



**April 2023**

## **Abandoned Oil and Gas Wells and IJA**

The federal Infrastructure Investment and Jobs Act (IIJA), was signed into law by President Biden on November 15, 2021. IIJA has the potential to provide approximately \$400 million to Pennsylvania to plug and remediate abandoned and orphan (AO) oil and gas wells across the commonwealth through 2030 in 3 grant programs. The Department was awarded an initial grant for \$25,000,000 and began soliciting for bids to plug abandoned/orphaned oil and gas wells during 2022. Notices to Proceed to selected bidders began in January 2023 to plug 226 wells under 13 plugging contracts. More information on IIJA can be found here:

[https://www.dep.pa.gov/Business/Energy/OilandGasPrograms/OilandGasMgmt/LegacyWells/Pages/Infrastructure-Investment-and-Jobs-Act-\(IIJA\).aspx](https://www.dep.pa.gov/Business/Energy/OilandGasPrograms/OilandGasMgmt/LegacyWells/Pages/Infrastructure-Investment-and-Jobs-Act-(IIJA).aspx)

The status of well plugging and other detailed information regarding IIJA plugging projects can be viewed at the DEP IIJA Dashboard at:

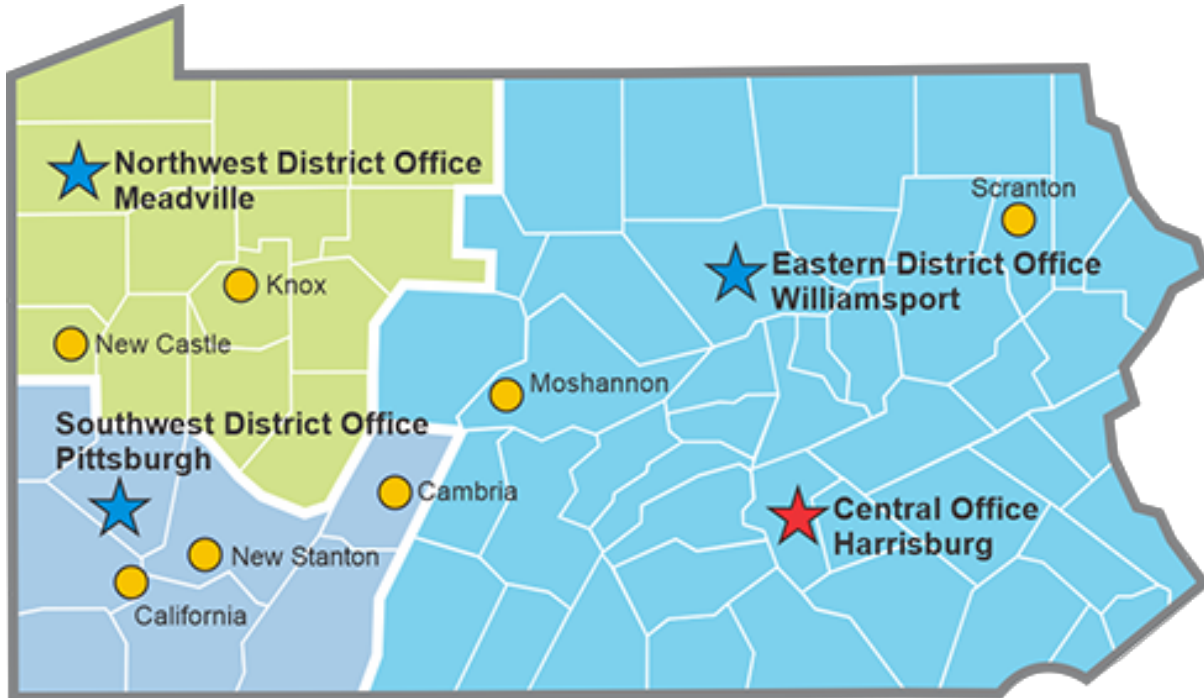
<https://dep.pa.gov/IIJAOilGas>

The next grant known as a “Formula Grant” is expected to be awarded to eligible states during fall 2023. The amount awarded to states will be based on the number of Documented Orphan Wells, Cost to Plug AO Wells, and Job Losses in Industry Sector. The estimated award to Pennsylvania may be \$316 million over 4 years; phase one allocation of \$79,178,000 is expected in 2023/2024. Twenty percent of these funds will go to the Orphan Well Plugging Grant Program currently under development by the Department. These funds will be available for grants to a “qualified well plugger” – a person who “demonstrates access to the equipment, materials, resources and services to plug wells in accordance with” statutory and regulatory requirements. Municipalities that contract with qualified well plugging contractors may be eligible for grants to plug abandoned and orphan wells within their municipal boundaries.

The Formula Grant will cover costs associated with well plugging, site remediation, methane reduction as well as well due diligence investigations. The Department will be selecting wells to plug and remediate based on a prioritization system focusing on high risk wells and wells surrounding high risk wells. The selection process must also take into consideration any disproportionate burden of adverse human health or environmental effects on communities of color, low-income communities, and Tribal and indigenous communities

Local governments are an important partner in reducing the risk of abandoned wells in their communities. Local officials are often approached by concerned citizens regarding wells they’ve identified, or issues related to stray gas associated with improperly abandoned wells. Municipalities that become aware of abandoned wells – especially those wells causing environmental or public safety issues – are encouraged to contact the appropriate DEP Oil and Gas District Office.” Upon notification, DEP will investigate the well to determine if it qualifies as an abandoned or orphan well.

## Oil and Gas Office Locations



### Northwest District Oil and Gas Office (Meadeville)

230 Chestnut Street  
Meadeville, PA 16335  
Phone: (814) 332-6860

### Eastern District Oil and Gas Office (Williamsport)

208 West Third Street  
Suite 101  
Williamsport, PA 17701  
Phone: (570) 321-6550

### Southwest District Oil and Gas Office (Pittsburgh)

400 Waterfront Drive  
Pittsburgh, PA 15222-4745  
Phone: (412) 442-4000

### Central Office (Harrisburg)

Bureau of Oil and Gas Planning and Program Management  
Rachel Carson State Office Building  
400 Market Street  
Harrisburg, PA 17101  
Phone: (717) 772-2199  
Directions

