinations or
5 conspiracies in restraint of trade or commerce.]

6 Section 2. This act shall take effect immediately.