

FREQUENTLY ASKED QUESTIONS

Environmental Protection Performance Standards at Oil and Gas Well Sites

Permit transfers
(§ 78a.13)

The purpose of this Frequently Asked Questions (FAQ) document is to highlight changes in and address questions about the new regulations. This FAQ should not be used in lieu of reference to the 2012 Oil and Gas Act, 25 Pa.Code Chapter 78a and other applicable laws and regulations. The answers outlined in this FAQ are intended to supplement existing requirements. Nothing in this document shall affect statutory or regulatory requirements.

This document is not an adjudication or a regulation. There is no intent on the part of the Department to give this document that weight or deference. The Department may supplement or amend this document at any time as necessary without notice.

- 1) What is required for transfer of ownership of well? Just notice within 30 days, or a transfer application and approval by DEP?

This is not new or changing in the final rulemaking. The requirements regarding transfer of well ownership are specified in section 78a.14 and have been in place since 1989 (as section 78.14). Please note that the transfer of well ownership and the transfer of permit to drill or operate a well are separate transactions. An application for a well permit transfer will only need to be submitted if there is a change in the well operator as a result of the transfer of well ownership. The requirements regarding the transfer of a permit to drill or operate a well are specified in section 78a.13. A permit to drill or operate a well cannot be transferred without written approval of the Department of Environmental Protection (DEP).

[Transfer of Well Ownership vs. Transfer of Well Permit FAQ \(PDF\)](#) (posted 09/23/16)

- 2) Notifying DEP within 30 days of transfer of ownership seems to be at odds with needing DEP's approval to transfer well permits. Can you please explain how transfer of ownership and transfer of well permits work together?

Sections 78a.13 and 78a.14 address this question directly. The new owner/operator is required to notify DEP in writing within 30 days after the transfer of ownership of the well. The notice has to include an application for a well permit transfer if there is a change in the well operator. A transfer of ownership can occur without changing the operator. Section 78a.13 addresses permit transfers, saying no transfer, assignment, or sale of rights granted under a permit or registration may be made without prior written approval of the Department. Permit transfers may be denied for the reasons set forth in Section 3211(e.1), (4) and (5) of the 2012 Oil and Gas Act (relating to well permits).

If the ownership of a well is transferred, but an application to transfer the permit is not submitted to the Department and approved, the responsibility for complying with the 2012 Oil and Gas Act and with Chapter 78a remains with the permittee on record with the Department. (posted 09/23/16)

- 3) Transferring a conventional well. Can a landowner take possession of a conventional well and does that follow the same transfer process?

Yes. The well transfer process in Chapter 78 has not changed.

Landowners should be aware of the costs of compliance of being a gas well operator, including bonding, quarterly integrity well inspections and annual production/waste reporting, gas migration response if the well leaks, and plugging costs. (posted 09/23/16)