

Annex A

TITLE 25. ENVIRONMENTAL PROTECTION

PART I. DEPARTMENT OF ENVIRONMENTAL PROTECTION

Subpart C. PROTECTION OF NATURAL RESOURCES

ARTICLE I. LAND RESOURCES

CHAPTER 78. OIL AND GAS WELLS

SUBCHAPTER B. PERMITS, TRANSFERS, AND OBJECTIONS

§ 78.15. Application requirements.

(b) The permit application will not be considered complete until the applicant submits a complete and accurate plat, an approvable bond or other means of complying with section 215 of the act (58 P. S. § 601.215), the fee **in compliance with § 78.19. (relating to permit application fee schedule)**, proof of notification, necessary requests for variance or waivers or other documents required to be furnished by law or the Department. The person named in the permit shall be the same person named in the bond or other security.

§ 78.19 Permit application fee schedule

(a) Except as provided in subsection b, an applicant shall pay a permit application fee of \$100.00.

(b) An applicant proposing to drill a well to produce gas from the Marcellus shale formation shall pay a permit application fee according to the following schedule:

<u>New Marcellus Shale Wells</u>			
<u>Total Wellbore Length in Feet</u>			<u>Total Fee</u>
<u>0</u>	<u>To</u>	<u>1,500</u>	<u>\$900</u>
<u>1,501</u>	<u>To</u>	<u>2,000</u>	<u>\$1,000</u>
<u>2,001</u>	<u>To</u>	<u>2,500</u>	<u>\$1,100</u>
<u>2,501</u>	<u>To</u>	<u>3,000</u>	<u>\$1,200</u>

<u>3,001</u>	<u>To</u>	<u>3,500</u>	<u>\$1,300</u>
<u>3,501</u>	<u>To</u>	<u>4,000</u>	<u>\$1,400</u>
<u>4,001</u>	<u>To</u>	<u>4,500</u>	<u>\$1,500</u>
<u>4,501</u>	<u>To</u>	<u>5,000</u>	<u>\$1,600</u>
<u>5,001</u>	<u>To</u>	<u>5,500</u>	<u>\$1,700</u>
<u>5,501</u>	<u>To</u>	<u>6,000</u>	<u>\$1,800</u>
<u>6,001</u>	<u>To</u>	<u>6,500</u>	<u>\$1,900</u>
<u>6,501</u>	<u>To</u>	<u>7,000</u>	<u>\$2,000</u>
<u>7,001</u>	<u>To</u>	<u>7,500</u>	<u>\$2,100</u>
<u>7,501</u>	<u>To</u>	<u>8,000</u>	<u>\$2,200</u>
<u>8,001</u>	<u>To</u>	<u>8,500</u>	<u>\$2,300</u>
<u>8,501</u>	<u>To</u>	<u>9,000</u>	<u>\$2,400</u>
<u>9,001</u>	<u>To</u>	<u>9,500</u>	<u>\$2,500</u>
<u>9,501</u>	<u>To</u>	<u>10,000</u>	<u>\$2,600</u>
<u>10,001</u>	<u>To</u>	<u>10,500</u>	<u>\$2,700</u>
<u>10,501</u>	<u>To</u>	<u>11,000</u>	<u>\$2,800</u>
<u>11,001</u>	<u>To</u>	<u>11,500</u>	<u>\$2,900</u>
<u>11,501</u>	<u>To</u>	<u>12,000</u>	<u>\$3,000</u>

(c) An applicant for a Marcellus shale well exceeding 12,000 feet in total well bore length shall pay a permit application fee of \$3,000 + \$100 for every 500 feet the well bore extends over 12,000 feet. Fees shall be rounded to the foot interval.

(d) If, when drilled, the total well bore length of a Marcellus shale well exceeds the length specified in the permit application, the operator shall pay the difference between the amount paid as part of the permit application and the amount required by subsection b plus 10% of the total amount required by subsection b.

(e) Fees are non-refundable.

(f) At least every three years, the department will provide the Environmental Quality Board with an evaluation of the fees in this chapter and recommend regulatory changes to the Environmental Quality Board to address any disparity between the program income generated by the fees and the department's cost of administering the program with the objective of ensuring fees meet all program costs and programs are self-sustaining.