

Annex A

TITLE 25. ENVIRONMENTAL PROTECTION

PART I. DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subpart C. PROTECTION OF NATURAL RESOURCES

ARTICLE I. LAND RESOURCES

CHAPTER 78. OIL AND GAS WELLS

Subchapter A. GENERAL PROVISIONS

§ 78.1. Definitions.

[(a) The words and terms defined in section 103 of the act (58 P. S. § 601.103), section 2 of the Coal and Gas Resource Coordination Act (58 P. S. § 502), section 2 of the Oil and Gas Conservation Law (58 P. S. § 402), section 103 of the Solid Waste Management Act (35 P. S. § 6018.103) and section 1 of The Clean Stream Law (35 P. S. § 691.1), have the meanings set forth in those statutes when the terms are used in this chapter.

(b)](a) The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise, or as otherwise provided in this chapter:

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*Conductor pipe*—A short string of large-diameter casing used to stabilize the top of the wellbore in shallow unconsolidated formations.

**Conventional formation**—A formation that is not an unconventional formation.

**Conventional well**—A bore hole drilled or being drilled for the purpose of or to be used for ~~[the production of oil or gas from a conventional formation]~~ **CONSTRUCTION OF A WELL REGULATED BY 58 PA.C.S. §§ 3201 – 3274 THAT IS NOT AN UNCONVENTIONAL WELL, IRRESPECTIVE OF TECHNOLOGY OR DESIGN. THE TERM INCLUDES BUT IS NOT LIMITED TO:**

**(I) WELLS DRILLED TO PRODUCE OIL.**

**(II) WELLS DRILLED TO PRODUCE NATURAL GAS FROM FORMATIONS OTHER THAN SHALE FORMATIONS.**

**(III) WELLS DRILLED TO PRODUCE NATURAL GAS FROM SHALE FORMATIONS LOCATED ABOVE THE BASE OF THE ELK GROUP OR ITS STRATIGRAPHIC EQUIVALENT.**

**(IV) WELLS DRILLED TO PRODUCE NATURAL GAS FROM SHALE FORMATIONS LOCATED BELOW THE BASE OF THE ELK GROUP WHERE NATURAL GAS CAN BE PRODUCED AT ECONOMIC FLOW RATES OR IN ECONOMIC VOLUMES WITHOUT THE USE OF VERTICAL OR NONVERTICAL WELL BORES STIMULATED BY HYDRAULIC FRACTURE TREATMENTS OR MULTILATERAL WELL BORES OR OTHER TECHNIQUES TO EXPOSE MORE OF THE FORMATION TO THE WELL BORE.**

**(V) IRRESPECTIVE OF FORMATION, WELLS DRILLED FOR COLLATERAL PURPOSES, SUCH AS MONITORING, GEOLOGIC LOGGING, SECONDARY AND TERTIARY RECOVERY OR DISPOSAL INJECTION.**

*Deepest fresh groundwater*—The deepest fresh groundwater bearing formation penetrated by the wellbore as determined from drillers logs from the well or from other wells in the area surrounding the well or from historical records of the normal surface casing seat depths in the area surrounding the well, whichever is deeper.

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*L.E.L.*—Lower explosive limit.

**[*Marcellus Shale well*—A well that when drilled or altered produces gas or is anticipated to produce gas from the Marcellus Shale geologic formation.]**

*Noncementing material*—A mixture of very fine to coarse grained nonbonding materials, including unwashed crushed rock, drill cuttings, earthen mud or other equivalent material approved by the Department.

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*Nonvertical unconventional well*—

(i) **[A] An unconventional** well drilled intentionally to deviate from a vertical axis.

(ii) The term includes wells drilled diagonally and wells that have **[horizontal] horizontal** bore holes.

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Vertical unconventional well—[A] An unconventional well with a single vertical well bore.

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**Subchapter B. PERMITS, TRANSFERS AND OBJECTIONS**

**PERMITS AND TRANSFERS**

**§ 78.19. Permit application fee schedule.**

(a) An applicant for a conventional well shall pay a permit application fee according to the following schedule:

<i>[Vertical] Conventional Wells</i>	<i>[Nonvertical Wells]</i>	<i>[Marcellus Shale Wells]</i>
<b>Total Well Bore Length in Feet</b>	<b>Total Fee</b>	<b>[Total Well Bore Length in Feet] Total Fee</b>
0 to 2,000	\$250	[0 to 1,500 \$900] [0 to 1,500 \$900]
2,001 to 2,500	\$300	[1,501 to 2,000 \$1,000] [1,501 to 2,000 \$1,000]
2,501 to 3,000	\$350	[2,001 to 2,500 \$1,100] [2,001 to 2,500 \$1,100]
3,001 to 3,500	\$400	[2,501 to 3,000 \$1,200] [2,501 to 3,000 \$1,200]
3,501 to 4,000	\$450	[3,001 to 3,500 \$1,300] [3,001 to 3,500 \$1,300]
4,001 to 4,500	\$500	[3,501 to 4,000 \$1,400] [3,501 to 4,000 \$1,400]
4,501 to 5,000	\$550	[4,001 to 4,500 \$1,500] [4,001 to 4,500 \$1,500]
5,001 to 5,500	\$650	[4,501 to 5,000 \$1,600] [4,501 to 5,000 \$1,600]
5,501 to 6,000	\$750	[5,001 to 5,500 \$1,700] [5,001 to 5,500 \$1,700]
6,001 to 6,500	\$850	[5,501 to 6,000 \$1,800] [5,501 to 6,000 \$1,800]
6,501 to 7,000	\$950	[6,001 to 6,500 \$1,900] [6,001 to 6,500 \$1,900]
7,001 to 7,500	\$1,050	[6,501 to 7,000 \$2,000] [6,501 to 7,000 \$2,000]
7,501 to 8,000	\$1,150	[7,001 to 7,500 \$2,100] [7,001 to 7,500 \$2,100]
8,001 to 8,500	\$1,250	[7,501 to 8,000 \$2,200] [7,501 to 8,000 \$2,200]
8,501 to 9,000	\$1,350	[8,001 to 8,500 \$2,300] [8,001 to 8,500 \$2,300]
9,001 to 9,500	\$1,450	[8,501 to 9,000 \$2,400] [8,501 to 9,000 \$2,400]
9,501 to 10,000	\$1,550	[9,001 to 9,500 \$2,500] [9,001 to 9,500 \$2,500]
10,001 to 10,500	\$1,650	[9,501 to 10,000 \$2,600] [9,501 to 10,000 \$2,600]
10,501 to 11,000	\$1,750	[10,001 to 10,500 \$2,700] [10,001 to 10,500 \$2,700]
11,001 to 11,500	\$1,850	[10,501 to 11,000 \$2,800] [10,501 to 11,000 \$2,800]
11,501 to 12,000	\$1,950	[11,001 to 11,500 \$2,900] [11,001 to 11,500 \$2,900]

[11,501 to 12,000 \$3,000] [11,501 to 12,000 \$3,000]

(b) An applicant for a **[vertical] conventional** well exceeding 12,000 feet in total well bore length shall pay a permit application fee of \$1,950 + \$100 for every 500 feet the well bore extends over 12,000 feet. Fees shall be rounded to the nearest 500-foot interval **under this subsection**.

(c) An applicant for **[a nonvertical well or Marcellus Shale well exceeding 12,000 feet in total well bore length] an unconventional well** shall pay a permit application fee **[of \$3,000 + \$100 for every 500 feet the well bore extends over 12,000 feet. Fees shall be rounded to the nearest 500-foot interval.] according to the following:**

**(1) \$4,200 for a vertical unconventional well.**

**(2) \$5,000 for a nonvertical unconventional well.**

(d) If, when drilled, the total well bore length of the **conventional** well exceeds the length specified in the permit application **due to target formation being deeper than anticipated at the time of application submittal**, the operator shall pay the difference between the amount paid as part of the permit application and the amount required by subsections **[(a)—(c)] (a) and (b)**.

(e) An applicant for a **[vertical] conventional** well with a well bore length of 1,500 feet or less for home use shall pay a permit application fee of \$200.

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