

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1950 Session of
2011

INTRODUCED BY ELLIS, S. H. SMITH, TURZAI, SAYLOR, REED, ADOLPH,
MAJOR, STEVENSON, VEREB, ROSS, GROVE, MARSHALL, HELM,
VULAKOVICH, P. COSTA, GERGELY, MOUL, CHRISTIANA, TALLMAN,
EVERETT AND K. SMITH, NOVEMBER 1, 2011

SENATOR M. WHITE, ENVIRONMENTAL RESOURCES AND ENERGY, IN SENATE,
AS AMENDED, DECEMBER 7, 2011

AN ACT

1 ~~Amending Titles 27 (Environmental Resources) and 58 (Oil and~~ ←
2 ~~Gas) of the Pennsylvania Consolidated Statutes, requiring~~
3 ~~rents and royalties from oil and gas leases of Commonwealth~~
4 ~~land to be placed in a special fund to be used for~~
5 ~~conservation, recreation, dams, flood control and certain~~
6 ~~interfund transfers; authorizing the Secretary of~~
7 ~~Conservation and Natural Resources to determine the need for~~
8 ~~and location of such projects and to acquire the necessary~~
9 ~~land; providing for interfund transfer; establishing the~~
10 ~~Keystone Transit Program; providing a transfer of funds from~~
11 ~~the Oil and Gas Lease Fund to the Department of Environmental~~
12 ~~Protection for a competitive grant program for the transition~~
13 ~~of small mass transit bus fleets to compressed natural gas;~~
14 ~~establishing the Clean Transit Program; providing a transfer~~
15 ~~of funds from the Oil and Gas Lease Fund to the Department of~~
16 ~~Environmental Protection for a loan program for the~~
17 ~~transition of large mass transit bus fleets to compressed~~
18 ~~natural gas; authorizing counties to impose and collect an~~
19 ~~unconventional gas well impact fee; providing for~~
20 ~~distribution of fees and for the Oil and Gas Lease Fund;~~
21 ~~consolidating the Oil and Gas Act with modifications and~~
22 ~~additions; providing for local ordinances relating to oil and~~
23 ~~gas operations; and repealing an act relating to the~~
24 ~~establishment of the Oil and Gas Lease Fund and the Oil and~~
25 ~~Gas Act.~~

26 AMENDING TITLE 58 (OIL AND GAS) OF THE PENNSYLVANIA CONSOLIDATED ←
27 STATUTES, CONSOLIDATING THE OIL AND GAS ACT WITH
28 MODIFICATIONS RELATING TO DEFINITIONS, WELL PERMITS, WELL
29 LOCATION RESTRICTIONS, PROTECTION OF WATER SUPPLIES, WELL
30 REPORTING REQUIREMENTS, BONDING, ENFORCEMENT ORDERS,

1 PENALTIES, CIVIL PENALTIES AND LOCAL ORDINANCES; PROVIDING
2 FOR CONTAINMENT, FOR TRANSPORTATION REGULATIONS, FOR
3 EMERGENCY RESPONSE INFORMATION, FOR NOTIFICATION TO PUBLIC
4 DRINKING WATER SYSTEMS, FOR CORROSION CONTROL REQUIREMENTS,
5 FOR GATHERING LINES AND FOR MODEL ORDINANCE; PROVIDING FOR
6 LOCAL ORDINANCES RELATING TO OIL AND GAS OPERATIONS; AND
7 MAKING A RELATED REPEAL.

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

10 ~~Section 1. Title 27 of the Pennsylvania Consolidated~~ ←
11 ~~Statutes is amended by adding chapters to read:~~

12 ~~CHAPTER 33~~

13 ~~OIL AND GAS~~

14 ~~Subchapter~~

15 ~~A. (Reserved)~~

16 ~~B. Oil and Gas Lease Fund~~

17 ~~c. keystone transit~~

18 ~~d. clean transit~~

19 ~~SUBCHAPTER A~~

20 ~~(RESERVED)~~

21 ~~SUBCHAPTER B~~

22 ~~OIL AND GAS LEASE FUND~~

23 ~~Sec.~~

24 ~~3301. Definitions.~~

25 ~~3302. Oil and Gas Lease Fund.~~

26 ~~3303. Powers and duties of secretary.~~

27 ~~3304. Appropriation of moneys.~~

28 ~~3305. Interfund transfers.~~

29 ~~§ 3301. Definitions.~~

30 ~~The following words and phrases when used in this chapter~~
31 ~~shall have the meanings given to them in this section unless the~~
32 ~~context clearly indicates otherwise:~~

33 ~~"Department." The Department of Conservation and Natural~~

1 ~~Resources of the Commonwealth.~~

2 ~~"Fund." The Oil and Gas Lease Fund established by this~~
3 ~~subchapter.~~

4 ~~"Secretary." The Secretary of Conservation and Natural~~
5 ~~Resources of the Commonwealth.~~

6 ~~§ 3302. Oil and Gas Lease Fund.~~

7 ~~(a) Establishment. The Oil and Gas Lease Fund is~~
8 ~~established in the State Treasury.~~

9 ~~(b) Deposits. All rents and royalties from oil and gas~~
10 ~~leases of any land owned by the Commonwealth, except rents and~~
11 ~~royalties received from game and fish lands, shall be placed in~~
12 ~~the fund to be used exclusively:~~

13 ~~(1) for conservation, recreation, dams or flood control;~~

14 ~~(2) to match any Federal grants which may be made for~~
15 ~~any of the purposes enumerated in this subchapter; and~~

16 ~~(3) for interfund transfers as provided in section 3305-~~
17 ~~(relating to interfund transfers).~~

18 ~~§ 3303. Powers and duties of secretary.~~

19 ~~The secretary shall have the following powers and duties:~~

20 ~~(1) To determine, in the secretary's discretion, the~~
21 ~~need for and the location of any project authorized by this~~
22 ~~chapter.~~

23 ~~(2) To acquire in the name of the Commonwealth by~~
24 ~~purchase, condemnation or otherwise such lands as may be~~
25 ~~needed.~~

26 ~~§ 3304. Appropriation of moneys.~~

27 ~~All the moneys from time to time paid into the fund are~~
28 ~~specifically appropriated on a continuing basis to the~~
29 ~~department to carry out the purposes of this subchapter.~~

30 ~~§ 3305. Interfund transfers.~~

~~Transfers shall be made between funds in the State Treasury as follows:~~

~~(1) On July 1, 2013, and each July 1 thereafter, an amount equal to 25% of the total moneys received from the prior fiscal year shall be transferred from the fund to the Environmental Stewardship Fund for the purpose of plugging abandoned oil and gas wells and other uses authorized by law for the Environmental Stewardship Fund.~~

~~(2) (i) Beginning July 1, 2014, a total of \$40,000,000 shall be transferred from the fund to the Hazardous Sites Cleanup Fund for the purpose of remedial response or remedy at oil and gas well sites and other uses authorized by law for the Hazardous Sites Cleanup Fund.~~

~~(ii) On July 1, 2015, and each July 1 thereafter, the following shall apply:~~

~~(A) the sum of the amount transferred under subparagraph (i) during the prior fiscal year; and~~

~~(B) an amount equal to the percentage change in the Consumer Price Index for All Urban Consumers from the prior fiscal year, multiplied by the amount in clause (A),~~

~~shall be transferred from the fund to the Hazardous Sites Cleanup Fund for the purpose specified in subparagraph (i).~~

~~(3) On July 1, 2013, and each July 1 thereafter, an amount equal to 5% of the total moneys received from the prior fiscal year, but not to exceed \$5,000,000, shall be transferred from the fund to the several counties, school districts and townships entitled to receive payment from the Commonwealth in lieu of taxes under the act of May 17, 1929~~

~~(P.L.1798, No.591), referred to as the Forest Reserves
Municipal Financial Relief Law. The moneys transferred under
this paragraph shall be allocated to each county, school
district and township based on the number of acres of land in
the county, school district or township to which the payment
under that act applies in proportion to the aggregate number
of acres of all such lands of the counties, school districts
and townships in this Commonwealth.~~

~~(4) On July 1, 2013, and each July 1 thereafter, a total
of \$15,000,000 shall be transferred from the fund to the
Conservation District Fund. These funds shall be distributed
in a manner consistent with the act of May 15, 1945 (P.L.547,
No.217), known as the Conservation District Law, and the
provisions of the State Conservation Commission's
Conservation District Fund Allocation Program Statement of
Policy under 25 Pa. Code Ch. 83 Subch. B (relating to
Conservation District Fund Allocation Program Statement of
Policy).~~

~~SUBCHAPTER C~~

~~KEYSTONE TRANSIT~~

~~Sec.~~

~~3311. Short title of subchapter.~~

~~3312. Definitions.~~

~~3313. Keystone Transit Program.~~

~~§ 3311. Short title of subchapter.~~

~~This subchapter shall be known and may be cited as the
Keystone Transit Act.~~

~~§ 3312. Definitions.~~

~~The following words and phrases when used in this subchapter
shall have the meanings given to them in this section unless the~~

1 ~~context clearly indicates otherwise:~~

2 ~~"Dedicated compressed natural gas bus." A bus which runs~~
3 ~~solely on compressed natural gas.~~

4 ~~"Department." The Department of Environmental Protection of~~
5 ~~the Commonwealth.~~

6 ~~"Mass transit authority." An operator of regularly scheduled~~
7 ~~transportation that is available to the general public and is~~
8 ~~provided according to published schedules along designated~~
9 ~~published routes with specified stopping points for the taking~~
10 ~~on and discharging of passengers. The term does not include~~
11 ~~exclusive ride taxi services, charter or sightseeing services,~~
12 ~~nonpublic transportation or school bus or limousine services.~~

13 ~~"Program." The Keystone Transit Program.~~

14 ~~"Small mass transit authority." A mass transit authority~~
15 ~~located in this Commonwealth that does not exceed 245,000~~
16 ~~revenue vehicle hours for two consecutive years.~~
17 ~~§ 3313. Keystone Transit Program.~~

18 ~~(a) Establishment. The department shall establish and~~
19 ~~administer the Keystone Transit Program.~~

20 ~~(b) Purpose. The program is established in order to~~
21 ~~decrease emissions from mass transit buses by utilizing natural~~
22 ~~gas as a vehicle fuel.~~

23 ~~(c) Transfer of funds. The State Treasurer shall transfer~~
24 ~~from the Oil and Gas Lease Fund to the department the sum of~~
25 ~~\$5,000,000 to fund the program.~~

26 ~~(d) Use of funds. The sum of \$5,000,000 shall be used to~~
27 ~~fund competitive grants available to small mass transit~~
28 ~~authorities for the purchase of new dedicated compressed natural~~
29 ~~gas buses.~~

30 ~~(e) Application process.~~

1 ~~(1) A mass transit authority must complete and submit to~~
2 ~~the department a keystone transit grant application.~~

3 ~~(2) Approved applications must obligate the mass transit~~
4 ~~authority to contract with a private company:~~

5 ~~(i) to build exclusively with private funds; and~~

6 ~~(ii) to maintain and operate any new compressed~~
7 ~~natural gas fueling facility necessary to support~~
8 ~~compressed natural gas buses purchased with funds~~
9 ~~received under this subchapter.~~

10 ~~(3) The term "operate" as used in this subsection shall~~
11 ~~not include the actual act of fueling buses.~~

12 ~~(f) Eligible costs.~~

13 ~~(1) Grant funds received under this subchapter shall be~~
14 ~~eligible for:~~

15 ~~(i) Federally assisted purchases of new dedicated~~
16 ~~compressed natural gas buses and shall be limited to the~~
17 ~~total percentage of the State and local match.~~

18 ~~(ii) Nonfederally assisted bus purchases and shall~~
19 ~~be limited to 50% of the total incremental cost of a new~~
20 ~~dedicated compressed natural gas bus.~~

21 ~~(2) The incremental cost shall be capped at \$60,000 for~~
22 ~~buses which have a gross vehicle weight rating over 26,000~~
23 ~~pounds and \$35,000 for buses with a gross vehicle weight~~
24 ~~rating of 26,000 pounds and under.~~

25 ~~(3) Buses with a gross vehicle weight rating of less~~
26 ~~than 16,000 pounds shall be ineligible.~~

27 ~~(4) Priority shall be given to those applications which~~
28 ~~provide for public access to compressed natural gas vehicle~~
29 ~~fueling dispensers.~~

30 ~~(g) Grant program. The department shall establish a formula~~

1 ~~and method for awarding of grants under the program consistent~~
2 ~~with this subchapter.~~

3 ~~(h) Appeal process. Applicants that are not awarded grants~~
4 ~~under this subchapter shall not have the right to a hearing or~~
5 ~~the issuance of an adjudication under section 4 of the act of~~
6 ~~July 13, 1988 (P.L.530, No.94), known as the Environmental~~
7 ~~Hearing Board Act, regarding the department's decision.~~

8 SUBCHAPTER d

9 CLEAN TRANSIT

10 Sec.

11 ~~3321. Short title of subchapter.~~

12 ~~3322. Definitions.~~

13 ~~3323. Clean Transit Program.~~

14 ~~§ 3321. Short title of subchapter.~~

15 ~~This subchapter shall be known and may be cited as the Clean~~
16 ~~Transit Act.~~

17 ~~§ 3322. Definitions.~~

18 ~~The following words and phrases when used in this subchapter~~
19 ~~shall have the meanings given to them in this section unless the~~
20 ~~context clearly indicates otherwise:~~

21 ~~"Dedicated compressed natural gas bus." A bus which runs~~
22 ~~solely on compressed natural gas.~~

23 ~~"Department." The Department of Environmental Protection of~~
24 ~~the Commonwealth.~~

25 ~~"Large mass transit authority." A mass transit authority~~
26 ~~located in this Commonwealth that exceeds 245,000 revenue~~
27 ~~vehicle hours for two consecutive years.~~

28 ~~"Mass transit authority." An operator of regularly scheduled~~
29 ~~transportation that is available to the general public and is~~
30 ~~provided according to published schedules along designated~~

~~1 published routes with specified stopping points for the taking
2 on and discharging of passengers. The term does not include
3 exclusive ride taxi services, charter or sightseeing services,
4 nonpublic transportation or school bus or limousine services.~~

~~5 "Program." The Clean Transit Program.~~

~~6 § 3323. Clean Transit Program.~~

~~7 (a) Establishment. The department shall establish and
8 administer the Clean Transit Program.~~

~~9 (b) Purpose. The program is established in order to
10 decrease emissions from mass transit buses by utilizing natural
11 gas as a vehicle fuel.~~

~~12 (c) Transfer of funds. The State Treasurer shall transfer
13 from the Oil and Gas Lease Fund to the department the sum of
14 \$7,500,000 to fund the program.~~

~~15 (d) Use of funds. The sum of \$7,500,000 shall be deposited
16 into a fund to be administered by the department and made
17 available to large mass transit authorities for the purchase of
18 new dedicated compressed natural gas buses. The following shall
19 apply:~~

~~20 (1) The money in the fund is hereby appropriated on a
21 continuing basis to the Department of Environmental
22 Protection for the purposes provided for in this subchapter.~~

~~23 (2) No more than 1.5% of the fund may be used for
24 administration.~~

~~25 (3) The department may set terms applicable to loans in
26 any manner it deems appropriate, subject to the provisions of
27 this subchapter.~~

~~28 (e) Application process.~~

~~29 (1) A mass transit authority must complete and submit to
30 the department a clean transit loan application.~~

1 ~~(2) Approved applications must obligate the mass transit~~
2 ~~authority to contract with a private company:~~

3 ~~(i) to build exclusively with private funds; and~~

4 ~~(ii) to maintain and operate any new compressed~~
5 ~~natural gas fueling facility necessary to support~~
6 ~~compressed natural gas buses purchased with funds~~
7 ~~received under this act.~~

8 ~~(3) The term "operate" as used in this subsection shall~~
9 ~~not include the actual act of fueling buses.~~

10 ~~(f) Eligible costs.~~

11 ~~(1) Loan funds received under this subchapter shall be~~
12 ~~eligible for:~~

13 ~~(i) Federally assisted purchases of new dedicated~~
14 ~~compressed natural gas buses and shall be limited to the~~
15 ~~total percentage of the State and local match.~~

16 ~~(ii) Nonfederally assisted bus purchases and shall~~
17 ~~be limited to 50% of the total incremental cost of a new~~
18 ~~compressed natural gas bus.~~

19 ~~(2) The incremental cost shall be capped at \$60,000 for~~
20 ~~buses which have a gross vehicle weight rating over 26,000~~
21 ~~pounds and \$35,000 for buses with a gross vehicle weight~~
22 ~~rating of 26,000 pounds and under.~~

23 ~~(3) Buses with a gross vehicle weight rating of less~~
24 ~~than 16,000 pounds shall be ineligible.~~

25 ~~(4) Priority shall be given to those applications which~~
26 ~~provide for public access to compressed natural gas vehicle~~
27 ~~fueling dispensers.~~

28 ~~(g) Loan program. The department shall establish a formula~~
29 ~~and method for awarding of loans under the program consistent~~
30 ~~with this subchapter.~~

1 ~~(h) Fund repayment.~~

2 ~~(1) Loans disbursed from the fund under subsection (d)~~
3 ~~shall be repaid to the Oil and Gas Lease Fund within five~~
4 ~~years from disbursement and before June 30, 2021.~~

5 ~~(2) On June 30, 2021, no money shall be deposited into~~
6 ~~the fund and any remaining money in the fund shall be~~
7 ~~transferred to the Oil and Gas Lease Fund.~~

8 ~~(3) The interest rate for loans provided by the program~~
9 ~~shall not exceed 2%.~~

10 ~~(i) Appeal process. Applicants that are not awarded grants~~
11 ~~under this subchapter shall not have the right to a hearing or~~
12 ~~the issuance of an adjudication under section 4 of the act of~~
13 ~~July 13, 1988 (P.L.530, No.94), known as the Environmental~~
14 ~~Hearing Board Act, regarding the department's decision.~~

15 ~~CHAPTER 35~~

16 ~~WELLS~~

17 ~~Subchapter~~

18 ~~A. Unconventional Gas Wells~~

19 ~~B. (Reserved)~~

20 ~~SUBCHAPTER A~~

21 ~~UNCONVENTIONAL GAS WELLS~~

22 ~~Sec.~~

23 ~~3501. Short title.~~

24 ~~3502. Definitions.~~

25 ~~3503. Unconventional gas well impact fee.~~

26 ~~3504. (Reserved).~~

27 ~~3505. (Reserved).~~

28 ~~3506. Administration.~~

29 ~~3506.1. Well information.~~

30 ~~3506.2. Payment confirmation.~~

1 ~~3506.3. County authority.~~

2 ~~3506.4. Enforcement.~~

3 ~~3506.5. Examinations.~~

4 ~~3507. Deposit of fees.~~

5 ~~3508. Allocation and distribution of fees.~~

6 ~~3509. Calculation of payments.~~

7 ~~3510. Recordkeeping and State reporting.~~

8 ~~3511. Expiration.~~

9 ~~§ 3501. Short title.~~

10 ~~This subchapter shall be known and may be cited as the~~
11 ~~Unconventional Gas Well Impact Act.~~

12 ~~§ 3502. Definitions.~~

13 ~~The following words and phrases when used in this subchapter~~
14 ~~shall have the meanings given to them in this section unless the~~
15 ~~context clearly indicates otherwise:~~

16 ~~"Association." A partnership, limited partnership or any~~
17 ~~other form of unincorporated enterprise owned or conducted by~~
18 ~~two or more persons.~~

19 ~~"Coal bed methane." Gas that can be produced from coal beds,~~
20 ~~coal seams, mined out areas or gob wells.~~

21 ~~"Corporation." A corporation, joint stock association,~~
22 ~~limited liability company, business trust or any other~~
23 ~~incorporated enterprise organized under the laws of the United~~
24 ~~States, this Commonwealth or any other state, territory or~~
25 ~~foreign country or dependency.~~

26 ~~"Department." The Department of Environmental Protection of~~
27 ~~the Commonwealth.~~

28 ~~"Highway mileage." The number of miles of public roads and~~
29 ~~streets most recently certified by the Department of~~
30 ~~Transportation as eligible for distribution of liquid fuels~~

1 ~~funds under the act of June 1, 1956 (1955 P.L.1944, No.655),~~
2 ~~referred to as the Liquid Fuels Tax Municipal Allocation Law.~~
3 ~~"Municipality." A city, borough, incorporated town or~~
4 ~~township.~~

5 ~~"Natural gas." A fossil fuel consisting of a mixture of~~
6 ~~hydrocarbon gases, primarily methane, possibly including ethane,~~
7 ~~propane, butane, pentane, carbon dioxide, oxygen, nitrogen and~~
8 ~~hydrogen sulfide and other gas species. The term includes gas~~
9 ~~from oil fields known as associated gas or casing head gas,~~
10 ~~natural gas fields known as nonassociated gas, coal beds, shale~~
11 ~~beds and other formations. The term does not include coal bed~~
12 ~~methane.~~

13 ~~"Nonproducing well." A natural gas well that produces an~~
14 ~~average of less than 90,000 cubic feet of natural gas per day~~
15 ~~during a calendar year.~~

16 ~~"Operator." A person or its subsidiary, affiliate or holding~~
17 ~~company that holds a permit or other authorization to engage in~~
18 ~~the business of severing natural gas for sale, profit or~~
19 ~~commercial use from an unconventional gas well in this~~
20 ~~Commonwealth. The term does not include a person who severs~~
21 ~~natural gas from a storage field.~~

22 ~~"Person." A natural person or a corporation, fiduciary,~~
23 ~~association or other entity, including the Commonwealth and any~~
24 ~~of its political subdivisions, instrumentalities and~~
25 ~~authorities. When the term is used in a provision prescribing~~
26 ~~and imposing a penalty or imposing a fine or both, the term~~
27 ~~shall include a member of an association and an officer of a~~
28 ~~corporation.~~

29 ~~"Rate." The rate under section 3503 (relating to~~
30 ~~unconventional gas well impact fee).~~

1 ~~"Reporting period." The fiscal year in which an~~
2 ~~unconventional gas well impact fee is assessed.~~

3 ~~"Unconventional gas well." A bore hole drilled or being~~
4 ~~drilled for the purpose of or to be used for producing oil or~~
5 ~~gas from a geologic shale formation existing below the base of~~
6 ~~the Elk Sandstone or its geologic equivalent stratigraphic~~
7 ~~interval where oil or gas generally cannot be produced at~~
8 ~~economic flow rates or in economic volumes except by one of the~~
9 ~~following:~~

10 ~~(1) Vertical or horizontal well bores stimulated by~~
11 ~~hydraulic fracture treatments.~~

12 ~~(2) Using multilateral well bores or other techniques to~~
13 ~~expose more of the formation of the well bore.~~

14 ~~"Unconventional gas well impact fee." A fee that is adopted~~
15 ~~under section 3503 (relating to unconventional gas well impact~~
16 ~~fee) on each unconventional gas well producing natural gas~~
17 ~~within this Commonwealth.~~

18 ~~§ 3503. Unconventional gas well impact fee.~~

19 ~~(a) Imposition. By enactment of an ordinance by the~~
20 ~~governing body of a county, except as set forth in subsection~~
21 ~~(b), a county may impose an unconventional gas well impact fee~~
22 ~~on each unconventional gas well that is located on a well pad~~
23 ~~and produces natural gas within the county.~~

24 ~~(b) Exemptions. The unconventional gas well impact fee~~
25 ~~shall not be imposed on:~~

26 ~~(1) nonproducing wells; or~~

27 ~~(2) unconventional gas wells in which all of the natural~~
28 ~~gas is used directly by a consumer at the site.~~

29 ~~(c) Fee for existing unconventional gas wells. The fee for~~
30 ~~an unconventional gas well which is in existence on the~~

1 ~~effective date of the ordinance under subsection (a) shall be as~~
2 ~~follows:~~

3 ~~(1) For the first year following the effective date of~~
4 ~~the ordinance, not more than \$40,000.~~

5 ~~(2) For the second year following the effective date of~~
6 ~~the ordinance, not more than \$30,000.~~

7 ~~(3) For the third year following the effective date of~~
8 ~~the ordinance, not more than \$20,000.~~

9 ~~(4) For the fourth year through the tenth year following~~
10 ~~the effective date of the ordinance, not more than \$10,000.~~

11 ~~(d) Fee for new unconventional gas wells. The fee for an~~
12 ~~unconventional gas well drilled after the effective date of the~~
13 ~~ordinance under subsection (a) shall be as follows:~~

14 ~~(1) For the first year, not more than \$40,000.~~

15 ~~(2) For the second year, not more than \$30,000.~~

16 ~~(3) For the third year, not more than \$20,000.~~

17 ~~(4) For the fourth year through the tenth year, not more~~
18 ~~than \$10,000.~~

19 ~~(e) Vertical unconventional gas well fee.~~

20 ~~(1) The fee for a vertical unconventional gas well shall~~
21 ~~be not more than 25% of the fee established in subsections~~
22 ~~(c) and (d).~~

23 ~~(2) For purposes of this subsection, a vertical~~
24 ~~unconventional gas well shall be defined as an unconventional~~
25 ~~gas well that utilizes hydraulic fracture treatment through a~~
26 ~~single vertical well bore.~~

27 ~~(f) Prohibition.~~

28 ~~(1) Under no circumstances may an operator make an~~
29 ~~unconventional gas well impact fee, or any other levy related~~
30 ~~to the removal or extraction of natural gas, an obligation,~~

~~indebtedness or liability of a landowner, leaseholder or other person in possession of real property upon which such removal or extraction occurs.~~

~~(2) Any provision of an agreement between an operator and a landowner, leaseholder or other person in possession of real property upon which removal or extraction of natural gas occurs that violates paragraph (1) shall be null and void.~~

~~(3) This section shall be applicable to any agreement entered into before, on or after the effective date of this section.~~

~~(g) Retroactivity prohibited. No fee shall be imposed to cover a period of natural gas production which occurred prior to the effective date of the ordinance.~~

~~§ 3504. (Reserved).~~

~~§ 3505. (Reserved).~~

~~§ 3506. Administration.~~

~~(a) Report. By April 1 of the year after enactment of an ordinance imposing a fee under this chapter and each April 1 thereafter, each operator shall submit a report and payment of the fee with the county on a form prescribed by the department for the previous calendar year. The report shall include the following:~~

~~(1) The number of unconventional gas wells of an operator in each municipality within the county.~~

~~(2) The total number of cubic feet of natural gas severed by the operator for each unconventional gas well identified under paragraph (1) during the previous calendar year.~~

~~(3) The date that each unconventional gas well identified under paragraph (1) began or ceased the production~~

1 ~~of natural gas.~~

2 ~~(b) Fee due date. The fee imposed under this chapter shall~~
3 ~~be due by April 1 of the year after enactment of an ordinance~~
4 ~~imposing the fee and each April 1 thereafter. The fee shall~~
5 ~~become delinquent if not remitted to the county on the reporting~~
6 ~~date.~~

7 ~~(c) Public availability. A report under this section shall~~
8 ~~be a public record under the act of February 14, 2008 (P.L.6,~~
9 ~~No.3), known as the Right to Know Law.~~

10 ~~§ 3506.1. Well information.~~

11 ~~(a) List. Upon request, the department shall provide a~~
12 ~~county with a list of all unconventional gas wells that have~~
13 ~~received a well permit from the department issued under this~~
14 ~~chapter. The list shall be updated on a monthly basis. In lieu~~
15 ~~of providing the list to each county, the department may~~
16 ~~maintain a list on its publicly accessible Internet website if~~
17 ~~the list is updated on a monthly basis.~~

18 ~~(b) Updates. An operator shall notify the county within 30~~
19 ~~days from the date the unconventional gas well began or ceased~~
20 ~~the production of natural gas.~~

21 ~~§ 3506.2. Payment confirmation.~~

22 ~~Prior to issuing a permit to drill an unconventional gas well~~
23 ~~in this Commonwealth, the department shall require the permit~~
24 ~~applicant to certify in its well permit application that the~~
25 ~~operator has paid all fees that may be owed under this chapter.~~
26 ~~The department may deny a well permit application if it finds~~
27 ~~that the operator falsified this certification.~~

28 ~~§ 3506.3. County authority.~~

29 ~~(a) Powers. A county may make all inquiries and~~
30 ~~determinations necessary to calculate and collect a fee imposed~~

1 ~~under this chapter, including, if applicable, interest and~~
2 ~~penalties.~~

3 ~~(b) Notice. If a county determines that a fee imposed under~~
4 ~~this chapter has not been paid in full, it may issue a notice of~~
5 ~~the amount due and demand for payment and shall set forth the~~
6 ~~basis for the determination.~~

7 ~~(c) Address. Notice of failure to pay the correct fee shall~~
8 ~~be sent to the operator at its registered address via certified~~
9 ~~mail.~~

10 ~~(d) Time period. A county may challenge the amount of a fee~~
11 ~~paid under this chapter within three years after the date the~~
12 ~~report under this chapter is filed.~~

13 ~~(e) Intent. If no report is filed or an operator files a~~
14 ~~false or fraudulent return with the intent to evade a fee, an~~
15 ~~assessment of the amount owed may be made at any time.~~

16 ~~§ 3506.4. Enforcement.~~

17 ~~(a) Assessment. A county may assess interest on any~~
18 ~~delinquent fee imposed under this chapter at the rate prescribed~~
19 ~~under section 806 of the act of April 9, 1929 (P.L.343, No.176),~~
20 ~~known as The Fiscal Code.~~

21 ~~(b) Penalty. In addition to the interest under subsection~~
22 ~~(a), if an operator fails to make timely payment of the fee, a~~
23 ~~penalty shall be added to the amount of the fee due. The amount~~
24 ~~of the penalty shall be 5% for each month, or fraction of a~~
25 ~~month, during which the failure continues, not to exceed 25% in~~
26 ~~the aggregate.~~

27 ~~(c) Timely payment. If a county determines that an operator~~
28 ~~has not made a timely payment of the fee, the county shall send~~
29 ~~a written notice of the amount of the deficiency to the operator~~
30 ~~within 30 days from the date of determining the deficiency. If~~

1 ~~the operator has not provided a complete and accurate statement~~
2 ~~of the volume of natural gas extracted for the payment period,~~
3 ~~the county may estimate the volume in its deficiency notice.~~

4 ~~(d) Remedies. The remedies provided under this chapter~~
5 ~~shall be in addition to any other remedies provided at law or in~~
6 ~~equity.~~

7 ~~(e) Lien. Fines, fees, interest and penalties shall be~~
8 ~~collectible in the manner provided by law for the collection of~~
9 ~~debts. If the operator liable to pay any amount neglects or~~
10 ~~refuses to pay the amount after demand, the amount, together~~
11 ~~with costs that may accrue, shall be a judgment in favor of the~~
12 ~~county upon the property of the operator, if the judgment has~~
13 ~~been entered and docketed of record by the prothonotary of the~~
14 ~~county where the property is situated.~~

15 ~~§ 3506.5. Examinations.~~

16 ~~(a) Access. A county which has imposed a fee under this~~
17 ~~chapter, or its authorized agents or representatives, shall:~~

18 ~~(1) Have access to the books, papers and records of any~~
19 ~~operator in order to verify the accuracy and completeness of~~
20 ~~a report filed or fee paid under this chapter.~~

21 ~~(2) Require and compel the preservation and production~~
22 ~~of all books, papers and records for any period deemed proper~~
23 ~~not to exceed three years from the end of the calendar year~~
24 ~~to which the records relate.~~

25 ~~(3) Examine any employee of an operator concerning the~~
26 ~~severing of natural gas subject to a fee or any matter~~
27 ~~relating to the enforcement of this chapter.~~

28 ~~(b) Unauthorized disclosure.~~

29 ~~(1) Any information obtained by a county as a result of~~
30 ~~any report, examination, investigation or hearing under this~~

~~section shall be confidential and shall be exempt from disclosure under the provisions of the act of February 14, 2008 (P.L.6, No.3), known as the Right to Know Law, and shall not be disclosed except in accordance with judicial order or as otherwise provided by law.~~

~~(2) An individual unlawfully divulging the information described under this subsection commits a misdemeanor and shall, upon conviction, be sentenced to pay a fine of not more than \$1,000 and costs of prosecution or to imprisonment for not more than one year, or both.~~

~~§ 3507. Deposit of fees.~~

~~(a) Establishment. Each county imposing a fee under this chapter shall establish an interest bearing account designed solely for fees.~~

~~(b) Deposit. All fees collected by a county imposing a fee under this chapter shall be deposited into the account described under subsection (a).~~

~~§ 3508. Allocation and distribution of fees.~~

~~(a) Allocation of fees. The fees deposited into the account established under section 3507 (relating to deposit of fees) shall be allocated as follows:~~

~~(1) Seventy five percent of the fees shall be allocated to the county and its municipalities in the manner provided under subsection (b).~~

~~(2) Twenty five percent of the fees shall be allocated to the Commonwealth and distributed in the manner provided under subsections (c) and (d).~~

~~(b) Distribution of fees to county and municipalities. The fees allocated to the county and its municipalities under subsection (a) (1) shall be distributed as follows:~~

1 ~~(1) Thirty six percent of the fees shall be retained by~~
2 ~~the county where the producing unconventional gas wells are~~
3 ~~located.~~

4 ~~(2) Thirty seven percent of the fees shall be~~
5 ~~distributed to the municipalities where producing~~
6 ~~unconventional gas wells are located. The amount for each~~
7 ~~municipality shall be determined using a formula that divides~~
8 ~~the number of producing unconventional gas wells in the~~
9 ~~municipality by the number of producing unconventional gas~~
10 ~~wells in the county and multiplies the resulting percentage~~
11 ~~by the amount available for distribution under this~~
12 ~~subparagraph.~~

13 ~~(3) Twenty seven percent of the fees shall be~~
14 ~~distributed to all municipalities in the county where~~
15 ~~producing unconventional gas wells are located as follows:~~

16 ~~(i) Fifty percent shall be distributed to all~~
17 ~~municipalities using a formula that divides the~~
18 ~~population of the municipality within the county by the~~
19 ~~total population of the county and multiplies the~~
20 ~~resulting percentage by the amount available for~~
21 ~~distribution to the county under this subparagraph.~~

22 ~~(ii) Fifty percent shall be distributed to each~~
23 ~~municipality using a formula that divides the highway~~
24 ~~mileage of the municipality within the county by the~~
25 ~~total highway mileage of the county and multiplies the~~
26 ~~resulting percentage by the amount available for~~
27 ~~distribution to the county under this subparagraph.~~

28 ~~(c) Distribution of fees to Commonwealth. The fees~~
29 ~~allocated to the Commonwealth under subsection (a) (2) shall be~~
30 ~~remitted to the Commonwealth for deposit into a restricted~~

~~1 account in the General Fund of the Commonwealth dedicated solely
2 for fees. The funds are hereby appropriated and shall be
3 distributed as follows and as set forth under subsection (e):~~

~~4 (1) Seventy percent to the Department of Transportation
5 for road, bridge, rail and other transportation
6 infrastructure improvements to address impacts from
7 unconventional natural gas development.~~

~~8 (2) Ten and one half percent to the department, not to
9 exceed \$10,000,000 annually, for the regulation of
10 unconventional gas wells and the plugging of abandoned and
11 orphan gas wells within the Commonwealth.~~

~~12 (3) Seven and one half percent to the Public Utility
13 Commission, not to exceed \$2,000,000 annually, for the
14 enhancement, inspection and enforcement of pipeline safety
15 standards as required by law related to the safe transport of
16 gas and hazardous liquids.~~

~~17 (4) Four and one half percent to the Pennsylvania
18 Emergency Management Agency, not to exceed \$2,000,000
19 annually, for emergency response planning, training and
20 coordination associated with unconventional natural gas
21 production activity within the Commonwealth.~~

~~22 (5) Three and three quarters percent to the Department
23 of Health, not to exceed \$2,000,000 annually, for collecting
24 and disseminating information, preparing and conducting
25 health care provider outreach and education and investigating
26 health related complaints and other uses associated with
27 unconventional natural gas production activity within this
28 Commonwealth.~~

~~29 (6) Three and three quarters percent to the Office of
30 State Fire Commissioner, not to exceed \$2,000,000 annually,~~

~~for the development, delivery and sustainment of training programs for first responders and acquisition of specialized equipment necessary for emergency response.~~

~~(d) Additional distribution of fees to Department of Transportation. In addition to the distribution of fees to the Department of Transportation under subsection (c) (1), any funds remaining in the restricted account after distribution of fees under subsection (c) (2), (3), (4), (5) and (6) are hereby appropriated shall be distributed to the Department of Transportation.~~

~~(e) Continuing nature.~~

~~(1) The distributions under subsections (c) and (d) shall be executive authorizations.~~

~~(2) The appropriations under subsections (c) and (d) shall be continuing appropriations. Those appropriations shall not lapse at the end of any fiscal year.~~

~~(f) Timing of distribution. A county shall distribute the fees authorized under this chapter within 45 days after the date the fees are received.~~

~~(g) Use of funds by counties and municipalities. A county or municipality receiving fees under this section shall make use of the fees received only for the following purposes associated with unconventional natural gas production within the county or municipality:~~

~~(1) Construction, reconstruction, maintenance and repair of roadways, bridges and public infrastructure.~~

~~(2) Water, storm water and sewer systems, including construction, reconstruction, maintenance and repair.~~

~~(3) Emergency preparedness and response, including police, fire, hazardous material response, 911, equipment~~

1 ~~acquisition, responder recruitment and other services.~~

2 ~~(4) Preservation and reclamation of surface and~~
3 ~~subsurface waters and water supplies, including drinking~~
4 ~~water monitoring and testing.~~

5 ~~(5) Records management, geographic information systems~~
6 ~~and information technology.~~

7 ~~(6) Projects that increase the availability of~~
8 ~~affordable housing, either for sale or rental, to residents~~
9 ~~whose annual income is less than the area median income.~~

10 ~~(7) Delivery of social services, including domestic~~
11 ~~relations, drug and alcohol treatment, job training and~~
12 ~~counseling.~~

13 ~~(8) Assistance to the county conservation district for~~
14 ~~inspection, oversight and enforcement of unconventional~~
15 ~~natural gas development.~~

16 ~~(9) County or municipal planning.~~

17 ~~(10) Local tax reduction.~~

18 ~~(11) Career and technical centers for training of~~
19 ~~workers in the oil and gas industry.~~

20 ~~§ 3509. Calculation of payments.~~

21 ~~(a) General rule. The county treasurer of a county that~~
22 ~~imposes and collects the unconventional gas well impact fee~~
23 ~~shall certify the number of all unconventional gas wells located~~
24 ~~within each municipality of the county based upon the~~
25 ~~appropriate reports provided by the department.~~

26 ~~(b) Payments to municipalities. The county treasurer of a~~
27 ~~county that imposes and collects the unconventional gas well~~
28 ~~impact fee shall pay to municipalities the amounts required~~
29 ~~under this subchapter.~~

30 ~~§ 3510. Recordkeeping and State reporting.~~

1 ~~(a) General rule. Commencing in calendar year 2013 and~~
2 ~~each year thereafter, before December 1, each county that~~
3 ~~imposes and collects the unconventional gas well impact fee~~
4 ~~authorized by this subchapter shall prepare and deliver a report~~
5 ~~to the Secretary of the Senate and the Chief Clerk of the House~~
6 ~~of Representatives detailing the expenditure of the funds~~
7 ~~collected under this subchapter.~~

8 ~~(b) Audit. The Department of Community and Economic~~
9 ~~Development may audit a county's and municipality's expenditure~~
10 ~~of the funds.~~

11 ~~(c) Availability of records. A county and municipality that~~
12 ~~receives the funds shall make its financial records and other~~
13 ~~documents relating to its expenditure of the funds available to~~
14 ~~the department.~~

15 ~~(d) Time. Reports shall be prepared no later than June 30~~
16 ~~of the year following the initial receipt of any fees~~
17 ~~distributed under this section and each June 30 thereafter.~~

18 ~~(e) Location. Reports shall be published on the county or~~
19 ~~municipality's publicly accessible Internet website. If a~~
20 ~~municipality does not maintain a publicly accessible Internet~~
21 ~~website, the municipality shall provide its report to the~~
22 ~~county, which shall publish the municipality's report on the~~
23 ~~county's publicly accessible Internet website.~~

24 ~~§ 3511. Expiration.~~

25 ~~(a) Notice. The Secretary of the Commonwealth shall, upon~~
26 ~~the effective date of an act authorizing a severance tax on each~~
27 ~~unconventional gas well producing gas in this Commonwealth,~~
28 ~~submit for publication in the Pennsylvania Bulletin notice of~~
29 ~~that fact.~~

30 ~~(b) Date. This chapter shall expire on the date of the~~

1 ~~publication of the notice under subsection (a).~~

2 ~~SUBCHAPTER B~~

3 ~~(RESERVED)~~

4 Section 2. Title 58 is amended by adding parts to read:

5 ~~PART I~~

6 ~~PRELIMINARY PROVISIONS~~

7 ~~(RESERVED)~~

8 ~~PART II~~

9 ~~(RESERVED)~~

10 ~~PART III~~

11 ~~UTILIZATION~~

12 ~~Chapter~~

13 ~~31. (Reserved)~~

14 ~~32. Development~~

15 ~~CHAPTER 31~~

16 ~~(RESERVED)~~

17 ~~CHAPTER 32~~

18 ~~DEVELOPMENT~~

19 ~~Subchapter~~

20 ~~A. Preliminary Provisions~~

21 ~~B. General Requirements~~

22 ~~C. Underground Gas Storage~~

23 ~~D. Eminent Domain~~

24 ~~E. Enforcement and Remedies~~

25 ~~F. Miscellaneous Provisions~~

26 ~~SUBCHAPTER A~~

27 ~~PRELIMINARY PROVISIONS~~

28 ~~Sec.~~

29 ~~3201. Scope of chapter.~~

30 ~~3202. Declaration of purpose.~~

1 ~~3203. Definitions.~~

2 ~~§ 3201. Scope of chapter.~~

3 ~~This chapter relates to oil and gas.~~

4 ~~§ 3202. Declaration of purpose.~~

5 ~~The purposes of this chapter are to:~~

6 ~~(1) Permit optimal development of oil and gas resources~~
7 ~~of this Commonwealth consistent with protection of the~~
8 ~~health, safety, environment and property of Pennsylvania~~
9 ~~citizens.~~

10 ~~(2) Protect the safety of personnel and facilities~~
11 ~~employed in coal mining or exploration, development, storage~~
12 ~~and production of natural gas or oil.~~

13 ~~(3) Protect the safety and property rights of persons~~
14 ~~residing in areas where mining, exploration, development,~~
15 ~~storage or production occurs.~~

16 ~~(4) Protect the natural resources, environmental rights~~
17 ~~and values secured by the Constitution of Pennsylvania.~~

18 ~~§ 3203. Definitions.~~

19 ~~The following words and phrases when used in this chapter~~
20 ~~shall have the meanings given to them in this section unless the~~
21 ~~context clearly indicates otherwise:~~

22 ~~"Abandoned well." Any of the following:~~

23 ~~(1) A well:~~

24 ~~(i) that has not been used to produce, extract or~~
25 ~~inject any gas, petroleum or other liquid within the~~
26 ~~preceding 12 months;~~

27 ~~(ii) for which equipment necessary for production,~~
28 ~~extraction or injection has been removed; or~~

29 ~~(iii) considered dry and not equipped for production~~
30 ~~within 60 days after drilling, re-drilling or deepening.~~

1 ~~(2) The term does not include wells granted inactive~~
2 ~~status.~~

3 ~~"Alteration." An operation which changes the physical~~
4 ~~characteristics of a well bore, including stimulation or~~
5 ~~removing, repairing or changing the casing. For the purpose of~~
6 ~~this chapter only, the term does not include:~~

7 ~~(1) Repairing or replacing of the casing if the activity~~
8 ~~does not affect the depth or diameter of the well bore, the~~
9 ~~use or purpose of the well does not change and the activity~~
10 ~~complies with regulations promulgated under this chapter,~~
11 ~~except that this exclusion does not apply:~~

12 ~~(i) to production casings in coal areas when the~~
13 ~~production casings are also the coal protection casings;~~
14 ~~or~~

15 ~~(ii) when the method of repairing or replacing the~~
16 ~~casing would affect the coal protection casing.~~

17 ~~(2) Stimulation of a well.~~

18 ~~"Board." The Oil and Gas Technical Advisory Board.~~

19 ~~"Bridge." An obstruction placed in a well at any depth.~~

20 ~~"Building." An occupied structure with walls and roof within~~
21 ~~which persons live or customarily work.~~

22 ~~"Casing." A string or strings of pipe commonly placed in~~
23 ~~wells drilled for natural gas or petroleum.~~

24 ~~"Cement" or "cement grout." Any of the following:~~

25 ~~(1) Hydraulic cement properly mixed with water only.~~

26 ~~(2) A mixture of materials adequate for bonding or~~
27 ~~sealing of well bores as approved by regulations promulgated~~
28 ~~under this chapter.~~

29 ~~"Coal mine." Any of the following:~~

30 ~~(1) Operations in a coal seam, including excavated~~

1 ~~portions, abandoned portions and places actually being~~
2 ~~worked.~~

3 ~~(2) Underground workings and shafts, slopes, tunnels and~~
4 ~~other ways and openings, including those which are in the~~
5 ~~course of being sunk or driven, along with all roads and~~
6 ~~facilities connected with them below the surface.~~

7 ~~"Coal operator." A person that operates or proposes to~~
8 ~~operate a coal mine as an owner or lessee.~~

9 ~~"Completion of a well." The date after treatment, if any,~~
10 ~~that the well is properly equipped for production of oil or gas,~~
11 ~~or, if the well is dry, the date that the well is abandoned.~~

12 ~~"Department." The Department of Environmental Protection of~~
13 ~~the Commonwealth.~~

14 ~~"Drilling." The drilling or redrilling of a well or the~~
15 ~~deepening of an existing well.~~

16 ~~"Environmental law." Any of the following:~~

17 ~~(1) A Federal statute pertaining to oil and gas~~
18 ~~operations, public health, safety, natural resources or the~~
19 ~~environment.~~

20 ~~(2) A Federal regulation, rule, administrative order or~~
21 ~~agency interpretation or guidance pertaining to oil and gas~~
22 ~~operations, public health, safety, natural resources or the~~
23 ~~environment.~~

24 ~~(3) A Federal judicial decision pertaining to oil and~~
25 ~~gas operations, public health, safety, natural resources or~~
26 ~~the environment.~~

27 ~~(4) A Commonwealth statute pertaining to oil and gas~~
28 ~~operations, public health, safety, natural resources or the~~
29 ~~environment. The term includes any of the following:~~

30 ~~(i) The act of June 22, 1937 (P.L.1987, No.394),~~

1 ~~known as The Clean Streams Law.~~

2 ~~(ii) The act of January 8, 1960 (1959 P.L.2119,~~
3 ~~No.787), known as the Air Pollution Control Act.~~

4 ~~(iii) The act of July 7, 1961 (P.L.518, No.268),~~
5 ~~known as the Delaware River Basin Compact.~~

6 ~~(iv) The act of July 25, 1961 (P.L.825, No.359),~~
7 ~~known as the Oil and Gas Conservation Law.~~

8 ~~(v) The act of July 17, 1968 (P.L.368, No.181),~~
9 ~~referred to as the Susquehanna River Basin Compact Law.~~

10 ~~(vi) The act of October 4, 1978 (P.L.864, No.167),~~
11 ~~known as the Storm Water Management Act.~~

12 ~~(vii) The act of November 26, 1978 (P.L.1375,~~
13 ~~No.325), known as the Dam Safety and Encroachments Act.~~

14 ~~(viii) The act of July 7, 1980 (P.L.380, No.97),~~
15 ~~known as the Solid Waste Management Act.~~

16 ~~(ix) The act of June 23, 1982 (P.L.597, No.170),~~
17 ~~known as the Wild Resource Conservation Act.~~

18 ~~(x) The act of May 1, 1984 (P.L.206, No.43), known~~
19 ~~as the Pennsylvania Safe Drinking Water Act.~~

20 ~~(xi) The act of July 10, 1984 (P.L.688, No.147),~~
21 ~~known as the Radiation Protection Act.~~

22 ~~(xii) The act of October 5, 1984 (P.L.734, No.159),~~
23 ~~known as the Worker and Community Right to Know Act.~~

24 ~~(xiii) The act of December 18, 1984 (P.L.1069,~~
25 ~~No.214), known as the Coal and Gas Resource Coordination~~
26 ~~Act.~~

27 ~~(xiv) The act of December 19, 1984 (P.L.1093,~~
28 ~~No.219), known as the Noncoal Surface Mining Conservation~~
29 ~~and Reclamation Act.~~

30 ~~(xv) The act of October 18, 1988 (P.L.756, No.108),~~

1 ~~known as the Hazardous Sites Cleanup Act.~~

2 ~~(xvi) The act of July 6, 1989 (P.L.169, No.32),~~
3 ~~known as the Storage Tank and Spill Prevention Act.~~

4 ~~(xvii) The act of December 7, 1990 (P.L.639,~~
5 ~~No.165), known as the Hazardous Material Emergency~~
6 ~~Planning and Response Act.~~

7 ~~(xviii) The act of May 19, 1995 (P.L.4, No.2), known~~
8 ~~as the Land Recycling and Environmental Remediation~~
9 ~~Standards Act.~~

10 ~~(xix) The act of July 4, 2008 (P.L.526, No.43),~~
11 ~~known as the Great Lakes St. Lawrence River Basin Water~~
12 ~~Resources Compact.~~

13 ~~(xx) The provisions of 27 Pa.C.S. Ch. 31 (relating~~
14 ~~to water resources planning)~~

15 ~~(xxi) The provisions of 27 Pa.C.S. Ch. 41 (relating~~
16 ~~to environmental laboratory accreditation).~~

17 ~~(xxii) The provisions of 27 Pa.C.S. Ch. 62 (relating~~
18 ~~to waste transportation safety).~~

19 ~~(xxiii) The provisions of 30 Pa.C.S. (relating to~~
20 ~~fish).~~

21 ~~(xxiv) The provisions of 34 Pa.C.S. (relating to~~
22 ~~game).~~

23 ~~(5) A regulation, rule, administrative order or agency~~
24 ~~interpretation or guidance of a Commonwealth agency~~
25 ~~pertaining to oil and gas operations, public health, safety,~~
26 ~~natural resources or the environment.~~

27 ~~(6) A decision of a court of this Commonwealth~~
28 ~~pertaining to oil and gas operations, public health, safety,~~
29 ~~natural resources or the environment.~~

30 ~~"Fresh groundwater." Water in that portion of the generally~~

1 ~~recognized hydrologic cycle which occupies the pore spaces and~~
2 ~~fractures of saturated subsurface materials.~~

3 ~~"Gas." Any of the following:~~

4 ~~(1) A fluid, combustible or noncombustible, which is~~
5 ~~produced in a natural state from the earth and maintains a~~
6 ~~gaseous or rarified state at standard temperature of 60~~
7 ~~degrees Fahrenheit and pressure 14.7 PSIA.~~

8 ~~(2) Any manufactured gas, byproduct gas or mixture of~~
9 ~~gases or natural gas liquids.~~

10 ~~"Inactivate." To shut off the vertical movement of gas in a~~
11 ~~gas storage well by means of a temporary plug or other suitable~~
12 ~~device or by injecting bentonitic mud or other equally nonporous~~
13 ~~material into the well.~~

14 ~~"Linear foot." A unit of measurement in a straight line on a~~
15 ~~horizontal plane.~~

16 ~~"Oil." Hydrocarbons in liquid form at standard temperature~~
17 ~~of 60 degrees Fahrenheit and pressure 14.7 PSIA, also referred~~
18 ~~to as petroleum.~~

19 ~~"Oil and gas operations." Any of the following:~~

20 ~~(1) Exploration for oil and gas. This paragraph includes~~
21 ~~the conduct of seismic operations.~~

22 ~~(2) Siting and locating of oil and gas wells.~~

23 ~~(3) Drilling, stimulation and completion of oil and gas~~
24 ~~wells.~~

25 ~~(4) Generation, processing, treatment, storage,~~
26 ~~transportation and disposal of fresh water, wastewater,~~
27 ~~wastes, chemicals and other materials directly associated~~
28 ~~with drilling, stimulation and completion of oil and gas~~
29 ~~wells.~~

30 ~~(5) Production, gathering and collection of oil or gas.~~

1 ~~(6) Compression, transportation, processing, measurement~~
2 ~~and storage of oil or gas.~~

3 ~~(7) Reclamation activities.~~

4 ~~(8) Construction and use of drilling rigs and pipelines.~~

5 ~~This paragraph includes equipment directly related to the~~
6 ~~activities set forth in this paragraph.~~

7 ~~(9) Construction and use of access roads, well sites,~~
8 ~~drilling pads, impoundments, compression stations, processing~~
9 ~~stations, meter stations and storage tanks. This paragraph~~
10 ~~includes buildings, facilities or structures, which are~~
11 ~~directly related to the activities set forth in this~~
12 ~~paragraph. This paragraph does not include ancillary support,~~
13 ~~supply and service facilities, the location of which is not~~
14 ~~dependent on the location of specific wells or pipelines.~~

15 ~~"Operating coal mine." Any of the following:~~

16 ~~(1) An underground coal mine which is producing coal or~~
17 ~~has been in production of coal at any time during the 12~~
18 ~~months immediately preceding the date its status is put in~~
19 ~~question, including contiguous worked out or abandoned coal~~
20 ~~mines to which it is connected underground.~~

21 ~~(2) An underground coal mine to be established or~~
22 ~~reestablished under paragraph (1).~~

23 ~~"Operating well." A well that is not plugged and abandoned.~~

24 ~~"Orphan well." A well abandoned prior to April 18, 1985,~~
25 ~~that has not been affected or operated by the present owner or~~
26 ~~operator and from which the present owner, operator or lessee~~
27 ~~has received no economic benefit other than as a landowner or~~
28 ~~recipient of a royalty interest from the well.~~

29 ~~"Outside coal boundaries." When used in conjunction with the~~
30 ~~term "operating coal mine," the boundaries of the coal acreage~~

1 ~~assigned to the coal mine under an underground mine permit~~
2 ~~issued by the Department of Environmental Protection.~~

3 ~~"Owner." A person who owns, manages, leases, controls or~~
4 ~~possesses a well or coal property. The term does not apply to~~
5 ~~orphan wells, except where the Department of Environmental~~
6 ~~Protection determines a prior owner or operator benefited from~~
7 ~~the well as provided in section 3220(a) (relating to plugging~~
8 ~~requirements).~~

9 ~~"Person." An individual, association, partnership,~~
10 ~~corporation, political subdivision or agency of the Federal~~
11 ~~Government, State government or other legal entity.~~

12 ~~"Petroleum." Hydrocarbons in liquid form at standard~~
13 ~~temperature of 60 degrees Fahrenheit and pressure 14.7 PSIA,~~
14 ~~also referred to as oil.~~

15 ~~"Pillar." A solid block of coal surrounded by either active~~
16 ~~mine workings or a mined out area.~~

17 ~~"Plat." A map, drawing or print accurately drawn to scale~~
18 ~~showing the proposed or existing location of a well or wells.~~

19 ~~"Reservoir protective area." The area surrounding a storage~~
20 ~~reservoir boundary, but within 2,000 linear feet of the storage~~
21 ~~reservoir boundary, unless an alternate area has been designated~~
22 ~~by the Department of Environmental Protection, which is deemed~~
23 ~~reasonably necessary to afford protection to the reservoir,~~
24 ~~under a conference held in accordance with section 3251~~
25 ~~(relating to conferences).~~

26 ~~"Retreat mining." Removal of coal pillars, ribs and stumps~~
27 ~~remaining after development mining has been completed in that~~
28 ~~section of a coal mine.~~

29 ~~"Secretary." The Secretary of Environmental Protection of~~
30 ~~the Commonwealth.~~

1 ~~"Storage operator." A person who operates or proposes to~~
2 ~~operate a storage reservoir as an owner or lessee.~~

3 ~~"Storage reservoir." That portion of a subsurface geological~~
4 ~~stratum into which gas is or may be injected for storage~~
5 ~~purposes or to test suitability of the stratum for storage.~~

6 ~~"Unconventional well." A bore hole drilled or being drilled~~
7 ~~for the purpose of or to be used for producing oil or gas from a~~
8 ~~geological shale formation existing below the base of the Elk-~~
9 ~~Sandstone or its geologic equivalent stratigraphic interval~~
10 ~~where oil or gas generally cannot be produced at economic flow-~~
11 ~~rates or in economic volumes except by one of the following:~~

12 ~~(1) Vertical or horizontal well bores stimulated by~~
13 ~~hydraulic fracture treatments.~~

14 ~~(2) Using multilateral well bores or other techniques to~~
15 ~~expose more of the formation of the well bore.~~

16 ~~"Water management plan." A plan associated with drilling or~~
17 ~~completing a well in an unconventional formation that~~
18 ~~demonstrates that the withdrawal and use of water sources~~
19 ~~protects those sources as required by law and protects public~~
20 ~~health, safety and welfare.~~

21 ~~"Water purveyor." Any of the following:~~

22 ~~(1) The owner or operator of a public water system as~~
23 ~~defined in section 3 of the act of May 1, 1984 (P.L.206,~~
24 ~~No.43), known as the Pennsylvania Safe Drinking Water Act.~~

25 ~~(2) Any person subject to the act of June 24, 1939~~
26 ~~(P.L.842, No.365), referred to as the Water Rights Law.~~

27 ~~"Water source."~~

28 ~~(1) Any of the following:~~

29 ~~(i) Waters of this Commonwealth.~~

30 ~~(ii) A source of water supply used by a water~~

1 ~~purveyor.~~

2 ~~(iii) Mine pools and discharges.~~

3 ~~(iv) Any other waters that are used for drilling or~~
4 ~~completing a well in an unconventional formation.~~

5 ~~(2) The term does not include flowback or production~~
6 ~~waters or other fluids:~~

7 ~~(i) which are used for drilling or completing a well~~
8 ~~in an unconventional formation; and~~

9 ~~(ii) which do not discharge into waters of this~~
10 ~~Commonwealth.~~

11 ~~"Well." A bore hole drilled or being drilled for the purpose~~
12 ~~of, or to be used for, producing, extracting or injecting gas,~~
13 ~~petroleum or another liquid related to oil or gas production or~~
14 ~~storage, including brine disposal, but excluding a bore hole~~
15 ~~drilled to produce potable water. The term does not include a~~
16 ~~bore hole drilled or being drilled for the purpose of, or to be~~
17 ~~used for:~~

18 ~~(1) Systems of monitoring, producing or extracting gas~~
19 ~~from solid waste disposal facilities, if the bore hole is a~~
20 ~~well subject to the act of July 7, 1980 (P.L.380, No.97),~~
21 ~~known as the Solid Waste Management Act, which does not~~
22 ~~penetrate a workable coal seam.~~

23 ~~(2) Degasifying coal seams, if the bore hole is:~~

24 ~~(i) used to vent methane to the outside atmosphere~~
25 ~~from an operating coal mine; regulated as part of the~~
26 ~~mining permit under the act of June 22, 1937 (P.L.1987,~~
27 ~~No.394), known as The Clean Streams Law, and the act of~~
28 ~~May 31, 1945 (P.L.1198, No.418), known as the Surface~~
29 ~~Mining Conservation and Reclamation Act; and drilled by~~
30 ~~the operator of the operating coal mine for the purpose~~

1 ~~of increased safety; or~~

2 ~~(ii) used to vent methane to the outside atmosphere~~
3 ~~under a federally funded or State funded abandoned mine~~
4 ~~reclamation project.~~

5 ~~"Well control emergency." An incident during drilling,~~
6 ~~operation, workover or completion that, as determined by the~~
7 ~~department, poses a threat to public health, welfare or safety,~~
8 ~~including a loss of circulation fluids, kick, casing failure,~~
9 ~~blowout, fire and explosion.~~

10 ~~"Well control specialist." Any person trained to respond to~~
11 ~~a well control emergency with a current certification from a~~
12 ~~well control course accredited by the International Association~~
13 ~~of Drilling Contractors or other organization approved by the~~
14 ~~department.~~

15 ~~"Well operator" or "operator." Any of the following:~~

16 ~~(1) The person designated as operator or well operator~~
17 ~~on the permit application or well registration.~~

18 ~~(2) If a permit or well registration was not issued, a~~
19 ~~person who locates, drills, operates, alters or plugs a well~~
20 ~~or reconditions a well with the purpose of production from~~
21 ~~the well.~~

22 ~~(3) If a well is used in connection with underground~~
23 ~~storage of gas, a storage operator.~~

24 ~~"Wetland." Areas inundated or saturated by surface or~~
25 ~~groundwater at a frequency and duration sufficient to support,~~
26 ~~and which normally support, a prevalence of vegetation typically~~
27 ~~adapted for life in saturated soil conditions, including swamps,~~
28 ~~marshes, bogs and similar areas.~~

29 ~~"Workable coal seams." A coal seam which:~~

30 ~~(1) is actually being mined in the area in question~~

1 ~~under this chapter by underground methods; or~~

2 ~~(2) in the judgment of the Department of Environmental~~
3 ~~Protection, can reasonably be expected to be mined by~~
4 ~~underground methods.~~

5 SUBCHAPTER B

6 GENERAL REQUIREMENTS

7 Sec.

8 3211. Well permits.

9 3212. Permit objections.

10 3212.1. Comments by municipalities.

11 3213. Well registration and identification.

12 3214. Inactive status.

13 3215. Well location restrictions.

14 3215.1. General restrictions.

15 3216. Well site restoration.

16 3217. Protection of fresh groundwater and casing requirements.

17 3218. Protection of water supplies.

18 3219. Use of safety devices.

19 3219.1. Well control emergency response.

20 3220. Plugging requirements.

21 3221. Alternative methods.

22 3222. Well reporting requirements.

23 3223. Notification and effect of well transfer.

24 3224. Coal operator responsibilities.

25 3225. Bonding.

26 3226. Oil and Gas Technical Advisory Board.

27 3227. AIR CONTAINMENT EMISSIONS.

28 § 3211. Well permits.

29 (a) Permit required. No person shall drill or alter a well,
30 except for alterations which satisfy the requirements of

1 ~~subsection (j), without having first obtained a well permit~~
2 ~~under subsections (b), (c), (d) and (e), or operate an abandoned~~
3 ~~or orphan well unless in compliance with subsection (l). A copy~~
4 ~~of the permit shall be kept at the well site during drilling or~~
5 ~~alteration of the well. No person shall be required to obtain a~~
6 ~~permit to redrill a nonproducing well if the redrilling:~~

7 ~~(1) has been evaluated and approved as part of an order~~
8 ~~from the department authorizing cleaning out and plugging or~~
9 ~~replugging a nonproducing well under section 13(c) of the act~~
10 ~~of December 18, 1984 (P.L.1069, No.214), known as the Coal~~
11 ~~and Gas Resource Coordination Act; and~~

12 ~~(2) is incidental to a plugging or replugging operation~~
13 ~~and the well is plugged within 15 days of redrilling.~~

14 ~~(b) Plat.—~~

15 ~~(1) The permit application shall be accompanied by a~~
16 ~~plat prepared by a competent engineer or a competent~~
17 ~~surveyor, on forms furnished by the department, showing the~~
18 ~~political subdivision and county in which the tract of land~~
19 ~~upon which the well to be drilled is located; a list of~~
20 ~~municipalities adjacent to the well site; the name of the~~
21 ~~surface landowner of record and lessor; the name of all~~
22 ~~surface landowners and water purveyors whose water supplies~~
23 ~~are within 1,000 feet of the proposed well location or, in~~
24 ~~the case of an unconventional well, within 2,500 feet of the~~
25 ~~proposed well location; the name of the owner of record or~~
26 ~~operator of all known underlying workable coal seams; the~~
27 ~~acreage in the tract to be drilled; the proposed location of~~
28 ~~the well determined by survey, courses and distances of the~~
29 ~~location from two or more permanent identifiable points or~~
30 ~~landmarks on the tract boundary corners; the proposed angle~~

1 ~~and direction of the well if the well is to be deviated~~
2 ~~substantially from a vertical course; the number or other~~
3 ~~identification to be given the well; the workable coal seams~~
4 ~~underlying the tract of land upon which the well is to be~~
5 ~~drilled or altered and which shall be cased off under section~~
6 ~~3217 (relating to protection of fresh groundwater and casing~~
7 ~~requirements); and any other information needed by the~~
8 ~~department to administer this chapter.~~

9 ~~(2) no later than 30 days prior to submitting the~~
10 ~~application required in subsection (a), the applicant shall~~
11 ~~forward by certified mail a copy of the plat to the surface~~
12 ~~landowner; the municipality in which the tract of land upon~~
13 ~~which the well to be drilled is located; the municipalities~~
14 ~~adjacent to the well; all surface landowners and water~~
15 ~~purveyors, whose water supplies are within 1,000 feet of the~~
16 ~~proposed well location or, in the case of an unconventional~~
17 ~~well, within 2,500 feet of the proposed well location; the~~
18 ~~owner and lessee of any coal seams; and each coal operator~~
19 ~~required to be identified on the well permit application.~~

20 ~~(b.1) Notification. The applicant shall submit proof of~~
21 ~~notification with the well permit application. Notification of~~
22 ~~surface owners shall be performed by sending notice to those~~
23 ~~persons to whom the tax notices for the surface property are~~
24 ~~sent, as indicated in the assessment books in the county in~~
25 ~~which the property is located. Notification of surface~~
26 ~~landowners or water purveyors whose water supplies are within~~
27 ~~1,000 feet of the proposed well location shall be on forms, and~~
28 ~~in a manner prescribed by the department, sufficient to identify~~
29 ~~the rights afforded those persons under section 3218 (relating~~
30 ~~to protection of water supplies) and to advise them of the~~

1 ~~advantages of taking their own predrilling or prealteration~~
2 ~~survey.~~

3 ~~(b.2) Approval. If the applicant submits to the department~~
4 ~~written approval of the proposed well location by the surface~~
5 ~~landowner and the coal operator, lessee or owner of any coal~~
6 ~~underlying the proposed well location and no objections are~~
7 ~~raised by the department within 15 days of filing, or if no~~
8 ~~approval has been submitted and no objections are made to the~~
9 ~~proposed well location within 15 days from receipt of notice by~~
10 ~~the department, the surface landowner or any coal operator,~~
11 ~~lessee or owner, the written approval shall be filed and become~~
12 ~~a permanent record of the well location, subject to inspection~~
13 ~~at any time by any interested person.~~

14 ~~(c) Applicants. If the applicant for a well permit is a~~
15 ~~corporation, partnership or person that is not a resident of~~
16 ~~this Commonwealth, the applicant shall designate the name and~~
17 ~~address of an agent for the operator who shall be the attorney~~
18 ~~in fact for the operator and who shall be a resident of this~~
19 ~~Commonwealth upon whom notices, orders or other communications~~
20 ~~issued under this chapter may be served and upon whom process~~
21 ~~may be served. Each well operator required to designate an agent~~
22 ~~under this section shall, within five days after termination of~~
23 ~~the designation, notify the department of the termination and~~
24 ~~designate a new agent.~~

25 ~~(d) Permit fee. Each application for a well permit shall be~~
26 ~~accompanied by a permit fee, established by regulation of the~~
27 ~~department, which bears a reasonable relationship to the cost of~~
28 ~~administering this chapter.~~

29 ~~(e) Issuance of permit. The department shall issue a permit~~
30 ~~within 45 days of submission of a permit application unless the~~

~~1 department denies the permit application for one or more of the
2 reasons set forth in subsection (e.1), except that the
3 department shall have the right to extend the period for 15 days
4 for cause shown upon notification to the applicant of the
5 reasons for the extension. The department may impose permit
6 terms and conditions necessary to assure compliance with this
7 chapter or other laws administered by the department.~~

~~8 (e.1) Denial of permit. The department may deny a permit
9 for any of the following reasons:~~

~~10 (1) The well site for which a permit is requested is in
11 violation of any of this chapter or issuance of the permit
12 would result in a violation of this chapter or other
13 applicable law.~~

~~14 (2) The permit application is incomplete.~~

~~15 (3) Unresolved objections to the well location by coal
16 mine owner or operator remain.~~

~~17 (4) The requirements of section 3225 (relating to
18 bonding) have not been met.~~

~~19 (5) The department finds that the applicant, or any
20 parent or subsidiary corporation of the applicant, is in
21 continuing violation of this subchapter, any other statute
22 administered by the department, any rule or regulation
23 promulgated under this subchapter or a statute administered
24 by the department or any plan approval, permit or order of
25 the department, unless the violation is being corrected to
26 the satisfaction of the department. The right of the
27 department to deny a permit under this paragraph shall not
28 take effect until the department has taken a final action on
29 the violations and:~~

~~30 (i) the applicant has not appealed the final~~

~~action in accordance with the act of July 13, 1988
(P.L.530, No.94), known as the Environmental Hearing
Board Act; or~~

~~(ii) if an appeal has been filed, no supersedeas
has been issued.~~

~~(f) Drilling.~~

~~(1) Upon issuance of a permit, the well operator may
drill at the location shown on the plat after providing the
department, the surface landowner and the local political
subdivision in which the well is to be located 24 hours'
notice of the date that drilling will commence.~~

~~(2) The unconventional well operator shall provide the
department 24 hours' notice prior to cementing all casing
strings, conducting pressure tests of the production casing,
stimulation and abandoning or plugging an unconventional
well.~~

~~(3) In noncoal areas where more than one well is to be
drilled as part of the same development project, only the
first well of the project need be located by survey.
Remaining wells of the project shall be shown on the plat in
a manner prescribed by regulation.~~

~~(4) Prior to drilling each additional project well, the
well operator shall notify the department and provide
reasonable notice of the date on which drilling will
commence.~~

~~(5) Whenever, before or during the drilling of a well
not within the boundaries of an operating coal mine, the well
operator encounters conditions of a nature which renders
drilling of the bore hole or a portion thereof impossible, or
more hazardous than usual, the well operator, upon verbal~~

1 ~~notice to the department, may immediately plug all or part of~~
2 ~~the bore hole, if drilling has occurred, and commence a new~~
3 ~~bore hole not more than 50 feet from the old bore hole if the~~
4 ~~location of the new bore hole does not violate section 3215-~~
5 ~~(relating to well location restrictions) and, in the case of~~
6 ~~a well subject to act of July 25, 1961 (P.L.825, No.359),~~
7 ~~known as the Oil and Gas Conservation Law, if the new~~
8 ~~location complies with existing laws, regulations and spacing~~
9 ~~orders and the new bore hole is at least 330 feet from the~~
10 ~~nearest lease boundary.~~

11 ~~(6) Within ten days of commencement of the new bore~~
12 ~~hole, the well operator shall file with the department a~~
13 ~~written notice of intention to plug, a well record, a~~
14 ~~completion report, a plugging certificate for the original~~
15 ~~bore hole and an amended plat for the new bore hole.~~

16 ~~(7) The well operator shall forward a copy of the~~
17 ~~amended plat to the surface landowner identified on the well~~
18 ~~permit application within ten days of commencement of the new~~
19 ~~well bore.~~

20 ~~(g) Posting. The well permit number and operator's name,~~
21 ~~address and telephone number shall be conspicuously posted at~~
22 ~~the drilling site prior to commencement of drilling.~~

23 ~~(h) Labeling. The well operator shall install the permit~~
24 ~~number issued by the department in a legible, visible and~~
25 ~~permanent manner on the well upon completion.~~

26 ~~(i) Expiration. Well permits issued for drilling wells~~
27 ~~under this chapter shall expire one year after issuance unless~~
28 ~~operations for drilling the well are commenced within the period~~
29 ~~and pursued with due diligence or unless the permit is renewed~~
30 ~~in accordance with regulations of the department. If drilling is~~

1 ~~commenced during the one year period, the well permit shall~~
2 ~~remain in force until the well is plugged in accordance with~~
3 ~~section 3220 (relating to plugging requirements) or the permit~~
4 ~~is revoked. A drilling permit issued prior to April 18, 1985,~~
5 ~~for a well which is an operating well on April 18, 1985, shall~~
6 ~~remain in force as a well permit until the well is plugged in~~
7 ~~accordance with section 3220. Nothing in this subsection shall~~
8 ~~be construed to rescind the provisions pertaining to drilling~~
9 ~~permits contained in Chapter 34.~~

10 ~~(j) Exceptions. The Environmental Quality Board may~~
11 ~~establish by regulation certain categories of alterations of~~
12 ~~permitted or registered wells for which permitting requirements~~
13 ~~of this section shall not apply. A well operator or owner who~~
14 ~~proposes to conduct the alteration activity shall first obtain a~~
15 ~~permit or registration modification from the department. The~~
16 ~~Environmental Quality Board shall promulgate regulations as to~~
17 ~~the requirements for modifications.~~

18 ~~(k) No transfer permitted. No permit issued under this~~
19 ~~section or registration issued under section 3213 (relating to~~
20 ~~well registration and identification) may be transferred without~~
21 ~~prior approval of the department. A request for approval of a~~
22 ~~transfer shall be on the forms, and in the manner, prescribed by~~
23 ~~the department. The department shall approve or deny a transfer~~
24 ~~request within 45 days of receipt of a complete and accurate~~
25 ~~application. The department may deny a request only for reasons~~
26 ~~set forth in subsection (e.1) (4) and (5). Approval of a transfer~~
27 ~~request shall permanently transfer responsibility to plug the~~
28 ~~well under section 3220 to the recipient of the transferred~~
29 ~~permit or registration.~~

30 ~~(l) Regulations. The Environmental Quality Board may~~

1 ~~establish by regulation requirements for the permitting and~~
2 ~~operation of abandoned or orphan wells. A person who proposes to~~
3 ~~conduct abandoned or orphan well operations shall first obtain a~~
4 ~~permit to operate an abandoned or orphan well.~~

5 ~~(m) Water management. The following shall apply to water~~
6 ~~management:~~

7 ~~(1) No person may withdraw or use water from water~~
8 ~~sources within this Commonwealth for the drilling or~~
9 ~~hydraulic fracture stimulation of any natural gas well~~
10 ~~completed in an unconventional gas formation, whether on or~~
11 ~~off of the land where the gas well is located, except in~~
12 ~~accordance with a water management plan approved by the~~
13 ~~department.~~

14 ~~(2) The department shall review and approve water~~
15 ~~management plans based upon a determination that the proposed~~
16 ~~withdrawal, when operated in accordance with the proposed~~
17 ~~withdrawal operating conditions set forth in the plan,~~
18 ~~including conditions relating to quantity, withdrawal rate~~
19 ~~and timing and any passby flow conditions, will:~~

20 ~~(i) not adversely affect the quantity or quality of~~
21 ~~water available to other users of the same water sources;~~

22 ~~(ii) protect and maintain the designated and~~
23 ~~existing uses of water sources; and~~

24 ~~(iii) not cause adverse impact to water quality in~~
25 ~~the watershed considered as a whole.~~

26 ~~(3) (i) The criteria under paragraph (2) shall be~~
27 ~~presumed to be achieved if the proposed water withdrawal~~
28 ~~has been approved by and is operated in accordance with~~
29 ~~conditions established by the Susquehanna River Basin~~
30 ~~Commission, the Delaware River Basin Commission or the~~

1 ~~Great Lakes Commission, as applicable.~~

2 ~~(ii) Notwithstanding subparagraph (i), the~~
3 ~~department may establish additional requirements as~~
4 ~~necessary to comply with the laws of this Commonwealth.~~

5 ~~(4) In addition to the requirements under paragraphs~~
6 ~~(1), (2) and (3), compliance with a department approved water~~
7 ~~management plan shall be a condition of any permit issued~~
8 ~~under this chapter for the drilling or hydraulic fracture~~
9 ~~stimulation of any natural gas well completed in an~~
10 ~~unconventional formation and shall be deemed to satisfy the~~
11 ~~laws of this Commonwealth.~~

12 ~~§ 3212. Permit objections.~~

13 ~~(a) General rule. If a well referred to in section 3211(b)~~
14 ~~(relating to well permits) will be located on a tract whose~~
15 ~~surface is owned by a person other than the well operator, the~~
16 ~~surface landowner affected shall be notified of the intent to~~
17 ~~drill and may file objections, in accordance with section 3251~~
18 ~~(relating to conferences), based on the assertion that the well~~
19 ~~location violates section 3215 (relating to well location~~
20 ~~restrictions) or that information in the application is untrue~~
21 ~~in any material respect, within 15 days of the receipt by the~~
22 ~~surface owner of the plat under section 3211(b). Receipt of~~
23 ~~notice by the surface owner shall be presumed to have occurred~~
24 ~~15 days from the date of the certified mailing when the well~~
25 ~~operator submits a copy of the certified mail receipt sent to~~
26 ~~the surface owner and an affidavit certifying that the address~~
27 ~~of the surface owner to which notice was sent is the same as the~~
28 ~~address listed in the assessment books in the county where the~~
29 ~~property is located. If no objection is filed or none is raised~~
30 ~~by the department within 15 days after receipt of the plat by~~

1 ~~the surface landowner, or, if written approval by the surface~~
2 ~~landowner is filed with the department and no objection is~~
3 ~~raised by the department within 15 days of filing, the~~
4 ~~department shall proceed to issue or deny the permit.~~

5 ~~(b) Special circumstances. If a well referred to in section~~
6 ~~3211(b) will penetrate within the outside coal boundaries of an~~
7 ~~operating coal mine or a coal mine already projected and platted~~
8 ~~but not yet being operated, or within 1,000 linear feet beyond~~
9 ~~those boundaries, and, in the opinion of the coal owner or~~
10 ~~operator, the well or a pillar of coal about the well will~~
11 ~~unduly interfere with or endanger the mine, the coal owner or~~
12 ~~operator affected may file objections under section 3251 to the~~
13 ~~proposed location within 15 days of the receipt by the coal~~
14 ~~operator of the plat under section 3211(b). If possible, an~~
15 ~~alternative location at which the proposed well could be drilled~~
16 ~~to overcome the objections shall be indicated. If no objection~~
17 ~~to the proposed location is filed or if none is raised by the~~
18 ~~department within 15 days after receipt of the plat by the coal~~
19 ~~operator or owner, or, if written approval by the coal operator~~
20 ~~or owner of the location is filed with the department and no~~
21 ~~objection is raised by the department within 15 days of filing,~~
22 ~~the department shall proceed to issue or deny the permit.~~

23 ~~(c) Procedure upon objection. If an objection is filed by a~~
24 ~~coal operator or owner or made by the department, the department~~
25 ~~shall fix a time and place for a conference under section 3251~~
26 ~~not more than ten days from the date of service of the objection~~
27 ~~to allow the parties to consider the objection and attempt to~~
28 ~~agree on a location. If they fail to agree, the department, by~~
29 ~~an appropriate order, shall determine a location on the tract of~~
30 ~~land as near to the original location as possible where, in the~~

~~1 judgment of the department, the well can be safely drilled
2 without unduly interfering with or endangering the mine as
3 defined in subsection (b). The new location agreed upon by the
4 parties or determined by the department shall be indicated on
5 the plat on file with the department and become a permanent
6 record upon which the department shall proceed to issue or deny
7 the permit.~~

~~8 (d) Survey. Within 120 days after commencement of drilling
9 operations, the coal operator shall accurately locate the well
10 by a closed survey on the same datum as the mine workings or
11 coal boundaries are mapped, file the results of the survey with
12 the department and forward a copy by certified mail to the well
13 operator.~~

~~14 § 3212.1. Comments by municipalities.~~

~~15 (a) General rule. The municipality where the tract of land
16 upon which the unconventional well to be drilled is located may
17 submit written comments to the department describing local
18 conditions or circumstances which the municipality has
19 determined should be considered by the department in rendering
20 its determination on the unconventional well permit. A comment
21 under this subsection must be submitted to the department within
22 15 days of the receipt of the plat under section 3211(b)
23 (relating to well permits). The municipality shall
24 simultaneously forward a copy of its comments to the permit
25 applicant and all other parties entitled to a copy of the plat
26 under section 3211(b), who may submit a written response. A
27 written response must be submitted to the department within ten
28 days of receipt of the comments of the municipality.~~

~~29 (b) Consideration by department. Comments and responses
30 under subsection (a) may be considered by the department in~~

1 ~~accordance with section 3215(d) (relating to well location~~
2 ~~restrictions).~~

3 ~~(c) No extension of time period. The process outlined in~~
4 ~~this section shall not extend the time period for the issuance~~
5 ~~or denial of a permit beyond the time period set forth in this~~
6 ~~chapter.~~

7 ~~§ 3213. Well registration and identification.~~

8 ~~(a) General rule. On or before July 5, 1996, each person~~
9 ~~who owned or operated a well in existence prior to April 18,~~
10 ~~1985, which has not been registered with the department and for~~
11 ~~which no drilling permit has been issued by the department,~~
12 ~~shall register the well with the department. A well owner or~~
13 ~~operator who registers under this subsection and a well owner or~~
14 ~~operator who has previously registered a well under this chapter~~
15 ~~shall, on or before July 5, 1996, identify any abandoned well on~~
16 ~~property which the well owner or operator owns or leases and~~
17 ~~request approval from the department for classification of the~~
18 ~~well as an orphan well. Information regarding wells to be~~
19 ~~registered or identified shall be provided on a form, or in a~~
20 ~~manner prescribed by the department, and shall include:~~

21 ~~(1) The name and address of the well operator and, if~~
22 ~~the well operator is a corporation, partnership or person~~
23 ~~nonresident of this Commonwealth, the name and address of an~~
24 ~~agent for the operator upon whom notices, orders, process or~~
25 ~~other communications issued under this chapter may be served.~~

26 ~~(2) The well name and the location of the well indicated~~
27 ~~by a point on a 7 1/2 minute United States Geological Survey~~
28 ~~topographic map or any other location description sufficient~~
29 ~~to enable the department to locate the well on the ground.~~

30 ~~(3) The approximate date of drilling and completing the~~

1 ~~well, its approximate depth and producing horizons, well~~
2 ~~construction information and, if available, driller's logs.~~

3 ~~(4) An indemnity bond, an alternative fee in lieu of~~
4 ~~bonding or other evidence of financial security submitted by~~
5 ~~the well operator and deemed appropriate by the department~~
6 ~~and satisfying the requirements of section 3225 (relating to~~
7 ~~bonding). No bond, alternative fee or other evidence of~~
8 ~~financial security shall be required for identification of an~~
9 ~~orphan well. For wells drilled prior to January 30, 1956,~~
10 ~~which have not been bonded, the well operator shall have five~~
11 ~~years to comply with the provisions of this paragraph.~~

12 ~~(5) A registration fee of \$15 per well or blanket~~
13 ~~registration fee of \$250 for multiple well registration~~
14 ~~applications submitted simultaneously. The registration fee~~
15 ~~shall be waived until July 5, 1996, and no fee shall be~~
16 ~~charged for identification of an orphan well.~~

17 ~~(a.1) Orphan wells. After July 5, 1996, a well owner, well~~
18 ~~operator or other person discovering an abandoned well on~~
19 ~~property purchased or leased by the well owner, well operator or~~
20 ~~other person shall identify it to the department within 60 days~~
21 ~~of discovery and advise the department that he is seeking~~
22 ~~classification of the well as an orphan well. No fee shall be~~
23 ~~required for identification.~~

24 ~~(b) Extension. The department may extend the one year time~~
25 ~~period under subsection (a) for good cause shown. The extension~~
26 ~~may not exceed a period ending two years from April 18, 1985.~~
27 ~~The department may adopt and promulgate guidelines designed to~~
28 ~~ensure a fair implementation of this section, recognizing the~~
29 ~~practical difficulties of locating unpermitted wells and~~
30 ~~complying with the reporting requirements of this chapter.~~

1 ~~(c) Installation of registration number. The well operator~~
2 ~~shall install the registration number issued by the department~~
3 ~~in a legible, conspicuous and permanent manner on the well~~
4 ~~within 60 days of issuance.~~

5 ~~(d) Definition. For purposes of subsection (a) (4) and (5),~~
6 ~~the term "owner" does not include an owner or possessor of~~
7 ~~surface real property, on which an abandoned well is located,~~
8 ~~who did not participate or incur costs in, and had no right of~~
9 ~~control over, the drilling or extraction operation of the~~
10 ~~abandoned well.~~

11 ~~§ 3214. Inactive status.~~

12 ~~(a) General rule. Upon application, the department shall~~
13 ~~grant inactive status for a period of five years for a permitted~~
14 ~~or registered well, if the following requirements are met:~~

15 ~~(1) the condition of the well is sufficient to prevent~~
16 ~~damage to the producing zone or contamination of fresh water~~
17 ~~or other natural resources or surface leakage of any~~
18 ~~substance;~~

19 ~~(2) the condition of the well is sufficient to stop the~~
20 ~~vertical flow of fluids or gas within the well bore and is~~
21 ~~adequate to protect freshwater aquifers, unless the~~
22 ~~department determines the well poses a threat to the health~~
23 ~~and safety of persons or property or to the environment;~~

24 ~~(3) the operator anticipates construction of a pipeline~~
25 ~~or future use of the well for primary or enhanced recovery,~~
26 ~~gas storage, approved disposal or other appropriate uses~~
27 ~~related to oil and gas well production; and~~

28 ~~(4) the applicant satisfies the bonding requirements of~~
29 ~~sections 3213 (relating to well registration and~~
30 ~~identification) and 3225 (relating to bonding), except that~~

~~the department may require additional financial security for a well on which an alternative fee is being paid in lieu of bonding under section 3225(d).~~

~~(b) Monitoring. The owner or operator of a well granted inactive status shall be responsible for monitoring the mechanical integrity of the well to ensure that the requirements of subsection (a)(1) and (2) are met and shall report the same on an annual basis to the department in the manner and form prescribed by departmental regulations.~~

~~(c) (Reserved).~~

~~(d) Return to active status. A well granted inactive status under subsection (a) shall be plugged in accordance with section 3220 (relating to plugging requirements) or returned to active status within five years of the date inactive status was granted, unless the owner or operator applies for an extension of inactive status which may be granted on a year to year basis if the department determines that the owner or operator has demonstrated ability to continue meeting the requirements of this section and the owner or operator certifies that the well will be of future use within a reasonable period of time. An owner or operator who has been granted inactive status for a well which is returned to active status prior to expiration of the five year period set forth in subsection (a) shall notify the department that the well has been returned to active status and shall not be permitted to apply for another automatic five year period of inactive status for the well. The owner or operator may make application to return the well to inactive status, and the application may be approved on a year to year basis if the department determines that the owner or operator has demonstrated an ability to continue meeting the requirements~~

1 ~~of this section and the owner or operator certifies that the~~
2 ~~well will be of future use within a reasonable period of time.~~
3 ~~The department shall approve or deny an application to extend a~~
4 ~~period of inactive status or to return a well to inactive status~~
5 ~~within 60 days of receipt of the application, and the~~
6 ~~application shall not be unreasonably denied. If the department~~
7 ~~has not completed its review of the application within 60 days,~~
8 ~~the inactive status shall continue until the department has made~~
9 ~~a determination on the request. If the department denies an~~
10 ~~application to extend the period of inactive status or to return~~
11 ~~a well to inactive status, a well owner or operator aggrieved by~~
12 ~~the denial shall have the right to appeal the denial to the~~
13 ~~Environmental Hearing Board within 30 days of receipt of the~~
14 ~~denial. Upon cause shown by a well owner or operator, the board~~
15 ~~may grant a supersedeas under section 4 of the act of July 13,~~
16 ~~1988 (P.L.530, No.94), known as the Environmental Hearing Board~~
17 ~~Act, so that the well in question may retain inactive status~~
18 ~~during the period of the appeal.~~

19 ~~(c) Revocation of inactive status. The department may~~
20 ~~revoke inactive status and order immediate plugging of a well if~~
21 ~~the well is in violation of this chapter or rules or regulations~~
22 ~~promulgated under this chapter or if the owner or operator~~
23 ~~demonstrates inability to perform obligations under this chapter~~
24 ~~or becomes financially insolvent, or upon receipt by the~~
25 ~~department of notice of bankruptcy proceedings by the permittee.~~
26 ~~§ 3215. Well location restrictions.~~

27 ~~(a) General rule. Wells may not be drilled within 200 feet,~~
28 ~~or, in the case of an unconventional gas well, 500 feet measured~~
29 ~~horizontally from the vertical well bore to a building or water~~
30 ~~well, existing when the copy of the plat is mailed as required~~

1 ~~by section 3211(b) (relating to well permits) without written~~
2 ~~consent of the owner of the building or water well.~~
3 ~~Unconventional gas wells may not be drilled within 1,000 feet~~
4 ~~measured horizontally from the vertical well bore to any~~
5 ~~existing water well, surface water intake, reservoir or other~~
6 ~~water supply extraction point used by a water purveyor without~~
7 ~~the written consent of the water purveyor. If consent is not~~
8 ~~obtained and the distance restriction would deprive the owner of~~
9 ~~the oil and gas rights of the right to produce or share in the~~
10 ~~oil or gas underlying the surface tract, the well operator shall~~
11 ~~be granted a variance from the distance restriction upon~~
12 ~~submission of a plan identifying the additional measures,~~
13 ~~facilities or practices as prescribed by the department to be~~
14 ~~employed during well site construction, drilling and operations.~~
15 ~~The variance, if granted, shall include additional terms and~~
16 ~~conditions required by the department to ensure safety and~~
17 ~~protection of affected persons and property, including~~
18 ~~insurance, bonding, indemnification and technical requirements.~~

19 ~~(b) Limitation.~~

20 ~~(1) No well may be drilled within 100 feet, or, in the~~
21 ~~case of an unconventional well, 300 feet measured~~
22 ~~horizontally from any solid blue lined stream as identified~~
23 ~~on the most current 7 1/2 minute topographic quadrangle map~~
24 ~~of the United States Geological Survey.~~

25 ~~(2) The edge of the disturbed area associated with any~~
26 ~~unconventional well must maintain a 100 foot setback from the~~
27 ~~edge of any solid blue lined stream as identified on the most~~
28 ~~current 7 1/2 minute topographic quadrangle map of the United~~
29 ~~States Geological Survey.~~

30 ~~(3) No unconventional well may be drilled within 300~~

~~1 feet of any wetlands greater than one acre in size, and the~~
~~2 edge of the disturbed area must maintain a 100-foot setback~~
~~3 from the boundary of the wetlands.~~

~~4 (4) The department shall waive the distance restrictions~~
~~5 upon submission of a plan identifying additional measures,~~
~~6 facilities or practices to be employed during well site~~
~~7 construction, drilling and operations. The waiver shall impose~~
~~8 permit conditions necessary to protect the waters of this~~
~~9 Commonwealth.~~

~~10 (c) Impact. On making a determination on a well permit, the~~
~~11 department shall consider impact of the proposed well on public~~
~~12 resources, including, but not limited to:~~

~~13 (1) Publicly owned parks, forests, game lands and~~
~~14 wildlife areas.~~

~~15 (2) National or State scenic rivers.~~

~~16 (3) National natural landmarks.~~

~~17 (4) Habitats of rare and endangered flora and fauna and~~
~~18 other critical communities.~~

~~19 (5) Historical and archaeological sites listed on the~~
~~20 Federal or State list of historic places.~~

~~21 (d) Consideration of municipality comments. The department~~
~~22 may consider the comments submitted under section 3212.1~~
~~23 (relating to comments by municipalities) in making a~~
~~24 determination on a well permit. Notwithstanding any other law,~~
~~25 no municipality shall have a right of appeal or other form of~~
~~26 review from the department's decision.~~

~~27 (e) Regulation criteria. The Environmental Quality Board~~
~~28 shall develop by regulation criteria:~~

~~29 (1) For the department to utilize for conditioning a~~
~~30 well permit based on its impact to the public resources~~

1 ~~identified under subsection (c) and for ensuring optimal~~
2 ~~development of oil and gas resources and respecting property~~
3 ~~rights of oil and gas owners.~~

4 ~~(2) For appeal to the Environmental Hearing Board of a~~
5 ~~permit containing conditions imposed by the department. The~~
6 ~~regulations shall also provide that the department has the~~
7 ~~burden of proving by clear and convincing evidence that the~~
8 ~~conditions were necessary to protect against a probable~~
9 ~~harmful impact of the public resources.~~

10 ~~(3) For processes and procedures for the adjudication of~~
11 ~~compensation claims of affected owners, if any conditions or~~
12 ~~restrictions imposed by application of the criteria developed~~
13 ~~under paragraph (1) deprive the owner of the oil and gas~~
14 ~~rights, in part or in whole, of the right to produce or share~~
15 ~~in the oil as gas underlying the surface tract or tracts~~
16 ~~affected by imposition of any condition or conditions.~~

17 ~~(f) Floodplains.~~

18 ~~(1) No well site may be prepared or well drilled within~~
19 ~~any floodplain if the well site will have:~~

20 ~~(i) a pit or impoundment containing drilling~~
21 ~~cuttings, flowback water, produced water or hazardous~~
22 ~~materials, chemicals or wastes within the floodplain; or~~

23 ~~(ii) a tank containing hazardous materials,~~
24 ~~chemicals, condensate, wastes, flowback or produced water~~
25 ~~within the floodway.~~

26 ~~(2) A well site shall not be eligible for a floodplain~~
27 ~~restriction waiver if the well site will have a tank~~
28 ~~containing condensate, flowback or produced water within the~~
29 ~~flood fringe unless all the tanks have adequate floodproofing~~
30 ~~in accordance with the National Flood Insurance Program~~

1 ~~standards and accepted engineering practices.~~

2 ~~(3) The department may waive restrictions upon~~
3 ~~submission of a plan that shall identify the additional~~
4 ~~measures, facilities or practices to be employed during well~~
5 ~~site construction, drilling and operations. The waiver, if~~
6 ~~granted, shall impose permit conditions necessary to protect~~
7 ~~the waters of this Commonwealth.~~

8 ~~(4) Best practices to ensure the protection of the~~
9 ~~waters of this Commonwealth must be utilized for the storage~~
10 ~~and handling of all water, chemicals, fuels, hazardous~~
11 ~~materials or solid waste on a well site located in a~~
12 ~~floodplain. The department may request that the well site~~
13 ~~operator submit a plan for the storage and handling of~~
14 ~~materials for approval by the department and may impose~~
15 ~~conditions or amend permits to include permit conditions as~~
16 ~~are necessary to protect the environment, public health and~~
17 ~~safety.~~

18 ~~(5) Unless otherwise specified by the department, the~~
19 ~~boundary of the floodplain shall be as indicated on maps and~~
20 ~~flood insurance studies provided by the Federal Emergency~~
21 ~~Management Agency. In an area where no Federal Emergency~~
22 ~~Management Agency maps or studies have defined the boundary~~
23 ~~of the 100 year frequency floodplain, absent evidence to the~~
24 ~~contrary, the floodplain shall extend from:~~

25 ~~(i) any perennial stream up to 100 feet horizontally~~
26 ~~from the top of the bank of the perennial stream; or~~

27 ~~(ii) from any intermittent stream up to 50 feet~~
28 ~~horizontally from the top of the bank of the intermittent~~
29 ~~stream.~~

30 ~~(g) Existing wells and pads. Subsections (a) and (b) shall~~

1 ~~not apply to any of the following:~~

2 ~~(1) A well for which a valid permit exists as of the~~
3 ~~effective date of this subsection.~~

4 ~~(2) A well permit application submitted after the~~
5 ~~effective date of this subsection for a well that will be~~
6 ~~located on a wellpad upon which a well has been drilled under~~
7 ~~a valid permit that was approved before the effective date of~~
8 ~~this subsection.~~

9 ~~§ 3215.1. General restrictions.~~

10 ~~(a) Security fencing. Security fencing shall be installed~~
11 ~~at natural gas compressed stations, dehydration and processing~~
12 ~~facilities and other central processing facilities to secure all~~
13 ~~permanent buildings, facilities, structures and equipment and to~~
14 ~~protect the public. Warning signs shall be placed on the~~
15 ~~security fencing providing notice of potential dangers and~~
16 ~~providing contact information in case of an emergency.~~

17 ~~(b) Temporary operations. The following shall apply to~~
18 ~~temporary operations, such as well drilling and completion~~
19 ~~operations:~~

20 ~~(1) Except as provided under paragraph (2), temporary~~
21 ~~security fencing shall be installed at the oil or gas well~~
22 ~~site to secure all buildings, facilities, structures and~~
23 ~~equipment at the site and to protect the public. Warning~~
24 ~~signs shall be placed at the well site providing notice of~~
25 ~~potential dangers and providing contact information in case~~
26 ~~of an emergency.~~

27 ~~(2) In lieu of security fencing under paragraph (1), a~~
28 ~~well owner or operator may establish 24 hour security~~
29 ~~staffing at the site and install a security gate at the~~
30 ~~entrance of the access road to prevent unauthorized access.~~

1 ~~(c) Lighting. Lighting at the well site and at other~~
2 ~~buildings, facilities and structures directly related to oil and~~
3 ~~gas operations, either temporary or permanent, shall be directed~~
4 ~~downward and inward toward the activity, to the extent~~
5 ~~practicable, so as to minimize the glare on public roads and~~
6 ~~nearby buildings within 100 feet of the well site, building,~~
7 ~~facility or structure.~~

8 ~~(d) Noise regulations. Well owners and operators shall~~
9 ~~comply with all applicable noise regulations promulgated by the~~
10 ~~Federal Energy Regulatory Commission, except that the noise~~
11 ~~level from permanent oil and gas operations may not exceed 60~~
12 ~~dBA at the nearest property line of the tract of land upon which~~
13 ~~oil and gas operations are being conducted. Any compressor~~
14 ~~situate within 2,500 feet of a dwelling shall be in a soundproof~~
15 ~~building such that the noise level immediately outside such~~
16 ~~building does not exceed 60 dBA.~~

17 ~~(e) Atmospheric discharge. Well owners and operators shall~~
18 ~~comply with each applicable environmental law governing the~~
19 ~~discharge of gases, vapors and odors into the atmosphere. The~~
20 ~~discharge of gases, vapors and odors during oil and gas~~
21 ~~operations may not unreasonably interfere with the comfortable~~
22 ~~enjoyment of life or property.~~

23 ~~(f) Applicability. This section shall only apply to~~
24 ~~unconventional natural gas wells.~~

25 ~~§ 3216. Well site restoration.~~

26 ~~(a) General rule. Each oil or gas well owner or operator~~
27 ~~shall restore the land surface within the area disturbed in~~
28 ~~siting, drilling, completing and producing the well.~~

29 ~~(b) Plan. During and after earthmoving or soil disturbing~~
30 ~~activities, including, but not limited to, activities related to~~

1 ~~siting, drilling, completing, producing and plugging the well,~~
2 ~~erosion and sedimentation control measures shall be implemented~~
3 ~~in accordance with an erosion and sedimentation control plan~~
4 ~~prepared in accordance with the act of June 22, 1937 (P.L.1987,~~
5 ~~No.394), known as The Clean Streams Law.~~

6 ~~(c) Pits, drilling supplies and equipment. Within nine~~
7 ~~months after completion of drilling of a well, the owner or~~
8 ~~operator shall restore the well site, remove or fill all pits~~
9 ~~used to contain produced fluids or industrial wastes and remove~~
10 ~~all drilling supplies and equipment not needed for production.~~
11 ~~Drilling supplies and equipment not needed for production may be~~
12 ~~stored on the well site if express written consent of the~~
13 ~~surface landowner is obtained.~~

14 ~~(d) Items related to production or storage. Within nine~~
15 ~~months after plugging a well, the owner or operator shall remove~~
16 ~~all production or storage facilities, supplies and equipment and~~
17 ~~restore the well site.~~

18 ~~(e) Clean Streams Law. Restoration activities required by~~
19 ~~this chapter or in regulations promulgated under this chapter~~
20 ~~shall also comply with all applicable provisions of The Clean~~
21 ~~Streams Law.~~

22 ~~(f) Violation of chapter. Failure to restore the well site~~
23 ~~as required in this chapter or regulations promulgated under~~
24 ~~this chapter constitutes a violation of this chapter.~~

25 ~~(g) Extension.~~

26 ~~(1) The restoration period may be extended by the~~
27 ~~department for an additional period of time not to exceed two~~
28 ~~years upon demonstration by the well owner or operator that:~~

29 ~~(i) the extension will result in less earth~~
30 ~~disturbance, increased water reuse or more efficient~~

1 ~~development of the resources; or~~

2 ~~(ii) site restoration cannot be achieved due to~~
3 ~~adverse weather conditions or a lack of essential fuel,~~
4 ~~equipment or labor.~~

5 ~~(2) The demonstration under paragraph (1) shall do all~~
6 ~~of the following:~~

7 ~~(i) Include a site restoration plan that shall~~
8 ~~provide for:~~

9 ~~(A) the timely removal or fill of all pits used~~
10 ~~to contain produced fluids or industrial wastes;~~

11 ~~(B) the removal of all drilling supplies and~~
12 ~~equipment not needed for production;~~

13 ~~(C) the stabilization of the well site that~~
14 ~~shall include interim postconstruction storm water~~
15 ~~management best management practices; or~~

16 ~~(D) other measures to be employed to minimize~~
17 ~~accelerated erosion and sedimentation in accordance~~
18 ~~with The Clean Streams Law.~~

19 ~~(ii) Provide for returning the portions of the site~~
20 ~~not occupied by production facilities or equipment to~~
21 ~~approximate original contours and making them capable of~~
22 ~~supporting the uses that existed prior to drilling the~~
23 ~~well.~~

24 ~~(3) The department may condition an extension under this~~
25 ~~subsection as is necessary in accordance with The Clean~~
26 ~~Streams Law.~~

27 ~~§ 3217. Protection of fresh groundwater and casing~~
28 ~~requirements.~~

29 ~~(a) General rule. To aid in protection of fresh~~
30 ~~groundwater, well operators shall control and dispose of brines~~

1 ~~produced from the drilling, alteration or operation of an oil or~~
2 ~~gas well in a manner consistent with the act of June 22, 1937-~~
3 ~~(P.L.1987, No.394), known as The Clean Streams Law, or any rule-~~
4 ~~or regulation promulgated under The Clean Streams Law.~~

5 ~~(b) Casing. To prevent migration of gas or fluids into~~
6 ~~sources of fresh groundwater and pollution or diminution of~~
7 ~~fresh groundwater, a string or strings of casing shall be run~~
8 ~~and permanently cemented in each well drilled through the fresh~~
9 ~~water bearing strata to a depth and in a manner prescribed by~~
10 ~~regulation by the department.~~

11 ~~(c) Procedure when coal has been removed. If a well is~~
12 ~~drilled at a location where coal has been removed from one or~~
13 ~~more coal seams, the well shall be drilled and cased to prevent~~
14 ~~migration of gas or fluids into the seam from which coal has~~
15 ~~been removed in a manner prescribed by regulation of the~~
16 ~~department. The department and the coal operator, owner or~~
17 ~~lessee shall be given at least 72 hours' notice prior to~~
18 ~~commencement of work protecting the mine.~~

19 ~~(d) Procedure when coal has not been removed. If a well is~~
20 ~~drilled at a location where the coal seam has not been removed,~~
21 ~~the well shall be drilled to a depth and of a size sufficient to~~
22 ~~permit placement of casing, packers in and vents on the hole at~~
23 ~~the points and in the manner prescribed by regulation to exclude~~
24 ~~gas or fluids from the coal seam, except gas or fluids found~~
25 ~~naturally in the seam itself, and to enable monitoring the~~
26 ~~integrity of the production casing.~~

27 ~~§ 3218. Protection of water supplies.~~

28 ~~(a) General rule. In addition to the requirements of~~
29 ~~subsection (c.1), a well operator who affects a public or~~
30 ~~private water supply by pollution or diminution shall restore or~~

1 ~~replace the affected supply with an alternate source of water~~
2 ~~adequate in quantity or quality for the purposes served by the~~
3 ~~supply. The department shall ensure the restored or replaced~~
4 ~~water supply meets the applicable water quality standards~~
5 ~~consistent with the Safe Drinking Water Act (Public Law 93-523,~~
6 ~~21 U.S.C. § 349 and 42 U.S.C. §§ 201 and 300f et seq.), the act~~
7 ~~of May 1, 1984 (P.L.206, No.43), known as the Pennsylvania Safe~~
8 ~~Drinking Water Act, and predrilling or alteration water quality~~
9 ~~standards as determined by the department. The Environmental~~
10 ~~Quality Board shall promulgate regulations necessary to meet the~~
11 ~~requirements of this subsection.~~

12 ~~(b) Pollution or diminution of water supply. A landowner or~~
13 ~~water purveyor suffering pollution or diminution of a water~~
14 ~~supply as a result of the drilling, alteration or operation of~~
15 ~~an oil or gas well may so notify the department and request that~~
16 ~~an investigation be conducted. Within ten days of notification,~~
17 ~~the department shall investigate the claim and make a~~
18 ~~determination within 45 days following notification. If the~~
19 ~~department finds that the pollution or diminution was caused by~~
20 ~~drilling, alteration or operation activities or if it presumes~~
21 ~~the well operator responsible for pollution under subsection~~
22 ~~(c), the department shall issue orders to the well operator~~
23 ~~necessary to assure compliance with subsection (a), including~~
24 ~~orders requiring temporary replacement of a water supply where~~
25 ~~it is determined that pollution or diminution may be of limited~~
26 ~~duration.~~

27 ~~(b.1) Survey. Upon a written request by any landowner~~
28 ~~residing within 5,500 feet but farther than 2,500 feet of a~~
29 ~~proposed gas well using hydraulic fracturing, the well permit~~
30 ~~applicant shall conduct a predrilling or prealteration survey,~~

~~1 using a facility or laboratory certified by the department, and
2 send a copy of the survey by certified mail to the requester. A
3 predrilling or prealteration survey shall provide at a minimum
4 the testing results for chemicals or chemical compounds known to
5 be commonly used for hydraulic fracturing, including all major
6 cations and anions, arsenic, benzene, toluene, ethylbenzene,
7 xylenes, manganese, dissolved methane, total dissolved solids,
8 chlorides, nutrients and radionuclides.~~

~~9 (b.2) Telephone number. The department shall establish a
10 single Statewide toll free telephone number that persons may use
11 to report cases of water contamination. The Statewide toll free
12 telephone number shall be provided in a conspicuous manner in
13 the notification required under section 201(b) and on the
14 department's Internet website.~~

~~15 (b.3) Responses. The department shall develop appropriate
16 administrative responses to calls received on the Statewide
17 toll free number for water contamination.~~

~~18 (b.4) Website. The department shall establish a website
19 that lists the confirmed cases of water supply contamination
20 that result from hydraulic fracturing.~~

~~21 (c) Presumption. Unless rebutted by a defense established
22 in subsection (d), it shall be presumed that a well operator is
23 responsible for pollution of a water supply if:~~

~~24 (1) except as set forth in paragraph (2):~~

~~25 (i) the water supply is within 1,000 feet of an oil
26 or gas well; and~~

~~27 (ii) the pollution occurred within six months after
28 completion of drilling or alteration of the oil or gas
29 well; or~~

~~30 (2) in the case of an unconventional well:~~

1 ~~(i) the water supply is within 2,500 feet of the~~
2 ~~unconventional well; and~~

3 ~~(ii) the pollution occurred within 12 months of the~~
4 ~~later of completion, drilling or alteration of the~~
5 ~~unconventional well.~~

6 ~~(d) Defenses. To rebut the presumption established under~~
7 ~~subsection (c), a well operator must affirmatively prove any of~~
8 ~~the following:~~

9 ~~(1) except as set forth in paragraph (2):~~

10 ~~(i) the pollution existed prior to the drilling or~~
11 ~~alteration activity as determined by a predrilling or~~
12 ~~prealteration survey;~~

13 ~~(ii) the landowner or water purveyor refused to~~
14 ~~allow the operator access to conduct a predrilling or~~
15 ~~prealteration survey;~~

16 ~~(iii) the water supply is not within 1,000 feet of~~
17 ~~the well;~~

18 ~~(iv) the pollution occurred more than six months~~
19 ~~after completion of drilling or alteration activities;~~
20 ~~and~~

21 ~~(v) the pollution occurred as the result of a cause~~
22 ~~other than the drilling or alteration activity; or~~

23 ~~(2) in the case of an unconventional well:~~

24 ~~(i) the pollution existed prior to the drilling or~~
25 ~~alteration activity as determined by a predrilling or~~
26 ~~prealteration survey;~~

27 ~~(ii) the landowner or water purveyor refused to~~
28 ~~allow the operator access to conduct a predrilling or~~
29 ~~prealteration survey;~~

30 ~~(iii) the water supply is not within 2,500 feet of~~

1 ~~the well; and~~

2 ~~(iv) the pollution occurred more than 12 months~~
3 ~~after completion of drilling or alteration activities.~~

4 ~~(e) Independent certified laboratory. An operator electing~~
5 ~~to preserve a defense under subsection (d) (1) or (2) shall~~
6 ~~retain an independent certified laboratory to conduct a~~
7 ~~predrilling or prealteration survey of the water supply. A copy~~
8 ~~of survey results shall be submitted to the department and the~~
9 ~~landowner or water purveyor in the manner prescribed by the~~
10 ~~department.~~

11 ~~(e.1) Notice. An operator must provide written notice to~~
12 ~~the landowner or water purveyor indicating that the presumption~~
13 ~~established under subsection (c) may be void if the landowner or~~
14 ~~water purveyor refused to allow the operator access to conduct a~~
15 ~~predrilling or prealteration survey.~~

16 ~~(f) Other remedies preserved. Nothing in this section shall~~
17 ~~prevent a landowner or water purveyor claiming pollution or~~
18 ~~diminution of a water supply from seeking any other remedy at~~
19 ~~law or in equity.~~

20 ~~§ 3219. Use of safety devices.~~

21 ~~Any person engaged in drilling an oil or gas well shall equip~~
22 ~~it with casings of sufficient strength, and other safety devices~~
23 ~~as are necessary, in the manner prescribed by regulation of the~~
24 ~~department, and shall use every effort and endeavor effectively~~
25 ~~to prevent blowouts, explosions and fires.~~

26 ~~§ 3219.1. Well control emergency response.~~

27 ~~(a) Contracts. The department may enter into contracts with~~
28 ~~well control specialists in order to provide adequate emergency~~
29 ~~response services in the event of a well control emergency.~~

30 ~~(b) Civil immunity. Except as set forth in subsection (c),~~

~~1 a well control specialist with which the department has entered
2 into a contract under subsection (a) shall be immune from civil
3 liability for actions taken in good faith to carry out its
4 contractual obligations.~~

~~5 (c) Nonapplicability. Subsection (b) shall not apply to
6 damage arising from any of the following:~~

~~7 (1) Breach of the contract under subsection (a).~~

~~8 (2) An intentional tort.~~

~~9 (3) Gross negligence.~~

~~10 § 3220. Plugging requirements.~~

~~11 (a) General rule. Upon abandoning a well, the owner or
12 operator shall plug it in the manner prescribed by regulation of
13 the department to stop vertical flow of fluids or gas within the
14 well bore, unless the department has granted inactive status for
15 the well or it has been approved by the department as an orphan
16 well. If the department determines that a prior owner or
17 operator received economic benefit, other than economic benefit
18 derived only as a landowner or from a royalty interest, after
19 April 18, 1979, from an orphan well or an unregistered well, the
20 owner or operator shall be responsible for plugging the well. In
21 the case of a gas well penetrating a workable coal seam which
22 was drilled prior to January 30, 1956, or which was permitted
23 after that date but not plugged in accordance with this chapter,
24 if the owner or operator or a coal operator or an agent proposes
25 to plug the well to allow mining through it, the gas well shall
26 be cleaned to a depth of at least 200 feet below the coal seam
27 through which mining is proposed and, unless impracticable, to a
28 point 200 feet below the deepest mineable coal seam. The gas
29 well shall be plugged from that depth in accordance with section
30 13 of the act of December 18, 1984 (P.L.1069, No.214), known as~~

1 ~~the Coal and Gas Resource Coordination Act, and the regulations~~
2 ~~of the department.~~

3 ~~(b) Areas underlain by coal. Prior to the plugging and~~
4 ~~abandonment of a well in an area underlain by a workable coal~~
5 ~~seam, the well operator or owner shall notify the department and~~
6 ~~the coal operator, lessee or owner and submit a plat, on a form~~
7 ~~to be furnished by the department, showing the location of the~~
8 ~~well and fixing the date and time plugging will commence, which~~
9 ~~shall be not less than three working days, nor more than 30~~
10 ~~days, after the notice is received, to permit representatives of~~
11 ~~the persons notified to be present at the plugging. Notice and~~
12 ~~the right to be present may be waived by the department and the~~
13 ~~coal operator, lessee or owner, but waiver by the coal operator,~~
14 ~~lessee or owner shall be in writing and a copy shall be attached~~
15 ~~to the notice of abandonment filed with the department under~~
16 ~~this section. Whether or not representatives attend, if the well~~
17 ~~operator has fully complied with this section, the well operator~~
18 ~~may proceed, at the time fixed, to plug the well in the manner~~
19 ~~prescribed by regulation of the department. When plugging has~~
20 ~~been completed, a certificate shall be prepared and signed, on a~~
21 ~~form to be furnished by the department, by two experienced and~~
22 ~~qualified people who participated in the work setting forth the~~
23 ~~time and manner in which the well was plugged. One copy of the~~
24 ~~certificate shall be mailed to each coal operator, lessee or~~
25 ~~owner to whom notice was given by certified mail and another~~
26 ~~shall be mailed to the department.~~

27 ~~(c) Abandoned wells. Prior to abandonment of a well, except~~
28 ~~an uncompleted bore hole plugged immediately upon suspension of~~
29 ~~drilling in an area not underlain by a workable coal seam, the~~
30 ~~well operator shall notify the department of the intention to~~

1 ~~plug and abandon the well and submit a plat, on a form to be~~
2 ~~furnished by the department, showing the location of the well~~
3 ~~and fixing the date and time at which plugging will commence,~~
4 ~~which shall be not less than three working days, nor more than~~
5 ~~30 days, after the notice is received, to permit a department~~
6 ~~representative to be present at the plugging. The notice or~~
7 ~~waiting period may be verbally waived by the department. In~~
8 ~~noncoal areas where more than one well has been drilled as part~~
9 ~~of the same development project and the wells are now to be~~
10 ~~plugged, the department shall be given three working days'~~
11 ~~notice prior to plugging the first well of the project, subject~~
12 ~~to waiver of notice described in subsection (b). In the plugging~~
13 ~~of subsequent wells, no additional notice shall be required if~~
14 ~~plugging on the project is continuous. If plugging of subsequent~~
15 ~~wells is delayed for any reason, notice shall be given to the~~
16 ~~department of continuation of the project. Whether or not a~~
17 ~~representative attends, if the well operator has fully complied~~
18 ~~with this section, the well operator may proceed, at the time~~
19 ~~fixed, to plug the well in the manner prescribed by regulation~~
20 ~~of the department. When plugging has been completed, a~~
21 ~~certificate shall be prepared, on a form to be furnished by the~~
22 ~~department, by two experienced and qualified people who~~
23 ~~participated in the work setting forth the time and manner in~~
24 ~~which the well was plugged. A copy of the certificate shall be~~
25 ~~mailed to the department.~~

26 ~~(d) Wells abandoned upon completion of drilling. If a well~~
27 ~~is to be abandoned immediately after completion of drilling, the~~
28 ~~well operator shall give at least 24 hours' notice by telephone,~~
29 ~~confirmed by certified mail, to the department and to the coal~~
30 ~~operator, lessee or owner, if any, fixing the date and time when~~

1 ~~plugging will commence. Notice and the right to be present may~~
2 ~~be waived by the department and the coal operator, lessee or~~
3 ~~owner, if any. Whether or not representatives of the department~~
4 ~~or coal operator, lessee or owner, if any, attend, if the well~~
5 ~~operator has fully complied with the requirements of this~~
6 ~~section, the well operator may proceed, at the time fixed, to~~
7 ~~plug the well in the manner provided by regulation of the~~
8 ~~department. The well operator shall prepare the certificate of~~
9 ~~plugging and mail copies of the same as provided in subsection~~
10 ~~(b).~~

11 ~~(c) Orphan wells. If a well is an orphan well or abandoned~~
12 ~~without plugging, or if a well is in operation but not~~
13 ~~registered under section 3213 (relating to well registration and~~
14 ~~identification), the department may enter upon the well site and~~
15 ~~plug the well and to sell equipment, casing and pipe at the site~~
16 ~~which may have been used in production of the well in order to~~
17 ~~recover the costs of plugging. The department shall make an~~
18 ~~effort to determine ownership of a well which is in operation~~
19 ~~but has not been registered and provide written notice to the~~
20 ~~owner of pending action under this subsection. If the department~~
21 ~~cannot determine ownership within 30 days, it may proceed under~~
22 ~~this subsection. Costs of plugging shall have priority over all~~
23 ~~liens on equipment, casing and pipe, and the sale shall be free~~
24 ~~and clear of those liens to the extent that the cost of plugging~~
25 ~~exceeds the sale price. If the amount obtained for casing and~~
26 ~~pipe salvaged at the site is inadequate to pay for plugging, the~~
27 ~~owner or operator of the abandoned or unregistered well shall be~~
28 ~~liable for the additional costs.~~

29 ~~(f) Definition. For purposes of this section, the term~~
30 ~~"owner" does not include the owner or possessor of surface real~~

1 ~~property, on which an abandoned well is located, who did not~~
2 ~~participate or incur costs in and had no right of control over~~
3 ~~the drilling or extraction operation of the abandoned well.~~
4 ~~§ 3221. Alternative methods.~~

5 ~~A well operator may request permission to use a method or~~
6 ~~material other than those required by this chapter for casing,~~
7 ~~plugging or equipping a well in an application to the department~~
8 ~~which describes the proposed alternative in reasonable detail~~
9 ~~and indicates the manner in which it will accomplish the goals~~
10 ~~of this chapter. Notice of filing of the application shall be~~
11 ~~given by the well operator by certified mail to any affected~~
12 ~~coal operators, who may, within 15 days after the notice, file~~
13 ~~objections to the proposed alternative method or material. If no~~
14 ~~timely objections are filed or raised by the department, the~~
15 ~~department shall determine whether to allow use of the proposed~~
16 ~~alternative method or material.~~

17 ~~§ 3222. Well reporting requirements.~~

18 ~~(a) General rule. Except as provided in subsection (a.1),~~
19 ~~each well operator shall file with the department, on a form~~
20 ~~provided by the department, an annual report specifying the~~
21 ~~amount of production, on the most well specific basis available,~~
22 ~~along with the status of each well, except that in subsequent~~
23 ~~years only changes in status must be reported. The Commonwealth~~
24 ~~may utilize reported information in enforcement proceedings, in~~
25 ~~making designations or determinations under section 1927-A of~~
26 ~~the act of April 9, 1929 (P.L.177, No.175), known as The~~
27 ~~Administrative Code of 1929, or in aggregate form for~~
28 ~~statistical purposes.~~

29 ~~(a.1) Marcellus Shale formation wells. Each operator of an~~
30 ~~unconventional well shall file with the department, on a form~~

1 ~~provided by the department, a semiannual report specifying the~~
2 ~~amount of production on the most well specific basis available.~~
3 ~~The initial report under this subsection shall be filed on or~~
4 ~~before August 15, 2010, and shall include production data from~~
5 ~~the preceding calendar year and specify the status of each well.~~
6 ~~In subsequent reports, only changes in status must be reported.~~
7 ~~Subsequent semiannual reports shall be filed with the department~~
8 ~~on or before February 15 and August 15 of each year and shall~~
9 ~~include production data from the preceding reporting period. The~~
10 ~~Commonwealth may utilize reported information in enforcement~~
11 ~~proceedings, in making designations or determinations under~~
12 ~~section 1927 A of The Administrative Code of 1929 or in~~
13 ~~aggregate form for statistical purposes. Beginning November 1,~~
14 ~~2010, the department shall make the reports available on its~~
15 ~~publicly accessible Internet website. Costs incurred by the~~
16 ~~department to comply with the requirements of this subsection~~
17 ~~shall be paid out of the fees collected under section 3211(d)~~
18 ~~(relating to well permits).~~

19 ~~(b) Collection of data.~~

20 ~~(1) Well operators shall maintain a record of each well~~
21 ~~drilled or altered.~~

22 ~~(2) A record containing the information required by the~~
23 ~~department shall be filed within 30 days of cessation of~~
24 ~~drilling of each well.~~

25 ~~(3) A completion report containing any additional~~
26 ~~required information shall be filed within 30 days after~~
27 ~~completing the well and shall be kept on file by the~~
28 ~~department.~~

29 ~~(4) (i) The completion report shall include a~~
30 ~~stimulation record. At a minimum, the stimulation record~~

1 ~~shall contain pump rates, pressures, total volume used to~~
2 ~~stimulate the well, a list of hazardous and other~~
3 ~~chemicals used to stimulate the well, volume of water~~
4 ~~used, identification of water sources used under a~~
5 ~~department approved water management plan and depth at~~
6 ~~which potable aquifers are encountered during drilling.~~
7 ~~The well operator may designate specific portions of the~~
8 ~~stimulation record as containing a trade secret or~~
9 ~~confidential proprietary information. The department~~
10 ~~shall prevent disclosure of designated confidential~~
11 ~~information to the extent permitted under the act of~~
12 ~~February 14, 2008 (P.L.6, No.3), known as the Right to~~
13 ~~Know Law.~~

14 ~~(ii) The completion report shall identify:~~

15 ~~(A) whether methane was encountered in other~~
16 ~~than a target formation; and~~

17 ~~(B) the country of origin and manufacture of the~~
18 ~~steel products used in the construction of the well.~~

19 ~~(iii) The completion report shall be kept on file by~~
20 ~~the department and posted on the department's publicly~~
21 ~~accessible Internet website.~~

22 ~~(5) Upon request of the department, the well operator~~
23 ~~shall, within 90 days of completion or recompletion of~~
24 ~~drilling, submit a copy of any electrical, radioactive or~~
25 ~~other standard industry logs which have been run. No~~
26 ~~information under this paragraph shall be required unless the~~
27 ~~well operator has compiled the information in the ordinary~~
28 ~~course of business.~~

29 ~~(6) Upon request by the department within one year, the~~
30 ~~well operator shall file a copy of drill stem test charts,~~

~~1 formation water analysis, porosity, permeability or fluid
2 saturation measurements, core analysis and lithologic log or
3 sample description or other similar data as compiled. No
4 information under this paragraph shall be required unless the
5 well operator had it compiled in the ordinary course of
6 business, and interpretation of data under this paragraph is
7 not required to be filed.~~

~~8 (c) Drill cuttings and core samples. Upon notification by
9 the department prior to commencement of drilling, the well
10 operator shall collect any additional data specified by the
11 department, including representative drill cuttings and samples
12 from cores taken and any other geological information that the
13 operator reasonably can compile. Interpretation of the data is
14 not required to be filed.~~

~~15 (d) Retention and filing of data. Data required under
16 subsection (b) and drill cuttings required under subsection (c)
17 shall be retained by the well operator and filed with the
18 department no more than three years after completion of the
19 well. Upon request, the department shall extend the deadline up
20 to five years from the date of completion of the well. The
21 department shall be entitled to utilize information collected
22 under this subsection in enforcement proceedings, in making
23 designations or determinations under section 1927 A of The
24 Administrative Code of 1929 and in aggregate form for
25 statistical purposes.~~

~~26 § 3223. Notification and effect of well transfer.~~

~~27 The owner or operator of a well shall notify the department
28 in writing within 30 days, in a form directed by regulation, of
29 sale, assignment, transfer, conveyance or exchange by or to the
30 owner of the well. A transfer shall not relieve the well owner~~

~~1 or operator of an obligation accrued under this chapter, nor
2 shall it relieve the owner or operator of an obligation to plug
3 the well until the requirements of section 3225 (relating to
4 bonding) have been met, at which time the transferring owner or
5 operator shall be relieved from all obligations under this
6 chapter, including the obligation to plug the well.~~

~~7 § 3224. Coal operator responsibilities.~~

~~8 (a) General rule. At any time prior to removing coal or
9 other underground materials from, or extending the workings in,
10 a coal mine within 500 feet of an oil or gas well of which the
11 coal operator has knowledge, or within 500 feet of an approved
12 well location of which the coal operator has knowledge, the coal
13 operator, by certified mail, shall forward to or file with the
14 well operator and the department a copy of the relevant part of
15 all maps and plans which it is presently required by law to
16 prepare and file with the department, showing the pillar which
17 the coal operator proposes to leave in place around each oil or
18 gas well in the projected workings. Thereafter, the coal
19 operator may proceed with mining operations in the manner
20 projected on the maps and plans, but the operator may not remove
21 coal or cut a passageway within 150 feet of the well or approved
22 well location without written approval under this section. If,
23 in the opinion of the well operator or the department, the plan
24 indicates that the proposed pillar is inadequate to protect
25 either the integrity of the well or public health and safety,
26 the affected well operator shall attempt to reach an agreement
27 with the coal operator on a suitable pillar, subject to approval
28 of the department. Upon failure to agree, the well operator may,
29 within ten days after receipt of the proposed plan under this
30 section, file objections under section 3251 (relating to~~

1 ~~conferences), indicating the size of the pillar to be left as to~~
2 ~~each well. If objections are not timely filed and the department~~
3 ~~has none, the department shall grant approval, reciting that~~
4 ~~maps and plans have been filed, no objections have been made~~
5 ~~thereto and the pillar proposed to be left for each well is~~
6 ~~approved in the manner as projected.~~

7 ~~(b) Objections. If an objection is filed by the well~~
8 ~~operator or raised by the department, the department shall order~~
9 ~~that a conference be held under section 3251 within ten days of~~
10 ~~the filing of objections. At the conference, the coal operator~~
11 ~~and the person who has objected shall attempt to agree on a~~
12 ~~proposed plan, showing the pillar to be left around each well,~~
13 ~~which will satisfy the objections and receive department~~
14 ~~approval. If an agreement is reached, the department shall grant~~
15 ~~approval to the coal operator, reciting that a plan has been~~
16 ~~filed and the pillar to be left for each well is approved~~
17 ~~pursuant to the agreement. If an agreement is not reached on a~~
18 ~~plan showing the pillar to be left with respect to a well, the~~
19 ~~department, by appropriate order, shall determine the pillar to~~
20 ~~be left with respect to the well. In a proceeding under this~~
21 ~~section, the department shall follow as nearly as is possible~~
22 ~~the original plan filed by the coal operator. The department~~
23 ~~shall not require the coal operator to leave a pillar in excess~~
24 ~~of 100 feet in radius, except that the department may require a~~
25 ~~pillar of up to 150 feet in radius if the existence of unusual~~
26 ~~conditions is established. Pillars determined by the department~~
27 ~~shall be shown on maps or plans on file with the department as~~
28 ~~provided in subsection (a), and the department shall approve the~~
29 ~~pillar to be left for each well.~~

30 ~~(c) Pillars of reduced size. Application may be made at any~~

~~1 time to the department by the coal operator to leave a pillar of
2 a size smaller than shown on the plan approved or determined by
3 the department under this section. If an application is filed,
4 the department shall:~~

~~5 (1) follow the appropriate procedure under subsection
6 (a) or (b);~~

~~7 (2) by appropriate order, determine a plan involving a
8 pillar of a smaller size as to any well covered by the
9 application; and~~

~~10 (3) grant approval for the pillar to be left with
11 respect to each well.~~

~~12 (d) Violation. No coal operator, without written approval
13 of the department after notice and opportunity for a hearing
14 under this section, shall remove coal or cut a passageway so as
15 to leave a pillar of smaller size, with respect to an oil or gas
16 well, than that approved by the department under this chapter.~~

~~17 (e) Limitation. With regard to a coal pillar required by
18 law to be left around a well drilled prior to April 18, 1985,
19 nothing in this chapter shall be construed to:~~

~~20 (1) require a well operator to pay for the coal pillar;~~

~~21 (2) affect a right which a coal operator may have had
22 prior to April 18, 1985, to obtain payment for the coal
23 pillar; or~~

~~24 (3) affect a duty or right which a storage operator or
25 landowner may have had prior to April 18, 1985, to pay or not
26 pay for the coal pillar.~~

~~27 (f) Mining through plugged wells. A coal operator who
28 intends to mine through a plugged oil or gas well or otherwise
29 completely remove any pillar from around that well shall file a
30 plan under subsection (a) which shall be subject to all of the~~

1 ~~provisions of this section. No coal operator may mine through a~~
2 ~~plugged oil or gas well of which he has knowledge until written~~
3 ~~approval has been granted by the department in accordance with~~
4 ~~this section. The Bureau of Deep Mine Safety in the department~~
5 ~~shall have the authority to establish conditions under which the~~
6 ~~department may approve a coal operator's plan to mine through a~~
7 ~~plugged oil or gas well.~~

8 ~~§ 3225. Bonding.~~

9 ~~(a) General rule. The following shall apply:~~

10 ~~(1) Except as provided in subsection (d), upon filing an~~
11 ~~application for a well permit, and before continuing to~~
12 ~~operate an oil or gas well, the owner or operator of the well~~
13 ~~shall file with the department a bond covering the well and~~
14 ~~well site on a form to be prescribed and furnished by the~~
15 ~~department. A bond filed with an application for a well~~
16 ~~permit shall be payable to the Commonwealth and conditioned~~
17 ~~upon the operator's faithful performance of all drilling,~~
18 ~~water supply replacement, restoration and plugging~~
19 ~~requirements of this chapter. A bond for a well in existence~~
20 ~~on April 18, 1985, shall be payable to the Commonwealth and~~
21 ~~conditioned upon the operator's faithful performance of all~~
22 ~~water supply replacement, restoration and plugging~~
23 ~~requirements of this chapter. The amount of the bond required~~
24 ~~shall be in the following amounts and may be adjusted by the~~
25 ~~Environmental Quality Board every two years to reflect the~~
26 ~~projected costs to the Commonwealth of plugging the well:~~

27 ~~(i) For wells with a total well bore length less~~
28 ~~than 6,000 feet:~~

29 ~~(A) For operating up to 50 wells, \$4,000 per~~
30 ~~well; but no bond may be required under this clause~~

1 ~~in excess of \$35,000.~~

2 ~~(B) For operating 51 to 150 wells, \$35,000 plus~~
3 ~~\$4,000 per well for each well in excess of 50 wells;~~
4 ~~but no bond may be required under this clause in~~
5 ~~excess of \$60,000.~~

6 ~~(C) For operating 151 to 250 wells, \$60,000 plus~~
7 ~~\$4,000 per well for each well in excess of 150 wells;~~
8 ~~but no bond may be required under this clause in~~
9 ~~excess of \$100,000.~~

10 ~~(D) For operating more than 250 wells, \$100,000~~
11 ~~plus \$4,000 per well for each well in excess of 250~~
12 ~~wells; but no bond may be required under this clause~~
13 ~~in excess of \$250,000.~~

14 ~~(ii) For wells with a total well bore length greater~~
15 ~~than 6,000 feet:~~

16 ~~(A) For operating up to 25 wells, \$10,000 per~~
17 ~~well; but no bond may be required under this clause~~
18 ~~in excess of \$60,000.~~

19 ~~(B) For operating 26 to 50 wells, \$60,000 plus~~
20 ~~\$10,000 per well for each well in excess of 25 wells;~~
21 ~~but no bond may be required under this clause in~~
22 ~~excess of \$120,000.~~

23 ~~(C) For operating 51 to 150 wells, \$120,000 plus~~
24 ~~\$10,000 per well for each well in excess of 50 wells;~~
25 ~~but no bond may be required under this clause in~~
26 ~~excess of \$180,000.~~

27 ~~(D) For operating more than 150 wells, \$180,000~~
28 ~~plus \$10,000 per well for each well in excess of 150~~
29 ~~wells; but no bond may be required under this clause~~
30 ~~in excess of \$250,000.~~

1 ~~(2) In lieu of individual bonds for each well, an owner~~
2 ~~or operator may file a blanket bond for the applicable amount~~
3 ~~under paragraph (1), on a form prepared by the department,~~
4 ~~covering all of its wells in this Commonwealth, as enumerated~~
5 ~~on the bond form.~~

6 ~~(3) Liability under the bond shall continue until the~~
7 ~~well has been properly plugged in accordance with this~~
8 ~~chapter and for a period of one year after filing of the~~
9 ~~certificate of plugging with the department. Each bond shall~~
10 ~~be executed by the operator and a corporate surety licensed~~
11 ~~to do business in this Commonwealth and approved by the~~
12 ~~secretary. In lieu of a corporate surety, the operator may~~
13 ~~deposit with the department:~~

14 ~~(i) cash;~~

15 ~~(ii) certificates of deposit or automatically~~
16 ~~renewable irrevocable letters of credit, from financial~~
17 ~~institutions chartered or authorized to do business in~~
18 ~~this Commonwealth and regulated and examined by the~~
19 ~~Commonwealth or a Federal agency, which may be terminated~~
20 ~~at the end of a term only upon 90 days' prior written~~
21 ~~notice by the financial institution to the permittee and~~
22 ~~the department;~~

23 ~~(iii) negotiable bonds of the United States~~
24 ~~Government or the Commonwealth, the Pennsylvania Turnpike~~
25 ~~Commission, the General State Authority, the State Public~~
26 ~~School Building Authority or any municipality within the~~
27 ~~Commonwealth; or~~

28 ~~(iv) United States Treasury Bonds issued at a~~
29 ~~discount without a regular schedule of interest payments~~
30 ~~to maturity, otherwise known as Zero Coupon Bonds, having~~

~~1 a maturity date of not more than ten years after the date
2 of purchase and at the maturity date having a value of
3 not less than the applicable amount under paragraph (1).
4 The cash deposit, certificate of deposit, amount of the
5 irrevocable letter of credit or market value of the
6 securities shall be equal at least to the sum of the
7 bond.~~

~~8 (4) The secretary shall, upon receipt of a deposit of
9 cash, letters of credit or negotiable bonds, immediately
10 place the same with the State Treasurer, whose duty it shall
11 be to receive and hold the same in the name of the
12 Commonwealth, in trust, for the purpose for which the deposit
13 is made.~~

~~14 (5) The State Treasurer shall at all times be
15 responsible for custody and safekeeping of deposits. The
16 operator making the deposit shall be entitled from time to
17 time to demand and receive from the State Treasurer, on the
18 written order of the secretary, the whole or any portion of
19 collateral deposited, upon depositing with the State
20 Treasurer, in lieu of that collateral, other collateral of
21 classes specified in this section having a market value at
22 least equal to the sum of the bond, and also to demand,
23 receive and recover the interest and income from the
24 negotiable bonds as they become due and payable.~~

~~25 (6) If negotiable bonds on deposit under this subsection
26 mature or are called, the State Treasurer, at the request of
27 the owner of the bonds, shall convert them into other
28 negotiable bonds, of classes specified in this section,
29 designated by the owner.~~

~~30 (7) If notice of intent to terminate a letter of credit~~

1 ~~is given, the department shall give the operator 30 days'~~
2 ~~written notice to replace the letter of credit with other~~
3 ~~acceptable bond guarantees as provided in this section. If~~
4 ~~the owner or operator fails to timely replace the letter of~~
5 ~~credit, the department shall draw upon and convert the letter~~
6 ~~of credit into cash and hold it as a collateral bond~~
7 ~~guarantee.~~

8 ~~(b) Release. No bond shall be fully released until the~~
9 ~~requirements of subsection (a) and section 3223 (relating to~~
10 ~~notification and effect of well transfer) have been fully met.~~
11 ~~Upon release of bonds and collateral under this section, the~~
12 ~~State Treasurer shall immediately return to the owner the~~
13 ~~specified amount of cash or securities.~~

14 ~~(c) Noncompliance. If a well owner or operator fails or~~
15 ~~refuses to comply with subsection (a), regulations promulgated~~
16 ~~under this chapter or conditions of a permit relating to this~~
17 ~~chapter, the department may declare the bond forfeited and shall~~
18 ~~certify the same to the Attorney General, who shall proceed to~~
19 ~~enforce and collect the full amount of the bond and, if the well~~
20 ~~owner or operator has deposited cash or securities as collateral~~
21 ~~in lieu of a corporate surety, the department shall declare the~~
22 ~~collateral forfeited and direct the State Treasurer to pay the~~
23 ~~full amount of the funds into the Well Plugging Restricted~~
24 ~~Revenue Account or to sell the security to the extent forfeited~~
25 ~~and pay the proceeds into the Well Plugging Restricted Revenue~~
26 ~~Account. If a corporate surety or financial institution fails to~~
27 ~~pay a forfeited bond promptly and in full, the corporate surety~~
28 ~~or financial institution shall be disqualified from writing~~
29 ~~further bonds under this chapter or any other environmental law~~
30 ~~administered by the department. A person aggrieved by reason of~~

~~1 forfeiting the bond or converting collateral, as provided in
2 this section, shall have a right to appeal to the Environmental
3 Hearing Board in the manner provided by law. Upon forfeiture of
4 a blanket bond for a violation occurring at one or more well
5 sites, the person whose bond is forfeited shall, within ten days
6 of the forfeiture, submit a replacement bond to cover all other
7 wells of which the person is an owner or operator. Failure to
8 submit the replacement bond constitutes a violation of this
9 section as to each of the wells owned or operated by the person.~~

~~10 (d) Alternatives to certain bonds. The following shall
11 apply:~~

~~12 (1) An operator of not more than 200 wells who cannot
13 obtain a bond for a well drilled prior to April 18, 1985, as
14 required under subsection (a), due to inability to
15 demonstrate sufficient financial resources may, in lieu of
16 the bond:~~

~~17 (i) Submit to the department a fee in the amount of
18 \$50 per well, a blanket fee of \$500 for ten to 20 wells
19 or a blanket fee of \$1,000 for more than 20 wells, which
20 shall be a nonrefundable fee paid each year that the
21 operator has not filed a bond with the department. All
22 fees collected in lieu of a bond under this subsection
23 shall be used for the purposes authorized by this
24 chapter. The Environmental Quality Board shall have the
25 power, by regulation, to increase the amount of the fees
26 established under this subsection.~~

~~27 (ii) Make phased deposits of collateral to fully
28 collateralize the bond, subject to the following:~~

~~29 (A) Payment shall be based on the number of
30 wells owned or operated. The operator shall make an~~

1 ~~initial deposit and make annual deposits in~~
2 ~~accordance with the schedule in clause (B). Interest~~
3 ~~accumulated by the collateral shall become a part of~~
4 ~~the bond until the collateral plus accumulated~~
5 ~~interest equals the amount of the required bond. The~~
6 ~~collateral shall be deposited, in trust, with the~~
7 ~~State Treasurer as provided in this subsection or~~
8 ~~with a bank selected by the department which shall~~
9 ~~act as trustee for the benefit of the Commonwealth to~~
10 ~~guarantee the operator's compliance with the~~
11 ~~drilling, water supply replacement, restoration and~~
12 ~~plugging requirements of this chapter. The operator~~
13 ~~shall be required to pay all costs of the trust.~~

14 ~~(B) An operator of up to ten existing wells who~~
15 ~~does not intend to operate additional wells shall~~
16 ~~deposit \$250 per well and shall, thereafter, annually~~
17 ~~deposit \$50 per well until the obligations of this~~
18 ~~section are fully met. An operator of 11 to 25 wells~~
19 ~~or an operator of up to ten wells who applies for one~~
20 ~~or more permits for additional wells shall deposit~~
21 ~~\$2,000 and shall, thereafter, annually deposit \$1,150~~
22 ~~plus \$150 for each additional well to be permitted~~
23 ~~that year until the obligations of this section are~~
24 ~~fully met. An operator of 26 to 50 wells shall~~
25 ~~deposit \$3,000 and shall, thereafter, annually~~
26 ~~deposit \$1,300 plus \$400 for each additional well to~~
27 ~~be permitted that year until the obligations of this~~
28 ~~section are fully met. An operator of 51 to 100 wells~~
29 ~~shall deposit \$4,000 and shall, thereafter, annually~~
30 ~~deposit \$1,500 plus \$400 for each additional well to~~

1 ~~be permitted that year until the obligations of this~~
2 ~~section are fully met. Operators of 101 to 200 wells~~
3 ~~shall deposit \$8,000 and shall, thereafter, annually~~
4 ~~deposit \$1,600 plus \$1,000 for each additional well~~
5 ~~to be permitted that year until the obligations of~~
6 ~~this section are fully met. Operators of more than~~
7 ~~200 wells shall fully bond their wells immediately.~~

8 ~~(C) The department shall reduce the amount of~~
9 ~~phased collateral payments or the period of time over~~
10 ~~which phased collateral payments shall be made on~~
11 ~~behalf of owners or operators who, prior to August 1,~~
12 ~~1992, have paid a fee in lieu of bond under~~
13 ~~subparagraph (i), and who, by August 1, 1993, choose~~
14 ~~to enter the phased collateral program under this~~
15 ~~subparagraph rather than continue to make payments in~~
16 ~~lieu of bond. Payments made prior to August 1, 1992,~~
17 ~~in lieu of bond shall not be credited in any other~~
18 ~~manner, and the department shall not be required to~~
19 ~~refund the fees. The Environmental Quality Board, by~~
20 ~~regulation, may change the annual deposits~~
21 ~~established under clause (B) if necessary to~~
22 ~~accommodate a change in the amount of the bond~~
23 ~~required under this section.~~

24 ~~(2) An operator may continue to pay a fee in lieu of~~
25 ~~bond or make phased deposits of collateral to fully~~
26 ~~collateralize the bond so long as the operator does not miss~~
27 ~~a payment under this subsection and remains in compliance~~
28 ~~with this chapter. If an operator misses a payment under this~~
29 ~~subsection, the operator shall immediately:~~

30 ~~(i) submit the appropriate bond amount in full; or~~

1 ~~(ii) cease all operations and plug all wells.~~

2 ~~(d.1) Individuals. The following shall apply:~~

3 ~~(1) An individual who is unable to obtain a bond to~~
4 ~~drill new wells due to inability to demonstrate financial~~
5 ~~resources may meet the collateral bond requirements of~~
6 ~~subsection (a) by making phased deposits of collateral to~~
7 ~~fully collateralize the bond. The individual shall be limited~~
8 ~~to drilling ten new wells per calendar year and, for each~~
9 ~~well to be drilled, deposit \$500 and make an annual deposit~~
10 ~~of 10% of the remaining bond amount for a period of ten~~
11 ~~years. Interest accumulated shall become a part of the bond~~
12 ~~until the collateral plus accumulated interest equals the~~
13 ~~amount of the required bond. The collateral shall be~~
14 ~~deposited in trust with the State Treasurer under subsection~~
15 ~~(a) or with a bank selected by the department which shall act~~
16 ~~as trustee for the benefit of the Commonwealth to guarantee~~
17 ~~the individual's compliance with the drilling, water supply~~
18 ~~replacement, restoration and plugging requirements of this~~
19 ~~chapter. The individual shall pay all costs of the trust.~~

20 ~~(2) Individuals may continue to use phased collateral to~~
21 ~~obtain permits if they have not missed a payment for a well~~
22 ~~drilled under this provision and remain in compliance with~~
23 ~~this chapter. If an individual misses a payment, the~~
24 ~~individual shall:~~

25 ~~(i) immediately submit the appropriate bond amount~~
26 ~~in full; or~~

27 ~~(ii) cease all operations and plug all wells.~~

28 ~~(3) For purposes of this subsection, an "individual"~~
29 ~~means a natural person doing business under his own name.~~

30 ~~(e) Reservation of remedies. All remedies violating this~~

~~chapter, regulations adopted under this chapter and conditions of permits are expressly preserved. Nothing in this section shall be construed as an exclusive penalty or remedy for violations of law. No action taken under this section shall waive or impair any other remedy or penalty provided in law.~~

~~(f) Change of law. Owners or operators who have failed to meet the requirements of this section prior to August 1, 1992, shall not be required to make payments under this section on a retroactive basis as a condition of obtaining a permit under this chapter, nor shall the failure be deemed a violation of this chapter.~~

~~§ 3226. Oil and Gas Technical Advisory Board.~~

~~(a) Creation of board. The Oil and Gas Technical Advisory Board is created, consisting of the following members, all of whom shall be chosen by the Governor and shall be residents of this Commonwealth:~~

~~(1) Three individuals, each of whom shall be:~~

~~(i) a petroleum engineer;~~

~~(ii) a petroleum geologist; or~~

~~(iii) an experienced driller representative of the oil and gas industry with three years of experience in this Commonwealth.~~

~~(2) One mining engineer from the coal industry with three years of experience in this Commonwealth.~~

~~(3) One geologist or petroleum engineer with three years of experience in this Commonwealth, who shall be chosen from a list of three names submitted by the Citizens Advisory Council to the Governor and who shall sit as a representative of the public interest.~~

~~(b) Reimbursement. Board members shall not receive a salary~~

1 ~~but shall be reimbursed for all necessary expenses incurred in~~
2 ~~the performance of their duties.~~

3 ~~(c) Majority vote. All actions of the board shall be by~~
4 ~~majority vote. The board shall meet as called by the secretary,~~
5 ~~but not less than semiannually, to carry out its duties under~~
6 ~~this chapter. The board shall select a chairman and other~~
7 ~~officers deemed appropriate.~~

8 ~~(d) Consultation. The department shall consult with the~~
9 ~~board in the formulation, drafting and presentation stages of~~
10 ~~all regulations of a technical nature promulgated under this~~
11 ~~chapter. The board shall be given a reasonable opportunity to~~
12 ~~review and comment on all regulations of a technical nature~~
13 ~~prior to submission to the Environmental Quality Board for~~
14 ~~initial consideration. The written report of the board shall be~~
15 ~~presented to the Environmental Quality Board with any regulatory~~
16 ~~proposal. The chairman of the board shall be invited to~~
17 ~~participate in the presentation of all regulations of a~~
18 ~~technical nature before the Environmental Quality Board to the~~
19 ~~extent allowed by procedures of the Environmental Quality Board.~~
20 ~~Nothing herein shall preclude any member of the board from~~
21 ~~filing a petition for rulemaking with the Environmental Quality~~
22 ~~Board in accordance with procedures established by the~~
23 ~~Environmental Quality Board.~~

24 ~~§ 3227. Air contaminant emissions.~~

25 ~~(a) Protocols for air contaminant emissions. No later than~~
26 ~~three months after the effective date of this chapter, the~~
27 ~~department shall publish protocols for the detection,~~
28 ~~quantification and reporting of air contaminant emissions from~~
29 ~~unconventional gas production processes including wellhead~~
30 ~~activities and the storage of unconventional gas prior to~~

1 ~~processing.~~

2 ~~(b) Report on air contaminant emissions. No later than nine~~
3 ~~months after the effective date of this chapter, the department~~
4 ~~shall publish for public comment a draft report quantifying~~
5 ~~through measurements and calculations the total air contaminant~~
6 ~~emissions in this Commonwealth from unconventional gas~~
7 ~~development processes including wellhead activities and the~~
8 ~~storage of unconventional gas prior to processing. The~~
9 ~~department shall publish the final report no later than one year~~
10 ~~after the effective date of this chapter. The department shall~~
11 ~~publish a revised report every five years thereafter.~~

12 ~~(c) Use of best available scientific principles. The~~
13 ~~department shall use best available scientific principles in~~
14 ~~developing the protocols and reports required by this section.~~

15 SUBCHAPTER C

16 UNDERGROUND GAS STORAGE

17 Sec.

18 ~~3231. Reporting requirements for gas storage operations.~~

19 ~~3232. Reporting requirements for coal mining operations.~~

20 ~~3233. General gas storage reservoir operations.~~

21 ~~3234. Gas storage reservoir operations in coal areas.~~

22 ~~3235. Inspection of facilities and records.~~

23 ~~3236. Reliance on maps and burden of proof.~~

24 ~~3237. Exemptions and prohibitions.~~

25 ~~§ 3231. Reporting requirements for gas storage operations.~~

26 ~~(a) General duties. The following shall apply:~~

27 ~~(1) A person injecting into or storing gas in a storage~~
28 ~~reservoir underlying or within 3,000 linear feet of a coal~~
29 ~~mine operating in a coal seam that extends over the storage~~
30 ~~reservoir or reservoir protective area shall, within 60 days,~~

~~file with the department a copy of a map and certain data in the form and manner provided in this subsection or as otherwise prescribed by regulation of the department.~~

~~(2) A person injecting gas into or storing gas in a storage reservoir which is not under or within 3,000 linear feet of, but less than 10,000 linear feet from, a coal mine operating in a coal seam that extends over the storage reservoir or reservoir protective area shall file the map and data within 60 days or a longer period set by departmental regulation.~~

~~(3) A person proposing to inject or store gas in a storage reservoir located as defined in paragraph (1) or (2) shall file the appropriate required map and data with the department not less than six months prior to starting the actual injection or storage.~~

~~(4) A map required by this subsection shall be prepared by a competent engineer or geologist, showing:~~

~~(i) the stratum in which the existing or proposed storage reservoir is or is proposed to be located;~~

~~(ii) the geographic location of the outside boundaries of the storage reservoir and reservoir protective area;~~

~~(iii) the location of all known oil or gas wells in the reservoir or within 3,000 linear feet thereof which have been drilled into or through the storage stratum, indicating which have been or are to be cleaned out and plugged or reconditioned for storage along with the proposed location of all additional wells which are to be drilled within the storage reservoir or within 3,000 linear feet thereof.~~

1 ~~(5) The following, if available, shall be furnished for~~
2 ~~all known oil or gas wells which have been drilled into or~~
3 ~~through the storage stratum within the storage reservoir or~~
4 ~~within 3,000 linear feet thereof: name of the operator, date~~
5 ~~drilled, total depth, depth of production if the well was~~
6 ~~productive of oil or gas, the initial rock pressure and~~
7 ~~volume, the depths at which all coal seams were encountered~~
8 ~~and a copy of the driller's log or other similar information.~~
9 ~~At the time of the filing of the maps and data, a statement~~
10 ~~shall be filed:~~

11 ~~(i) detailing efforts made to determine that the~~
12 ~~wells shown are accurately located on the map;~~

13 ~~(ii) affirming that the wells shown represent, to~~
14 ~~the best of the operator's knowledge, all oil or gas~~
15 ~~wells which have ever been drilled into or below the~~
16 ~~storage stratum within the proposed storage reservoir or~~
17 ~~within the reservoir protective area;~~

18 ~~(iii) stating whether the initial injection is for~~
19 ~~testing purposes;~~

20 ~~(iv) stating the maximum pressure at which injection~~
21 ~~and storage of gas is contemplated; and~~

22 ~~(v) providing a detailed explanation of the methods~~
23 ~~to be used or which previously have been used in~~
24 ~~drilling, cleaning out, reconditioning and plugging wells~~
25 ~~in the storage reservoir or within the reservoir~~
26 ~~protective area.~~

27 ~~(6) The map and data required to be filed under~~
28 ~~paragraph (5) shall be amended or supplemented semiannually~~
29 ~~if material changes occur. The department may require a~~
30 ~~storage operator to amend or supplement the map or data at~~

~~more frequent intervals if material changes have occurred
justifying the earlier filing.~~

~~(b) Other reporting requirements. A person who is injecting
gas into or storing gas in a storage reservoir not at the time
subject to subsection (a), by a process other than that of
secondary recovery or gas recycling, shall, within 60 days, or a
longer period set by departmental regulations, file maps and
data required by departmental regulation and as follows:~~

~~(1) A person who, after April 18, 1985, proposes to
inject or store gas in a storage reservoir in an area not
covered by subsection (a) by a process other than that of
secondary recovery or gas recycling shall file the required
map and data with the department not less than six months
prior to the starting of actual injection or storage.~~

~~(2) The map shall be prepared by a competent engineer or
competent geologist and show:~~

~~(i) the stratum in which the existing or proposed
storage reservoir is or is to be located;~~

~~(ii) the geographic location of the outside
boundaries of the storage reservoir; and~~

~~(iii) the location of all known oil or gas wells
within the reservoir, or within 3,000 linear feet
thereof, which have been drilled into or through the
storage stratum, indicating which have been or are to be
cleaned out and plugged or reconditioned for storage and
the proposed location of all additional wells which are
to be drilled within the storage reservoir or within
3,000 linear feet thereof.~~

~~(3) The following, if available, shall be furnished for
all known oil or gas wells which have been drilled into or~~

1 ~~through the storage stratum within the storage reservoir or~~
2 ~~within 3,000 linear feet thereof: name of the operator, date~~
3 ~~drilled, total depth, depth of production if the well was~~
4 ~~productive of oil or gas, the initial rock pressure and~~
5 ~~volume and a copy of the driller's log or other similar~~
6 ~~information. At the time of the filing of the maps and data,~~
7 ~~a statement shall be filed:~~

8 ~~(i) detailing efforts made to determine that the~~
9 ~~wells shown are accurately located on the map;~~

10 ~~(ii) affirming that the wells shown represent, to~~
11 ~~the best of the operator's knowledge, all oil or gas~~
12 ~~wells which have ever been drilled into or below the~~
13 ~~storage stratum within the proposed storage reservoir;~~

14 ~~(iii) stating whether the initial injection is for~~
15 ~~testing purposes;~~

16 ~~(iv) stating the maximum pressure at which injection~~
17 ~~and storage of gas is contemplated; and~~

18 ~~(v) providing a detailed explanation of the methods~~
19 ~~to be used or which previously have been used in~~
20 ~~drilling, cleaning out, reconditioning and plugging wells~~
21 ~~in the storage reservoir.~~

22 ~~(4) The map and data required to be filed under~~
23 ~~paragraph (3) shall be amended or supplemented semiannually~~
24 ~~if material changes occur. The department may require a~~
25 ~~storage operator to amend or supplement the map or data at~~
26 ~~more frequent intervals if material changes have occurred~~
27 ~~justifying the earlier filing.~~

28 ~~(c) Political subdivisions. Storage operators shall give~~
29 ~~notice to the department of the name of each political~~
30 ~~subdivision and county in which the operator maintains and~~

1 ~~operates a gas storage reservoir.~~

2 ~~(d) Notice to affected persons. At the time of the filing~~
3 ~~of maps and data and the filing of amended or supplemental maps~~
4 ~~or data required by this section, the person filing the~~
5 ~~information shall give written notice of the filing to all~~
6 ~~persons who may be affected under the provisions of this chapter~~
7 ~~by the storage reservoir described in the maps or data. Notices~~
8 ~~shall contain a description of the boundaries of the storage~~
9 ~~reservoir. When a person operating a coal mine or owning an~~
10 ~~interest in coal properties which are or may be affected by the~~
11 ~~storage reservoir requests, in writing, a copy of any map or~~
12 ~~data filed with the department, the copy shall be furnished by~~
13 ~~the storage operator.~~

14 ~~(e) Outside boundaries. For purposes of this chapter, the~~
15 ~~outside boundaries of a storage reservoir shall be defined by~~
16 ~~the location of those wells around the periphery of the storage~~
17 ~~reservoir which had no gas production when drilled in the~~
18 ~~storage stratum. The boundaries shall be originally fixed or~~
19 ~~subsequently changed if, based on the number and nature of the~~
20 ~~wells and the geological and production knowledge of the storage~~
21 ~~stratum, its character, permeability, distribution and operating~~
22 ~~experience, it is determined in a conference under section 3251~~
23 ~~(relating to conferences) that modifications should be made.~~

24 ~~(f) Inapplicability of section. The requirements of this~~
25 ~~section shall not apply to the operator of an underground gas~~
26 ~~storage reservoir so long as the reservoir is located more than~~
27 ~~10,000 linear feet from an operating coal mine, except that the~~
28 ~~storage operator shall give notice to the department of the name~~
29 ~~of each political subdivision and county in which the operator~~
30 ~~maintains and operates a gas storage reservoir. In political~~

1 ~~subdivisions and counties where both gas storage reservoirs and~~
2 ~~coal mines are being operated, the department may request the~~
3 ~~storage operator to furnish maps showing geographical locations~~
4 ~~and outside boundaries of the storage reservoirs. The department~~
5 ~~shall keep a record of the information and promptly notify the~~
6 ~~coal operator and the storage operator when notified by them~~
7 ~~that the coal mine and storage reservoir are within 10,000~~
8 ~~linear feet of each other.~~

9 ~~§ 3232. Reporting requirements for coal mining operations.~~

10 ~~(a) General rule. A person owning or operating a coal mine~~
11 ~~shall file with the department a map prepared and sealed by a~~
12 ~~competent individual licensed as a professional engineer or~~
13 ~~professional land surveyor under the provisions of the act of~~
14 ~~May 23, 1945 (P.L.913, No.367), known as the Engineer, Land~~
15 ~~Surveyor and Geologist Registration Law, showing the outside~~
16 ~~coal boundaries of the operating coal mine, the existing~~
17 ~~workings and exhausted areas and the relationship of the~~
18 ~~boundaries to identifiable surface properties and landmarks. A~~
19 ~~person owning or operating an operating coal mine which has been~~
20 ~~penetrated by a well shall furnish a mine map to the department~~
21 ~~each year indicating the excavations for the preceding year and~~
22 ~~the projections for the ensuing year. The map required by this~~
23 ~~subsection shall be furnished to a person storing or~~
24 ~~contemplating the storage of gas in the vicinity of operating~~
25 ~~coal mines, upon written request, by the coal operator, and the~~
26 ~~person and the department shall thereafter be informed of any~~
27 ~~boundary changes at the time the changes occur. The department~~
28 ~~shall keep a record of the information and promptly notify the~~
29 ~~coal operator and storage operator when notified by them that~~
30 ~~the coal mine and the storage reservoir are within 10,000 linear~~

1 ~~feet of each other.~~

2 ~~(b) Mines near certain reservoirs. A person owning or~~
3 ~~operating any coal mine which is or which comes within 10,000~~
4 ~~linear feet of a storage reservoir and where the coal seam being~~
5 ~~operated extends over the storage reservoir or reservoir~~
6 ~~protective area shall, within 45 days after receiving notice~~
7 ~~from the storage operator of that fact, file with the department~~
8 ~~and furnish to the person operating the storage reservoir a map~~
9 ~~in the form required by subsection (a) showing, in addition to~~
10 ~~the requirements of subsection (a), existing and projected~~
11 ~~excavations and workings of the operating coal mine for the~~
12 ~~ensuing 18 month period and the location of oil or gas wells of~~
13 ~~which the coal operator has knowledge. The person owning or~~
14 ~~operating the coal mine shall, each six months thereafter, file~~
15 ~~with the department and furnish to the person operating the~~
16 ~~storage reservoir a revised map showing any additional~~
17 ~~excavations and workings, together with the projected~~
18 ~~excavations and workings for the then ensuing 18 month period,~~
19 ~~which may be within 10,000 linear feet of the storage reservoir.~~
20 ~~The department may require a coal operator to file revised maps~~
21 ~~at more frequent intervals if material changes have occurred~~
22 ~~justifying earlier filing. The person owning or operating the~~
23 ~~coal mine shall also file with the department and furnish the~~
24 ~~person operating the reservoir prompt notice of any wells which~~
25 ~~have been cut into, together with all available pertinent~~
26 ~~information.~~

27 ~~(c) Mines near gas storage reservoirs. A person owning or~~
28 ~~operating a coal mine who has knowledge that it overlies or is~~
29 ~~within 2,000 linear feet of a gas storage reservoir shall,~~
30 ~~within 30 days, notify the department and the storage operator~~

1 ~~of that fact.~~

2 ~~(d) Mines projected to be near storage reservoirs. When a~~
3 ~~person owning or operating a coal mine expects that, within the~~
4 ~~ensuing nine month period, the coal mine will be extended to a~~
5 ~~point which will be within 2,000 linear feet of any storage~~
6 ~~reservoir, the person shall notify the department and storage~~
7 ~~operator in writing of that fact.~~

8 ~~(e) New mines. A person intending to establish or~~
9 ~~reestablish an operating coal mine which will be over a storage~~
10 ~~reservoir or within 2,000 linear feet of a storage reservoir or~~
11 ~~may, within nine months thereafter, be expected to be within~~
12 ~~2,000 linear feet of a storage reservoir shall immediately~~
13 ~~notify the department and storage operator in writing. Notice~~
14 ~~shall include the date on which the person intends to establish~~
15 ~~or reestablish the operating coal mine.~~

16 ~~(f) Misdemeanor. A person who serves notice as required by~~
17 ~~this subsection of an intention to establish or reestablish an~~
18 ~~operating coal mine, without intending in good faith to~~
19 ~~establish or reestablish the mine, is liable for continuing~~
20 ~~damages to a storage operator injured by the improper notice and~~
21 ~~commits a misdemeanor subject to the penalties of section 3255-~~
22 ~~(relating to penalties).~~

23 ~~§ 3233. General gas storage reservoir operations.~~

24 ~~(a) General rule. A person who operates or proposes to~~
25 ~~operate a storage reservoir, except one filled by the secondary~~
26 ~~recovery or gas recycling process, shall:~~

27 ~~(1) Use every known method which is reasonable under the~~
28 ~~circumstances for discovering and locating all wells which~~
29 ~~have or may have been drilled into or through the storage~~
30 ~~reservoir.~~

1 ~~(2) Plug or recondition, as provided in departmental~~
2 ~~regulations, all known wells drilled into or through the~~
3 ~~storage reservoir, except to the extent otherwise provided in~~
4 ~~subsections (b) and (c).~~

5 ~~(b) Wells to be plugged. To comply with subsection (a),~~
6 ~~wells which are to be plugged shall be plugged in the manner~~
7 ~~specified in section 3220 (relating to plugging requirements).~~

8 ~~(b.1) Wells plugged prior to enactment of section. If a~~
9 ~~well located in the storage reservoir area has been plugged~~
10 ~~prior to April 18, 1985, and on the basis of data, information~~
11 ~~and other evidence submitted to the department, it is determined~~
12 ~~that the plugging was done in the manner required by section~~
13 ~~3220 or approved as an alternative method under section 3221~~
14 ~~(relating to alternative methods) and the plugging is still~~
15 ~~sufficiently effective to meet the requirements of this chapter,~~
16 ~~the obligations under subsection (a) with regard to plugging the~~
17 ~~well shall be considered to have been fully satisfied.~~

18 ~~(c) Wells to be reconditioned. The following shall apply:~~

19 ~~(1) To comply with subsection (a), wells which are to be~~
20 ~~reconditioned shall, unless the department by regulation~~
21 ~~specifies a different procedure, be cleaned out from the~~
22 ~~surface through the storage horizon, and the producing casing~~
23 ~~and casing strings determined not to be in good physical~~
24 ~~condition shall be replaced with new casing, using the same~~
25 ~~procedure as is applicable to drilling a new well under this~~
26 ~~chapter. In the case of wells to be used for gas storage, the~~
27 ~~annular space between each string of casing and the annular~~
28 ~~space behind the largest diameter casing to the extent~~
29 ~~possible shall be filled to the surface with cement or~~
30 ~~bentonitic mud or a nonporous material approved by the~~

1 ~~department under section 3221. At least 15 days prior to~~
2 ~~reconditioning, the storage operator shall give notice to the~~
3 ~~department, setting forth in the notice the manner in which~~
4 ~~it is planned to recondition the well and any pertinent data~~
5 ~~known to the storage operator which will indicate the~~
6 ~~condition of the well existing at that time. In addition, the~~
7 ~~storage operator shall give the department at least 72 hours'~~
8 ~~notice of the time when reconditioning is to begin. If no~~
9 ~~objections are raised by the department within ten days, the~~
10 ~~storage operator may proceed with reconditioning in~~
11 ~~accordance with the plan as submitted. If objections are made~~
12 ~~by the department, the department may fix a time and place~~
13 ~~for a conference under section 3251 (relating to conferences)~~
14 ~~at which the storage operator and department shall endeavor~~
15 ~~to agree on a plan to satisfy the objections and meet the~~
16 ~~requirements of this section. If no agreement is reached, the~~
17 ~~department may, by an appropriate order, determine whether~~
18 ~~the plan as submitted meets the requirements of this section~~
19 ~~or what changes, if any, are required. If, in reconditioning~~
20 ~~a well in accordance with the plan, physical conditions are~~
21 ~~encountered which justify or necessitate a change in the~~
22 ~~plan, the storage operator may request that the plan be~~
23 ~~changed. If the request is denied, the department shall fix a~~
24 ~~conference under section 3251 and proceed in the same manner~~
25 ~~as with original objections. An application may be made in~~
26 ~~the manner prescribed by section 3221 for approval of an~~
27 ~~alternative method of reconditioning a well. If a well~~
28 ~~located within the storage reservoir was reconditioned, or~~
29 ~~drilled and equipped, prior to April 18, 1985, the~~
30 ~~obligations imposed by subsection (a), as to reconditioning~~

1 ~~the well, shall be considered fully satisfied if, on the~~
2 ~~basis of the data, information and other evidence submitted~~
3 ~~to the department, it is determined that:~~

4 ~~(i) The conditioning or previous drilling and~~
5 ~~equipping was done in the manner required in this~~
6 ~~subsection, in regulations promulgated under this chapter~~
7 ~~or in a manner approved as an alternative method in~~
8 ~~accordance with section 3221.~~

9 ~~(ii) The reconditioning or previous drilling and~~
10 ~~equipping is still sufficiently effective to meet the~~
11 ~~requirements of this chapter.~~

12 ~~(2) If a well requires emergency repairs, this chapter~~
13 ~~shall not be construed to require the storage operator to~~
14 ~~give any notice required by this subsection before making the~~
15 ~~repairs.~~

16 ~~(d) Exception. The requirements of subsection (a) shall not~~
17 ~~apply to injection of gas into a stratum when the sole purpose~~
18 ~~of injection, referred to in this subsection as testing, is to~~
19 ~~determine whether the stratum is suitable for storage purposes.~~
20 ~~Testing shall be conducted only in compliance with the following~~
21 ~~requirements:~~

22 ~~(1) The person testing or proposing to test shall comply~~
23 ~~with section 3231 (relating to reporting requirements for gas~~
24 ~~storage operations) and verify the statement required to be~~
25 ~~filed by that section.~~

26 ~~(2) The storage operator shall give at least six months'~~
27 ~~written notice to the department of the fact that injection~~
28 ~~of gas for testing purposes is proposed.~~

29 ~~(3) If the department has objections, the department~~
30 ~~shall fix a time and place for a conference under section~~

~~3251, not more than ten days from the date of notice to the storage operator, at which time the storage operator and department shall attempt to resolve the issues presented. If an agreement cannot be reached, the department may issue an appropriate order.~~

~~(c) Failure to execute lawful order. In a proceeding under this chapter, if the department determines that an operator of a storage reservoir has failed to carry out a lawful order issued under this chapter, the department may require the operator to suspend operation of the reservoir and withdraw the gas until the violation is remedied, in which case the storage operator, limited by due diligence insofar as existing facilities utilized to remove gas from the reservoir will permit, shall:~~

~~(1) if possible, remove the amount required by the department to be removed; or~~

~~(2) in any event, remove the maximum amount which can be withdrawn in accordance with recognized engineering and operating procedures.~~

~~(f) Duty of storage reservoir operator. The following shall apply:~~

~~(1) A person owning or operating a storage reservoir subject to this chapter shall have a duty to:~~

~~(i) Maintain all wells drilled into or through the reservoir in a condition, and operate them in a manner, sufficient to prevent the escape of gas.~~

~~(ii) Operate and maintain the reservoir and its facilities as prescribed by departmental regulations and at a pressure which will prevent gas from escaping, but the pressure shall not exceed the highest rock pressure found to have existed during the production history of~~

~~the reservoir or another high pressure limit approved by the department after holding a conference under section 3251 based on geological and production knowledge of the reservoir, its character, permeability distribution and operating experience.~~

~~(2) The duty under paragraph (1) shall not be construed to include inability to prevent the escape of gas when gas escapes as a result of an act of God or a person not under the control of the storage operator. In that instance, the storage operator shall have a duty to take action reasonably necessary to prevent further escape of gas. This paragraph does not apply to a well which the storage operator failed to locate and make known to the department.~~

~~§ 3234. Gas storage reservoir operations in coal areas.~~

~~(a) General rule. A person operating a storage reservoir which underlies or is within 2,000 linear feet of a coal mine operating in a coal seam that extends over the storage reservoir or the reservoir protective area shall:~~

~~(1) Use every known reasonable method for discovering and locating all wells which have or may have been drilled into or through the storage stratum in the acreage lying within the outside coal boundaries of the operating coal mine overlying the storage reservoir or the reservoir protective area.~~

~~(2) Plug or recondition, as provided by section 3220 (relating to plugging requirements) and subsection (e), all known wells, except to the extent provided in subsections (e), (f), (g) and (h), drilled into or through the storage stratum and located within the portion of the acreage of the operating coal mine overlying the storage reservoir or the~~

1 ~~reservoir protective area. If an objection is raised as to~~
2 ~~use of a well as a storage well and after a conference under~~
3 ~~section 3251 (relating to conferences), it is determined by~~
4 ~~the department, taking into account all circumstances and~~
5 ~~conditions, that the well should not be used as a storage~~
6 ~~well, the well shall be plugged unless, in the opinion of the~~
7 ~~storage operator, the well may be used as a storage well in~~
8 ~~the future, in which case, upon approval of the department~~
9 ~~after taking into account all circumstances and conditions,~~
10 ~~the storage operator may recondition and inactivate the well~~
11 ~~rather than plug it.~~

12 ~~(3) The requirements of paragraph (2) shall be deemed to~~
13 ~~have been fully complied with if, as the operating coal mine~~
14 ~~is extended, all wells which from time to time come within~~
15 ~~the acreage described in paragraph (2) are reconditioned or~~
16 ~~plugged as provided in section 3220 and subsection (e) or (f)~~
17 ~~so that, by the time the coal mine has reached a point within~~
18 ~~2,000 linear feet of the wells, they will have been~~
19 ~~reconditioned or plugged in accordance with section 3220 and~~
20 ~~subsection (e) or (f).~~

21 ~~(b) Verified statement. A person operating a storage~~
22 ~~reservoir referred to in subsection (a) shall file with the~~
23 ~~department and furnish a copy to the person operating the~~
24 ~~affected operating coal mine a verified statement setting forth:~~

25 ~~(1) That the map and any supplemental maps required by~~
26 ~~section 3231(a) (relating to reporting requirements for gas~~
27 ~~storage operations) have been prepared and filed in~~
28 ~~accordance with section 3231.~~

29 ~~(2) A detailed explanation of what the storage operator~~
30 ~~has done to comply with the requirements of subsection (a)(1)~~

1 ~~and (2) and the results of those actions.~~

2 ~~(3) Such additional efforts, if any, as the storage~~
3 ~~operator is making and intends to make to locate all wells.~~

4 ~~(4) Any additional wells that are to be plugged or~~
5 ~~reconditioned to meet the requirements of subsection (a) (2).~~

6 ~~(b.1) Order of department. If the statement required under~~
7 ~~subsection (b) is not filed by the storage reservoir operator~~
8 ~~within the time specified by this chapter or the regulations of~~
9 ~~the department, the department may order the operator to file~~
10 ~~the statement.~~

11 ~~(c) Procedure. Within 120 days after receipt of a statement~~
12 ~~required by this section, the department may direct that a~~
13 ~~conference be held in accordance with section 3251 to determine~~
14 ~~whether the requirements of section 3231 and subsection (a) have~~
15 ~~been fully met. At the conference, if any person believes the~~
16 ~~requirements have not been fully met, the parties shall attempt~~
17 ~~to agree on additional actions to be taken and the time for~~
18 ~~completion, subject to approval of the department. If an~~
19 ~~agreement cannot be reached, the department shall make a~~
20 ~~determination and, if the department determines any requirements~~
21 ~~have not been met, the department shall issue an order~~
22 ~~specifying in detail the extent to which the requirements have~~
23 ~~not been met and the actions which the storage operator must~~
24 ~~complete to meet the requirements. The order shall grant as much~~
25 ~~time as is reasonably necessary to fully comply. If the storage~~
26 ~~operator encounters conditions not known to exist at the time of~~
27 ~~issuance of the order and which materially affect the validity~~
28 ~~of the order or the ability of the storage operator to comply~~
29 ~~with it, the storage operator may apply for a rehearing or~~
30 ~~modification of the order.~~

1 ~~(d) Notification. If, in complying with subsection (a), a~~
2 ~~storage operator, after filing the statement provided for in~~
3 ~~subsection (b), plugs or reconditions a well, the storage~~
4 ~~operator shall notify the department and the coal operator~~
5 ~~affected, in writing, setting forth facts indicating the manner~~
6 ~~in which the plugging or reconditioning was done. Upon receipt~~
7 ~~of the notification, the coal operator or department may request~~
8 ~~a conference under section 3251.~~

9 ~~(e) Plugging wells. In order to meet the requirements of~~
10 ~~subsection (a), wells which are to be plugged shall be plugged~~
11 ~~in the manner specified in regulations promulgated under section~~
12 ~~3211 (relating to well permits). When a well located within the~~
13 ~~storage reservoir or the reservoir protective area has been~~
14 ~~plugged prior to April 18, 1985, and, on the basis of the data~~
15 ~~information and other evidence submitted to the department, it~~
16 ~~is determined that the plugging was done in the manner required~~
17 ~~by section 3220, or in a manner approved as an alternative~~
18 ~~method in accordance with section 3221 (relating to alternative~~
19 ~~methods), and the plugging is still sufficiently effective to~~
20 ~~meet the requirements of this chapter, the requirements of~~
21 ~~subsection (a) as to plugging the well shall be considered to~~
22 ~~have been fully satisfied.~~

23 ~~(f) Reconditioned wells. The following shall apply:~~

24 ~~(1) In order to comply with subsection (a), unless the~~
25 ~~department by regulation specifies a different procedure,~~
26 ~~wells which are to be reconditioned shall be cleaned out from~~
27 ~~the surface through the storage horizon, and the following~~
28 ~~casing strings shall be pulled and replaced with new casing,~~
29 ~~using the procedure applicable to drilling a new well under~~
30 ~~this chapter:~~

1 ~~(i) the producing casing;~~

2 ~~(ii) the largest diameter casing passing through the~~
3 ~~lowest workable coal seam unless it extends at least 25-~~
4 ~~feet below the bottom of the coal seam and is determined~~
5 ~~to be in good physical condition, but the storage~~
6 ~~operator may, instead of replacing the largest diameter~~
7 ~~casing, replace the next largest casing string if the~~
8 ~~casing string extends at least 25 feet below the lowest~~
9 ~~workable coal seam; and~~

10 ~~(iii) casing strings determined not to be in good~~
11 ~~physical condition.~~

12 ~~(2) In the case of a well to be used for gas storage,~~
13 ~~the annular space between each string of casing and the~~
14 ~~annular space behind the largest diameter casing, to the~~
15 ~~extent possible, shall be filled to the surface with cement~~
16 ~~or bentonitic mud or an equally nonporous material approved~~
17 ~~by the department under section 3221.~~

18 ~~(3) At least 15 days before a well is to be~~
19 ~~reconditioned, the storage operator shall give notice to the~~
20 ~~department and the coal operator, lessee or owner, setting~~
21 ~~forth the manner in which reconditioning is planned and~~
22 ~~pertinent data known to the storage operator which will~~
23 ~~indicate the current condition of the well, along with at~~
24 ~~least 72 hours' notice of the date and time when~~
25 ~~reconditioning will begin. The coal operator, lessee or owner~~
26 ~~shall have the right to file, within ten days after receipt~~
27 ~~of the notice, objections to the plan of reconditioning as~~
28 ~~submitted by the storage operator. If no objections are filed~~
29 ~~and none are raised by the department within ten days, the~~
30 ~~storage operator may proceed with reconditioning in~~

1 ~~accordance with the plan as submitted. If an objection is~~
2 ~~filed or made by the department, the department shall fix a~~
3 ~~time and place for a conference under section 3251, at which~~
4 ~~conference the storage operator and the person having~~
5 ~~objections shall attempt to agree on a plan of reconditioning~~
6 ~~that meets the requirements of this section. If no agreement~~
7 ~~is reached, the department shall, by an appropriate order,~~
8 ~~determine whether the plan as submitted meets the~~
9 ~~requirements of this section or what changes should be made~~
10 ~~to meet the requirements. If, in reconditioning the well in~~
11 ~~accordance with the plan, physical conditions are encountered~~
12 ~~which justify or necessitate a change in the plan, the~~
13 ~~storage operator or coal operator may request that the plan~~
14 ~~be changed. If the parties cannot agree on a change, the~~
15 ~~department shall arrange for a conference to determine the~~
16 ~~matter in the same manner as set forth in connection with~~
17 ~~original objections to the plan.~~

18 ~~(4) Application may be made to the department in the~~
19 ~~manner prescribed in section 3221 for approval of an~~
20 ~~alternative method of reconditioning a well. When a well~~
21 ~~located within the storage reservoir or the reservoir~~
22 ~~protective area has been reconditioned or drilled and~~
23 ~~equipped prior to April 18, 1985, and, on the basis of the~~
24 ~~data, information and other evidence submitted to the~~
25 ~~department, the obligations imposed by subsection (a) as to~~
26 ~~reconditioning the well shall be considered to be fully~~
27 ~~satisfied if it is determined that reconditioning or previous~~
28 ~~drilling and equipping:~~

29 ~~(i) was done in the manner required in this~~
30 ~~subsection, or in regulations promulgated hereunder, or~~

1 ~~in a manner approved as an alternative method in~~
2 ~~accordance with section 3221; or~~

3 ~~(ii) is still sufficiently effective to meet the~~
4 ~~requirements of this chapter.~~

5 ~~(5) If a well requires emergency repairs, this~~
6 ~~subsection shall not be construed to require the storage~~
7 ~~operator to give the notices specified herein before making~~
8 ~~the repairs.~~

9 ~~(g) Producing wells. If a well located within the reservoir~~
10 ~~protective area is a producing well in a stratum below the~~
11 ~~storage stratum, the obligations imposed by subsection (a) shall~~
12 ~~not begin until the well ceases to be a producing well.~~

13 ~~(h) Certain other wells. If a well within a storage~~
14 ~~reservoir or reservoir protective area penetrates the storage~~
15 ~~stratum but does not penetrate the coal seam being mined by an~~
16 ~~operating coal mine, the department may, upon application of the~~
17 ~~operator of the storage reservoir, exempt the well from the~~
18 ~~requirements of this section. Either party affected may request~~
19 ~~a conference under section 3251 with respect to exemption of a~~
20 ~~well covered by this subsection.~~

21 ~~(i) Plugging limitation. In fulfilling the requirements of~~
22 ~~subsection (a) (2) with respect to a well within the reservoir~~
23 ~~protective area, the storage operator shall not be required to~~
24 ~~plug or recondition the well until the storage operator has~~
25 ~~received from the coal operator written notice that the mine~~
26 ~~workings will, within the period stated in the notice, be within~~
27 ~~2,000 linear feet of the well. Upon the receipt of the notice,~~
28 ~~the storage operator shall use due diligence to complete the~~
29 ~~plugging or reconditioning of the well in accordance with the~~
30 ~~requirements of this section and section 3220. If the mine~~

~~1 workings do not, within a period of three years after the well
2 has been plugged, come within 2,000 linear feet of the well, the
3 coal operator shall reimburse the storage operator for the cost
4 of plugging, provided that the well is still within the
5 reservoir protective area as of that time.~~

~~6 (j) Retreat mining. If retreat mining approaches a point
7 where, within 90 days, it is expected that the retreat work will
8 be at the location of the pillar surrounding an active storage
9 well, the coal operator shall give written notice to the storage
10 operator, and by agreement, the parties shall determine whether
11 it is necessary or advisable to effectively and temporarily
12 inactivate the well. The well shall not be reactivated until a
13 reasonable period, determined by the parties, has elapsed. If
14 the parties cannot agree as required by this subsection, the
15 matter shall be submitted to the department for resolution. The
16 number of wells required to be temporarily inactivated during
17 the retreat period shall not be of a number that materially
18 affects efficient operation of the storage pool, except that
19 this provision shall not preclude temporary inactivation of a
20 particular well if the practical effect of inactivating it is to
21 render the pool temporarily inoperative.~~

~~22 (k) Exceptions. The requirements of subsections (a), (l)
23 and (m) shall not apply to injection of gas into a stratum when
24 the whole purpose of injection, referred to in this subsection
25 as testing, is to determine whether the stratum is suitable for
26 storage purposes. Testing shall be conducted only in compliance
27 with the following requirements:~~

~~28 (1) The person testing or proposing to test shall comply
29 with all provisions and requirements of section 3231 and
30 verify the statement required to be filed by that section.~~

1 ~~(2) If any part of the proposed storage reservoir is~~
2 ~~under or within 2,000 linear feet of an operating coal mine~~
3 ~~which is operating in a coal seam that extends over the~~
4 ~~proposed storage reservoir or the reservoir protective area,~~
5 ~~the storage operator shall give at least six months' written~~
6 ~~notice to the department and coal operator of the fact that~~
7 ~~injection of gas for testing purposes is proposed.~~

8 ~~(3) The coal operator affected may at any time file~~
9 ~~objections with the department, whereupon the department~~
10 ~~shall fix a time and place for a conference under section~~
11 ~~3251, not more than ten days from the date of the notice to~~
12 ~~the storage operator. At the conference, the storage operator~~
13 ~~and the objecting party shall attempt to agree, subject to~~
14 ~~approval of the department, on the questions involved. If an~~
15 ~~agreement cannot be reached, the department may issue an~~
16 ~~appropriate order.~~

17 ~~(4) If at any time a proposed storage reservoir being~~
18 ~~tested comes under or within 2,000 linear feet of an~~
19 ~~operating coal mine because of extension of the storage~~
20 ~~reservoir being tested or because of extension or~~
21 ~~establishment or reestablishment of the operating coal mine,~~
22 ~~the requirements of this subsection shall immediately become~~
23 ~~applicable to the testing.~~

24 ~~(1) Storage reservoirs near operating coal mines. A person~~
25 ~~who proposes to establish a storage reservoir under or within~~
26 ~~2,000 linear feet of a coal mine operating in a coal seam that~~
27 ~~extends over the storage reservoir or the reservoir protective~~
28 ~~area shall, prior to establishing the reservoir, and in addition~~
29 ~~to complying with section 3231 and subsection (a), file the~~
30 ~~verified statement required by subsection (b) and fully comply~~

1 ~~with any order of the department in the manner provided under~~
2 ~~subsection (b) or (c) before commencing operation of the storage~~
3 ~~reservoir. After the person proposing to operate the storage~~
4 ~~reservoir complies with the requirements of this subsection and~~
5 ~~commences operations, the person shall continue to be subject to~~
6 ~~all provisions of this chapter.~~

7 ~~(m) Gas storage reservoirs. If a gas storage reservoir is~~
8 ~~in operation on April 18, 1985, and at any time thereafter it is~~
9 ~~under or within 2,000 linear feet of an operating coal mine, or~~
10 ~~if a gas storage reservoir is put in operation after April 18,~~
11 ~~1985, and at any time after storage operations begin it is under~~
12 ~~or within 2,000 linear feet of an operating coal mine, the~~
13 ~~storage operator shall comply with all of the provisions of this~~
14 ~~section, except that:~~

15 ~~(1) the time for filing the verified statement under~~
16 ~~subsection (b) shall be 60 days after the date stated in the~~
17 ~~notice filed by the coal operator under section 3232(d) and~~
18 ~~(e) (relating to reporting requirements for coal mining~~
19 ~~operations);~~

20 ~~(2) the coal operator shall give notice of the delay to~~
21 ~~the department;~~

22 ~~(3) the department shall, upon the request of the~~
23 ~~storage operator, extend the time for filing the statement by~~
24 ~~the additional time which will be required to extend or~~
25 ~~establish or reestablish the operating coal mine to a point~~
26 ~~within 2,000 linear feet of the reservoir;~~

27 ~~(4) the verified statement shall also indicate that the~~
28 ~~map referred to in section 3231(a) has been currently amended~~
29 ~~as of the time of the filing of the statement; and~~

30 ~~(5) the person operating the storage reservoir shall~~

1 ~~continue to be subject to all of the provisions of this~~
2 ~~chapter.~~

3 ~~(n) Failure to comply with order. If, in any proceeding~~
4 ~~under this chapter, the department determines that an operator~~
5 ~~of a storage reservoir has failed to comply with a lawful order~~
6 ~~issued under this chapter, the department may require the~~
7 ~~storage operator to suspend operation of the reservoir and~~
8 ~~withdraw the gas from it until the violation is remedied, in~~
9 ~~which case the storage operator, limited by due diligence~~
10 ~~insofar as existing facilities utilized to remove gas from the~~
11 ~~reservoir will permit, shall:~~

12 ~~(1) if possible, remove the amount required by the~~
13 ~~department to be removed; or~~

14 ~~(2) in any event, remove the maximum amount which can be~~
15 ~~withdrawn in accordance with recognized engineering and~~
16 ~~operating procedures.~~

17 ~~(o) Prevention of escape of gas. In addition to initial~~
18 ~~compliance with other provisions of this chapter and lawful~~
19 ~~orders issued under this chapter, it shall be the duty, at all~~
20 ~~times, of a person owning or operating a storage reservoir~~
21 ~~subject to this chapter to keep all wells drilled into or~~
22 ~~through the storage stratum in a condition, and operate the~~
23 ~~wells in a manner, which is designed to prevent the escape of~~
24 ~~gas out of the storage reservoir and its facilities, and to~~
25 ~~operate and maintain the storage reservoir and its facilities in~~
26 ~~the manner prescribed by regulation of the department and at a~~
27 ~~pressure that will prevent gas from escaping from the reservoir~~
28 ~~or its facilities. This duty shall not be construed to include~~
29 ~~inability to prevent the escape of gas when escape results from~~
30 ~~an act of God or a person not under the control of the storage~~

1 ~~operator, except that this exception does not apply to a well~~
2 ~~which the storage operator has failed to locate and make known~~
3 ~~to the department. If an escape of gas results from an act of~~
4 ~~God or a person not under the control of the storage operator,~~
5 ~~the storage operator shall be under the duty to take any action~~
6 ~~reasonably necessary to prevent further escape of gas out of the~~
7 ~~storage reservoir and its facilities.~~

8 ~~§ 3235. Inspection of facilities and records.~~

9 ~~(a) General rule. The person operating a storage reservoir~~
10 ~~affected by this chapter shall, at all reasonable times, be~~
11 ~~permitted to inspect applicable records and facilities of a coal~~
12 ~~mine overlying the storage reservoir or reservoir protective~~
13 ~~area. The person operating a coal mine affected by this chapter~~
14 ~~shall, at all reasonable times, be permitted to inspect~~
15 ~~applicable records and facilities of a storage reservoir~~
16 ~~underlying the coal mine.~~

17 ~~(b) Order. If a storage operator or coal operator subject~~
18 ~~to subsection (a) refuses to permit inspection of records or~~
19 ~~facilities, the department may, on its own motion or on~~
20 ~~application of the party seeking inspection, after reasonable~~
21 ~~written notice and a hearing if requested by an affected party,~~
22 ~~order inspection.~~

23 ~~§ 3236. Reliance on maps and burden of proof.~~

24 ~~(a) General rule. In determining whether a coal mine or~~
25 ~~operating coal mine is or will be within a particular distance~~
26 ~~from a storage reservoir which is material under this chapter,~~
27 ~~the owner or operator of the coal mine and the storage operator~~
28 ~~may rely on the most recent map of the storage reservoir or coal~~
29 ~~mine filed by the other party with the department.~~

30 ~~(b) Accuracy. Where accuracy of a map or data filed under~~

1 ~~this chapter is in issue, the person that filed the map or data~~
2 ~~shall:~~

3 ~~(1) at the request of an objecting party, disclose the~~
4 ~~information and method used to compile the map or data, along~~
5 ~~with any information available to the person that might~~
6 ~~affect current validity of the map or data; and~~

7 ~~(2) have the burden of proving accuracy of the map or~~
8 ~~data.~~

9 ~~§ 3237. Exemptions and prohibitions.~~

10 ~~(a) Inapplicability of chapter to certain coal mines. This~~
11 ~~chapter shall not apply to the following types of coal mines:~~

12 ~~(1) Strip mines and auger mines operating from the~~
13 ~~surface.~~

14 ~~(2) Mines to which the former act of June 9, 1911~~
15 ~~(P.L.756, No.319), entitled "An act to provide for the health~~
16 ~~and safety of persons employed in and about the bituminous~~
17 ~~coal mines of Pennsylvania, and for the protection and~~
18 ~~preservation of property connected therewith," did not apply~~
19 ~~in accordance with section 3 of that act.~~

20 ~~(3) Mines to which the former act of June 2, 1891~~
21 ~~(P.L.176, No.177), entitled "An act to provide for the health~~
22 ~~and safety of persons employed in and about the anthracite~~
23 ~~coal mines of Pennsylvania and for the protection and~~
24 ~~preservation of property connected therewith," did not apply~~
25 ~~in accordance with section 32 of that act.~~

26 ~~(b) Workable coal seams. Injection of gas for storage~~
27 ~~purposes in a workable coal seam, whether or not it is being or~~
28 ~~has been mined, is prohibited.~~

29 ~~(b.1) Original extraction. Nothing in this chapter~~
30 ~~prohibits original extraction of natural gas, crude oil or coal.~~

~~(c) Certain rock formations. Nothing in this chapter applies to storage of gas or liquids in storage reservoirs excavated in rock formations specifically for storage purposes.~~

~~SUBCHAPTER D~~

~~EMINENT DOMAIN~~

~~Sec.~~

~~3241. Appropriation of interest in real property.~~

~~§ 3241. Appropriation of interest in real property.~~

~~(a) General rule. Except as provided in this subsection, a corporation empowered to transport, sell or store natural gas or manufactured gas in this Commonwealth may appropriate an interest in real property located in a storage reservoir or reservoir protective area for injection, storage and removal from storage of natural gas or manufactured gas in a stratum which is or previously has been commercially productive of natural gas. The right granted by this subsection shall not be exercised to acquire any of the following for the purpose of gas storage:~~

~~(1) An interest in a geological stratum within the area of a proposed storage reservoir or reservoir protective area:~~

~~(i) unless the original recoverable oil or gas reserves in the proposed storage reservoir have been depleted or exhausted by at least 80%; and~~

~~(ii) until the condemnor has acquired the right, by grant, lease or other agreement, to store gas in the geological stratum underlying at least 75% of the area of the proposed storage reservoir.~~

~~(2) An interest in a geological stratum within the area of a proposed storage reservoir or reservoir protective area owned directly or indirectly by a gas company or other person~~

~~1 engaged in local distribution of natural gas, if the interest~~
~~2 to be acquired is presently being used by the gas company or~~
~~3 other person for storage of gas in performance of service to~~
~~4 customers in its service area.~~

~~5 (b) Construction. The following shall apply:~~

~~6 (1) This chapter authorizes appropriation within a~~
~~7 storage reservoir or reservoir protective area of the~~
~~8 following:~~

~~9 (i) a stratum to be used for storage;~~

~~10 (ii) any gas reserve remaining a stratum to be used~~
~~11 for storage;~~

~~12 (iii) an active or abandoned well or wells drilled~~
~~13 into a stratum to be used for storage; and~~

~~14 (iv) the right to enter upon and use the surface of~~
~~15 lands to:~~

~~16 (A) locate, recondition, maintain, plug or~~
~~17 replug an active or abandoned well; or~~

~~18 (B) operate a well drilled into or through a~~
~~19 stratum to be used for storage.~~

~~20 (2) This chapter does not preclude the owner of~~
~~21 nonstorage strata from drilling wells to produce oil or gas~~
~~22 from a stratum above or below the storage stratum~~
~~23 appropriated by another person, but a person appropriating or~~
~~24 holding storage rights may access, inspect and examine the~~
~~25 drilling, the completed well, drilling logs and other records~~
~~26 relating to drilling, equipping or operating the well in~~
~~27 order to determine whether the storage stratum is being~~
~~28 adequately protected to prevent escape of gas stored therein.~~

~~29 (3) This chapter does not authorize appropriation of a~~
~~30 coal or coal measure, regardless of whether it is being~~

1 ~~mined, or an interest in the coal mine or coal measure.~~

2 ~~(c) Activities through appropriated strata. A person~~
3 ~~drilling, operating, using or plugging a well through a stratum~~
4 ~~appropriated under this chapter shall drill, case, equip,~~
5 ~~operate or plug it in a manner designed to prevent avoidable~~
6 ~~escape of gas that may be stored in the storage stratum. Upon~~
7 ~~violation of this subsection, the court of common pleas of the~~
8 ~~county where the land in question is situated may compel~~
9 ~~compliance by injunction or grant other appropriate relief in an~~
10 ~~action brought by the person storing gas in the storage stratum.~~

11 ~~(d) Prerequisites to appropriation. Before appropriating~~
12 ~~under this chapter, a person shall attempt to agree with owners~~
13 ~~of interests in the real property involved as to damages payable~~
14 ~~for rights and interests to be appropriated, if the owners can~~
15 ~~be found and are sui juris. If the parties fail to agree, the~~
16 ~~person shall tender a surety bond to the owners to secure them~~
17 ~~in the payment of damages. If the owners refuse to accept the~~
18 ~~bond, cannot be found or are not sui juris, and after reasonable~~
19 ~~notice to the owners by advertisement or otherwise, the bond~~
20 ~~shall be presented for approval to the court of common pleas of~~
21 ~~the county in which the tract of land is situated. Upon the~~
22 ~~approval of the bond by the court, the right of the person to~~
23 ~~appropriate in accordance with the provisions of this chapter~~
24 ~~shall be complete.~~

25 ~~(e) Appointment of viewers. Upon petition of a property~~
26 ~~owner or a person appropriating under this chapter, the court~~
27 ~~shall:~~

28 ~~(1) appoint three disinterested freeholders of the~~
29 ~~county to serve as viewers to assess damages to be paid to~~
30 ~~the property owner for the rights appropriated;~~

1 ~~(2) fix a time for the parties to meet;~~
2 ~~(3) provide notice to the parties; and~~
3 ~~(4) after the viewers have filed their report, fix~~
4 ~~reasonable compensation for the service of the viewers.~~

5 ~~(f) Appeal. Within 20 days after the filing of a report by~~
6 ~~viewers appointed under subsection (e), a party may appeal and~~
7 ~~proceed to a jury trial as in ordinary cases.~~

8 ~~(g) Requirements. Nothing in this section shall relieve a~~
9 ~~person operating a storage reservoir from the requirements of~~
10 ~~this chapter.~~

11 SUBCHAPTER E

12 ENFORCEMENT AND REMEDIES

13 Sec.

14 3251. Conferences.

15 3252. Public nuisances.

16 3253. Enforcement orders.

17 3254. Restraining violations.

18 3254.1. Well control emergency response cost recovery.

19 3255. Penalties.

20 3256. Civil penalties.

21 3257. Existing rights and remedies preserved and cumulative
22 remedies authorized.

23 3258. Inspection and production of materials, witnesses,
24 depositions and rights of entry.

25 3259. Unlawful conduct.

26 3260. Collection of fines and penalties.

27 3261. Third party liability.

28 3262. Inspection reports.

29 § 3251. Conferences.

30 ~~(a) General rule. The department or any person having a~~

1 ~~direct interest in a matter subject to this chapter may, at any~~
2 ~~time, request that a conference be held to discuss and attempt~~
3 ~~to resolve by mutual agreement a matter arising under this~~
4 ~~chapter. Unless otherwise provided, conferences shall be held~~
5 ~~within 90 days after a request is received by the department,~~
6 ~~and notice shall be given by the department to all interested~~
7 ~~parties. A representative of the department shall attend the~~
8 ~~conference and the department may make recommendations. An~~
9 ~~agreement reached at a conference shall be consistent with this~~
10 ~~chapter and, if approved by the department, it shall be reduced~~
11 ~~to writing and shall be effective, unless reviewed and rejected~~
12 ~~by the department within ten days after the conference. The~~
13 ~~record of an agreement approved by the department shall be kept~~
14 ~~on file by the department and copies shall be furnished to the~~
15 ~~parties. The scheduling of a conference shall have no effect on~~
16 ~~the department's authority to issue orders to compel compliance~~
17 ~~with this chapter.~~

18 ~~(b) Notification. When a coal operator is to be notified of~~
19 ~~a proceeding under this section, the department simultaneously~~
20 ~~shall send a copy of the notice to the collective bargaining~~
21 ~~representative of employees of the coal operator.~~

22 ~~§ 3252. Public nuisances.~~

23 ~~A violation of section 3215.1 (relating to general~~
24 ~~restrictions), 3216 (relating to well site restoration), 3217~~
25 ~~(relating to protection of fresh groundwater and casing~~
26 ~~requirements), 3218 (relating to protection of water supplies),~~
27 ~~3219 (relating to use of safety devices) or 3220 (relating to~~
28 ~~plugging requirements), or a rule, regulation, order, term or~~
29 ~~condition of a permit relating to any of those sections~~
30 ~~constitutes a public nuisance.~~

1 ~~§ 3253. Enforcement orders.~~

2 ~~(a) General rule. Except as modified by subsections (b),~~
3 ~~(c) and (d), the department may issue orders necessary to aid in~~
4 ~~enforcement of this chapter. An order issued under this chapter~~
5 ~~shall take effect upon notice, unless the order specifies~~
6 ~~otherwise. The power of the department to issue an order under~~
7 ~~this chapter is in addition to any other remedy available to the~~
8 ~~department under this chapter or under any other law.~~

9 ~~(b) Suspension and revocation. The department may suspend~~
10 ~~or revoke a well permit or well registration for any well in~~
11 ~~continuing violation of this chapter, the act of June 22, 1937~~
12 ~~(P.L.1987, No.394), known as The Clean Streams Law; the act of~~
13 ~~July 7, 1980 (P.L.380, No.97), known as the Solid Waste~~
14 ~~Management Act; any other statute administered by the~~
15 ~~department; or a rule or regulation. A suspension order of the~~
16 ~~department shall automatically terminate if the violation upon~~
17 ~~which it is based is corrected by the operator to the~~
18 ~~satisfaction of the department in order to bring the well into~~
19 ~~compliance with this chapter.~~

20 ~~(c) Written notice. Prior to suspension or revocation of a~~
21 ~~well permit or registration, the department shall serve written~~
22 ~~notice on the well operator or its agent, stating specifically~~
23 ~~the statutory provision, rule, regulation or other reason relied~~
24 ~~upon, along with factual circumstances surrounding the alleged~~
25 ~~violation.~~

26 ~~(d) Immediate orders. An order of the department requiring~~
27 ~~immediate cessation of drilling operations shall be effective~~
28 ~~only if authorized by the secretary or a designee.~~

29 ~~(e) Grievances. A person aggrieved by a department order~~
30 ~~issued under this section shall have the right, within 30 days~~

1 ~~of receipt of the notice, to appeal to the Environmental Hearing~~
2 ~~Board.~~

3 ~~§ 3254. Restraining violations.~~

4 ~~(a) General rule. In addition to any other remedy provided~~
5 ~~in this chapter, the department may institute a suit in equity~~
6 ~~in the name of the Commonwealth for an injunction to restrain a~~
7 ~~violation of this chapter or rules, regulations, standards or~~
8 ~~orders adopted or issued under this chapter and to restrain the~~
9 ~~maintenance or threat of a public nuisance. Upon motion of the~~
10 ~~Commonwealth, the court shall issue a prohibitory or mandatory~~
11 ~~preliminary injunction if it finds that the defendant is~~
12 ~~engaging in unlawful conduct, as defined by this chapter, or~~
13 ~~conduct causing immediate and irreparable harm to the public.~~
14 ~~The Commonwealth shall not be required to furnish bond or other~~
15 ~~security in connection with the proceeding. In addition to an~~
16 ~~injunction, the court in equity may level civil penalties as~~
17 ~~specified in section 3256 (relating to civil penalties).~~

18 ~~(b) District attorney. In addition to other remedies in~~
19 ~~this chapter, upon relation of the district attorney of a county~~
20 ~~affected, or upon relation of the solicitor of a municipality~~
21 ~~affected, an action in equity may be brought in a court of~~
22 ~~competent jurisdiction for an injunction to restrain a violation~~
23 ~~of this chapter or rules and regulations promulgated under this~~
24 ~~chapter or to restrain a public nuisance or detriment to health.~~

25 ~~(c) Concurrent penalties. Penalties and remedies under this~~
26 ~~chapter shall be deemed concurrent. Existence or exercise of one~~
27 ~~remedy shall not prevent the department from exercising another~~
28 ~~remedy at law or in equity.~~

29 ~~(d) Jurisdiction. Actions under this section may be filed~~
30 ~~in the appropriate court of common pleas or in Commonwealth~~

1 ~~Court, and those courts are hereby granted jurisdiction to hear~~
2 ~~actions under this section.~~

3 ~~§ 3254.1. Well control emergency response cost recovery.~~

4 ~~A person liable for a well control emergency is responsible~~
5 ~~for all response costs incurred by the department to respond to~~
6 ~~the well control emergency. In an action before a court of~~
7 ~~competent jurisdiction, the department may recover all its~~
8 ~~response costs, including the cost of regaining control of the~~
9 ~~well, controlling the perimeter of the well site, preparing~~
10 ~~water sprays, establishing trenches or dikes to capture runoff~~
11 ~~fluids and providing the resources and equipment needs for the~~
12 ~~incident.~~

13 ~~§ 3255. Penalties.~~

14 ~~(a) General violation. A person violating a provision of~~
15 ~~this chapter commits a summary offense and, upon conviction,~~
16 ~~shall be sentenced to pay a fine of not more than \$300 or to~~
17 ~~imprisonment of not more than 90 days, or both. Each day during~~
18 ~~which the violation continues is a separate and distinct~~
19 ~~offense.~~

20 ~~(b) Willful violation. A person willfully violating a~~
21 ~~provision of this chapter or an order of the department issued~~
22 ~~under this chapter commits a misdemeanor and, upon conviction,~~
23 ~~shall be sentenced to pay a fine of not more than \$5,000 or to~~
24 ~~imprisonment of not more than one year, or both. Each day during~~
25 ~~which the violation continues is a separate and distinct~~
26 ~~offense.~~

27 ~~(c) Authority. The department may institute a prosecution~~
28 ~~against any person or municipality for a violation of this~~
29 ~~chapter.~~

30 ~~§ 3256. Civil penalties.~~

1 ~~In addition to other remedies available at law or in equity~~
2 ~~for a violation of this chapter, a rule or regulation of the~~
3 ~~department or a departmental order, the department, after a~~
4 ~~hearing, may assess a civil penalty regardless of whether the~~
5 ~~violation was willful. The penalty shall not exceed \$50,000 plus~~
6 ~~\$2,000 for each day during which the violation continues. In~~
7 ~~determining the amount, the department shall consider~~
8 ~~willfulness of the violation, damage or injury to natural~~
9 ~~resources of this Commonwealth or their uses, endangerment of~~
10 ~~safety of others, the cost of remedying the harm, savings~~
11 ~~resulting to the violator as a result of the violation and any~~
12 ~~other relevant factor. When the department proposes to assess a~~
13 ~~civil penalty, it shall notify the person of the proposed amount~~
14 ~~of the penalty. The person charged with the penalty must, within~~
15 ~~30 days of notification, pay the proposed penalty in full or~~
16 ~~file an appeal of the assessment with the Environmental Hearing~~
17 ~~Board. Failure to comply with the time period under this section~~
18 ~~shall result in a waiver of all legal rights to contest the~~
19 ~~violation or the amount of the penalty. The civil penalty shall~~
20 ~~be payable to the Commonwealth and collectible in any manner~~
21 ~~provided at law for collection of debts. If a violator neglects~~
22 ~~or refuses to pay the penalty after demand, the amount, together~~
23 ~~with interest and costs that may accrue, shall become a lien in~~
24 ~~favor of the Commonwealth on the real and personal property of~~
25 ~~the violator, but only after the lien has been entered and~~
26 ~~docketed of record by the prothonotary of the county where the~~
27 ~~property is situated. The department may at any time transmit to~~
28 ~~the prothonotaries of the various counties certified copies of~~
29 ~~all liens. It shall be the duty of each prothonotary to enter~~
30 ~~and docket the liens of record in the prothonotary's office and~~

1 ~~index them as judgments are indexed, without requiring payment~~
2 ~~of costs as a condition precedent to entry.~~

3 ~~§ 3257. Existing rights and remedies preserved and cumulative~~
4 ~~remedies authorized.~~

5 ~~Nothing in this chapter estops the Commonwealth or a district~~
6 ~~attorney from proceeding in a court of law or in equity to abate~~
7 ~~pollution forbidden under this chapter or a nuisance under~~
8 ~~existing law. It is hereby declared to be the purpose of this~~
9 ~~chapter to provide additional and cumulative remedies to control~~
10 ~~activities related to drilling for, or production of, oil and~~
11 ~~gas in this Commonwealth, and nothing contained in this chapter~~
12 ~~abridges or alters rights of action or remedies existing, or~~
13 ~~which existed previously, in equity or under common or statutory~~
14 ~~law, criminal or civil. Neither this chapter, the grant of a~~
15 ~~permit under this chapter nor an act done by virtue of this~~
16 ~~chapter estops the Commonwealth, in exercising rights under~~
17 ~~common or decisional law or in equity, from suppressing a~~
18 ~~nuisance, abating pollution or enforcing common law or statutory~~
19 ~~rights. No court of this Commonwealth with jurisdiction to abate~~
20 ~~public or private nuisances shall be deprived of jurisdiction in~~
21 ~~an action to abate a private or public nuisance instituted by~~
22 ~~any person on grounds that the nuisance constitutes air or water~~
23 ~~pollution.~~

24 ~~§ 3258. Inspection and production of materials, witnesses,~~
25 ~~depositions and rights of entry.~~

26 ~~(a) General rule. The department may make inspections,~~
27 ~~conduct tests or sampling or examine books, papers and records~~
28 ~~pertinent to a matter under investigation under this chapter to~~
29 ~~determine compliance with this chapter. For this purpose, the~~
30 ~~duly authorized agents and employees of the department may at~~

1 ~~all reasonable times enter and examine any involved property,~~
2 ~~facility, operation or activity.~~

3 ~~(a.1) Preoperation inspections. The operator may not~~
4 ~~commence drilling activities until the department has conducted~~
5 ~~an inspection of the unconventional well site after the~~
6 ~~installation of erosion and sediment control measures. The~~
7 ~~department may conduct follow up inspections of well sites and~~
8 ~~related activities to determine compliance with the act.~~

9 ~~(b) Access. The owner, operator or other person in charge~~
10 ~~of a property, facility, operation or activity under this~~
11 ~~chapter, upon presentation of proper identification and purpose~~
12 ~~either for inspection or to remediate or otherwise respond to a~~
13 ~~well control emergency, by agents or employees of the~~
14 ~~department, shall provide free and unrestricted entry and~~
15 ~~access. Upon refusal, the agent or employee may obtain a search~~
16 ~~warrant or other suitable order authorizing entry and~~
17 ~~inspection, remediation or response. It shall be sufficient to~~
18 ~~justify issuance of a search warrant authorizing examination and~~
19 ~~inspection if:~~

20 ~~(1) there is probable cause to believe that the object~~
21 ~~of the investigation is subject to regulation under this~~
22 ~~chapter; and~~

23 ~~(2) access, examination or inspection is necessary to~~
24 ~~enforce the provisions of this chapter.~~

25 ~~(c) Witnesses. In any part of this Commonwealth, the~~
26 ~~department may subpoena witnesses, administer oaths, examine~~
27 ~~witnesses, take testimony and compel production of books,~~
28 ~~records, maps, plats, papers, documents and other writings~~
29 ~~pertinent to proceedings or investigations conducted by the~~
30 ~~department under this chapter. Upon refusal to obey a subpoena~~

1 ~~by any person and on application of the department, a court may~~
2 ~~enforce a subpoena in contempt proceedings. Fees for serving a~~
3 ~~subpoena shall be the same as those paid to sheriffs for similar~~
4 ~~services.~~

5 ~~(d) Deposition. The department or a party to a proceeding~~
6 ~~before the department may cause the deposition of a witness who~~
7 ~~resides in or outside of this Commonwealth to be taken in the~~
8 ~~manner prescribed by law for taking depositions in civil~~
9 ~~actions.~~

10 ~~(e) Witness fee. Witnesses summoned before the department~~
11 ~~shall be paid the same fees as are paid to witnesses in courts~~
12 ~~of record of general jurisdiction. Witnesses whose depositions~~
13 ~~are taken under this chapter, and the officers taking those~~
14 ~~depositions, shall be entitled to the same fees as those paid~~
15 ~~for like services in court.~~

16 ~~(f) Purchasers. Upon request, a purchaser of oil or gas~~
17 ~~shall provide the department information necessary to determine~~
18 ~~ownership of facilities from which the purchaser obtained oil or~~
19 ~~gas. The information shall be kept confidential for a period of~~
20 ~~five years, and the department may utilize it in enforcement~~
21 ~~proceedings. The department may request information under this~~
22 ~~section only when a well does not comply with section 3211(h)~~
23 ~~(relating to well permits).~~

24 ~~§ 3259. Unlawful conduct.~~

25 ~~It shall be unlawful for any person to:~~

26 ~~(1) Drill, alter, operate or utilize an oil or gas well~~
27 ~~without a permit or registration from the department as~~
28 ~~required by this chapter or in violation of rules or~~
29 ~~regulations adopted under this chapter, orders of the~~
30 ~~department or a term or condition of a permit issued by the~~

1 ~~department.~~

2 ~~(2) Conduct an activity related to drilling for, or~~
3 ~~production of, oil and gas:~~

4 ~~(i) contrary to this chapter, rules or regulations~~
5 ~~adopted under this chapter, an order of the department or~~
6 ~~a term or condition of a permit issued by the department;~~
7 ~~or~~

8 ~~(ii) in any manner as to create a public nuisance or~~
9 ~~adversely affect public health, safety, welfare or the~~
10 ~~environment.~~

11 ~~(3) Refuse, obstruct, delay or threaten an agent or~~
12 ~~employee of the department acting in the course of lawful~~
13 ~~performance of a duty under this chapter, including, but not~~
14 ~~limited to, entry and inspection.~~

15 ~~(4) Attempt to obtain a permit or identify a well as an~~
16 ~~orphan well by misrepresentation or failure to disclose all~~
17 ~~relevant facts.~~

18 ~~(5) Cause abandonment of a well by removal of casing or~~
19 ~~equipment necessary for production without plugging the well~~
20 ~~in the manner prescribed under section 3220 (relating to~~
21 ~~plugging requirements), except that the owner or operator of~~
22 ~~a well may temporarily remove casing or equipment necessary~~
23 ~~for production, but only if it is part of the normal course~~
24 ~~of production activities.~~

25 ~~§ 3260. Collection of fines and penalties.~~

26 ~~Fines and penalties shall be collectible in a manner provided~~
27 ~~by law for collection of debts. If a person liable to pay a~~
28 ~~penalty neglects or refuses to pay after demand, the amount,~~
29 ~~together with interest and costs that may accrue, shall be a~~
30 ~~judgment in favor of the Commonwealth on the person's property,~~

1 ~~but only after the judgment has been entered and docketed of~~
2 ~~record by the prothonotary of the county where the property is~~
3 ~~situated. The department may transmit to prothonotaries of the~~
4 ~~various counties certified copies of all judgments, and it shall~~
5 ~~be the duty of each prothonotary to enter and docket them of~~
6 ~~record in the prothonotary's office and index them as judgments~~
7 ~~are indexed, without requiring payment of costs as a condition~~
8 ~~precedent to entry.~~

9 ~~§ 3261. Third party liability.~~

10 ~~If a person other than a well operator renders a service or~~
11 ~~product to a well or well site, that person is jointly and~~
12 ~~severally liable with the well owner or operator for violations~~
13 ~~of this chapter arising out of and caused by the person's~~
14 ~~actions at the well or well site.~~

15 ~~§ 3262. Inspection reports.~~

16 ~~The department shall post inspection reports on its publicly~~
17 ~~accessible Internet website. The inspection reports shall~~
18 ~~include:~~

19 ~~(1) The nature and description of violations.~~

20 ~~(2) The operator's written response to the violation, if~~
21 ~~available.~~

22 ~~(3) The status of the violation.~~

23 ~~(4) The remedial steps taken by the operator or the~~
24 ~~department to address the violation.~~

SUBCHAPTER F

MISCELLANEOUS PROVISIONS

27 Sec.

28 ~~3271. Well plugging funds.~~

29 ~~3272. Local ordinances.~~

30 ~~3273. Effect on department authority.~~

1 ~~3273.1. Relationship to solid waste and surface mining.~~

2 ~~3274. Regulatory authority.~~

3 ~~§ 3271. Well plugging funds.~~

4 ~~(a) Appropriation. Fines, civil penalties and permit and~~
5 ~~registration fees collected under this chapter are appropriated~~
6 ~~to the department to carry out the purposes of this chapter.~~

7 ~~(b) Surcharge. To aid in indemnifying the Commonwealth for~~
8 ~~the cost of plugging abandoned wells, a \$50 surcharge is added~~
9 ~~to the permit fee established by the department under section~~
10 ~~3211 (relating to well permits) for new wells. Money collected~~
11 ~~as a result of the surcharge shall be paid into a restricted~~
12 ~~revenue account in the State Treasury to be known as the~~
13 ~~Abandoned Well Plugging Fund and expended by the department to~~
14 ~~plug abandoned wells threatening the health and safety of~~
15 ~~persons or property or pollution of waters of this Commonwealth.~~

16 ~~(c) Orphan Well Plugging Fund. The following shall apply:~~

17 ~~(1) A restricted revenue account to be known as the~~
18 ~~Orphan Well Plugging Fund is created. A \$100 surcharge for~~
19 ~~wells to be drilled for oil production and a \$200 surcharge~~
20 ~~for wells to be drilled for gas production are added to the~~
21 ~~permit fee established by the department under section 3211~~
22 ~~for new wells. The surcharges shall be placed in the Orphan~~
23 ~~Well Plugging Fund and expended by the department to plug~~
24 ~~orphan wells. If an operator rehabilitates a well abandoned~~
25 ~~by another operator or an orphan well, the permit fee and the~~
26 ~~surcharge for the well shall be waived.~~

27 ~~(2) The department shall study its experience in~~
28 ~~implementing this section and shall report its findings to~~
29 ~~the Governor and the General Assembly by August 1, 1992. The~~
30 ~~report shall contain information relating to the balance of~~

~~the fund, number of wells plugged, number of identified wells eligible for plugging and recommendations as to alternative funding mechanisms.~~

~~(3) Expenditures by the department for plugging orphan wells are limited to fees collected under this chapter. No money from the General Fund shall be expended for this purpose.~~

~~§ 3272. Local ordinances.~~

~~Except with respect to ordinances adopted under the act of July 31, 1968 (P.L.805, No.247), known as the Pennsylvania Municipalities Planning Code, and the act of October 4, 1978 (P.L.851, No.166), known as the Flood Plain Management Act, all local ordinances and enactments purporting to regulate oil and gas well operations regulated by this chapter are superseded by this chapter. No ordinances or enactments adopted under the Pennsylvania Municipalities Planning Code or the Flood Plain Management Act may contain provisions which impose conditions, requirements or limitations that are inconsistent with this chapter. Except as otherwise provided in 27 Pa.C.S. Ch. 33 (relating to oil and gas), the Commonwealth, by this chapter, preempts and supersedes the regulation of oil wells and gas wells.~~

~~§ 3273. Effect on department authority.~~

~~This chapter does not affect, limit or impair any right or authority of the department under the act of June 22, 1937 (P.L.1987, No.394), known as The Clean Streams Law; the act of January 8, 1960 (1959 P.L.2119, No.787), known as the Air Pollution Control Act; the act of November 26, 1978 (P.L.1375, No.325), known as the Dam Safety and Encroachments Act; or the act of July 7, 1980 (P.L.380, No.97), known as the Solid Waste~~

1 ~~Management Act.~~

2 ~~§ 3273.1. Relationship to solid waste and surface mining.~~

3 ~~(a) General rule. The obligation to obtain a permit and~~
4 ~~post a bond under Articles III and V of the act of July 7, 1980~~
5 ~~(P.L.380, No.97), known as the Solid Waste Management Act, and~~
6 ~~to provide public notice under section 1905 A(b)(1)(v) of the~~
7 ~~act of April 9, 1929 (P.L.177, No.175), known as The~~
8 ~~Administrative Code of 1929, for any pit, impoundment, method or~~
9 ~~facility employed for the disposal, processing or storage of~~
10 ~~residual wastes generated by the drilling of an oil or gas well~~
11 ~~or from the production of wells which is located on the well~~
12 ~~site, shall be considered to have been satisfied if the owner or~~
13 ~~operator of the well meets the following conditions:~~

14 ~~(1) the well is permitted under the requirements of~~
15 ~~section 3211 (relating to well permits) or registered under~~
16 ~~section 3213 (relating to well registration and~~
17 ~~identification);~~

18 ~~(2) the owner or operator has satisfied the financial~~
19 ~~security requirements of section 3215 (relating to well~~
20 ~~location restrictions) by obtaining a surety or collateral~~
21 ~~bond for the well and well site; and~~

22 ~~(3) the owner or operator maintains compliance with this~~
23 ~~chapter and applicable regulations of the Environmental~~
24 ~~Quality Board.~~

25 ~~(b) Noncoal surface mining. Obligations under the act of~~
26 ~~December 19, 1984 (P.L.1093, No.219), known as the Noncoal~~
27 ~~Surface Mining Conservation and Reclamation Act, or a rule or~~
28 ~~regulation promulgated thereunder, for any borrow area where~~
29 ~~minerals are extracted solely for the purpose of oil and gas~~
30 ~~well development, including access road construction, shall be~~

1 ~~considered to have been satisfied if the owner or operator of~~
2 ~~the well meets the conditions imposed under subsection (a) (1)~~
3 ~~and (2) and maintains compliance with this chapter and~~
4 ~~applicable regulations of the Environmental Quality Board.~~

5 ~~(c) Solid Waste Management Act. This section does not~~
6 ~~diminish or otherwise affect duties or obligations of an owner~~
7 ~~or operator under the Solid Waste Management Act. This section~~
8 ~~does not apply to waste classified as hazardous waste under the~~
9 ~~Solid Waste Management Act or the Resource Conservation and~~
10 ~~Recovery Act of 1976 (Public Law 94 580, 90 Stat. 2795, 42~~
11 ~~U.S.C. § 6901 et seq.).~~

12 ~~(d) Definition. As used in this section and sections 3216~~
13 ~~(relating to well site restoration) and 3225 (relating to~~
14 ~~bonding), the term "well site" means areas occupied by all~~
15 ~~equipment or facilities necessary for or incidental to drilling,~~
16 ~~production or plugging a well.~~
17 ~~§ 3274. Regulatory authority.~~

18 ~~(a) Existing regulations. The rulemaking for 25 Pa. Code~~
19 ~~Ch. 78 (relating to oil and gas wells) promulgated at 41 Pa.B.~~
20 ~~805 (February 5, 2011), shall apply only to unconventional gas~~
21 ~~wells.~~

22 ~~(b) New regulations. The Environmental Quality Board shall~~
23 ~~adopt regulations to implement this chapter.~~

24 CHAPTER 33

25 LOCAL ORDINANCES RELATING TO

26 OIL AND GAS OPERATIONS

27 Sec.

28 3301. Scope of chapter.

29 3302. Definitions.

30 3303. Local ordinances.

1 ~~3304. Review by Attorney General.~~

2 ~~3305. Civil actions.~~

3 ~~3306. Commonwealth Court masters.~~

4 ~~3307. Attorney fees and costs.~~

5 ~~3308. Sanction.~~

6 ~~3309. Provisions of local ordinances.~~

7 ~~3310. Applicability.~~

8 ~~§ 3301. Scope of chapter.~~

9 ~~The purposes of this chapter are to:~~

10 ~~(1) Allow municipalities to efficiently regulate oil and~~
11 ~~gas operations consistent with their authority under the act~~
12 ~~of July 31, 1968 (P.L.805, No.247), known as the Pennsylvania~~
13 ~~Municipalities Planning Code.~~

14 ~~(2) Foster the expeditious and efficient handling of~~
15 ~~municipal oil and gas procedures.~~

16 ~~(3) Clarify the role of all Federal and State agencies~~
17 ~~and municipal governments with regard to oil and gas~~
18 ~~development activities.~~

19 ~~§ 3302. Definitions.~~

20 ~~The following words and phrases when used in this chapter~~
21 ~~shall have the meanings given to them in this section unless the~~
22 ~~context clearly indicates otherwise:~~

23 ~~"Building." An occupied structure with walls and roof within~~
24 ~~which individuals live or customarily work.~~

25 ~~"Environment acts." All statutes enacted by the Commonwealth~~
26 ~~relating to the protection of the environment or the protection~~
27 ~~of public health, safety and welfare, that are administered and~~
28 ~~enforced by the department or by another Commonwealth agency,~~
29 ~~including an independent agency, and all Federal statutes~~
30 ~~relating to the protection of the environment, to the extent~~

1 ~~those statutes regulate oil and gas operations.~~

2 ~~"Local government." A county, city, borough, incorporated~~
3 ~~town or township of this Commonwealth.~~

4 ~~"Local ordinance." An ordinance adopted by a local~~
5 ~~government that regulates oil and gas operations.~~

6 ~~"MPC." The act of July 31, 1968 (P.L.805, No.247), known as~~
7 ~~the Pennsylvania Municipalities Planning Code.~~

8 ~~"Oil and gas operations." The term includes the following:~~

9 ~~(1) well location assessment, including seismic~~
10 ~~operations, well site preparation, construction, drilling,~~
11 ~~hydraulic fracturing and site restoration associated with an~~
12 ~~oil or gas well of any depth;~~

13 ~~(2) water and other fluid storage or impoundment areas~~
14 ~~used exclusively for oil and gas operations;~~

15 ~~(3) construction, installation, use, maintenance and~~
16 ~~repair of:~~

17 ~~(i) oil and gas pipelines;~~

18 ~~(ii) natural gas compressor stations; and~~

19 ~~(iii) natural gas processing plants or facilities~~
20 ~~performing equivalent functions; and~~

21 ~~(4) construction, installation, use, maintenance and~~
22 ~~repair of all equipment directly associated with activities~~
23 ~~specified in paragraphs (1), (2) and (3), to the extent that:~~

24 ~~(i) the equipment is necessarily located at or~~
25 ~~immediately adjacent to a well site, impoundment area,~~
26 ~~oil and gas pipeline, natural gas compressor station or~~
27 ~~natural gas processing plant; and~~

28 ~~(ii) the activities are authorized and permitted~~
29 ~~under the authority of a Federal or Commonwealth agency.~~

30 ~~"Permitted use." A use which, upon submission of notice to~~

1 ~~and receipt of a permit issued by a zoning officer or equivalent~~
2 ~~official, is authorized to be conducted without restrictions~~
3 ~~other than those set forth in section 3309 (relating to~~
4 ~~provisions of local ordinances).~~

5 ~~§ 3303. Local ordinances.~~

6 ~~(a) General rule. A local ordinance may only be enacted~~
7 ~~pursuant to the MPC, the act of March 31, 1927 (P.L.98, No.69),~~
8 ~~referred to as the Second Class City Zoning Law, or the act of~~
9 ~~October 4, 1978 (P.L.851, No.166), known as the Flood Plain~~
10 ~~Management Act, as applicable, and shall provide for the~~
11 ~~reasonable development of minerals within the local government~~
12 ~~in accordance with the provisions of section 603(i) of the MPC~~
13 ~~and this chapter.~~

14 ~~(b) Limitation. Except as provided in this chapter, a local~~
15 ~~ordinance shall not conflict with and shall not regulate oil and~~
16 ~~gas operations covered by the environment acts, except to the~~
17 ~~extent that the environment acts provide the authority.~~

18 ~~(c) Construction. Nothing in this chapter shall be~~
19 ~~construed to impair or infringe on the preemption provisions of~~
20 ~~section 3272 (relating to local ordinances).~~

21 ~~§ 3304. Review by Attorney General.~~

22 ~~(a) Request of owner or operator. An owner or operator of~~
23 ~~an oil and gas operation, or any person having the right to~~
24 ~~royalty payments under a lease of oil or gas mineral rights, may~~
25 ~~request the Attorney General to review a local ordinance to~~
26 ~~determine whether it allows for the reasonable development of~~
27 ~~oil and gas resources in accordance with the provisions~~
28 ~~specifically addressed in this chapter, the MPC and judicial~~
29 ~~decisions of the Commonwealth.~~

30 ~~(b) Preenactment review. A local government may, prior to~~

1 ~~the enactment of a local ordinance, request the Attorney General~~
2 ~~to review the ordinance to determine whether it allows for the~~
3 ~~reasonable development of oil and gas resources in accordance~~
4 ~~with the provisions of Chapter 32 (relating to development), the~~
5 ~~MPC and judicial decisions of the Commonwealth.~~

6 ~~(c) Time period for review. Within 120 days of receiving a~~
7 ~~request under subsection (a) or (b), the Attorney General shall~~
8 ~~advise in writing the person that made the request whether or~~
9 ~~not the Attorney General determines that the local ordinance~~
10 ~~provides for the reasonable development of oil and gas reserves~~
11 ~~and provide a copy of the written determination to the affected~~
12 ~~local government.~~

13 ~~§ 3305. Civil actions.~~

14 ~~(a) Attorney General. The Attorney General may bring an~~
15 ~~action against a local government in Commonwealth Court to~~
16 ~~invalidate or enjoin the enforcement of a local ordinance that~~
17 ~~does not allow for the reasonable development of oil and gas~~
18 ~~resources.~~

19 ~~(b) Private right of action.—~~

20 ~~(1) Notwithstanding any provision of 42 Pa.C.S. Ch. 85-~~
21 ~~Subch. C (relating to actions against local parties), any~~
22 ~~person who is aggrieved by the enactment or enforcement of a~~
23 ~~local ordinance that does not allow for the reasonable~~
24 ~~development of oil and gas resources in accordance with the~~
25 ~~provisions of section 3272 (relating to local ordinances) may~~
26 ~~bring an action in Commonwealth Court to invalidate the~~
27 ~~ordinance or enjoin its enforcement.~~

28 ~~(2) An aggrieved person may proceed without first~~
29 ~~obtaining review of the ordinance by the Attorney General or~~
30 ~~may proceed after receiving such review if the Attorney~~

1 ~~General determines that the ordinance fails to comply with~~
2 ~~this chapter but declines to bring an action under subsection~~
3 ~~(a).~~

4 ~~(3) In an action brought relating to the enactment or~~
5 ~~enforcement of a local ordinance, the determination of the~~
6 ~~Attorney General made under section 3304 (relating to review~~
7 ~~by Attorney General) shall become part of the record before~~
8 ~~the court.~~

9 ~~§ 3306. Commonwealth Court masters.~~

10 ~~(a) General rule. The Commonwealth Court may promulgate~~
11 ~~rules for the selection and appointment of masters on a full~~
12 ~~time or part time basis to oversee actions brought under section~~
13 ~~3305 (relating to civil actions). A master must be a member of~~
14 ~~the bar of this Commonwealth. The number and compensation of~~
15 ~~masters shall be fixed by the Commonwealth Court, and their~~
16 ~~compensation shall be paid by the Commonwealth.~~

17 ~~(b) Procedure.~~

18 ~~(1) The Commonwealth Court may direct that a hearing in~~
19 ~~an action brought under section 3305 be conducted in the~~
20 ~~first instance by the master in the manner provided for in~~
21 ~~this section.~~

22 ~~(2) Upon the conclusion of a hearing before a master,~~
23 ~~the master shall transmit written findings and~~
24 ~~recommendations for disposition to the president judge.~~
25 ~~Prompt written notice and copies of the findings and~~
26 ~~recommendations shall be given to the parties to the~~
27 ~~proceeding.~~

28 ~~(3) The findings and recommendations of the master shall~~
29 ~~become the findings and order of the Commonwealth Court upon~~
30 ~~written confirmation by the president judge. A rehearing may~~

1 ~~be ordered by the president judge at any time upon cause~~
2 ~~shown.~~

3 ~~§ 3307. Attorney fees and costs.~~

4 ~~In an action brought under section 3305 (relating to civil~~
5 ~~actions), the court may do any of the following:~~

6 ~~(1) If the court determines that the local government~~
7 ~~enacted or enforced a local ordinance with willful or~~
8 ~~reckless disregard for the limitation of authority~~
9 ~~established under State law, it may order the local~~
10 ~~government to pay the plaintiff reasonable attorney fees and~~
11 ~~other reasonable costs incurred by the plaintiff in~~
12 ~~connection with the action.~~

13 ~~(2) If the court determines that the action brought by~~
14 ~~the plaintiff was frivolous or was brought without~~
15 ~~substantial justification in claiming that the local~~
16 ~~ordinance in question was contrary to the requirements of~~
17 ~~this chapter or Chapter 32 (relating to development), it may~~
18 ~~order the plaintiff to pay the local government reasonable~~
19 ~~attorney fees and other reasonable costs incurred by the~~
20 ~~local government in defending the action.~~

21 ~~§ 3308. Sanction.~~

22 ~~If the Attorney General, the Commonwealth Court or the~~
23 ~~Supreme Court determines that a local ordinance fails to provide~~
24 ~~for the reasonable development of oil and gas resources, the~~
25 ~~local government enacting or enforcing the local ordinance shall~~
26 ~~be immediately ineligible to receive any funds collected under~~
27 ~~Chapter 23 (relating to drilling impact fee). The local~~
28 ~~government shall remain ineligible to receive funds under~~
29 ~~Chapter 23 until the local government amends or repeals its~~
30 ~~local ordinance in accordance with this chapter.~~

1 ~~§ 3309. Provisions of local ordinances.~~

2 ~~In order to allow for the reasonable development of oil and~~
3 ~~gas resources, a local ordinance must, in addition to complying~~
4 ~~with this chapter, Chapter 32 (relating to development), the MPC~~
5 ~~and judicial decisions of the Commonwealth:~~

6 ~~(1) Allow well and pipeline location assessment~~
7 ~~operations, including seismic operations and related~~
8 ~~activities conducted in accordance with all applicable~~
9 ~~Federal and State laws and regulations relating to the~~
10 ~~storage and use of explosives throughout every local~~
11 ~~government.~~

12 ~~(2) Impose conditions, requirements or limitations on~~
13 ~~oil and gas operations that are no more stringent than~~
14 ~~similar conditions, requirements or limitations imposed on~~
15 ~~construction activities for other land development within the~~
16 ~~zoning district where the oil and gas operations are~~
17 ~~situated.~~

18 ~~(3) Impose conditions, requirements or limitations on~~
19 ~~the height of permanent structures, setbacks from property~~
20 ~~lines, screening and fencing, lighting and noise relating to~~
21 ~~oil and gas operations that are no more stringent than~~
22 ~~similar conditions, requirements or limitations imposed on~~
23 ~~industrial uses or what is allowed within the particular~~
24 ~~zoning district within the local government where the oil and~~
25 ~~gas operations are situated or stipulated in or set forth in~~
26 ~~State statute or regulations pertaining to oil and gas~~
27 ~~operations.~~

28 ~~(4) Have a review period for permitted uses that does~~
29 ~~not exceed 30 days for complete submissions or that exceeds~~
30 ~~120 days for conditional uses.~~

1 ~~(5) Authorize oil and gas operations, other than~~
2 ~~activities in or at impoundment areas, compressor stations~~
3 ~~and processing plants, as a permitted use in all zoning~~
4 ~~districts.~~

5 ~~(5.1) Notwithstanding section 3215 (relating to well~~
6 ~~location restrictions) the oil and gas operations under~~
7 ~~paragraph (5) may be prohibited, or permitted only as a~~
8 ~~conditional use within a residential district where a well~~
9 ~~site cannot be placed so that the wellhead is at least 500~~
10 ~~feet from any existing building. In a residential district,~~
11 ~~all of the following apply:~~

12 ~~(i) A well site may not be located so that the outer~~
13 ~~edge of the well pad is closer than 300 feet from an~~
14 ~~existing building.~~

15 ~~(ii) Except as set forth in paragraph (5) and in~~
16 ~~this paragraph, oil and gas operations, other than the~~
17 ~~placement, use and repair of oil and gas pipelines, water~~
18 ~~pipelines, access roads or security facilities, may not~~
19 ~~take place within 300 feet of an existing building.~~

20 ~~(6) Authorize impoundment areas used for oil and gas~~
21 ~~operations as a permitted use in all zoning districts,~~
22 ~~provided that the edge of any impoundment area shall not be~~
23 ~~located closer than 300 feet from an existing building.~~

24 ~~(7) Authorize natural gas compressor stations as a~~
25 ~~permitted use in agriculture and industrial zoning districts~~
26 ~~and as a conditional use in all other zoning districts, if~~
27 ~~the natural gas compressor building meets the following~~
28 ~~conditions:~~

29 ~~(i) is located 750 feet or more from the nearest~~
30 ~~existing building or 200 feet from the nearest lot line,~~

~~whichever is greater, unless waived by the owner of the building or adjoining lot; and~~

~~(ii) does not exceed a noise standard of 60dbA at the nearest property line or the applicable standard imposed by Federal law, whichever is lesser.~~

~~(8) Authorize natural gas processing plants as a permitted use in an industrial zoning district and as conditional uses in agricultural zoning districts, if the natural gas processing plant buildings meet the following conditions:~~

~~(i) Unless there is a waiver by the owner of the building or adjoining lot, the natural gas processing plant building is located at the greater of:~~

~~(A) at least 750 feet from the nearest existing building; or~~

~~(B) at least 200 feet from the nearest lot line.~~

~~(ii) The noise level of the natural gas processing plant at the property line does not exceed the lesser of:~~

~~(A) a noise standard of 60dbA; or~~

~~(B) the applicable standard imposed by Federal law.~~

~~(9) Impose restrictions on vehicular access routes for overweight vehicles only as authorized under 75 Pa.C.S. (relating to vehicles) or the MPC.~~

~~(10) Does not attempt to impose limits or conditions on subterranean operations or hours of operation.~~

~~§ 3310. Applicability.~~

~~This chapter shall apply to the enforcement of local ordinances existing on the date of this section and to the enactment or enforcement of local ordinances enacted on or after~~

1 ~~the effective date of this chapter.~~

2 ~~Section 3. The addition of 27 Pa.C.S. Ch. 33 Subch. B is a~~
3 ~~continuation of the former act of December 15, 1955 (P.L.865,~~
4 ~~No.256), entitled "An act requiring rents and royalties from oil-~~
5 ~~and gas leases of Commonwealth land to be placed in a special-~~
6 ~~fund to be used for conservation, recreation, dams and flood-~~
7 ~~control; authorizing the Secretary of Forests and Waters to~~
8 ~~determine the need for and location of such projects and to~~
9 ~~acquire the necessary land." The following apply:~~

10 ~~(1) Except as otherwise provided in 27 Pa.C.S. Ch. 33-~~
11 ~~Subch. B, all activities initiated under the former act of-~~
12 ~~December 15, 1955 (P.L.865, No.256) shall continue and remain-~~
13 ~~in full force and effect and may be completed under 27-~~
14 ~~Pa.C.S. Ch. 33 Subch. B. Resolutions, orders, regulations,~~
15 ~~rules and decisions which were made under the former act of-~~
16 ~~December 15, 1955 (P.L.865, No.256) and which are in effect-~~
17 ~~on the effective date of this section shall remain in full-~~
18 ~~force and effect until revoked, vacated or modified under 27-~~
19 ~~Pa.C.S. Ch. 33 Subch. B. Contracts, obligations and-~~
20 ~~agreements entered into under the former act of December 15,~~
21 ~~1955 (P.L.865, No.256) are not affected nor impaired by the-~~
22 ~~repeal of the former act of December 15, 1955 (P.L.865,~~
23 ~~No.256).~~

24 ~~(2) Except as set forth in paragraph (3), any difference-~~
25 ~~in language between 27 Pa.C.S. Ch. 33 Subch. B and the former-~~
26 ~~act of December 15, 1955 (P.L.865, No.256) is intended only-~~
27 ~~to conform to the style of the Pennsylvania Consolidated-~~
28 ~~Statutes and is not intended to change or affect the-~~
29 ~~legislative intent, judicial construction or administrative-~~
30 ~~interpretation and implementation of the former act of-~~

1 ~~December 15, 1955 (P.L.865, No.256).~~

2 ~~(3) Paragraph (2) does not apply to 27 Pa.C.S. §§ 3301,~~
3 ~~3302(b) (3) and 3305.~~

4 ~~Section 4. Repeals are as follows:~~

5 ~~(1) The General Assembly declares that the repeal under~~
6 ~~paragraph (2) is necessary to effectuate the addition of 27-~~
7 ~~Pa.C.S. Ch. 33.~~

8 ~~(2) The act of December 15, 1955 (P.L.865, No.256),~~
9 ~~entitled "An act requiring rents and royalties from oil and~~
10 ~~gas leases of Commonwealth land to be placed in a special-~~
11 ~~fund to be used for conservation, recreation, dams, and flood~~
12 ~~control; authorizing the Secretary of Forests and Waters to~~
13 ~~determine the need for and location of such projects and to~~
14 ~~acquire the necessary land," is repealed.~~

15 ~~(3) The General Assembly declares that the repeal under~~
16 ~~paragraph (4) is necessary to effectuate the addition of 58-~~
17 ~~Pa.C.S. Ch. 32.~~

18 ~~(4) The act of December 19, 1984 (P.L.1140, No.223),~~
19 ~~known as the Oil and Gas Act, is repealed.~~

20 ~~Section 5. The addition of 58 Pa.C.S. Ch. 32 is a~~
21 ~~continuation of the act of December 19, 1984 (P.L.1140, No.223),~~
22 ~~known as the Oil and Gas Act. The following apply:~~

23 ~~(1) Except as otherwise provided in 58 Pa.C.S. Ch. 32,~~
24 ~~all activities initiated under the Oil and Gas Act shall~~
25 ~~continue and remain in full force and effect and may be~~
26 ~~completed under 58 Pa.C.S. Ch. 32. Orders, regulations, rules~~
27 ~~and decisions which were made under the Oil and Gas Act and~~
28 ~~which are in effect on the effective date of section 2(2) of~~
29 ~~this act shall remain in full force and effect until revoked,~~
30 ~~vacated or modified under 58 Pa.C.S. Ch. 32. Contracts,~~

1 ~~obligations and collective bargaining agreements entered into~~
2 ~~under the Oil and Gas Act are not affected nor impaired by~~
3 ~~the repeal of the Oil and Gas Act.~~

4 ~~(2) Except as set forth in paragraph (3), any difference~~
5 ~~in language between 58 Pa.C.S. Ch. 32 and the Oil and Gas Act~~
6 ~~is intended only to conform to the style of the Pennsylvania~~
7 ~~Consolidated Statutes and is not intended to change or affect~~
8 ~~the legislative intent, judicial construction or~~
9 ~~administration and implementation of the Oil and Gas Act.~~

10 ~~(3) Paragraph (2) does not apply to the addition of 58~~
11 ~~Pa.C.S. §§ 3203, 3211, 3212.1, 3215, 3215.1, 3216, 3218,~~
12 ~~3219.1, 3222, 3225, 3227, 3252, 3253, 3254.1, 3256, 3258,~~
13 ~~3262, 3272 and 3274.~~

14 ~~(4) It is not the intent of the General Assembly to~~
15 ~~change, repeal or otherwise affect any of the provisions of~~
16 ~~the act of December 18, 1984 (P.L. 1069, No. 214), known as~~
17 ~~the Coal and Gas Resource Coordination Act, or to change,~~
18 ~~repeal or otherwise affect any of the provisions of the act~~
19 ~~of January 26, 2011 (P.L. 7, No. 2), entitled "An act amending~~
20 ~~the act of December 18, 1984 (P.L. 1069, No. 214), entitled "An~~
21 ~~act requiring coordination of coal mine and gas well~~
22 ~~operators; authorizing Department of Environmental Resources~~
23 ~~enforcement powers; and providing penalties," further~~
24 ~~providing for definitions, for permits, for permit~~
25 ~~application, for minimum distance between gas wells, for well~~
26 ~~class designation and for coordination of gas well drilling~~
27 ~~through active coal mines; providing for a pillar support~~
28 ~~study; and further providing for plugging gas wells~~
29 ~~penetrating workable coal seams, for penalties and for~~
30 ~~validity of other laws," which amended the Coal and Gas~~

1 ~~Resource Coordination Act.~~
2 ~~Section 5.1. The addition of 58 Pa.C.S. § 3215(g)(2) shall~~
3 ~~expire three years after the effective date of this act.~~
4 ~~Section 6. This act shall take effect in 60 days.~~

5 SECTION 1. TITLE 58 OF THE PENNSYLVANIA CONSOLIDATED
6 STATUTES IS AMENDED BY ADDING PARTS TO READ:

7 PART I

8 (RESERVED)

9 PART II

10 OVERSIGHT AND DEVELOPMENT

11 CHAPTER

12 23. DRILLING IMPACT FEE

13 25. NATURAL GAS ENERGY DEVELOPMENT PROGRAM

14 31. (RESERVED)

15 32. REGULATION

16 33. LOCAL ORDINANCES RELATING TO OIL AND GAS OPERATIONS

17 CHAPTER 23

18 DRILLING IMPACT FEE

19 SEC.

20 2301. DEFINITIONS.

21 2302. SHALE IMPACT FEE.

22 2303. ADMINISTRATION.

23 2304. WELL INFORMATION.

24 2305. DUTIES OF DEPARTMENT.

25 2306. (RESERVED).

26 2307. COMMISSION.

27 2308. ENFORCEMENT.

28 2309. ENFORCEMENT ORDERS.

29 2310. ADMINISTRATIVE PENALTIES.

30 2311. (RESERVED).

1 2312. RECORDKEEPING.
2 2313. EXAMINATIONS.
3 2314. DISTRIBUTION OF FEE.
4 2315. STATEWIDE INITIATIVES.
5 2316. DIVERSE BUSINESS PARTICIPATION.
6 2317. APPLICABILITY.
7 2318. EXPIRATION.
8 § 2301. DEFINITIONS.

9 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
10 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
11 CONTEXT CLEARLY INDICATES OTHERWISE:

12 "ACCOUNT." THE SHALE IMPACT ACCOUNT.

13 "AVERAGE ANNUAL PRICE OF NATURAL GAS." THE ARITHMETIC MEAN
14 OF THE NEW YORK MERCANTILE EXCHANGE (NYMEX) HENRY HUB SETTLED
15 PRICE ON THE LAST TRADING DAY OF EACH MONTH OF A CALENDAR YEAR
16 AS REPORTED BY THE WALL STREET JOURNAL FOR THE 12-MONTH PERIOD
17 ENDING DECEMBER 31.

18 "COMMISSION." THE PENNSYLVANIA PUBLIC UTILITY COMMISSION.

19 "DEPARTMENT." THE DEPARTMENT OF ENVIRONMENTAL PROTECTION OF
20 THE COMMONWEALTH.

21 "ELIGIBLE APPLICANT." A COUNTY, MUNICIPALITY, COUNCIL OF
22 GOVERNMENTS, WATERSHED ORGANIZATION, INSTITUTION OF HIGHER
23 EDUCATION, NONPROFIT ORGANIZATION OR AN AUTHORIZED ORGANIZATION
24 AS DEFINED IN 27 PA.C.S. § 6103 (RELATING TO DEFINITIONS).

25 "FEE." THE SHALE IMPACT FEE IMPOSED UNDER SECTION 2302
26 (RELATING TO SHALE IMPACT FEE).

27 "HIGHWAY MILEAGE." THE NUMBER OF MILES OF PUBLIC ROADS AND
28 STREETS MOST RECENTLY CERTIFIED BY THE DEPARTMENT OF
29 TRANSPORTATION AS ELIGIBLE FOR DISTRIBUTION OF LIQUID FUELS
30 FUNDS UNDER THE ACT OF JUNE 1, 1956 (1955 P.L.1944, NO.655),

1 REFERRED TO AS THE LIQUID FUELS TAX MUNICIPAL ALLOCATION LAW.

2 "MUNICIPALITY." A BOROUGH, CITY, TOWN OR TOWNSHIP.

3 "NATURAL GAS." A FOSSIL FUEL CONSISTING OF A MIXTURE OF

4 HYDROCARBON GASES, PRIMARILY METHANE, AND POSSIBLY INCLUDING

5 ETHANE, PROPANE, BUTANE, PENTANE, CARBON DIOXIDE, OXYGEN,

6 NITROGEN AND HYDROGEN SULFIDE AND OTHER GAS SPECIES. THE TERM

7 INCLUDES NATURAL GAS FROM OIL FIELDS KNOWN AS ASSOCIATED GAS OR

8 CASING HEAD GAS, NATURAL GAS FIELDS KNOWN AS NONASSOCIATED GAS,

9 COAL BEDS, SHALE BEDS AND OTHER FORMATIONS. THE TERM DOES NOT

10 INCLUDE COAL BED METHANE.

11 "NATURAL GAS LIQUIDS." HYDROCARBONS IN NATURAL GAS WHICH ARE

12 SEPARATED FROM THE GAS AS LIQUIDS THROUGH THE PROCESS OF

13 ABSORPTION, CONDENSATION, ADSORPTION OR OTHER METHODS IN GAS

14 PROCESSING OF CYCLING PLANTS.

15 "NUMBER OF PRODUCING UNCONVENTIONAL WELLS." THE MOST RECENT

16 NUMERICAL COUNT OF PRODUCING UNCONVENTIONAL WELLS ON THE

17 INVENTORY MAINTAINED AND PROVIDED TO THE COMMISSION BY THE

18 DEPARTMENT AS OF THE LAST DAY OF EACH MONTH.

19 "PRICE ADJUSTMENT FACTOR." ONE OF A RANGE OF NUMERICAL

20 VALUES USED TO COMPUTE THE ADJUSTED FEE UNDER SECTION 2302

21 (RELATING TO SHALE IMPACT FEE). THE PRICE ADJUSTMENT FACTOR

22 SHALL BE DETERMINED AS FOLLOWS:

23 (1) IF THE AVERAGE ANNUAL PRICE OF NATURAL GAS IS LESS

24 THAN \$5.01, THE PRICE ADJUSTMENT FACTOR SHALL BE 1.0.

25 (2) IF THE AVERAGE ANNUAL PRICE OF NATURAL GAS IS \$5.01

26 TO \$6.00, THE PRICE ADJUSTMENT FACTOR SHALL BE 1.25.

27 (3) IF THE AVERAGE ANNUAL PRICE OF NATURAL GAS IS \$6.01

28 TO \$7.00, THE PRICE ADJUSTMENT FACTOR SHALL BE 1.75.

29 (4) IF THE AVERAGE ANNUAL PRICE OF NATURAL GAS IS \$7.01

30 TO \$8.00, THE PRICE ADJUSTMENT FACTOR SHALL BE 2.25.

1 (5) IF THE AVERAGE ANNUAL PRICE OF NATURAL GAS IS
2 GREATER THAN \$8.00, THE PRICE ADJUSTMENT FACTOR SHALL BE
3 2.75.

4 "PRODUCER." A PERSON OR ITS SUBSIDIARY, AFFILIATE OR HOLDING
5 COMPANY THAT HOLDS A PERMIT OR OTHER AUTHORIZATION TO ENGAGE IN
6 THE BUSINESS OF SEVERING NATURAL GAS FOR SALE, PROFIT OR
7 COMMERCIAL USE FROM AN UNCONVENTIONAL WELL IN THIS COMMONWEALTH.
8 THE TERM SHALL NOT INCLUDE A PRODUCER THAT SEVERS NATURAL GAS
9 FROM A SITE USED TO STORE NATURAL GAS THAT DID NOT ORIGINATE
10 FROM THE SITE.

11 "STRIPPER WELL." A GAS WELL INCAPABLE OF PRODUCING MORE THAN
12 90,000 CUBIC FEET OF GAS PER DAY DURING A CALENDAR MONTH,
13 INCLUDING PRODUCTION FROM ALL ZONES AND MULTILATERAL WELL BORES
14 AT A SINGLE WELL, WITHOUT REGARD TO WHETHER THE PRODUCTION IS
15 SEPARATELY METERED.

16 "UNCONVENTIONAL FORMATION." A GEOLOGICAL SHALE FORMATION
17 EXISTING BELOW THE BASE OF THE ELK SANDSTONE OR ITS GEOLOGIC
18 EQUIVALENT STRATIGRAPHIC INTERVAL WHERE NATURAL GAS GENERALLY
19 CANNOT BE PRODUCED AT ECONOMIC FLOW RATES OR IN ECONOMIC VOLUMES
20 EXCEPT BY VERTICAL OR HORIZONTAL WELL BORES STIMULATED BY
21 HYDRAULIC FRACTURE TREATMENTS OR BY USING MULTILATERAL WELL
22 BORES OR OTHER TECHNIQUES TO EXPOSE MORE OF THE FORMATION OF THE
23 WELL BORE.

24 "UNCONVENTIONAL WELL." A BORE HOLE DRILLED OR BEING DRILLED
25 FOR THE PURPOSE OF OR TO BE USED FOR THE PRODUCTION OF NATURAL
26 GAS FROM AN UNCONVENTIONAL FORMATION.

27 "VERTICAL GAS WELL." AN UNCONVENTIONAL WELL WHICH BEGINS AS
28 A VERTICAL LINEAR BORE AND IS NOT INTENTIONALLY DEVIATED FROM
29 THE VERTICAL.

30 § 2302. SHALE IMPACT FEE.

1 (A) IMPOSITION.--BEGINNING JANUARY 1, 2011, THERE SHALL BE
2 IMPOSED A SHALE IMPACT FEE ON EACH UNCONVENTIONAL WELL PRODUCING
3 NATURAL GAS IN THIS COMMONWEALTH. THE FEE UNDER THIS SECTION
4 SHALL NOT APPLY TO A STRIPPER WELL.

5 (B) COMPONENTS.--PRIOR TO THE ADJUSTMENT UNDER SUBSECTION
6 (C), THE FEE SHALL CONSIST OF AN ANNUAL BASE FEE FOR EACH
7 UNCONVENTIONAL WELL AS FOLLOWS:

8 (1) FOR THE FIRST YEAR OF PRODUCTION, THE FEE SHALL BE
9 \$50,000.

10 (2) FOR THE SECOND YEAR OF PRODUCTION, THE FEE SHALL BE
11 \$40,000.

12 (3) FOR THE THIRD YEAR OF PRODUCTION, THE FEE SHALL BE
13 \$30,000.

14 (4) FOR THE FOURTH YEAR OF PRODUCTION THROUGH THE TENTH
15 YEAR OF PRODUCTION, THE FEE SHALL BE \$20,000.

16 (5) FOR THE ELEVENTH YEAR OF PRODUCTION THROUGH THE
17 TWENTIETH YEAR, THE FEE SHALL BE \$10,000.

18 (C) ANNUAL ADJUSTMENT.--

19 (1) THE FEE SHALL BE ADJUSTED BY MULTIPLYING THE BASE
20 FEE AMOUNT TIMES THE PRICE ADJUSTMENT FACTOR ROUNDED TO THE
21 NEAREST \$100.

22 (2) THE FEE FOR A VERTICAL GAS WELL SHALL NOT BE SUBJECT
23 TO ADJUSTMENT UNDER PARAGRAPH (1) AND SHALL BE COMPUTED AS
24 FOLLOWS:

25 (I) THE FEE FOR A VERTICAL GAS WELL CAPABLE OF
26 PRODUCING MORE THAN 180,000 CUBIC FEET OF GAS PER DAY
27 DURING A CALENDAR MONTH SHALL BE ONE-HALF OF THE AMOUNTS
28 UNDER SUBSECTION (B).

29 (II) THE FEE FOR A VERTICAL GAS WELL CAPABLE OF
30 PRODUCING MORE THAN 90,000 BUT LESS THAN 180,000 CUBIC

1 FEET OF GAS PER DAY DURING A CALENDAR MONTH SHALL BE ONE-
2 FOURTH OF THE AMOUNTS UNDER SUBSECTION (B).

3 (D) RESTIMULATED WELLS.--

4 (1) A WELL WHICH AFTER RESTIMULATION QUALIFIES AS A
5 STRIPPER WELL SHALL NOT BE SUBJECT TO THIS SUBSECTION.

6 (2) THE YEAR IN WHICH THE RESTIMULATION OCCURS SHALL BE
7 CONSIDERED THE FIRST YEAR OF PRODUCTION FOR PURPOSES OF
8 IMPOSING THE FEE UNDER SUBSECTION (B) IF:

9 (I) A PRODUCER RESTIMULATES A PREVIOUSLY STIMULATED
10 UNCONVENTIONAL WELL FOLLOWING THE TENTH YEAR OF
11 PRODUCTION BY:

12 (A) HYDRAULIC FRACTURE TREATMENTS;

13 (B) USING ADDITIONAL MULTILATERAL WELL BORES;

14 (C) DRILLING DEEPER INTO AN UNCONVENTIONAL
15 FORMATION; OR

16 (D) OTHER TECHNIQUES TO EXPOSE MORE OF THE
17 FORMATION OF THE WELL BORE; AND

18 (II) THE RESTIMULATION RESULTS IN A SUBSTANTIAL
19 INCREASE IN PRODUCTION.

20 (3) AS USED IN THIS SUBSECTION, THE TERM "SUBSTANTIAL
21 INCREASE IN PRODUCTION" MEANS AN INCREASE IN PRODUCTION
22 AMOUNTING TO MORE THAN 90,000 CUBIC FEET OF GAS PER DAY
23 DURING A CALENDAR MONTH.

24 (D.1) REOPENED WELLS.--IF A PRODUCER REOPENS A PREVIOUSLY
25 CAPPED WELL OR UNCONVENTIONAL WELL AND PLACES THE WELL INTO
26 PRODUCTION, ALL OF THE FOLLOWING APPLY:

27 (1) THE YEARS DURING WHICH THE WELL OR UNCONVENTIONAL
28 WELL WAS CAPPED SHALL NOT BE CONSIDERED AS A YEAR OF
29 PRODUCTION.

30 (2) THE FEE SHALL BE REINSTATED BASED UPON THE ACTUAL

1 YEAR OF PRODUCTION UNDER SUBSECTIONS (B) AND (D).
2 (E) CESSATION.--PAYMENTS OF THE ANNUAL FEE SHALL CEASE UPON
3 CERTIFICATION TO THE DEPARTMENT BY THE OPERATOR THAT THE
4 UNCONVENTIONAL WELL HAS CEASED PRODUCTION AND HAS BEEN PLUGGED
5 ACCORDING TO THE REGULATIONS ESTABLISHED BY THE DEPARTMENT.
6 § 2303. ADMINISTRATION.

7 (A) COMMISSION.--ON OR BEFORE JANUARY 31 OF EACH YEAR, THE
8 COMMISSION SHALL CALCULATE AND DETERMINE THE AVERAGE ANNUAL
9 PRICE OF NATURAL GAS FOR THE PREVIOUS CALENDAR YEAR.

10 (B) NOTICE.--NOTICE OF THE AVERAGE ANNUAL PRICE AND THE
11 ANNUAL FEE SCHEDULE PER WELL SHALL BE PROVIDED TO PRODUCERS
12 OPERATING UNCONVENTIONAL WELLS AND SHALL BE PUBLISHED ON THE
13 COMMISSION'S INTERNET WEBSITE.

14 (C) METHOD.--IF PUBLICATION OF THE NEW YORK MERCANTILE
15 EXCHANGE (NYMEX) HENRY HUB SETTLED PRICE IS DISCONTINUED, THE
16 AVERAGE ANNUAL PRICE OF NATURAL GAS THEN IN EFFECT SHALL NOT BE
17 ADJUSTED UNTIL A COMPARABLE METHOD TO DETERMINE THE AVERAGE
18 ANNUAL PRICE OF NATURAL GAS IS ADOPTED BY COMMISSION RULE. IF
19 THE BASE DATA OF THE NYMEX HENRY HUB SETTLED PRICE IS
20 SUBSTANTIALLY REVISED, THE COMMISSION SHALL MAKE APPROPRIATE
21 CHANGES TO ENSURE THAT THE AVERAGE ANNUAL PRICE OF NATURAL GAS
22 IS REASONABLY CONSISTENT WITH THE RESULT THAT WOULD HAVE BEEN
23 ATTAINED HAD THE SUBSTANTIAL REVISION NOT BEEN MADE.

24 (D) REPORT.--BY MARCH 1, 2012, AND EACH MARCH 1 THEREAFTER,
25 EACH PRODUCER SHALL SUBMIT A PRODUCTION REPORT TO THE COMMISSION
26 ON A FORM PRESCRIBED BY THE COMMISSION FOR THE PREVIOUS CALENDAR
27 YEAR. THE REPORT SHALL INCLUDE THE FOLLOWING:

28 (1) ANNUAL UNITS OF PRODUCTION SEVERED BY THE PRODUCER
29 FOR EACH UNCONVENTIONAL WELL FOR THE REPORTING PERIOD.

30 (2) THE NUMBER OF PRODUCING UNCONVENTIONAL WELLS OF A

1 PRODUCER IN EACH COUNTY AND MUNICIPALITY.

2 (E) FEE FOR 2011.--FOR CALENDAR YEAR 2011, THE FEE DUE SHALL
3 BE PAID AS FOLLOWS:

4 (1) FIFTY PERCENT OF THE FEE SHALL BE PAID BY MARCH 1,
5 2012.

6 (2) FIFTY PERCENT OF THE FEE SHALL BE PAID BY JUNE 1,
7 2012.

8 (F) FEE DUE DATE.--EXCEPT AS PROVIDED UNDER SUBSECTION (E),
9 THE FEE SHALL BE DUE ON MARCH 1 AND EACH YEAR THEREAFTER. THE
10 FEE SHALL BECOME DELINQUENT IF NOT REMITTED TO THE COMMISSION BY
11 THE DUE DATE.

12 (G) COSTS OF COMMISSION.--

13 (1) WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS
14 SUBSECTION, AND EACH YEAR THEREAFTER, THE COMMISSION MAY
15 IMPOSE AN ANNUAL FEE NOT TO EXCEED \$100 PER WELL ON EACH
16 REPORTING PRODUCER TO PAY FOR THE ACTUAL COSTS OF THE
17 COMMISSION TO ADMINISTER AND ENFORCE THIS CHAPTER AND CHAPTER
18 25 (RELATING TO NATURAL GAS ENERGY DEVELOPMENT PROGRAM).

19 (2) BY MARCH 31, 2012, AND EACH YEAR THEREAFTER, THE
20 COMMISSION SHALL DETERMINE FOR THE PRECEDING CALENDAR YEAR
21 THE AMOUNT OF ITS ACTUAL EXPENDITURES DIRECTLY ATTRIBUTABLE
22 TO THE ADMINISTRATION AND ENFORCEMENT OF THIS CHAPTER AND
23 CHAPTER 25. THE COMMISSION SHALL SUBTRACT THE AMOUNT OF FEES
24 COLLECTED UNDER PARAGRAPH (1) IN THAT CALENDAR YEAR AND
25 ASSESS ANY REMAINING BALANCE ON ALL PRODUCERS SUBJECT TO THE
26 IMPACT FEE IN PROPORTION TO THE NUMBER OF WELLS OWNED BY EACH
27 PRODUCER.

28 (3) EACH PRODUCER SHALL BE ASSESSED FOR AND SHALL PAY TO
29 THE COMMISSION THAT PROPORTION OF THE AMOUNT DETERMINED UNDER
30 PARAGRAPH (2) AND ALLOCATED TO THE PRODUCER FOR THAT YEAR.

1 § 2304. WELL INFORMATION.

2 (A) LIST.--WITHIN 30 DAYS OF THE EFFECTIVE DATE OF THIS
3 SECTION, THE DEPARTMENT SHALL PROVIDE THE COMMISSION WITH A LIST
4 OF ALL UNCONVENTIONAL WELLS THAT HAVE RECEIVED A DRILLING PERMIT
5 FROM THE DEPARTMENT. THE DEPARTMENT SHALL UPDATE THE LIST AND
6 PROVIDE IT TO THE COMMISSION ON A MONTHLY BASIS.

7 (B) UPDATES.--A PRODUCER SUBJECT TO THE FEE SHALL NOTIFY THE
8 COMMISSION OF THE FOLLOWING WITHIN 30 DAYS AFTER A CALENDAR
9 MONTH IN WHICH THE CHANGE OCCURS:

10 (1) THE INITIATION OF PRODUCTION AT AN UNCONVENTIONAL
11 WELL.

12 (2) THE REMOVAL OF AN UNCONVENTIONAL WELL FROM
13 PRODUCTION.

14 § 2305. DUTIES OF DEPARTMENT.

15 (A) CONFIRMATION OF PAYMENT.--PRIOR TO ISSUING A PERMIT TO
16 DRILL AN UNCONVENTIONAL WELL IN THIS COMMONWEALTH, THE
17 DEPARTMENT SHALL DETERMINE WHETHER THE PRODUCER HAS PAID ALL
18 FEES OWED FOR AN EXISTING WELL UNDER SECTION 2302 (RELATING TO
19 SHALE IMPACT FEE).

20 (B) PROHIBITION.--THE DEPARTMENT SHALL NOT ISSUE A PERMIT TO
21 DRILL AN UNCONVENTIONAL WELL UNTIL ALL FEES OWED UNDER SECTION
22 2302 THAT ARE NOT IN DISPUTE HAVE BEEN PAID TO THE COMMISSION.

23 (C) PAYMENT OF FEES.--THE COMMISSION SHALL PROVIDE THE
24 DEPARTMENT WITH INFORMATION NECESSARY TO DETERMINE THAT THE
25 PRODUCER HAS PAID ALL FEES OWED FOR AN EXISTING WELL UNDER
26 SECTION 2302.

27 § 2306. (RESERVED).

28 § 2307. COMMISSION.

29 (A) POWERS.--THE COMMISSION SHALL HAVE THE AUTHORITY TO MAKE
30 ALL INQUIRIES AND DETERMINATIONS NECESSARY TO CALCULATE AND

1 COLLECT THE FEE IMPOSED UNDER THIS CHAPTER, INCLUDING, IF
2 APPLICABLE, INTEREST AND PENALTIES.

3 (B) NOTICE.--IF THE COMMISSION DETERMINES THAT THE FEE HAS
4 NOT BEEN PAID IN FULL, IT MAY ISSUE A NOTICE OF THE AMOUNT DUE
5 AND DEMAND FOR PAYMENT AND SHALL SET FORTH THE BASIS FOR THE
6 DETERMINATION.

7 (C) ADDRESS.--NOTICE OF FAILURE TO PAY THE CORRECT FEE SHALL
8 BE SENT TO THE PRODUCER VIA CERTIFIED MAIL.

9 (D) TIME PERIOD.--EXCEPT AS SET FORTH IN SUBSECTION (E), THE
10 COMMISSION MAY CHALLENGE THE AMOUNT OF A FEE PAID WITHIN THREE
11 YEARS AFTER THE DATE THE REPORT UNDER SECTION 2303 (D) (RELATING
12 TO ADMINISTRATION) IS FILED.

13 (E) INTENT.--IF NO REPORT IS FILED OR A PRODUCER FILES A
14 FALSE OR FRAUDULENT REPORT WITH THE INTENT TO EVADE THE FEE, AN
15 ASSESSMENT OF THE AMOUNT OWED MAY BE MADE AT ANY TIME.
16 § 2308. ENFORCEMENT.

17 (A) ASSESSMENT.--THE COMMISSION SHALL ASSESS INTEREST ON ANY
18 DELINQUENT FEE AT THE RATE DETERMINED UNDER SECTION 2307 (A)
19 (RELATING TO COMMISSION).

20 (B) PENALTY.--IN ADDITION TO THE ASSESSED INTEREST UNDER
21 SUBSECTION (A), IF A PRODUCER FAILS TO MAKE TIMELY PAYMENT OF
22 THE FEE, THERE SHALL BE ADDED TO THE AMOUNT OF THE FEE DUE A
23 PENALTY OF 5% OF THE AMOUNT OF THE FEE IF FAILURE TO FILE A
24 TIMELY PAYMENT IS FOR NOT MORE THAN ONE MONTH, WITH AN
25 ADDITIONAL 5% PENALTY FOR EACH ADDITIONAL MONTH, OR FRACTION OF
26 A MONTH, DURING WHICH THE FAILURE CONTINUES, NOT TO EXCEED 25%
27 IN THE AGGREGATE.

28 (C) TIMELY PAYMENT.--IF THE COMMISSION DETERMINES THAT A
29 PRODUCER HAS NOT MADE A TIMELY PAYMENT OF THE FEE, THE
30 COMMISSION SHALL SEND A WRITTEN NOTICE OF THE AMOUNT OF THE

1 DEFICIENCY TO THE PRODUCER WITHIN 30 DAYS FROM THE DATE OF
2 DETERMINING THE DEFICIENCY. THE COMMISSION SHALL NOTIFY THE
3 DEPARTMENT OF A PRODUCER THAT HAS FAILED TO PAY THE FEE FOR ANY
4 PRODUCING WELL UNDER SECTION 2302 (RELATING TO SHALE IMPACT
5 FEE). IF THE PRODUCER DOES NOT HAVE A PENDING APPEAL RELATED TO
6 PAYMENT OF THE FEE IN PROCESS, THE DEPARTMENT SHALL SUSPEND THE
7 PERMIT FOR THAT WELL UNTIL THE FEE HAS BEEN PAID.

8 (D) REMEDIES.--THE REMEDIES PROVIDED UNDER THIS CHAPTER ARE
9 IN ADDITION TO ANY OTHER REMEDIES PROVIDED BY LAW OR IN EQUITY.

10 (E) LIEN.--FINES, FEES, INTEREST AND PENALTIES SHALL BE
11 COLLECTIBLE AS AUTHORIZED BY LAW FOR THE COLLECTION OF DEBTS. IF
12 THE PRODUCER LIABLE TO PAY AN AMOUNT NEGLECTS OR REFUSES TO PAY
13 THE AMOUNT AFTER DEMAND, THE AMOUNT, TOGETHER WITH COSTS, SHALL
14 BE A JUDGMENT IN FAVOR OF THE COMMONWEALTH UPON THE PROPERTY OF
15 THE PRODUCER, BUT ONLY AFTER THE JUDGMENT HAS BEEN ENTERED,
16 DOCKETED AND RECORDED BY THE PROTHONOTARY OF THE COUNTY WHERE
17 THE PROPERTY IS SITUATED. THE COMMONWEALTH SHALL TRANSMIT TO THE
18 PROTHONOTARIES OF THE RESPECTIVE COUNTIES CERTIFIED COPIES OF
19 THE JUDGMENTS. EACH PROTHONOTARY SHALL ENTER, DOCKET AND RECORD
20 THE RECORD IN THE PROTHONOTARY'S OFFICE AND INDEX EACH JUDGMENT,
21 WITHOUT REQUIRING THE PAYMENT OF COSTS AS A CONDITION PRECEDENT
22 TO THE ENTRY OF THE JUDGMENT.

23 § 2309. ENFORCEMENT ORDERS.

24 (A) ISSUANCE.--THE COMMISSION MAY ISSUE AN ORDER AS
25 NECESSARY TO ENFORCE THIS CHAPTER AND CHAPTER 25 (RELATING TO
26 NATURAL GAS ENERGY DEVELOPMENT PROGRAM). AN ORDER ISSUED UNDER
27 THIS SECTION SHALL TAKE EFFECT UPON NOTICE, UNLESS THE ORDER
28 SPECIFIES OTHERWISE. AN APPEAL OF THE ORDER MUST BE IN
29 ACCORDANCE WITH 66 PA.C.S. CH. 3 SUBCH. B (RELATING TO
30 INVESTIGATIONS AND HEARINGS).

1 (B) COMPLIANCE.--A PRODUCER HAS THE DUTY TO COMPLY WITH AN
2 ORDER ISSUED UNDER SUBSECTION (A). IF A PRODUCER FAILS TO
3 PROCEED DILIGENTLY OR TO COMPLY WITH AN ORDER WITHIN THE TIME
4 REQUIRED, THE PRODUCER SHALL BE GUILTY OF CONTEMPT AND SHALL BE
5 PUNISHED BY THE COURT IN AN APPROPRIATE MANNER. THE COMMISSION
6 SHALL APPLY TO THE COMMONWEALTH COURT, WHICH SHALL HAVE
7 JURISDICTION OVER MATTERS RELATING TO CONTEMPT.

8 § 2310. ADMINISTRATIVE PENALTIES.

9 (A) CIVIL PENALTIES.--IN ADDITION TO ANY OTHER PROCEEDING
10 AUTHORIZED BY LAW, THE COMMISSION MAY ASSESS A CIVIL PENALTY NOT
11 TO EXCEED \$2,500 PER VIOLATION UPON A PRODUCER FOR THE VIOLATION
12 OF THIS CHAPTER. IN DETERMINING THE AMOUNT OF THE PENALTY, THE
13 COMMISSION SHALL CONSIDER THE WILLFULNESS OF THE VIOLATION AND
14 OTHER RELEVANT FACTORS.

15 (B) SEPARATE OFFENSE.--EACH VIOLATION FOR EACH SEPARATE DAY
16 AND EACH VIOLATION OF THIS CHAPTER SHALL CONSTITUTE A SEPARATE
17 OFFENSE.

18 (C) LIMITATION OF ACTIONS.--NOTWITHSTANDING ANY LIMITATION
19 IN 42 PA.C.S. CH. 55 SUBCH. B (RELATING TO CIVIL ACTIONS AND
20 PROCEEDINGS) AN ACTION UNDER THIS SECTION MUST BE BROUGHT WITHIN
21 THREE YEARS OF THE VIOLATION.

22 (D) PROCEDURE.--A PENALTY UNDER THIS CHAPTER IS SUBJECT TO
23 66 PA.C.S. CH. 3 SUBCH. B (RELATING TO INVESTIGATIONS AND
24 HEARINGS).

25 § 2311. (RESERVED).

26 § 2312. RECORDKEEPING.

27 A PRODUCER LIABLE FOR THE FEE UNDER THIS CHAPTER OR THE
28 ASSESSMENT UNDER CHAPTER 25 (RELATING TO NATURAL GAS ENERGY
29 DEVELOPMENT PROGRAM) SHALL KEEP RECORDS, MAKE REPORTS AND COMPLY
30 WITH REGULATIONS OF THE COMMISSION. THE COMMISSION MAY REQUIRE A

1 PRODUCER TO MAKE REPORTS, RENDER STATEMENTS OR KEEP RECORDS AS
2 THE COMMISSION DEEMS SUFFICIENT TO DETERMINE LIABILITY FOR THE
3 FEE.

4 § 2313. EXAMINATIONS.

5 (A) ACCESS.--THE COMMISSION OR ITS AUTHORIZED AGENTS OR
6 REPRESENTATIVES SHALL:

7 (1) HAVE ACCESS TO THE RELEVANT BOOKS, PAPERS AND
8 RECORDS OF ANY PRODUCER IN ORDER TO VERIFY THE ACCURACY AND
9 COMPLETENESS OF A REPORT FILED OR FEE PAID UNDER THIS CHAPTER
10 OR THE ASSESSMENT UNDER CHAPTER 25 (RELATING TO NATURAL GAS
11 ENERGY DEVELOPMENT PROGRAM).

12 (2) REQUIRE THE PRESERVATION OF ALL RELEVANT BOOKS,
13 PAPERS AND RECORDS FOR AN APPROPRIATE PERIOD NOT TO EXCEED
14 THREE YEARS FROM THE END OF THE CALENDAR YEAR TO WHICH THE
15 RECORDS RELATE.

16 (3) EXAMINE ANY EMPLOYEE OF A PRODUCER UNDER OATH
17 CONCERNING THE SEVERING OF NATURAL GAS SUBJECT TO A FEE OR
18 ANY MATTER RELATING TO THE ENFORCEMENT OF THIS CHAPTER.

19 (4) COMPEL THE PRODUCTION OF RELEVANT BOOKS, PAPERS AND
20 RECORDS AND THE ATTENDANCE OF ALL INDIVIDUALS WHO THE
21 COMMISSION BELIEVES TO HAVE KNOWLEDGE OF RELEVANT MATTERS IN
22 ACCORDANCE WITH 66 PA.C.S. (RELATING TO PUBLIC UTILITIES).

23 (B) UNAUTHORIZED DISCLOSURE.--ANY INFORMATION OBTAINED BY
24 THE COMMISSION AS A RESULT OF ANY REPORT, EXAMINATION,
25 INVESTIGATION OR HEARING UNDER THIS CHAPTER SHALL BE
26 CONFIDENTIAL AND SHALL NOT BE DISCLOSED, EXCEPT FOR OFFICIAL
27 PURPOSES, IN ACCORDANCE WITH JUDICIAL ORDER OR AS OTHERWISE
28 PROVIDED BY LAW. A COMMISSIONER OR AN EMPLOYEE OF THE COMMISSION
29 WHO WITHOUT AUTHORIZATION DIVULGES CONFIDENTIAL INFORMATION
30 SHALL BE SUBJECT TO DISCIPLINARY ACTION BY THE COMMISSION.

1 § 2314. DISTRIBUTION OF FEE.

2 (A) ESTABLISHMENT.--THERE IS HEREBY ESTABLISHED A RESTRICTED
3 RECEIPTS ACCOUNT IN THE STATE TREASURY TO BE KNOWN AS THE SHALE
4 IMPACT ACCOUNT TO BE ADMINISTERED BY THE COMMISSION.

5 (B) DEPOSIT.--ALL FEES IMPOSED UNDER THIS CHAPTER SHALL BE
6 DEPOSITED INTO THE ACCOUNT AND ARE HEREBY APPROPRIATED FOR THE
7 PURPOSE SET FORTH IN THIS SECTION.

8 (C) CONSERVATION DISTRICTS.--

9 (1) FROM FEES COLLECTED FOR 2011, \$2,500,000 FROM THE
10 ACCOUNT SHALL BE DISTRIBUTED TO COUNTY CONSERVATION
11 DISTRICTS.

12 (2) FROM FEES COLLECTED FOR 2012 AND EVERY YEAR
13 THEREAFTER, \$5,000,000 FROM THE ACCOUNT SHALL BE DISTRIBUTED
14 TO COUNTY CONSERVATION DISTRICTS.

15 (3) FUNDS UNDER PARAGRAPHS (1) AND (2) SHALL BE
16 DISTRIBUTED IN ACCORDANCE WITH THE FOLLOWING:

17 (I) ONE-HALF SHALL BE DISTRIBUTED BY DIVIDING THE
18 AMOUNT EQUALLY AMONG CONSERVATION DISTRICTS FOR ANY USE
19 CONSISTENT WITH THE ACT OF MAY 15, 1945 (P.L.547,
20 NO.217), KNOWN AS THE CONSERVATION DISTRICT LAW.

21 (II) ONE-HALF SHALL BE DISTRIBUTED BY THE STATE
22 CONSERVATION COMMISSION IN A MANNER CONSISTENT WITH THE
23 CONSERVATION DISTRICT LAW AND THE PROVISIONS OF THE STATE
24 CONSERVATION COMMISSION'S CONSERVATION DISTRICT FUND
25 ALLOCATION PROGRAM--STATEMENT OF POLICY UNDER 25 PA. CODE
26 CH. 83 SUBCH. B (RELATING TO CONSERVATION DISTRICT FUND
27 ALLOCATION PROGRAM--STATEMENT OF POLICY).

28 (C.1) OFFICE OF THE STATE FIRE COMMISSIONER.--

29 (1) FROM FEES COLLECTED FOR 2011 AND EACH YEAR
30 THEREAFTER, \$1,500,000 SHALL BE ANNUALLY DISTRIBUTED TO THE

1 OFFICE OF THE STATE FIRE COMMISSIONER.

2 (2) FUNDS UNDER PARAGRAPH (1) SHALL BE USED FOR THE
3 FOLLOWING PURPOSES:

4 (I) TO SUPPORT TRAINING PROGRAMS FOR EMERGENCY
5 RESPONDERS LOCATED IN COUNTIES WHERE DRILLING OF
6 MARCELLUS SHALE OR OTHER UNCONVENTIONAL RESOURCES OCCURS.

7 (II) TO PROVIDE GRANTS TO FIRE DEPARTMENTS FOR THE
8 PURCHASE OF SPECIAL EQUIPMENT REQUIRED TO RESPOND TO
9 FIRES AND OTHER EMERGENCIES RELATED TO THE PRODUCTION,
10 PROCESSING AND TRANSPORTATION OF NATURAL GAS OR NATURAL
11 GAS LIQUIDS.

12 (C.2) PENNSYLVANIA FISH AND BOAT COMMISSION.--FROM FEES
13 COLLECTED FOR 2011 AND EACH YEAR THEREAFTER, \$1,500,000 SHALL BE
14 DISTRIBUTED TO THE PENNSYLVANIA FISH AND BOAT COMMISSION FOR
15 COSTS RELATING TO THE REVIEW OF APPLICATIONS FOR PERMITS TO
16 DRILL UNCONVENTIONAL WELLS.

17 (D) DISTRIBUTION.--FOLLOWING DISTRIBUTION UNDER SUBSECTIONS
18 (C), (C.1) AND (C.2), FOR 2011 AND EVERY YEAR THEREAFTER, 55% OF
19 THE REVENUES REMAINING IN THE ACCOUNT ARE HEREBY APPROPRIATED
20 UNDER THIS SUBSECTION FOR THE PURPOSES AUTHORIZED UNDER
21 SUBSECTION (E). LOCAL GOVERNMENTS ARE ENCOURAGED, WHERE
22 APPROPRIATE, TO JOINTLY FUND PROJECTS THAT CROSS JURISDICTIONAL
23 LINES. THE COMMISSION, AFTER MAKING A DISBURSEMENT UNDER
24 SUBSECTION (D.2), SHALL DISTRIBUTE THE REMAINING FUNDS
25 APPROPRIATED UNDER THIS SUBSECTION AS FOLLOWS WITHIN 45 DAYS
26 AFTER THE DATE THE FEE IS DUE:

27 (1) THIRTY-SIX PERCENT SHALL BE DISTRIBUTED TO COUNTIES
28 IN WHICH PRODUCING UNCONVENTIONAL WELLS ARE LOCATED. THE
29 AMOUNT FOR EACH COUNTY SHALL BE DETERMINED USING A FORMULA
30 THAT DIVIDES THE NUMBER OF PRODUCING UNCONVENTIONAL WELLS IN

1 THE COUNTY BY THE NUMBER OF PRODUCING UNCONVENTIONAL WELLS IN
2 THIS COMMONWEALTH AND MULTIPLIES THE RESULTING PERCENTAGE BY
3 THE AMOUNT AVAILABLE FOR DISTRIBUTION UNDER THIS PARAGRAPH.

4 (2) THIRTY-SEVEN PERCENT SHALL BE DISTRIBUTED TO
5 MUNICIPALITIES IN WHICH PRODUCING UNCONVENTIONAL WELLS ARE
6 LOCATED. THE AMOUNT FOR EACH MUNICIPALITY SHALL BE DETERMINED
7 USING A FORMULA THAT DIVIDES THE NUMBER OF PRODUCING
8 UNCONVENTIONAL GAS WELLS IN THE MUNICIPALITY BY THE NUMBER OF
9 PRODUCING UNCONVENTIONAL WELLS IN THIS COMMONWEALTH AND
10 MULTIPLIES THE RESULTING PERCENTAGE BY THE AMOUNT AVAILABLE
11 FOR DISTRIBUTION UNDER THIS PARAGRAPH.

12 (3) TWENTY-SEVEN PERCENT SHALL BE DISTRIBUTED TO
13 MUNICIPALITIES LOCATED IN A COUNTY IN WHICH PRODUCING
14 UNCONVENTIONAL WELLS ARE LOCATED. THE AMOUNT AVAILABLE FOR
15 DISTRIBUTION IN EACH COUNTY SHALL BE DETERMINED BY DIVIDING
16 THE NUMBER OF PRODUCING UNCONVENTIONAL WELLS IN THE COUNTY BY
17 THE NUMBER OF PRODUCING UNCONVENTIONAL WELLS IN THIS
18 COMMONWEALTH AND MULTIPLYING THE RESULTING PERCENTAGE BY THE
19 AMOUNT AVAILABLE FOR DISTRIBUTION UNDER THIS PARAGRAPH. THE
20 RESULTING AMOUNT AVAILABLE FOR DISTRIBUTION IN EACH COUNTY IN
21 WHICH PRODUCING UNCONVENTIONAL WELLS ARE LOCATED SHALL BE
22 DISTRIBUTED TO EACH MUNICIPALITY IN THE COUNTY AS FOLLOWS:

23 (I) FIFTY PERCENT OF THE AMOUNT AVAILABLE UNDER THIS
24 PARAGRAPH SHALL BE DISTRIBUTED TO MUNICIPALITIES IN WHICH
25 PRODUCING UNCONVENTIONAL WELLS ARE LOCATED AND TO
26 MUNICIPALITIES THAT ARE EITHER CONTIGUOUS WITH A
27 MUNICIPALITY IN WHICH PRODUCING UNCONVENTIONAL WELLS ARE
28 LOCATED OR ARE LOCATED WITHIN FIVE LINEAR MILES OF A
29 PRODUCING UNCONVENTIONAL WELL. THE DISTRIBUTION SHALL BE
30 MADE AS FOLLOWS:

1 (A) ONE-HALF SHALL BE DISTRIBUTED TO EACH
2 ELIGIBLE MUNICIPALITY USING A FORMULA THAT DIVIDES
3 THE POPULATION OF THE ELIGIBLE MUNICIPALITY WITHIN
4 THE COUNTY BY THE TOTAL POPULATION OF ALL ELIGIBLE
5 MUNICIPALITIES WITHIN THE COUNTY AND MULTIPLIES THE
6 RESULTING PERCENTAGE BY THE AMOUNT ALLOCATED TO THE
7 COUNTY UNDER THIS SUBPARAGRAPH.

8 (B) ONE-HALF SHALL BE DISTRIBUTED TO EACH
9 ELIGIBLE MUNICIPALITY USING A FORMULA THAT DIVIDES
10 THE HIGHWAY MILEAGE OF THE ELIGIBLE MUNICIPALITY
11 WITHIN THE COUNTY BY THE TOTAL HIGHWAY MILEAGE OF ALL
12 ELIGIBLE MUNICIPALITIES WITHIN THE COUNTY AND
13 MULTIPLIES THE RESULTING PERCENTAGE BY THE AMOUNT
14 ALLOCATED TO THE COUNTY UNDER THIS SUBPARAGRAPH.

15 (II) FIFTY PERCENT OF THE AMOUNT AVAILABLE UNDER
16 THIS PARAGRAPH SHALL BE DISTRIBUTED TO EACH MUNICIPALITY
17 IN THE COUNTY REGARDLESS OF WHETHER AN UNCONVENTIONAL
18 WELL IS LOCATED IN THE MUNICIPALITY AS FOLLOWS:

19 (A) ONE-HALF SHALL BE DISTRIBUTED TO EACH
20 MUNICIPALITY USING A FORMULA THAT DIVIDES THE
21 POPULATION OF THE MUNICIPALITY WITHIN THE COUNTY BY
22 THE TOTAL POPULATION OF THE COUNTY AND MULTIPLIES THE
23 RESULTING PERCENTAGE BY THE AMOUNT ALLOCATED TO THE
24 COUNTY UNDER THIS SUBPARAGRAPH.

25 (B) ONE-HALF SHALL BE DISTRIBUTED TO EACH
26 MUNICIPALITY USING A FORMULA THAT DIVIDES THE HIGHWAY
27 MILEAGE OF THE MUNICIPALITY WITHIN THE COUNTY BY THE
28 TOTAL HIGHWAY MILEAGE OF THE COUNTY AND MULTIPLIES
29 THE RESULTING PERCENTAGE BY THE AMOUNT ALLOCATED TO
30 THE COUNTY UNDER THIS SUBPARAGRAPH.

1 (D.1) RESTRICTION.--THE AMOUNT ALLOCATED TO EACH DESIGNATED
2 MUNICIPALITY UNDER SUBSECTION (D) SHALL NOT EXCEED 50% OF ITS
3 TOTAL BUDGET FOR FISCAL YEAR 2011, ADJUSTED FOR INFLATION IN
4 SUBSEQUENT YEARS BY AN AMOUNT NOT TO EXCEED AN ANNUAL COST-OF-
5 LIVING ADJUSTMENT CALCULATED BY APPLYING THE PERCENTAGE
6 INCREASE, IF ANY, IN THE CONSUMER PRICE INDEX IMMEDIATELY PRIOR
7 TO THE DATE THE ADJUSTMENT IS DUE TO TAKE EFFECT. ANY REMAINING
8 MONEY SHALL BE RETAINED BY THE COMMISSION AND DEPOSITED IN THE
9 HOUSING AFFORDABILITY AND REHABILITATION ENHANCEMENT FUND.

10 (D.2) HOUSING AFFORDABILITY AND REHABILITATION ENHANCEMENT
11 FUND.--

12 (1) FROM FEES COLLECTED FOR 2011, \$2,500,000 FROM THE
13 ACCOUNT SHALL BE DISTRIBUTED TO THE HOUSING AFFORDABILITY AND
14 REHABILITATION ENHANCEMENT FUND UNDER THE ACT OF NOVEMBER 23,
15 2010 (P.L.1035, NO.105), ENTITLED "AN ACT AMENDING THE ACT OF
16 DECEMBER 3, 1959 (P.L.1688, NO.621), ENTITLED, AS AMENDED,
17 'AN ACT TO PROMOTE THE HEALTH, SAFETY AND WELFARE OF THE
18 PEOPLE OF THE COMMONWEALTH BY BROADENING THE MARKET FOR
19 HOUSING FOR PERSONS AND FAMILIES OF LOW AND MODERATE INCOME
20 AND ALLEVIATING SHORTAGES THEREOF, AND BY ASSISTING IN THE
21 PROVISION OF HOUSING FOR ELDERLY PERSONS THROUGH THE CREATION
22 OF THE PENNSYLVANIA HOUSING FINANCE AGENCY AS A PUBLIC
23 CORPORATION AND GOVERNMENT INSTRUMENTALITY; PROVIDING FOR THE
24 ORGANIZATION, MEMBERSHIP AND ADMINISTRATION OF THE AGENCY,
25 PRESCRIBING ITS GENERAL POWERS AND DUTIES AND THE MANNER IN
26 WHICH ITS FUNDS ARE KEPT AND AUDITED, EMPOWERING THE AGENCY
27 TO MAKE HOUSING LOANS TO QUALIFIED MORTGAGORS UPON THE
28 SECURITY OF INSURED AND UNINSURED MORTGAGES, DEFINING
29 QUALIFIED MORTGAGORS AND PROVIDING FOR PRIORITIES AMONG
30 TENANTS IN CERTAIN INSTANCES, PRESCRIBING INTEREST RATES AND

1 OTHER TERMS OF HOUSING LOANS, PERMITTING THE AGENCY TO
2 ACQUIRE REAL OR PERSONAL PROPERTY, PERMITTING THE AGENCY TO
3 MAKE AGREEMENTS WITH FINANCIAL INSTITUTIONS AND FEDERAL
4 AGENCIES, PROVIDING FOR THE PURCHASE BY PERSONS OF LOW AND
5 MODERATE INCOME OF HOUSING UNITS, AND APPROVING THE SALE OF
6 HOUSING UNITS, PERMITTING THE AGENCY TO SELL HOUSING LOANS,
7 PROVIDING FOR THE PROMULGATION OF REGULATIONS AND FORMS BY
8 THE AGENCY, PRESCRIBING PENALTIES FOR FURNISHING FALSE
9 INFORMATION, EMPOWERING THE AGENCY TO BORROW MONEY UPON ITS
10 OWN CREDIT BY THE ISSUANCE AND SALE OF BONDS AND NOTES AND BY
11 GIVING SECURITY THEREFOR, PERMITTING THE REFUNDING,
12 REDEMPTION AND PURCHASE OF SUCH OBLIGATIONS BY THE AGENCY,
13 PRESCRIBING REMEDIES OF HOLDERS OF SUCH BONDS AND NOTES,
14 EXEMPTING BONDS AND NOTES OF THE AGENCY, THE INCOME
15 THEREFROM, AND THE INCOME AND REVENUES OF THE AGENCY FROM
16 TAXATION, EXCEPT TRANSFER, DEATH AND GIFT TAXES; MAKING SUCH
17 BONDS AND NOTES LEGAL INVESTMENTS FOR CERTAIN PURPOSES; AND
18 INDICATING HOW THE ACT SHALL BECOME EFFECTIVE,' PROVIDING FOR
19 THE PENNSYLVANIA HOUSING AFFORDABILITY AND REHABILITATION
20 ENHANCEMENT PROGRAM; AND ESTABLISHING THE HOUSING
21 AFFORDABILITY AND REHABILITATION ENHANCEMENT FUND." FROM FEES
22 COLLECTED FOR 2012, AND EACH YEAR THEREAFTER, \$5,000,000
23 SHALL BE ANNUALLY DISTRIBUTED TO THE HOUSING AFFORDABILITY
24 AND REHABILITATION ENHANCEMENT FUND.

25 (2) FUNDS UNDER PARAGRAPH (1) SHALL BE USED FOR THE
26 FOLLOWING PURPOSES:

27 (I) TO PROVIDE SUPPORT TO PROJECTS IN A COUNTY IN
28 WHICH PRODUCING UNCONVENTIONAL WELLS ARE LOCATED THAT
29 INCREASE AVAILABILITY OF QUALITY, SAFE, AFFORDABLE
30 HOUSING FOR LOW-INCOME AND MODERATE-INCOME INDIVIDUALS OR

1 FAMILIES, PERSONS WITH DISABILITIES OR ELDERLY PERSONS.

2 (II) TO PROVIDE RENTAL ASSISTANCE IN A COUNTY IN
3 WHICH PRODUCING UNCONVENTIONAL WELLS ARE LOCATED TO
4 PERSONS OR FAMILIES WHOSE HOUSEHOLD INCOME DOES NOT
5 EXCEED THE AREA MEDIAN INCOME.

6 (3) NO LESS THAN 50% OF THE FUNDS AVAILABLE UNDER THIS
7 SUBSECTION SHALL BE USED IN FIFTH, SIXTH, SEVENTH AND EIGHTH
8 CLASS COUNTIES.

9 (E) USE OF FUNDS.--A COUNTY OR MUNICIPALITY RECEIVING FUNDS
10 UNDER SUBSECTION (D) SHALL USE THE FUNDS RECEIVED ONLY FOR THE
11 FOLLOWING PURPOSES ASSOCIATED WITH NATURAL GAS PRODUCTION FROM
12 UNCONVENTIONAL WELLS WITHIN THE COUNTY OR MUNICIPALITY:

13 (1) CONSTRUCTION, RECONSTRUCTION, MAINTENANCE AND REPAIR
14 OF ROADWAYS, BRIDGES AND PUBLIC INFRASTRUCTURE.

15 (2) WATER, STORM WATER AND SEWER SYSTEMS, INCLUDING
16 CONSTRUCTION, RECONSTRUCTION, MAINTENANCE AND REPAIR.

17 (3) EMERGENCY PREPAREDNESS AND PUBLIC SAFETY, INCLUDING
18 LAW ENFORCEMENT AND FIRE SERVICES, HAZARDOUS MATERIAL
19 RESPONSE, 911, EQUIPMENT ACQUISITION AND OTHER SERVICES.

20 (4) ENVIRONMENTAL PROGRAMS, INCLUDING TRAILS, PARKS AND
21 RECREATION, OPEN SPACE, FLOOD PLAIN MANAGEMENT, CONSERVATION
22 DISTRICTS AND AGRICULTURAL PRESERVATION.

23 (5) PRESERVATION AND RECLAMATION OF SURFACE AND
24 SUBSURFACE WATERS AND WATER SUPPLIES.

25 (6) TAX REDUCTIONS, INCLUDING HOMESTEAD EXCLUSIONS.

26 (7) PROJECTS TO INCREASE THE AVAILABILITY OF SAFE AND
27 AFFORDABLE HOUSING TO RESIDENTS.

28 (8) RECORDS MANAGEMENT, GEOGRAPHIC INFORMATION SYSTEMS
29 AND INFORMATION TECHNOLOGY.

30 (9) THE DELIVERY OF SOCIAL SERVICES.

1 (10) JUDICIAL SERVICES.

2 (11) FOR DEPOSIT INTO THE COUNTY OR MUNICIPALITY'S
3 CAPITAL RESERVE FUND IF THE FUNDS ARE USED SOLELY FOR A
4 PURPOSE SET FORTH IN THIS SUBSECTION.

5 (F) REPORTING.--

6 (1) THE COMMISSION SHALL SUBMIT AN ANNUAL REPORT ON ALL
7 FUNDS IN THE ACCOUNT. THE REPORT SHALL INCLUDE A DETAILED
8 LISTING OF ALL DEPOSITS AND EXPENDITURES OF THE FUND AND BE
9 SUBMITTED TO THE CHAIRMAN AND THE MINORITY CHAIRMAN OF THE
10 APPROPRIATIONS COMMITTEE OF THE SENATE, THE CHAIRMAN AND THE
11 MINORITY CHAIRMAN OF THE ENVIRONMENTAL RESOURCES AND ENERGY
12 COMMITTEE OF THE SENATE, THE CHAIRMAN AND THE MINORITY
13 CHAIRMAN OF THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF
14 REPRESENTATIVES AND THE CHAIRMAN AND THE MINORITY CHAIRMAN OF
15 THE ENVIRONMENTAL RESOURCES AND ENERGY COMMITTEE OF THE HOUSE
16 OF REPRESENTATIVES. THE REPORT SHALL BE SUBMITTED BY
17 SEPTEMBER 30, 2012, AND BY SEPTEMBER 30 OF EACH YEAR
18 THEREAFTER.

19 (2) ALL COUNTIES AND MUNICIPALITIES RECEIVING FUNDS FROM
20 THE ACCOUNT UNDER THIS SECTION SHALL SUBMIT INFORMATION TO
21 THE COMMISSION ON A FORM PREPARED BY THE COMMISSION THAT SETS
22 FORTH THE AMOUNT AND USE OF THE FUNDS RECEIVED IN THE PRIOR
23 CALENDAR YEAR. THE FORM SHALL SET FORTH THAT THE FUNDS
24 RECEIVED WERE COMMITTED TO A SPECIFIC PROJECT OR USE AS
25 AUTHORIZED IN THIS SECTION. THE REPORTS SHALL BE PUBLISHED
26 ANNUALLY ON THE COUNTY OR MUNICIPALITY'S PUBLICLY ACCESSIBLE
27 INTERNET WEBSITE.

28 § 2315. STATEWIDE INITIATIVES.

29 (A) DEPOSIT AND DISTRIBUTION.--FOLLOWING DISTRIBUTION UNDER
30 SECTION 2314(C), (C.1) AND (C.2) (RELATING TO DISTRIBUTION OF

1 FEE), 45% OF THE REMAINING REVENUE IN THE ACCOUNT SHALL BE
2 DISTRIBUTED BY THE COMMISSION WITHIN 45 DAYS AFTER THE DATE THE
3 FEE IS DUE AS FOLLOWS:

4 (1) TWENTY-FIVE PERCENT TO THE COMMONWEALTH FINANCING
5 AUTHORITY FOR GRANTS TO ELIGIBLE APPLICANTS FOR THE
6 FOLLOWING:

7 (I) ACID MINES: DAMAGE, ABATEMENT AND CLEANUP AND
8 MINE RECLAMATION, WITH PRIORITY GIVEN TO PROJECTS WHICH
9 RECYCLE AND TREAT WATER FOR USE IN DRILLING OPERATIONS.

10 (II) ORPHAN OR ABANDONED OIL AND GAS WELL PLUGGING.

11 (III) COMPLYING WITH THE ACT OF JANUARY 24, 1966
12 (1965 P.L.1535, NO.537), KNOWN AS THE PENNSYLVANIA SEWAGE
13 FACILITIES ACT.

14 (IV) PLANNING ACQUISITION, DEVELOPMENT,
15 REHABILITATION AND REPAIR OF GREENWAYS, RECREATIONAL
16 TRAILS, OPEN SPACE, PARKS AND BEAUTIFICATION PROJECTS.

17 (V) PROGRAMS TO ESTABLISH BASELINE WATER QUALITY
18 DATA ON PRIVATE WATER SUPPLIES.

19 (VI) WATERSHED PROGRAMS AND RELATED PROJECTS.

20 (2) TWENTY-FIVE PERCENT TO THE HIGHWAY BRIDGE
21 IMPROVEMENT RESTRICTED ACCOUNT IN THE MOTOR LICENSE FUND TO
22 COUNTIES TO BE DISTRIBUTED TO FUND THE COST OF THE
23 REPLACEMENT OR REPAIR OF LOCALLY OWNED AT-RISK DETERIORATED
24 BRIDGES. FUNDS SHALL BE DISTRIBUTED TO COUNTIES
25 PROPORTIONATELY BASED ON THE POPULATION OF THE COUNTY AS
26 FOLLOWS:

27 (I) IN EACH COUNTY, THE DISTRIBUTION SHALL BE
28 ACCORDING TO THE FOLLOWING FORMULA:

29 (A) DIVIDE:

30 (I) THE TOTAL POPULATION OF THE COUNTY; BY

1 (II) THE TOTAL POPULATION OF THE
2 COMMONWEALTH;
3 (B) EXPRESS THE QUOTIENT UNDER CLAUSE (A) AS A
4 PERCENTAGE.
5 (C) MULTIPLY:
6 (I) THE PERCENTAGE UNDER CLAUSE (B); BY
7 (II) THE AMOUNT OF MONEY TO BE DISTRIBUTED
8 UNDER THIS PARAGRAPH.
9 (II) EACH COUNTY SHALL RECEIVE A MINIMUM OF \$40,000.
10 (III) THE DEPARTMENT OF TRANSPORTATION SHALL RELEASE
11 MONEY UNDER THIS PARAGRAPH UPON APPROVAL OF A PLAN
12 SUBMITTED BY A COUNTY OR MUNICIPALITY TO REPAIR AN AT-
13 RISK DETERIORATED BRIDGE. THE PLAN MUST INCLUDE FUNDING
14 FOR REPLACEMENT OR REPAIR.
15 (IV) A COUNTY OF THE FIRST OR SECOND CLASS MAY
16 SUBMIT A PLAN TO USE ITS FUNDS UNDER THIS PARAGRAPH FOR
17 AT-RISK DETERIORATED BRIDGES OWNED BY A PUBLIC
18 TRANSPORTATION AUTHORITY.
19 (3) TWENTY-FIVE PERCENT FOR WATER AND SEWER PROJECTS.
20 FIFTY PERCENT OF THE AMOUNT DISTRIBUTED UNDER THIS PARAGRAPH
21 SHALL BE TRANSMITTED TO THE PENNSYLVANIA INFRASTRUCTURE
22 INFRASTRUCTURE INVESTMENT AUTHORITY TO BE USED IN ACCORDANCE
23 WITH THE ACT OF MARCH 1, 1988 (P.L.82, NO.16), KNOWN AS THE
24 PENNSYLVANIA INFRASTRUCTURE INVESTMENT AUTHORITY ACT. FIFTY
25 PERCENT OF THE AMOUNT DISTRIBUTED UNDER THIS PARAGRAPH SHALL
26 BE DISTRIBUTED TO THE H2O PA PROGRAM TO BE USED BY THE
27 COMMONWEALTH FINANCING AUTHORITY IN ACCORDANCE WITH SECTION
28 301 OF THE ACT OF JULY 9, 2008 (P.L.908, NO.63), KNOWN AS THE
29 H2O PA ACT. THE PROHIBITION ON GRANTS FOR PROJECTS LOCATED IN
30 A CITY OR COUNTY OF THE FIRST OR SECOND CLASS UNDER SECTION

1 301 OF THE H2O PA ACT SHALL NOT APPLY TO FUNDS DISTRIBUTED TO
2 THE H2O PA PROGRAM UNDER THIS PARAGRAPH.

3 (4) FIVE PERCENT TO THE HAZARDOUS SITES CLEANUP FUND.

4 (5) FIFTEEN PERCENT FOR THE PLANNING, ACQUISITION,
5 DEVELOPMENT REHABILITATION AND REPAIR OF GREENWAYS,
6 RECREATIONAL TRAILS, OPEN SPACE, NATURAL AREAS, COMMUNITY
7 CONSERVATION AND BEAUTIFICATION PROJECTS, COMMUNITY AND
8 HERITAGE PARKS AND WATER RESOURCE MANAGEMENT. FUNDS SHALL BE
9 DISTRIBUTED TO COUNTIES PROPORTIONATELY BASED ON THE
10 POPULATION OF THE COUNTY AS FOLLOWS:

11 (I) IN EACH COUNTY, THE DISTRIBUTION SHALL BE
12 ACCORDING TO THE FOLLOWING FORMULA:

13 (A) DIVIDE:

14 (I) THE TOTAL POPULATION OF THE COUNTY; BY

15 (II) THE TOTAL POPULATION OF THE

16 COMMONWEALTH.

17 (B) EXPRESS THE QUOTIENT UNDER CLAUSE (A) AS A
18 PERCENTAGE.

19 (C) MULTIPLY:

20 (I) THE PERCENTAGE UNDER CLAUSE (B); BY

21 (II) THE AMOUNT OF FUNDS AVAILABLE UNDER

22 THIS PARAGRAPH.

23 (II) EACH COUNTY SHALL RECEIVE A MINIMUM OF \$25,000.

24 (6) FIVE PERCENT FOR DISTRIBUTION AS FOLLOWS:

25 (I) FOR 2011, 2012 AND 2013, TO THE DEPARTMENT OF
26 COMMUNITY AND ECONOMIC DEVELOPMENT FOR PROJECTS TO
27 PROVIDE FOR THE PLANNING, DEVELOPMENT AND CONSTRUCTION OF
28 A FACILITY TO LIQUEFY NATURAL GAS OR CONVERT NATURAL GAS
29 TO ETHANE, PROPANE OR SIMILAR SUBSTANCES.

30 (II) AFTER 2013, TO THE HAZARDOUS SITES CLEANUP

1 FUND.

2 (B) RESTRICTION ON USE OF PROCEEDS.--

3 (1) FUNDS DISTRIBUTED UNDER SUBSECTION (A) SHALL NOT BE
4 USED FOR THE PURPOSE OF PUBLIC RELATIONS, OUTREACH,
5 COMMUNICATIONS, LOBBYING OR LITIGATION.

6 (2) FUNDS DISTRIBUTED UNDER SUBSECTION (A) MAY NOT BE
7 USED BY AN AUTHORIZED ORGANIZATION AS DEFINED IN 27 PA.C.S. §
8 6103 (RELATING TO DEFINITIONS) FOR LAND ACQUISITION UNLESS
9 THE AUTHORIZED ORGANIZATION HAS OBTAINED THE WRITTEN CONSENT
10 OF THE COUNTY AND MUNICIPALITY IN WHICH THE LAND IS SITUATED.

11 (C) COORDINATION.--THE DEPARTMENT AND THE DEPARTMENT OF
12 CONSERVATION AND NATURAL RESOURCES SHALL REVIEW APPLICATIONS FOR
13 FUNDING AS REQUESTED BY THE COMMONWEALTH FINANCING AUTHORITY AND
14 PROVIDE RECOMMENDATIONS ON PRIORITY OF PROJECTS AND PROJECT
15 APPROVAL.

16 § 2316. DIVERSE BUSINESS PARTICIPATION.

17 (A) GENERAL RULE.--UNCONVENTIONAL WELL PRODUCERS AND RELATED
18 EXTRACTION COMPANIES, INCLUDING CONTRACTORS, SUBCONTRACTORS,
19 PROFESSIONAL SERVICE PROVIDERS AND SUPPLIERS, SHALL PROVIDE
20 MAXIMUM PRACTICABLE OPPORTUNITIES FOR DIVERSE BUSINESS
21 PARTICIPATION.

22 (B) DUTIES.--UNCONVENTIONAL WELL PRODUCERS SHALL DO ALL OF
23 THE FOLLOWING:

24 (1) FULLY COMPLY WITH THE COMMONWEALTH'S CONTRACT
25 COMPLIANCE POLICY REGARDING NONDISCRIMINATION.

26 (2) NOTIFY THE DEPARTMENT OF GENERAL SERVICES' BUREAU OF
27 MINORITY AND WOMEN BUSINESS OPPORTUNITIES OF CONTRACTING
28 OPPORTUNITIES FROM DIVERSE BUSINESSES.

29 (3) USE OR OBTAIN THE BUREAU OF MINORITY AND WOMEN
30 BUSINESS OPPORTUNITIES' ASSISTANCE IN USING THE DEPARTMENT OF

1 GENERAL SERVICES' INTERNET WEBSITE TO IDENTIFY CERTIFIED
2 DIVERSE BUSINESSES AS POTENTIAL SOURCES FOR MARCELLUS SHALE
3 OPPORTUNITIES.

4 (4) UTILIZE THE DEPARTMENT OF GENERAL SERVICES AVAILABLE
5 SOURCE LIST OF VETERAN-OWNED SMALL BUSINESSES.

6 (C) SURVEY.--THE DEPARTMENT OF GENERAL SERVICES SHALL
7 CONDUCT A SURVEY OF UNCONVENTIONAL WELL PRODUCERS TO ASCERTAIN
8 THE EXTENT OF DIVERSE BUSINESS PARTICIPATION. THIS SURVEY SHALL
9 BE COMPLETED BY DECEMBER 31, 2012.

10 (D) REPORT.--THE DEPARTMENT OF GENERAL SERVICES SHALL SUBMIT
11 AN ANNUAL REPORT TO THE APPROPRIATIONS COMMITTEE OF THE SENATE
12 AND THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES
13 ON THE UTILIZATION OF DIVERSE BUSINESS PARTICIPATION IN THE
14 MARCELLUS SHALE GAS EXTRACTION INDUSTRY.

15 (E) DEFINITIONS.--AS USED IN THIS SECTION, THE FOLLOWING
16 WORDS AND PHRASES SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS
17 SUBSECTION UNLESS THE CONTEXT CLEARLY INDICATES OTHERWISE:

18 "DIVERSE BUSINESS." MINORITY-OWNED BUSINESS, WOMEN-OWNED
19 BUSINESS AND VETERAN-OWNED BUSINESS AS DETERMINED BY THE
20 DEPARTMENT OF GENERAL SERVICES.

21 § 2317. APPLICABILITY.

22 THE PROVISIONS OF THIS CHAPTER SHALL NOT NEGATE OR LIMIT THE
23 RESPONSIBILITIES OF ANY PRODUCER UNDER THIS TITLE, 74 PA.C.S
24 (RELATING TO TRANSPORTATION) OR 75 PA.C.S. (RELATING TO
25 VEHICLES).

26 § 2318. EXPIRATION.

27 (A) NOTICE.--THE SECRETARY OF THE COMMONWEALTH SHALL, UPON
28 THE IMPOSITION OF A SEVERANCE TAX ON UNCONVENTIONAL WELLS IN
29 THIS COMMONWEALTH, SUBMIT FOR PUBLICATION IN THE PENNSYLVANIA
30 BULLETIN NOTICE OF THE IMPOSITION.

1 (B) DATE.--THIS CHAPTER SHALL EXPIRE ON THE DATE OF THE
2 PUBLICATION OF THE NOTICE UNDER SUBSECTION (A).

3 CHAPTER 25

4 NATURAL GAS ENERGY DEVELOPMENT PROGRAM

5 SEC.

6 2501. DEFINITIONS.

7 2502. ASSESSMENT.

8 2503. PROGRAM.

9 § 2501. DEFINITIONS.

10 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
11 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
12 CONTEXT CLEARLY INDICATES OTHERWISE:

13 "AUTHORITY." THE COMMONWEALTH FINANCING AUTHORITY
14 ESTABLISHED IN 64 PA.C.S. § 1511 (RELATING TO AUTHORITY).

15 "COMMISSION." AS DEFINED IN SECTION 2301 (RELATING TO
16 DEFINITIONS).

17 "ELIGIBLE APPLICANT." ANY OF THE FOLLOWING:

18 (1) A SCHOOL DISTRICT.

19 (2) A COUNTY OR MUNICIPALITY.

20 (3) A COMMONWEALTH AUTHORITY.

21 (4) A MUNICIPAL AUTHORITY.

22 (5) THE PENNSYLVANIA TURNPIKE COMMISSION.

23 (6) A LOCAL TRANSPORTATION ORGANIZATION.

24 (7) A NONPROFIT ENTITY.

25 (8) A STATE-OWNED OR STATE-RELATED UNIVERSITY.

26 "LOCAL TRANSPORTATION ORGANIZATION." ANY OF THE FOLLOWING:

27 (1) A POLITICAL SUBDIVISION.

28 (2) A PUBLIC TRANSPORTATION AUTHORITY, PORT AUTHORITY OR
29 REDEVELOPMENT AUTHORITY, WHICH IS:

30 (I) ORGANIZED UNDER:

1 (A) THE LAWS OF THIS COMMONWEALTH; OR
2 (B) AN INTERSTATE COMPACT; OR
3 (II) OTHERWISE EMPOWERED TO RENDER, CONTRACT TO
4 RENDER OR ASSIST IN RENDERING TRANSPORTATION SERVICES IN
5 A LIMITED AREA IN THIS COMMONWEALTH EVEN THOUGH IT MAY
6 ALSO RENDER OR ASSIST IN RENDERING TRANSPORTATION SERVICE
7 IN ADJACENT STATES.
8 (3) A NONPROFIT ASSOCIATION WHICH DIRECTLY OR INDIRECTLY
9 PROVIDES PUBLIC TRANSPORTATION SERVICE.
10 (4) A NONPROFIT ASSOCIATION OF PUBLIC TRANSPORTATION
11 PROVIDERS OPERATING WITHIN THIS COMMONWEALTH.
12 "MUNICIPALITY." A BOROUGH, CITY, TOWN OR TOWNSHIP.
13 "PRODUCER." AS DEFINED IN SECTION 2301 (RELATING TO
14 DEFINITIONS).
15 "UNCONVENTIONAL WELL." AS DEFINED IN SECTION 2301 (RELATING
16 TO DEFINITIONS).
17 "VERTICAL GAS WELL." AS DEFINED IN SECTION 2301 (RELATING TO
18 DEFINITIONS).
19 § 2502. ASSESSMENT.
20 (A) IMPOSITION.--THERE SHALL BE IMPOSED AN ASSESSMENT BY THE
21 COMMISSION ON UNCONVENTIONAL WELLS LOCATED IN THIS COMMONWEALTH
22 PRIOR TO JANUARY 1, 2011.
23 (B) UNCONVENTIONAL WELL.--THE ASSESSMENT FOR EACH
24 UNCONVENTIONAL WELL SHALL BE DETERMINED AS FOLLOWS:
25 (1) THE ASSESSMENT FOR EACH UNCONVENTIONAL WELL, OTHER
26 THAN A VERTICAL GAS WELL, PRODUCING NATURAL GAS PRIOR TO
27 JANUARY 1, 2011, SHALL BE \$20,000.
28 (2) THE ASSESSMENT FOR EACH VERTICAL GAS WELL PRODUCING
29 NATURAL GAS PRIOR TO JANUARY 1, 2011, SHALL BE \$10,000.
30 (3) THE ASSESSMENT FOR EACH UNCONVENTIONAL WELL DRILLED

1 BUT NOT PRODUCING NATURAL GAS PRIOR TO JANUARY 1, 2011, SHALL
2 BE \$8,000.

3 (C) DEADLINE AND PAYMENT.--FOR CALENDAR YEAR 2010, A REPORT
4 IN ACCORDANCE WITH SECTION 2303(D) (RELATING TO ADMINISTRATION)
5 SHALL BE FILED BY DECEMBER 31, 2011, AND THE ASSESSMENT DUE
6 SHALL BE PAID AS FOLLOWS:

7 (1) FIFTY PERCENT OF THE ASSESSMENT SHALL BE PAID BY
8 JUNE 30, 2012.

9 (2) FIFTY PERCENT OF THE ASSESSMENT SHALL BE PAID BY
10 SEPTEMBER 30, 2012.

11 (D) DEPOSIT OF FUNDS.--FUNDS RECEIVED FROM THE ASSESSMENT
12 UNDER THIS SECTION SHALL BE DEPOSITED BY THE COMMISSION INTO THE
13 RESTRICTED RECEIPTS ACCOUNT ESTABLISHED UNDER SECTION 2314(A)
14 (RELATING TO DISTRIBUTION OF FEE).
15 § 2503. PROGRAM.

16 (A) ESTABLISHMENT AND PURPOSE.--THE NATURAL GAS ENERGY
17 DEVELOPMENT PROGRAM IS ESTABLISHED. THE PURPOSE OF THE PROGRAM
18 IS TO FUND PROJECTS UNDER THIS SECTION.

19 (B) APPROPRIATION.--BY NOVEMBER 1, 2012, AN AMOUNT EQUAL TO
20 THE FUNDS COLLECTED UNDER SECTION 2502 (RELATING TO ASSESSMENT)
21 SHALL BE TRANSFERRED FROM THE RESTRICTED RECEIPTS ACCOUNT
22 ESTABLISHED UNDER SECTION 2314(A) (RELATING TO DISTRIBUTION OF
23 FEE) TO THE AUTHORITY. THE AUTHORITY SHALL USE THE FUNDS TO
24 PROMOTE DOMESTIC ENERGY DEVELOPMENT PROJECTS UTILIZING NATURAL
25 GAS.

26 (C) PROJECTS.--

27 (1) FUNDS TRANSFERRED TO THE AUTHORITY UNDER SUBSECTION
28 (B) SHALL BE UTILIZED FOR GRANTS, LOANS, REIMBURSEMENTS OR
29 REBATES TO ELIGIBLE APPLICANTS FOR ANY OF THE FOLLOWING
30 PROGRAMS:

1 (I) THE CONVERSION OR REPLACEMENT OF BUSES WITH
2 NATURAL GAS VEHICLES.

3 (II) THE CONVERSION OR REPLACEMENT OF PUBLIC TRANSIT
4 AUTHORITY VEHICLES WITH NATURAL GAS VEHICLES.

5 (III) THE CONVERSION OR REPLACEMENT OF MEDIUM AND
6 HEAVY DUTY VEHICLES, INCLUDING GARBAGE TRUCKS, STREET
7 SWEEPERS AND PLOW TRUCKS, OPERATED BY ELIGIBLE
8 APPLICANTS.

9 (IV) THE CONSTRUCTION OF NATURAL GAS FUELING
10 STATIONS.

11 (V) THE PURCHASE AND INSTALLATION OF THE NECESSARY
12 NATURAL GAS FLEET REFUELING EQUIPMENT FOR VEHICLES
13 OPERATING ON NATURAL GAS.

14 (2) A PRODUCER SHALL NOT BE ELIGIBLE FOR A GRANT, LOAN,
15 REIMBURSEMENT OR REBATE UNDER THIS SUBSECTION.

16 (D) GUIDELINES.--FUNDS UNDER THIS SECTION SHALL BE USED IN
17 ACCORDANCE WITH GUIDELINES OF THE AUTHORITY. GUIDELINES MAY
18 REQUIRE THE ELIGIBLE APPLICANT TO PROVIDE MATCHING FUNDS NOT TO
19 EXCEED 50% OF THE TOTAL COST OF THE PROJECT.

20 (E) APPLICATION.--AN APPLICANT SHALL SUBMIT AN APPLICATION
21 INCLUDING SUPPORTING INFORMATION AS REQUIRED BY THE AUTHORITY.

22 (F) ADMINISTRATIVE COSTS.--NO MORE THAN 1% OF THE FUNDS
23 APPROPRIATED TO THE AUTHORITY UNDER SUBSECTION (B) SHALL BE USED
24 FOR ADMINISTRATIVE COSTS.

25 (G) APPLICANT ELIGIBILITY.--IN ORDER TO BE ELIGIBLE TO
26 RECEIVE FUNDS UNDER THIS SECTION, AN APPLICANT MUST PROVIDE THE
27 FOLLOWING:

28 (1) A DETAILED DESCRIPTION OF THE PROJECT, INCLUDING THE
29 PROPOSED USE OF FUNDS AND AN EXPLANATION OF HOW THE PROJECT
30 WILL FULFILL THE GOALS OF THIS SECTION.

1 (RESERVED)

2 CHAPTER 32

3 REGULATION

4 SUBCHAPTER

5 A. PRELIMINARY PROVISIONS

6 B. GENERAL REQUIREMENTS

7 C. UNDERGROUND GAS STORAGE

8 D. EMINENT DOMAIN

9 E. ENFORCEMENT AND REMEDIES

10 F. (RESERVED)

11 G. MISCELLANEOUS PROVISIONS

12 SUBCHAPTER A

13 PRELIMINARY PROVISIONS

14 SEC.

15 3201. SCOPE OF CHAPTER.

16 3202. DECLARATION OF PURPOSE.

17 3203. DEFINITIONS.

18 § 3201. SCOPE OF CHAPTER.

19 THIS CHAPTER RELATES TO OIL AND GAS.

20 § 3202. DECLARATION OF PURPOSE.

21 THE PURPOSES OF THIS CHAPTER ARE TO:

22 (1) PERMIT OPTIMAL DEVELOPMENT OF OIL AND GAS RESOURCES
23 OF THIS COMMONWEALTH CONSISTENT WITH PROTECTION OF THE
24 HEALTH, SAFETY, ENVIRONMENT AND PROPERTY OF PENNSYLVANIA
25 CITIZENS.

26 (2) PROTECT THE SAFETY OF PERSONNEL AND FACILITIES
27 EMPLOYED IN COAL MINING OR EXPLORATION, DEVELOPMENT, STORAGE
28 AND PRODUCTION OF NATURAL GAS OR OIL.

29 (3) PROTECT THE SAFETY AND PROPERTY RIGHTS OF PERSONS
30 RESIDING IN AREAS WHERE MINING, EXPLORATION, DEVELOPMENT,

1 STORAGE OR PRODUCTION OCCURS.

2 (4) PROTECT THE NATURAL RESOURCES, ENVIRONMENTAL RIGHTS
3 AND VALUES SECURED BY THE CONSTITUTION OF PENNSYLVANIA.

4 § 3203. DEFINITIONS.

5 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
6 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
7 CONTEXT CLEARLY INDICATES OTHERWISE:

8 "ABANDONED WELL." ANY OF THE FOLLOWING:

9 (1) A WELL:

10 (I) THAT HAS NOT BEEN USED TO PRODUCE, EXTRACT OR
11 INJECT ANY GAS, PETROLEUM OR OTHER LIQUID WITHIN THE
12 PRECEDING 12 MONTHS;

13 (II) FOR WHICH EQUIPMENT NECESSARY FOR PRODUCTION,
14 EXTRACTION OR INJECTION HAS BEEN REMOVED; OR

15 (III) CONSIDERED DRY AND NOT EQUIPPED FOR PRODUCTION
16 WITHIN 60 DAYS AFTER DRILLING, REDRILLING OR DEEPENING.

17 (2) THE TERM DOES NOT INCLUDE WELLS GRANTED INACTIVE
18 STATUS.

19 "ALTERATION." AN OPERATION WHICH CHANGES THE PHYSICAL
20 CHARACTERISTICS OF A WELL BORE, INCLUDING STIMULATION OR
21 REMOVING, REPAIRING OR CHANGING THE CASING. FOR THE PURPOSE OF
22 THIS CHAPTER, THE TERM DOES NOT INCLUDE:

23 (1) REPAIRING OR REPLACING OF THE CASING IF THE
24 OPERATION DOES NOT AFFECT THE DEPTH OR DIAMETER OF THE WELL
25 BORE, THE USE OR PURPOSE OF THE WELL DOES NOT CHANGE AND THE
26 ACTIVITY COMPLIES WITH REGULATIONS PROMULGATED UNDER THIS
27 CHAPTER. THIS PARAGRAPH SHALL NOT APPLY:

28 (I) TO PRODUCTION CASINGS IN COAL AREAS WHEN THE
29 PRODUCTION CASINGS ARE ALSO THE COAL PROTECTION CASINGS;
30 OR

1 (II) WHEN THE METHOD OF REPAIRING OR REPLACING THE
2 CASING WOULD AFFECT THE COAL PROTECTION CASING.

3 (2) STIMULATION OF A WELL.

4 "BOARD." THE OIL AND GAS TECHNICAL ADVISORY BOARD.

5 "BRIDGE." AN OBSTRUCTION PLACED IN A WELL AT ANY DEPTH.

6 "BUILDING." AN OCCUPIED STRUCTURE WITH WALLS AND ROOF WITHIN
7 WHICH PERSONS LIVE OR CUSTOMARILY WORK.

8 "CASING." A STRING OR STRINGS OF PIPE COMMONLY PLACED IN
9 WELLS DRILLED FOR NATURAL GAS OR PETROLEUM.

10 "CEMENT" OR "CEMENT GROUT." ANY OF THE FOLLOWING:

11 (1) HYDRAULIC CEMENT PROPERLY MIXED WITH WATER ONLY.

12 (2) A MIXTURE OF MATERIALS ADEQUATE FOR BONDING OR
13 SEALING OF WELL BORES AS APPROVED BY REGULATIONS PROMULGATED
14 UNDER THIS CHAPTER.

15 "COAL MINE." ANY OF THE FOLLOWING:

16 (1) OPERATIONS IN A COAL SEAM, INCLUDING EXCAVATED
17 PORTIONS, ABANDONED PORTIONS AND PLACES ACTUALLY BEING
18 WORKED.

19 (2) UNDERGROUND WORKINGS AND SHAFTS, SLOPES, TUNNELS AND
20 OTHER WAYS AND OPENINGS, INCLUDING THOSE WHICH ARE IN THE
21 COURSE OF BEING SUNK OR DRIVEN, ALONG WITH ALL ROADS AND
22 FACILITIES CONNECTED WITH THEM BELOW THE SURFACE.

23 "COAL OPERATOR." A PERSON THAT OPERATES OR PROPOSES TO
24 OPERATE A COAL MINE AS AN OWNER OR LESSEE.

25 "COMPLETION OF A WELL." THE DATE AFTER TREATMENT, IF ANY,
26 THAT THE WELL IS PROPERLY EQUIPPED FOR PRODUCTION OF OIL OR GAS,
27 OR, IF THE WELL IS DRY, THE DATE THAT THE WELL IS ABANDONED.

28 "DEPARTMENT." THE DEPARTMENT OF ENVIRONMENTAL PROTECTION OF
29 THE COMMONWEALTH.

30 "DRILLING." THE DRILLING OR REDRILLING OF A WELL OR THE

1 DEEPENING OF AN EXISTING WELL.

2 "FRESH GROUNDWATER." WATER IN THAT PORTION OF THE GENERALLY
3 RECOGNIZED HYDROLOGIC CYCLE WHICH OCCUPIES THE PORE SPACES AND
4 FRACTURES OF SATURATED SUBSURFACE MATERIALS.

5 "GAS." ANY OF THE FOLLOWING:

6 (1) A FLUID, COMBUSTIBLE OR NONCOMBUSTIBLE, WHICH IS
7 PRODUCED IN A NATURAL STATE FROM THE EARTH AND MAINTAINS A
8 GASEOUS OR RARIFIED STATE AT STANDARD TEMPERATURE OF 60
9 DEGREES FAHRENHEIT AND PRESSURE 14.7 PSIA.

10 (2) ANY MANUFACTURED GAS, BYPRODUCT GAS OR MIXTURE OF
11 GASES.

12 "INACTIVATE." TO SHUT OFF THE VERTICAL MOVEMENT OF GAS IN A
13 GAS STORAGE WELL BY MEANS OF A TEMPORARY PLUG OR OTHER SUITABLE
14 DEVICE OR BY INJECTING BENTONITIC MUD OR OTHER EQUALLY NONPOROUS
15 MATERIAL INTO THE WELL.

16 "LINEAR FOOT." A UNIT OR MEASUREMENT IN A STRAIGHT LINE ON A
17 HORIZONTAL PLANE.

18 "OIL." HYDROCARBONS IN LIQUID FORM AT STANDARD TEMPERATURE
19 OF 60 DEGREES FAHRENHEIT AND PRESSURE 14.7 PSIA, ALSO REFERRED
20 TO AS PETROLEUM.

21 "OPERATING COAL MINE." ANY OF THE FOLLOWING:

22 (1) AN UNDERGROUND COAL MINE WHICH IS PRODUCING COAL OR
23 HAS BEEN IN PRODUCTION OF COAL AT ANY TIME DURING THE 12
24 MONTHS IMMEDIATELY PRECEDING THE DATE ITS STATUS IS PUT IN
25 QUESTION, INCLUDING CONTIGUOUS WORKED-OUT OR ABANDONED COAL
26 MINES TO WHICH IT IS CONNECTED UNDERGROUND.

27 (2) AN UNDERGROUND COAL MINE TO BE ESTABLISHED OR
28 REESTABLISHED UNDER PARAGRAPH (1).

29 "OPERATING WELL." A WELL THAT IS NOT PLUGGED AND ABANDONED.

30 "ORPHAN WELL." A WELL ABANDONED PRIOR TO APRIL 18, 1985,

1 THAT HAS NOT BEEN AFFECTED OR OPERATED BY THE PRESENT OWNER OR
2 OPERATOR AND FROM WHICH THE PRESENT OWNER, OPERATOR OR LESSEE
3 HAS RECEIVED NO ECONOMIC BENEFIT OTHER THAN AS A LANDOWNER OR
4 RECIPIENT OF A ROYALTY INTEREST FROM THE WELL.

5 "OUTSIDE COAL BOUNDARIES." WHEN USED IN CONJUNCTION WITH THE
6 TERM "OPERATING COAL MINE," THE BOUNDARIES OF THE COAL ACREAGE
7 ASSIGNED TO THE COAL MINE UNDER AN UNDERGROUND MINE PERMIT
8 ISSUED BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION.

9 "OWNER." A PERSON WHO OWNS, MANAGES, LEASES, CONTROLS OR
10 POSSESSES A WELL OR COAL PROPERTY. THE TERM DOES NOT APPLY TO
11 ORPHAN WELLS, EXCEPT WHERE THE DEPARTMENT OF ENVIRONMENTAL
12 PROTECTION DETERMINES A PRIOR OWNER OR OPERATOR BENEFITED FROM
13 THE WELL AS PROVIDED IN SECTION 3220 (A) (RELATING TO PLUGGING
14 REQUIREMENTS).

15 "PERSON." AN INDIVIDUAL, ASSOCIATION, PARTNERSHIP,
16 CORPORATION, POLITICAL SUBDIVISION OR AGENCY OF THE FEDERAL
17 GOVERNMENT, STATE GOVERNMENT OR OTHER LEGAL ENTITY.

18 "PETROLEUM." HYDROCARBONS IN LIQUID FORM AT STANDARD
19 TEMPERATURE OF 60 DEGREES FAHRENHEIT AND PRESSURE 14.7 PSIA,
20 ALSO REFERRED TO AS OIL.

21 "PILLAR." A SOLID BLOCK OF COAL SURROUNDED BY EITHER ACTIVE
22 MINE WORKINGS OR A MINED-OUT AREA.

23 "PLAT." A MAP, DRAWING OR PRINT ACCURATELY DRAWN TO SCALE
24 SHOWING THE PROPOSED OR EXISTING LOCATION OF A WELL OR WELLS.

25 "RESERVOIR PROTECTIVE AREA." THE AREA SURROUNDING A STORAGE
26 RESERVOIR BOUNDARY, BUT WITHIN 2,000 LINEAR FEET OF THE STORAGE
27 RESERVOIR BOUNDARY, UNLESS AN ALTERNATE AREA HAS BEEN DESIGNATED
28 BY THE DEPARTMENT OF ENVIRONMENTAL PROTECTION, WHICH IS DEEMED
29 REASONABLY NECESSARY TO AFFORD PROTECTION TO THE RESERVOIR,
30 UNDER A CONFERENCE HELD IN ACCORDANCE WITH SECTION 3251

1 (RELATING TO CONFERENCES) .

2 "RETREAT MINING." REMOVAL OF COAL PILLARS, RIBS AND STUMPS
3 REMAINING AFTER DEVELOPMENT MINING HAS BEEN COMPLETED IN THAT
4 SECTION OF A COAL MINE.

5 "SECRETARY." THE SECRETARY OF ENVIRONMENTAL PROTECTION OF
6 THE COMMONWEALTH.

7 "STORAGE OPERATOR." A PERSON WHO OPERATES OR PROPOSES TO
8 OPERATE A STORAGE RESERVOIR AS AN OWNER OR LESSEE.

9 "STORAGE RESERVOIR." THAT PORTION OF A SUBSURFACE GEOLOGICAL
10 STRATUM INTO WHICH GAS IS OR MAY BE INJECTED FOR STORAGE
11 PURPOSES OR TO TEST SUITABILITY OF THE STRATUM FOR STORAGE.

12 "UNCONVENTIONAL FORMATION." A GEOLOGICAL SHALE FORMATION
13 EXISTING BELOW THE BASE OF THE ELK SANDSTONE OR ITS GEOLOGIC
14 EQUIVALENT STRATIGRAPHIC INTERVAL WHERE NATURAL GAS GENERALLY
15 CANNOT BE PRODUCED AT ECONOMIC FLOW RATES OR IN ECONOMIC VOLUMES
16 EXCEPT BY VERTICAL OR HORIZONTAL WELL BORES STIMULATED BY
17 HYDRAULIC FRACTURE TREATMENTS OR BY USING MULTILATERAL WELL
18 BORES OR OTHER TECHNIQUES TO EXPOSE MORE OF THE FORMATION OF THE
19 WELL BORE.

20 "UNCONVENTIONAL WELL." A BORE HOLE DRILLED OR BEING DRILLED
21 FOR THE PURPOSE OF OR TO BE USED FOR THE PRODUCTION OF NATURAL
22 GAS FROM AN UNCONVENTIONAL FORMATION.

23 "WELL." A BORE HOLE DRILLED OR BEING DRILLED FOR THE PURPOSE
24 OF, OR TO BE USED FOR, PRODUCING, EXTRACTING OR INJECTING GAS,
25 PETROLEUM OR ANOTHER LIQUID RELATED TO OIL OR GAS PRODUCTION OR
26 STORAGE, INCLUDING BRINE DISPOSAL, BUT EXCLUDING A BORE HOLE
27 DRILLED TO PRODUCE POTABLE WATER. THE TERM DOES NOT INCLUDE A
28 BORE HOLE DRILLED OR BEING DRILLED FOR THE PURPOSE OF, OR TO BE
29 USED FOR:

30 (1) SYSTEMS OF MONITORING, PRODUCING OR EXTRACTING GAS

1 FROM SOLID WASTE DISPOSAL FACILITIES, IF THE BORE HOLE IS A
2 WELL SUBJECT TO THE ACT OF JULY 7, 1980 (P.L.380, NO.97),
3 KNOWN AS THE SOLID WASTE MANAGEMENT ACT, WHICH DOES NOT
4 PENETRATE A WORKABLE COAL SEAM.

5 (2) DEGASIFYING COAL SEAMS, IF THE BORE HOLE IS:

6 (I) USED TO VENT METHANE TO THE OUTSIDE ATMOSPHERE
7 FROM AN OPERATING COAL MINE; REGULATED AS PART OF THE
8 MINING PERMIT UNDER THE ACT OF JUNE 22, 1937 (P.L.1987,
9 NO.394), KNOWN AS THE CLEAN STREAMS LAW, AND THE ACT OF
10 MAY 31, 1945 (P.L.1198, NO.418), KNOWN AS THE SURFACE
11 MINING CONSERVATION AND RECLAMATION ACT; AND DRILLED BY
12 THE OPERATOR OF THE OPERATING COAL MINE FOR THE PURPOSE
13 OF INCREASED SAFETY; OR

14 (II) USED TO VENT METHANE TO THE OUTSIDE ATMOSPHERE
15 UNDER A FEDERALLY FUNDED OR STATE-FUNDED ABANDONED MINE
16 RECLAMATION PROJECT.

17 "WELL OPERATOR" OR "OPERATOR." ANY OF THE FOLLOWING:

18 (1) THE PERSON DESIGNATED AS OPERATOR OR WELL OPERATOR
19 ON THE PERMIT APPLICATION OR WELL REGISTRATION.

20 (2) IF A PERMIT OR WELL REGISTRATION WAS NOT ISSUED, A
21 PERSON WHO LOCATES, DRILLS, OPERATES, ALTERS OR PLUGS A WELL
22 OR RECONDITIONS A WELL WITH THE PURPOSE OF PRODUCTION FROM
23 THE WELL.

24 (3) IF A WELL IS USED IN CONNECTION WITH UNDERGROUND
25 STORAGE OF GAS, A STORAGE OPERATOR.

26 "WETLAND." AREAS INUNDATED OR SATURATED BY SURFACE OR
27 GROUNDWATER AT A FREQUENCY AND DURATION SUFFICIENT TO SUPPORT,
28 AND WHICH NORMALLY SUPPORT, A PREVALENCE OF VEGETATION TYPICALLY
29 ADAPTED FOR LIFE IN SATURATED SOIL CONDITIONS, INCLUDING SWAMPS,
30 MARSHES, BOGS AND SIMILAR AREAS.

1 "WORKABLE COAL SEAMS." A COAL SEAM WHICH:

2 (1) IS ACTUALLY BEING MINED IN THE AREA IN QUESTION
3 UNDER THIS CHAPTER BY UNDERGROUND METHODS; OR

4 (2) IN THE JUDGMENT OF THE DEPARTMENT OF ENVIRONMENTAL
5 PROTECTION, CAN REASONABLY BE EXPECTED TO BE MINED BY
6 UNDERGROUND METHODS.

7 SUBCHAPTER B

8 GENERAL REQUIREMENTS

9 SEC.

10 3211. WELL PERMITS.

11 3212. PERMIT OBJECTIONS.

12 3213. WELL REGISTRATION AND IDENTIFICATION.

13 3214. INACTIVE STATUS.

14 3215. WELL LOCATION RESTRICTIONS.

15 3216. WELL SITE RESTORATION.

16 3217. PROTECTION OF FRESH GROUNDWATER AND CASING REQUIREMENTS.

17 3218. PROTECTION OF WATER SUPPLIES.

18 3218.1. CONTAINMENT FOR UNCONVENTIONAL WELLS.

19 3218.2. TRANSPORTATION RECORDS REGARDING WASTEWATER FLUIDS.

20 3218.3. EMERGENCY RESPONSE INFORMATION.

21 3218.4. NOTIFICATION TO PUBLIC DRINKING WATER SYSTEMS.

22 3218.5. CORROSION CONTROL REQUIREMENTS.

23 3218.6. GATHERING LINES.

24 3219. USE OF SAFETY DEVICES.

25 3220. PLUGGING REQUIREMENTS.

26 3221. ALTERNATIVE METHODS.

27 3222. WELL REPORTING REQUIREMENTS.

28 3223. NOTIFICATION AND EFFECT OF WELL TRANSFER.

29 3224. COAL OPERATOR RESPONSIBILITIES.

30 3225. BONDING.

1 3226. OIL AND GAS TECHNICAL ADVISORY BOARD.

2 § 3211. WELL PERMITS.

3 (A) PERMIT REQUIRED.--NO PERSON SHALL DRILL A WELL OR ALTER
4 AN EXISTING WELL, EXCEPT FOR ALTERATIONS WHICH SATISFY THE
5 REQUIREMENTS OF SUBSECTION (J), WITHOUT HAVING FIRST OBTAINED A
6 WELL PERMIT IN ACCORDANCE WITH THIS SECTION. A COPY OF THE
7 PERMIT SHALL BE KEPT AT THE WELL SITE DURING PREPARATION AND
8 CONSTRUCTION OF THE WELL SITE OR ACCESS ROAD, DRILLING,
9 OPERATION OR ALTERATION OF THE WELL. NO PERSON SHALL BE REQUIRED
10 TO OBTAIN A PERMIT TO REDRILL A NONPRODUCING WELL IF THE
11 REDRILLING:

12 (1) HAS BEEN EVALUATED AND APPROVED AS PART OF AN ORDER
13 FROM THE DEPARTMENT AUTHORIZING CLEANING OUT AND PLUGGING OR
14 REPLUGGING A NONPRODUCING WELL UNDER SECTION 13(C) OF THE ACT
15 OF DECEMBER 18, 1984 (P.L.1069, NO.214), KNOWN AS THE COAL
16 AND GAS RESOURCE COORDINATION ACT; AND

17 (2) IS INCIDENTAL TO A PLUGGING OR REPLUGGING OPERATION
18 AND THE WELL IS PLUGGED WITHIN 15 DAYS OF REDRILLING.

19 (B) PLAT.--THE PERMIT APPLICATION SHALL BE ACCOMPANIED BY A
20 PLAT PREPARED BY A COMPETENT ENGINEER OR A COMPETENT SURVEYOR,
21 ON FORMS FURNISHED BY THE DEPARTMENT, SHOWING THE POLITICAL
22 SUBDIVISION AND COUNTY IN WHICH THE TRACT OF LAND UPON WHICH THE
23 WELL TO BE DRILLED, OPERATED OR ALTERED, IS LOCATED, THE NAME OF
24 THE SURFACE LANDOWNER OF RECORD AND LESSOR, THE NAME OF ALL
25 SURFACE LANDOWNERS OR WATER PURVEYORS WHOSE WATER SUPPLIES ARE
26 WITHIN 1,000 FEET, OR IN THE CASE OF AN UNCONVENTIONAL WELL
27 WITHIN 3,000 FEET FROM THE VERTICAL WELL BORE, THE NAME OF THE
28 OWNER OF RECORD OR OPERATOR OF ALL KNOWN UNDERLYING WORKABLE
29 COAL SEAMS, THE ACREAGE IN THE TRACT TO BE DRILLED, THE PROPOSED
30 LOCATION OF THE WELL DETERMINED BY SURVEY, COURSES AND DISTANCES

1 OF THE LOCATION FROM TWO OR MORE PERMANENT IDENTIFIABLE POINTS
2 OR LANDMARKS ON THE TRACT BOUNDARY CORNERS, THE PROPOSED ANGLE
3 AND DIRECTION OF THE WELL IF THE WELL IS TO BE DEVIATED
4 SUBSTANTIALLY FROM A VERTICAL COURSE, THE NUMBER OR OTHER
5 IDENTIFICATION TO BE GIVEN THE WELL, WORKABLE COAL SEAMS
6 UNDERLYING THE TRACT OF LAND UPON WHICH THE WELL IS TO BE
7 DRILLED, OPERATED OR ALTERED AND WHICH SHALL BE CASED OFF UNDER
8 SECTION 3217 (RELATING TO PROTECTION OF FRESH GROUNDWATER AND
9 CASING REQUIREMENTS) AND ANY OTHER INFORMATION NEEDED BY THE
10 DEPARTMENT TO ADMINISTER THIS CHAPTER.

11 (B.1) NOTIFICATION.--THE FOLLOWING SHALL APPLY:

12 (1) THE APPLICANT SHALL FORWARD BY CERTIFIED MAIL A COPY
13 OF THE PLAT TO THE FOLLOWING:

14 (I) THE SURFACE LANDOWNER.

15 (II) ALL SURFACE LANDOWNERS OR WATER PURVEYORS WHOSE
16 WATER SUPPLIES ARE WITHIN 1,000 FEET OF THE PROPOSED WELL
17 LOCATION OR, IN THE CASE OF AN UNCONVENTIONAL WELL,
18 WITHIN 3,000 FEET OF THE VERTICAL WELL BORE.

19 (III) THE OWNER AND LESSEE, IF ANY, OF ANY WORKABLE
20 COAL SEAMS AND EVERY COAL OPERATOR REQUIRED TO BE
21 IDENTIFIED ON THE WELL PERMIT APPLICATION AND SHALL
22 SUBMIT PROOF OF SUCH NOTIFICATION WITH THE WELL PERMIT
23 APPLICATION.

24 (IV) THE MUNICIPALITY WHERE THE PROPOSED
25 UNCONVENTIONAL WELL IS LOCATED AND EACH MUNICIPALITY
26 WITHIN 3,000 FEET OF THE PROPOSED UNCONVENTIONAL VERTICAL
27 WELL BORE.

28 (V) STORAGE OPERATORS WITHIN 3,000 FEET OF THE
29 PROPOSED UNCONVENTIONAL VERTICAL WELL BORE.

30 (2) NOTIFICATION OF SURFACE OWNERS SHALL BE PERFORMED BY

1 SENDING NOTICE TO THOSE PERSONS TO WHOM THE TAX NOTICES FOR
2 THE SURFACE PROPERTY ARE SENT, AS INDICATED IN THE ASSESSMENT
3 BOOKS IN THE COUNTY IN WHICH THE PROPERTY IS LOCATED.
4 NOTIFICATION OF SURFACE LANDOWNERS OR WATER PURVEYORS SHALL
5 BE ON FORMS, AND IN A MANNER PRESCRIBED BY THE DEPARTMENT,
6 SUFFICIENT TO IDENTIFY THE RIGHTS AFFORDED THOSE PERSONS
7 UNDER SECTION 3218 (RELATING TO PROTECTION OF WATER SUPPLIES)
8 AND ADVISE THEM OF THE ADVISABILITY OF TAKING THEIR OWN
9 PREDRILLING OR PREALTERATION SURVEY. THE APPLICANT SHALL
10 SUBMIT PROOF OF COMPLIANCE WITH THIS SUBSECTION WITH THE WELL
11 PERMIT APPLICATION.

12 (B.2) APPROVAL.--IF THE APPLICANT SUBMITS TO THE DEPARTMENT
13 WRITTEN APPROVAL OF THE PROPOSED WELL LOCATION BY THE SURFACE
14 LANDOWNER AND THE COAL OPERATOR, LESSEE OR OWNER OF ANY COAL
15 UNDERLYING THE PROPOSED WELL LOCATION AND NO OBJECTIONS ARE
16 RAISED BY THE DEPARTMENT WITHIN 15 DAYS OF FILING, OR IF NO
17 APPROVAL HAS BEEN SUBMITTED AND NO OBJECTIONS ARE MADE TO THE
18 PROPOSED WELL LOCATION WITHIN 15 DAYS FROM RECEIPT OF NOTICE BY
19 THE SURFACE LANDOWNER AND THE COAL OPERATOR, LESSEE OR OWNER, IF
20 ANY, OR BY THE DEPARTMENT THE SAME SHALL BE FILED AND BECOME A
21 PERMANENT RECORD OF THE WELL LOCATION, SUBJECT TO INSPECTION AT
22 ANY TIME BY ANY INTERESTED PERSON. THE APPLICATION FORM TO
23 OPERATE AN ABANDONED OR ORPHAN WELL SHALL PROVIDE NOTIFICATION
24 TO THE APPLICANT OF ITS RESPONSIBILITIES TO PLUG THE WELL UPON
25 ABANDONMENT.

26 (C) APPLICANTS.--IF THE APPLICANT FOR A WELL PERMIT IS A
27 CORPORATION, PARTNERSHIP OR PERSON THAT IS NOT A RESIDENT OF
28 THIS COMMONWEALTH, THE APPLICANT SHALL DESIGNATE THE NAME AND
29 ADDRESS OF AN AGENT FOR THE OPERATOR WHO SHALL BE THE ATTORNEY-
30 IN-FACT FOR THE OPERATOR AND WHO SHALL BE A RESIDENT OF THIS

1 COMMONWEALTH UPON WHOM NOTICES, ORDERS OR OTHER COMMUNICATIONS
2 ISSUED UNDER THIS CHAPTER MAY BE SERVED AND UPON WHOM PROCESS
3 MAY BE SERVED. EACH WELL OPERATOR REQUIRED TO DESIGNATE AN AGENT
4 UNDER THIS SECTION SHALL, WITHIN FIVE DAYS AFTER TERMINATION OF
5 THE DESIGNATION, NOTIFY THE DEPARTMENT OF THE TERMINATION AND
6 DESIGNATE A NEW AGENT.

7 (D) PERMIT FEE.--EACH APPLICATION FOR A WELL PERMIT SHALL BE
8 ACCOMPANIED BY A PERMIT FEE, ESTABLISHED BY REGULATION OF THE
9 ENVIRONMENTAL QUALITY BOARD, WHICH BEARS A REASONABLE
10 RELATIONSHIP TO THE COST OF ADMINISTERING THIS CHAPTER.

11 (E) ISSUANCE OF PERMIT.--THE DEPARTMENT SHALL ISSUE A PERMIT
12 WITHIN 45 DAYS OF SUBMISSION OF AN APPLICATION UNLESS THE
13 DEPARTMENT DENIES THE PERMIT APPLICATION FOR ANY OF THE REASONS
14 SET FORTH IN SUBSECTION (E.1), EXCEPT THAT THE DEPARTMENT SHALL
15 HAVE THE RIGHT TO EXTEND THE PERIOD FOR 15 DAYS FOR CAUSE SHOWN
16 UPON NOTIFICATION TO THE APPLICANT OF THE REASONS FOR THE
17 EXTENSION. THE DEPARTMENT MAY IMPOSE PERMIT TERMS AND CONDITIONS
18 NECESSARY TO ASSURE COMPLIANCE WITH THIS CHAPTER OR OTHER LAWS
19 ADMINISTERED BY THE DEPARTMENT.

20 (E.1) DENIAL OF PERMIT.--THE DEPARTMENT MAY DENY A PERMIT
21 FOR ANY OF THE FOLLOWING REASONS:

22 (1) THE WELL SITE FOR WHICH A PERMIT IS REQUESTED IS IN
23 VIOLATION OF THIS CHAPTER OR ISSUANCE OF THE PERMIT WOULD
24 RESULT IN A VIOLATION OF THIS CHAPTER OR OTHER APPLICABLE
25 LAW.

26 (2) THE PERMIT APPLICATION IS INCOMPLETE.

27 (3) UNRESOLVED OBJECTIONS TO THE WELL LOCATION BY COAL
28 MINE OWNER OR OPERATOR REMAIN.

29 (4) THE REQUIREMENTS OF SECTION 3225 (RELATING TO
30 BONDING) HAVE NOT BEEN MET.

1 (5) THE APPLICANT, WITH RESPECT TO ANY OTHER WELL
2 OPERATED BY THE APPLICANT, IS IN CONTINUING VIOLATION OF THIS
3 CHAPTER OR OTHER APPLICABLE LAW ADMINISTERED BY THE
4 DEPARTMENT AND THE LIKELY RESULT OF THE VIOLATION IS AN
5 UNSAFE OPERATION OR ENVIRONMENTAL DAMAGE. IF A FINAL
6 DETERMINATION OF THE VIOLATION HAS BEEN MADE IN THE
7 APPLICANT'S FAVOR, THE DEPARTMENT SHALL RECONSIDER THE
8 APPLICATION AND THE VIOLATION SHALL NOT BE CONSIDERED IN THE
9 APPLICATION REVIEW. THE DEPARTMENT MAY NOT COLLECT AN
10 APPLICATION FEE FOR THE RECONSIDERATION.

11 (6) THE APPLICANT FAILED TO PAY THE FEE OR FILE A REPORT
12 UNDER SECTION 2303(D) AND (E) (RELATING TO ADMINISTRATION),
13 UNLESS AN APPEAL IS PENDING. THE COMMISSION SHALL NOTIFY
14 THE DEPARTMENT OF ANY APPLICANT WHO HAS FAILED TO PAY THE FEE
15 OR FILE A REPORT AND WHO DOES NOT HAVE AN APPEAL PENDING.

16 (7) THE WATER MANAGEMENT PLAN SUBMITTED BY THE
17 APPLICANT TO DRILL AN UNCONVENTIONAL WELL DOES NOT INCLUDE A
18 REUSE PLAN FOR FLUIDS THAT WILL BE USED TO HYDRAULICALLY
19 FRACTURE THAT WELL.

20 (F) DRILLING.--UPON ISSUANCE OF A PERMIT, THE WELL OPERATOR
21 MAY PROCEED TO DRILL, OPERATE OR ALTER THE WELL AT THE EXACT
22 LOCATION SHOWN ON THE PLAT AFTER PROVIDING THE DEPARTMENT, THE
23 SURFACE LANDOWNER AND THE LOCAL POLITICAL SUBDIVISION IN WHICH
24 THE WELL IS TO BE LOCATED 24 HOURS' NOTICE OF THE DATE THAT
25 DRILLING WILL COMMENCE. IN NONCOAL AREAS WHERE MORE THAN ONE
26 WELL IS TO BE DRILLED AS PART OF THE SAME DEVELOPMENT PROJECT,
27 ONLY THE FIRST WELL OF THE PROJECT NEED BE LOCATED BY SURVEY.
28 REMAINING WELLS OF THE PROJECT SHALL BE SHOWN ON THE PLAT IN A
29 MANNER PRESCRIBED BY REGULATION. PRIOR TO DRILLING EACH
30 ADDITIONAL PROJECT WELL, THE WELL OPERATOR SHALL NOTIFY THE

1 DEPARTMENT AND PROVIDE REASONABLE NOTICE OF THE DATE ON WHICH
2 DRILLING WILL COMMENCE. WHENEVER, BEFORE OR DURING THE DRILLING
3 OF A WELL NOT WITHIN THE BOUNDARIES OF AN OPERATING COAL MINE,
4 THE WELL OPERATOR ENCOUNTERS CONDITIONS OF A NATURE WHICH
5 RENDERS DRILLING OF THE BORE HOLE OR A PORTION THEREOF
6 IMPOSSIBLE, OR MORE HAZARDOUS THAN USUAL, THE WELL OPERATOR,
7 UPON VERBAL NOTICE TO THE DEPARTMENT, MAY IMMEDIATELY PLUG ALL
8 OR PART OF THE BORE HOLE, IF DRILLING HAS OCCURRED, AND COMMENCE
9 A NEW BORE HOLE NOT MORE THAN 50 FEET FROM THE OLD BORE HOLE IF
10 THE LOCATION OF THE NEW BORE HOLE DOES NOT VIOLATE SECTION 3215
11 (RELATING TO WELL LOCATION RESTRICTIONS) AND, IN THE CASE OF A
12 WELL SUBJECT TO ACT OF JULY 25, 1961 (P.L.825, NO.359), KNOWN AS
13 THE OIL AND GAS CONSERVATION LAW, IF THE NEW LOCATION COMPLIES
14 WITH EXISTING LAWS, REGULATIONS AND SPACING ORDERS AND THE NEW
15 BORE HOLE IS AT LEAST 330 FEET FROM THE NEAREST LEASE BOUNDARY.
16 WITHIN TEN DAYS OF COMMENCEMENT OF THE NEW BORE HOLE, THE WELL
17 OPERATOR SHALL FILE WITH THE DEPARTMENT A WRITTEN NOTICE OF
18 INTENTION TO PLUG, A WELL RECORD, A COMPLETION REPORT, A
19 PLUGGING CERTIFICATE FOR THE ORIGINAL BORE HOLE AND AN AMENDED
20 PLAT FOR THE NEW BORE HOLE. THE WELL OPERATOR SHALL FORWARD A
21 COPY OF THE AMENDED PLAT TO THE SURFACE LANDOWNER IDENTIFIED ON
22 THE WELL PERMIT APPLICATION WITHIN TEN DAYS OF COMMENCEMENT OF
23 THE NEW WELL BORE.

24 (G) POSTING.--THE WELL PERMIT NUMBER AND OPERATOR'S NAME,
25 ADDRESS AND TELEPHONE NUMBER SHALL BE CONSPICUOUSLY POSTED AT
26 THE DRILLING SITE DURING SITE PREPARATION , INCLUDING THE
27 CONSTRUCTION OF ACCESS ROADS, CONSTRUCTION OF THE WELL SITE AND
28 DURING DRILLING, OPERATION OR ALTERATION OF THE WELL.

29 (H) LABELING.--THE WELL OPERATOR SHALL INSTALL THE PERMIT
30 NUMBER ISSUED BY THE DEPARTMENT IN A LEGIBLE, VISIBLE AND

1 PERMANENT MANNER ON THE WELL UPON COMPLETION.

2 (I) EXPIRATION.--WELL PERMITS ISSUED FOR DRILLING WELLS
3 UNDER THIS CHAPTER SHALL EXPIRE ONE YEAR AFTER ISSUANCE UNLESS
4 OPERATIONS FOR DRILLING THE WELL ARE COMMENCED WITHIN THE PERIOD
5 AND PURSUED WITH DUE DILIGENCE OR UNLESS THE PERMIT IS RENEWED
6 IN ACCORDANCE WITH REGULATIONS OF THE DEPARTMENT. IF DRILLING IS
7 COMMENCED DURING THE ONE-YEAR PERIOD, THE WELL PERMIT SHALL
8 REMAIN IN FORCE UNTIL THE WELL IS PLUGGED IN ACCORDANCE WITH
9 SECTION 3220 (RELATING TO PLUGGING REQUIREMENTS) OR THE PERMIT
10 IS REVOKED. A DRILLING PERMIT ISSUED PRIOR TO APRIL 18, 1985,
11 FOR A WELL WHICH IS AN OPERATING WELL ON APRIL 18, 1985, SHALL
12 REMAIN IN FORCE AS A WELL PERMIT UNTIL THE WELL IS PLUGGED IN
13 ACCORDANCE WITH SECTION 3220. NOTHING IN THIS SUBSECTION SHALL
14 BE CONSTRUED TO RESCIND THE PROVISIONS PERTAINING TO DRILLING
15 PERMITS CONTAINED IN THE OIL AND GAS CONSERVATION LAW.

16 (J) EXCEPTIONS.--THE ENVIRONMENTAL QUALITY BOARD MAY
17 ESTABLISH BY REGULATION CERTAIN CATEGORIES OF ALTERATIONS OF
18 PERMITTED OR REGISTERED WELLS FOR WHICH PERMITTING REQUIREMENTS
19 OF THIS SECTION SHALL NOT APPLY. A WELL OPERATOR OR OWNER WHO
20 PROPOSES TO CONDUCT THE ALTERATION ACTIVITY SHALL FIRST OBTAIN A
21 PERMIT OR REGISTRATION MODIFICATION FROM THE DEPARTMENT. THE
22 ENVIRONMENTAL QUALITY BOARD SHALL PROMULGATE REGULATIONS AS TO
23 THE REQUIREMENTS FOR MODIFICATIONS.

24 (K) NO TRANSFER PERMITTED.--NO PERMIT ISSUED UNDER THIS
25 SECTION OR REGISTRATION ISSUED UNDER SECTION 3213 (RELATING TO
26 WELL REGISTRATION AND IDENTIFICATION) MAY BE TRANSFERRED WITHOUT
27 PRIOR APPROVAL OF THE DEPARTMENT. A REQUEST FOR APPROVAL OF A
28 TRANSFER SHALL BE ON THE FORMS, AND IN THE MANNER, PRESCRIBED BY
29 THE DEPARTMENT. THE DEPARTMENT SHALL APPROVE OR DENY A TRANSFER
30 REQUEST WITHIN 45 DAYS OF RECEIPT OF A COMPLETE AND ACCURATE

1 APPLICATION. THE DEPARTMENT MAY DENY A REQUEST ONLY FOR REASONS
2 SET FORTH IN SUBSECTION (E.1) (4), (5) AND (6). APPROVAL OF A
3 TRANSFER REQUEST SHALL PERMANENTLY TRANSFER RESPONSIBILITY TO
4 PLUG THE WELL UNDER SECTION 3220 TO THE RECIPIENT OF THE
5 TRANSFERRED PERMIT OR REGISTRATION. THE DEPARTMENT MAY ESTABLISH
6 A PROCEDURE FOR ACCELERATED APPROVAL OF WELL PERMIT APPLICATIONS
7 IN HARDSHIP CASES, AS DEFINED BY REGULATION OF THE ENVIRONMENTAL
8 QUALITY BOARD, CONSISTENT WITH THE REQUIREMENTS OF THIS CHAPTER.
9 § 3212. PERMIT OBJECTIONS.

10 (A) GENERAL RULE.--IF A WELL REFERRED TO IN SECTION 3211(B)
11 (RELATING TO WELL PERMITS) WILL BE LOCATED ON A TRACT WHOSE
12 SURFACE IS OWNED BY A PERSON OTHER THAN THE WELL OPERATOR, THE
13 SURFACE LANDOWNER AFFECTED SHALL BE NOTIFIED OF THE INTENT TO
14 DRILL AND MAY FILE OBJECTIONS, IN ACCORDANCE WITH SECTION 3251
15 (RELATING TO CONFERENCES), BASED ON THE ASSERTION THAT THE WELL
16 LOCATION VIOLATES SECTION 3215 (RELATING TO WELL LOCATION
17 RESTRICTIONS) OR THAT INFORMATION IN THE APPLICATION IS UNTRUE
18 IN ANY MATERIAL RESPECT, WITHIN 15 DAYS OF THE RECEIPT BY THE
19 SURFACE OWNER OF THE PLAT UNDER SECTION 3211(B). RECEIPT OF
20 NOTICE BY THE SURFACE OWNER SHALL BE PRESUMED TO HAVE OCCURRED
21 15 DAYS FROM THE DATE OF THE CERTIFIED MAILING WHEN THE WELL
22 OPERATOR SUBMITS A COPY OF THE CERTIFIED MAIL RECEIPT SENT TO
23 THE SURFACE OWNER AND AN AFFIDAVIT CERTIFYING THAT THE ADDRESS
24 OF THE SURFACE OWNER TO WHICH NOTICE WAS SENT IS THE SAME AS THE
25 ADDRESS LISTED IN THE ASSESSMENT BOOKS IN THE COUNTY WHERE THE
26 PROPERTY IS LOCATED. IF NO OBJECTION IS FILED OR NONE IS RAISED
27 BY THE DEPARTMENT WITHIN 15 DAYS AFTER RECEIPT OF THE PLAT BY
28 THE SURFACE LANDOWNER, OR IF WRITTEN APPROVAL BY THE SURFACE
29 LANDOWNER IS FILED WITH THE DEPARTMENT AND NO OBJECTION IS
30 RAISED BY THE DEPARTMENT WITHIN 15 DAYS OF FILING, THE

1 DEPARTMENT SHALL PROCEED TO ISSUE OR DENY THE PERMIT.

2 (B) SPECIAL CIRCUMSTANCES.--IF A WELL REFERRED TO IN SECTION
3 3211(B) WILL PENETRATE WITHIN THE OUTSIDE COAL BOUNDARIES OF AN
4 OPERATING COAL MINE OR A COAL MINE ALREADY PROJECTED AND PLATTED
5 BUT NOT YET BEING OPERATED, OR WITHIN 1,000 LINEAR FEET BEYOND
6 THOSE BOUNDARIES, AND, IN THE OPINION OF THE COAL OWNER OR
7 OPERATOR, THE WELL OR A PILLAR OF COAL ABOUT THE WELL WILL
8 UNDULY INTERFERE WITH OR ENDANGER THE MINE, THE COAL OWNER OR
9 OPERATOR AFFECTED MAY FILE OBJECTIONS UNDER SECTION 3251 TO THE
10 PROPOSED LOCATION WITHIN 15 DAYS OF THE RECEIPT BY THE COAL
11 OPERATOR OF THE PLAT UNDER SECTION 3211(B). IF POSSIBLE, AN
12 ALTERNATIVE LOCATION AT WHICH THE PROPOSED WELL COULD BE DRILLED
13 TO OVERCOME THE OBJECTIONS SHALL BE INDICATED. IF NO OBJECTION
14 TO THE PROPOSED LOCATION IS FILED OR IF NONE IS RAISED BY THE
15 DEPARTMENT WITHIN 15 DAYS AFTER RECEIPT OF THE PLAT BY THE COAL
16 OPERATOR OR OWNER, OR IF WRITTEN APPROVAL BY THE COAL OPERATOR
17 OR OWNER OF THE LOCATION IS FILED WITH THE DEPARTMENT AND NO
18 OBJECTION IS RAISED BY THE DEPARTMENT WITHIN 15 DAYS OF FILING,
19 THE DEPARTMENT SHALL PROCEED TO ISSUE OR DENY THE PERMIT.

20 (C) PROCEDURE UPON OBJECTION.--IF AN OBJECTION IS FILED BY A
21 COAL OPERATOR OR OWNER OR MADE BY THE DEPARTMENT, THE DEPARTMENT
22 SHALL FIX A TIME AND PLACE FOR A CONFERENCE UNDER SECTION 3251
23 NOT MORE THAN TEN DAYS FROM THE DATE OF SERVICE OF THE OBJECTION
24 TO ALLOW THE PARTIES TO CONSIDER THE OBJECTION AND ATTEMPT TO
25 AGREE ON A LOCATION. IF THEY FAIL TO AGREE, THE DEPARTMENT, BY
26 AN APPROPRIATE ORDER, SHALL DETERMINE A LOCATION ON THE TRACT OF
27 LAND AS NEAR TO THE ORIGINAL LOCATION AS POSSIBLE WHERE, IN THE
28 JUDGMENT OF THE DEPARTMENT, THE WELL CAN BE SAFELY DRILLED
29 WITHOUT UNDULY INTERFERING WITH OR ENDANGERING THE MINE AS
30 DEFINED IN SUBSECTION (B). THE NEW LOCATION AGREED UPON BY THE

1 PARTIES OR DETERMINED BY THE DEPARTMENT SHALL BE INDICATED ON
2 THE PLAT ON FILE WITH THE DEPARTMENT AND BECOME A PERMANENT
3 RECORD UPON WHICH THE DEPARTMENT SHALL PROCEED TO ISSUE OR DENY
4 THE PERMIT.

5 (D) SURVEY.--WITHIN 120 DAYS AFTER COMMENCEMENT OF DRILLING
6 OPERATIONS, THE COAL OPERATOR SHALL ACCURATELY LOCATE THE WELL
7 BY A CLOSED SURVEY ON THE SAME DATUM AS THE MINE WORKINGS OR
8 COAL BOUNDARIES ARE MAPPED, FILE THE RESULTS OF THE SURVEY WITH
9 THE DEPARTMENT AND FORWARD A COPY BY CERTIFIED MAIL TO THE WELL
10 OPERATOR.

11 § 3213. WELL REGISTRATION AND IDENTIFICATION.

12 (A) GENERAL RULE.--ON OR BEFORE JULY 5, 1996, EACH PERSON
13 WHO OWNED OR OPERATED A WELL IN EXISTENCE PRIOR TO APRIL 18,
14 1985, WHICH HAS NOT BEEN REGISTERED WITH THE DEPARTMENT AND FOR
15 WHICH NO DRILLING PERMIT HAS BEEN ISSUED BY THE DEPARTMENT,
16 SHALL REGISTER THE WELL WITH THE DEPARTMENT. A WELL OWNER OR
17 OPERATOR WHO REGISTERS UNDER THIS SUBSECTION AND A WELL OWNER OR
18 OPERATOR WHO HAS PREVIOUSLY REGISTERED A WELL UNDER THIS CHAPTER
19 SHALL, ON OR BEFORE JULY 5, 1996, IDENTIFY ANY ABANDONED WELL ON
20 PROPERTY WHICH THE WELL OWNER OR OPERATOR OWNS OR LEASES AND
21 REQUEST APPROVAL FROM THE DEPARTMENT FOR CLASSIFICATION OF THE
22 WELL AS AN ORPHAN WELL. INFORMATION REGARDING WELLS TO BE
23 REGISTERED OR IDENTIFIED SHALL BE PROVIDED ON A FORM, OR IN A
24 MANNER, PRESCRIBED BY THE DEPARTMENT AND SHALL INCLUDE:

25 (1) THE NAME AND ADDRESS OF THE WELL OPERATOR AND, IF
26 THE WELL OPERATOR IS A CORPORATION, PARTNERSHIP OR PERSON
27 NONRESIDENT OF THIS COMMONWEALTH, THE NAME AND ADDRESS OF AN
28 AGENT FOR THE OPERATOR UPON WHOM NOTICES, ORDERS, PROCESS OR
29 OTHER COMMUNICATIONS ISSUED UNDER THIS CHAPTER MAY BE SERVED.

30 (2) THE WELL NAME AND THE LOCATION OF THE WELL INDICATED

1 BY A POINT ON A 7 1/2 MINUTE UNITED STATES GEOLOGICAL SURVEY
2 TOPOGRAPHIC MAP OR ANY OTHER LOCATION DESCRIPTION SUFFICIENT
3 TO ENABLE THE DEPARTMENT TO LOCATE THE WELL ON THE GROUND.

4 (3) THE APPROXIMATE DATE OF DRILLING AND COMPLETING THE
5 WELL, ITS APPROXIMATE DEPTH AND PRODUCING HORIZONS, WELL
6 CONSTRUCTION INFORMATION AND, IF AVAILABLE, DRILLER'S LOGS.

7 (4) AN INDEMNITY BOND, AN ALTERNATIVE FEE IN LIEU OF
8 BONDING OR OTHER EVIDENCE OF FINANCIAL SECURITY SUBMITTED BY
9 THE WELL OPERATOR AND DEEMED APPROPRIATE BY THE DEPARTMENT
10 AND SATISFYING THE REQUIREMENTS OF SECTION 3225 (RELATING TO
11 BONDING). NO BOND, ALTERNATIVE FEE OR OTHER EVIDENCE OF
12 FINANCIAL SECURITY SHALL BE REQUIRED FOR IDENTIFICATION OF AN
13 ORPHAN WELL. FOR WELLS DRILLED PRIOR TO JANUARY 30, 1956,
14 WHICH HAVE NOT BEEN BONDED, THE WELL OPERATOR SHALL HAVE FIVE
15 YEARS TO COMPLY WITH THE PROVISIONS OF THIS PARAGRAPH.

16 (5) A REGISTRATION FEE OF \$15 PER WELL OR BLANKET
17 REGISTRATION FEE OF \$250 FOR MULTIPLE WELL REGISTRATION
18 APPLICATIONS SUBMITTED SIMULTANEOUSLY. THE REGISTRATION FEE
19 SHALL BE WAIVED UNTIL JULY 5, 1996, AND NO FEE SHALL BE
20 CHARGED FOR IDENTIFICATION OF AN ORPHAN WELL.

21 (A.1) ORPHAN WELLS.--AFTER JULY 5, 1996, A WELL OWNER, WELL
22 OPERATOR OR OTHER PERSON DISCOVERING AN ABANDONED WELL ON
23 PROPERTY PURCHASED OR LEASED BY THE WELL OWNER, WELL OPERATOR OR
24 OTHER PERSON SHALL IDENTIFY IT TO THE DEPARTMENT WITHIN 60 DAYS
25 OF DISCOVERY AND ADVISE THE DEPARTMENT THAT HE IS SEEKING
26 CLASSIFICATION OF THE WELL AS AN ORPHAN WELL. NO FEE SHALL BE
27 REQUIRED FOR IDENTIFICATION.

28 (B) EXTENSION.--THE DEPARTMENT MAY EXTEND THE ONE-YEAR TIME
29 PERIOD UNDER SUBSECTION (A) FOR GOOD CAUSE SHOWN. THE EXTENSION
30 MAY NOT EXCEED A PERIOD ENDING TWO YEARS FROM APRIL 18, 1985.

1 THE DEPARTMENT MAY ADOPT AND PROMULGATE GUIDELINES DESIGNED TO
2 ENSURE A FAIR IMPLEMENTATION OF THIS SECTION, RECOGNIZING THE
3 PRACTICAL DIFFICULTIES OF LOCATING UNPERMITTED WELLS AND
4 COMPLYING WITH THE REPORTING REQUIREMENTS OF THIS CHAPTER.

5 (C) INSTALLATION OF REGISTRATION NUMBER.--THE WELL OPERATOR
6 SHALL INSTALL THE REGISTRATION NUMBER ISSUED BY THE DEPARTMENT
7 IN A LEGIBLE, CONSPICUOUS AND PERMANENT MANNER ON THE WELL
8 WITHIN 60 DAYS OF ISSUANCE.

9 (D) DEFINITION.--FOR PURPOSES OF SUBSECTION (A) (4) AND (5),
10 THE TERM "OWNER" DOES NOT INCLUDE AN OWNER OR POSSESSOR OF
11 SURFACE REAL PROPERTY, ON WHICH AN ABANDONED WELL IS LOCATED,
12 WHO DID NOT PARTICIPATE OR INCUR COSTS IN, AND HAD NO RIGHT OF
13 CONTROL OVER, THE DRILLING OR EXTRACTION OPERATION OF THE
14 ABANDONED WELL.
15 § 3214. INACTIVE STATUS.

16 (A) GENERAL RULE.--UPON APPLICATION, THE DEPARTMENT SHALL
17 GRANT INACTIVE STATUS FOR A PERIOD OF FIVE YEARS FOR A PERMITTED
18 OR REGISTERED WELL, IF THE FOLLOWING REQUIREMENTS ARE MET:

19 (1) THE CONDITION OF THE WELL IS SUFFICIENT TO PREVENT
20 DAMAGE TO THE PRODUCING ZONE OR CONTAMINATION OF FRESH WATER
21 OR OTHER NATURAL RESOURCES OR SURFACE LEAKAGE OF ANY
22 SUBSTANCE;

23 (2) THE CONDITION OF THE WELL IS SUFFICIENT TO STOP THE
24 VERTICAL FLOW OF FLUIDS OR GAS WITHIN THE WELL BORE AND IS
25 ADEQUATE TO PROTECT FRESHWATER AQUIFERS, UNLESS THE
26 DEPARTMENT DETERMINES THE WELL POSES A THREAT TO THE HEALTH
27 AND SAFETY OF PERSONS OR PROPERTY OR TO THE ENVIRONMENT;

28 (3) THE OPERATOR ANTICIPATES CONSTRUCTION OF A PIPELINE
29 OR FUTURE USE OF THE WELL FOR PRIMARY OR ENHANCED RECOVERY,
30 GAS STORAGE, APPROVED DISPOSAL OR OTHER APPROPRIATE USES

1 RELATED TO OIL AND GAS WELL PRODUCTION; AND

2 (4) THE APPLICANT SATISFIES THE BONDING REQUIREMENTS OF
3 SECTIONS 3213 (RELATING TO WELL REGISTRATION AND
4 IDENTIFICATION) AND 3225 (RELATING TO BONDING), EXCEPT THAT
5 THE DEPARTMENT MAY REQUIRE ADDITIONAL FINANCIAL SECURITY FOR
6 A WELL ON WHICH AN ALTERNATIVE FEE IS BEING PAID IN LIEU OF
7 BONDING UNDER SECTION 3225(D).

8 (B) MONITORING.--THE OWNER OR OPERATOR OF A WELL GRANTED
9 INACTIVE STATUS SHALL BE RESPONSIBLE FOR MONITORING THE
10 MECHANICAL INTEGRITY OF THE WELL TO ENSURE THAT THE REQUIREMENTS
11 OF SUBSECTION (A) (1) AND (2) ARE MET AND SHALL REPORT THE SAME
12 ON AN ANNUAL BASIS TO THE DEPARTMENT IN THE MANNER AND FORM
13 PRESCRIBED BY DEPARTMENTAL REGULATIONS.

14 (C) (RESERVED).

15 (D) RETURN TO ACTIVE STATUS.--A WELL GRANTED INACTIVE STATUS
16 UNDER SUBSECTION (A) SHALL BE PLUGGED IN ACCORDANCE WITH SECTION
17 3220 (RELATING TO PLUGGING REQUIREMENTS) OR RETURNED TO ACTIVE
18 STATUS WITHIN FIVE YEARS OF THE DATE INACTIVE STATUS WAS
19 GRANTED, UNLESS THE OWNER OR OPERATOR APPLIES FOR AN EXTENSION
20 OF INACTIVE STATUS WHICH MAY BE GRANTED ON A YEAR-TO-YEAR BASIS
21 IF THE DEPARTMENT DETERMINES THAT THE OWNER OR OPERATOR HAS
22 DEMONSTRATED ABILITY TO CONTINUE MEETING THE REQUIREMENTS OF
23 THIS SECTION AND THE OWNER OR OPERATOR CERTIFIES THAT THE WELL
24 WILL BE OF FUTURE USE WITHIN A REASONABLE PERIOD OF TIME. AN
25 OWNER OR OPERATOR WHO HAS BEEN GRANTED INACTIVE STATUS FOR A
26 WELL WHICH IS RETURNED TO ACTIVE STATUS PRIOR TO EXPIRATION OF
27 THE FIVE-YEAR PERIOD SET FORTH IN SUBSECTION (A) SHALL NOTIFY
28 THE DEPARTMENT THAT THE WELL HAS BEEN RETURNED TO ACTIVE STATUS
29 AND SHALL NOT BE PERMITTED TO APPLY FOR ANOTHER AUTOMATIC FIVE-
30 YEAR PERIOD OF INACTIVE STATUS FOR THE WELL. THE OWNER OR

1 OPERATOR MAY MAKE APPLICATION TO RETURN THE WELL TO INACTIVE
2 STATUS, AND THE APPLICATION MAY BE APPROVED ON A YEAR-TO-YEAR
3 BASIS IF THE DEPARTMENT DETERMINES THAT THE OWNER OR OPERATOR
4 HAS DEMONSTRATED AN ABILITY TO CONTINUE MEETING THE REQUIREMENTS
5 OF THIS SECTION AND THE OWNER OR OPERATOR CERTIFIES THAT THE
6 WELL WILL BE OF FUTURE USE WITHIN A REASONABLE PERIOD OF TIME.
7 THE DEPARTMENT SHALL APPROVE OR DENY AN APPLICATION TO EXTEND A
8 PERIOD OF INACTIVE STATUS OR TO RETURN A WELL TO INACTIVE STATUS
9 WITHIN 60 DAYS OF RECEIPT OF THE APPLICATION, AND THE
10 APPLICATION SHALL NOT BE UNREASONABLY DENIED. IF THE DEPARTMENT
11 HAS NOT COMPLETED ITS REVIEW OF THE APPLICATION WITHIN 60 DAYS,
12 THE INACTIVE STATUS SHALL CONTINUE UNTIL THE DEPARTMENT HAS MADE
13 A DETERMINATION ON THE REQUEST. IF THE DEPARTMENT DENIES AN
14 APPLICATION TO EXTEND THE PERIOD OF INACTIVE STATUS OR TO RETURN
15 A WELL TO INACTIVE STATUS, A WELL OWNER OR OPERATOR AGGRIEVED BY
16 THE DENIAL SHALL HAVE THE RIGHT TO APPEAL THE DENIAL TO THE
17 ENVIRONMENTAL HEARING BOARD WITHIN 30 DAYS OF RECEIPT OF THE
18 DENIAL. UPON CAUSE SHOWN BY A WELL OWNER OR OPERATOR, THE BOARD
19 MAY GRANT A SUPERSEDEAS UNDER SECTION 4 OF THE ACT OF JULY 13,
20 1988 (P.L.530, NO.94), KNOWN AS THE ENVIRONMENTAL HEARING BOARD
21 ACT, SO THAT THE WELL IN QUESTION MAY RETAIN INACTIVE STATUS
22 DURING THE PERIOD OF THE APPEAL.

23 (E) REVOCATION OF INACTIVE STATUS.--THE DEPARTMENT MAY
24 REVOKE INACTIVE STATUS AND ORDER IMMEDIATE PLUGGING OF A WELL IF
25 THE WELL IS IN VIOLATION OF THIS CHAPTER OR RULES OR REGULATIONS
26 PROMULGATED UNDER THIS CHAPTER OR IF THE OWNER OR OPERATOR
27 DEMONSTRATES INABILITY TO PERFORM OBLIGATIONS UNDER THIS CHAPTER
28 OR BECOMES FINANCIALLY INSOLVENT, OR UPON RECEIPT BY THE
29 DEPARTMENT OF NOTICE OF BANKRUPTCY PROCEEDINGS BY THE PERMITTEE.
30 § 3215. WELL LOCATION RESTRICTIONS.

1 (A) GENERAL RULE.--WELLS MAY NOT BE DRILLED WITHIN 200 FEET,
2 OR IN THE CASE OF AN UNCONVENTIONAL WELL WITHIN 500 FEET,
3 MEASURED HORIZONTALLY FROM ANY EXISTING BUILDING OR EXISTING
4 WATER WELL WITHOUT WRITTEN CONSENT OF THE OWNER OF THE BUILDING
5 OR WATER WELL. IF THE DISTANCE RESTRICTION WOULD DEPRIVE THE
6 OWNER OF THE OIL AND GAS RIGHTS OF THE RIGHT TO PRODUCE OR SHARE
7 IN THE OIL OR GAS UNDERLYING THE SURFACE TRACT, THE WELL
8 OPERATOR MAY BE GRANTED A VARIANCE FROM THE DISTANCE RESTRICTION
9 UPON SUBMISSION OF A PLAN IDENTIFYING THE ADDITIONAL MEASURES,
10 FACILITIES OR PRACTICES TO BE EMPLOYED DURING WELL SITE
11 CONSTRUCTION, DRILLING AND OPERATIONS. THE VARIANCE, IF GRANTED,
12 SHALL INCLUDE ADDITIONAL TERMS AND CONDITIONS REQUIRED BY THE
13 DEPARTMENT TO ENSURE SAFETY AND PROTECTION OF AFFECTED PERSONS
14 AND PROPERTY, INCLUDING INSURANCE, BONDING, INDEMNIFICATION AND
15 TECHNICAL REQUIREMENTS.

16 (B) LIMITATION.--NO WELL SITE MAY BE PREPARED OR WELL
17 DRILLED WITHIN 100 FEET, OR IN THE CASE OF AN UNCONVENTIONAL
18 WELL WITHIN 300 FEET FROM THE VERTICAL WELL BORE OR 100 FEET
19 FROM THE EDGE OF THE WELL PAD, WHICHEVER IS GREATER, MEASURED
20 HORIZONTALLY FROM ANY STREAM, SPRING OR BODY OF WATER AS
21 IDENTIFIED ON THE MOST CURRENT 7 1/2 MINUTE TOPOGRAPHIC
22 QUADRANGLE MAP OF THE UNITED STATES GEOLOGICAL SURVEY OR WITHIN
23 100 FEET OF ANY WETLANDS GREATER THAN ONE ACRE IN SIZE. NO
24 UNCONVENTIONAL WELL MAY BE LOCATED WITHIN 1,000 FEET FROM THE
25 VERTICAL WELL BORE FROM A PUBLIC WATER SUPPLY SOURCE AS DEFINED
26 IN THE SAFE DRINKING WATER ACT (PUBLIC LAW 93-523, 21 U.S.C. §
27 349 AND 42 U.S.C. §§ 201 AND 300F ET SEQ.). THE DEPARTMENT MAY
28 WAIVE THE DISTANCE RESTRICTIONS UPON SUBMISSION OF A PLAN
29 IDENTIFYING ADDITIONAL MEASURES, FACILITIES OR PRACTICES TO BE
30 EMPLOYED DURING WELL SITE CONSTRUCTION, DRILLING AND OPERATIONS.

1 THE WAIVER, IF GRANTED, SHALL IMPOSE PERMIT CONDITIONS NECESSARY
2 TO PROTECT THE WATERS OF THE COMMONWEALTH.

3 (C) IMPACT.-- WHEN REVIEWING A WELL PERMIT APPLICATION, THE
4 DEPARTMENT SHALL CONSIDER AND MAY DENY OR CONDITION A WELL
5 PERMIT BASED ON THE IMPACT OF THE PROPOSED WELL ON PUBLIC
6 RESOURCES, INCLUDING, BUT NOT LIMITED TO:

7 (1) PUBLICLY OWNED PARKS, FORESTS, GAME LANDS AND
8 WILDLIFE AREAS.

9 (2) NATIONAL OR STATE SCENIC RIVERS.

10 (3) NATIONAL NATURAL LANDMARKS.

11 (4) HABITATS OF RARE AND ENDANGERED FLORA AND FAUNA AND
12 OTHER CRITICAL COMMUNITIES.

13 (5) HISTORICAL AND ARCHAEOLOGICAL SITES LISTED ON THE
14 FEDERAL OR STATE LIST OF HISTORIC PLACES.

15 (6) SOURCES USED FOR PUBLIC DRINKING WATER SUPPLIES IN
16 ACCORDANCE WITH SUBSECTION (B).

17 (7) WHETHER THE PROPOSED WELL LOCATION IS WITHIN A
18 FLOODPLAIN.

19 (D) ADDITIONAL PROTECTIVE MEASURES.--THE DEPARTMENT MAY
20 ESTABLISH ADDITIONAL PROTECTIVE MEASURES FOR STORAGE OF
21 HAZARDOUS CHEMICALS AND MATERIALS INTENDED TO BE USED, OR THAT
22 HAVE BEEN USED, ON AN UNCONVENTIONAL WELL DRILLING SITE WITHIN
23 750 FEET OF A STREAM, SPRING OR BODY OF WATER IDENTIFIED ON THE
24 MOST CURRENT 7 1/2 MINUTE TOPOGRAPHIC QUADRANGLE MAP OF THE
25 UNITED STATES GEOLOGICAL SURVEY.

26 (E) APPLICABILITY.--THE FOLLOWING SHALL APPLY:

27 (1) THIS SECTION SHALL NOT APPLY TO A WELL PROPOSED TO
28 BE DRILLED ON ON EXISTING WELL SITE FOR WHICH AT LEAST ONE
29 WELL PERMIT HAS BEEN ISSUED PRIOR TO THE EFFECTIVE DATE OF
30 THIS SECTION.

1 (2) NOTHING IN THIS SECTION SHALL ALTER OR ABRIDGE THE
2 TERMS OF ANY CONTRACTS, MORTGAGES OR OTHER AGREEMENTS ENTERED
3 INTO PRIOR TO TO THE EFFECTIVE DATE OF THIS SECTION.

4 § 3216. WELL SITE RESTORATION.

5 (A) GENERAL RULE.--EACH OIL OR GAS WELL OWNER OR OPERATOR
6 SHALL RESTORE THE LAND SURFACE WITHIN THE AREA DISTURBED IN
7 SITING, DRILLING, COMPLETING AND PRODUCING THE WELL.

8 (B) PLAN.--DURING AND AFTER EARTHMOVING OR SOIL DISTURBING
9 ACTIVITIES, INCLUDING, BUT NOT LIMITED TO, ACTIVITIES RELATED TO
10 SITING, DRILLING, COMPLETING, PRODUCING AND PLUGGING THE WELL,
11 EROSION AND SEDIMENTATION CONTROL MEASURES SHALL BE IMPLEMENTED
12 IN ACCORDANCE WITH AN EROSION AND SEDIMENTATION CONTROL PLAN
13 PREPARED IN ACCORDANCE WITH THE ACT OF JUNE 22, 1937 (P.L.1987,
14 NO.394), KNOWN AS THE CLEAN STREAMS LAW.

15 (C) PITS, DRILLING SUPPLIES AND EQUIPMENT.--WITHIN NINE
16 MONTHS AFTER COMPLETION OF DRILLING OF A WELL, THE OWNER OR
17 OPERATOR SHALL RESTORE THE WELL SITE, REMOVE OR FILL ALL PITS
18 USED TO CONTAIN PRODUCED FLUIDS OR INDUSTRIAL WASTES AND REMOVE
19 ALL DRILLING SUPPLIES AND EQUIPMENT NOT NEEDED FOR PRODUCTION.
20 DRILLING SUPPLIES AND EQUIPMENT NOT NEEDED FOR PRODUCTION MAY BE
21 STORED ON THE WELL SITE IF EXPRESS WRITTEN CONSENT OF THE
22 SURFACE LANDOWNER IS OBTAINED.

23 (D) ITEMS RELATED TO PRODUCTION OR STORAGE.--WITHIN NINE
24 MONTHS AFTER PLUGGING A WELL, THE OWNER OR OPERATOR SHALL REMOVE
25 ALL PRODUCTION OR STORAGE FACILITIES, SUPPLIES AND EQUIPMENT AND
26 RESTORE THE WELL SITE.

27 (E) CLEAN STREAMS LAW.--RESTORATION ACTIVITIES REQUIRED BY
28 THIS CHAPTER OR IN REGULATIONS PROMULGATED UNDER THIS CHAPTER
29 SHALL ALSO COMPLY WITH ALL APPLICABLE PROVISIONS OF THE CLEAN
30 STREAMS LAW.

1 (F) VIOLATION OF CHAPTER.--FAILURE TO RESTORE THE WELL SITE
2 AS REQUIRED IN THIS CHAPTER OR REGULATIONS PROMULGATED UNDER
3 THIS CHAPTER CONSTITUTES A VIOLATION OF THIS CHAPTER.

4 (G) EXTENSION.--THE RESTORATION PERIOD MAY BE EXTENDED BY
5 THE DEPARTMENT FOR AN ADDITIONAL SIX MONTHS UPON APPLICATION OF
6 THE WELL OWNER OR OPERATOR UPON EVIDENCE OF INABILITY TO COMPLY
7 DUE TO ADVERSE WEATHER CONDITIONS OR LACK OF ESSENTIAL FUEL,
8 EQUIPMENT OR LABOR.

9 § 3217. PROTECTION OF FRESH GROUNDWATER AND CASING
10 REQUIREMENTS.

11 (A) GENERAL RULE.--TO AID IN PROTECTION OF FRESH
12 GROUNDWATER, WELL OPERATORS SHALL CONTROL AND DISPOSE OF BRINES
13 PRODUCED FROM THE DRILLING, ALTERATION OR OPERATION OF AN OIL OR
14 GAS WELL IN A MANNER CONSISTENT WITH THE ACT OF JUNE 22, 1937
15 (P.L.1987, NO.394), KNOWN AS THE CLEAN STREAMS LAW, OR ANY RULE
16 OR REGULATION PROMULGATED UNDER THE CLEAN STREAMS LAW.

17 (B) CASING.--TO PREVENT MIGRATION OF GAS OR FLUIDS INTO
18 SOURCES OF FRESH GROUNDWATER AND POLLUTION OR DIMINUTION OF
19 FRESH GROUNDWATER, A STRING OR STRINGS OF CASING SHALL BE RUN
20 AND PERMANENTLY CEMENTED IN EACH WELL DRILLED THROUGH THE FRESH
21 WATER-BEARING STRATA TO A DEPTH AND IN A MANNER PRESCRIBED BY
22 REGULATION BY THE DEPARTMENT.

23 (C) PROCEDURE WHEN COAL HAS BEEN REMOVED.--IF A WELL IS
24 DRILLED AT A LOCATION WHERE COAL HAS BEEN REMOVED FROM ONE OR
25 MORE COAL SEAMS, THE WELL SHALL BE DRILLED AND CASED TO PREVENT
26 MIGRATION OF GAS OR FLUIDS INTO THE SEAM FROM WHICH COAL HAS
27 BEEN REMOVED, IN A MANNER PRESCRIBED BY REGULATION OF THE
28 DEPARTMENT. THE DEPARTMENT AND THE COAL OPERATOR, OWNER OR
29 LESSEE SHALL BE GIVEN AT LEAST 72 HOURS' NOTICE PRIOR TO
30 COMMENCEMENT OF WORK PROTECTING THE MINE.

1 (D) PROCEDURE WHEN COAL HAS NOT BEEN REMOVED.--IF A WELL IS
2 DRILLED AT A LOCATION WHERE THE COAL SEAM HAS NOT BEEN REMOVED,
3 THE WELL SHALL BE DRILLED TO A DEPTH AND OF A SIZE SUFFICIENT TO
4 PERMIT PLACEMENT OF CASING, PACKERS IN AND VENTS ON THE HOLE AT
5 THE POINTS AND IN THE MANNER PRESCRIBED BY REGULATION TO EXCLUDE
6 GAS OR FLUIDS FROM THE COAL SEAM, EXCEPT GAS OR FLUIDS FOUND
7 NATURALLY IN THE SEAM ITSELF, AND TO ENABLE MONITORING THE
8 INTEGRITY OF THE PRODUCTION CASING.

9 § 3218. PROTECTION OF WATER SUPPLIES.

10 (A) GENERAL RULE.--IN ADDITION TO THE REQUIREMENTS OF
11 SUBSECTION (C.1), A WELL OPERATOR WHO AFFECTS A PUBLIC OR
12 PRIVATE WATER SUPPLY BY POLLUTION OR DIMINUTION SHALL RESTORE OR
13 REPLACE THE AFFECTED SUPPLY WITH AN ALTERNATE SOURCE OF WATER
14 ADEQUATE IN QUANTITY AND QUALITY FOR THE PURPOSES SERVED BY THE
15 SUPPLY. THE DEPARTMENT SHALL ENSURE THE RESTORED OR REPLACED
16 WATER SUPPLY MEETS THE APPLICABLE WATER QUALITY STANDARDS
17 CONSISTENT WITH THE SAFE DRINKING WATER ACT (PUBLIC LAW 93-523,
18 21 U.S.C. § 349 AND 42 U.S.C. §§ 201 AND 300F ET SEQ.), THE ACT
19 OF MAY 1, 1984 (P.L.206, NO.43), KNOWN AS THE PENNSYLVANIA SAFE
20 DRINKING WATER ACT, OR PREDRILLING OR ALTERATION WATER QUANTITY
21 STANDARDS AS DETERMINED BY THE DEPARTMENT. THE ENVIRONMENTAL
22 QUALITY BOARD SHALL PROMULGATE REGULATIONS NECESSARY TO MEET THE
23 REQUIREMENTS OF THIS SUBSECTION.

24 (B) POLLUTION OR DIMINUTION OF WATER SUPPLY.--A LANDOWNER OR
25 WATER PURVEYOR SUFFERING POLLUTION OR DIMINUTION OF A WATER
26 SUPPLY AS A RESULT OF THE DRILLING, ALTERATION OR OPERATION OF
27 AN OIL OR GAS WELL MAY SO NOTIFY THE DEPARTMENT AND REQUEST THAT
28 AN INVESTIGATION BE CONDUCTED. WITHIN TEN DAYS OF NOTIFICATION,
29 THE DEPARTMENT SHALL INVESTIGATE THE CLAIM AND MAKE A
30 DETERMINATION WITHIN 45 DAYS FOLLOWING NOTIFICATION. IF THE

1 DEPARTMENT FINDS THAT THE POLLUTION OR DIMINUTION WAS CAUSED BY
2 DRILLING, ALTERATION OR OPERATION ACTIVITIES OR IF IT PRESUMES
3 THE WELL OPERATOR RESPONSIBLE FOR POLLUTION UNDER SUBSECTION
4 (C), THE DEPARTMENT SHALL ISSUE ORDERS TO THE WELL OPERATOR
5 NECESSARY TO ASSURE COMPLIANCE WITH SUBSECTION (A), INCLUDING
6 ORDERS REQUIRING TEMPORARY REPLACEMENT OF A WATER SUPPLY WHERE
7 IT IS DETERMINED THAT POLLUTION OR DIMINUTION MAY BE OF LIMITED
8 DURATION.

9 (B.1) TOLL-FREE TELEPHONE NUMBER.--THE DEPARTMENT SHALL
10 ESTABLISH A SINGLE STATEWIDE TOLL-FREE TELEPHONE NUMBER THAT
11 PERSONS MAY USE TO REPORT CASES OF WATER CONTAMINATION. THE
12 STATEWIDE TOLL-FREE TELEPHONE NUMBER SHALL BE PROVIDED IN A
13 CONSPICUOUS MANNER IN THE NOTIFICATION REQUIRED UNDER SECTION
14 3211(B.1) (RELATING TO WELL PERMITS) , SHALL BE POSTED IN A
15 CONSPICUOUS PLACE AT THE DRILLING SITE AND SHALL BE POSTED ON
16 THE DEPARTMENT'S INTERNET WEBSITE.

17 (B.2) RESPONSES TO CALLS.--THE DEPARTMENT SHALL DEVELOP
18 APPROPRIATE ADMINISTRATIVE RESPONSES TO CALLS RECEIVED ON THE
19 STATEWIDE TOLL-FREE TELEPHONE NUMBER FOR WATER CONTAMINATION.

20 (C) PRESUMPTION.--UNLESS REBUTTED BY A DEFENSE ESTABLISHED
21 IN SUBSECTION (D), IT SHALL BE PRESUMED THAT A WELL OPERATOR IS
22 RESPONSIBLE FOR POLLUTION OF A WATER SUPPLY THAT IS WITHIN 1,000
23 FEET, OR IN THE CASE OF AN UNCONVENTIONAL WELL WITHIN 3,000 FEET
24 FROM THE VERTICAL WELL BORE, OF AN OIL OR GAS WELL, IF POLLUTION
25 OCCURRED WITHIN SIX MONTHS, OR IN THE CASE OF AN UNCONVENTIONAL
26 WELL WITHIN 12 MONTHS, AFTER STIMULATION OR ALTERATION OF THE
27 UNCONVENTIONAL WELL.

28 (C.1) REQUIREMENT.--IF THE AFFECTED WATER SUPPLY IS WITHIN
29 THE REBUTTABLE PRESUMPTION AREA AS PROVIDED IN SUBSECTION (C)
30 AND THE REBUTTABLE PRESUMPTION APPLIES , THE OPERATOR SHALL

1 PROVIDE A TEMPORARY WATER SUPPLY IF THE WATER USER IS WITHOUT A
2 READILY AVAILABLE ALTERNATIVE SOURCE OF WATER. THE TEMPORARY
3 WATER SUPPLY PROVIDED UNDER THIS SUBSECTION SHALL BE ADEQUATE IN
4 QUANTITY AND QUALITY FOR THE PURPOSES SERVED BY THE SUPPLY.

5 (D) DEFENSES.--TO REBUT THE PRESUMPTION ESTABLISHED UNDER
6 SUBSECTION (C), A WELL OPERATOR MUST AFFIRMATIVELY PROVE ANY OF
7 THE FOLLOWING:

8 (1) THE POLLUTION EXISTED PRIOR TO THE DRILLING,
9 STIMULATION OR ALTERATION ACTIVITIES AS DETERMINED BY A
10 PREDRILLING OR PREALTERATION SURVEY.

11 (2) THE LANDOWNER OR WATER PURVEYOR REFUSED TO ALLOW THE
12 OPERATOR ACCESS TO CONDUCT A PREDRILLING OR PREALTERATION
13 SURVEY.

14 (3) THE WATER SUPPLY IS NOT WITHIN 1,000 FEET, OR IN THE
15 CASE OF AN UNCONVENTIONAL WELL WITHIN 3,000 FEET, OF THE
16 VERTICAL WELL BORE.

17 (4) THE POLLUTION OCCURRED MORE THAN SIX MONTHS, OR IN
18 THE CASE OF AN UNCONVENTIONAL WELL MORE THAN 12 MONTHS AFTER
19 DRILLING, STIMULATION OR ALTERATION ACTIVITIES.

20 (5) THE POLLUTION OCCURRED AS THE RESULT OF A CAUSE
21 OTHER THAN THE DRILLING, STIMULATION OR ALTERATION ACTIVITY.

22 (E) INDEPENDENT CERTIFIED LABORATORY.--AN OPERATOR ELECTING
23 TO PRESERVE A DEFENSE UNDER SUBSECTION (D) (1) OR (2) SHALL
24 RETAIN AN INDEPENDENT CERTIFIED LABORATORY TO CONDUCT A
25 PREDRILLING OR PREALTERATION SURVEY OF THE WATER SUPPLY. A COPY
26 OF SURVEY RESULTS SHALL BE SUBMITTED TO THE DEPARTMENT AND THE
27 LANDOWNER OR WATER PURVEYOR IN THE MANNER PRESCRIBED BY THE
28 DEPARTMENT.

29 (F) OTHER REMEDIES PRESERVED.--NOTHING IN THIS SECTION SHALL
30 PREVENT A LANDOWNER OR WATER PURVEYOR CLAIMING POLLUTION OR

1 DIMINUTION OF A WATER SUPPLY FROM SEEKING ANY OTHER REMEDY AT
2 LAW OR IN EQUITY.

3 (G) FACILITY OPERATION QUALIFICATIONS.--THE DEPARTMENT SHALL
4 ENSURE THAT A FACILITY WHICH SEEKS A NATIONAL POLLUTANT
5 DISCHARGE ELIMINATION SYSTEM PERMIT FOR THE PURPOSES OF TREATING
6 AND DISCHARGING WASTEWATER ORIGINATING FROM OIL AND GAS
7 ACTIVITIES INTO WATERS OF THIS COMMONWEALTH IS OPERATED BY A
8 COMPETENT AND QUALIFIED INDIVIDUAL.

9 § 3218.1. CONTAINMENT FOR UNCONVENTIONAL WELLS.

10 (A) SITES.--UNCONVENTIONAL WELL PAD SITES SHALL BE DESIGNED
11 AND CONSTRUCTED TO PREVENT SPILLS TO THE GROUND SURFACE OR
12 SPILLS OFF THE WELL PAD AREA. CONTAINMENT PRACTICES SHALL MEET
13 ALL OF THE FOLLOWING:

14 (1) BE INSTITUTED ON THE PAD DURING BOTH DRILLING AND
15 HYDRAULIC FRACTURING OPERATIONS.

16 (2) BE SUFFICIENTLY IMPERVIOUS AND ABLE TO CONTAIN
17 SPILLED MATERIAL OR WASTE UNTIL IT CAN BE REMOVED OR TREATED.

18 (3) BE COMPATIBLE WITH THE WASTE MATERIAL OR WASTE
19 STORED OR USED WITHIN THE CONTAINMENT.

20 (B) PLAN.--THE APPLICANT SHALL SUBMIT A PLAN TO THE
21 DEPARTMENT DESCRIBING THE CONTAINMENT PRACTICES TO BE UTILIZED
22 AND THE AREA OF THE WELL PAD WHERE CONTAINMENT SYSTEMS WILL BE
23 EMPLOYED. THE PLAN SHALL INCLUDE A DESCRIPTION OF THE EQUIPMENT
24 TO BE KEPT ONSITE DURING DRILLING AND HYDRAULIC FRACTURING
25 OPERATIONS TO PREVENT A SPILL FROM LEAVING THE WELL PAD.

26 (C) MATERIALS STORED.--CONTAINMENT SYSTEMS SHALL BE USED
27 WHEREVER ANY OF THE FOLLOWING ARE STORED:

28 (1) DRILLING MUD.

29 (2) HYDRAULIC OIL.

30 (3) DIESEL FUEL.

1 (4) DRILLING MUD ADDITIVES.

2 (5) HYDRAULIC FRACTURING ADDITIVES.

3 (6) HYDRAULIC FRACTURING FLOWBACK.

4 (D) CAPACITY.--AREAS WHERE ANY ADDITIVES, CHEMICALS, OILS OR
5 FUELS ARE TO BE STORED MUST HAVE SUFFICIENT CONTAINMENT CAPACITY
6 TO HOLD THE VOLUME OF THE LARGEST CONTAINER STORED IN THE AREA
7 PLUS 10% TO ALLOW FOR PRECIPITATION, UNLESS THE CONTAINER IS
8 EQUIPPED WITH INDIVIDUAL SECONDARY CONTAINMENT.

9 § 3218.2. TRANSPORTATION RECORDS REGARDING WASTEWATER FLUIDS.

10 (A) REQUIREMENTS.--A WELL OPERATOR THAT TRANSPORTS
11 WASTEWATER FLUIDS SHALL DO ALL OF THE FOLLOWING:

12 (1) MAINTAIN RECORDS FOR FIVE YEARS, IN ACCORDANCE WITH
13 REGULATIONS UNDER SUBSECTION (B) AND ON A FORM APPROVED BY
14 THE DEPARTMENT, OF THE AMOUNT AND DESTINATION OF THE FLUIDS
15 TRANSPORTED.

16 (2) MAKE THE RECORDS AVAILABLE TO THE DEPARTMENT UPON
17 REQUEST.

18 (B) RECORDKEEPING.--RECORDKEEPING REQUIREMENTS SHALL BE
19 DETERMINED BY THE DEPARTMENT AND SHALL INCLUDE THE FOLLOWING:

20 (1) THE NUMBER OF GALLONS OF WASTEWATER FLUIDS PRODUCED
21 IN THE DRILLING, STIMULATION OR ALTERATION OF A WELL.

22 (2) UPON COMPLETION OF THE WELL, THE NAME OF THE PERSON
23 OR COMPANY THAT TRANSPORTED THE WASTEWATER FLUIDS TO A
24 DISPOSAL SITE OR TO A LOCATION OTHER THAN THE WELL SITE.

25 (3) EACH LOCATION WHERE WASTEWATER FLUIDS WERE DISPOSED
26 OF OR TRANSPORTED AND THE VOLUMES THAT WERE DISPOSED OF AT
27 THE LOCATION.

28 (4) THE METHOD OF DISPOSAL.

29 § 3218.3. EMERGENCY RESPONSE INFORMATION.

30 THE PENNSYLVANIA EMERGENCY MANAGEMENT AGENCY AND THE

1 DEPARTMENT SHALL REQUIRE THE OPERATORS OF ALL UNCONVENTIONAL
2 WELLS TO DO ALL OF THE FOLLOWING:

3 (1) ADOPT A UNIQUE GPS COORDINATE ADDRESS FOR EACH
4 UNCONVENTIONAL WELL AT BOTH THE ACCESS ROAD ENTRANCE AND WELL
5 PAD SITE.

6 (2) REGISTER THAT ADDRESS WITH THE AGENCY, THE
7 DEPARTMENT AND THE COUNTY EMERGENCY MANAGEMENT ORGANIZATION
8 WITHIN THE COUNTY WHERE THE UNCONVENTIONAL WELL IS LOCATED.

9 (3) REQUIRE THE DEVELOPMENT OF AN EMERGENCY RESPONSE
10 PLAN AND FILE THAT PLAN WITH THE AGENCY, THE DEPARTMENT AND
11 THE COUNTY EMERGENCY MANAGEMENT ORGANIZATION WITH
12 JURISDICTION OVER THE UNCONVENTIONAL WELL. THE COUNTY SHALL
13 DISSEMINATE THE GPS ADDRESS AND EMERGENCY RESPONSE PLAN TO
14 THE LOCAL EMERGENCY MANAGEMENT ORGANIZATION IN WHICH THE
15 UNCONVENTIONAL WELL IS LOCATED.

16 (4) POST A REFLECTIVE SIGN AT THE ENTRANCE TO EACH WELL
17 SITE WITH THE SPECIFIC ADDRESS OF THAT SITE, THE COORDINATES
18 FOR THE SITE, THE EMERGENCY CONTACT NUMBER FOR THE OPERATOR
19 AND ANY OTHER INFORMATION AS THE AGENCY OR THE DEPARTMENT
20 DEEMS NECESSARY.

21 § 3218.4. NOTIFICATION TO PUBLIC DRINKING WATER SYSTEMS.

22 UPON RECEIVING NOTIFICATION OF SPILL THE DEPARTMENT SHALL,
23 AFTER INVESTIGATING THE INCIDENT, NOTIFY ANY PUBLIC DRINKING
24 WATER FACILITY THAT COULD BE AFFECTED BY THE EVENT THAT THE
25 EVENT OCCURRED. THE NOTIFICATION SHALL CONTAIN A BRIEF
26 DESCRIPTION OF THE EVENT AND ANY EXPECTED IMPACT ON WATER
27 QUALITY.

28 § 3218.5. CORROSION CONTROL REQUIREMENTS.

29 THE FOLLOWING SHALL APPLY TO CORROSION CONTROL REQUIREMENTS:

30 (1) ALL BURIED METALLIC STRUCTURES ASSOCIATED WITH GAS

1 WELLS INCLUDING PIPELINES, WELL CASINGS AND UNDERGROUND TANKS
2 MUST HAVE CORROSION PROTECTION MEASURES DESIGNED TO PROTECT
3 THE PIPELINE INSTALLED AND PLACED IN OPERATION IN ACCORDANCE
4 WITH REGULATIONS PROMULGATED BY THE ENVIRONMENTAL QUALITY
5 BOARD.

6 (2) PERMANENT ABOVEGROUND AND UNDERGROUND TANKS MUST
7 COMPLY WITH THE APPLICABLE CORROSION CONTROL REQUIREMENTS IN
8 THE DEPARTMENT'S REGULATIONS.

9 (3) THE CORROSION CONTROL PROCEDURES UNDER PARAGRAPHS
10 (1) AND (2) MUST BE CARRIED OUT BY OR UNDER THE DIRECTION OF
11 A PERSON QUALIFIED IN CORROSION METHODS.

12 (4) AN OPERATOR OF A NEW, REPLACED, RELOCATED OR
13 OTHERWISE CHANGED LINE MUST BE IN COMPLIANCE WITH THE
14 APPLICABLE REQUIREMENTS OF THIS SECTION BY THE DATE THE LINE
15 GOES INTO SERVICE.

16 § 3218.6. GATHERING LINES.

17 (A) REQUIREMENT.--OWNERS AND OPERATORS OF GATHERING LINES
18 SHALL COMPLY WITH SECTION 2(5)(I.1) OF THE ACT OF DECEMBER 10,
19 1974 (P.L.852, NO.287), REFERRED TO AS THE UNDERGROUND UTILITY
20 LINE PROTECTION LAW.

21 (B) DEFINITION.--AS USED IN THIS SECTION, THE TERM
22 "GATHERING LINES" MEANS A PIPELINE USED TO TRANSPORT NATURAL GAS
23 FROM A PRODUCTION FACILITY TO A TRANSMISSION LINE OR MAIN.

24 § 3219. USE OF SAFETY DEVICES.

25 ANY PERSON ENGAGED IN DRILLING AN OIL OR GAS WELL SHALL EQUIP
26 IT WITH CASINGS OF SUFFICIENT STRENGTH, AND OTHER SAFETY DEVICES
27 AS ARE NECESSARY, IN THE MANNER PRESCRIBED BY REGULATION OF THE
28 DEPARTMENT, AND SHALL USE EVERY EFFORT AND ENDEAVOR EFFECTIVELY
29 TO PREVENT BLOWOUTS, EXPLOSIONS AND FIRES.

30 § 3220. PLUGGING REQUIREMENTS.

1 (A) GENERAL RULE.--UPON ABANDONING A WELL, THE OWNER OR
2 OPERATOR SHALL PLUG IT IN THE MANNER PRESCRIBED BY REGULATION OF
3 THE DEPARTMENT TO STOP VERTICAL FLOW OF FLUIDS OR GAS WITHIN THE
4 WELL BORE, UNLESS THE DEPARTMENT HAS GRANTED INACTIVE STATUS FOR
5 THE WELL OR IT HAS BEEN APPROVED BY THE DEPARTMENT AS AN ORPHAN
6 WELL. IF THE DEPARTMENT DETERMINES THAT A PRIOR OWNER OR
7 OPERATOR RECEIVED ECONOMIC BENEFIT, OTHER THAN ECONOMIC BENEFIT
8 DERIVED ONLY AS A LANDOWNER OR FROM A ROYALTY INTEREST, AFTER
9 APRIL 18, 1979, FROM AN ORPHAN WELL OR AN UNREGISTERED WELL, THE
10 OWNER OR OPERATOR SHALL BE RESPONSIBLE FOR PLUGGING THE WELL. IN
11 THE CASE OF A GAS WELL PENETRATING A WORKABLE COAL SEAM WHICH
12 WAS DRILLED PRIOR TO JANUARY 30, 1956, OR WHICH WAS PERMITTED
13 AFTER THAT DATE BUT NOT PLUGGED IN ACCORDANCE WITH THIS CHAPTER,
14 IF THE OWNER OR OPERATOR OR A COAL OPERATOR OR AN AGENT PROPOSES
15 TO PLUG THE WELL TO ALLOW MINING THROUGH OF IT, THE GAS WELL
16 SHALL BE CLEANED TO A DEPTH OF AT LEAST 200 FEET BELOW THE COAL
17 SEAM THROUGH WHICH MINING IS PROPOSED AND, UNLESS IMPRACTICABLE,
18 TO A POINT 200 FEET BELOW THE DEEPEST MINEABLE COAL SEAM. THE
19 GAS WELL SHALL BE PLUGGED FROM THAT DEPTH IN ACCORDANCE WITH
20 SECTION 13 OF THE ACT OF DECEMBER 18, 1984 (P.L.1069, NO.214),
21 KNOWN AS THE COAL AND GAS RESOURCE COORDINATION ACT, AND THE
22 REGULATIONS OF THE DEPARTMENT.

23 (B) AREAS UNDERLAIN BY COAL.--PRIOR TO THE PLUGGING AND
24 ABANDONMENT OF A WELL IN AN AREA UNDERLAIN BY A WORKABLE COAL
25 SEAM, THE WELL OPERATOR OR OWNER SHALL NOTIFY THE DEPARTMENT AND
26 THE COAL OPERATOR, LESSEE OR OWNER AND SUBMIT A PLAT, ON A FORM
27 TO BE FURNISHED BY THE DEPARTMENT, SHOWING THE LOCATION OF THE
28 WELL AND FIXING THE DATE AND TIME PLUGGING WILL COMMENCE, WHICH
29 SHALL BE NOT LESS THAN THREE WORKING DAYS, NOR MORE THAN 30
30 DAYS, AFTER THE NOTICE IS RECEIVED, TO PERMIT REPRESENTATIVES OF

1 THE PERSONS NOTIFIED TO BE PRESENT AT THE PLUGGING. NOTICE AND
2 THE RIGHT TO BE PRESENT MAY BE WAIVED BY THE DEPARTMENT AND THE
3 COAL OPERATOR, LESSEE OR OWNER, BUT WAIVER BY COAL OPERATOR,
4 LESSEE OR OWNER SHALL BE IN WRITING AND A COPY SHALL BE ATTACHED
5 TO THE NOTICE OF ABANDONMENT FILED WITH THE DEPARTMENT UNDER
6 THIS SECTION. WHETHER OR NOT REPRESENTATIVES ATTEND, IF THE WELL
7 OPERATOR HAS FULLY COMPLIED WITH THIS SECTION, THE WELL OPERATOR
8 MAY PROCEED, AT THE TIME FIXED, TO PLUG THE WELL IN THE MANNER
9 PRESCRIBED BY REGULATION OF THE DEPARTMENT. WHEN PLUGGING HAS
10 BEEN COMPLETED, A CERTIFICATE SHALL BE PREPARED AND SIGNED, ON A
11 FORM TO BE FURNISHED BY THE DEPARTMENT, BY TWO EXPERIENCED AND
12 QUALIFIED PEOPLE WHO PARTICIPATED IN THE WORK SETTING FORTH THE
13 TIME AND MANNER IN WHICH THE WELL WAS PLUGGED. ONE COPY OF THE
14 CERTIFICATE SHALL BE MAILED TO EACH COAL OPERATOR, LESSEE OR
15 OWNER TO WHOM NOTICE WAS GIVEN BY CERTIFIED MAIL AND ANOTHER
16 SHALL BE MAILED TO THE DEPARTMENT.

17 (C) ABANDONED WELLS.--PRIOR TO ABANDONMENT OF A WELL, EXCEPT
18 AN UNCOMPLETED BORE HOLE PLUGGED IMMEDIATELY UPON SUSPENSION OF
19 DRILLING IN AN AREA NOT UNDERLAIN BY A WORKABLE COAL SEAM, THE
20 WELL OPERATOR SHALL NOTIFY THE DEPARTMENT OF THE INTENTION TO
21 PLUG AND ABANDON THE WELL AND SUBMIT A PLAT, ON A FORM TO BE
22 FURNISHED BY THE DEPARTMENT, SHOWING THE LOCATION OF THE WELL
23 AND FIXING THE DATE AND TIME AT WHICH PLUGGING WILL COMMENCE,
24 WHICH SHALL BE NOT LESS THAN THREE WORKING DAYS, NOR MORE THAN
25 30 DAYS, AFTER THE NOTICE IS RECEIVED, TO PERMIT A DEPARTMENT
26 REPRESENTATIVE TO BE PRESENT AT THE PLUGGING. THE NOTICE OR
27 WAITING PERIOD MAY BE VERBALLY WAIVED BY THE DEPARTMENT. IN
28 NONCOAL AREAS WHERE MORE THAN ONE WELL HAS BEEN DRILLED AS PART
29 OF THE SAME DEVELOPMENT PROJECT AND THE WELLS ARE NOW TO BE
30 PLUGGED, THE DEPARTMENT SHALL BE GIVEN THREE WORKING DAYS'

1 NOTICE PRIOR TO PLUGGING THE FIRST WELL OF THE PROJECT, SUBJECT
2 TO WAIVER OF NOTICE DESCRIBED IN SUBSECTION (B). IN THE PLUGGING
3 OF SUBSEQUENT WELLS, NO ADDITIONAL NOTICE SHALL BE REQUIRED IF
4 PLUGGING ON THE PROJECT IS CONTINUOUS. IF PLUGGING OF SUBSEQUENT
5 WELLS IS DELAYED FOR ANY REASON, NOTICE SHALL BE GIVEN TO THE
6 DEPARTMENT OF CONTINUATION OF THE PROJECT. WHETHER OR NOT A
7 REPRESENTATIVE ATTENDS, IF THE WELL OPERATOR HAS FULLY COMPLIED
8 WITH THIS SECTION, THE WELL OPERATOR MAY PROCEED, AT THE TIME
9 FIXED, TO PLUG THE WELL IN THE MANNER PRESCRIBED BY REGULATION
10 OF THE DEPARTMENT. WHEN PLUGGING HAS BEEN COMPLETED, A
11 CERTIFICATE SHALL BE PREPARED, ON A FORM TO BE FURNISHED BY THE
12 DEPARTMENT, BY TWO EXPERIENCED AND QUALIFIED PEOPLE WHO
13 PARTICIPATED IN THE WORK SETTING FORTH THE TIME AND MANNER IN
14 WHICH THE WELL WAS PLUGGED. A COPY OF THE CERTIFICATE SHALL BE
15 MAILED TO THE DEPARTMENT.

16 (D) WELLS ABANDONED UPON COMPLETION OF DRILLING.--IF A WELL
17 IS TO BE ABANDONED IMMEDIATELY AFTER COMPLETION OF DRILLING, THE
18 WELL OPERATOR SHALL GIVE AT LEAST 24 HOURS' NOTICE BY TELEPHONE,
19 CONFIRMED BY CERTIFIED MAIL, TO THE DEPARTMENT AND TO THE COAL
20 OPERATOR, LESSEE OR OWNER, IF ANY, FIXING THE DATE AND TIME WHEN
21 PLUGGING WILL COMMENCE. NOTICE AND THE RIGHT TO BE PRESENT MAY
22 BE WAIVED BY THE DEPARTMENT AND THE COAL OPERATOR, LESSEE OR
23 OWNER, IF ANY. WHETHER OR NOT REPRESENTATIVES OF THE DEPARTMENT
24 OR COAL OPERATOR, LESSEE OR OWNER, IF ANY, ATTEND, IF THE WELL
25 OPERATOR HAS FULLY COMPLIED WITH THE REQUIREMENTS OF THIS
26 SECTION, THE WELL OPERATOR MAY PROCEED, AT THE TIME FIXED, TO
27 PLUG THE WELL IN THE MANNER PROVIDED BY REGULATION OF THE
28 DEPARTMENT. THE WELL OPERATOR SHALL PREPARE THE CERTIFICATE OF
29 PLUGGING AND MAIL COPIES OF THE SAME AS PROVIDED IN SUBSECTION
30 (B).

1 (E) ORPHAN WELLS.--IF A WELL IS AN ORPHAN WELL OR ABANDONED
2 WITHOUT PLUGGING, OR IF A WELL IS IN OPERATION BUT NOT
3 REGISTERED UNDER SECTION 3213 (RELATING TO WELL REGISTRATION AND
4 IDENTIFICATION), THE DEPARTMENT MAY ENTER UPON THE WELL SITE AND
5 PLUG THE WELL AND SELL EQUIPMENT, CASING AND PIPE AT THE SITE
6 WHICH MAY HAVE BEEN USED IN PRODUCTION OF THE WELL IN ORDER TO
7 RECOVER THE COSTS OF PLUGGING. THE DEPARTMENT SHALL MAKE AN
8 EFFORT TO DETERMINE OWNERSHIP OF A WELL WHICH IS IN OPERATION
9 BUT HAS NOT BEEN REGISTERED AND PROVIDE WRITTEN NOTICE TO THE
10 OWNER OF PENDING ACTION UNDER THIS SUBSECTION. IF THE DEPARTMENT
11 CANNOT DETERMINE OWNERSHIP WITHIN 30 DAYS, IT MAY PROCEED UNDER
12 THIS SUBSECTION. COSTS OF PLUGGING SHALL HAVE PRIORITY OVER ALL
13 LIENS ON EQUIPMENT, CASING AND PIPE, AND THE SALE SHALL BE FREE
14 AND CLEAR OF THOSE LIENS TO THE EXTENT THAT THE COST OF PLUGGING
15 EXCEEDS THE SALE PRICE. IF THE AMOUNT OBTAINED FOR CASING AND
16 PIPE SALVAGED AT THE SITE IS INADEQUATE TO PAY FOR PLUGGING, THE
17 OWNER OR OPERATOR OF THE ABANDONED OR UNREGISTERED WELL SHALL BE
18 LIABLE FOR THE ADDITIONAL COSTS.

19 (F) DEFINITION.--FOR PURPOSES OF THIS SECTION, THE TERM
20 "OWNER" DOES NOT INCLUDE THE OWNER OR POSSESSOR OF SURFACE REAL
21 PROPERTY, ON WHICH AN ABANDONED WELL IS LOCATED, WHO DID NOT
22 PARTICIPATE OR INCUR COSTS IN AND HAD NO RIGHT OF CONTROL OVER
23 THE DRILLING OR EXTRACTION OPERATION OF THE ABANDONED WELL.

24 § 3221. ALTERNATIVE METHODS.

25 A WELL OPERATOR MAY REQUEST PERMISSION TO USE A METHOD OR
26 MATERIAL OTHER THAN THOSE REQUIRED BY THIS CHAPTER FOR CASING,
27 PLUGGING OR EQUIPPING A WELL IN AN APPLICATION TO THE DEPARTMENT
28 WHICH DESCRIBES THE PROPOSED ALTERNATIVE IN REASONABLE DETAIL
29 AND INDICATES THE MANNER IN WHICH IT WILL ACCOMPLISH THE GOALS
30 OF THIS CHAPTER. NOTICE OF FILING OF THE APPLICATION SHALL BE

1 GIVEN BY THE WELL OPERATOR BY CERTIFIED MAIL TO ANY AFFECTED
2 COAL OPERATORS, WHO MAY, WITHIN 15 DAYS AFTER THE NOTICE, FILE
3 OBJECTIONS TO THE PROPOSED ALTERNATIVE METHOD OR MATERIAL. IF NO
4 TIMELY OBJECTIONS ARE FILED OR RAISED BY THE DEPARTMENT, THE
5 DEPARTMENT SHALL DETERMINE WHETHER TO ALLOW USE OF THE PROPOSED
6 ALTERNATIVE METHOD OR MATERIAL.

7 § 3222. WELL REPORTING REQUIREMENTS.

8 (A) GENERAL RULE.--EXCEPT AS PROVIDED IN SUBSECTION (A.1),
9 EACH WELL OPERATOR SHALL FILE WITH THE DEPARTMENT, ON A FORM
10 PROVIDED BY THE DEPARTMENT, AN ANNUAL REPORT SPECIFYING THE
11 AMOUNT OF PRODUCTION, ON THE MOST WELL-SPECIFIC BASIS AVAILABLE,
12 ALONG WITH THE STATUS OF EACH WELL, EXCEPT THAT IN SUBSEQUENT
13 YEARS ONLY CHANGES IN STATUS MUST BE REPORTED. THE COMMONWEALTH
14 MAY UTILIZE REPORTED INFORMATION IN ENFORCEMENT PROCEEDINGS, IN
15 MAKING DESIGNATIONS OR DETERMINATIONS UNDER SECTION 1927-A OF
16 THE ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS THE
17 ADMINISTRATIVE CODE OF 1929, OR IN AGGREGATE FORM FOR
18 STATISTICAL PURPOSES.

19 (A.1) UNCONVENTIONAL WELLS.--EACH OPERATOR OF A WELL WHICH
20 PRODUCES GAS FROM AN UNCONVENTIONAL WELL SHALL FILE WITH THE
21 DEPARTMENT, ON A FORM PROVIDED BY THE DEPARTMENT, A SEMIANNUAL
22 REPORT SPECIFYING THE AMOUNT OF PRODUCTION ON THE MOST WELL-
23 SPECIFIC BASIS AVAILABLE. THE INITIAL REPORT UNDER THIS
24 SUBSECTION SHALL BE FILED ON OR BEFORE AUGUST 15, 2010, AND
25 SHALL INCLUDE PRODUCTION DATA FROM THE PRECEDING CALENDAR YEAR
26 AND SPECIFY THE STATUS OF EACH WELL. IN SUBSEQUENT REPORTS, ONLY
27 CHANGES IN STATUS MUST BE REPORTED. SUBSEQUENT SEMIANNUAL
28 REPORTS SHALL BE FILED WITH THE DEPARTMENT ON OR BEFORE FEBRUARY
29 15 AND AUGUST 15 OF EACH YEAR AND SHALL INCLUDE PRODUCTION DATA
30 FROM THE PRECEDING REPORTING PERIOD. THE COMMONWEALTH MAY

1 UTILIZE REPORTED INFORMATION IN ENFORCEMENT PROCEEDINGS, IN
2 MAKING DESIGNATIONS OR DETERMINATIONS UNDER SECTION 1927-A OF
3 THE ADMINISTRATIVE CODE OF 1929 OR IN AGGREGATE FORM FOR
4 STATISTICAL PURPOSES. BEGINNING NOVEMBER 1, 2010, THE DEPARTMENT
5 SHALL MAKE THE REPORTS AVAILABLE ON ITS PUBLICLY ACCESSIBLE
6 INTERNET WEBSITE. COSTS INCURRED BY THE DEPARTMENT TO COMPLY
7 WITH THE REQUIREMENTS OF THIS SUBSECTION SHALL BE PAID OUT OF
8 THE FEES COLLECTED UNDER SECTION 3211(D) (RELATING TO WELL
9 PERMITS).

10 (B) COLLECTION OF DATA.--WELL OPERATORS SHALL MAINTAIN A
11 RECORD OF EACH WELL DRILLED OR ALTERED. A RECORD CONTAINING THE
12 INFORMATION REQUIRED BY THE DEPARTMENT, INCLUDING THE
13 INFORMATION REQUIRED UNDER SUBSECTION (B.1), SHALL BE FILED
14 WITHIN 30 DAYS AFTER STIMULATION OF THE WELL. A COMPLETION
15 REPORT CONTAINING ANY ADDITIONAL REQUIRED INFORMATION SHALL BE
16 FILED WITHIN 30 DAYS AFTER THE STIMULATION OF THE WELL AND SHALL
17 BE KEPT ON FILE BY THE DEPARTMENT. UPON REQUEST OF THE
18 DEPARTMENT, THE WELL OPERATOR SHALL, WITHIN 90 DAYS OF
19 COMPLETION OR RECOMPLETION OF DRILLING, SUBMIT A COPY OF ANY
20 ELECTRICAL, RADIOACTIVE OR OTHER STANDARD INDUSTRY LOGS WHICH
21 HAVE BEEN RUN AND, UPON REQUEST BY THE DEPARTMENT WITHIN ONE
22 YEAR, A COPY OF DRILL STEM TEST CHARTS, FORMATION WATER
23 ANALYSIS, POROSITY, PERMEABILITY OR FLUID SATURATION
24 MEASUREMENTS, CORE ANALYSIS AND LITHOLOGIC LOG OR SAMPLE
25 DESCRIPTION OR OTHER SIMILAR DATA AS COMPILED. NO INFORMATION
26 SHALL BE REQUIRED UNLESS THE WELL OPERATOR HAD IT COMPILED IN
27 THE ORDINARY COURSE OF BUSINESS, AND INTERPRETATION OF DATA IS
28 NOT REQUIRED TO BE FILED.

29 (B.1) REPORT CONTENTS.--THE COMPLETION REPORT SHALL CONTAIN
30 THE OPERATOR'S STIMULATION RECORD WHICH SHALL INCLUDE THE

1 FOLLOWING:

2 (1) A DESCRIPTIVE LIST OF THE CHEMICAL ADDITIVES IN THE
3 STIMULATION FLUIDS, INCLUDING ANY ACID, BIOCIDES, BREAKERS,
4 BRINE, CORROSION INHIBITORS, CROSSLINKERS, DEMULSIFIERS,
5 FRICTION REDUCERS, GELS, IRON CONTROLS, OXYGEN SCAVENGERS, PH
6 ADJUSTING AGENTS, PROPPANTS, SCALE INHIBITORS AND SURFACTANTS.

7 (2) THE PERCENT BY VOLUME OF EACH CHEMICAL ADDITIVE IN
8 THE STIMULATION FLUID.

9 (3) A LIST OF THE CHEMICALS IN THE MATERIAL SAFETY DATA
10 SHEETS, BY NAME AND CHEMICAL ABSTRACT SERVICE NUMBER,
11 CORRESPONDING TO THE APPROPRIATE CHEMICAL ADDITIVE.

12 (4) THE PERCENT BY VOLUME OF EACH CHEMICAL LIST IN THE
13 MATERIAL SAFETY DATA SHEETS.

14 (5) THE TOTAL VOLUME OF THE BASE FLUID.

15 (6) A LIST OF WATER SOURCES USED UNDER THE APPROVED
16 WATER MANAGEMENT PLAN AND THE VOLUME OF WATER USED.

17 (7) THE PUMP RATES AND PRESSURE USED IN THE WELL.

18 (8) THE TOTAL VOLUME OF RECYCLED WATER USED.

19 (B.2) TRADE SECRET OR CONFIDENTIAL PROPRIETARY
20 INFORMATION.--WHEN AN OPERATOR SUBMITS ITS STIMULATION RECORD
21 UNDER SUBSECTION (B.1), IT MAY DESIGNATE SPECIFIC PORTIONS OF
22 THE STIMULATION RECORD AS CONTAINING A TRADE SECRET OR
23 CONFIDENTIAL PROPRIETARY INFORMATION. THE DEPARTMENT SHALL
24 PREVENT DISCLOSURE OF THE DESIGNATED CONFIDENTIAL INFORMATION TO
25 THE EXTENT PERMITTED BY THE ACT OF FEBRUARY 14, 2008 (P.L.6,
26 NO.3), KNOWN AS THE RIGHT-TO-KNOW LAW, OR OTHER FEDERAL OR STATE
27 LAW.

28 (B.3) LIST OF THE CHEMICAL CONSTITUENTS.--IN ADDITION TO
29 SUBMITTING A STIMULATION RECORD TO THE DEPARTMENT UNDER
30 SUBSECTION (B.1) AND SUBJECT TO THE PROTECTIONS AFFORDED FOR

1 TRADE SECRETS AND CONFIDENTIAL PROPRIETARY INFORMATION UNDER THE
2 RIGHT-TO-KNOW LAW, THE OPERATOR SHALL ARRANGE TO PROVIDE A LIST
3 OF THE CHEMICAL CONSTITUENTS OF THE CHEMICAL ADDITIVES USED TO
4 HYDRAULICALLY FRACTURE A WELL, BY NAME AND CHEMICAL ABSTRACT
5 SERVICE NUMBER, UNLESS THE ADDITIVE DOES NOT HAVE A NUMBER, TO
6 THE DEPARTMENT UPON WRITTEN REQUEST OF THE DEPARTMENT.

7 (C) DRILL CUTTINGS AND CORE SAMPLES.--UPON NOTIFICATION BY
8 THE DEPARTMENT PRIOR TO COMMENCEMENT OF DRILLING, THE WELL
9 OPERATOR SHALL COLLECT ANY ADDITIONAL DATA SPECIFIED BY THE
10 DEPARTMENT, INCLUDING REPRESENTATIVE DRILL CUTTINGS AND SAMPLES
11 FROM CORES TAKEN AND ANY OTHER GEOLOGICAL INFORMATION THAT THE
12 OPERATOR REASONABLY CAN COMPILE. INTERPRETATION OF THE DATA IS
13 NOT REQUIRED TO BE FILED.

14 (D) RETENTION OF DATA.--DATA REQUIRED UNDER SUBSECTION (B)
15 AND DRILL CUTTINGS REQUIRED UNDER SUBSECTION (C) SHALL BE
16 RETAINED BY THE WELL OPERATOR AND FILED WITH THE DEPARTMENT NO
17 MORE THAN THREE YEARS AFTER COMPLETION OF THE WELL. UPON
18 REQUEST, THE DEPARTMENT SHALL EXTEND THE DEADLINE UP TO FIVE
19 YEARS FROM THE DATE OF COMPLETION OF THE WELL. THE DEPARTMENT
20 SHALL BE ENTITLED TO UTILIZE INFORMATION COLLECTED UNDER THIS
21 SUBSECTION IN ENFORCEMENT PROCEEDINGS, IN MAKING DESIGNATIONS OR
22 DETERMINATIONS UNDER SECTION 1927-A OF THE ADMINISTRATIVE CODE
23 OF 1929 AND IN AGGREGATE FORM FOR STATISTICAL PURPOSES.

24 § 3223. NOTIFICATION AND EFFECT OF WELL TRANSFER.

25 THE OWNER OR OPERATOR OF A WELL SHALL NOTIFY THE DEPARTMENT
26 IN WRITING WITHIN 30 DAYS, IN A FORM DIRECTED BY REGULATION, OF
27 SALE, ASSIGNMENT, TRANSFER, CONVEYANCE OR EXCHANGE BY OR TO THE
28 OWNER OF THE WELL. A TRANSFER SHALL NOT RELIEVE THE WELL OWNER
29 OR OPERATOR OF AN OBLIGATION ACCRUED UNDER THIS CHAPTER, NOR
30 SHALL IT RELIEVE THE OWNER OR OPERATOR OF AN OBLIGATION TO PLUG

1 THE WELL UNTIL THE REQUIREMENTS OF SECTION 3225 (RELATING TO
2 BONDING) HAVE BEEN MET, AT WHICH TIME THE TRANSFERRING OWNER OR
3 OPERATOR SHALL BE RELIEVED FROM ALL OBLIGATIONS UNDER THIS
4 CHAPTER, INCLUDING THE OBLIGATION TO PLUG THE WELL.

5 § 3224. COAL OPERATOR RESPONSIBILITIES.

6 (A) GENERAL RULE.--AT ANY TIME PRIOR TO REMOVING COAL OR
7 OTHER UNDERGROUND MATERIALS FROM, OR EXTENDING THE WORKINGS IN,
8 A COAL MINE WITHIN 500 FEET OF AN OIL OR GAS WELL OF WHICH THE
9 COAL OPERATOR HAS KNOWLEDGE, OR WITHIN 500 FEET OF AN APPROVED
10 WELL LOCATION OF WHICH THE COAL OPERATOR HAS KNOWLEDGE, THE COAL
11 OPERATOR, BY CERTIFIED MAIL, SHALL FORWARD TO OR FILE WITH THE
12 WELL OPERATOR AND THE DEPARTMENT A COPY OF THE RELEVANT PART OF
13 ALL MAPS AND PLANS WHICH IT IS PRESENTLY REQUIRED BY LAW TO
14 PREPARE AND FILE WITH THE DEPARTMENT, SHOWING THE PILLAR WHICH
15 THE COAL OPERATOR PROPOSES TO LEAVE IN PLACE AROUND EACH OIL OR
16 GAS WELL IN THE PROJECTED WORKINGS. THEREAFTER, THE COAL
17 OPERATOR MAY PROCEED WITH MINING OPERATIONS IN THE MANNER
18 PROJECTED ON THE MAPS AND PLANS, BUT THE OPERATOR MAY NOT REMOVE
19 COAL OR CUT A PASSAGEWAY WITHIN 150 FEET OF THE WELL OR APPROVED
20 WELL LOCATION WITHOUT WRITTEN APPROVAL UNDER THIS SECTION. IF,
21 IN THE OPINION OF THE WELL OPERATOR OR THE DEPARTMENT, THE PLAN
22 INDICATES THAT THE PROPOSED PILLAR IS INADEQUATE TO PROTECT
23 EITHER THE INTEGRITY OF THE WELL OR PUBLIC HEALTH AND SAFETY,
24 THE AFFECTED WELL OPERATOR SHALL ATTEMPT TO REACH AN AGREEMENT
25 WITH THE COAL OPERATOR ON A SUITABLE PILLAR, SUBJECT TO APPROVAL
26 OF THE DEPARTMENT. UPON FAILURE TO AGREE, THE WELL OPERATOR MAY,
27 WITHIN TEN DAYS AFTER RECEIPT OF THE PROPOSED PLAN UNDER THIS
28 SECTION, FILE OBJECTIONS UNDER SECTION 3251 (RELATING TO
29 CONFERENCES), INDICATING THE SIZE OF THE PILLAR TO BE LEFT AS TO
30 EACH WELL. IF OBJECTIONS ARE NOT TIMELY FILED AND THE DEPARTMENT

1 HAS NONE, THE DEPARTMENT SHALL GRANT APPROVAL, RECITING THAT
2 MAPS AND PLANS HAVE BEEN FILED, NO OBJECTIONS HAVE BEEN MADE
3 THERE TO AND THE PILLAR PROPOSED TO BE LEFT FOR EACH WELL IS
4 APPROVED IN THE MANNER AS PROJECTED.

5 (B) OBJECTIONS.--IF AN OBJECTION IS FILED BY THE WELL
6 OPERATOR OR RAISED BY THE DEPARTMENT, THE DEPARTMENT SHALL ORDER
7 THAT A CONFERENCE BE HELD UNDER SECTION 3251 WITHIN TEN DAYS OF
8 THE FILING OF OBJECTIONS. AT THE CONFERENCE, THE COAL OPERATOR
9 AND THE PERSON WHO HAS OBJECTED SHALL ATTEMPT TO AGREE ON A
10 PROPOSED PLAN, SHOWING THE PILLAR TO BE LEFT AROUND EACH WELL,
11 WHICH WILL SATISFY THE OBJECTIONS AND RECEIVE DEPARTMENT
12 APPROVAL. IF AN AGREEMENT IS REACHED, THE DEPARTMENT SHALL GRANT
13 APPROVAL TO THE COAL OPERATOR, RECITING THAT A PLAN HAS BEEN
14 FILED AND THE PILLAR TO BE LEFT FOR EACH WELL IS APPROVED
15 PURSUANT TO THE AGREEMENT. IF AN AGREEMENT IS NOT REACHED ON A
16 PLAN SHOWING THE PILLAR TO BE LEFT WITH RESPECT TO A WELL, THE
17 DEPARTMENT, BY APPROPRIATE ORDER, SHALL DETERMINE THE PILLAR TO
18 BE LEFT WITH RESPECT TO THE WELL. IN A PROCEEDING UNDER THIS
19 SECTION, THE DEPARTMENT SHALL FOLLOW AS NEARLY AS IS POSSIBLE
20 THE ORIGINAL PLAN FILED BY THE COAL OPERATOR. THE DEPARTMENT
21 SHALL NOT REQUIRE THE COAL OPERATOR TO LEAVE A PILLAR IN EXCESS
22 OF 100 FEET IN RADIUS, EXCEPT THAT THE DEPARTMENT MAY REQUIRE A
23 PILLAR OF UP TO 150 FEET IN RADIUS IF THE EXISTENCE OF UNUSUAL
24 CONDITIONS IS ESTABLISHED. PILLARS DETERMINED BY THE DEPARTMENT
25 SHALL BE SHOWN ON MAPS OR PLANS ON FILE WITH THE DEPARTMENT AS
26 PROVIDED IN SUBSECTION (A) AND THE DEPARTMENT SHALL APPROVE THE
27 PILLAR TO BE LEFT FOR EACH WELL.

28 (C) PILLARS OF REDUCED SIZE.--APPLICATION MAY BE MADE AT ANY
29 TIME TO THE DEPARTMENT BY THE COAL OPERATOR TO LEAVE A PILLAR OF
30 A SIZE SMALLER THAN SHOWN ON THE PLAN APPROVED OR DETERMINED BY

1 THE DEPARTMENT UNDER THIS SECTION. IF AN APPLICATION IS FILED,
2 THE DEPARTMENT SHALL:

3 (1) FOLLOW THE APPROPRIATE PROCEDURE UNDER SUBSECTION
4 (A) OR (B);

5 (2) BY APPROPRIATE ORDER, DETERMINE A PLAN INVOLVING A
6 PILLAR OF A SMALLER SIZE AS TO ANY WELL COVERED BY THE
7 APPLICATION; AND

8 (3) GRANT APPROVAL FOR THE PILLAR TO BE LEFT WITH
9 RESPECT TO EACH WELL.

10 (D) VIOLATION.--NO COAL OPERATOR, WITHOUT WRITTEN APPROVAL
11 OF THE DEPARTMENT AFTER NOTICE AND OPPORTUNITY FOR A HEARING
12 UNDER THIS SECTION, SHALL REMOVE COAL OR CUT A PASSAGEWAY SO AS
13 TO LEAVE A PILLAR OF SMALLER SIZE, WITH RESPECT TO AN OIL OR GAS
14 WELL, THAN THAT APPROVED BY THE DEPARTMENT UNDER THIS CHAPTER.

15 (E) LIMITATION.--WITH REGARD TO A COAL PILLAR REQUIRED BY
16 LAW TO BE LEFT AROUND A WELL DRILLED PRIOR TO APRIL 18, 1985,
17 NOTHING IN THIS CHAPTER SHALL BE CONSTRUED TO:

18 (1) REQUIRE A WELL OPERATOR TO PAY FOR THE COAL PILLAR;

19 (2) AFFECT A RIGHT WHICH A COAL OPERATOR MAY HAVE HAD
20 PRIOR TO APRIL 18, 1985, TO OBTAIN PAYMENT FOR THE COAL
21 PILLAR; OR

22 (3) AFFECT A DUTY OR RIGHT WHICH A STORAGE OPERATOR OR
23 LANDOWNER MAY HAVE HAD PRIOR TO APRIL 18, 1985, TO PAY OR NOT
24 PAY FOR THE COAL PILLAR.

25 (F) MINING THROUGH PLUGGED WELLS.--A COAL OPERATOR WHO
26 INTENDS TO MINE THROUGH A PLUGGED OIL OR GAS WELL OR OTHERWISE
27 COMPLETELY REMOVE ANY PILLAR FROM AROUND THAT WELL SHALL FILE A
28 PLAN UNDER SUBSECTION (A) WHICH SHALL BE SUBJECT TO ALL OF THE
29 PROVISIONS OF THIS SECTION. NO COAL OPERATOR MAY MINE THROUGH A
30 PLUGGED OIL OR GAS WELL OF WHICH HE HAS KNOWLEDGE UNTIL WRITTEN

1 APPROVAL HAS BEEN GRANTED BY THE DEPARTMENT IN ACCORDANCE WITH
2 THIS SECTION. THE BUREAU OF DEEP MINE SAFETY IN THE DEPARTMENT
3 SHALL HAVE THE AUTHORITY TO ESTABLISH CONDITIONS UNDER WHICH THE
4 DEPARTMENT MAY APPROVE A COAL OPERATOR'S PLAN TO MINE THROUGH A
5 PLUGGED OIL OR GAS WELL.

6 § 3225. BONDING.

7 (A) GENERAL RULE.--THE FOLLOWING SHALL APPLY:

8 (1) EXCEPT AS PROVIDED IN SUBSECTION (D), UPON FILING AN
9 APPLICATION FOR A WELL PERMIT, AND BEFORE CONTINUING TO
10 OPERATE AN OIL OR GAS WELL, THE OWNER OR OPERATOR OF THE WELL
11 SHALL FILE WITH THE DEPARTMENT A BOND COVERING THE WELL AND
12 WELL SITE ON A FORM TO BE PRESCRIBED AND FURNISHED BY THE
13 DEPARTMENT. A BOND FILED WITH AN APPLICATION FOR A WELL
14 PERMIT SHALL BE PAYABLE TO THE COMMONWEALTH AND CONDITIONED
15 UPON THE OPERATOR'S FAITHFUL PERFORMANCE OF ALL DRILLING,
16 WATER SUPPLY REPLACEMENT, RESTORATION AND PLUGGING
17 REQUIREMENTS OF THIS CHAPTER. A BOND FOR A WELL IN EXISTENCE
18 ON APRIL 18, 1985, SHALL BE PAYABLE TO THE COMMONWEALTH AND
19 CONDITIONED UPON THE OPERATOR'S FAITHFUL PERFORMANCE OF ALL
20 WATER SUPPLY REPLACEMENT, RESTORATION AND PLUGGING
21 REQUIREMENTS OF THIS CHAPTER. THE AMOUNT OF THE BOND REQUIRED
22 SHALL BE IN THE FOLLOWING AMOUNTS AND SHALL BE ADJUSTED BY
23 THE ENVIRONMENTAL QUALITY BOARD EVERY THREE YEARS TO REFLECT
24 THE PROJECTED COSTS TO THE COMMONWEALTH OF PLUGGING THE WELL:

25 (I) FOR A WELL WHICH IS LESS THAN 6,000 FEET IN
26 DEPTH AND WHICH IS PERMITTED PRIOR TO THE EFFECTIVE DATE
27 OF THIS SECTION, \$2,500. THE OPERATOR SHALL NOT BE
28 REQUIRED TO PROVIDE A BOND UNDER THIS PARAGRAPH WHICH
29 EXCEEDS \$25,000. THE BOND AMOUNT MAY BE ADJUSTED BY THE
30 ENVIRONMENTAL QUALITY BOARD EVERY TWO YEARS TO REFLECT

1 THE PROJECTED COSTS TO THE COMMONWEALTH OF PERFORMING
2 WELL PLUGGING.

3 (II) FOR A WELL WHICH IS LESS THAN 6,000 FEET IN
4 BORE LENGTH AND WHICH IS PERMITTED AFTER THE EFFECTIVE
5 DATE OF THIS SECTION, \$3,500. THE OPERATOR SHALL NOT BE
6 REQUIRED TO PROVIDE A BOND UNDER THIS PARAGRAPH WHICH
7 EXCEEDS \$40,000.

8 (III) FOR WELLS WITH A TOTAL WELL BORE LENGTH
9 GREATER THAN 6,000 FEET:

10 (A) FOR OPERATING UP TO 25 WELLS, \$10,000 PER
11 WELL, PROVIDED THE OPERATOR MAY NOT BE REQUIRED TO
12 PROVIDE A BOND UNDER THIS SECTION EXCEEDING
13 \$140,000.

14 (B) FOR OPERATING 26 TO 50 WELLS, \$140,000 PLUS
15 \$10,000 PER WELL FOR EACH WELL IN EXCESS OF 25 WELLS,
16 PROVIDED THE OPERATOR MAY NOT BE REQUIRED TO PROVIDE
17 A BOND UNDER THIS SECTION EXCEEDING \$290,000.

18 (C) FOR OPERATING 51 TO 150 WELLS, \$290,000
19 PLUS \$10,000 PER WELL FOR EACH WELL IN EXCESS OF 50
20 WELLS, PROVIDED THE OPERATOR MAY NOT BE REQUIRED TO
21 PROVIDE A BOND UNDER THIS SECTION EXCEEDING
22 \$430,000.

23 (D) FOR OPERATING MORE THAN 150 WELLS, \$430,000
24 PLUS \$10,000 PER WELL FOR EACH WELL IN EXCESS OF 150
25 WELLS, PROVIDED THE OPERATOR MAY NOT BE REQUIRED TO
26 PROVIDE A BOND UNDER THIS SECTION EXCEEDING
27 \$600,000.

28 (2) IN LIEU OF INDIVIDUAL BONDS FOR EACH WELL, AN OWNER
29 OR OPERATOR MAY FILE A BLANKET BOND, FOR THE APPROPRIATE
30 AMOUNT AS INDICATED UNDER PARAGRAPH (1), ON A FORM PREPARED

1 BY THE DEPARTMENT, COVERING ALL OF ITS WELLS IN THIS
2 COMMONWEALTH, AS ENUMERATED ON THE BOND FORM.

3 (3) LIABILITY UNDER THE BOND SHALL CONTINUE UNTIL THE
4 WELL HAS BEEN PROPERLY PLUGGED IN ACCORDANCE WITH THIS
5 CHAPTER AND FOR A PERIOD OF ONE YEAR AFTER FILING OF THE
6 CERTIFICATE OF PLUGGING WITH THE DEPARTMENT. EACH BOND SHALL
7 BE EXECUTED BY THE OPERATOR AND A CORPORATE SURETY LICENSED
8 TO DO BUSINESS IN THIS COMMONWEALTH AND APPROVED BY THE
9 SECRETARY. IN LIEU OF A CORPORATE SURETY, THE OPERATOR MAY
10 DEPOSIT WITH THE DEPARTMENT:

11 (I) CASH;

12 (II) CERTIFICATES OF DEPOSIT OR AUTOMATICALLY
13 RENEWABLE IRREVOCABLE LETTERS OF CREDIT, FROM FINANCIAL
14 INSTITUTIONS CHARTERED OR AUTHORIZED TO DO BUSINESS IN
15 THIS COMMONWEALTH AND REGULATED AND EXAMINED BY THE
16 COMMONWEALTH OR A FEDERAL AGENCY, WHICH MAY BE TERMINATED
17 AT THE END OF A TERM ONLY UPON 90 DAYS' PRIOR WRITTEN
18 NOTICE BY THE FINANCIAL INSTITUTION TO THE PERMITTEE AND
19 THE DEPARTMENT;

20 (III) NEGOTIABLE BONDS OF THE UNITED STATES
21 GOVERNMENT OR THE COMMONWEALTH, THE PENNSYLVANIA TURNPIKE
22 COMMISSION, THE STATE PUBLIC SCHOOL BUILDING AUTHORITY OR
23 ANY MUNICIPALITY WITHIN THE COMMONWEALTH; OR

24 (IV) UNITED STATES TREASURY BONDS ISSUED AT A
25 DISCOUNT WITHOUT A REGULAR SCHEDULE OF INTEREST PAYMENTS
26 TO MATURITY, OTHERWISE KNOWN AS ZERO COUPON BONDS, HAVING
27 A MATURITY DATE OF NOT MORE THAN TEN YEARS AFTER THE DATE
28 OF PURCHASE AND AT THE MATURITY DATE HAVING A VALUE UNDER
29 PARAGRAPH (1). THE CASH DEPOSIT, CERTIFICATE OF DEPOSIT,
30 AMOUNT OF THE IRREVOCABLE LETTER OF CREDIT OR MARKET

1 VALUE OF THE SECURITIES SHALL BE EQUAL AT LEAST TO THE
2 SUM OF THE BOND.

3 (4) THE SECRETARY SHALL, UPON RECEIPT OF A DEPOSIT OF
4 CASH, LETTERS OF CREDIT OR NEGOTIABLE BONDS, IMMEDIATELY
5 PLACE THE SAME WITH THE STATE TREASURER, WHOSE DUTY IT SHALL
6 BE TO RECEIVE AND HOLD THE SAME IN THE NAME OF THE
7 COMMONWEALTH, IN TRUST, FOR THE PURPOSE FOR WHICH THE DEPOSIT
8 IS MADE.

9 (5) THE STATE TREASURER SHALL AT ALL TIMES BE
10 RESPONSIBLE FOR CUSTODY AND SAFEKEEPING OF DEPOSITS. THE
11 OPERATOR MAKING THE DEPOSIT SHALL BE ENTITLED FROM TIME TO
12 TIME TO DEMAND AND RECEIVE FROM THE STATE TREASURER, ON THE
13 WRITTEN ORDER OF THE SECRETARY, THE WHOLE OR ANY PORTION OF
14 COLLATERAL DEPOSITED, UPON DEPOSITING WITH THE STATE
15 TREASURER, IN LIEU OF THAT COLLATERAL, OTHER COLLATERAL OF
16 CLASSES SPECIFIED IN THIS SECTION HAVING A MARKET VALUE AT
17 LEAST EQUAL TO THE SUM OF THE BOND, AND ALSO TO DEMAND,
18 RECEIVE AND RECOVER THE INTEREST AND INCOME FROM THE
19 NEGOTIABLE BONDS AS THEY BECOME DUE AND PAYABLE.

20 (6) IF NEGOTIABLE BONDS ON DEPOSIT UNDER THIS SUBSECTION
21 MATURE OR ARE CALLED, THE STATE TREASURER, AT THE REQUEST OF
22 THE OWNER OF THE BONDS, SHALL CONVERT THEM INTO OTHER
23 NEGOTIABLE BONDS, OF CLASSES SPECIFIED IN THIS SECTION,
24 DESIGNATED BY THE OWNER.

25 (7) IF NOTICE OF INTENT TO TERMINATE A LETTER OF CREDIT
26 IS GIVEN, THE DEPARTMENT SHALL GIVE THE OPERATOR 30 DAYS'
27 WRITTEN NOTICE TO REPLACE THE LETTER OF CREDIT WITH OTHER
28 ACCEPTABLE BOND GUARANTEES AS PROVIDED IN THIS SECTION. IF
29 THE OWNER OR OPERATOR FAILS TO TIMELY REPLACE THE LETTER OF
30 CREDIT, THE DEPARTMENT SHALL DRAW UPON AND CONVERT THE LETTER

1 OF CREDIT INTO CASH AND HOLD IT AS A COLLATERAL BOND
2 GUARANTEE.

3 (B) RELEASE.--NO BOND SHALL BE FULLY RELEASED UNTIL THE
4 REQUIREMENTS OF SUBSECTION (A) AND SECTION 3223 (RELATING TO
5 NOTIFICATION AND EFFECT OF WELL TRANSFER) HAVE BEEN FULLY MET.
6 UPON RELEASE OF BONDS AND COLLATERAL UNDER THIS SECTION, THE
7 STATE TREASURER SHALL IMMEDIATELY RETURN TO THE OWNER THE
8 SPECIFIED AMOUNT OF CASH OR SECURITIES.

9 (C) NONCOMPLIANCE.--IF A WELL OWNER OR OPERATOR FAILS OR
10 REFUSES TO COMPLY WITH SUBSECTION (A), REGULATIONS PROMULGATED
11 UNDER THIS CHAPTER OR CONDITIONS OF A PERMIT RELATING TO THIS
12 CHAPTER, THE DEPARTMENT MAY DECLARE THE BOND FORFEITED AND SHALL
13 CERTIFY THE SAME TO THE ATTORNEY GENERAL, WHO SHALL PROCEED TO
14 ENFORCE AND COLLECT THE FULL AMOUNT OF THE BOND AND, IF THE WELL
15 OWNER OR OPERATOR HAS DEPOSITED CASH OR SECURITIES AS COLLATERAL
16 IN LIEU OF A CORPORATE SURETY, THE DEPARTMENT SHALL DECLARE THE
17 COLLATERAL FORFEITED AND DIRECT THE STATE TREASURER TO PAY THE
18 FULL AMOUNT OF THE FUNDS INTO THE WELL PLUGGING RESTRICTED
19 REVENUE ACCOUNT OR TO SELL THE SECURITY TO THE EXTENT FORFEITED
20 AND PAY THE PROCEEDS INTO THE WELL PLUGGING RESTRICTED REVENUE
21 ACCOUNT. IF A CORPORATE SURETY OR FINANCIAL INSTITUTION FAILS TO
22 PAY A FORFEITED BOND PROMPTLY AND IN FULL, THE CORPORATE SURETY
23 OR FINANCIAL INSTITUTION SHALL BE DISQUALIFIED FROM WRITING
24 FURTHER BONDS UNDER THIS CHAPTER OR ANY OTHER ENVIRONMENTAL LAW
25 ADMINISTERED BY THE DEPARTMENT. A PERSON AGGRIEVED BY REASON OF
26 FORFEITING THE BOND OR CONVERTING COLLATERAL, AS PROVIDED IN
27 THIS SECTION, SHALL HAVE A RIGHT TO APPEAL TO THE ENVIRONMENTAL
28 HEARING BOARD IN THE MANNER PROVIDED BY LAW. UPON FORFEITURE OF
29 A BLANKET BOND FOR A VIOLATION OCCURRING AT ONE OR MORE WELL
30 SITES, THE PERSON WHOSE BOND IS FORFEITED SHALL, WITHIN TEN DAYS

1 OF THE FORFEITURE, SUBMIT A REPLACEMENT BOND TO COVER ALL OTHER
2 WELLS OF WHICH THE PERSON IS AN OWNER OR OPERATOR. FAILURE TO
3 SUBMIT THE REPLACEMENT BOND CONSTITUTES A VIOLATION OF THIS
4 SECTION AS TO EACH OF THE WELLS OWNED OR OPERATED BY THE PERSON.

5 (D) ALTERNATIVES TO CERTAIN BONDS.--THE FOLLOWING SHALL
6 APPLY:

7 (1) AN OPERATOR OF NOT MORE THAN 200 WELLS THAT CANNOT
8 OBTAIN A BOND FOR A WELL DRILLED PRIOR TO APRIL 18, 1985, AS
9 REQUIRED UNDER SUBSECTION (A), DUE TO INABILITY TO
10 DEMONSTRATE SUFFICIENT FINANCIAL RESOURCES MAY, IN LIEU OF
11 THE BOND:

12 (I) SUBMIT TO THE DEPARTMENT A FEE IN THE AMOUNT OF
13 \$50 PER WELL, A BLANKET FEE OF \$500 FOR TEN TO 20 WELLS
14 OR A BLANKET FEE OF \$1,000 FOR MORE THAN 20 WELLS, WHICH
15 SHALL BE A NONREFUNDABLE FEE PAID EACH YEAR THAT THE
16 OPERATOR HAS NOT FILED A BOND WITH THE DEPARTMENT. ALL
17 FEEES COLLECTED IN LIEU OF A BOND UNDER THIS SUBSECTION
18 SHALL BE USED FOR THE PURPOSES AUTHORIZED BY THIS
19 CHAPTER. THE ENVIRONMENTAL QUALITY BOARD SHALL HAVE THE
20 POWER, BY REGULATION, TO INCREASE THE AMOUNT OF THE FEES
21 ESTABLISHED UNDER THIS SUBSECTION.

22 (II) MAKE PHASED DEPOSITS OF COLLATERAL TO FULLY
23 COLLATERALIZE THE BOND, SUBJECT TO THE FOLLOWING:

24 (A) PAYMENT SHALL BE BASED ON THE NUMBER OF
25 WELLS OWNED OR OPERATED. THE OPERATOR SHALL MAKE AN
26 INITIAL DEPOSIT AND MAKE ANNUAL DEPOSITS IN
27 ACCORDANCE WITH THE SCHEDULE IN CLAUSE (B). INTEREST
28 ACCUMULATED BY THE COLLATERAL SHALL BECOME A PART OF
29 THE BOND UNTIL THE COLLATERAL PLUS ACCUMULATED
30 INTEREST EQUALS THE AMOUNT OF THE REQUIRED BOND. THE

1 COLLATERAL SHALL BE DEPOSITED, IN TRUST, WITH THE
2 STATE TREASURER AS PROVIDED IN THIS SUBSECTION OR
3 WITH A BANK SELECTED BY THE DEPARTMENT WHICH SHALL
4 ACT AS TRUSTEE FOR THE BENEFIT OF THE COMMONWEALTH TO
5 GUARANTEE THE OPERATOR'S COMPLIANCE WITH THE
6 DRILLING, WATER SUPPLY REPLACEMENT, RESTORATION AND
7 PLUGGING REQUIREMENTS OF THIS CHAPTER. THE OPERATOR
8 SHALL BE REQUIRED TO PAY ALL COSTS OF THE TRUST.

9 (B) AN OPERATOR OF UP TO TEN EXISTING WELLS THAT
10 DOES NOT INTEND TO OPERATE ADDITIONAL WELLS SHALL
11 DEPOSIT \$250 PER WELL AND SHALL, THEREAFTER, ANNUALLY
12 DEPOSIT \$50 PER WELL UNTIL THE OBLIGATIONS OF THIS
13 SECTION ARE FULLY MET. AN OPERATOR OF 11 TO 25 WELLS
14 OR AN OPERATOR OF UP TO TEN WELLS THAT APPLIES FOR
15 ONE OR MORE PERMITS FOR ADDITIONAL WELLS SHALL
16 DEPOSIT \$2,000 AND SHALL, THEREAFTER, ANNUALLY
17 DEPOSIT \$1,150 PLUS \$150 FOR EACH ADDITIONAL WELL TO
18 BE PERMITTED THAT YEAR UNTIL THE OBLIGATIONS OF THIS
19 SECTION ARE FULLY MET. AN OPERATOR OF 26 TO 50 WELLS
20 SHALL DEPOSIT \$3,000 AND SHALL, THEREAFTER, ANNUALLY
21 DEPOSIT \$1,300 PLUS \$400 FOR EACH ADDITIONAL WELL TO
22 BE PERMITTED THAT YEAR UNTIL THE OBLIGATIONS OF THIS
23 SECTION ARE FULLY MET. AN OPERATOR OF 51 TO 100 WELLS
24 SHALL DEPOSIT \$4,000 AND SHALL, THEREAFTER, ANNUALLY
25 DEPOSIT \$1,500 PLUS \$400 FOR EACH ADDITIONAL WELL TO
26 BE PERMITTED THAT YEAR UNTIL THE OBLIGATIONS OF THIS
27 SECTION ARE FULLY MET. OPERATORS OF 101 TO 200 WELLS
28 SHALL DEPOSIT \$8,000 AND SHALL, THEREAFTER, ANNUALLY
29 DEPOSIT \$1,600 PLUS \$1,000 FOR EACH ADDITIONAL WELL
30 TO BE PERMITTED THAT YEAR UNTIL THE OBLIGATIONS OF

1 THIS SECTION ARE FULLY MET. OPERATORS OF MORE THAN
2 200 WELLS SHALL FULLY BOND THEIR WELLS IMMEDIATELY.

3 (C) THE DEPARTMENT SHALL REDUCE THE AMOUNT OF
4 PHASED COLLATERAL PAYMENTS OR THE PERIOD OF TIME OVER
5 WHICH PHASED COLLATERAL PAYMENTS SHALL BE MADE ON
6 BEHALF OF OWNERS OR OPERATORS THAT, PRIOR TO AUGUST
7 3, 1992, HAVE PAID A FEE IN LIEU OF BOND UNDER
8 SUBPARAGRAPH (I), AND THAT, BY AUGUST 3, 1993, CHOSE
9 TO ENTER THE PHASED COLLATERAL PROGRAM UNDER THIS
10 SUBPARAGRAPH RATHER THAN CONTINUE TO MAKE PAYMENTS IN
11 LIEU OF BOND. PAYMENTS MADE PRIOR TO AUGUST 3, 1992,
12 IN LIEU OF BOND SHALL NOT BE CREDITED IN ANY OTHER
13 MANNER, AND THE DEPARTMENT SHALL NOT BE REQUIRED TO
14 REFUND THE FEES. THE ENVIRONMENTAL QUALITY BOARD, BY
15 REGULATION, MAY CHANGE THE ANNUAL DEPOSITS
16 ESTABLISHED UNDER CLAUSE (B) IF NECESSARY TO
17 ACCOMMODATE A CHANGE IN THE AMOUNT OF THE BOND
18 REQUIRED UNDER THIS SECTION.

19 (2) AN OPERATOR MAY CONTINUE TO PAY A FEE IN LIEU OF
20 BOND OR MAKE PHASED DEPOSITS OF COLLATERAL TO FULLY
21 COLLATERALIZE THE BOND SO LONG AS THE OPERATOR DOES NOT MISS
22 A PAYMENT UNDER THIS SUBSECTION AND REMAINS IN COMPLIANCE
23 WITH THIS CHAPTER. IF AN OPERATOR MISSES A PAYMENT UNDER THIS
24 SUBSECTION, THE OPERATOR SHALL :

25 (I) IMMEDIATELY SUBMIT THE APPROPRIATE BOND AMOUNT
26 IN FULL; OR

27 (II) CEASE ALL OPERATIONS AND PLUG ALL WELLS.

28 (D.1) INDIVIDUALS.--THE FOLLOWING SHALL APPLY:

29 (1) AN INDIVIDUAL WHO IS UNABLE TO OBTAIN A BOND TO
30 DRILL NEW WELLS DUE TO INABILITY TO DEMONSTRATE FINANCIAL

1 RESOURCES MAY MEET THE COLLATERAL BOND REQUIREMENTS OF
2 SUBSECTION (A) BY MAKING PHASED DEPOSITS OF COLLATERAL TO
3 FULLY COLLATERALIZE THE BOND. THE INDIVIDUAL SHALL BE LIMITED
4 TO DRILLING TEN NEW WELLS PER CALENDAR YEAR AND, FOR EACH
5 WELL TO BE DRILLED, DEPOSIT \$500 AND MAKE AN ANNUAL DEPOSIT
6 OF 10% OF THE REMAINING BOND AMOUNT FOR A PERIOD OF TEN
7 YEARS. INTEREST ACCUMULATED SHALL BECOME A PART OF THE BOND
8 UNTIL THE COLLATERAL PLUS ACCUMULATED INTEREST EQUAL THE
9 AMOUNT OF THE REQUIRED BOND. THE COLLATERAL SHALL BE
10 DEPOSITED IN TRUST WITH THE STATE TREASURER UNDER SUBSECTION
11 (A) OR WITH A BANK SELECTED BY THE DEPARTMENT WHICH SHALL ACT
12 AS TRUSTEE FOR THE BENEFIT OF THE COMMONWEALTH TO GUARANTEE
13 THE INDIVIDUAL'S COMPLIANCE WITH THE DRILLING, WATER SUPPLY
14 REPLACEMENT, RESTORATION AND PLUGGING REQUIREMENTS OF THIS
15 CHAPTER. THE INDIVIDUAL SHALL PAY ALL COSTS OF THE TRUST.

16 (2) INDIVIDUALS MAY CONTINUE TO USE PHASED COLLATERAL TO
17 OBTAIN PERMITS IF THEY HAVE NOT MISSED A PAYMENT FOR A WELL
18 DRILLED UNDER THIS PROVISION AND REMAIN IN COMPLIANCE WITH
19 THIS CHAPTER. IF AN INDIVIDUAL MISSES A PAYMENT, THE
20 INDIVIDUAL SHALL:

21 (I) IMMEDIATELY SUBMIT THE APPROPRIATE BOND AMOUNT
22 IN FULL; OR

23 (II) CEASE ALL OPERATIONS AND PLUG ALL WELLS.

24 (3) FOR PURPOSES OF THIS SUBSECTION, AN "INDIVIDUAL"
25 MEANS A NATURAL PERSON DOING BUSINESS UNDER HIS OWN NAME.

26 (E) RESERVATION OF REMEDIES.--ALL REMEDIES FOR VIOLATIONS
27 OF THIS CHAPTER, REGULATIONS ADOPTED UNDER THIS CHAPTER AND
28 CONDITIONS OF PERMITS ARE EXPRESSLY PRESERVED. NOTHING IN THIS
29 SECTION SHALL BE CONSTRUED AS AN EXCLUSIVE PENALTY OR REMEDY FOR
30 VIOLATIONS OF LAW. NO ACTION TAKEN UNDER THIS SECTION SHALL

1 WAIVE OR IMPAIR ANY OTHER REMEDY OR PENALTY PROVIDED IN LAW.

2 (F) CHANGE OF LAW.--OWNERS OR OPERATORS THAT HAVE FAILED TO
3 MEET THE REQUIREMENTS OF THIS SECTION SHALL NOT BE REQUIRED TO
4 MAKE PAYMENTS UNDER THIS SECTION ON A RETROACTIVE BASIS AS A
5 CONDITION OF OBTAINING A PERMIT UNDER THIS CHAPTER, NOR SHALL
6 THE FAILURE BE DEEMED A VIOLATION OF THIS CHAPTER.

7 § 3226. OIL AND GAS TECHNICAL ADVISORY BOARD.

8 (A) CREATION OF BOARD.--THE OIL AND GAS TECHNICAL ADVISORY
9 BOARD IS CREATED, CONSISTING OF THE FOLLOWING MEMBERS, ALL OF
10 WHOM SHALL BE CHOSEN BY THE GOVERNOR AND SHALL BE RESIDENTS OF
11 THIS COMMONWEALTH:

12 (1) THREE INDIVIDUALS, EACH OF WHOM SHALL BE:

13 (I) A PETROLEUM ENGINEER;

14 (II) A PETROLEUM GEOLOGIST; OR

15 (III) AN EXPERIENCED DRILLER REPRESENTATIVE OF THE
16 OIL AND GAS INDUSTRY WITH THREE YEARS OF EXPERIENCE IN
17 THIS COMMONWEALTH.

18 (2) ONE MINING ENGINEER FROM THE COAL INDUSTRY WITH
19 THREE YEARS OF EXPERIENCE IN THIS COMMONWEALTH.

20 (3) ONE GEOLOGIST OR PETROLEUM ENGINEER WITH THREE YEARS
21 OF EXPERIENCE IN THIS COMMONWEALTH, WHO SHALL BE CHOSEN FROM
22 A LIST OF THREE NAMES SUBMITTED BY THE CITIZENS ADVISORY
23 COUNCIL TO THE GOVERNOR AND WHO SHALL SIT AS A REPRESENTATIVE
24 OF THE PUBLIC INTEREST.

25 (B) REIMBURSEMENT.--BOARD MEMBERS SHALL NOT RECEIVE A SALARY
26 BUT SHALL BE REIMBURSED FOR ALL NECESSARY EXPENSES INCURRED IN
27 THE PERFORMANCE OF THEIR DUTIES.

28 (C) MAJORITY VOTE.--ALL ACTIONS OF THE BOARD SHALL BE BY
29 MAJORITY VOTE. THE BOARD SHALL MEET AS CALLED BY THE SECRETARY,
30 BUT NOT LESS THAN SEMIANNUALLY, TO CARRY OUT ITS DUTIES UNDER

1 THIS CHAPTER. THE BOARD SHALL SELECT A CHAIRMAN AND OTHER
2 OFFICERS DEEMED APPROPRIATE.

3 (D) CONSULTATION.--THE DEPARTMENT SHALL CONSULT WITH THE
4 BOARD IN THE FORMULATION, DRAFTING AND PRESENTATION STAGES OF
5 ALL REGULATIONS OF A TECHNICAL NATURE PROMULGATED UNDER THIS
6 CHAPTER. THE BOARD SHALL BE GIVEN A REASONABLE OPPORTUNITY TO
7 REVIEW AND COMMENT ON ALL REGULATIONS OF A TECHNICAL NATURE
8 PRIOR TO SUBMISSION TO THE ENVIRONMENTAL QUALITY BOARD FOR
9 INITIAL CONSIDERATION. THE WRITTEN REPORT OF THE BOARD SHALL BE
10 PRESENTED TO THE ENVIRONMENTAL QUALITY BOARD WITH ANY REGULATORY
11 PROPOSAL. THE CHAIRMAN OF THE BOARD SHALL BE INVITED TO
12 PARTICIPATE IN THE PRESENTATION OF ALL REGULATIONS OF A
13 TECHNICAL NATURE BEFORE THE ENVIRONMENTAL QUALITY BOARD TO THE
14 EXTENT ALLOWED BY PROCEDURES OF THE ENVIRONMENTAL QUALITY BOARD.
15 NOTHING HEREIN SHALL PRECLUDE ANY MEMBER OF THE BOARD FROM
16 FILING A PETITION FOR RULEMAKING WITH THE ENVIRONMENTAL QUALITY
17 BOARD IN ACCORDANCE WITH PROCEDURES ESTABLISHED BY THE
18 ENVIRONMENTAL QUALITY BOARD.

19 SUBCHAPTER C

20 UNDERGROUND GAS STORAGE

21 SEC.

22 3231. REPORTING REQUIREMENTS FOR GAS STORAGE OPERATIONS.

23 3232. REPORTING REQUIREMENTS FOR COAL MINING OPERATIONS.

24 3233. GENERAL GAS STORAGE RESERVOIR OPERATIONS.

25 3234. GAS STORAGE RESERVOIR OPERATIONS IN COAL AREAS.

26 3235. INSPECTION OF FACILITIES AND RECORDS.

27 3236. RELIANCE ON MAPS AND BURDEN OF PROOF.

28 3237. EXEMPTIONS AND PROHIBITIONS.

29 § 3231. REPORTING REQUIREMENTS FOR GAS STORAGE OPERATIONS.

30 (A) GENERAL RULE.--THE FOLLOWING SHALL APPLY:

1 (1) A PERSON INJECTING INTO OR STORING GAS IN A STORAGE
2 RESERVOIR UNDERLYING OR WITHIN 3,000 LINEAR FEET OF A COAL
3 MINE OPERATING IN A COAL SEAM THAT EXTENDS OVER THE STORAGE
4 RESERVOIR OR RESERVOIR PROTECTIVE AREA SHALL, WITHIN 60 DAYS,
5 FILE WITH THE DEPARTMENT A COPY OF A MAP AND CERTAIN DATA IN
6 THE FORM AND MANNER PROVIDED IN THIS SUBSECTION OR AS
7 OTHERWISE PRESCRIBED BY REGULATION OF THE DEPARTMENT.

8 (2) A PERSON INJECTING GAS INTO OR STORING GAS IN A
9 STORAGE RESERVOIR WHICH IS NOT UNDER OR WITHIN 3,000 LINEAR
10 FEET OF, BUT LESS THAN 10,000 LINEAR FEET FROM, A COAL MINE
11 OPERATING IN A COAL SEAM THAT EXTENDS OVER THE STORAGE
12 RESERVOIR OR RESERVOIR PROTECTIVE AREA SHALL FILE THE MAP AND
13 DATA WITHIN 60 DAYS OR A LONGER PERIOD SET BY DEPARTMENTAL
14 REGULATION.

15 (3) A PERSON PROPOSING TO INJECT OR STORE GAS IN A
16 STORAGE RESERVOIR LOCATED AS DEFINED IN PARAGRAPH (1) OR (2)
17 SHALL FILE THE APPROPRIATE REQUIRED MAP AND DATA WITH THE
18 DEPARTMENT NOT LESS THAN SIX MONTHS PRIOR TO STARTING THE
19 ACTUAL INJECTION OR STORAGE.

20 (4) A MAP REQUIRED BY THIS SUBSECTION SHALL BE PREPARED
21 BY A COMPETENT ENGINEER OR GEOLOGIST, SHOWING:

22 (I) THE STRATUM IN WHICH THE EXISTING OR PROPOSED
23 STORAGE RESERVOIR IS OR IS PROPOSED TO BE LOCATED;

24 (II) THE GEOGRAPHIC LOCATION OF THE OUTSIDE
25 BOUNDARIES OF THE STORAGE RESERVOIR AND RESERVOIR
26 PROTECTIVE AREA;

27 (III) THE LOCATION OF ALL KNOWN OIL OR GAS WELLS IN
28 THE RESERVOIR OR WITHIN 3,000 LINEAR FEET THEREOF WHICH
29 HAVE BEEN DRILLED INTO OR THROUGH THE STORAGE STRATUM,
30 INDICATING WHICH HAVE BEEN OR ARE TO BE CLEANED OUT AND

1 PLUGGED OR RECONDITIONED FOR STORAGE ALONG WITH THE
2 PROPOSED LOCATION OF ALL ADDITIONAL WELLS WHICH ARE TO BE
3 DRILLED WITHIN THE STORAGE RESERVOIR OR WITHIN 3,000
4 LINEAR FEET THEREOF.

5 (5) THE FOLLOWING, IF AVAILABLE, SHALL BE FURNISHED FOR
6 ALL KNOWN OIL OR GAS WELLS WHICH HAVE BEEN DRILLED INTO OR
7 THROUGH THE STORAGE STRATUM WITHIN THE STORAGE RESERVOIR OR
8 WITHIN 3,000 LINEAR FEET OF THE STORAGE RESERVOIR:

9 (I) NAME OF THE OPERATOR.

10 (II) DATE DRILLED.

11 (III) TOTAL DEPTH.

12 (IV) DEPTH OF PRODUCTION IF THE WELL WAS PRODUCTIVE
13 OF OIL OR GAS.

14 (V) INITIAL ROCK PRESSURE AND VOLUME.

15 (VI) DEPTHS AT WHICH ALL COAL SEAMS WERE
16 ENCOUNTERED.

17 (VII) A COPY OF THE DRILLER'S LOG OR OTHER SIMILAR
18 INFORMATION.

19 (5.1) AT THE TIME OF THE FILING OF THE MAPS AND DATA, A
20 STATEMENT SHALL BE FILED:

21 (I) DETAILING EFFORTS MADE TO DETERMINE THAT THE
22 WELLS SHOWN ARE ACCURATELY LOCATED ON THE MAP;

23 (II) AFFIRMING THAT THE WELLS SHOWN REPRESENT, TO
24 THE BEST OF THE OPERATOR'S KNOWLEDGE, ALL OIL OR GAS
25 WELLS WHICH HAVE EVER BEEN DRILLED INTO OR BELOW THE
26 STORAGE STRATUM WITHIN THE PROPOSED STORAGE RESERVOIR OR
27 WITHIN THE RESERVOIR PROTECTIVE AREA;

28 (III) STATING WHETHER THE INITIAL INJECTION IS FOR
29 TESTING PURPOSES;

30 (IV) STATING THE MAXIMUM PRESSURE AT WHICH INJECTION

1 AND STORAGE OF GAS IS CONTEMPLATED; AND

2 (V) PROVIDING A DETAILED EXPLANATION OF THE METHODS
3 TO BE USED OR WHICH PREVIOUSLY HAVE BEEN USED IN
4 DRILLING, CLEANING OUT, RECONDITIONING AND PLUGGING WELLS
5 IN THE STORAGE RESERVOIR OR WITHIN THE RESERVOIR
6 PROTECTIVE AREA.

7 (6) THE MAP AND DATA REQUIRED TO BE FILED UNDER
8 PARAGRAPHS (5) AND (5.1) SHALL BE AMENDED OR SUPPLEMENTED
9 SEMIANNUALLY IF MATERIAL CHANGES OCCUR. THE DEPARTMENT MAY
10 REQUIRE A STORAGE OPERATOR TO AMEND OR SUPPLEMENT THE MAP OR
11 DATA AT MORE FREQUENT INTERVALS IF MATERIAL CHANGES HAVE
12 OCCURRED JUSTIFYING THE EARLIER FILING.

13 (B) OTHER REPORTING REQUIREMENTS.--A PERSON WHO IS INJECTING
14 GAS INTO OR STORING GAS IN A STORAGE RESERVOIR NOT AT THE TIME
15 SUBJECT TO SUBSECTION (A), BY A PROCESS OTHER THAN THAT OF
16 SECONDARY RECOVERY OR GAS RECYCLING, SHALL, WITHIN 60 DAYS, OR A
17 LONGER PERIOD SET BY DEPARTMENTAL REGULATIONS, FILE MAPS AND
18 DATA REQUIRED BY DEPARTMENTAL REGULATION AND AS FOLLOWS:

19 (1) A PERSON WHO, AFTER APRIL 18, 1985, PROPOSES TO
20 INJECT OR STORE GAS IN A STORAGE RESERVOIR IN AN AREA NOT
21 COVERED BY SUBSECTION (A) BY A PROCESS OTHER THAN THAT OF
22 SECONDARY RECOVERY OR GAS RECYCLING SHALL FILE THE REQUIRED
23 MAP AND DATA WITH THE DEPARTMENT NOT LESS THAN SIX MONTHS
24 PRIOR TO THE STARTING OF ACTUAL INJECTION OR STORAGE.

25 (2) THE MAP SHALL BE PREPARED BY A COMPETENT ENGINEER OR
26 COMPETENT GEOLOGIST AND SHOW:

27 (I) THE STRATUM IN WHICH THE EXISTING OR PROPOSED
28 STORAGE RESERVOIR IS OR IS TO BE LOCATED;

29 (II) THE GEOGRAPHIC LOCATION OF THE OUTSIDE
30 BOUNDARIES OF THE STORAGE RESERVOIR; AND

1 (III) THE LOCATION OF ALL KNOWN OIL OR GAS WELLS
2 WITHIN THE RESERVOIR, OR WITHIN 3,000 LINEAR FEET
3 THEREOF, WHICH HAVE BEEN DRILLED INTO OR THROUGH THE
4 STORAGE STRATUM, INDICATING WHICH HAVE BEEN OR ARE TO BE
5 CLEANED OUT AND PLUGGED OR RECONDITIONED FOR STORAGE AND
6 THE PROPOSED LOCATION OF ALL ADDITIONAL WELLS WHICH ARE
7 TO BE DRILLED WITHIN THE STORAGE RESERVOIR OR WITHIN
8 3,000 LINEAR FEET THEREOF.

9 (3) THE FOLLOWING, IF AVAILABLE, SHALL BE FURNISHED FOR
10 ALL KNOWN OIL OR GAS WELLS WHICH HAVE BEEN DRILLED INTO OR
11 THROUGH THE STORAGE STRATUM WITHIN THE STORAGE RESERVOIR OR
12 WITHIN 3,000 LINEAR FEET OF THE STORAGE RESERVOIR:

13 (I) NAME OF THE OPERATOR.

14 (II) DATE DRILLED.

15 (III) TOTAL DEPTH.

16 (IV) DEPTH OF PRODUCTION IF THE WELL WAS PRODUCTIVE
17 OF OIL OR GAS.

18 (V) INITIAL ROCK PRESSURE AND VOLUME.

19 (VI) A COPY OF THE DRILLER'S LOG OR OTHER SIMILAR
20 INFORMATION.

21 (3.1) AT THE TIME OF THE FILING OF THE MAPS AND DATA, A
22 STATEMENT SHALL BE FILED:

23 (I) DETAILING EFFORTS MADE TO DETERMINE THAT THE
24 WELLS SHOWN ARE ACCURATELY LOCATED ON THE MAP;

25 (II) AFFIRMING THAT THE WELLS SHOWN REPRESENT, TO
26 THE BEST OF THE OPERATOR'S KNOWLEDGE, ALL OIL OR GAS
27 WELLS WHICH HAVE EVER BEEN DRILLED INTO OR BELOW THE
28 STORAGE STRATUM WITHIN THE PROPOSED STORAGE RESERVOIR;

29 (III) STATING WHETHER THE INITIAL INJECTION IS FOR
30 TESTING PURPOSES;

1 (IV) STATING THE MAXIMUM PRESSURE AT WHICH INJECTION
2 AND STORAGE OF GAS IS CONTEMPLATED; AND

3 (V) PROVIDING A DETAILED EXPLANATION OF THE METHODS
4 TO BE USED OR WHICH PREVIOUSLY HAVE BEEN USED IN
5 DRILLING, CLEANING OUT, RECONDITIONING AND PLUGGING WELLS
6 IN THE STORAGE RESERVOIR.

7 (4) THE MAP AND DATA REQUIRED TO BE FILED UNDER
8 PARAGRAPHS (3) AND (3.1) SHALL BE AMENDED OR SUPPLEMENTED
9 SEMIANNUALLY IF MATERIAL CHANGES OCCUR. THE DEPARTMENT MAY
10 REQUIRE A STORAGE OPERATOR TO AMEND OR SUPPLEMENT THE MAP OR
11 DATA AT MORE FREQUENT INTERVALS IF MATERIAL CHANGES HAVE
12 OCCURRED JUSTIFYING THE EARLIER FILING.

13 (C) POLITICAL SUBDIVISIONS.--STORAGE OPERATORS SHALL GIVE
14 NOTICE TO THE DEPARTMENT OF THE NAME OF EACH POLITICAL
15 SUBDIVISION AND COUNTY IN WHICH THE OPERATOR MAINTAINS AND
16 OPERATES A GAS STORAGE RESERVOIR.

17 (D) NOTICE TO AFFECTED PERSONS.--AT THE TIME OF THE FILING
18 OF MAPS AND DATA AND THE FILING OF AMENDED OR SUPPLEMENTAL MAPS
19 OR DATA REQUIRED BY THIS SECTION, THE PERSON FILING THE
20 INFORMATION SHALL GIVE WRITTEN NOTICE OF THE FILING TO ALL
21 PERSONS WHO MAY BE AFFECTED UNDER THE PROVISIONS OF THIS CHAPTER
22 BY THE STORAGE RESERVOIR DESCRIBED IN THE MAPS OR DATA. NOTICES
23 SHALL CONTAIN A DESCRIPTION OF THE BOUNDARIES OF THE STORAGE
24 RESERVOIR. WHEN A PERSON OPERATING A COAL MINE OR OWNING AN
25 INTEREST IN COAL PROPERTIES WHICH ARE OR MAY BE AFFECTED BY THE
26 STORAGE RESERVOIR REQUESTS, IN WRITING, A COPY OF ANY MAP OR
27 DATA FILED WITH THE DEPARTMENT, THE COPY SHALL BE FURNISHED BY
28 THE STORAGE OPERATOR.

29 (E) OUTSIDE BOUNDARIES.--FOR PURPOSES OF THIS CHAPTER, THE
30 OUTSIDE BOUNDARIES OF A STORAGE RESERVOIR SHALL BE DEFINED BY

1 THE LOCATION OF THOSE WELLS AROUND THE PERIPHERY OF THE STORAGE
2 RESERVOIR WHICH HAD NO GAS PRODUCTION WHEN DRILLED IN THE
3 STORAGE STRATUM. THE BOUNDARIES SHALL BE ORIGINALLY FIXED OR
4 SUBSEQUENTLY CHANGED IF, BASED ON THE NUMBER AND NATURE OF THE
5 WELLS AND THE GEOLOGICAL AND PRODUCTION KNOWLEDGE OF THE STORAGE
6 STRATUM, ITS CHARACTER, PERMEABILITY, DISTRIBUTION AND OPERATING
7 EXPERIENCE, IT IS DETERMINED IN A CONFERENCE UNDER SECTION 3251
8 (RELATING TO CONFERENCES) THAT MODIFICATIONS SHOULD BE MADE.

9 (F) INAPPLICABILITY OF SECTION.--THE REQUIREMENTS OF THIS
10 SECTION SHALL NOT APPLY TO THE OPERATOR OF AN UNDERGROUND GAS
11 STORAGE RESERVOIR SO LONG AS THE RESERVOIR IS LOCATED MORE THAN
12 10,000 LINEAR FEET FROM AN OPERATING COAL MINE, EXCEPT THAT THE
13 STORAGE OPERATOR SHALL GIVE NOTICE TO THE DEPARTMENT OF THE NAME
14 OF EACH POLITICAL SUBDIVISION AND COUNTY IN WHICH THE OPERATOR
15 MAINTAINS AND OPERATES A GAS STORAGE RESERVOIR. IN POLITICAL
16 SUBDIVISIONS AND COUNTIES WHERE BOTH GAS STORAGE RESERVOIRS AND
17 COAL MINES ARE BEING OPERATED, THE DEPARTMENT MAY REQUEST THE
18 STORAGE OPERATOR TO FURNISH MAPS SHOWING GEOGRAPHICAL LOCATIONS
19 AND OUTSIDE BOUNDARIES OF THE STORAGE RESERVOIRS. THE DEPARTMENT
20 SHALL KEEP A RECORD OF THE INFORMATION AND PROMPTLY NOTIFY THE
21 COAL OPERATOR AND THE STORAGE OPERATOR WHEN NOTIFIED BY THEM
22 THAT THE COAL MINE AND STORAGE RESERVOIR ARE WITHIN 10,000
23 LINEAR FEET OF EACH OTHER.

24 § 3232. REPORTING REQUIREMENTS FOR COAL MINING OPERATIONS.

25 (A) GENERAL RULE.--A PERSON OWNING OR OPERATING A COAL MINE
26 SHALL FILE WITH THE DEPARTMENT A MAP PREPARED AND SEALED BY A
27 COMPETENT INDIVIDUAL LICENSED AS A PROFESSIONAL ENGINEER OR
28 PROFESSIONAL LAND SURVEYOR UNDER THE PROVISIONS OF THE ACT OF
29 MAY 23, 1945 (P.L.913, NO.367), KNOWN AS THE ENGINEER, LAND
30 SURVEYOR AND GEOLOGIST REGISTRATION LAW, SHOWING THE OUTSIDE

1 COAL BOUNDARIES OF THE OPERATING COAL MINE, THE EXISTING
2 WORKINGS AND EXHAUSTED AREAS AND THE RELATIONSHIP OF THE
3 BOUNDARIES TO IDENTIFIABLE SURFACE PROPERTIES AND LANDMARKS. A
4 PERSON OWNING OR OPERATING AN OPERATING COAL MINE WHICH HAS BEEN
5 PENETRATED BY A WELL SHALL FURNISH A MINE MAP TO THE DEPARTMENT
6 EACH YEAR INDICATING THE EXCAVATIONS FOR THE PRECEDING YEAR AND
7 THE PROJECTIONS FOR THE ENSUING YEAR. THE MAP REQUIRED BY THIS
8 SUBSECTION SHALL BE FURNISHED TO A PERSON STORING OR
9 CONTEMPLATING THE STORAGE OF GAS IN THE VICINITY OF OPERATING
10 COAL MINES SHALL, UPON WRITTEN REQUEST, BY THE COAL OPERATOR,
11 AND THE PERSON AND THE DEPARTMENT SHALL THEREAFTER BE INFORMED
12 OF ANY BOUNDARY CHANGES AT THE TIME THE CHANGES OCCUR. THE
13 DEPARTMENT SHALL KEEP A RECORD OF THE INFORMATION AND PROMPTLY
14 NOTIFY THE COAL OPERATOR AND STORAGE OPERATOR WHEN NOTIFIED BY
15 THEM THAT THE COAL MINE AND THE STORAGE RESERVOIR ARE WITHIN
16 10,000 LINEAR FEET OF EACH OTHER.

17 (B) MINES NEAR CERTAIN RESERVOIRS.--A PERSON OWNING OR
18 OPERATING ANY COAL MINE WHICH IS OR WHICH COMES WITHIN 10,000
19 LINEAR FEET OF A STORAGE RESERVOIR AND WHERE THE COAL SEAM BEING
20 OPERATED EXTENDS OVER THE STORAGE RESERVOIR OR RESERVOIR
21 PROTECTIVE AREA SHALL, WITHIN 45 DAYS AFTER RECEIVING NOTICE
22 FROM THE STORAGE OPERATOR OF THAT FACT, FILE WITH THE DEPARTMENT
23 AND FURNISH TO THE PERSON OPERATING THE STORAGE RESERVOIR A MAP
24 IN THE FORM REQUIRED BY SUBSECTION (A) SHOWING, IN ADDITION TO
25 THE REQUIREMENTS OF SUBSECTION (A), EXISTING AND PROJECTED
26 EXCAVATIONS AND WORKINGS OF THE OPERATING COAL MINE FOR THE
27 ENSUING 18-MONTH PERIOD AND THE LOCATION OF OIL OR GAS WELLS OF
28 WHICH THE COAL OPERATOR HAS KNOWLEDGE. THE PERSON OWNING OR
29 OPERATING THE COAL MINE SHALL, EACH SIX MONTHS THEREAFTER, FILE
30 WITH THE DEPARTMENT AND FURNISH TO THE PERSON OPERATING THE

1 STORAGE RESERVOIR A REVISED MAP SHOWING ANY ADDITIONAL
2 EXCAVATIONS AND WORKINGS, TOGETHER WITH THE PROJECTED
3 EXCAVATIONS AND WORKINGS FOR THE THEN ENSUING 18-MONTH PERIOD,
4 WHICH MAY BE WITHIN 10,000 LINEAR FEET OF THE STORAGE RESERVOIR.
5 THE DEPARTMENT MAY REQUIRE A COAL OPERATOR TO FILE REVISED MAPS
6 AT MORE FREQUENT INTERVALS IF MATERIAL CHANGES HAVE OCCURRED
7 JUSTIFYING EARLIER FILING. THE PERSON OWNING OR OPERATING THE
8 COAL MINE SHALL ALSO FILE WITH THE DEPARTMENT AND FURNISH THE
9 PERSON OPERATING THE RESERVOIR PROMPT NOTICE OF ANY WELLS WHICH
10 HAVE BEEN CUT INTO, TOGETHER WITH ALL AVAILABLE PERTINENT
11 INFORMATION.

12 (C) MINES NEAR GAS STORAGE RESERVOIRS.--A PERSON OWNING OR
13 OPERATING A COAL MINE WHO HAS KNOWLEDGE THAT IT OVERLIES OR IS
14 WITHIN 2,000 LINEAR FEET OF A GAS STORAGE RESERVOIR SHALL,
15 WITHIN 30 DAYS, NOTIFY THE DEPARTMENT AND THE STORAGE OPERATOR
16 OF THAT FACT.

17 (D) MINES PROJECTED TO BE NEAR STORAGE RESERVOIRS.--WHEN A
18 PERSON OWNING OR OPERATING A COAL MINE EXPECTS THAT, WITHIN THE
19 ENSUING NINE-MONTH PERIOD, THE COAL MINE WILL BE EXTENDED TO A
20 POINT WHICH WILL BE WITHIN 2,000 LINEAR FEET OF ANY STORAGE
21 RESERVOIR, THE PERSON SHALL NOTIFY THE DEPARTMENT AND STORAGE
22 OPERATOR IN WRITING OF THAT FACT.

23 (E) NEW MINES.--A PERSON INTENDING TO ESTABLISH OR
24 REESTABLISH AN OPERATING COAL MINE WHICH WILL BE OVER A STORAGE
25 RESERVOIR OR WITHIN 2,000 LINEAR FEET OF A STORAGE RESERVOIR OR
26 MAY WITHIN NINE MONTHS THEREAFTER BE EXPECTED TO BE WITHIN 2,000
27 LINEAR FEET OF A STORAGE RESERVOIR SHALL IMMEDIATELY NOTIFY THE
28 DEPARTMENT AND STORAGE OPERATOR IN WRITING. NOTICE SHALL INCLUDE
29 THE DATE ON WHICH THE PERSON INTENDS TO ESTABLISH OR REESTABLISH
30 THE OPERATING COAL MINE.

1 (F) MISDEMEANOR.--A PERSON WHO SERVES NOTICE AS REQUIRED BY
2 THIS SUBSECTION OF AN INTENTION TO ESTABLISH OR REESTABLISH AN
3 OPERATING COAL MINE, WITHOUT INTENDING IN GOOD FAITH TO
4 ESTABLISH OR REESTABLISH THE MINE, IS LIABLE FOR CONTINUING
5 DAMAGES TO A STORAGE OPERATOR INJURED BY THE IMPROPER NOTICE AND
6 COMMITTS A MISDEMEANOR SUBJECT TO THE PENALTIES OF SECTION 3255
7 (RELATING TO PENALTIES).

8 § 3233. GENERAL GAS STORAGE RESERVOIR OPERATIONS.

9 (A) GENERAL RULE.--A PERSON WHO OPERATES OR PROPOSES TO
10 OPERATE A STORAGE RESERVOIR, EXCEPT ONE FILLED BY THE SECONDARY
11 RECOVERY OR GAS RECYCLING PROCESS, SHALL:

12 (1) USE EVERY KNOWN METHOD WHICH IS REASONABLE UNDER THE
13 CIRCUMSTANCES FOR DISCOVERING AND LOCATING ALL WELLS WHICH
14 HAVE OR MAY HAVE BEEN DRILLED INTO OR THROUGH THE STORAGE
15 RESERVOIR.

16 (2) PLUG OR RECONDITION, AS PROVIDED IN DEPARTMENTAL
17 REGULATIONS, ALL KNOWN WELLS DRILLED INTO OR THROUGH THE
18 STORAGE RESERVOIR, EXCEPT TO THE EXTENT OTHERWISE PROVIDED IN
19 SUBSECTIONS (B) AND (C).

20 (B) WELLS TO BE PLUGGED.--TO COMPLY WITH SUBSECTION (A),
21 WELLS WHICH ARE TO BE PLUGGED SHALL BE PLUGGED IN THE MANNER
22 SPECIFIED IN SECTION 3220 (RELATING TO PLUGGING REQUIREMENTS).

23 (B.1) WELLS PLUGGED PRIOR TO ENACTMENT OF SECTION.--IF A
24 WELL LOCATED IN THE STORAGE RESERVOIR AREA HAS BEEN PLUGGED
25 PRIOR TO APRIL 18, 1985, AND ON THE BASIS OF DATA, INFORMATION
26 AND OTHER EVIDENCE SUBMITTED TO THE DEPARTMENT, IT IS DETERMINED
27 THAT THE PLUGGING WAS DONE IN THE MANNER REQUIRED BY SECTION
28 3220 OR APPROVED AS AN ALTERNATIVE METHOD UNDER SECTION 3221
29 (RELATING TO ALTERNATIVE METHODS) AND THE PLUGGING IS STILL
30 SUFFICIENTLY EFFECTIVE TO MEET THE REQUIREMENTS OF THIS CHAPTER,

1 THE OBLIGATIONS UNDER SUBSECTION (A) WITH REGARD TO PLUGGING THE
2 WELL SHALL BE CONSIDERED TO HAVE BEEN FULLY SATISFIED.

3 (C) WELLS TO BE RECONDITIONED.--THE FOLLOWING SHALL APPLY:

4 (1) TO COMPLY WITH SUBSECTION (A), WELLS WHICH ARE TO BE
5 RECONDITIONED SHALL, UNLESS THE DEPARTMENT BY REGULATION
6 SPECIFIES A DIFFERENT PROCEDURE, BE CLEANED OUT FROM THE
7 SURFACE THROUGH THE STORAGE HORIZON, AND THE PRODUCING CASING
8 AND CASING STRINGS DETERMINED NOT TO BE IN GOOD PHYSICAL
9 CONDITION SHALL BE REPLACED WITH NEW CASING, USING THE SAME
10 PROCEDURE AS IS APPLICABLE TO DRILLING A NEW WELL UNDER THIS
11 CHAPTER. IN THE CASE OF WELLS TO BE USED FOR GAS STORAGE, THE
12 ANNULAR SPACE BETWEEN EACH STRING OF CASING AND THE ANNULAR
13 SPACE BEHIND THE LARGEST DIAMETER CASING TO THE EXTENT
14 POSSIBLE SHALL BE FILLED TO THE SURFACE WITH CEMENT OR
15 BENTONITIC MUD OR A NONPOROUS MATERIAL APPROVED BY THE
16 DEPARTMENT UNDER SECTION 3221. AT LEAST 15 DAYS PRIOR TO
17 RECONDITIONING, THE STORAGE OPERATOR SHALL GIVE NOTICE TO THE
18 DEPARTMENT, SETTING FORTH IN THE NOTICE THE MANNER IN WHICH
19 IT IS PLANNED TO RECONDITION THE WELL AND ANY PERTINENT DATA
20 KNOWN TO THE STORAGE OPERATOR WHICH WILL INDICATE THE
21 CONDITION OF THE WELL EXISTING AT THAT TIME. IN ADDITION, THE
22 STORAGE OPERATOR SHALL GIVE THE DEPARTMENT AT LEAST 72 HOURS'
23 NOTICE OF THE TIME WHEN RECONDITIONING IS TO BEGIN. IF NO
24 OBJECTIONS ARE RAISED BY THE DEPARTMENT WITHIN TEN DAYS, THE
25 STORAGE OPERATOR MAY PROCEED WITH RECONDITIONING IN
26 ACCORDANCE WITH THE PLAN AS SUBMITTED. IF OBJECTIONS ARE MADE
27 BY THE DEPARTMENT, THE DEPARTMENT MAY FIX A TIME AND PLACE
28 FOR A CONFERENCE UNDER SECTION 3251 (RELATING TO CONFERENCES)
29 AT WHICH THE STORAGE OPERATOR AND DEPARTMENT SHALL ENDEAVOR
30 TO AGREE ON A PLAN TO SATISFY THE OBJECTIONS AND MEET THE

1 REQUIREMENTS OF THIS SECTION. IF NO AGREEMENT IS REACHED, THE
2 DEPARTMENT MAY, BY AN APPROPRIATE ORDER, DETERMINE WHETHER
3 THE PLAN AS SUBMITTED MEETS THE REQUIREMENTS OF THIS SECTION
4 OR WHAT CHANGES, IF ANY, ARE REQUIRED. IF, IN RECONDITIONING
5 A WELL IN ACCORDANCE WITH THE PLAN, PHYSICAL CONDITIONS ARE
6 ENCOUNTERED WHICH JUSTIFY OR NECESSITATE A CHANGE IN THE
7 PLAN, THE STORAGE OPERATOR MAY REQUEST THAT THE PLAN BE
8 CHANGED. IF THE REQUEST IS DENIED, THE DEPARTMENT SHALL FIX A
9 CONFERENCE UNDER SECTION 3251 AND PROCEED IN THE SAME MANNER
10 AS WITH ORIGINAL OBJECTIONS. AN APPLICATION MAY BE MADE IN
11 THE MANNER PRESCRIBED BY SECTION 3221 FOR APPROVAL OF AN
12 ALTERNATIVE METHOD OF RECONDITIONING A WELL. IF A WELL
13 LOCATED WITHIN THE STORAGE RESERVOIR WAS RECONDITIONED, OR
14 DRILLED AND EQUIPPED, PRIOR TO APRIL 18, 1985, THE
15 OBLIGATIONS IMPOSED BY SUBSECTION (A), AS TO RECONDITIONING
16 THE WELL, SHALL BE CONSIDERED FULLY SATISFIED IF, ON THE
17 BASIS OF THE DATA, INFORMATION AND OTHER EVIDENCE SUBMITTED
18 TO THE DEPARTMENT, IT IS DETERMINED THAT:

19 (I) THE CONDITIONING OR PREVIOUS DRILLING AND
20 EQUIPPING WAS DONE IN THE MANNER REQUIRED IN THIS
21 SUBSECTION, IN REGULATIONS PROMULGATED UNDER THIS CHAPTER
22 OR IN A MANNER APPROVED AS AN ALTERNATIVE METHOD IN
23 ACCORDANCE WITH SECTION 3221.

24 (II) THE RECONDITIONING OR PREVIOUS DRILLING AND
25 EQUIPPING IS STILL SUFFICIENTLY EFFECTIVE TO MEET THE
26 REQUIREMENTS OF THIS CHAPTER.

27 (2) IF A WELL REQUIRES EMERGENCY REPAIRS, THIS CHAPTER
28 SHALL NOT BE CONSTRUED TO REQUIRE THE STORAGE OPERATOR TO
29 GIVE ANY NOTICE REQUIRED BY THIS SUBSECTION BEFORE MAKING THE
30 REPAIRS.

1 (D) EXCEPTION.--THE REQUIREMENTS OF SUBSECTION (A) SHALL NOT
2 APPLY TO INJECTION OF GAS INTO A STRATUM WHEN THE SOLE PURPOSE
3 OF INJECTION, REFERRED TO IN THIS SUBSECTION AS TESTING, IS TO
4 DETERMINE WHETHER THE STRATUM IS SUITABLE FOR STORAGE PURPOSES.
5 TESTING SHALL BE CONDUCTED ONLY IN COMPLIANCE WITH THE FOLLOWING
6 REQUIREMENTS:

7 (1) THE PERSON TESTING OR PROPOSING TO TEST SHALL COMPLY
8 WITH SECTION 3231 (RELATING TO REPORTING REQUIREMENTS FOR GAS
9 STORAGE OPERATIONS) AND VERIFY THE STATEMENT REQUIRED TO BE
10 FILED BY THAT SECTION.

11 (2) THE STORAGE OPERATOR SHALL GIVE AT LEAST SIX MONTHS'
12 WRITTEN NOTICE TO THE DEPARTMENT OF THE FACT THAT INJECTION
13 OF GAS FOR TESTING PURPOSES IS PROPOSED.

14 (3) IF THE DEPARTMENT HAS OBJECTIONS, THE DEPARTMENT
15 SHALL FIX A TIME AND PLACE FOR A CONFERENCE UNDER SECTION
16 3251, NOT MORE THAN TEN DAYS FROM THE DATE OF NOTICE TO THE
17 STORAGE OPERATOR, AT WHICH TIME THE STORAGE OPERATOR AND
18 DEPARTMENT SHALL ATTEMPT TO RESOLVE THE ISSUES PRESENTED. IF
19 AN AGREEMENT CANNOT BE REACHED, THE DEPARTMENT MAY ISSUE AN
20 APPROPRIATE ORDER.

21 (E) FAILURE TO EXECUTE LAWFUL ORDER.--IN A PROCEEDING UNDER
22 THIS CHAPTER, IF THE DEPARTMENT DETERMINES THAT AN OPERATOR OF A
23 STORAGE RESERVOIR HAS FAILED TO CARRY OUT A LAWFUL ORDER ISSUED
24 UNDER THIS CHAPTER, THE DEPARTMENT MAY REQUIRE THE OPERATOR TO
25 SUSPEND OPERATION OF THE RESERVOIR AND WITHDRAW THE GAS UNTIL
26 THE VIOLATION IS REMEDIED, IN WHICH CASE THE STORAGE OPERATOR,
27 LIMITED BY DUE DILIGENCE INsofar AS EXISTING FACILITIES UTILIZED
28 TO REMOVE GAS FROM THE RESERVOIR WILL PERMIT, SHALL:

29 (1) IF POSSIBLE, REMOVE THE AMOUNT REQUIRED BY THE
30 DEPARTMENT TO BE REMOVED; OR

1 (2) IN ANY EVENT, REMOVE THE MAXIMUM AMOUNT WHICH CAN BE
2 WITHDRAWN IN ACCORDANCE WITH RECOGNIZED ENGINEERING AND
3 OPERATING PROCEDURES.

4 (F) DUTY OF STORAGE RESERVOIR OPERATOR.--THE FOLLOWING SHALL
5 APPLY:

6 (1) A PERSON OWNING OR OPERATING A STORAGE RESERVOIR
7 SUBJECT TO THIS CHAPTER SHALL HAVE A DUTY TO:

8 (I) MAINTAIN ALL WELLS DRILLED INTO OR THROUGH THE
9 RESERVOIR IN A CONDITION, AND OPERATE THEM IN A MANNER,
10 SUFFICIENT TO PREVENT THE ESCAPE OF GAS.

11 (II) OPERATE AND MAINTAIN THE RESERVOIR AND ITS
12 FACILITIES AS PRESCRIBED BY DEPARTMENTAL REGULATIONS AND
13 AT A PRESSURE WHICH WILL PREVENT GAS FROM ESCAPING, BUT
14 THE PRESSURE SHALL NOT EXCEED THE HIGHEST ROCK PRESSURE
15 FOUND TO HAVE EXISTED DURING THE PRODUCTION HISTORY OF
16 THE RESERVOIR OR ANOTHER HIGH PRESSURE LIMIT APPROVED BY
17 THE DEPARTMENT AFTER HOLDING A CONFERENCE UNDER SECTION
18 3251 BASED ON GEOLOGICAL AND PRODUCTION KNOWLEDGE OF THE
19 RESERVOIR, ITS CHARACTER, PERMEABILITY DISTRIBUTION AND
20 OPERATING EXPERIENCE.

21 (2) THE DUTY UNDER PARAGRAPH (1) SHALL NOT BE CONSTRUED
22 TO INCLUDE INABILITY TO PREVENT THE ESCAPE OF GAS WHEN GAS
23 ESCAPES AS A RESULT OF AN ACT OF GOD OR A PERSON NOT UNDER
24 THE CONTROL OF THE STORAGE OPERATOR. IN THAT INSTANCE, THE
25 STORAGE OPERATOR SHALL HAVE A DUTY TO TAKE ACTION REASONABLY
26 NECESSARY TO PREVENT FURTHER ESCAPE OF GAS. THIS PARAGRAPH
27 DOES NOT APPLY TO A WELL WHICH THE STORAGE OPERATOR FAILED TO
28 LOCATE AND MAKE KNOWN TO THE DEPARTMENT.

29 § 3234. GAS STORAGE RESERVOIR OPERATIONS IN COAL AREAS.

30 (A) GENERAL RULE.--A PERSON OPERATING A STORAGE RESERVOIR

1 WHICH UNDERLIES OR IS WITHIN 2,000 LINEAR FEET OF A COAL MINE
2 OPERATING IN A COAL SEAM THAT EXTENDS OVER THE STORAGE RESERVOIR
3 OR THE RESERVOIR PROTECTIVE AREA SHALL:

4 (1) USE EVERY KNOWN REASONABLE METHOD FOR DISCOVERING
5 AND LOCATING ALL WELLS WHICH HAVE OR MAY HAVE BEEN DRILLED
6 INTO OR THROUGH THE STORAGE STRATUM IN THE ACREAGE LYING
7 WITHIN THE OUTSIDE COAL BOUNDARIES OF THE OPERATING COAL MINE
8 OVERLYING THE STORAGE RESERVOIR OR THE RESERVOIR PROTECTIVE
9 AREA.

10 (2) PLUG OR RECONDITION, AS PROVIDED BY SECTION 3220
11 (RELATING TO PLUGGING REQUIREMENTS) AND SUBSECTION (E), ALL
12 KNOWN WELLS, EXCEPT TO THE EXTENT PROVIDED IN SUBSECTIONS
13 (E), (F), (G) AND (H), DRILLED INTO OR THROUGH THE STORAGE
14 STRATUM AND LOCATED WITHIN THE PORTION OF THE ACREAGE OF THE
15 OPERATING COAL MINE OVERLYING THE STORAGE RESERVOIR OR THE
16 RESERVOIR PROTECTIVE AREA. IF AN OBJECTION IS RAISED AS TO
17 USE OF A WELL AS A STORAGE WELL AND AFTER A CONFERENCE UNDER
18 SECTION 3251 (RELATING TO CONFERENCES) IT IS DETERMINED BY
19 THE DEPARTMENT, TAKING INTO ACCOUNT ALL CIRCUMSTANCES AND
20 CONDITIONS, THAT THE WELL SHOULD NOT BE USED AS A STORAGE
21 WELL, THE WELL SHALL BE PLUGGED UNLESS, IN THE OPINION OF THE
22 STORAGE OPERATOR, THE WELL MAY BE USED AS A STORAGE WELL IN
23 THE FUTURE, IN WHICH CASE, UPON APPROVAL OF THE DEPARTMENT
24 AFTER TAKING INTO ACCOUNT ALL CIRCUMSTANCES AND CONDITIONS,
25 THE STORAGE OPERATOR MAY RECONDITION AND INACTIVATE THE WELL
26 RATHER THAN PLUG IT.

27 (3) THE REQUIREMENTS OF PARAGRAPH (2) SHALL BE DEEMED TO
28 HAVE BEEN FULLY COMPLIED WITH IF, AS THE OPERATING COAL MINE
29 IS EXTENDED, ALL WELLS WHICH FROM TIME TO TIME COME WITHIN
30 THE ACREAGE DESCRIBED IN PARAGRAPH (2) ARE RECONDITIONED OR

1 PLUGGED AS PROVIDED IN SECTION 3220 AND SUBSECTION (E) OR (F)
2 SO THAT, BY THE TIME THE COAL MINE HAS REACHED A POINT WITHIN
3 2,000 LINEAR FEET OF THE WELLS, THEY WILL HAVE BEEN
4 RECONDITIONED OR PLUGGED IN ACCORDANCE WITH SECTION 3220 AND
5 SUBSECTION (E) OR (F).

6 (B) VERIFIED STATEMENT.--A PERSON OPERATING A STORAGE
7 RESERVOIR REFERRED TO IN SUBSECTION (A) SHALL FILE WITH THE
8 DEPARTMENT AND FURNISH A COPY TO THE PERSON OPERATING THE
9 AFFECTED OPERATING COAL MINE A VERIFIED STATEMENT SETTING FORTH:

10 (1) THAT THE MAP AND ANY SUPPLEMENTAL MAPS REQUIRED BY
11 SECTION 3231 (A) (RELATING TO REPORTING REQUIREMENTS FOR GAS
12 STORAGE OPERATIONS) HAVE BEEN PREPARED AND FILED IN
13 ACCORDANCE WITH SECTION 3231.

14 (2) A DETAILED EXPLANATION OF WHAT THE STORAGE OPERATOR
15 HAS DONE TO COMPLY WITH THE REQUIREMENTS OF SUBSECTION (A) (1)
16 AND (2) AND THE RESULTS OF THOSE ACTIONS.

17 (3) SUCH ADDITIONAL EFFORTS, IF ANY, AS THE STORAGE
18 OPERATOR IS MAKING AND INTENDS TO MAKE TO LOCATE ALL WELLS.

19 (4) ANY ADDITIONAL WELLS THAT ARE TO BE PLUGGED OR
20 RECONDITIONED TO MEET THE REQUIREMENTS OF SUBSECTION (A) (2).

21 (B.1) ORDER OF DEPARTMENT.--IF THE STATEMENT REQUIRED UNDER
22 SUBSECTION (B) IS NOT FILED BY THE STORAGE RESERVOIR OPERATOR
23 WITHIN THE TIME SPECIFIED BY THIS CHAPTER OR THE REGULATIONS OF
24 THE DEPARTMENT, THE DEPARTMENT MAY ORDER THE OPERATOR TO FILE
25 THE STATEMENT.

26 (C) PROCEDURE.--WITHIN 120 DAYS AFTER RECEIPT OF A STATEMENT
27 REQUIRED BY THIS SECTION, THE DEPARTMENT MAY DIRECT THAT A
28 CONFERENCE BE HELD IN ACCORDANCE WITH SECTION 3251 TO DETERMINE
29 WHETHER THE REQUIREMENTS OF SECTION 3231 AND SUBSECTION (A) HAVE
30 BEEN FULLY MET. AT THE CONFERENCE, IF ANY PERSON BELIEVES THE

1 REQUIREMENTS HAVE NOT BEEN FULLY MET, THE PARTIES SHALL ATTEMPT
2 TO AGREE ON ADDITIONAL ACTIONS TO BE TAKEN AND THE TIME FOR
3 COMPLETION, SUBJECT TO APPROVAL OF THE DEPARTMENT. IF AN
4 AGREEMENT CANNOT BE REACHED, THE DEPARTMENT SHALL MAKE A
5 DETERMINATION AND, IF THE DEPARTMENT DETERMINES ANY REQUIREMENTS
6 HAVE NOT BEEN MET, THE DEPARTMENT SHALL ISSUE AN ORDER
7 SPECIFYING IN DETAIL THE EXTENT TO WHICH THE REQUIREMENTS HAVE
8 NOT BEEN MET AND THE ACTIONS WHICH THE STORAGE OPERATOR MUST
9 COMPLETE TO MEET THE REQUIREMENTS. THE ORDER SHALL GRANT AS MUCH
10 TIME AS IS REASONABLY NECESSARY TO FULLY COMPLY. IF THE STORAGE
11 OPERATOR ENCOUNTERS CONDITIONS NOT KNOWN TO EXIST AT THE TIME OF
12 ISSUANCE OF THE ORDER AND WHICH MATERIALLY AFFECT THE VALIDITY
13 OF THE ORDER OR THE ABILITY OF THE STORAGE OPERATOR TO COMPLY
14 WITH IT, THE STORAGE OPERATOR MAY APPLY FOR A REHEARING OR
15 MODIFICATION OF THE ORDER.

16 (D) NOTIFICATION.--IF, IN COMPLYING WITH SUBSECTION (A), A
17 STORAGE OPERATOR, AFTER FILING THE STATEMENT PROVIDED FOR IN
18 SUBSECTION (B), PLUGS OR RECONDITIONS A WELL, THE STORAGE
19 OPERATOR SHALL NOTIFY THE DEPARTMENT AND THE COAL OPERATOR
20 AFFECTED, IN WRITING, SETTING FORTH FACTS INDICATING THE MANNER
21 IN WHICH THE PLUGGING OR RECONDITIONING WAS DONE. UPON RECEIPT
22 OF THE NOTIFICATION, THE COAL OPERATOR OR DEPARTMENT MAY REQUEST
23 A CONFERENCE UNDER SECTION 3251.

24 (E) PLUGGING WELLS.--IN ORDER TO MEET THE REQUIREMENTS OF
25 SUBSECTION (A), WELLS WHICH ARE TO BE PLUGGED SHALL BE PLUGGED
26 IN THE MANNER SPECIFIED IN REGULATIONS PROMULGATED UNDER SECTION
27 3211 (RELATING TO WELL PERMITS). WHEN A WELL LOCATED WITHIN THE
28 STORAGE RESERVOIR OR THE RESERVOIR PROTECTIVE AREA HAS BEEN
29 PLUGGED PRIOR TO APRIL 18, 1985, AND, ON THE BASIS OF THE DATA
30 INFORMATION AND OTHER EVIDENCE SUBMITTED TO THE DEPARTMENT, IT

1 IS DETERMINED THAT THE PLUGGING WAS DONE IN THE MANNER REQUIRED
2 BY SECTION 3220, OR IN A MANNER APPROVED AS AN ALTERNATIVE
3 METHOD IN ACCORDANCE WITH SECTION 3221 (RELATING TO ALTERNATIVE
4 METHODS), AND THE PLUGGING IS STILL SUFFICIENTLY EFFECTIVE TO
5 MEET THE REQUIREMENTS OF THIS CHAPTER, THE REQUIREMENTS OF
6 SUBSECTION (A) AS TO PLUGGING THE WELL SHALL BE CONSIDERED TO
7 HAVE BEEN FULLY SATISFIED.

8 (F) RECONDITIONED WELLS.--THE FOLLOWING SHALL APPLY:

9 (1) IN ORDER TO COMPLY WITH SUBSECTION (A), UNLESS THE
10 DEPARTMENT BY REGULATION SPECIFIES A DIFFERENT PROCEDURE,
11 WELLS WHICH ARE TO BE RECONDITIONED SHALL BE CLEANED OUT FROM
12 THE SURFACE THROUGH THE STORAGE HORIZON, AND THE FOLLOWING
13 CASING STRINGS SHALL BE PULLED AND REPLACED WITH NEW CASING,
14 USING THE PROCEDURE APPLICABLE TO DRILLING A NEW WELL UNDER
15 THIS CHAPTER:

16 (I) THE PRODUCING CASING;

17 (II) THE LARGEST DIAMETER CASING PASSING THROUGH THE
18 LOWEST WORKABLE COAL SEAM UNLESS IT EXTENDS AT LEAST 25
19 FEET BELOW THE BOTTOM OF THE COAL SEAM AND IS DETERMINED
20 TO BE IN GOOD PHYSICAL CONDITION, BUT THE STORAGE
21 OPERATOR MAY, INSTEAD OF REPLACING THE LARGEST DIAMETER
22 CASING, REPLACE THE NEXT LARGEST CASING STRING IF THE
23 CASING STRING EXTENDS AT LEAST 25 FEET BELOW THE LOWEST
24 WORKABLE COAL SEAM; AND

25 (III) CASING STRINGS DETERMINED NOT TO BE IN GOOD
26 PHYSICAL CONDITION

27 (2) IN THE CASE OF A WELL TO BE USED FOR GAS STORAGE,
28 THE ANNULAR SPACE BETWEEN EACH STRING OF CASING AND THE
29 ANNULAR SPACE BEHIND THE LARGEST DIAMETER CASING, TO THE
30 EXTENT POSSIBLE, SHALL BE FILLED TO THE SURFACE WITH CEMENT

1 OR BENTONITIC MUD OR AN EQUALLY NONPOROUS MATERIAL APPROVED
2 BY THE DEPARTMENT UNDER SECTION 3221.

3 (3) AT LEAST 15 DAYS BEFORE A WELL IS TO BE
4 RECONDITIONED, THE STORAGE OPERATOR SHALL GIVE NOTICE TO THE
5 DEPARTMENT AND THE COAL OPERATOR, LESSEE OR OWNER, SETTING
6 FORTH THE MANNER IN WHICH RECONDITIONING IS PLANNED AND
7 PERTINENT DATA KNOWN TO THE STORAGE OPERATOR WHICH WILL
8 INDICATE THE CURRENT CONDITION OF THE WELL, ALONG WITH AT
9 LEAST 72 HOURS' NOTICE OF THE DATE AND TIME WHEN
10 RECONDITIONING WILL BEGIN. THE COAL OPERATOR, LESSEE OR OWNER
11 SHALL HAVE THE RIGHT TO FILE, WITHIN TEN DAYS AFTER RECEIPT
12 OF THE NOTICE, OBJECTIONS TO THE PLAN OF RECONDITIONING AS
13 SUBMITTED BY THE STORAGE OPERATOR. IF NO OBJECTIONS ARE FILED
14 AND NONE ARE RAISED BY THE DEPARTMENT WITHIN TEN DAYS, THE
15 STORAGE OPERATOR MAY PROCEED WITH RECONDITIONING IN
16 ACCORDANCE WITH THE PLAN AS SUBMITTED. IF AN OBJECTION IS
17 FILED OR MADE BY THE DEPARTMENT, THE DEPARTMENT SHALL FIX A
18 TIME AND PLACE FOR A CONFERENCE UNDER SECTION 3251, AT WHICH
19 CONFERENCE THE STORAGE OPERATOR AND THE PERSON HAVING
20 OBJECTIONS SHALL ATTEMPT TO AGREE ON A PLAN OF RECONDITIONING
21 THAT MEETS THE REQUIREMENTS OF THIS SECTION. IF NO AGREEMENT
22 IS REACHED, THE DEPARTMENT SHALL, BY AN APPROPRIATE ORDER,
23 DETERMINE WHETHER THE PLAN AS SUBMITTED MEETS THE
24 REQUIREMENTS OF THIS SECTION OR WHAT CHANGES SHOULD BE MADE
25 TO MEET THE REQUIREMENTS. IF, IN RECONDITIONING THE WELL IN
26 ACCORDANCE WITH THE PLAN, PHYSICAL CONDITIONS ARE ENCOUNTERED
27 WHICH JUSTIFY OR NECESSITATE A CHANGE IN THE PLAN, THE
28 STORAGE OPERATOR OR COAL OPERATOR MAY REQUEST THAT THE PLAN
29 BE CHANGED. IF THE PARTIES CANNOT AGREE ON A CHANGE, THE
30 DEPARTMENT SHALL ARRANGE FOR A CONFERENCE TO DETERMINE THE

1 MATTER IN THE SAME MANNER AS SET FORTH IN CONNECTION WITH
2 ORIGINAL OBJECTIONS TO THE PLAN.

3 (4) APPLICATION MAY BE MADE TO THE DEPARTMENT IN THE
4 MANNER PRESCRIBED IN SECTION 3221 FOR APPROVAL OF AN
5 ALTERNATIVE METHOD OF RECONDITIONING A WELL. WHEN A WELL
6 LOCATED WITHIN THE STORAGE RESERVOIR OR THE RESERVOIR
7 PROTECTIVE AREA HAS BEEN RECONDITIONED OR DRILLED AND
8 EQUIPPED PRIOR TO APRIL 18, 1985, AND, ON THE BASIS OF THE
9 DATA, INFORMATION AND OTHER EVIDENCE SUBMITTED TO THE
10 DEPARTMENT, THE OBLIGATIONS IMPOSED BY SUBSECTION (A) AS TO
11 RECONDITIONING THE WELL SHALL BE CONSIDERED TO BE FULLY
12 SATISFIED IF IT IS DETERMINED THAT RECONDITIONING OR PREVIOUS
13 DRILLING AND EQUIPPING:

14 (I) WAS DONE IN THE MANNER REQUIRED IN THIS
15 SUBSECTION, OR IN REGULATIONS PROMULGATED HEREUNDER, OR
16 IN A MANNER APPROVED AS AN ALTERNATIVE METHOD IN
17 ACCORDANCE WITH SECTION 3221; OR

18 (II) IS STILL SUFFICIENTLY EFFECTIVE TO MEET THE
19 REQUIREMENTS OF THIS CHAPTER.

20 (5) IF A WELL REQUIRES EMERGENCY REPAIRS, THIS
21 SUBSECTION SHALL NOT BE CONSTRUED TO REQUIRE THE STORAGE
22 OPERATOR TO GIVE THE NOTICES SPECIFIED HEREIN BEFORE MAKING
23 THE REPAIRS.

24 (G) PRODUCING WELLS.--IF A WELL LOCATED WITHIN THE RESERVOIR
25 PROTECTIVE AREA IS A PRODUCING WELL IN A STRATUM BELOW THE
26 STORAGE STRATUM, THE OBLIGATIONS IMPOSED BY SUBSECTION (A) SHALL
27 NOT BEGIN UNTIL THE WELL CEASES TO BE A PRODUCING WELL.

28 (H) CERTAIN OTHER WELLS.--IF A WELL WITHIN A STORAGE
29 RESERVOIR OR RESERVOIR PROTECTIVE AREA PENETRATES THE STORAGE
30 STRATUM BUT DOES NOT PENETRATE THE COAL SEAM BEING MINED BY AN

1 OPERATING COAL MINE, THE DEPARTMENT MAY, UPON APPLICATION OF THE
2 OPERATOR OF THE STORAGE RESERVOIR, EXEMPT THE WELL FROM THE
3 REQUIREMENTS OF THIS SECTION. EITHER PARTY AFFECTED MAY REQUEST
4 A CONFERENCE UNDER SECTION 3251 WITH RESPECT TO EXEMPTION OF A
5 WELL COVERED BY THIS SUBSECTION.

6 (I) PLUGGING LIMITATION.--IN FULFILLING THE REQUIREMENTS OF
7 SUBSECTION (A) (2) WITH RESPECT TO A WELL WITHIN THE RESERVOIR
8 PROTECTIVE AREA, THE STORAGE OPERATOR SHALL NOT BE REQUIRED TO
9 PLUG OR RECONDITION THE WELL UNTIL THE STORAGE OPERATOR HAS
10 RECEIVED FROM THE COAL OPERATOR WRITTEN NOTICE THAT THE MINE
11 WORKINGS WILL, WITHIN THE PERIOD STATED IN THE NOTICE, BE WITHIN
12 2,000 LINEAR FEET OF THE WELL. UPON THE RECEIPT OF THE NOTICE,
13 THE STORAGE OPERATOR SHALL USE DUE DILIGENCE TO COMPLETE THE
14 PLUGGING OR RECONDITIONING OF THE WELL IN ACCORDANCE WITH THE
15 REQUIREMENTS OF THIS SECTION AND SECTION 3220. IF THE MINE
16 WORKINGS DO NOT, WITHIN A PERIOD OF THREE YEARS AFTER THE WELL
17 HAS BEEN PLUGGED, COME WITHIN 2,000 LINEAR FEET OF THE WELL, THE
18 COAL OPERATOR SHALL REIMBURSE THE STORAGE OPERATOR FOR THE COST
19 OF PLUGGING, PROVIDED THAT THE WELL IS STILL WITHIN THE
20 RESERVOIR PROTECTIVE AREA AS OF THAT TIME.

21 (J) RETREAT MINING.--IF RETREAT MINING APPROACHES A POINT
22 WHERE, WITHIN 90 DAYS, IT IS EXPECTED THAT THE RETREAT WORK WILL
23 BE AT THE LOCATION OF THE PILLAR SURROUNDING AN ACTIVE STORAGE
24 WELL, THE COAL OPERATOR SHALL GIVE WRITTEN NOTICE TO THE STORAGE
25 OPERATOR, AND BY AGREEMENT THE PARTIES SHALL DETERMINE WHETHER
26 IT IS NECESSARY OR ADVISABLE TO EFFECTIVELY AND TEMPORARILY
27 INACTIVATE THE WELL. THE WELL SHALL NOT BE REACTIVATED UNTIL A
28 REASONABLE PERIOD, DETERMINED BY THE PARTIES, HAS ELAPSED. IF
29 THE PARTIES CANNOT AGREE AS REQUIRED BY THIS SUBSECTION, THE
30 MATTER SHALL BE SUBMITTED TO THE DEPARTMENT FOR RESOLUTION. THE

1 NUMBER OF WELLS REQUIRED TO BE TEMPORARILY INACTIVATED DURING
2 THE RETREAT PERIOD SHALL NOT BE OF A NUMBER THAT MATERIALLY
3 AFFECTS EFFICIENT OPERATION OF THE STORAGE POOL, EXCEPT THAT
4 THIS PROVISION SHALL NOT PRECLUDE TEMPORARY INACTIVATION OF A
5 PARTICULAR WELL IF THE PRACTICAL EFFECT OF INACTIVATING IT IS TO
6 RENDER THE POOL TEMPORARILY INOPERATIVE.

7 (K) EXCEPTIONS.--THE REQUIREMENTS OF SUBSECTIONS (A), (L)
8 AND (M) SHALL NOT APPLY TO INJECTION OF GAS INTO A STRATUM WHEN
9 THE WHOLE PURPOSE OF INJECTION, REFERRED TO IN THIS SUBSECTION
10 AS TESTING, IS TO DETERMINE WHETHER THE STRATUM IS SUITABLE FOR
11 STORAGE PURPOSES. TESTING SHALL BE CONDUCTED ONLY IN COMPLIANCE
12 WITH THE FOLLOWING REQUIREMENTS:

13 (1) THE PERSON TESTING OR PROPOSING TO TEST SHALL COMPLY
14 WITH ALL PROVISIONS AND REQUIREMENTS OF SECTION 3231 AND
15 VERIFY THE STATEMENT REQUIRED TO BE FILED BY THAT SECTION.

16 (2) IF ANY PART OF THE PROPOSED STORAGE RESERVOIR IS
17 UNDER OR WITHIN 2,000 LINEAR FEET OF AN OPERATING COAL MINE
18 WHICH IS OPERATING IN A COAL SEAM THAT EXTENDS OVER THE
19 PROPOSED STORAGE RESERVOIR OR THE RESERVOIR PROTECTIVE AREA,
20 THE STORAGE OPERATOR SHALL GIVE AT LEAST SIX MONTHS' WRITTEN
21 NOTICE TO THE DEPARTMENT AND COAL OPERATOR OF THE FACT THAT
22 INJECTION OF GAS FOR TESTING PURPOSES IS PROPOSED.

23 (3) THE COAL OPERATOR AFFECTED MAY AT ANY TIME FILE
24 OBJECTIONS WITH THE DEPARTMENT, WHEREUPON THE DEPARTMENT
25 SHALL FIX A TIME AND PLACE FOR A CONFERENCE UNDER SECTION
26 3251, NOT MORE THAN TEN DAYS FROM THE DATE OF THE NOTICE TO
27 THE STORAGE OPERATOR. AT THE CONFERENCE, THE STORAGE OPERATOR
28 AND THE OBJECTING PARTY SHALL ATTEMPT TO AGREE, SUBJECT TO
29 APPROVAL OF THE DEPARTMENT, ON THE QUESTIONS INVOLVED. IF AN
30 AGREEMENT CANNOT BE REACHED, THE DEPARTMENT MAY ISSUE AN

1 APPROPRIATE ORDER.

2 (4) IF AT ANY TIME A PROPOSED STORAGE RESERVOIR BEING
3 TESTED COMES UNDER OR WITHIN 2,000 LINEAR FEET OF AN
4 OPERATING COAL MINE BECAUSE OF EXTENSION OF THE STORAGE
5 RESERVOIR BEING TESTED OR BECAUSE OF EXTENSION OR
6 ESTABLISHMENT OR REESTABLISHMENT OF THE OPERATING COAL MINE,
7 THE REQUIREMENTS OF THIS SUBSECTION SHALL IMMEDIATELY BECOME
8 APPLICABLE TO THE TESTING.

9 (L) STORAGE RESERVOIRS NEAR OPERATING COAL MINES.--A PERSON
10 WHO PROPOSES TO ESTABLISH A STORAGE RESERVOIR UNDER OR WITHIN
11 2,000 LINEAR FEET OF A COAL MINE OPERATING IN A COAL SEAM THAT
12 EXTENDS OVER THE STORAGE RESERVOIR OR THE RESERVOIR PROTECTIVE
13 AREA SHALL, PRIOR TO ESTABLISHING THE RESERVOIR, AND IN ADDITION
14 TO COMPLYING WITH SECTION 3231 AND SUBSECTION (A), FILE THE
15 VERIFIED STATEMENT REQUIRED BY SUBSECTION (B) AND FULLY COMPLY
16 WITH ANY ORDER OF THE DEPARTMENT IN THE MANNER PROVIDED UNDER
17 SUBSECTION (B) OR (C) BEFORE COMMENCING OPERATION OF THE STORAGE
18 RESERVOIR. AFTER THE PERSON PROPOSING TO OPERATE THE STORAGE
19 RESERVOIR COMPLIES WITH THE REQUIREMENTS OF THIS SUBSECTION AND
20 COMMENCES OPERATIONS, THE PERSON SHALL CONTINUE TO BE SUBJECT TO
21 ALL PROVISIONS OF THIS CHAPTER.

22 (M) GAS STORAGE RESERVOIRS.--IF A GAS STORAGE RESERVOIR IS
23 IN OPERATION ON APRIL 18, 1985, AND AT ANY TIME THEREAFTER IT IS
24 UNDER OR WITHIN 2,000 LINEAR FEET OF AN OPERATING COAL MINE, OR
25 IF A GAS STORAGE RESERVOIR IS PUT IN OPERATION AFTER APRIL 18,
26 1985, AND AT ANY TIME AFTER STORAGE OPERATIONS BEGIN IT IS UNDER
27 OR WITHIN 2,000 LINEAR FEET OF AN OPERATING COAL MINE, THE
28 STORAGE OPERATOR SHALL COMPLY WITH ALL OF THE PROVISIONS OF THIS
29 SECTION, EXCEPT THAT:

30 (1) THE TIME FOR FILING THE VERIFIED STATEMENT UNDER

1 SUBSECTION (B) SHALL BE 60 DAYS AFTER THE DATE STATED IN THE
2 NOTICE FILED BY THE COAL OPERATOR UNDER SECTION 3232 (D) AND
3 (E) (RELATING TO REPORTING REQUIREMENTS FOR COAL MINING
4 OPERATIONS) ;

5 (2) THE COAL OPERATOR SHALL GIVE NOTICE OF THE DELAY TO
6 THE DEPARTMENT ;

7 (3) THE DEPARTMENT SHALL, UPON THE REQUEST OF THE
8 STORAGE OPERATOR, EXTEND THE TIME FOR FILING THE STATEMENT BY
9 THE ADDITIONAL TIME WHICH WILL BE REQUIRED TO EXTEND OR
10 ESTABLISH OR REESTABLISH THE OPERATING COAL MINE TO A POINT
11 WITHIN 2,000 LINEAR FEET OF THE RESERVOIR ;

12 (4) THE VERIFIED STATEMENT SHALL ALSO INDICATE THAT THE
13 MAP REFERRED TO IN SECTION 3231 (A) HAS BEEN CURRENTLY AMENDED
14 AS OF THE TIME OF THE FILING OF THE STATEMENT ; AND

15 (5) THE PERSON OPERATING THE STORAGE RESERVOIR SHALL
16 CONTINUE TO BE SUBJECT TO ALL OF THE PROVISIONS OF THIS
17 CHAPTER.

18 (N) FAILURE TO COMPLY WITH ORDER.--IF, IN ANY PROCEEDING
19 UNDER THIS CHAPTER, THE DEPARTMENT DETERMINES THAT AN OPERATOR
20 OF A STORAGE RESERVOIR HAS FAILED TO COMPLY WITH A LAWFUL ORDER
21 ISSUED UNDER THIS CHAPTER, THE DEPARTMENT MAY REQUIRE THE
22 STORAGE OPERATOR TO SUSPEND OPERATION OF THE RESERVOIR AND
23 WITHDRAW THE GAS FROM IT UNTIL THE VIOLATION IS REMEDIED, IN
24 WHICH CASE THE STORAGE OPERATOR, LIMITED BY DUE DILIGENCE
25 INSOFAR AS EXISTING FACILITIES UTILIZED TO REMOVE GAS FROM THE
26 RESERVOIR WILL PERMIT, SHALL:

27 (1) IF POSSIBLE, REMOVE THE AMOUNT REQUIRED BY THE
28 DEPARTMENT TO BE REMOVED; OR

29 (2) IN ANY EVENT, REMOVE THE MAXIMUM AMOUNT WHICH CAN BE
30 WITHDRAWN IN ACCORDANCE WITH RECOGNIZED ENGINEERING AND

1 OPERATING PROCEDURES.

2 (O) PREVENTION OF ESCAPE OF GAS.--IN ADDITION TO INITIAL
3 COMPLIANCE WITH OTHER PROVISIONS OF THIS CHAPTER AND LAWFUL
4 ORDERS ISSUED UNDER THIS CHAPTER, IT SHALL BE THE DUTY, AT ALL
5 TIMES, OF A PERSON OWNING OR OPERATING A STORAGE RESERVOIR
6 SUBJECT TO THIS CHAPTER TO KEEP ALL WELLS DRILLED INTO OR
7 THROUGH THE STORAGE STRATUM IN A CONDITION, AND OPERATE THE
8 WELLS IN A MANNER, WHICH IS DESIGNED TO PREVENT THE ESCAPE OF
9 GAS OUT OF THE STORAGE RESERVOIR AND ITS FACILITIES, AND TO
10 OPERATE AND MAINTAIN THE STORAGE RESERVOIR AND ITS FACILITIES IN
11 THE MANNER PRESCRIBED BY REGULATION OF THE DEPARTMENT AND AT A
12 PRESSURE THAT WILL PREVENT GAS FROM ESCAPING FROM THE RESERVOIR
13 OR ITS FACILITIES. THIS DUTY SHALL NOT BE CONSTRUED TO INCLUDE
14 INABILITY TO PREVENT THE ESCAPE OF GAS WHEN ESCAPE RESULTS FROM
15 AN ACT OF GOD OR A PERSON NOT UNDER THE CONTROL OF THE STORAGE
16 OPERATOR, EXCEPT THAT THIS EXCEPTION DOES NOT APPLY TO A WELL
17 WHICH THE STORAGE OPERATOR HAS FAILED TO LOCATE AND MAKE KNOWN
18 TO THE DEPARTMENT. IF AN ESCAPE OF GAS RESULTS FROM AN ACT OF
19 GOD OR A PERSON NOT UNDER THE CONTROL OF THE STORAGE OPERATOR,
20 THE STORAGE OPERATOR SHALL BE UNDER THE DUTY TO TAKE ANY ACTION
21 REASONABLY NECESSARY TO PREVENT FURTHER ESCAPE OF GAS OUT OF THE
22 STORAGE RESERVOIR AND ITS FACILITIES.

23 § 3235. INSPECTION OF FACILITIES AND RECORDS.

24 (A) GENERAL RULE.--THE PERSON OPERATING A STORAGE RESERVOIR
25 AFFECTED BY THIS CHAPTER SHALL, AT ALL REASONABLE TIMES, BE
26 PERMITTED TO INSPECT APPLICABLE RECORDS AND FACILITIES OF A COAL
27 MINE OVERLYING THE STORAGE RESERVOIR OR RESERVOIR PROTECTIVE
28 AREA. THE PERSON OPERATING A COAL MINE AFFECTED BY THIS CHAPTER
29 SHALL, AT ALL REASONABLE TIMES, BE PERMITTED TO INSPECT
30 APPLICABLE RECORDS AND FACILITIES OF A STORAGE RESERVOIR

1 UNDERLYING THE COAL MINE.

2 (B) ORDER.--IF A STORAGE OPERATOR OR COAL OPERATOR SUBJECT
3 TO SUBSECTION (A) REFUSES TO PERMIT INSPECTION OF RECORDS OR
4 FACILITIES, THE DEPARTMENT MAY, ON ITS OWN MOTION OR ON
5 APPLICATION OF THE PARTY SEEKING INSPECTION, AFTER REASONABLE
6 WRITTEN NOTICE AND A HEARING IF REQUESTED BY AN AFFECTED PARTY,
7 ORDER INSPECTION.

8 § 3236. RELIANCE ON MAPS AND BURDEN OF PROOF.

9 (A) GENERAL RULE.--IN DETERMINING WHETHER A COAL MINE OR
10 OPERATING COAL MINE IS OR WILL BE WITHIN A PARTICULAR DISTANCE
11 FROM A STORAGE RESERVOIR WHICH IS MATERIAL UNDER THIS CHAPTER,
12 THE OWNER OR OPERATOR OF THE COAL MINE AND THE STORAGE OPERATOR
13 MAY RELY ON THE MOST RECENT MAP OF THE STORAGE RESERVOIR OR COAL
14 MINE FILED BY THE OTHER PARTY WITH THE DEPARTMENT.

15 (B) ACCURACY.--WHERE ACCURACY OF A MAP OR DATA FILED UNDER
16 THIS CHAPTER IS IN ISSUE, THE PERSON THAT FILED THE MAP OR DATA
17 SHALL:

18 (1) AT THE REQUEST OF AN OBJECTING PARTY, DISCLOSE THE
19 INFORMATION AND METHOD USED TO COMPILE THE MAP OR DATA, ALONG
20 WITH ANY INFORMATION AVAILABLE TO THE PERSON THAT MIGHT
21 AFFECT CURRENT VALIDITY OF THE MAP OR DATA; AND

22 (2) HAVE THE BURDEN OF PROVING ACCURACY OF THE MAP OR
23 DATA.

24 § 3237. EXEMPTIONS AND PROHIBITIONS.

25 (A) INAPPLICABILITY OF CHAPTER TO CERTAIN COAL MINES.--THIS
26 CHAPTER SHALL NOT APPLY TO THE FOLLOWING TYPES OF COAL MINES:

27 (1) STRIP MINES AND AUGER MINES OPERATING FROM THE
28 SURFACE.

29 (2) MINES TO WHICH THE FORMER ACT OF JUNE 9, 1911
30 (P.L.756, NO.319), ENTITLED "AN ACT TO PROVIDE FOR THE HEALTH

1 AND SAFETY OF PERSONS EMPLOYED IN AND ABOUT THE BITUMINOUS
2 COAL-MINES OF PENNSYLVANIA, AND FOR THE PROTECTION AND
3 PRESERVATION OF PROPERTY CONNECTED THEREWITH," DID NOT APPLY
4 IN ACCORDANCE WITH SECTION 3 OF ARTICLE XXVIII OF THAT ACT.

5 (3) MINES TO WHICH THE FORMER ACT OF JUNE 2, 1891
6 (P.L.176, NO.177), ENTITLED "AN ACT TO PROVIDE FOR THE HEALTH
7 AND SAFETY OF PERSONS EMPLOYED IN AND ABOUT THE ANTHRACITE
8 COAL MINES OF PENNSYLVANIA AND FOR THE PROTECTION AND
9 PRESERVATION OF PROPERTY CONNECTED THEREWITH," DID NOT APPLY
10 IN ACCORDANCE WITH SECTION 1 OF ARTICLE I OF THAT ACT.

11 (B) WORKABLE COAL SEAMS.--INJECTION OF GAS FOR STORAGE
12 PURPOSES IN A WORKABLE COAL SEAM, WHETHER OR NOT IT IS BEING OR
13 HAS BEEN MINED, IS PROHIBITED.

14 (B.1) ORIGINAL EXTRACTION.--NOTHING IN THIS CHAPTER
15 PROHIBITS ORIGINAL EXTRACTION OF NATURAL GAS, CRUDE OIL OR COAL.

16 (C) CERTAIN ROCK FORMATIONS.--NOTHING IN THIS CHAPTER
17 APPLIES TO STORAGE OF GAS OR LIQUIDS IN STORAGE RESERVOIRS
18 EXCAVATED IN ROCK FORMATIONS SPECIFICALLY FOR STORAGE PURPOSES.

19 SUBCHAPTER D

20 EMINENT DOMAIN

21 SEC.

22 3241. APPROPRIATION OF INTEREST IN REAL PROPERTY.

23 § 3241. APPROPRIATION OF INTEREST IN REAL PROPERTY.

24 (A) GENERAL RULE.--EXCEPT AS PROVIDED IN THIS SUBSECTION, A
25 CORPORATION EMPOWERED TO TRANSPORT, SELL OR STORE NATURAL GAS OR
26 MANUFACTURED GAS IN THIS COMMONWEALTH MAY APPROPRIATE AN
27 INTEREST IN REAL PROPERTY LOCATED IN A STORAGE RESERVOIR OR
28 RESERVOIR PROTECTIVE AREA FOR INJECTION, STORAGE AND REMOVAL
29 FROM STORAGE OF NATURAL GAS OR MANUFACTURED GAS IN A STRATUM
30 WHICH IS OR PREVIOUSLY HAS BEEN COMMERCIALY PRODUCTIVE OF

1 NATURAL GAS. THE RIGHT GRANTED BY THIS SUBSECTION SHALL NOT BE
2 EXERCISED TO ACQUIRE ANY OF THE FOLLOWING FOR THE PURPOSE OF GAS
3 STORAGE:

4 (1) AN INTEREST IN A GEOLOGICAL STRATUM WITHIN THE AREA
5 OF A PROPOSED STORAGE RESERVOIR OR RESERVOIR PROTECTIVE AREA:

6 (I) UNLESS THE ORIGINAL RECOVERABLE OIL OR GAS
7 RESERVES IN THE PROPOSED STORAGE RESERVOIR HAVE BEEN
8 DEPLETED OR EXHAUSTED BY AT LEAST 80%; AND

9 (II) UNTIL THE CONDEMNOR HAS ACQUIRED THE RIGHT, BY
10 GRANT, LEASE OR OTHER AGREEMENT, TO STORE GAS IN THE
11 GEOLOGICAL STRATUM UNDERLYING AT LEAST 75% OF THE AREA OF
12 THE PROPOSED STORAGE RESERVOIR.

13 (2) AN INTEREST IN A GEOLOGICAL STRATUM WITHIN THE AREA
14 OF A PROPOSED STORAGE RESERVOIR OR RESERVOIR PROTECTIVE AREA
15 OWNED DIRECTLY OR INDIRECTLY BY A GAS COMPANY OR OTHER PERSON
16 ENGAGED IN LOCAL DISTRIBUTION OF NATURAL GAS, IF THE INTEREST
17 TO BE ACQUIRED IS PRESENTLY BEING USED BY THE GAS COMPANY OR
18 OTHER PERSON FOR STORAGE OF GAS IN PERFORMANCE OF SERVICE TO
19 CUSTOMERS IN ITS SERVICE AREA.

20 (B) CONSTRUCTION.--THE FOLLOWING SHALL APPLY:

21 (1) THIS CHAPTER AUTHORIZES APPROPRIATION WITHIN A
22 STORAGE RESERVOIR OR RESERVOIR PROTECTIVE AREA OF THE
23 FOLLOWING:

24 (I) A STRATUM TO BE USED FOR STORAGE;

25 (II) ANY GAS RESERVE REMAINING A STRATUM TO BE USED
26 FOR STORAGE;

27 (III) AN ACTIVE OR ABANDONED WELL OR WELLS DRILLED
28 INTO A STRATUM TO BE USED FOR STORAGE; AND

29 (IV) THE RIGHT TO ENTER UPON AND USE THE SURFACE OF
30 LANDS TO:

1 (A) LOCATE, RECONDITION, MAINTAIN, PLUG OR
2 REPLUG AN ACTIVE OR ABANDONED WELL; OR

3 (B) OPERATE A WELL DRILLED INTO OR THROUGH A
4 STRATUM TO BE USED FOR STORAGE.

5 (2) THIS CHAPTER DOES NOT PRECLUDE THE OWNER OF
6 NONSTORAGE STRATA FROM DRILLING WELLS TO PRODUCE OIL OR GAS
7 FROM A STRATUM ABOVE OR BELOW THE STORAGE STRATUM
8 APPROPRIATED BY ANOTHER PERSON, BUT A PERSON APPROPRIATING OR
9 HOLDING STORAGE RIGHTS MAY ACCESS, INSPECT AND EXAMINE THE
10 DRILLING, THE COMPLETED WELL, DRILLING LOGS AND OTHER RECORDS
11 RELATING TO DRILLING, EQUIPPING OR OPERATING THE WELL IN
12 ORDER TO DETERMINE WHETHER THE STORAGE STRATUM IS BEING
13 ADEQUATELY PROTECTED TO PREVENT ESCAPE OF GAS STORED THEREIN.

14 (3) THIS CHAPTER DOES NOT AUTHORIZE APPROPRIATION OF A
15 COAL OR COAL MEASURE, REGARDLESS OF WHETHER IT IS BEING
16 MINED, OR AN INTEREST IN THE COAL MINE OR COAL MEASURE.

17 (C) ACTIVITIES THROUGH APPROPRIATED STRATA.--A PERSON
18 DRILLING, OPERATING, USING OR PLUGGING A WELL THROUGH A STRATUM
19 APPROPRIATED UNDER THIS CHAPTER SHALL DRILL, CASE, EQUIP,
20 OPERATE OR PLUG IT IN A MANNER DESIGNED TO PREVENT AVOIDABLE
21 ESCAPE OF GAS THAT MAY BE STORED IN THE STORAGE STRATUM. UPON
22 VIOLATION OF THIS SUBSECTION, THE COURT OF COMMON PLEAS OF THE
23 COUNTY WHERE THE LAND IN QUESTION IS SITUATED MAY COMPEL
24 COMPLIANCE BY INJUNCTION OR GRANT OTHER APPROPRIATE RELIEF IN AN
25 ACTION BROUGHT BY THE PERSON STORING GAS IN THE STORAGE STRATUM.

26 (D) PREREQUISITES TO APPROPRIATION.--BEFORE APPROPRIATING
27 UNDER THIS CHAPTER, A PERSON SHALL ATTEMPT TO AGREE WITH OWNERS
28 OF INTERESTS IN THE REAL PROPERTY INVOLVED AS TO DAMAGES PAYABLE
29 FOR RIGHTS AND INTERESTS TO BE APPROPRIATED, IF THE OWNERS CAN
30 BE FOUND AND ARE SUI JURIS. IF THE PARTIES FAIL TO AGREE, THE

1 PERSON SHALL TENDER A SURETY BOND TO THE OWNERS TO SECURE THEM
2 IN THE PAYMENT OF DAMAGES. IF THE OWNERS REFUSE TO ACCEPT THE
3 BOND, CANNOT BE FOUND OR ARE NOT SUI JURIS, AND AFTER REASONABLE
4 NOTICE TO THE OWNERS BY ADVERTISEMENT OR OTHERWISE, THE BOND
5 SHALL BE PRESENTED FOR APPROVAL TO THE COURT OF COMMON PLEAS OF
6 THE COUNTY IN WHICH THE TRACT OF LAND IS SITUATED. UPON THE
7 APPROVAL OF THE BOND BY THE COURT, THE RIGHT OF THE PERSON TO
8 APPROPRIATE IN ACCORDANCE WITH THE PROVISIONS OF THIS CHAPTER
9 SHALL BE COMPLETE.

10 (E) APPOINTMENT OF VIEWERS.--UPON PETITION OF A PROPERTY
11 OWNER OR A PERSON APPROPRIATING UNDER THIS CHAPTER, THE COURT
12 SHALL:

13 (1) APPOINT THREE DISINTERESTED FREEHOLDERS OF THE
14 COUNTY TO SERVE AS VIEWERS TO ASSESS DAMAGES TO BE PAID TO
15 THE PROPERTY OWNER FOR THE RIGHTS APPROPRIATED;

16 (2) FIX A TIME FOR THE PARTIES TO MEET;

17 (3) PROVIDE NOTICE TO THE PARTIES; AND

18 (4) AFTER THE VIEWERS HAVE FILED THEIR REPORT, FIX
19 REASONABLE COMPENSATION FOR THE SERVICE OF THE VIEWERS.

20 (F) APPEAL.--WITHIN 20 DAYS AFTER THE FILING OF A REPORT BY
21 VIEWERS APPOINTED UNDER SUBSECTION (E), A PARTY MAY APPEAL AND
22 PROCEED TO A JURY TRIAL AS IN ORDINARY CASES.

23 (G) REQUIREMENTS.--NOTHING IN THIS SECTION SHALL RELIEVE A
24 PERSON OPERATING A STORAGE RESERVOIR FROM THE REQUIREMENTS OF
25 THIS CHAPTER.

26 SUBCHAPTER E

27 ENFORCEMENT AND REMEDIES

28 SEC.

29 3251. CONFERENCES.

30 3252. PUBLIC NUISANCES.

1 3253. ENFORCEMENT ORDERS.

2 3254. RESTRAINING VIOLATIONS.

3 3255. PENALTIES.

4 3256. CIVIL PENALTIES.

5 3257. EXISTING RIGHTS AND REMEDIES PRESERVED AND CUMULATIVE
6 REMEDIES AUTHORIZED.

7 3258. PRODUCTION OF MATERIALS, WITNESSES, DEPOSITIONS AND
8 RIGHTS OF ENTRY.

9 3259. UNLAWFUL CONDUCT.

10 3260. COLLECTION OF FINES AND PENALTIES.

11 3261. THIRD-PARTY LIABILITY.

12 § 3251. CONFERENCES.

13 (A) GENERAL RULE.--THE DEPARTMENT OR ANY PERSON HAVING A
14 DIRECT INTEREST IN A MATTER SUBJECT TO THIS CHAPTER MAY, AT ANY
15 TIME, REQUEST THAT A CONFERENCE BE HELD TO DISCUSS AND ATTEMPT
16 TO RESOLVE BY MUTUAL AGREEMENT A MATTER ARISING UNDER THIS
17 CHAPTER. UNLESS OTHERWISE PROVIDED, CONFERENCES SHALL BE HELD
18 WITHIN 90 DAYS AFTER A REQUEST IS RECEIVED BY THE DEPARTMENT,
19 AND NOTICE SHALL BE GIVEN BY THE DEPARTMENT TO ALL INTERESTED
20 PARTIES. A REPRESENTATIVE OF THE DEPARTMENT SHALL ATTEND THE
21 CONFERENCE AND THE DEPARTMENT MAY MAKE RECOMMENDATIONS. AN
22 AGREEMENT REACHED AT A CONFERENCE SHALL BE CONSISTENT WITH THIS
23 CHAPTER AND, IF APPROVED BY THE DEPARTMENT, IT SHALL BE REDUCED
24 TO WRITING AND SHALL BE EFFECTIVE, UNLESS REVIEWED AND REJECTED
25 BY THE DEPARTMENT WITHIN TEN DAYS AFTER THE CONFERENCE. THE
26 RECORD OF AN AGREEMENT APPROVED BY THE DEPARTMENT SHALL BE KEPT
27 ON FILE BY THE DEPARTMENT AND COPIES SHALL BE FURNISHED TO THE
28 PARTIES. THE SCHEDULING OF A CONFERENCE SHALL HAVE NO EFFECT ON
29 THE DEPARTMENT'S AUTHORITY TO ISSUE ORDERS TO COMPEL COMPLIANCE
30 WITH THIS CHAPTER.

1 (B) NOTIFICATION.--WHEN A COAL OPERATOR IS TO BE NOTIFIED OF
2 A PROCEEDING UNDER THIS SECTION, THE DEPARTMENT SIMULTANEOUSLY
3 SHALL SEND A COPY OF THE NOTICE TO THE COLLECTIVE BARGAINING
4 REPRESENTATIVE OF EMPLOYEES OF THE COAL OPERATOR.

5 § 3252. PUBLIC NUISANCES.

6 A VIOLATION OF SECTION 3216 (RELATING TO WELL SITE
7 RESTORATION), 3217 (RELATING TO PROTECTION OF FRESH GROUNDWATER
8 AND CASING REQUIREMENTS), 3218 (RELATING TO PROTECTION OF WATER
9 SUPPLIES), 3219 (RELATING TO USE OF SAFETY DEVICES) OR 3220
10 (RELATING TO PLUGGING REQUIREMENTS), OR A RULE, REGULATION,
11 ORDER, TERM OR CONDITION OF A PERMIT RELATING TO ANY OF THOSE
12 SECTIONS CONSTITUTES A PUBLIC NUISANCE.

13 § 3253. ENFORCEMENT ORDERS.

14 (A) GENERAL RULE.--EXCEPT AS MODIFIED BY SUBSECTIONS (B),
15 (C) AND (D), THE DEPARTMENT MAY ISSUE ORDERS NECESSARY TO AID IN
16 ENFORCEMENT OF THIS CHAPTER. AN ORDER ISSUED UNDER THIS CHAPTER
17 SHALL TAKE EFFECT UPON NOTICE, UNLESS THE ORDER SPECIFIES
18 OTHERWISE. THE POWER OF THE DEPARTMENT TO ISSUE AN ORDER UNDER
19 THIS CHAPTER IS IN ADDITION TO ANY OTHER REMEDY AVAILABLE TO THE
20 DEPARTMENT UNDER THIS CHAPTER OR UNDER ANY OTHER LAW.

21 (B) SUSPENSION AND REVOCATION.--THE DEPARTMENT MAY SUSPEND
22 OR REVOKE A WELL PERMIT OR WELL REGISTRATION FOR ANY WELL IN
23 CONTINUING VIOLATION OF THIS CHAPTER, THE ACT OF JUNE 22, 1937
24 (P.L.1987, NO.394), KNOWN AS THE CLEAN STREAMS LAW, THE ACT OF
25 JULY 7, 1980 (P.L.380, NO.97), KNOWN AS THE SOLID WASTE
26 MANAGEMENT ACT, ANY OTHER STATUTE ADMINISTERED BY THE DEPARTMENT
27 OR A RULE OR REGULATION. THE RIGHT OF THE DEPARTMENT TO REVOKE A
28 PERMIT OR REGISTRATION UNDER THIS SUBSECTION SHALL NOT BE
29 EFFECTIVE UNTIL A FINAL ADMINISTRATIVE DETERMINATION HAS BEEN
30 MADE OF THE VIOLATION AND NO APPEAL IS PENDING IN WHICH A STAY

1 HAS BEEN GRANTED. A SUSPENSION ORDER OF THE DEPARTMENT SHALL
2 AUTOMATICALLY TERMINATE IF THE VIOLATION UPON WHICH IT IS BASED
3 IS CORRECTED BY THE OPERATOR TO BRING THE WELL INTO COMPLIANCE
4 WITH THIS CHAPTER.

5 (C) WRITTEN NOTICE.--PRIOR TO SUSPENSION OR REVOCATION OF A
6 WELL PERMIT OR REGISTRATION, THE DEPARTMENT SHALL SERVE WRITTEN
7 NOTICE ON THE WELL OPERATOR OR ITS AGENT, STATING SPECIFICALLY
8 THE STATUTORY PROVISION, RULE, REGULATION OR OTHER REASON RELIED
9 UPON, ALONG WITH FACTUAL CIRCUMSTANCES SURROUNDING THE ALLEGED
10 VIOLATION. THE WELL OPERATOR SHALL HAVE 15 DAYS TO REQUEST A
11 CONFERENCE WITH THE DEPARTMENT TO SHOW CAUSE WHY ACTION SHOULD
12 NOT BE TAKEN. UPON RECEIPT OF A REQUEST, THE DEPARTMENT SHALL
13 HOLD A CONFERENCE AND RENDER A DECISION WITHIN 15 DAYS AFTER THE
14 CONFERENCE. THE DEPARTMENT SHALL PROVIDE WRITTEN NOTICE OF THE
15 DECISION TO THE WELL OPERATOR OR ITS AGENT, WHICH SHALL BECOME
16 EFFECTIVE UPON RECEIPT. IF THE DECISION IS TO SUSPEND OR REVOKE
17 THE PERMIT OR REGISTRATION, THE DEPARTMENT MAY ORDER THE
18 OPERATOR TO CAP THE WELL IF THE LIKELY RESULT OF THE VIOLATION
19 IS AN UNSAFE OPERATION OR ENVIRONMENTAL DAMAGE.

20 (D) IMMEDIATE ORDERS.--AN ORDER OF THE DEPARTMENT REQUIRING
21 IMMEDIATE CESSATION OF DRILLING OPERATIONS SHALL BE EFFECTIVE
22 ONLY IF AUTHORIZED BY THE SECRETARY OR BY THE EXECUTIVE DEPUTY
23 SECRETARY FOR ENVIRONMENTAL PROTECTION.

24 (E) GRIEVANCES.--A PERSON AGGRIEVED BY A DEPARTMENT ORDER
25 ISSUED UNDER THIS SECTION SHALL HAVE THE RIGHT, WITHIN 30 DAYS
26 OF RECEIPT OF THE NOTICE, TO APPEAL TO THE ENVIRONMENTAL HEARING
27 BOARD.

28 (F) INSPECTION REPORTS.--THE DEPARTMENT SHALL POST
29 INSPECTION REPORTS ON ITS PUBLICLY ACCESSIBLE INTERNET WEBSITE.
30 THE INSPECTION REPORTS SHALL INCLUDE:

- 1 (1) THE NATURE AND DESCRIPTION OF VIOLATIONS.
2 (2) THE OPERATOR'S WRITTEN RESPONSE TO THE VIOLATION, IF
3 AVAILABLE.
4 (3) THE STATUS OF THE VIOLATION.
5 (4) THE REMEDIAL STEPS TAKEN BY THE OPERATOR OR THE
6 DEPARTMENT TO ADDRESS THE VIOLATION.
7 § 3254. RESTRAINING VIOLATIONS.

8 (A) GENERAL RULE.--IN ADDITION TO ANY OTHER REMEDY PROVIDED
9 IN THIS CHAPTER, THE DEPARTMENT MAY INSTITUTE A SUIT IN EQUITY
10 IN THE NAME OF THE COMMONWEALTH FOR AN INJUNCTION TO RESTRAIN A
11 VIOLATION OF THIS CHAPTER OR RULES, REGULATIONS, STANDARDS OR
12 ORDERS ADOPTED OR ISSUED UNDER THIS CHAPTER AND TO RESTRAIN THE
13 MAINTENANCE OR THREAT OF A PUBLIC NUISANCE. UPON MOTION OF THE
14 COMMONWEALTH, THE COURT SHALL ISSUE A PROHIBITORY OR MANDATORY
15 PRELIMINARY INJUNCTION IF IT FINDS THAT THE DEFENDANT IS
16 ENGAGING IN UNLAWFUL CONDUCT, AS DEFINED BY THIS CHAPTER, OR
17 CONDUCT CAUSING IMMEDIATE AND IRREPARABLE HARM TO THE PUBLIC.
18 THE COMMONWEALTH SHALL NOT BE REQUIRED TO FURNISH BOND OR OTHER
19 SECURITY IN CONNECTION WITH THE PROCEEDING. IN ADDITION TO AN
20 INJUNCTION, THE COURT IN EQUITY MAY LEVEL CIVIL PENALTIES AS
21 SPECIFIED IN SECTION 3256 (RELATING TO CIVIL PENALTIES).

22 (B) DISTRICT ATTORNEY.--IN ADDITION TO OTHER REMEDIES IN
23 THIS CHAPTER, UPON RELATION OF THE DISTRICT ATTORNEY OF A COUNTY
24 AFFECTED, OR UPON RELATION OF THE SOLICITOR OF A MUNICIPALITY
25 AFFECTED, AN ACTION IN EQUITY MAY BE BROUGHT IN A COURT OF
26 COMPETENT JURISDICTION FOR AN INJUNCTION TO RESTRAIN A VIOLATION
27 OF THIS CHAPTER OR RULES AND REGULATIONS PROMULGATED UNDER THIS
28 CHAPTER OR TO RESTRAIN A PUBLIC NUISANCE OR DETRIMENT TO HEALTH.

29 (C) CONCURRENT PENALTIES.--PENALTIES AND REMEDIES UNDER THIS
30 CHAPTER SHALL BE DEEMED CONCURRENT. EXISTENCE OR EXERCISE OF ONE

1 REMEDY SHALL NOT PREVENT THE DEPARTMENT FROM EXERCISING ANOTHER
2 REMEDY AT LAW OR IN EQUITY.

3 (D) JURISDICTION.--ACTIONS UNDER THIS SECTION MAY BE FILED
4 IN THE APPROPRIATE COURT OF COMMON PLEAS OR IN COMMONWEALTH
5 COURT, AND THOSE COURTS ARE HEREBY GRANTED JURISDICTION TO HEAR
6 ACTIONS UNDER THIS SECTION.

7 § 3255. PENALTIES.

8 (A) GENERAL VIOLATION.--A PERSON VIOLATING A PROVISION OF
9 THIS CHAPTER COMMITS A SUMMARY OFFENSE AND, UPON CONVICTION,
10 SHALL BE SENTENCED TO PAY A FINE OF NOT MORE THAN \$1,000 OR TO
11 IMPRISONMENT OF NOT MORE THAN 90 DAYS, OR BOTH. EACH DAY DURING
12 WHICH THE VIOLATION CONTINUES IS A SEPARATE AND DISTINCT
13 OFFENSE.

14 (B) WILLFUL VIOLATION.--A PERSON WILLFULLY VIOLATING A
15 PROVISION OF THIS CHAPTER OR AN ORDER OF THE DEPARTMENT ISSUED
16 UNDER THIS CHAPTER COMMITS A MISDEMEANOR AND, UPON CONVICTION,
17 SHALL BE SENTENCED TO PAY A FINE OF NOT MORE THAN \$5,000 OR TO
18 IMPRISONMENT OF NOT MORE THAN ONE YEAR, OR BOTH. EACH DAY DURING
19 WHICH THE VIOLATION CONTINUES IS A SEPARATE AND DISTINCT
20 OFFENSE.

21 (C) AUTHORITY.--THE DEPARTMENT MAY INSTITUTE A PROSECUTION
22 AGAINST ANY PERSON OR MUNICIPALITY FOR A VIOLATION OF THIS
23 CHAPTER.

24 § 3256. CIVIL PENALTIES.

25 IN ADDITION TO OTHER REMEDIES AVAILABLE AT LAW OR IN EQUITY
26 FOR A VIOLATION OF THIS CHAPTER, A RULE OR REGULATION OF THE
27 DEPARTMENT OR A DEPARTMENTAL ORDER OR A PERMIT CONDITION, THE
28 DEPARTMENT, AFTER A HEARING, MAY ASSESS A CIVIL PENALTY
29 REGARDLESS OF WHETHER THE VIOLATION WAS WILLFUL. THE PENALTY
30 SHALL NOT EXCEED \$25,000 PLUS \$1,000 FOR EACH DAY DURING WHICH

1 THE VIOLATION CONTINUES, OR IN THE CASE OF A VIOLATION ARISING
2 FROM THE CONSTRUCTION, ALTERATION OR OPERATION OF AN
3 UNCONVENTIONAL WELL, \$75,000 PLUS \$5,000 FOR EACH DAY DURING
4 WHICH THE VIOLATION CONTINUES. IN DETERMINING THE AMOUNT, THE
5 DEPARTMENT SHALL CONSIDER WILLFULNESS OF THE VIOLATION, DAMAGE
6 OR INJURY TO NATURAL RESOURCES OF THIS COMMONWEALTH OR THEIR
7 USES, ENDANGERMENT OF SAFETY OF OTHERS, THE COST OF REMEDYING
8 THE HARM, SAVINGS RESULTING TO THE VIOLATOR AS A RESULT OF THE
9 VIOLATION AND ANY OTHER RELEVANT FACTOR. THE PENALTY SHALL BE
10 PAYABLE TO THE COMMONWEALTH AND COLLECTIBLE IN ANY MANNER
11 PROVIDED AT LAW FOR COLLECTION OF DEBTS. IF A VIOLATOR NEGLECTS
12 OR REFUSES TO PAY THE PENALTY AFTER DEMAND, THE AMOUNT, TOGETHER
13 WITH INTEREST AND COSTS THAT MAY ACCRUE, SHALL BECOME A LIEN IN
14 FAVOR OF THE COMMONWEALTH ON THE REAL AND PERSONAL PROPERTY OF
15 THE VIOLATOR, BUT ONLY AFTER THE LIEN HAS BEEN ENTERED AND
16 DOCKETED OF RECORD BY THE PROTHONOTARY OF THE COUNTY WHERE THE
17 PROPERTY IS SITUATED. THE DEPARTMENT MAY AT ANY TIME TRANSMIT TO
18 THE PROTHONOTARIES OF THE VARIOUS COUNTIES CERTIFIED COPIES OF
19 ALL LIENS. IT SHALL BE THE DUTY OF EACH PROTHONOTARY TO ENTER
20 AND DOCKET THE LIENS OF RECORD IN THE PROTHONOTARY'S OFFICE AND
21 INDEX THEM AS JUDGMENTS ARE INDEXED, WITHOUT REQUIRING PAYMENT
22 OF COSTS AS A CONDITION PRECEDENT TO ENTRY.

23 § 3257. EXISTING RIGHTS AND REMEDIES PRESERVED AND CUMULATIVE
24 REMEDIES AUTHORIZED.

25 NOTHING IN THIS CHAPTER ESTOPS THE COMMONWEALTH OR A DISTRICT
26 ATTORNEY FROM PROCEEDING IN A COURT OF LAW OR IN EQUITY TO ABATE
27 POLLUTION FORBIDDEN UNDER THIS CHAPTER OR A NUISANCE UNDER
28 EXISTING LAW. IT IS HEREBY DECLARED TO BE THE PURPOSE OF THIS
29 CHAPTER TO PROVIDE ADDITIONAL AND CUMULATIVE REMEDIES TO CONTROL
30 ACTIVITIES RELATED TO DRILLING FOR, OR PRODUCTION OF, OIL AND

1 GAS IN THIS COMMONWEALTH, AND NOTHING CONTAINED IN THIS CHAPTER
2 ABRIDGES OR ALTERS RIGHTS OF ACTION OR REMEDIES EXISTING, OR
3 WHICH EXISTED PREVIOUSLY, IN EQUITY OR UNDER COMMON OR STATUTORY
4 LAW, CRIMINAL OR CIVIL. NEITHER THIS CHAPTER, THE GRANT OF A
5 PERMIT UNDER THIS CHAPTER NOR AN ACT DONE BY VIRTUE OF THIS
6 CHAPTER ESTOPS THE COMMONWEALTH, IN EXERCISING RIGHTS UNDER
7 COMMON OR DECISIONAL LAW OR IN EQUITY, FROM SUPPRESSING A
8 NUISANCE, ABATING POLLUTION OR ENFORCING COMMON LAW OR STATUTORY
9 RIGHTS. NO COURT OF THIS COMMONWEALTH WITH JURISDICTION TO ABATE
10 PUBLIC OR PRIVATE NUISANCES SHALL BE DEPRIVED OF JURISDICTION IN
11 AN ACTION TO ABATE A PRIVATE OR PUBLIC NUISANCE INSTITUTED BY
12 ANY PERSON ON GROUNDS THAT THE NUISANCE CONSTITUTES AIR OR WATER
13 POLLUTION.

14 § 3258. PRODUCTION OF MATERIALS, WITNESSES, DEPOSITIONS AND
15 RIGHTS OF ENTRY.

16 (A) GENERAL RULE.--THE DEPARTMENT MAY MAKE INSPECTIONS,
17 CONDUCT TESTS OR SAMPLING OR EXAMINE BOOKS, PAPERS AND RECORDS
18 PERTINENT TO A MATTER UNDER INVESTIGATION UNDER THIS CHAPTER TO
19 DETERMINE COMPLIANCE WITH THIS CHAPTER. FOR THIS PURPOSE, THE
20 DULY AUTHORIZED AGENTS AND EMPLOYEES OF THE DEPARTMENT MAY AT
21 ALL REASONABLE TIMES ENTER AND EXAMINE ANY INVOLVED PROPERTY,
22 FACILITY, OPERATION OR ACTIVITY.

23 (B) ACCESS.--THE OWNER, OPERATOR OR OTHER PERSON IN CHARGE
24 OF A PROPERTY, FACILITY, OPERATION OR ACTIVITY UNDER THIS
25 CHAPTER, UPON PRESENTATION OF PROPER IDENTIFICATION AND PURPOSE
26 FOR INSPECTION BY AGENTS OR EMPLOYEES OF THE DEPARTMENT, SHALL
27 PROVIDE FREE AND UNRESTRICTED ENTRY AND ACCESS. UPON REFUSAL,
28 THE AGENT OR EMPLOYEE MAY OBTAIN A SEARCH WARRANT OR OTHER
29 SUITABLE ORDER AUTHORIZING ENTRY AND INSPECTION. IT SHALL BE
30 SUFFICIENT TO JUSTIFY ISSUANCE OF A SEARCH WARRANT AUTHORIZING

1 EXAMINATION AND INSPECTION IF:

2 (1) THERE IS PROBABLE CAUSE TO BELIEVE THAT THE OBJECT
3 OF THE INVESTIGATION IS SUBJECT TO REGULATION UNDER THIS
4 CHAPTER; AND

5 (2) ACCESS, EXAMINATION OR INSPECTION IS NECESSARY TO
6 ENFORCE THE PROVISIONS OF THIS CHAPTER.

7 (C) WITNESSES.--IN ANY PART OF THIS COMMONWEALTH, THE
8 DEPARTMENT MAY SUBPOENA WITNESSES, ADMINISTER OATHS, EXAMINE
9 WITNESSES, TAKE TESTIMONY AND COMPEL PRODUCTION OF BOOKS,
10 RECORDS, MAPS, PLATS, PAPERS, DOCUMENTS AND OTHER WRITINGS
11 PERTINENT TO PROCEEDINGS OR INVESTIGATIONS CONDUCTED BY THE
12 DEPARTMENT UNDER THIS CHAPTER. UPON REFUSAL TO OBEY A SUBPOENA
13 BY ANY PERSON AND ON APPLICATION OF THE DEPARTMENT, A COURT MAY
14 ENFORCE A SUBPOENA IN CONTEMPT PROCEEDINGS. FEES FOR SERVING A
15 SUBPOENA SHALL BE THE SAME AS THOSE PAID TO SHERIFFS FOR SIMILAR
16 SERVICES.

17 (D) DEPOSITION.--THE DEPARTMENT OR A PARTY TO A PROCEEDING
18 BEFORE THE DEPARTMENT MAY CAUSE THE DEPOSITION OF A WITNESS WHO
19 RESIDES IN OR OUTSIDE OF THIS COMMONWEALTH TO BE TAKEN IN THE
20 MANNER PRESCRIBED BY LAW FOR TAKING DEPOSITIONS IN CIVIL
21 ACTIONS.

22 (E) WITNESS FEE.--WITNESSES SUMMONED BEFORE THE DEPARTMENT
23 SHALL BE PAID THE SAME FEES AS ARE PAID TO WITNESSES IN COURTS
24 OF RECORD OF GENERAL JURISDICTION. WITNESSES WHOSE DEPOSITIONS
25 ARE TAKEN UNDER THIS CHAPTER, AND THE OFFICERS TAKING THOSE
26 DEPOSITIONS, SHALL BE ENTITLED TO THE SAME FEES AS THOSE PAID
27 FOR LIKE SERVICES IN COURT.

28 (F) PURCHASERS.--UPON REQUEST, A PURCHASER OF OIL OR GAS
29 SHALL PROVIDE THE DEPARTMENT INFORMATION NECESSARY TO DETERMINE
30 OWNERSHIP OF FACILITIES FROM WHICH THE PURCHASER OBTAINED OIL OR

1 GAS. THE INFORMATION SHALL BE KEPT CONFIDENTIAL FOR A PERIOD OF
2 FIVE YEARS AND THE DEPARTMENT MAY UTILIZE IT IN ENFORCEMENT
3 PROCEEDINGS. THE DEPARTMENT MAY REQUEST INFORMATION UNDER THIS
4 SECTION ONLY WHEN A WELL DOES NOT COMPLY WITH SECTION 3211(H)
5 (RELATING TO WELL PERMITS).

6 § 3259. UNLAWFUL CONDUCT.

7 IT SHALL BE UNLAWFUL FOR ANY PERSON TO:

8 (1) DRILL, ALTER, OPERATE OR UTILIZE AN OIL OR GAS WELL
9 WITHOUT A PERMIT OR REGISTRATION FROM THE DEPARTMENT AS
10 REQUIRED BY THIS CHAPTER OR IN VIOLATION OF RULES OR
11 REGULATIONS ADOPTED UNDER THIS CHAPTER, ORDERS OF THE
12 DEPARTMENT OR A TERM OR CONDITION OF A PERMIT ISSUED BY THE
13 DEPARTMENT.

14 (2) CONDUCT AN ACTIVITY RELATED TO DRILLING FOR, OR
15 PRODUCTION OF, OIL AND GAS:

16 (I) CONTRARY TO THIS CHAPTER, RULES OR REGULATIONS
17 ADOPTED UNDER THIS CHAPTER, AN ORDER OF THE DEPARTMENT OR
18 A TERM OR CONDITION OF A PERMIT ISSUED BY THE DEPARTMENT;

19 OR

20 (II) IN ANY MANNER AS TO CREATE A PUBLIC NUISANCE OR
21 ADVERSELY AFFECT PUBLIC HEALTH, SAFETY, WELFARE OR THE
22 ENVIRONMENT.

23 (3) REFUSE, OBSTRUCT, DELAY OR THREATEN AN AGENT OR
24 EMPLOYEE OF THE DEPARTMENT ACTING IN THE COURSE OF LAWFUL
25 PERFORMANCE OF A DUTY UNDER THIS CHAPTER, INCLUDING, BUT NOT
26 LIMITED TO, ENTRY AND INSPECTION.

27 (4) ATTEMPT TO OBTAIN A PERMIT OR IDENTIFY A WELL AS AN
28 ORPHAN WELL BY MISREPRESENTATION OR FAILURE TO DISCLOSE ALL
29 RELEVANT FACTS.

30 (5) CAUSE ABANDONMENT OF A WELL BY REMOVAL OF CASING OR

1 EQUIPMENT NECESSARY FOR PRODUCTION WITHOUT PLUGGING THE WELL
2 IN THE MANNER PRESCRIBED UNDER SECTION 3220 (RELATING TO
3 PLUGGING REQUIREMENTS), EXCEPT THAT THE OWNER OR OPERATOR OF
4 A WELL MAY TEMPORARILY REMOVE CASING OR EQUIPMENT NECESSARY
5 FOR PRODUCTION, BUT ONLY IF IT IS PART OF THE NORMAL COURSE
6 OF PRODUCTION ACTIVITIES.

7 § 3260. COLLECTION OF FINES AND PENALTIES.

8 FINES AND PENALTIES SHALL BE COLLECTIBLE IN A MANNER PROVIDED
9 BY LAW FOR COLLECTION OF DEBTS. IF A PERSON LIABLE TO PAY A
10 PENALTY NEGLECTS OR REFUSES TO PAY AFTER DEMAND, THE AMOUNT,
11 TOGETHER WITH INTEREST AND COSTS THAT MAY ACCRUE, SHALL BE A
12 JUDGMENT IN FAVOR OF THE COMMONWEALTH ON THE PERSON'S PROPERTY,
13 BUT ONLY AFTER THE JUDGMENT HAS BEEN ENTERED AND DOCKETED OF
14 RECORD BY THE PROTHONOTARY OF THE COUNTY WHERE THE PROPERTY IS
15 SITUATED. THE DEPARTMENT MAY TRANSMIT TO PROTHONOTARIES OF THE
16 VARIOUS COUNTIES CERTIFIED COPIES OF ALL JUDGMENTS, AND IT SHALL
17 BE THE DUTY OF EACH PROTHONOTARY TO ENTER AND DOCKET THEM OF
18 RECORD IN THE PROTHONOTARY'S OFFICE AND INDEX THEM AS JUDGMENTS
19 ARE INDEXED, WITHOUT REQUIRING PAYMENT OF COSTS AS A CONDITION
20 PRECEDENT TO ENTRY.

21 § 3261. THIRD-PARTY LIABILITY.

22 IF A PERSON OTHER THAN A WELL OPERATOR RENDERS A SERVICE OR
23 PRODUCT TO A WELL OR WELL SITE, THAT PERSON IS JOINTLY AND
24 SEVERALLY LIABLE WITH THE WELL OWNER OR OPERATOR FOR VIOLATIONS
25 OF THIS CHAPTER ARISING OUT OF AND CAUSED BY THE PERSON'S
26 ACTIONS AT THE WELL OR WELL SITE.

27 SUBCHAPTER F

28 (RESERVED)

29 SUBCHAPTER G

30 MISCELLANEOUS PROVISIONS

1 SEC.
2 3291. WELL PLUGGING FUNDS.
3 3292. LOCAL ORDINANCES.
4 3293. EFFECT ON DEPARTMENT AUTHORITY.
5 3294. RELATIONSHIP TO SOLID WASTE AND SURFACE MINING.
6 3295. REGULATORY AUTHORITY.
7 § 3291. WELL PLUGGING FUNDS.

8 (A) APPROPRIATION.--FINES, CIVIL PENALTIES AND PERMIT AND
9 REGISTRATION FEES COLLECTED UNDER THIS CHAPTER ARE APPROPRIATED
10 TO THE DEPARTMENT TO CARRY OUT THE PURPOSES OF THIS CHAPTER.

11 (B) SURCHARGE.--TO AID IN INDEMNIFYING THE COMMONWEALTH FOR
12 THE COST OF PLUGGING ABANDONED WELLS, A \$50 SURCHARGE IS ADDED
13 TO THE PERMIT FEE ESTABLISHED BY THE DEPARTMENT UNDER SECTION
14 3211 (RELATING TO WELL PERMITS) FOR NEW WELLS. MONEY COLLECTED
15 AS A RESULT OF THE SURCHARGE SHALL BE PAID INTO A RESTRICTED
16 REVENUE ACCOUNT IN THE STATE TREASURY TO BE KNOWN AS THE
17 ABANDONED WELL PLUGGING FUND AND EXPENDED BY THE DEPARTMENT TO
18 PLUG ABANDONED WELLS THREATENING THE HEALTH AND SAFETY OF
19 PERSONS OR PROPERTY OR POLLUTION OF WATERS OF THIS COMMONWEALTH.

20 (C) ORPHAN WELL PLUGGING FUND.--THE FOLLOWING SHALL APPLY:

21 (1) A RESTRICTED REVENUE ACCOUNT TO BE KNOWN AS THE
22 ORPHAN WELL PLUGGING FUND IS CREATED. A \$100 SURCHARGE FOR
23 WELLS TO BE DRILLED FOR OIL PRODUCTION AND A \$200 SURCHARGE
24 FOR WELLS TO BE DRILLED FOR GAS PRODUCTION ARE ADDED TO THE
25 PERMIT FEE ESTABLISHED BY THE DEPARTMENT UNDER SECTION 3211
26 FOR NEW WELLS. THE SURCHARGES SHALL BE PLACED IN THE ORPHAN
27 WELL PLUGGING FUND AND EXPENDED BY THE DEPARTMENT TO PLUG
28 ORPHAN WELLS. IF AN OPERATOR REHABILITATES A WELL ABANDONED
29 BY ANOTHER OPERATOR OR AN ORPHAN WELL, THE PERMIT FEE AND THE
30 SURCHARGE FOR THE WELL SHALL BE WAIVED.

1 (2) THE DEPARTMENT SHALL STUDY ITS EXPERIENCE IN
2 IMPLEMENTING THIS SECTION AND SHALL REPORT ITS FINDINGS TO
3 THE GOVERNOR AND THE GENERAL ASSEMBLY BY AUGUST 1, 1992. THE
4 REPORT SHALL CONTAIN INFORMATION RELATING TO THE BALANCE OF
5 THE FUND, NUMBER OF WELLS PLUGGED, NUMBER OF IDENTIFIED WELLS
6 ELIGIBLE FOR PLUGGING AND RECOMMENDATIONS AS TO ALTERNATIVE
7 FUNDING MECHANISMS.

8 (3) EXPENDITURES BY THE DEPARTMENT FOR PLUGGING ORPHAN
9 WELLS ARE LIMITED TO FEES COLLECTED UNDER THIS CHAPTER. NO
10 MONEY FROM THE GENERAL FUND SHALL BE EXPENDED FOR THIS
11 PURPOSE.

12 § 3292. LOCAL ORDINANCES.

13 EXCEPT WITH RESPECT TO ORDINANCES ADOPTED UNDER THE ACT OF
14 JULY 31, 1968 (P.L.805, NO.247), KNOWN AS THE PENNSYLVANIA
15 MUNICIPALITIES PLANNING CODE, THE ACT OF OCTOBER 4, 1978
16 (P.L.851, NO.166), KNOWN AS THE FLOOD PLAIN MANAGEMENT ACT, AND
17 THE ACT OF MARCH 31, 1927 (P.L.98, NO.69), REFERRED TO AS THE
18 SECOND CLASS CITY ZONING LAW, LOCAL ORDINANCES AND ENACTMENTS
19 PURPORTING TO REGULATE OIL AND GAS WELL OPERATIONS REGULATED BY
20 THIS CHAPTER ARE PREEMPTED AND SUPERSEDED BY THIS CHAPTER TO THE
21 EXTENT THE ORDINANCES AND ENACTMENTS REGULATE THE METHOD OF OIL
22 AND GAS WELL OPERATIONS. NO ORDINANCES OR ENACTMENTS ADOPTED
23 UNDER THOSE ACTS SHALL IMPOSE CONDITIONS, REQUIREMENTS OR
24 LIMITATIONS THAT ARE INCONSISTENT WITH THIS PART.

25 § 3293. EFFECT ON DEPARTMENT AUTHORITY.

26 THIS CHAPTER DOES NOT AFFECT, LIMIT OR IMPAIR ANY RIGHT OR
27 AUTHORITY OF THE DEPARTMENT UNDER THE ACT OF JUNE 22, 1937
28 (P.L.1987, NO.394), KNOWN AS THE CLEAN STREAMS LAW, THE ACT OF
29 JANUARY 8, 1960 (1959 P.L.2119, NO.787), KNOWN AS THE AIR
30 POLLUTION CONTROL ACT, THE ACT OF NOVEMBER 26, 1978 (P.L.1375,

1 NO.325), KNOWN AS THE DAM SAFETY AND ENCROACHMENTS ACT OR THE
2 ACT OF JULY 7, 1980 (P.L.380, NO.97), KNOWN AS THE SOLID WASTE
3 MANAGEMENT ACT.

4 § 3294. RELATIONSHIP TO SOLID WASTE AND SURFACE MINING.

5 (A) GENERAL RULE.--THE OBLIGATION TO OBTAIN A PERMIT AND
6 POST A BOND UNDER ARTICLES III AND V OF THE ACT OF JULY 7, 1980
7 (P.L.380, NO.97), KNOWN AS THE SOLID WASTE MANAGEMENT ACT, AND
8 TO PROVIDE PUBLIC NOTICE UNDER SECTION 1905-A(B)(1)(V) OF THE
9 ACT OF APRIL 9, 1929 (P.L.177, NO.175), KNOWN AS THE
10 ADMINISTRATIVE CODE OF 1929, FOR ANY PIT, IMPOUNDMENT, METHOD OR
11 FACILITY EMPLOYED FOR THE DISPOSAL, PROCESSING OR STORAGE OF
12 RESIDUAL WASTES GENERATED BY THE DRILLING OF AN OIL OR GAS WELL
13 OR FROM THE PRODUCTION OF WELLS WHICH IS LOCATED ON THE WELL
14 SITE, SHALL BE CONSIDERED TO HAVE BEEN SATISFIED IF THE OWNER OR
15 OPERATOR OF THE WELL MEETS THE FOLLOWING CONDITIONS:

16 (1) THE WELL IS PERMITTED UNDER THE REQUIREMENTS OF
17 SECTION 3211 (RELATING TO WELL PERMITS) OR REGISTERED UNDER
18 SECTION 3213 (RELATING TO WELL REGISTRATION AND
19 IDENTIFICATION);

20 (2) THE OWNER OR OPERATOR HAS SATISFIED THE FINANCIAL
21 SECURITY REQUIREMENTS OF SECTION 3225 (RELATING TO BONDING)
22 BY OBTAINING A SURETY OR COLLATERAL BOND FOR THE WELL AND
23 WELL SITE; AND

24 (3) THE OWNER OR OPERATOR MAINTAINS COMPLIANCE WITH THIS
25 CHAPTER AND APPLICABLE REGULATIONS OF THE ENVIRONMENTAL
26 QUALITY BOARD.

27 (B) NONCOAL SURFACE MINING.--OBLIGATIONS UNDER THE ACT OF
28 DECEMBER 19, 1984 (P.L.1093, NO.219), KNOWN AS THE NONCOAL
29 SURFACE MINING CONSERVATION AND RECLAMATION ACT, OR A RULE OR
30 REGULATION PROMULGATED THEREUNDER, FOR ANY BORROW AREA WHERE

1 MINERALS ARE EXTRACTED SOLELY FOR THE PURPOSE OF OIL AND GAS
2 WELL DEVELOPMENT, INCLUDING ACCESS ROAD CONSTRUCTION, SHALL BE
3 CONSIDERED TO HAVE BEEN SATISFIED IF THE OWNER OR OPERATOR OF
4 THE WELL MEETS THE CONDITIONS IMPOSED UNDER SUBSECTION (A) (1)
5 AND (2) AND MAINTAINS COMPLIANCE WITH THIS CHAPTER AND
6 APPLICABLE REGULATIONS OF THE ENVIRONMENTAL QUALITY BOARD.

7 (C) SOLID WASTE MANAGEMENT ACT.--THIS SECTION DOES NOT
8 DIMINISH OR OTHERWISE AFFECT DUTIES OR OBLIGATIONS OF AN OWNER
9 OR OPERATOR UNDER THE SOLID WASTE MANAGEMENT ACT. THIS SECTION
10 DOES NOT APPLY TO WASTE CLASSIFIED AS HAZARDOUS WASTE UNDER THE
11 SOLID WASTE MANAGEMENT ACT OR THE RESOURCE CONSERVATION AND
12 RECOVERY ACT OF 1976 (PUBLIC LAW 94-580, 90 STAT. 2795, 42
13 U.S.C. § 6901 ET SEQ.).

14 (D) DEFINITION.--AS USED IN THIS SECTION AND SECTIONS 3216
15 (RELATING TO WELL SITE RESTORATION) AND 3225 (RELATING TO
16 BONDING), THE TERM "WELL SITE" MEANS AREAS OCCUPIED BY ALL
17 EQUIPMENT OR FACILITIES NECESSARY FOR OR INCIDENTAL TO DRILLING,
18 PRODUCTION OR PLUGGING A WELL.
19 § 3295. REGULATORY AUTHORITY.

20 THE ENVIRONMENTAL QUALITY BOARD SHALL ADOPT REGULATIONS TO
21 IMPLEMENT THIS CHAPTER.

22 CHAPTER 33

23 LOCAL ORDINANCES RELATING TO

24 OIL AND GAS OPERATIONS

25 SEC.

26 3301. SCOPE OF CHAPTER.

27 3302. DEFINITIONS.

28 3303. LOCAL ORDINANCES.

29 3304. REVIEW BY ATTORNEY GENERAL.

30 3305. CIVIL ACTIONS.

1 3306. COMMONWEALTH COURT MASTERS.

2 3307. ATTORNEY FEES AND COSTS.

3 3308. SANCTION.

4 3309. PROVISIONS OF LOCAL ORDINANCES.

5 3310. APPLICABILITY.

6 § 3301. SCOPE OF CHAPTER.

7 THE PURPOSES OF THIS CHAPTER ARE TO:

8 (1) ALLOW MUNICIPALITIES TO EFFICIENTLY REGULATE OIL AND
9 GAS OPERATIONS CONSISTENT WITH THEIR AUTHORITY UNDER THE ACT
10 OF JULY 31, 1968 (P.L.805, NO.247), KNOWN AS THE PENNSYLVANIA
11 MUNICIPALITIES PLANNING CODE.

12 (2) FOSTER THE EXPEDITIOUS AND EFFICIENT HANDLING OF
13 MUNICIPAL OIL AND GAS PROCEDURES.

14 (3) CLARIFY THE ROLE OF ALL FEDERAL AND STATE AGENCIES
15 AND MUNICIPAL GOVERNMENTS WITH REGARD TO OIL AND GAS
16 DEVELOPMENT ACTIVITIES.

17 § 3302. DEFINITIONS.

18 THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
19 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
20 CONTEXT CLEARLY INDICATES OTHERWISE:

21 "BUILDING." AN OCCUPIED STRUCTURE WITH WALLS AND ROOF WITHIN
22 WHICH INDIVIDUALS LIVE OR CUSTOMARILY WORK.

23 "ENVIRONMENT ACTS." ALL STATUTES ENACTED BY THE COMMONWEALTH
24 RELATING TO THE PROTECTION OF THE ENVIRONMENT OR THE PROTECTION
25 OF PUBLIC HEALTH, SAFETY AND WELFARE, THAT ARE ADMINISTERED AND
26 ENFORCED BY THE DEPARTMENT OR BY ANOTHER COMMONWEALTH AGENCY,
27 INCLUDING AN INDEPENDENT AGENCY, AND ALL FEDERAL STATUTES
28 RELATING TO THE PROTECTION OF THE ENVIRONMENT, TO THE EXTENT
29 THOSE STATUTES REGULATE OIL AND GAS OPERATIONS.

30 "LOCAL GOVERNMENT." A COUNTY, CITY, BOROUGH, INCORPORATED

1 TOWN OR TOWNSHIP OF THIS COMMONWEALTH.

2 "LOCAL ORDINANCE." AN ORDINANCE ADOPTED BY A LOCAL
3 GOVERNMENT THAT REGULATES OIL AND GAS OPERATIONS.

4 "MPC." THE ACT OF JULY 31, 1968 (P.L.805, NO.247), KNOWN AS
5 THE PENNSYLVANIA MUNICIPALITIES PLANNING CODE.

6 "OIL AND GAS OPERATIONS." THE TERM INCLUDES THE FOLLOWING:

7 (1) WELL LOCATION ASSESSMENT, INCLUDING SEISMIC
8 OPERATIONS, WELL SITE PREPARATION, CONSTRUCTION, DRILLING,
9 HYDRAULIC FRACTURING AND SITE RESTORATION ASSOCIATED WITH AN
10 OIL OR GAS WELL OF ANY DEPTH;

11 (2) WATER AND OTHER FLUID STORAGE OR IMPOUNDMENT AREAS
12 USED EXCLUSIVELY FOR OIL AND GAS OPERATIONS;

13 (3) CONSTRUCTION, INSTALLATION, USE, MAINTENANCE AND
14 REPAIR OF:

15 (I) OIL AND GAS PIPELINES;

16 (II) NATURAL GAS COMPRESSOR STATIONS; AND

17 (III) NATURAL GAS PROCESSING PLANTS OR FACILITIES
18 PERFORMING EQUIVALENT FUNCTIONS; AND

19 (4) CONSTRUCTION, INSTALLATION, USE, MAINTENANCE AND
20 REPAIR OF ALL EQUIPMENT DIRECTLY ASSOCIATED WITH ACTIVITIES
21 SPECIFIED IN PARAGRAPHS (1), (2) AND (3), TO THE EXTENT THAT:

22 (I) THE EQUIPMENT IS NECESSARILY LOCATED AT OR
23 IMMEDIATELY ADJACENT TO A WELL SITE, IMPOUNDMENT AREA,
24 OIL AND GAS PIPELINE, NATURAL GAS COMPRESSOR STATION OR
25 NATURAL GAS PROCESSING PLANT; AND

26 (II) THE ACTIVITIES ARE AUTHORIZED AND PERMITTED
27 UNDER THE AUTHORITY OF A FEDERAL OR COMMONWEALTH AGENCY.

28 "PERMITTED USE." A USE WHICH, UPON SUBMISSION OF NOTICE TO
29 AND RECEIPT OF A PERMIT ISSUED BY A ZONING OFFICER OR EQUIVALENT
30 OFFICIAL, IS AUTHORIZED TO BE CONDUCTED WITHOUT RESTRICTIONS

1 OTHER THAN THOSE SET FORTH IN SECTION 3309 (RELATING TO
2 PROVISIONS OF LOCAL ORDINANCES).

3 § 3303. LOCAL ORDINANCES.

4 (A) GENERAL RULE.--A LOCAL ORDINANCE MAY ONLY BE ENACTED
5 PURSUANT TO THE MPC, THE ACT OF MARCH 31, 1927 (P.L.98, NO.69),
6 REFERRED TO AS THE SECOND CLASS CITY ZONING LAW, OR THE ACT OF
7 OCTOBER 4, 1978 (P.L.851, NO.166), KNOWN AS THE FLOOD PLAIN
8 MANAGEMENT ACT, AS APPLICABLE, AND SHALL PROVIDE FOR THE
9 REASONABLE DEVELOPMENT OF MINERALS WITHIN THE LOCAL GOVERNMENT
10 IN ACCORDANCE WITH THE PROVISIONS OF SECTION 603(I) OF THE MPC
11 AND THIS CHAPTER.

12 (B) LIMITATION.--EXCEPT AS PROVIDED IN THIS CHAPTER, A LOCAL
13 ORDINANCE SHALL NOT CONFLICT WITH AND SHALL NOT REGULATE OIL AND
14 GAS OPERATIONS COVERED BY THE ENVIRONMENT ACTS, EXCEPT TO THE
15 EXTENT THAT THE ENVIRONMENT ACTS PROVIDE THE AUTHORITY.

16 (C) CONSTRUCTION.--NOTHING IN THIS CHAPTER SHALL BE
17 CONSTRUED TO IMPAIR OR INFRINGE ON THE PREEMPTION PROVISIONS OF
18 SECTION 3292 (RELATING TO LOCAL ORDINANCES).

19 § 3304. REVIEW BY ATTORNEY GENERAL.

20 (A) REQUEST OF OWNER OR OPERATOR.--AN OWNER OR OPERATOR OF
21 AN OIL AND GAS OPERATION, OR ANY PERSON HAVING THE RIGHT TO
22 ROYALTY PAYMENTS UNDER A LEASE OF OIL OR GAS MINERAL RIGHTS, MAY
23 REQUEST THE ATTORNEY GENERAL TO REVIEW A LOCAL ORDINANCE TO
24 DETERMINE WHETHER IT ALLOWS FOR THE REASONABLE DEVELOPMENT OF
25 OIL AND GAS RESOURCES IN ACCORDANCE WITH THE PROVISIONS
26 SPECIFICALLY ADDRESSED IN THIS CHAPTER, CHAPTER 32 (RELATING TO
27 REGULATION), THE MPC AND JUDICIAL DECISIONS OF THE COMMONWEALTH.

28 (B) PREENACTMENT REVIEW.--A LOCAL GOVERNMENT MAY, PRIOR TO
29 THE ENACTMENT OF A LOCAL ORDINANCE, REQUEST THE ATTORNEY GENERAL
30 TO REVIEW THE ORDINANCE TO DETERMINE WHETHER IT ALLOWS FOR THE

1 REASONABLE DEVELOPMENT OF OIL AND GAS RESOURCES IN ACCORDANCE
2 WITH THE PROVISIONS OF THIS CHAPTER, CHAPTER 32, THE MPC AND
3 JUDICIAL DECISIONS OF THE COMMONWEALTH.

4 (C) TIME PERIOD FOR REVIEW.--WITHIN 120 DAYS OF RECEIVING A
5 REQUEST UNDER SUBSECTION (A) OR (B), THE ATTORNEY GENERAL SHALL
6 ADVISE IN WRITING THE PERSON THAT MADE THE REQUEST WHETHER OR
7 NOT THE ATTORNEY GENERAL DETERMINES THAT THE LOCAL ORDINANCE
8 PROVIDES FOR THE REASONABLE DEVELOPMENT OF OIL AND GAS RESERVES
9 AND PROVIDE A COPY OF THE WRITTEN DETERMINATION TO THE AFFECTED
10 LOCAL GOVERNMENT.

11 § 3305. CIVIL ACTIONS.

12 (A) ATTORNEY GENERAL.--THE ATTORNEY GENERAL MAY BRING AN
13 ACTION AGAINST A LOCAL GOVERNMENT IN COMMONWEALTH COURT TO
14 INVALIDATE OR ENJOIN THE ENFORCEMENT OF A LOCAL ORDINANCE THAT
15 DOES NOT ALLOW FOR THE REASONABLE DEVELOPMENT OF OIL AND GAS
16 RESOURCES.

17 (B) PRIVATE RIGHT OF ACTION.--

18 (1) NOTWITHSTANDING ANY PROVISION OF 42 PA.C.S. CH. 85
19 SUBCH. C (RELATING TO ACTIONS AGAINST LOCAL PARTIES), ANY
20 PERSON WHO IS AGGRIEVED BY THE ENACTMENT OR ENFORCEMENT OF A
21 LOCAL ORDINANCE THAT DOES NOT ALLOW FOR THE REASONABLE
22 DEVELOPMENT OF OIL AND GAS RESOURCES IN ACCORDANCE WITH THE
23 PROVISIONS OF SECTION 3292 (RELATING TO LOCAL ORDINANCES) MAY
24 BRING AN ACTION IN COMMONWEALTH COURT TO INVALIDATE THE
25 ORDINANCE OR ENJOIN ITS ENFORCEMENT.

26 (2) AN AGGRIEVED PERSON MAY PROCEED WITHOUT FIRST
27 OBTAINING REVIEW OF THE ORDINANCE BY THE ATTORNEY GENERAL OR
28 MAY PROCEED AFTER RECEIVING SUCH REVIEW IF THE ATTORNEY
29 GENERAL DETERMINES THAT THE ORDINANCE FAILS TO COMPLY WITH
30 THIS CHAPTER BUT DECLINES TO BRING AN ACTION UNDER SUBSECTION

1 (A) .

2 (3) IN AN ACTION BROUGHT RELATING TO THE ENACTMENT OR
3 ENFORCEMENT OF A LOCAL ORDINANCE, THE DETERMINATION OF THE
4 ATTORNEY GENERAL MADE UNDER SECTION 3304 (RELATING TO REVIEW
5 BY ATTORNEY GENERAL) SHALL BECOME PART OF THE RECORD BEFORE
6 THE COURT.

7 § 3306. COMMONWEALTH COURT MASTERS.

8 (A) GENERAL RULE.--THE COMMONWEALTH COURT MAY PROMULGATE
9 RULES FOR THE SELECTION AND APPOINTMENT OF MASTERS ON A FULL-
10 TIME OR PART-TIME BASIS TO OVERSEE ACTIONS BROUGHT UNDER SECTION
11 3305 (RELATING TO CIVIL ACTIONS). A MASTER MUST BE A MEMBER OF
12 THE BAR OF THIS COMMONWEALTH. THE NUMBER AND COMPENSATION OF
13 MASTERS SHALL BE FIXED BY THE COMMONWEALTH COURT, AND THEIR
14 COMPENSATION SHALL BE PAID BY THE COMMONWEALTH.

15 (B) PROCEDURE.--

16 (1) THE COMMONWEALTH COURT MAY DIRECT THAT A HEARING IN
17 AN ACTION BROUGHT UNDER SECTION 3305 BE CONDUCTED IN THE
18 FIRST INSTANCE BY THE MASTER IN THE MANNER PROVIDED FOR IN
19 THIS SECTION.

20 (2) UPON THE CONCLUSION OF A HEARING BEFORE A MASTER,
21 THE MASTER SHALL TRANSMIT WRITTEN FINDINGS AND
22 RECOMMENDATIONS FOR DISPOSITION TO THE PRESIDENT JUDGE.
23 PROMPT WRITTEN NOTICE AND COPIES OF THE FINDINGS AND
24 RECOMMENDATIONS SHALL BE GIVEN TO THE PARTIES TO THE
25 PROCEEDING.

26 (3) THE FINDINGS AND RECOMMENDATIONS OF THE MASTER SHALL
27 BECOME THE FINDINGS AND ORDER OF THE COMMONWEALTH COURT UPON
28 WRITTEN CONFIRMATION BY THE PRESIDENT JUDGE. A REHEARING MAY
29 BE ORDERED BY THE PRESIDENT JUDGE AT ANY TIME UPON CAUSE
30 SHOWN.

1 § 3307. ATTORNEY FEES AND COSTS.

2 IN AN ACTION BROUGHT UNDER SECTION 3305 (RELATING TO CIVIL
3 ACTIONS), THE COURT MAY DO ANY OF THE FOLLOWING:

4 (1) IF THE COURT DETERMINES THAT THE LOCAL GOVERNMENT
5 ENACTED OR ENFORCED A LOCAL ORDINANCE WITH WILLFUL OR
6 RECKLESS DISREGARD FOR THE LIMITATION OF AUTHORITY
7 ESTABLISHED UNDER STATE LAW, IT MAY ORDER THE LOCAL
8 GOVERNMENT TO PAY THE PLAINTIFF REASONABLE ATTORNEY FEES AND
9 OTHER REASONABLE COSTS INCURRED BY THE PLAINTIFF IN
10 CONNECTION WITH THE ACTION.

11 (2) IF THE COURT DETERMINES THAT THE ACTION BROUGHT BY
12 THE PLAINTIFF WAS FRIVOLOUS OR WAS BROUGHT WITHOUT
13 SUBSTANTIAL JUSTIFICATION IN CLAIMING THAT THE LOCAL
14 ORDINANCE IN QUESTION WAS CONTRARY TO THE REQUIREMENTS OF
15 THIS CHAPTER OR CHAPTER 32 (RELATING TO REGULATIONS), THE OIL
16 AND GAS ACT, IT MAY ORDER THE PLAINTIFF TO PAY THE LOCAL
17 GOVERNMENT REASONABLE ATTORNEY FEES AND OTHER REASONABLE
18 COSTS INCURRED BY THE LOCAL GOVERNMENT IN DEFENDING THE
19 ACTION.

20 § 3308. SANCTION.

21 IF THE ATTORNEY GENERAL, THE COMMONWEALTH COURT OR THE
22 SUPREME COURT DETERMINES THAT A LOCAL ORDINANCE FAILS TO PROVIDE
23 FOR THE REASONABLE DEVELOPMENT OF OIL AND GAS RESOURCES, THE
24 LOCAL GOVERNMENT ENACTING OR ENFORCING THE LOCAL ORDINANCE SHALL
25 BE IMMEDIATELY INELIGIBLE TO RECEIVE ANY FUNDS COLLECTED UNDER
26 CHAPTER 23 (RELATING TO DRILLING IMPACT FEE). THE LOCAL
27 GOVERNMENT SHALL REMAIN INELIGIBLE TO RECEIVE FUNDS UNDER
28 CHAPTER 23 UNTIL THE LOCAL GOVERNMENT AMENDS OR REPEALS ITS
29 LOCAL ORDINANCE IN ACCORDANCE WITH THIS CHAPTER.

30 § 3309. PROVISIONS OF LOCAL ORDINANCES.

1 IN ORDER TO ALLOW FOR THE REASONABLE DEVELOPMENT OF OIL AND
2 GAS RESOURCES, A LOCAL ORDINANCE MUST, IN ADDITION TO COMPLYING
3 WITH THIS CHAPTER, CHAPTER 32 (RELATING TO REGULATIONS) THE OIL
4 AND GAS ACT, THE MPC AND JUDICIAL DECISIONS OF THE COMMONWEALTH:

5 (1) ALLOW WELL AND PIPELINE LOCATION ASSESSMENT
6 OPERATIONS, INCLUDING SEISMIC OPERATIONS AND RELATED
7 ACTIVITIES CONDUCTED IN ACCORDANCE WITH ALL APPLICABLE
8 FEDERAL AND STATE LAWS AND REGULATIONS RELATING TO THE
9 STORAGE AND USE OF EXPLOSIVES THROUGHOUT EVERY LOCAL
10 GOVERNMENT.

11 (2) IMPOSE CONDITIONS, REQUIREMENTS OR LIMITATIONS ON
12 OIL AND GAS OPERATIONS THAT ARE NO MORE STRINGENT THAN
13 SIMILAR CONDITIONS, REQUIREMENTS OR LIMITATIONS IMPOSED ON
14 CONSTRUCTION ACTIVITIES FOR OTHER LAND DEVELOPMENT WITHIN THE
15 ZONING DISTRICT WHERE THE OIL AND GAS OPERATIONS ARE
16 SITUATED.

17 (3) IMPOSE CONDITIONS, REQUIREMENTS OR LIMITATIONS ON
18 THE HEIGHT OF PERMANENT STRUCTURES, SETBACKS FROM PROPERTY
19 LINES, SCREENING AND FENCING, LIGHTING AND NOISE RELATING TO
20 OIL AND GAS OPERATIONS THAT ARE NO MORE STRINGENT THAN
21 SIMILAR CONDITIONS, REQUIREMENTS OR LIMITATIONS IMPOSED ON
22 INDUSTRIAL USES OR WHAT IS ALLOWED WITHIN THE PARTICULAR
23 ZONING DISTRICT WITHIN THE LOCAL GOVERNMENT WHERE THE OIL AND
24 GAS OPERATIONS ARE SITUATED OR STIPULATED IN OR SET FORTH IN
25 STATE STATUTE OR REGULATIONS PERTAINING TO OIL AND GAS
26 OPERATIONS.

27 (4) HAVE A REVIEW PERIOD FOR PERMITTED USES THAT DOES
28 NOT EXCEED 30 DAYS FOR COMPLETE SUBMISSIONS OR THAT EXCEEDS
29 120 DAYS FOR CONDITIONAL USES.

30 (5) AUTHORIZE OIL AND GAS OPERATIONS, OTHER THAN

1 ACTIVITIES IN OR AT IMPOUNDMENT AREAS, COMPRESSOR STATIONS
2 AND PROCESSING PLANTS, AS A PERMITTED USE IN ALL ZONING
3 DISTRICTS.

4 (5.1) NOTWITHSTANDING SECTION 3215 (RELATING TO WELL
5 LOCATION RESTRICTIONS) THE OIL AND GAS OPERATIONS UNDER
6 PARAGRAPH (5) MAY BE PROHIBITED, OR PERMITTED ONLY AS A
7 CONDITIONAL USE WITHIN A RESIDENTIAL DISTRICT WHERE A WELL
8 SITE CANNOT BE PLACED SO THAT THE WELLHEAD IS AT LEAST 500
9 FEET FROM ANY EXISTING BUILDING. IN A RESIDENTIAL DISTRICT,
10 ALL OF THE FOLLOWING APPLY:

11 (I) A WELL SITE MAY NOT BE LOCATED SO THAT THE OUTER
12 EDGE OF THE WELL PAD IS CLOSER THAN 300 FEET FROM AN
13 EXISTING BUILDING.

14 (II) EXCEPT AS SET FORTH IN PARAGRAPH (5) AND IN
15 THIS PARAGRAPH, OIL AND GAS OPERATIONS, OTHER THAN THE
16 PLACEMENT, USE AND REPAIR OF OIL AND GAS PIPELINES, WATER
17 PIPELINES, ACCESS ROADS OR SECURITY STRUCTURES AND
18 FENCING, MAY NOT TAKE PLACE WITHIN 300 FEET OF AN
19 EXISTING BUILDING.

20 (6) AUTHORIZE IMPOUNDMENT AREAS USED FOR OIL AND GAS
21 OPERATIONS AS A PERMITTED USE IN ALL ZONING DISTRICTS,
22 PROVIDED THAT THE EDGE OF ANY IMPOUNDMENT AREA SHALL NOT BE
23 LOCATED CLOSER THAN 300 FEET FROM AN EXISTING BUILDING.

24 (7) AUTHORIZE NATURAL GAS COMPRESSOR STATIONS AS A
25 PERMITTED USE IN AGRICULTURE AND INDUSTRIAL ZONING DISTRICTS
26 AND AS A CONDITIONAL USE IN ALL OTHER ZONING DISTRICTS, IF
27 THE NATURAL GAS COMPRESSOR BUILDING MEETS THE FOLLOWING
28 CONDITIONS:

29 (I) IS LOCATED 750 FEET OR MORE FROM THE NEAREST
30 EXISTING BUILDING OR 200 FEET FROM THE NEAREST LOT LINE,

1 WHICHEVER IS GREATER, UNLESS WAIVED BY THE OWNER OF THE
2 BUILDING OR ADJOINING LOT; AND

3 (II) DOES NOT EXCEED A NOISE STANDARD OF 60DBA AT
4 THE NEAREST PROPERTY LINE OR THE APPLICABLE STANDARD
5 IMPOSED BY FEDERAL LAW, WHICHEVER IS LESSER.

6 (8) AUTHORIZE NATURAL GAS PROCESSING PLANTS AS A
7 PERMITTED USE IN AN INDUSTRIAL ZONING DISTRICT AND AS
8 CONDITIONAL USES IN AGRICULTURAL ZONING DISTRICTS, IF THE
9 NATURAL GAS PROCESSING PLANT BUILDINGS MEET THE FOLLOWING
10 CONDITIONS:

11 (I) UNLESS THERE IS A WAIVER BY THE OWNER OF THE
12 BUILDING OR ADJOINING LOT, THE NATURAL GAS PROCESSING
13 PLANT BUILDING IS LOCATED AT THE GREATER OF:

14 (A) AT LEAST 750 FEET FROM THE NEAREST EXISTING
15 BUILDING; OR

16 (B) AT LEAST 200 FEET FROM THE NEAREST LOT LINE.

17 (II) THE NOISE LEVEL OF THE NATURAL GAS PROCESSING
18 PLANT AT THE PROPERTY LINE DOES NOT EXCEED THE LESSER OF:

19 (A) A NOISE STANDARD OF 60DBA; OR

20 (B) THE APPLICABLE STANDARD IMPOSED BY FEDERAL
21 LAW.

22 (9) IMPOSE RESTRICTIONS ON VEHICULAR ACCESS ROUTES FOR
23 OVERWEIGHT VEHICLES ONLY AS AUTHORIZED UNDER 75 PA.C.S.
24 (RELATING TO VEHICLES) OR THE MPC.

25 (10) DOES NOT ATTEMPT TO IMPOSE LIMITS OR CONDITIONS ON
26 SUBTERRANEAN OPERATIONS OR HOURS OF OPERATION.

27 § 3310. APPLICABILITY.

28 THIS CHAPTER SHALL APPLY TO THE ENFORCEMENT OF LOCAL
29 ORDINANCES EXISTING ON THE DATE OF THIS SECTION AND TO THE
30 ENACTMENT OR ENFORCEMENT OF LOCAL ORDINANCES ENACTED ON OR AFTER

1 THE EFFECTIVE DATE OF THIS CHAPTER.

2 SECTION 2. REPEALS ARE AS FOLLOWS:

3 (1) THE GENERAL ASSEMBLY DECLARES THAT THE REPEAL UNDER
4 PARAGRAPH (2) IS NECESSARY TO EFFECTUATE THE ADDITION OF 58
5 PA.C.S. CH. 32.

6 (2) THE ACT OF DECEMBER 19, 1984 (P.L.1140, NO.223),
7 KNOWN AS THE OIL AND GAS ACT, IS REPEALED.

8 SECTION 3. THIS ACT SHALL APPLY AS FOLLOWS:

9 (1) THE ADDITION OF 58 PA.C.S. § 3225(A)(1)(III) SHALL
10 APPLY TO WELLS DRILLED AFTER THE EFFECTIVE DATE OF THIS
11 SECTION.

12 (2) THE ADDITION OF 58 PA.C.S. PT II SHALL APPLY TO ALL
13 OIL AND GAS DEPOSITS AND OIL AND GAS DEVELOPMENT ACTIVITIES
14 AND OPERATIONS SUBJECT TO THE JURISDICTION OF THE
15 COMMONWEALTH. WITH RESPECT TO OIL AND GAS DEPOSITS ON
16 NATIONAL FOREST LANDS IDENTIFIED UNDER SECTION 17(O) OF THE
17 MINERAL LEASING ACT (106 STAT. 3108, 30 U.S.C. § 226(O)), THE
18 APPLICATION OF REGULATIONS AND STATUTES ADOPTED BY THE
19 COMMONWEALTH SHALL BE THE EXCLUSIVE METHOD AND MEANS BY WHICH
20 ANY REQUIREMENTS MAY BE IMPOSED ON ANY FEATURE, ASPECT OR
21 PROCESS OF OIL AND GAS OPERATIONS PERTAINING TO THE
22 DEVELOPMENT OF THE DEPOSITS.

23 SECTION 4. THE ADDITION OF 58 PA.C.S. CH. 32 IS A
24 CONTINUATION OF THE ACT OF DECEMBER 19, 1984 (P.L.1140, NO.223),
25 KNOWN AS THE OIL AND GAS ACT. THE FOLLOWING APPLY:

26 (1) EXCEPT AS OTHERWISE PROVIDED IN 58 PA.C.S. CH. 32,
27 ALL ACTIVITIES INITIATED UNDER THE OIL AND GAS ACT SHALL
28 CONTINUE AND REMAIN IN FULL FORCE AND EFFECT AND MAY BE
29 COMPLETED UNDER 58 PA.C.S. CH. 32. ORDERS, REGULATIONS, RULES
30 AND DECISIONS WHICH WERE MADE UNDER THE OIL AND GAS ACT AND

1 WHICH ARE IN EFFECT ON THE EFFECTIVE DATE OF SECTION 2(2) OF
2 THIS ACT SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL REVOKED,
3 VACATED OR MODIFIED UNDER 58 PA.C.S. CH. 32. CONTRACTS,
4 OBLIGATIONS AND COLLECTIVE BARGAINING AGREEMENTS ENTERED INTO
5 UNDER THE OIL AND GAS ACT ARE NOT AFFECTED NOR IMPAIRED BY
6 THE REPEAL OF THE OIL AND GAS ACT.

7 (2) EXCEPT AS SET FORTH IN PARAGRAPH (3), ANY DIFFERENCE
8 IN LANGUAGE BETWEEN 58 PA.C.S. CH. 32 AND THE OIL AND GAS ACT
9 IS INTENDED ONLY TO CONFORM TO THE STYLE OF THE PENNSYLVANIA
10 CONSOLIDATED STATUTES AND IS NOT INTENDED TO CHANGE OR AFFECT
11 THE LEGISLATIVE INTENT, JUDICIAL CONSTRUCTION OR
12 ADMINISTRATION AND IMPLEMENTATION OF THE OIL AND GAS ACT.

13 (3) PARAGRAPH (2) DOES NOT APPLY TO THE ADDITION OF THE
14 FOLLOWING PROVISIONS:

15 (I) THE FOLLOWING DEFINITIONS IN SECTION 3203:

16 (A) "UNCONVENTIONAL FORMATION."

17 (B) "UNCONVENTIONAL WELL."

18 (II) SECTION 3211(A) INTRODUCTORY PARAGRAPH, (B),
19 (B.1), (B.2), (D), (E), (E.1) (5), (6) AND (7), (F), (G)
20 AND (K).

21 (III) SECTION 3215(A), (B), (C) INTRODUCTORY
22 PARAGRAPH, (6) AND (7), (D) AND (E).

23 (IV) SECTION 3218(A), (B.1), (B.2), (C), (C.1), (D)
24 (1), (3), (4) AND (5) AND (G).

25 (V) SECTION 3218.1.

26 (VI) SECTION 3218.2.

27 (VII) SECTION 3218.3.

28 (VIII) SECTION 3218.4.

29 (IX) SECTION 3218.5.

30 (X) SECTION 3218.6.

1 (XI) SECTION 3222(A.1), (B), (B.1), (B.2) AND (B.3).

2 (XII) SECTION 3225(A)(1), (2) AND (3)(III) AND (IV),

3 (C), (D), (D.1) AND (F).

4 (XIII) SECTION 3253(C) AND (F).

5 (XIV) SECTION 3255(A) AND (B).

6 (XV) SECTION 3256.

7 (XVI) SECTION 3292.

8 SECTION 4.1. IT IS NOT THE INTENT OF THE GENERAL ASSEMBLY TO
9 CHANGE, REPEAL OR OTHERWISE AFFECT ANY OF THE PROVISIONS OF THE
10 ACT OF DECEMBER 18, 1984 (P.L. 1069, NO. 214), KNOWN AS THE COAL
11 AND GAS RESOURCE COORDINATION ACT, OR TO CHANGE, REPEAL OR
12 OTHERWISE AFFECT ANY OF THE PROVISIONS OF THE ACT OF JANUARY 26,
13 2011 (P.L.7, NO.2), ENTITLED "AN ACT AMENDING THE ACT OF
14 DECEMBER 18, 1984 (P.L.1069, NO.214), ENTITLED 'AN ACT REQUIRING
15 COORDINATION OF COAL MINE AND GAS WELL OPERATORS; AUTHORIZING
16 DEPARTMENT OF ENVIRONMENTAL RESOURCES ENFORCEMENT POWERS; AND
17 PROVIDING PENALTIES,' FURTHER PROVIDING FOR DEFINITIONS, FOR
18 PERMITS, FOR PERMIT APPLICATION, FOR MINIMUM DISTANCE BETWEEN
19 GAS WELLS, FOR WELL CLASS DESIGNATION AND FOR COORDINATION OF
20 GAS WELL DRILLING THROUGH ACTIVE COAL MINES; PROVIDING FOR A
21 PILLAR SUPPORT STUDY; AND FURTHER PROVIDING FOR PLUGGING GAS
22 WELLS PENETRATING WORKABLE COAL SEAMS, FOR PENALTIES AND FOR
23 VALIDITY OF OTHER LAWS," WHICH AMENDED THE COAL AND GAS RESOURCE
24 COORDINATION ACT.

25 SECTION 4.2. WITHIN 180 DAYS OF THE EFFECTIVE DATE OF THIS
26 SECTION, THE DEPARTMENT OF TRANSPORTATION SHALL, BASED ON
27 ACCURATE DEPARTMENT RECORDS REFLECTING AVERAGE HISTORICAL
28 EXPENSES WHICH HAVE BEEN INCURRED IN THE REPAIR OF EXCESS
29 DAMAGES AND LEVELS OF USE BY INDUSTRIES, INCLUDING THE
30 TRANSPORTATION OF FOREST AND OTHER PRODUCTS, PUBLISH PROPOSED

1 REGULATIONS TO:

2 (1) ADOPT AN APPROPRIATE METHOD TO DETERMINE LEVELS OF
3 FINANCIAL SECURITY, DEGREES OF LIABILITY AND BONDING
4 REQUIREMENTS FOR HAULING IN EXCESS OF POSTED WEIGHT LIMITS ON
5 STATE AND LOCAL ROADS IN COUNTIES WHERE THERE ARE
6 UNCONVENTIONAL GAS WELLS; AND

7 (2) IMPOSE BONDING REQUIREMENTS BASED ON LEVELS OF USE
8 BY INDUSTRY.

9 SECTION 5. THIS ACT SHALL TAKE EFFECT AS FOLLOWS:

10 (1) THE FOLLOWING PROVISIONS SHALL TAKE EFFECT
11 IMMEDIATELY:

12 (I) THE ADDITION OF 58 PA.C.S. § 3301.

13 (II) SECTION 4.1 OF THIS ACT.

14 (III) SECTION 4.2 OF THIS ACT.

15 (IV) THIS SECTION.

16 (2) EXCEPT FOR THE ADDITION OF 58 PA.C.S. § 3301, THE
17 ADDITION OF 58 PA.C.S. CH. 33 SHALL TAKE EFFECT IN 30 DAYS.

18 (2.1) THE ADDITION OF 58 PA.C.S. § 3215 SHALL TAKE
19 EFFECT IN 120 DAYS.

20 (3) THE ADDITION OF 58 PA.C.S. § 3225 SHALL TAKE EFFECT
21 IN 180 DAYS.

22 (4) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60
23 DAYS.