Attachment I

Amendments to House Bill No. 1144
AMENDMENTS TO HOUSE BILL NO. 1144

Sponsor:

Printer's No. 1199

Amend Bill, page 1, lines 1 through 6, by striking out all of said lines and inserting

Amending Title 58 (Oil and Gas) of the Pennsylvania Consolidated Statutes, providing for conventional development and for annual fees; and making an editorial change.

Amend Bill, page 1, lines 7 through 16; page 2, lines 1 through 30; page 3, lines 1 through 15; by striking out all of said lines on said pages

Amend Bill, page 3, lines 18 through 30; pages 4 through 67, lines 1 through 30; page 68, lines 1 through 14; by striking out all of said lines on said pages and inserting

Section 1. The heading of Chapter 32 of Title 58 of the Pennsylvania Consolidated Statutes is amended to read:

CHAPTER 32
UNCONVENTIONAL DEVELOPMENT

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

CHAPTER 36
CONVENTIONAL DEVELOPMENT

Subchapter
A. Preliminary Provisions
B. General Requirements
C. Enforcement and Remedies
D. Miscellaneous Provisions

SUBCHAPTER A
PRELIMINARY PROVISIONS

Sec.
3601. Scope of chapter.
3602. Declaration of purpose of chapter.
3603. Definitions.

§ 3601. Scope of chapter.
This chapter relates to conventional oil and gas development.

§ 3602. Declaration of purpose of chapter.
The purposes of this chapter are to:
(1) Permit optimal development of oil and gas resources of this Commonwealth consistent with the property rights of owners of the oil and gas resources and the protection of the health, safety, environment and the property rights of Pennsylvania citizens.

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

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

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

§ 3603. Definitions.
The following words and phrases when used in this chapter shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Abandoned well." Any of the following:

(1) A well:
   (i) that has not been used to produce, extract or inject any gas, petroleum or other liquid within the preceding 12 months;
   (ii) for which equipment necessary for production, extraction or injection has been removed; or
   (iii) considered dry and not equipped for production within 60 days after drilling, redrilling or deepening.

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

"Additive." A hydraulic fracturing chemical.

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

(1) Repairing or replacing of the casing if the activity does not affect the depth or diameter of the well bore, the use or purpose of the well does not change and the activity complies with regulations promulgated under this chapter, except that this exclusion does not apply:
   (i) to production casings in coal areas when the production casings are also the coal protection casings;
   or
   (ii) when the method of repairing or replacing the casing would affect the coal protection casing.

(2) Stimulation of a well.

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

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

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

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

(1) Hydraulic cement properly mixed with water only.
(2) A mixture of materials adequate for bonding or sealing of well bores as approved by regulations promulgated under this chapter.

"Certified mail." Any verifiable means of paper document delivery that confirms receipt of the document by the intended recipient or the attempt to deliver the document to the proper address for the intended recipient.

"Chemical." Any element, chemical compound or mixture of elements or compounds that has its own specific name or identity, such as a chemical abstract service number.

"Coal mine." Operations in a coal seam, which include the excavated and abandoned portions as well as the places actually being worked, all underground workings and shafts, slopes, tunnels and other ways and openings and all shafts, slopes, tunnels and other openings in the course of being sunk or driven, together with all roads and facilities connected with them below the surface.

"Coal operator." A person who proposes or has a permit to operate or operates a coal mine either as owner or lessee.

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

"Conventional well." A bore hole drilled or being drilled for the purpose of or to be used for construction of a well regulated under this chapter that is not an unconventional well, irrespective of technology or design. The term includes:

(1) A well drilled to produce oil.

(2) A well drilled to produce natural gas from formations other than shale formations.

(3) A well drilled to produce natural gas from shale formations located above the base of the Elk Group or its stratigraphic equivalent.

(4) A well 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.

(5) Irrespective of formation, a well drilled for collateral purposes, such as monitoring, geologic logging, secondary and tertiary recovery or disposal injection.


"Department." The Department of Environmental Protection of the Commonwealth.

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

"Fresh groundwater." Water in that portion of the generally recognized hydrologic cycle which occupies the pore spaces and fractures of saturated subsurface materials.
"Gas." Any of the following:

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

(2) Any manufactured gas, by-product gas or mixture of gases or natural gas liquids.

"Home or consumptive use well." A conventional well producing natural gas solely for consumptive use by the permitted or registered operator of the well.

"Hydraulic fracturing chemical." Any chemical substance or combination of substances, including any chemicals and proppants, that is intentionally added to a base fluid for purposes of preparing a stimulation fluid for use in hydraulic fracturing.

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

"Linear foot." A unit or measurement in a straight line on a horizontal plane.

"Noncoal area." An area where there are no workable coal seams.

"Notice." For the purpose of providing nonrequired notice to the department, includes notice provided by telephone, email or other available electronic means, unless a specific form of, or location for, notice is required by this act, regulations promulgated thereunder or otherwise established by the department.

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

"Operating coal mine." The portion of a workable coal seam which is covered by an underground mining permit issued by the department. Coal mines that have already been projected and platted for which a technically complete mine permit application has been filed with the department shall also meet this definition.

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

"Operator." A well operator.

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

"Outside coal boundaries." When used in conjunction with the term "operating coal mine," the boundaries of the coal acreage assigned to the coal mine under an underground mine permit issued by the department.

"Owner." A person who owns, manages, leases, controls or possesses a well or coal property. The term does not apply to
orphan wells, except where the department determines a prior
owner or operator benefited from the well as provided in section
3620(a) (relating to plugging requirements).

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

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

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

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

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

"Secretary." The Secretary of Environmental Protection of
the Commonwealth.

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

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

"Unconventional formation." A geological shale formation
existing below the base of the Elk Sandstone or its geologic
equivalent stratigraphic interval where natural gas generally
cannot be produced at economic flow rates or in economic volumes
except by vertical or horizontal well bores stimulated by
hydraulic fracture treatments or by using multilateral well
bores or other techniques to expose more of the formation to the
well bore.

"Unconventional well." A bore hole drilled or being drilled
for the purpose of or to be used for the production of natural
gas from an unconventional formation.

"Water purveyor." Any of the following:

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

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

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

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

(2) Degasifying coal seams, if the bore hole is:
   (i) used to vent methane to the outside atmosphere from an operating coal mine; regulated as part of the mining permit under the act of June 22, 1937 (P.L.1987, No.394), known as The Clean Streams Law, and the act of May 31, 1945 (P.L.1198, No.418), known as the Surface Mining Conservation and Reclamation Act; and drilled by the operator of the operating coal mine for the purpose of increased safety; or
   (ii) used to vent methane to the outside atmosphere under a federally funded or State-funded abandoned mine reclamation project.

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

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

"Well operator." Any of the following:
   (1) The person designated as operator or well operator on the permit application or well registration.
   (2) If a permit or well registration was not issued, a person who locates, drills, operates, alters or plugs a well or reconditions a well with the purpose of production from the well.
   (3) If a well is used in connection with underground storage of gas, a storage operator.

"Well site." The areas occupied by equipment or facilities necessary for or incidental to drilling, completion, production or plugging a well, including auxiliary pads, staging areas, access roads and tank batteries.

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

"Workable coal seams." The term includes:
   (1) A coal seam in fact being mined in the area in question under this chapter by underground methods.
   (2) A coal seam which is:
      (i) laterally extensive and one of either of the potential Washington, Waynesburg, Sewickley, Redstone, Pittsburgh, U. Freeport, L. Freeport, U. Kittanning, M. Kittanning, L. Kittanning, Clarion, Brookville or Mercer bituminous coal seams;
      (ii) at least 28 inches thick; and
(iii) deeper than 100 feet from the ground surface.

(3) A coal seam which is, in the judgment of the department, otherwise reasonably expected to be mined by underground methods.

SUBCHAPTER B
GENERAL REQUIREMENTS

Sec. 3611. Well permits.

3612. Permit objections.

3613. Well identification.

3614. Inactive status.

3615. Well location restrictions.

3616. Well site restoration.

3617. Protection of fresh groundwater and casing requirements.

3618. Protection of water supplies.

3618.1. Notification to public drinking water systems.

3619. Use of safety devices.

3619.1. Well control emergency response.

3620. Plugging requirements.

3621. Alternative methods.

3622. Well reporting requirements.

3623. Notification and effect of well transfer.

3624. Coal operator responsibilities.

3625. Bonding.

§ 3611. Well permits.

(a) Permit required.--No person shall construct a well site, drill or alter a well, except for alterations which satisfy the requirements of subsection (j), without having first obtained a well permit under subsections (b), (c), (d) and (e), or operate an abandoned or orphan well unless in compliance with subsection (l). A copy of the permit shall be kept at the well site during preparation and construction of the well site or access road during drilling or alteration of the well. No person shall be required to obtain a permit to redrill a nonproducing well if the redrilling:

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

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

(b) Plat.--

(1) The permit application shall be accompanied by a complete and accurate plat prepared by a person trained in the preparation of plats on forms furnished by the department, showing the political subdivision and county in which the tract of land upon which the well to be drilled, operated or altered is located; the name of the surface landowner of record and lessor; the name of all surface landowners and water purveyors whose water supplies are...

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within 1,000 feet of the proposed well location; the name of
the owner of record or operator of all known underlying
workable coal seams; the acreage in the tract to be drilled;
the proposed location of the well determined by plat, courses
and distances of the location from two or more permanent
identifiable points or landmarks on the tract boundary
corners; the proposed angle and direction of the well if the
well is to be deviated substantially from a vertical course;
the number or other identification to be given the well; the
workable coal seams underlying the tract of land upon which
the well is to be drilled or altered and which shall be cased
off under section 3617 (relating to protection of fresh
groundwater and casing requirements); and any other
information needed by the department to administer this
chapter.

(2) The applicant shall forward by certified mail a copy
of the plat to the surface landowner; the municipality in
which the tract of land upon which the well to be drilled is
located; all surface landowners and water purveyors, whose
water supplies are within 1,000 feet of the proposed well
location; the owner and lessee of any workable coal seams;
and each coal operator required to be identified on the well
permit application.

(b.1) Notification.--The applicant shall submit proof of
notification with the well permit application. Notification of
surface owners shall be performed by sending notice to those
persons to whom the tax notices for the surface property are
sent, as indicated in the assessment books in the county in
which the property is located. Notification of surface
landowners or water purveyors shall be on forms, and in a manner
prescribed by the department, sufficient to identify the rights
afforded those persons under section 3618 (relating to
protection of water supplies) and to advise them of the
advantages of taking their own predrilling or prealteration
survey.

(b.2) Approval.--If the applicant submits to the department
written approval of the proposed well location by the surface
landowner and the coal operator, lessee or owner of any workable
coal underlying the proposed well location and no objections are
raised by the department within 15 days of filing, or if no
approval has been submitted and no objections are made to the
proposed well location within 15 days from receipt of notice by
the department, the surface landowner or any coal operator,
lessee or owner, the written approval shall be filed and become
a permanent record of the well location, subject to inspection
at any time by any interested person. The application form to
operate an abandoned or orphan well shall provide notification
to the applicant of its responsibilities to plug the well upon
abandonment.

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

(d) Permit fee.--In addition to any annual fee under Chapter
37, each application for a well permit shall be accompanied by a
permit fee, established by the Environmental Quality Board.

(e) Issuance of permit.--The department shall issue a permit
within 45 days of submission of a permit application unless the
department denies the permit application for one or more of the
reasons set forth in subsection (e.1), except that the
department shall have the right to extend the period for 15 days
for cause shown upon notification to the applicant of the
reasons for the extension. The department may impose permit
terms and conditions necessary to assure compliance with this
chapter or other laws administered by the department.

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

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

(2) The permit application is incomplete.

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

(4) The requirements of section 3625 (relating to
bonding) have not been met.

(5) The department finds that the applicant, or any
parent or subsidiary corporation of the applicant, is in
continuing violation of this chapter, any other statute
administered by the department, any regulation promulgated
under this chapter or a statute administered by the
department or any plan approval, permit or order of the
department, unless the violation is being corrected to the
satisfaction of the department. The right of the department
to deny a permit under this paragraph shall not take effect
until the department has taken a final action on the
violations and:

(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.

(6) The applicant failed to pay the fee or file a report
under section 2303(c) (relating to administration), unless an
appeal is pending. The commission shall notify the department
of any applicant who has failed to pay the fee or file a report and who does not have an appeal pending.

(f) Drilling.--

(1) Upon issuance of a permit, the well operator may drill, operate or alter at the exact 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. Notification to the department must be provided electronically. If there is a break in drilling of 30 days or more, the well operator shall notify the department at least 24 hours prior to the resumption of drilling.

(2) 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.

(3) 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 notice to the department, may immediately plug all or part of the bore hole, if drilling has occurred, and commence a new bore hole not more than 50 feet from the old bore hole if the location of the new bore hole does not violate section 3615 (relating to well location restrictions) and, in the case of a well subject to the act of July 25, 1961 (P.L.825, No.359), known as the Oil and Gas Conservation Law, if the new location complies with existing laws, regulations and spacing orders and the new bore hole is at least 330 feet from the nearest lease boundary.

(4) If drilling occurred at the original well bore, within 10 days of commencement of the new bore hole, the well operator shall file with the department a written notice of intention to plug, a well record, a completion report, a plugging certificate for the original bore hole and an amended plat for the new bore hole.

(5) The well operator shall forward a copy of the amended plat to the surface landowner identified on the well permit application within ten days of commencement of the new well bore.

(g) Labeling.--The well operator shall install the permit number issued by the department in a legible, visible and permanent manner on the well upon completion.

(h) Expiration.--Well permits issued for drilling wells under this chapter shall expire three years after issuance unless operations for drilling the well are commenced within the period and pursued with due diligence or unless the permit is renewed in accordance with regulations of the department. If drilling is commenced during the permit term, the well permit shall remain in force until the well is plugged in accordance
with section 3620 (relating to plugging requirements) or the permit is revoked. A drilling permit issued prior to April 18, 1985, for a well which is an operating well on April 18, 1985, shall remain in force as a well permit until the well is plugged in accordance with section 3620.

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

(j) No transfer permitted.--No permit issued under this section or registration issued under section 3613 (relating to well registration and identification) may be transferred without prior approval of the department. A request for approval of a transfer shall be on the forms, and in the manner, prescribed by the department. Transfer of a well requires a bond for the well and the well site on forms prescribed by the department in an amount sufficient to plug the well and restore the well site as determined by the department. A bond filed with a transfer request for a home use well shall be payable to the Commonwealth and conditioned on the operator's faithful performance of all water supply replacement, restoration and plugging requirements of this chapter. The department shall approve or deny a transfer request within 45 days of receipt of a complete and accurate application. The department may deny a request only for reasons set forth in subsection (e.1)(1), (4) and (5) or if the well is abandoned. Approval of a transfer request shall permanently transfer responsibility to plug the well under section 3620 to the recipient of the transferred permit or registration.

(k) Regulations.--The Environmental Quality Board may establish by regulation requirements for the permitting and operation of abandoned or orphan wells. A person who proposes to conduct abandoned or orphan well operations shall first obtain a permit to operate an abandoned or orphan well.

§ 3612. Permit objections.

(a) General rule.--If a well referred to in section 3611(b) (relating to well permits) will be located on a tract whose surface is owned by a person other than the well operator, the surface landowner affected shall be notified of the intent to drill and may file objections, in accordance with section 3651 (relating to conferences), based on the assertion that the well location violates section 3615 (relating to well location restrictions) or that information in the application is untrue in any material respect, within 15 days of the receipt by the surface owner of the plat under section 3611(b). Receipt of notice by the surface owner shall be presumed to have occurred 15 days from the date of the certified mailing when the well operator submits a copy of the certified mail receipt sent to
the surface owner and an affidavit certifying that the address
of the surface owner to which notice was sent is the same as the
address listed in the assessment books in the county where the
property is located. If no objection is filed or none is raised
by the department within 15 days after receipt of the plat by
the surface landowner or if written approval by the surface
landowner is filed with the department and no objection is
raised by the department within 15 days of filing, the
department shall proceed to issue or deny the permit.

(b) Special circumstances.--If a well referred to in section
3611(b) will penetrate within the outside coal boundaries of an
operating coal mine or a coal mine already projected and platted
but not yet being operated, or within 1,000 linear feet beyond
those boundaries, and, in the opinion of the coal owner or
operator, the well or a pillar of coal about the well will
unduly interfere with or endanger the mine, the coal owner or
operator affected may file objections under section 3651 to the
proposed location within 15 days of the receipt by the coal
operator of the plat under section 3611(b). If possible, an
alternative location at which the proposed well could be drilled
to overcome the objections shall be indicated. If no objection
to the proposed location is filed or if none is raised by the
department within 15 days after receipt of the plat by the coal
operator or owner or if written approval by the coal operator or
owner of the location is filed with the department and no
objection is raised by the department within 15 days of filing,
the department shall proceed to issue or deny the permit.

(c) Procedure upon objection.--If an objection is filed by a
coal operator or owner or made by the department, the department
shall fix a time and place for a conference under section 3651
to allow the parties to consider the objection and attempt to
agree on a location. If they fail to agree, the department, by
an appropriate order, shall determine a location on the tract of
land as near to the original location as possible where, in the
judgment of the department, the well can be safely drilled
without unduly interfering with or endangering the mine as
defined in subsection (b). The new location agreed upon by the
parties or determined by the department shall be indicated on
the plat on file with the department and become a permanent
record upon which the department shall proceed to issue or deny
the permit.

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

§ 3613. Well identification.

(a) General rule.--Each person who owns or operates a well
in existence prior to the effective date of this section, which
has not been registered with the department and for which no drilling permit has been issued by the department, shall apply
to adopt the well using forms developed by the department. No fee shall be charged for well adoption unless the well must also be altered in accordance with section 3611 (relating to well permits) prior to operation.

(b) Orphaned and abandoned wells.--A well owner, well operator or other person discovering an abandoned well on property purchased or leased by the well owner, well operator or other person shall identify it to the department within 60 days of discovery. A well owner or well operator shall advise the department that it is seeking classification of the well as an orphan well or abandoned well. The classification request or identification notice shall include any available information relating to the well's operating and ownership interests. No fee shall be required for identification.

(c) Area of review.--An operator shall undertake reasonable diligence to avoid inadvertent communication with abandoned, orphan, plugged, active and inactive wells during hydraulic fracturing by conducting an area of review survey consisting of the following:

(1) Review of records and reports.
(2) Field investigation.
(3) Monitoring of orphan and abandoned wells that could be potentially impacted by hydraulic fracturing.

(d) Notice.--An operator shall provide notice to the department as soon as practicable if a well undergoing hydraulic fracturing communicates with any abandoned, orphan, plugged, active or inactive well in a manner that has the potential to cause an adverse environmental, public health or safety impact. In coal areas when the affected well is within an active mine or 2,000 linear feet or less from an active mine, the coal operator shall also be notified as soon as practicable.

(e) Remedial actions.--An operator inadvertently communicating with any abandoned, orphan, plugged, active or inactive well shall implement remedial actions necessary to prevent pollution and protect the environment, public health and safety. Remedial actions may include but are not limited to cessation of hydraulic fracturing and plugging.

(f) Permit.--A person who proposes to operate an orphan or abandoned well affected by hydraulic fracturing operations shall first obtain a permit to adopt and operate the well in accordance with subsection (a) if the well complies with the spacing requirements in coal areas under the act of December 18, 1984 (P.L.1069, No.214), known as the Coal and Gas Resource Coordination Act, or for wells subject to the act of July 25, 1961 (P.L.825, No.359), known as the Oil and Gas Conservation Law.

(g) Regulations.--The Environmental Quality Board shall have the authority to adopt regulations regarding the area of review provisions in subsections (c), (d) and (e).
§ 3614. Inactive status.

(a) General rule.--Within 60 days of receipt of an application for inactive status, the department may grant inactive status for a period of five years for a permitted or registered well, if the following requirements are met:

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

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

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

(4) the well to be granted inactive status is bonded in an amount sufficient to plug the well and restore the well site as determined by the department. The bond required by this paragraph shall be in addition to the bond required by section 3625 (relating to bonding). A bond filed with an inactive status application shall be payable to the Commonwealth and conditioned on the operator's faithful performance of all water supply replacement, restoration and plugging requirements of this chapter.

(b) Inactive status.--If the department has not made a final determination on an application for inactive status within 60 days, the well will be considered inactive for purposes of compliance with the reporting requirements in this act until the department makes a final determination on the application for inactive status.

(c) 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. The owner or operator of a well granted inactive status shall submit a report on an annual basis to the department in a manner and form as provided by the department that demonstrates that the well complies with subsection (a)(1), (2) and (3). The owner or operator of a well granted inactive status under subsection (a) shall immediately notify the department when the well no longer meets the requirements of subsection (a) and plug the well in accordance with section 3620 (relating to plugging requirements) or repaint the well in order to meet the requirements of subsection (a)(1) and (2).

(d) Return to active status.--An inactive status well under subsection (a) or (b) shall be plugged in accordance with section 3620 or returned to active status within five years of the date inactive status commenced, unless the owner or operator
applies for an extension of inactive status which may be granted
total for up to five years if the department determines that the
owner or operator has demonstrated an 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 of this section and the owner
or operator certifies that the well will be of future use within
a reasonable period of time. The department shall approve or
deny an application to extend a period of inactive status or to
return a well to inactive status within 60 days of receipt of
the application, and the application shall not be unreasonably
denied. If the department has not completed its review of the
application within 60 days, the inactive status shall continue
until the department has made a determination on the request. An
owner or operator may in no circumstances extend the total
period of inactive status for a well beyond 10 years. If the
department denies an application to extend the period of
inactive status or to return a well to inactive status, a well
owner or operator aggrieved by the denial shall have the right
to appeal the denial to the Environmental Hearing Board within
30 days of receipt of the denial. Upon cause shown by a well
owner or operator, the board may grant a supersedeas under
section 4 of the act of July 13, 1988 (P.L.530, No.94), known as
the Environmental Hearing Board Act, so that the well in
question may retain inactive status during the period of the
appeal.

(e) Revocation of inactive status.--The department may
revoke inactive status and order immediate plugging of a well if
the well is in violation of this chapter or rules or regulations
promulgated under this chapter or if the owner or operator
demonstrates inability to perform obligations under this chapter
or becomes financially insolvent, or upon receipt by the
department of notice of bankruptcy proceedings by the permittee.

§ 3615. Well location restrictions.

(a) General rule.--Wells may not be drilled within 200 feet
measured horizontally from the vertical well bore to a building
or water well, existing when the copy of the plat is mailed as
required by section 3611(b) (relating to well permits) without
written consent of the owner of the building or water well. If
consent is not obtained and the distance restriction would
deprive the owner of the oil and gas rights of the right to
produce or share in the oil or gas underlying the surface tract. The well operator shall be granted a variance from the distance restriction upon submission of a plan identifying the additional measures, facilities or practices as prescribed by the department to be employed during well site construction, drilling and operations. The variance shall include additional terms and conditions required by the department to ensure safety and protection of affected persons and property, including insurance, bonding, indemnification and technical requirements. Notwithstanding section 3611(e), if a variance request has been submitted, the department may extend its permit review period for up to 15 days upon notification to the applicant of the reasons for the extension.

(b) Limitation.--

(1) No well site may be prepared or well drilled within 100 feet from the vertical well bore or 100 feet from the edge of the well site, whichever is greater, measured horizontally from any solid blue lined stream, spring or body of water as identified on the most current 7 1/2 minute topographic quadrangle map of the United States Geological Survey or within 100 feet of any wetlands greater than one acre in size.

(2) The department may waive the distance restrictions upon submission of a plan identifying additional measures, facilities or practices to be employed during well site construction, drilling and operations necessary to protect the waters of this Commonwealth. The waiver, if granted, shall include additional terms and conditions required by the department necessary to protect the waters of this Commonwealth. Notwithstanding section 3611(e), if a waiver request has been submitted, the department may extend its permit review period for up to 15 days upon notification to the applicant of the reasons for the extension.

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

(1) Publicly owned parks, forests, game lands and wildlife areas.
(2) National or State scenic rivers.
(3) National natural landmarks.
(4) Habitats of rare and endangered flora and fauna and species of special concern.
(5) Historical and archaeological sites listed on the Federal or State list of historic places.
(6) Sources used for public drinking supplies in accordance with subsection (b).

(d) Regulation criteria.--The Environmental Quality Board shall develop by regulation criteria:

(1) For the department to utilize for conditioning a well permit based on its impact to the public resources identified under subsection (c) and for ensuring optimal
development of oil and gas resources and respecting property rights of oil and gas owners.

(2) For appeal to the Environmental Hearing Board of a permit containing conditions imposed by the department. The regulations shall also provide that the department has the burden of proving that the conditions were necessary to protect against a probable harmful impact of the public resources.

(e) Floodplains.--

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

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

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

(2) A well site shall not be eligible for a floodplain restriction waiver if the well site will have a tank containing condensate, flowback or produced water within the flood fringe unless all the tanks have adequate floodproofing in accordance with the National Flood Insurance Program standards and accepted engineering practices.

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

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

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

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

(ii) from any intermittent stream up to 50 feet horizontally from the top of the bank of the intermittent stream.
(f) Applicability.--

(1) This section shall not apply to a well proposed to be drilled on an existing well site for which at least one well permit has been issued prior to the effective date of this section.

(2) Nothing in this section shall alter or abridge the terms of any contract, mortgage or other agreement entered into prior to the effective date of this section.

§ 3616. Well site restoration.

(a) General rule.--Each oil or gas well owner or operator shall restore the land surface within the area disturbed in siting, drilling, completing, producing and plugging the well. Restoration includes, but is not limited to, reclamation of the land affected to preconstruction contours so that it closely resembles the general surface configuration of the land prior to construction activities, if known, and blends into and complements the drainage pattern of the surrounding terrain, and can support the land uses that existed prior to the applicable oil and gas operations and to the extent practicable based on current land conditions.

(b) Plan.--During and after earthmoving or soil disturbing activities, including, but not limited to, activities related to siting, drilling, completing, producing and plugging the well, erosion and sedimentation control and storm water management measures shall be implemented in accordance with a plan prepared in accordance with the act of June 22, 1937 (P.L.1987, No.394), known as The Clean Streams Law.

(c) Pits, drilling supplies and equipment.--Within nine months after completion of drilling of a well or expiration of the well permit, the owner or operator shall restore the well site and remove or fill all pits used to contain produced fluids or industrial wastes and remove all drilling supplies and equipment not needed for production. Drilling supplies and equipment not needed for production may be stored on the well site if express written consent of the surface landowner is obtained so long as such storage and any remaining disturbed areas that are not included in a restoration plan, and other remaining impervious surfaces, comply with all requirements in The Clean Streams Law.

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

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

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

(g) Extension.--
(1) The restoration period may be extended by the department for an additional period of time not to exceed two years upon demonstration by the well owner or operator that:

(i) the extension will result in less earth disturbance, increased water reuse or more efficient development of the resources; or

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

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

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

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

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

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

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

(ii) Provide for returning the portions of the site not occupied by production facilities or equipment consistent with subsection (a).

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

§ 3617. Protection of fresh groundwater and casing requirements.

(a) General rule.--To aid in protection of fresh groundwater, well operators shall control and dispose of brines produced from the drilling, alteration or operation of an oil or gas well in a manner consistent with the act of June 22, 1937 (P.L.1987, No.394), known as The Clean Streams Law, or any regulation promulgated under The Clean Streams Law.

(b) Casing.--To prevent migration of gas or fluids into sources of fresh groundwater and pollution or diminution of fresh groundwater, a string or strings of casing shall be run and permanently cemented in each well drilled through the fresh water-bearing strata to a depth and in a manner prescribed by regulation by the department. The regulation shall be consistent with practices that have proven to be protective in regional areas and consider the use of alternative cement formulations and casing materials to protect the casing from corrosion, lithologic and physical conditions of the surrounding well bore.

(c) Noncoal areas.--In noncoal areas, the surface casing may be employed as production casing for oil or gas production, provided:

(1) The operator pumps a volume of cement equal to or
greater than 120% of the calculated annular space.
(2) The operator circulates cement using the displacement method.
(3) The location of cement within the annular space, as determined by logging, and the function of the casing string satisfy the requirements of subsection (b) and other regulations prescribed by the department. To achieve sufficient cement coverage in the annular space, the operator may install a cement basket immediately above the depth of an anticipated lost circulation zone and fill the annular space by pumping from the surface if a casing and cementing plan detailing the procedure is approved by the department.
(d) Procedure when coal has been removed.--If a well is drilled at a location where coal has been removed from one or more coal seams, the well shall be drilled and cased to prevent migration of gas or fluids into the seam from which coal has been removed in a manner prescribed by regulation of the department. The department and the coal operator, owner or lessee shall be given at least 72 hours' notice prior to commencement of work protecting the mine.
(e) Procedure when coal has not been removed.--If a well is drilled at a location where the coal seam has not been removed, the casing shall be installed and permanently cemented in a manner prescribed by regulation to exclude gas or fluids from the coal seam, except gas or fluids found naturally in the seam itself, and to enable monitoring the integrity of the production casing.
§ 3618. Protection of water supplies.
(a) General rule.--In addition to the requirements of subsection (c.1), a well operator who affects a public or private water supply by pollution or diminution shall restore or replace the affected supply with an alternate source of water adequate in quantity or quality for the purposes served by the supply. The department shall ensure that the quality of a restored or replaced water supply meets the standards established under the act of May 1, 1984 (P.L.206, No.43), known as the Pennsylvania Safe Drinking Water Act, or is comparable to the quality of the water supply before it was affected by the operator if that water supply exceeded those standards. The Environmental Quality Board shall promulgate regulations necessary to meet the requirements of this subsection.
(b) Pollution or diminution of water supply.--A landowner or water purveyor suffering pollution or diminution of a water supply as a result of the drilling, alteration or operation of an oil or gas well may so notify the department and request that an investigation be conducted. Within ten days of notification, the department shall investigate the claim and make a determination within 45 days following notification. If the department finds that the pollution or diminution was caused by drilling, alteration or operation activities or if it presumes the well operator responsible for pollution under subsection
(c), the department shall issue orders to the well operator necessary to assure compliance with subsection (a), including orders requiring temporary replacement of a water supply where it is determined that pollution or diminution may be of limited duration.

(b.1) (Reserved).

(b.2) Telephone number.--The department shall establish a single Statewide toll-free telephone number that persons may use to report cases of water contamination which may be associated with the development of oil and gas resources. The Statewide toll-free telephone number shall be provided in a conspicuous manner in the notification required under section 3611(b) (relating to well permits) and on the department's Internet website.

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

(b.4) Website.--The department shall publish, on its Internet website, lists of confirmed cases of subterranean water supply contamination that result from hydraulic fracturing.

(b.5) Facility operation qualifications.--The department shall ensure that a facility which seeks a National Pollutant Discharge Elimination System permit for the purposes of treating and discharging wastewater originating from oil and gas activities into waters of this Commonwealth is operated by a competent and qualified individual.

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

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

(2) the pollution occurred within six months after completion of drilling or alteration of the oil or gas well.

(c.1) Requirement.--If the affected water supply is within the rebuttable presumption area as provided in subsection (c) and the rebuttable presumption applies, the operator shall provide a temporary water supply if the water user is without a readily available alternative source of water. The temporary water supply provided under this subsection shall be adequate in quantity and quality for the purposes served by the supply.

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

(1) the pollution existed prior to the drilling or alteration activity as determined by a predrilling or prealteration survey;

(2) the landowner or water purveyor refused to allow the operator access to conduct a predrilling or prealteration survey;

(3) the water supply is not within 1,000 feet of the well;
the pollution occurred more than six months after
completion of drilling or alteration activities; and
(5) the pollution occurred as the result of a cause
other than the drilling or alteration activity.
(e) Independent certified laboratory.--An operator electing
to preserve a defense under subsection (d)(1) or (2) shall
retain an independent certified laboratory to conduct a
predrilling or prealteration survey of the water supply. A copy
of survey results shall be submitted to the department and the
landowner or water purveyor in the manner prescribed by the
department.
(f) Other remedies preserved.--Nothing in this section shall
prevent a landowner or water purveyor claiming pollution or
diminution of a water supply from seeking any other remedy at
law or in equity.
§ 3619. Use of safety devices.
Any person engaged in drilling an oil or gas well shall equip
it with casings of sufficient strength, and other safety devices
as are necessary, in the manner prescribed by regulation of the
department, and shall use every effort and endeavor effectively
to prevent blowouts, explosions and fires.
§ 3619.1. Well control emergency response.
(a) Contracts.--The department may enter into contracts with
well control specialists in order to provide adequate emergency
response services in the event of a well control emergency. The
department shall make available, upon request by a county,
information relating to contracts with well control specialists.
(b) Civil immunity.--Except as set forth in subsection (c),
a well control specialist with which the department has entered
into a contract under subsection (a) shall be immune from civil
liability for actions taken in good faith to carry out its
contractual obligations.
(c) Nonapplicability.--Subsection (b) shall not apply to
damage arising from any of the following:
(1) Breach of the contract under subsection (a).
(2) An intentional tort.
(3) Gross negligence.
§ 3620. Plugging requirements.
(a) General rule.--Conventional wells shall be plugged in
accordance with this act. Prior to abandoning a well, the owner
or operator shall plug it in the manner prescribed by regulation
of the department to stop vertical flow of fluids or gas within
the well bore, unless the department has determined that the
flow is an acceptable artesian flow of freshwater, the well is
on inactive status or it has been approved by the department as
an orphan well. If the department determines that a prior owner
or operator received economic benefit, other than economic
benefit derived only as a landowner or from a royalty interest,
after April 18, 1979, from an orphan well or an unregistered
well, the owner or operator shall be responsible for plugging
the well. In the case of a gas well penetrating a workable coal
seam which was drilled prior to January 30, 1956, or which was permitted after that date but not plugged in accordance with this chapter, if the owner or operator or a coal operator or an agent proposes to plug the well to allow mining through it, the gas well shall be cleaned to a depth of at least 200 feet below the coal seam through which mining is proposed and, unless impracticable, to a point 200 feet below the deepest mineable coal seam. The gas well shall be plugged from that depth in accordance with the regulations of the department.

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

(c) Abandoned wells.--Prior to abandonment of a well, except an uncompleted bore hole plugged immediately upon suspension of drilling in an area not underlain by a workable coal seam, the well operator shall notify the department of the intention to plug and abandon the well and submit a plat showing the location of the well and fixing the date and time at which plugging will commence, which shall be not less than three working days, nor more than 30 days, after the notice is received, to permit a department representative to be present at the plugging. The notice or waiting period may be verbally waived by the department. In noncoal areas where more than one well has been drilled as part of the same development project and the wells are now to be plugged, the department shall be given three working days' notice prior to plugging the first well of the project, subject to waiver of notice described in subsection (b). In the plugging of subsequent wells, no additional notice shall be required if plugging on the project is continuous. If plugging of subsequent wells is delayed for any reason, notice
shall be given to the department of continuation of the project. Whether or not a representative attends, if the well operator has fully complied with this section, the well operator may proceed, at the time fixed, to plug the well in the manner prescribed by regulation of the department. When plugging has been completed, a certificate shall be prepared, on a form to be furnished by the department, by two experienced and qualified people who participated in the work setting forth the time and manner in which the well was plugged. A copy of the certificate shall be mailed to the department.

(d) Wells abandoned upon completion of drilling.--If a well is to be abandoned immediately after completion of drilling, the well operator shall give at least 24 hours' notice, confirmed by certified mail, to the department and to the coal operator, lessee or owner, if any, fixing the date and time when plugging will commence. Notice and the right to be present may be waived by the department and the coal operator, lessee or owner, if any. Whether or not representatives of the department or coal operator, lessee or owner, if any, attend, if the well operator has fully complied with the requirements of this section, the well operator may proceed, at the time fixed, to plug the well in the manner provided by regulation of the department. The well operator shall prepare the certificate of plugging and mail copies of the same as provided in subsection (b).

(e) Orphan and abandoned wells.--If a well is an orphan well or abandoned without plugging or if a well is in operation but not registered, the department may enter upon the well site and plug the well and sell equipment, casing and pipe at the site which may have been used in production of the well in order to recover the costs of plugging. The department shall make an effort to determine ownership of a well which is in operation but has not been registered and provide written notice to the owner of pending action under this subsection. If the department cannot determine ownership within 30 days, it may proceed under this subsection. Costs of plugging shall have priority over all liens on equipment, casing and pipe, and the sale shall be free and clear of those liens to the extent that the cost of plugging exceeds the sale price. If the amount obtained for casing and pipe salvaged at the site is inadequate to pay for plugging, the owner or operator of the abandoned or unregistered well shall be liable for the additional costs.

(f) Environmental Good Samaritans.--A person undertaking the plugging of an orphan well or abandoned well without a responsible owner or operator with approval from the department under 27 Pa.C.S. Ch. 81 (relating to good samaritan), including by way of a grant or payment from the Commonwealth Financing Authority, shall not be subject to the notice requirements of 27 Pa.C.S. § 8105(b) (relating to eligibility and project inventory) provided that the surface landowner is notified and grants access to the well. Notice to the department and the surface landowner shall be provided on forms developed by the
department. When plugging has been completed, a certificate shall be prepared and signed on a form to be furnished by the department by two experienced and qualified individuals who participated in the work and set forth the time and manner in which the well was plugged. A copy of the certificate shall be provided to the department.

(g) Persons who voluntarily plug an orphan or abandoned well in accordance with this section.--

(1) Persons who voluntarily plug an orphan well or abandoned well without a responsible owner or operator may either:

   (i) Apply to the Commonwealth Financing Authority, on forms developed by the Commonwealth Financing Authority, for a payment per well plugged payable from the Marcellus Legacy Fund established under section 2315 (relating to Statewide initiatives) according to the following schedule:

   (A) $10,000 for each well 2,000 feet or less below ground surface.

   (B) $20,000 for each well between 2,001 and 3,000 feet below ground surface.

   (C) $30,000 for each well greater than 3,000 feet below ground surface.

   (ii) Be credited for each plugged well in the form of a permit-fee waiver for any succeeding conventional well permit application.

(2) Persons who voluntarily plug an orphan well or abandoned well without a responsible owner or operator and receive payment under this section shall not be disqualified from liability protections under 27 Pa.C.S. Ch. 81.

(h) Notification.--With respect to the owner of a workable coal seam, if any, notification shall be accomplished under this section by sending notice to the persons to whom tax notices for the workable coal seams are sent, as indicated in the assessment books, if available, or as indicated in the records of the recorder of deeds office in the county in which such seams are located. If certified mail or notification is returned undeliverable, the applicant shall include a completed affidavit attesting to the attempted delivery, which shall satisfy the notification requirements under this section.

   (i) Definition.--For purposes of this section, the term "owner" does not include the owner or possessor of surface real property, on which an abandoned well is located, who did not participate or incur costs in and had no right of control over the drilling or extraction operation of the abandoned well.

§ 3621. Alternative methods.

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

§ 3622. Well reporting requirements.

(a) General rule.--Each well operator shall file with the department, on a form provided by the department, an annual report specifying the amount of production, on the most well-specific basis available, along with the status of each well, except that in subsequent years only changes in status must be reported. Except for home use wells, wells producing less than 50 mcf per year or 10 barrels of oil per year shall be evaluated for future utility by the operator and the results of this evaluation shall be included in the production report. The department may require a well to be plugged if the operator does not demonstrate that the well has adequate future utility. The Commonwealth may utilize reported information in enforcement proceedings, in making designations or determinations under section 1927-A of the act of April 9, 1929 (P.L.177, No.175), known as The Administrative Code of 1929, or in aggregate form for statistical purposes.

(b) Collection of data.--

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

(2) A record containing the information required by the department shall be filed within 30 days after drilling of a well.

(3) Within 30 days after completion of the well, when the well is capable of production, a completion report containing any additional required information shall be filed and shall be maintained by the department.

(4) The well operator shall, within 90 days of completion or recompletion of drilling, submit a copy of any electrical, radioactive or other standard industry logs which have been run.

(5) Upon request by the department within one year, the well operator shall file a copy of drill stem test charts, formation water analysis, porosity, permeability or fluid saturation measurements, core analysis and lithologic log or sample description or other similar data as compiled. No information shall be required unless the well operator had it compiled in the ordinary course of business, and interpretation of data under this paragraph is not required to be filed.

(b.1) Report contents.--

(1) The completion report shall contain the operator's stimulation record. The stimulation record shall include all
of the following:

(i) A descriptive list of the chemical additives in the stimulation fluids, including any acid, biocide, breaker, brine, corrosion inhibitor, crosslinker, demulsifier, friction reducer, gel, iron control, oxygen scavenger, pH adjusting agent, proppant, scale inhibitor and surfactant.
(ii) The trade name, vendor and a brief descriptor of the intended use or function of each chemical additive in the stimulation fluid.
(iii) A list of the chemicals intentionally added to the stimulation fluid, by name and chemical abstract service number.
(iv) The maximum concentration, in percent by mass, of each chemical intentionally added to the stimulation fluid.
(v) The total volume of the base fluid.
(vi) The pump rates and pressure used in the well.
(vii) The total volume of recycled water used.

(2) The well record shall identify whether methane was encountered in other than a target formation.

(b.2) Trade secret or confidential proprietary information.—When an operator submits its stimulation record under subsection (b.1), the operator may designate specific portions of the stimulation record as containing a trade secret or confidential proprietary information. The department shall prevent disclosure of a designated trade secret or confidential proprietary information to the extent permitted by the act of February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law, or other applicable State law.

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

(d) Retention and filing.—Data required under subsection (b)(5) and drill cuttings required under subsection (c) shall be retained by the well operator and filed with the department no more than three years after completion of the well. Upon request, the department shall extend the deadline up to five years from the date of completion of the well. The department shall be entitled to utilize information collected under this subsection in enforcement proceedings, in making designations or determinations under section 1927-A of The Administrative Code of 1929 and in aggregate form for statistical purposes.

§ 3623. Notification and effect of well transfer.

The owner or operator of a well shall notify the department in writing within 30 days, in a form directed by regulation, of sale, assignment, transfer, conveyance or exchange by or to the
owner of the well. A transfer shall not relieve the well owner or operator of an obligation accrued under this chapter, nor shall it relieve the owner or operator of an obligation to plug the well until the requirements of section 3625 (relating to bonding) have been met, at which time the transferring owner or operator shall be relieved from all obligations under this chapter, including the obligation to plug the well.

§ 3624. Coal operator responsibilities.

(a) General rule.--

(1) At any time prior to removing coal or other underground material or extending the workings in a coal mine within 500 feet of an oil or gas well of which the coal operator has knowledge or an approved well location of which the coal operator has knowledge, the coal operator shall forward, by certified mail, to or file with the well operator and the department a copy of the relevant part of the coal operator's maps and plans which it is presently required by law to prepare and file with the department, showing the pillar which the coal operator proposes to leave in place around each oil or gas well in the projected workings.

(2) Following the filing of maps and plans, the coal operator may proceed with mining operations in the manner projected on the maps and plans, but the coal operator shall not remove any coal or cut any passageway within 150 feet of a well or approved well location until written approval has been granted as provided in this section.

(3) If, in the opinion of the well operator or the department, the plan indicates that the pillar proposed to be left around a well or approved well location is inadequate to protect either the integrity of the well or the public health and safety, the well operator affected shall attempt to agree with the coal operator upon a suitable pillar, subject to the approval of the department, but, failing to agree, the well operator may, within 10 days from receipt of the plan, file objections in accordance with section 3651 (relating to conferences) to the proposed plan indicating the size of the pillar to be left with respect to each well.

(4) If no objections are filed within the 10-day period or if none are raised by the department, the department shall grant approval to the coal operator reciting the following:

(i) The filing of the maps or plans.

(ii) That no objections have been made to the plan.

(iii) That the pillar proposed to be left for each well is approved in the manner as projected.

(b) Objections.--

(1) If objections are filed by a well operator or are raised by the department, the department shall direct that a conference be held in accordance with section 3651 within 10 days of the filing of the objections.

(2) At the conference the coal operator and the person who has filed the objections shall attempt to agree upon a
proposed plan showing the pillar to be left around each well, which will satisfy the objections and be approved by the department, and if the plan is agreed upon, the department shall grant approval to the coal operator reciting the filing of the plan and that the pillar to be left for each well is approved as agreed upon.

(3) If no plan showing the pillar to be left with respect to each well can be agreed upon at the conference, the department shall, by an appropriate order, determine the pillar to be left with respect to the well.

(4) In a proceeding under this section, the department shall follow as nearly as possible the original plan filed by the coal operator. The department shall not require the coal operator to leave a pillar in excess of 100 feet in radius, except that, if it is established that unusual conditions exist requiring the leaving of a larger pillar, the department may require a pillar up to but not exceeding 150 feet in radius.

(5) The pillar to be left with respect to each well as determined by the department shall be shown on the maps or plans on file with the department as provided in subsection (a) and the department shall approve the pillar to be left for each well.

(c) Pillars of reduced size.--Application may be made at any time to the department by a coal operator to leave a pillar of less size than that shown on the plan filed by the operator or approved or determined by the department under the provisions of this section. If an application is filed, the department may, following the procedure prescribed in this section, by an appropriate order, determine a different plan showing a pillar of less size with respect to all wells covered by the application and shall grant approval for the pillar to be left with respect to each well.

(d) Violation.--No coal operator shall, without the written approval of the department after notice and opportunity for hearing as prescribed in this section, remove any coal or cut any passageway so as to leave a pillar of less size with respect to an oil or gas well than that approved by the department under this chapter.

(e) Construction.--Nothing in this chapter shall be construed to require a well operator to pay for a coal pillar required by law to be left around a well drilled prior to April 18, 1985. A requirement for a coal operator to leave a pillar of coal of a certain size around a well drilled after April 18, 1985, shall not in any way affect the rights which the coal operator would have had prior to April 18, 1985, to obtain payment for the coal, nor any duty or right which the well operator or land owner may have had prior to April 18, 1985, to pay for or not to pay for the coal.

(f) Mining through plugged wells.--A coal operator who intends to mine through a plugged oil or gas well must file a
plan to completely remove a pillar from around the well in accordance with subsection (a). This plan shall be subject to the requirements of this section. No coal operator may mine through a plugged oil or gas well of which the coal operator has knowledge until written approval has been granted by the department in accordance with this section.

(g) Establishment of conditions.--The Bureau of Deep Mine Safety in the department shall have the authority to establish the conditions under which the department may approve a coal operator's plan to mine through a plugged oil or gas well.

§ 3625.  Bonding.

(a) General rule.--The following shall apply:

(1) Upon filing an application for a well permit and before continuing to operate any oil or gas well, the owner or operator thereof shall file with the department a bond for the well and the well site on a form to be prescribed and furnished by the department. Any bond filed with an application for a well permit or any bond filed with the department for a well in existence on or after the effective date of this act shall be payable to the Commonwealth and conditioned that the operator shall comply with the requirements of this act, the act of June 22, 1937 (P.L.1987, No.394), known as The Clean Streams Law, the act of May 31, 1945 (P.L.1198, No.418), known as the Surface Mining Conservation and Reclamation Act, the act of July 7, 1980 (P.L.380, No.97), known as the Solid Waste Management Act, the act of January 8, 1960 (1959 P.L.2119, No.787), known as the Air Pollution Control Act, and the act of November 26, 1978 (P.L.1375, No.325), known as the Dam Safety and Encroachments Act. The department may require additional bond amounts for the well and well site should such as increase be determined by the department to be necessary to meet the requirements of this act. The amount of the bond required shall be in an amount determined by the secretary based upon the total estimated cost of the Commonwealth of completing well plugging activities according to the permit granted to the well and well site and such measures as are necessary to prevent adverse effects upon the environment. The bond amount shall reflect the additional cost to the Commonwealth which may be entailed by being required to bring personnel and equipment to the site. All permits shall be bonded for at least $30,000.

(2) The minimum bond amount required by this chapter may be adjusted by the Environmental Quality Board to reflect the projected costs to the Commonwealth of performing well plugging.

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

(i) cash;

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

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

(iv) United States Treasury Bonds issued at a discount without a regular schedule of interest payments to maturity, otherwise known as Zero Coupon Bonds, having a maturity date of not more than ten years after the date of purchase and at the maturity date having a value of not less than the applicable amount under paragraph (1). The cash deposit, certificate of deposit, amount of the irrevocable letter of credit or market value of the securities shall be equal at least to the sum of the bond.

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

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

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

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

(b) Release.--No bond shall be fully released until the
requirements of subsection (a) and section 3623 (relating to
notification and effect of well transfer) have been fully met.
Upon release of bonds and collateral under this section, the
State Treasurer shall immediately return to the owner the
specified amount of cash or securities.

(c) Noncompliance.--If a well owner or operator fails or
refuses to comply with subsection (a), regulations promulgated
under this chapter or conditions of a permit relating to this
chapter, the department may declare the bond forfeited and shall
certify the same to the Attorney General, who shall proceed to
enforce and collect the full amount of the bond and, if the well
owner or operator has deposited cash or securities as collateral
in lieu of a corporate surety, the department shall declare the
collateral forfeited and direct the State Treasurer to pay the
full amount of the funds into the Well Plugging Restricted
Revenue Account or to sell the security to the extent forfeited
and pay the proceeds into the Well Plugging Restricted Revenue
Account. If a corporate surety or financial institution fails to
pay a forfeited bond promptly and in full, the corporate surety
or financial institution shall be disqualified from writing
further bonds under this chapter or any other environmental law
administered by the department. A person aggrieved by reason of
forfeiting the bond or converting collateral, as provided in
this section, shall have a right to appeal to the Environmental
Hearing Board in the manner provided by law. Upon forfeiture of
a blanket bond for a violation occurring at one or more well
sites, the person whose bond is forfeited shall, within ten days
of the forfeiture, submit a replacement bond to cover all other
wells of which the person is an owner or operator. Failure to
submit the replacement bond constitutes a violation of this
section as to each of the wells owned or operated by the person.

(d) Reservation of remedies.--All remedies for violations of
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.

(e) 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.

(f) Definition.--As used in this section, the term "well
site" means areas occupied by all equipment or facilities
necessary for or incidental to drilling, production or plugging
a well.

SUBCHAPTER C
ENFORCEMENT AND REMEDIES

Sec.
3651. Conferences.
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3653. Enforcement orders.
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depositions and rights of entry.
3659. Unlawful conduct.
3660. Collection of fines and penalties.
3661. Third-party liability.
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§ 3651. Conferences.
(a) General rule.--The department or any person having a
direct interest in a matter subject to this chapter may, at any
time, request that a conference be held to discuss and attempt
to resolve by mutual agreement a matter arising under this
chapter. Unless otherwise provided, conferences shall be held
within 90 days after a request is received by the department,
and notice shall be given by the department to all interested
parties. A representative of the department shall attend the
conference and the department may make recommendations. An
agreement reached at a conference shall be consistent with this
chapter and, if approved by the department, it shall be reduced
to writing and shall be effective, unless reviewed and rejected
by the department within ten days after the conference. The
record of an agreement approved by the department shall be kept
on file by the department and copies shall be furnished to the
parties. The scheduling of a conference shall have no effect on
the department's authority to issue orders to compel compliance
with this chapter.
(b) Notification.--When a coal operator is to be notified of
a proceeding under this section, the department simultaneously
shall send a copy of the notice to the collective bargaining
representative of employees of the coal operator.

§ 3652. Public nuisances.
A violation of section 3617 (relating to protection of fresh
groundwater and casing requirements), 3618 (relating to
protection of water supplies), 3619 (relating to use of safety
deVICES) or 3620 (relating to plugging requirements), or a
regulation, order, term or condition of a permit relating to any
One of those sections constitutes a public nuisance.
§ 3653. Enforcement orders.

(a) General rule.--Except as modified by subsections (b), (c) and (d), the department may issue orders necessary to aid in enforcement of this chapter. An order issued under this chapter shall take effect upon notice, unless the order specifies otherwise. The power of the department to issue an order under this chapter is in addition to any other remedy available to the department under this chapter or under any other law.

(b) Suspension and revocation.--

(1) The department may suspend or revoke a well permit or well registration for any well:

(i) in continuing violation of any of the following:
    (A) This chapter.
    (B) The act of June 22, 1937 (P.L.1987, No.394), known as The Clean Streams Law.
    (C) The act of July 7, 1980 (P.L.380, No.97), known as the Solid Waste Management Act.
    (D) Any other statute administered by the department.

(ii) the likely result of a violation is an unsafe operation or environmental damage.

(2) A suspension order of the department shall automatically terminate if the violation upon which it is based is corrected by the operator to the satisfaction of the department in order to bring the well into compliance with this chapter.

(c) Written notice.--Prior to suspension or revocation of a well permit or registration, the department shall serve written notice on the well operator or its agent, stating specifically the statutory provision, regulation or other reason relied upon, along with factual circumstances surrounding the alleged violation. If the department suspends or revokes the permit or registration, the department may order the operator to cap the well if the likely result of the violation is an unsafe operation or environmental damage.

(d) Immediate orders.--An order of the department requiring immediate cessation of drilling operations shall be effective only if authorized by the secretary or a designee.

(e) Grievances.--A person aggrieved by a department order issued under this section shall have the right, within 30 days of receipt of the notice, to appeal to the Environmental Hearing Board.

§ 3654. Restraining violations.

(a) General rule.--In addition to any other remedy provided in this chapter, the department may institute a suit in equity in the name of the Commonwealth for an injunction to restrain a violation of this chapter or rules, regulations, standards or orders adopted or issued under this chapter and to restrain the maintenance or threat of a public nuisance. Upon motion of the Commonwealth, the court shall issue a prohibitory or mandatory preliminary injunction if it finds that the defendant is
engaging in unlawful conduct, as defined by this chapter, or
cconduct causing immediate and irreparable harm to the public.
The Commonwealth shall not be required to furnish bond or other
security in connection with the proceeding. In addition to an
injunction, the court in equity may level civil penalties as
specified in section 3656 (relating to civil penalties).

(b) District attorney.--In addition to other remedies in
this chapter, upon relation of the district attorney of a county
affected or upon relation of the solicitor of a municipality
affected, an action in equity may be brought in a court of
competent jurisdiction for an injunction to restrain a violation
of this chapter or rules and regulations promulgated under this
chapter or to restrain a public nuisance or detriment to health.

(c) Concurrent penalties.--Penalties and remedies under this
chapter shall be deemed concurrent. Existence or exercise of one
remedy shall not prevent the department from exercising another
remedy at law or in equity.

(d) Jurisdiction.--Actions under this section may be filed
in the appropriate court of common pleas or in Commonwealth
Court, and those courts are hereby granted jurisdiction to hear
actions under this section.

§ 3654.1. Well control emergency response cost recovery.
A person liable for a well control emergency is responsible
for all response costs incurred by the department for well
control specialists to respond to the well control emergency. In
an action before a court of competent jurisdiction, the
department may recover all its response costs, including the
cost of regaining control of the well, controlling the perimeter
of the well site, preparing water sprays, establishing trenches
or dikes to capture runoff fluids and providing the resources
and equipment needs for the incident.

§ 3655. Penalties.

(a) General violation.--A person violating a provision of
this chapter commits a summary offense and, upon conviction,
shall be sentenced to pay a fine of not more than $500 or to
imprisonment of not more than 90 days, or both. Each day during
which the violation continues is a separate and distinct
offense.

(b) Willful violation.--A person willfully violating a
provision of this chapter or an order of the department issued
under this chapter commits a misdemeanor and, upon conviction,
shall be sentenced to pay a fine of not more than $5,000 or to
imprisonment of not more than one year, or both. Each day during
which the violation continues is a separate and distinct
offense.

(c) Authority.--The department may institute a prosecution
against any person or municipality for a violation of this
chapter.

§ 3656. Civil penalties.

In addition to other remedies available at law or in equity
for a violation of this chapter, a regulation of the department,
a departmental order or a permit condition, the department, may
assess a civil penalty regardless of whether the violation was
willful. The penalty shall not exceed $25,000 plus $1,000 for
each day during which the violation continues. In determining
whether to assess a penalty or the amount of the penalty, the
department shall consider willfulness of the violation, damage
or injury to natural resources of this Commonwealth or their
uses, endangerment of safety of others, the cost of remediying
the harm, savings resulting to the violator as a result of the
violation, whether the operator voluntarily plugged an orphaned
or abandoned well and any other relevant factor. When the
department proposes to assess a civil penalty, it shall notify
the person of the proposed amount of the penalty. The person
charged with the penalty must, within 30 days of notification,
pay the proposed penalty in full or file an appeal of the
assessment with the Environmental Hearing Board. Failure to
comply with the time period under this section shall result in a
waiver of all legal rights to contest the violation or the
amount of the penalty. The civil penalty shall be payable to the
Commonwealth and collectible in any manner provided at law for
collection of debts. If a violator neglects or refuses to pay
the penalty after demand, the amount, together with interest and
costs that may accrue, shall become a lien in favor of the
Commonwealth on the real and personal property of the violator,
but only after the lien has been entered and docketed of record
by the prothonotary of the county where the property is
situated. The department may transmit to the prothonotaries of
the various counties certified copies of all liens. It shall be
the duty of each prothonotary to enter and docket the liens of
record in the prothonotary's office and index them as judgments
are indexed, without requiring payment of costs as a condition
precedent to entry.
§ 3657. Existing rights and remedies preserved and cumulative
remedies authorized.
Nothing in this chapter stops the Commonwealth or a district
attorney from proceeding in a court of law or in equity to abate
pollution forbidden under this chapter or a nuisance under
existing law. It is hereby declared to be the purpose of this
chapter to provide additional and cumulative remedies to control
activities related to drilling for or production of oil and gas
in this Commonwealth, and nothing contained in this chapter
abridges or alters rights of action or remedies existing, or
which existed previously, in equity or under common or statutory
law, criminal or civil. Neither this chapter, the grant of a
permit under this chapter nor an act done by virtue of this
chapter stops the Commonwealth, in exercising rights under
common or decisional law or in equity, from suppressing a
nuisance, abating pollution or enforcing common law or statutory
rights. No court of this Commonwealth with jurisdiction to abate
public or private nuisances shall be deprived of jurisdiction in
an action to abate a private or public nuisance instituted by
any person on grounds that the nuisance constitutes air or water pollution.

§ 3658. Inspection and production of materials, witnesses, depositions and rights of entry.

(a) General rule.--The department may make inspections, conduct tests or sampling or examine books, papers and records pertinent to a matter under investigation under this chapter to determine compliance with this chapter. For this purpose, the duly authorized agents and employees of the department may at all reasonable times enter and examine any involved property, facility, operation or activity.

(b) Access.--The owner, operator or other person in charge of a property, facility, operation or activity under this chapter, upon presentation of proper identification and purpose either for inspection or to remediate or otherwise respond to a well control emergency, by agents or employees of the department, shall provide free and unrestricted entry and access. Upon refusal, the agent or employee may obtain a search warrant or other suitable order authorizing entry and inspection, remediation or response. It shall be sufficient to justify issuance of a search warrant authorizing examination and inspection if:

(1) there is probable cause to believe that the object of the investigation is subject to regulation under this chapter; and

(2) access, examination or inspection is necessary to enforce the provisions of this chapter.

(c) Witnesses.--In any part of this Commonwealth, the department may subpoena witnesses, administer oaths, examine witnesses, take testimony and compel production of books, records, maps, plats, papers, documents and other writings pertinent to proceedings or investigations conducted by the department under this chapter. Upon refusal to obey a subpoena by any person and on application of the department, a court may enforce a subpoena in contempt proceedings. Fees for serving a subpoena shall be the same as those paid to sheriffs for similar services.

(d) Deposition.--The department or a party to a proceeding before the department may cause the deposition of a witness who resides in or outside of this Commonwealth to be taken in the manner prescribed by law for taking depositions in civil actions.

(e) Witness fee.--Witnesses summoned before the department shall be paid the same fees as are paid to witnesses in courts of record of general jurisdiction. Witnesses whose depositions are taken under this chapter, and the officers taking those depositions, shall be entitled to the same fees as those paid for like services in court.

(f) Purchasers.--Upon request, a purchaser of oil or gas shall provide the department information necessary to determine ownership of facilities from which the purchaser obtained oil or gas.
gas. The information shall be kept confidential for a period of five years, and the department may utilize it in enforcement proceedings. The department may request information under this section only when a well does not comply with section 3611(h) (relating to well permits).

§ 3659. Unlawful conduct.

It shall be unlawful for any person to:

(1) Drill, alter, operate or utilize an oil or gas well without a permit or registration from the department as required by this chapter or in violation of rules or regulations adopted under this chapter, orders of the department or a term or condition of a permit issued by the department.

(2) Conduct an activity related to drilling for or production of oil and gas:

(i) contrary to this chapter, rules or regulations adopted under this chapter, an order of the department or a term or condition of a permit issued by the department; or

(ii) in any manner as to create a public nuisance or adversely affect public health, safety, welfare or the environment.

(3) Refuse, obstruct, delay or threaten an agent or employee of the department acting in the course of lawful performance of a duty under this chapter, including, but not limited to, entry and inspection.

(4) Attempt to obtain a permit or identify a well as an orphan well by misrepresentation or failure to disclose all relevant facts.

(5) Cause abandonment of a well by removal of casing or equipment necessary for production without plugging the well in the manner prescribed under section 3620 (relating to plugging requirements), except that the owner or operator of a well may temporarily remove casing or equipment necessary for production, but only if it is part of the normal course of production activities.

§ 3660. Collection of fines and penalties.

Fines and penalties shall be collectible in a manner provided by law for collection of debts. If a person liable to pay a penalty neglects or refuses to pay after demand, the amount, together with interest and costs that may accrue, shall be a judgment in favor of the Commonwealth on the person's property, but only after the judgment has been entered and docketed of record by the prothonotary of the county where the property is situated. The department may transmit to prothonotaries of the various counties certified copies of all judgments, and it shall be the duty of each prothonotary to enter and docket them of record in the prothonotary's office and index them as judgments are indexed, without requiring payment of costs as a condition precedent to entry.

§ 3661. Third-party liability.
If a person other than a well operator renders a service or
product to a well or well site, that person is jointly and
severally liable with the well owner or operator for violations
of this chapter arising out of and caused by the person's
actions at the well or well site, in accordance with State law.
§ 3662. Inspection reports.
The department shall post inspection reports on its publicly
accessible Internet website. The inspection reports shall
include:
  (1) The nature and description of violations.
  (2) The operator's written response to the violation, if
available.
  (3) The status of the violation.
  (4) The remedial steps taken by the operator or the
department to address the violation.

SUBCHAPTER D
MISCELLANEOUS PROVISIONS
§ 3671. Well plugging funds.
§ 3672. (Reserved).
§ 3673. Effect on department authority.
  § 3673.1. Relationship to solid waste and surface mining.
  § 3673.2. Relationship to the coal and gas resource coordination.
  § 3673.3. Local ordinances.
§ 3674. Regulations.
§ 3671. Well plugging funds.
  (a) Appropriation.--Fines and civil penalties collected
under this chapter shall be deposited into the Abandoned Well
Plugging Fund. Permit fees collected under this chapter shall be
appropriated to the department to carry out the purposes of this
chapter.
  (b) Surcharge.--To aid in indemnifying the Commonwealth for
the cost of plugging abandoned wells, a $50 surcharge shall be
added to the permit fee established by the department under
section 3611 (relating to well permits) for new wells. Money
collected as a result of the surcharge shall be paid into the
Abandoned Well Plugging Fund and expended by the department to
plug abandoned wells threatening the health and safety of
persons or property or pollution of waters of this Commonwealth.
  (c) Orphan Well Plugging Fund.--The following shall apply:
    (1) A $100 surcharge for wells to be drilled for oil
production and a $200 surcharge for wells to be drilled for
gas production are added to the permit fee established by the
department under section 3611 for new wells. The surcharges
shall be placed in the Orphan Well Plugging Fund and expended
by the department to plug orphan wells. If an operator
rehabilitates a well abandoned by another operator or an
orphan well, the permit fee and the surcharge for the well
shall be waived.
    (2) The department shall study its experience in
implementing this section and shall report its findings to
the Governor and the General Assembly by one year after
promulgation. The 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.
(d) Supplements to funds.--The Abandoned and Orphan Well
Plugging Funds may be supplemented by appropriations from the
Federal Government, the General Assembly or State or local
government or from any private source.
§ 3672.  (Reserved).
§ 3673.  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
Management Act.
§ 3673.1.  Relationship to solid waste and surface mining.
(a) General rule.--The obligation to obtain a permit and
post a bond under Articles III and V of the act of July 7, 1980
(P.L.380, No.97), known as the Solid Waste Management Act, and
to provide public notice under section 1905-A(b)(1)(v) of the
act of April 9, 1929 (P.L.177, No.175), known as The
Administrative Code of 1929, for any pit, impoundment, method or
facility employed for the disposal, processing or storage of
residual wastes generated by the drilling of an oil or gas well
or from the production of wells which is located on the well
site, shall be considered to have been satisfied if the owner or
operator of the well meets the following conditions:
(1) the well is permitted under the requirements of
section 3611 (relating to well permits) or registered under
section 3613 (relating to well registration and
identification);
(2) the owner or operator has satisfied the financial
security requirements of section 3625 (relating to bonding)
by obtaining a surety or collateral bond for the well and
well site; and
(3) the owner or operator maintains compliance with this
chapter and applicable regulations of the Environmental
Quality Board.
(b) Noncoal surface mining.--Obligations under the act of
December 19, 1984 (P.L.1093, No.219), known as the Noncoal
Surface Mining Conservation and Reclamation Act, or a regulation
promulgated under the Noncoal Surface Mining Conservation and
Reclamation Act, for any borrow area where minerals are
extracted solely for the purpose of oil and gas well
development, including access road construction, shall be
considered to have been satisfied if the owner or operator of
the well meets the conditions imposed under subsection (a)(1)
and (2) and maintains compliance with this chapter and
applicable regulations of the Environmental Quality Board.

(c) Solid Waste Management Act.--This section does not diminish or otherwise affect duties or obligations of an owner or operator under the Solid Waste Management Act. This section does not apply to waste classified as hazardous waste under the Solid Waste Management Act or the Resource Conservation and Recovery Act of 1976 (Public Law 94-580, 90 Stat. 2795, 42 U.S.C. § 6901 et seq.).

(d) Definition.--As used in this section, the term "well site" means areas occupied by all equipment or facilities necessary for or incidental to drilling, production or plugging a well.

§ 3673.2. Relationship to the Coal and Gas Resource Coordination Act.

(a) Applicability.--The requirements under section 5 of the act of December 18, 1984 (P.L.1069, No.214), known as the Coal and Gas Resource Coordination Act, for the issuance of a permit under the former act of December 19, 1984 (P.L.1140, No.223), known as the Oil and Gas Act, shall apply to this act.

(b) Construction.--Nothing in this act shall be construed to change, repeal or otherwise affect the provisions of the Coal and Gas Resource Coordination Act.

§ 3673.3. Local ordinances.

Except with respect to local ordinances adopted pursuant to 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 purporting to regulate conventional oil and gas operations regulated by this act are hereby superseded. No local ordinance adopted pursuant to the Pennsylvania Municipalities Planning Code or Flood Plain Management Act shall contain provisions which impose conditions, requirements or limitations on the same features of oil and gas operations regulated by this act or that accomplish the same purposes as set forth in this act. The Commonwealth, by this section, preempts and supersedes the regulation of conventional oil and gas operations as herein defined.

§ 3674. Regulations.
The Environmental Quality Board shall promulgate regulations to implement this chapter.

CHAPTER 37
ANNUAL FEE

Sec.
3701. Annual fee.
§ 3701. Annual fee.
The Environmental Quality Board shall establish annual fees for all wells that have not been granted inactive status or are plugged and abandoned. These fees shall bear a reasonable relationship to the costs of the Department of Environmental Protection associated with administering Chapters 32 (relating to development) and 36 (relating to conventional development).
Section 3. This act shall take effect in 60 days.