Final Rulemaking Oil and Gas Well Casing and Cementing

25 Pa. Code Chapter 78

Environmental Quality Board Meeting Harrisburg, PA Oct 12, 2010

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Proposed Rulemaking 25 Pa. Code Chapter 78 Background

- Initial draft presented to TAB September 17, 2009
 DEP met with TAB and subcommittee four additional times (10/28/09, 1/14/10, 1/21/10, 3/25/10)
- DEP used Advanced Notice of Proposed Rulemaking to solicit public comments.
 - Published in Pa. Bul. Jan. 30, 2010, ended Mar.2, 2010.
 - Comments received from 87 commentators.
- TAB recommendation to proceed to Proposed Rulemaking - March 25, 2010.



Background

- EQB approved the proposed rulemaking at its May 17, 2010 meeting.
- EQB directed DEP to consider the Stephenson Group Natural Gas Co. (SGNG) January 19, 2010 petition for rulemaking as comments to the proposed rule.
- Proposed rulemaking published for public comment in the *PA Bulletin* on July 10, 2010.
 - 30-Day public comment period ended August 9, 2010.
 - Comments received from nearly 2000 commentators.
- DEP presented the final-form rulemaking to TAB for their consideration on September 16, 2010.



Rulemaking Petition to 25 Pa. Code Chapter 78

Stephenson Group Natural Gas Co.

At the March 16, 2010 EQB meeting, the Board voted to address this petition through the rulemaking's Comment/Response Document. DEP has not accommodated the proposed regulatory changes.

•Written and sworn affidavits are not needed for a landowner, water purveyor, water supply owner or affected person to notify and request that DEP conduct an investigation.

•Two separate refused, unclaimed or undeliverable predrilling survey request notices are not sufficient to be deemed as a refusal pursuant to Section 601.208(d) of the Oil and Gas Act.

• The legal remedy for an operator that has been refused access to conduct a water supply test is outlined in 601.208(d)(2) of the Oil and Gas Act. The proposed amendment in the petition is not necessary.



Major Revisions: Proposed vs. Final Rulemaking

Changes made in response to public comments:

- Reduced notification time for well operator to report to DEP when water supply has been affected by pollution or diminution from 10 calendar days to 24 hours following receipt of notice (78.51).
- Require pressure barrier plan (78.55).
- Require emergency contact phone numbers (78.55).
- Amend/clarify when and how BOP is to be installed and operated (78.72).
- Installing working pressure gauges that can be inspected by the Department (78.83).
- Method or information as to how deepest fresh groundwater determined (78.83a).



Major Revisions: Proposed vs. Final Rulemaking

Changes made in response to public comments (continued):

- Wellbore conditioning procedures and plan (78.83a).
- Additional centralizer requirements (78.83c).
- Cement- addition of *zone of critical cement* (78.85).
- Coal string corrosion protection (78.85).
- Addition of provisions that operator must take in the event of a gas migration incident (78.89).
- Amendments to the well record and completion report (78.122).



Major Revisions: Proposed vs. Final Rulemaking

September 16, 2010 TAB meeting revisions:

- Definition of unconventional formations (78.1).
- Use of blow-out preventers (78.72).
- Actions operator must take when it loses circulation of cement (78.83b).
- Cementing the intermediate casing string (78.83c).
- Producing gas off the intermediate casing (78.83c).



Final Rulemaking Recommendation

 The Department recommends that the Board approve the final rulemaking for oil and gas wells.

