

Interim permits and orders may be issued and made by the chairman of the board, or by any official of the board designated for such purpose by the board, but such interim permits and orders shall be subject to subsequent approval or confirmation by the board.

APPROVED—The 31st day of July, A. D. 1968.

RAYMOND P. SHAFER.

No. 265

AN ACT

HB 900

Amending the act of November 30, 1955 (P. L. 756), entitled "An act relating to coal mining, well operations and the underground storage of gas, except in storage reservoirs excavated in rock formations specifically for storage purposes, and the safety of personnel and facilities employed therein; prescribing the rights and duties of well operators, before, during, and after the drilling of wells for the production, extraction or storage of any gas, petroleum or other liquid; regulating the underground storage of gas under workable coal seams; prescribing the rights and duties of owners and operators of coal mines in relation to wells and underground storage areas; granting certain corporations a limited right of eminent domain to appropriate interests in real property for surface and sub-surface operations in connection with the underground storage of gas; creating the Oil and Gas Division of the Department of Mines and defining its personnel, powers and duties; providing for hearings and the procedures to be followed therein and imposing duties upon the courts and providing methods for the enforcement of the provisions of this act and imposing penalties," defining completion of a well; further providing for well operator's responsibility before and during drilling; drilling permits, method of casing through coal seams, plugging wells and filing certificates thereof, plugging and pulling casing; requiring the Oil and Gas Division to cooperate with the Sanitary Water Board; further providing for filing of maps and data by coal mine operators; and changing penalty provisions.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 102, act of November 30, 1955 (P. L. 756), known as the "Gas Operations Well-Drilling Petroleum and Coal Mining Act," is amended by adding at the end thereof, a new clause to read:

Section 102. Definitions.—As used in this act:

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(24) "Completion of a well" shall mean 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 the well is abandoned.

Section 2. Section 201 and subsection (d) of section 202 of the act are amended to read:

Section 201. Well Operator's Responsibility Before and During

Drilling.—(a) Before drilling any well [which is to pass through any workable coal seam], the well operator shall have a plat prepared by a competent engineer or surveyor (on a form to be furnished by the division) showing the political subdivision and county in which the tract of land upon which the well to be drilled is located, the name of the lessor or landowner, the name of the owner or operator of all known underlying workable coal seams, if any, the acreage in the tract to be drilled, the proposed location of the well determined by survey, the courses and distances of such location from two or more permanent points or landmarks on said tract, the proposed angle and direction of such well, if the well is to be deviated substantially from a vertical course and the number or other identification to be given the well, indicating the workable coal seams, if any, underlying said tract which are to be cased off in accordance with section 204 of this act and shall forward, by registered mail, copies of the plat to the division and the division shall in turn forward, by registered mail, a copy of said plat to the owner and lessee, if any, of such coal and every coal operator, operating in any of said seams of coal, who has the right to file objections under section 202 and who has mapped the same and filed his maps with the Department of Mines as required by law. If the well operator submits to the division written approval of the proposed well location by the coal operator or owner, if any, of the coal underlying the proposed well location and no objections are raised by the division within ten days or if no such approval has been submitted and no objections are made to such proposed well location within ten days from receipt of such notice by the coal operator or owner, if any, or by the division, the same shall be filed and become a permanent record of such location, subject to inspection at any time by any interested person, and the division shall forthwith issue a drilling permit to the well operator and the well operator may proceed with the drilling of the well at the exact location shown on the plat: Provided, however, That in non-coal areas where more than one well is to be drilled as part of the same development project, only the first well of the project need be located by survey. The remaining wells of the project shall be shown on the plat with courses and distances from the first well plainly marked. Prior to drilling each of the additional project wells, the well operator shall notify the division of his intention, and a permit will be issued forthwith.

(b) It shall be the duty of the well operator [whose well penetrates one or more workable coal seams] to keep a driller's log of such well. Such log shall show the character, thickness and depth of

the formations passed through or encountered in the drilling of such well and show the depth at which all gas, oil and water were encountered. The log shall show whether the well is productive of gas, oil or water, the volume or quantity thereof and the initial rock pressure of such well which has been taken for a period of not less than forty-eight hours. A copy of this log shall be furnished to the division within thirty days after the completion of the well and it shall be kept on file by the division.

(c) Drilling permits issued for wells covered by this act shall expire one year after issuance unless operations for drilling the well are commenced within such period and prosecuted with due diligence. Nothing in this subsection shall be construed to rescind the provisions pertaining to drilling permits contained in the act of July 25, 1961 (P. L. 825), known as the "Oil and Gas Conservation Law."

Section 202. Drilling Permit, Agreed Location of Wells, Docket of Proceedings.— \* \* \*

(d) No well shall be drilled [through a workable coal seam,] except in accordance with a permit issued under this section.

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Section 3. Subsection (e) of section 202 of the act is repealed.

Section 4. Subsections (a), (b) and (c) of section 204, section 205 and subsection (c) of section 206 of the act are amended to read:

Section 204. Method of Casing Through Coal Seams.—(a) When a well is drilled [through a coal seam in a location from which] at a location where the coal has been removed from only one seam, the hole shall be drilled at least thirty feet below the coal seam and of a sufficient size to permit the placing of a steel pipe liner not less than ten inches in diameter and of at least one-quarter inch wall thickness. The liner shall extend from a point not less than twenty-five feet below the coal seam to a point not less than twenty-five feet above it. The bottom end of the liner shall be fastened and sealed to the casing and the casing shall be centrally located within the liner, the casing and liner to be run and cemented when the well is drilled at least thirty feet but not more than fifty feet below the coal seam. The annular space between said casing and liner shall be filled with [aquagel,] bentonitic mud, cement or such [other equally] nonporous material as the division may approve pursuant to an application filed under section 207. The casing shall be raised at least ten feet off the bottom of the hole and cement shall be placed in the well through the casing to a depth of at least twenty feet. After the cement has been placed, the casing shall be lowered

to the bottom of the hole. In each case, where cement is used to set such liners or casing strings, sufficient time shall be allowed for the proper setting of the cement before drilling is resumed. The casing string shall be equipped with either an approved packer or casing shoe. A liner may be run and cemented as a separate string of pipe: Provided, however, That the liner is run and cemented when the well is drilled at least thirty feet but not more than fifty feet below the coal seam; or such alternate method of protecting the coal seam may be employed as the division may approve pursuant to an application filed under section 207. Such representative of the division as the deputy secretary shall have designated and the coal operator shall be given at least seventy-two hours notice by the well operator when the work described above is to be done.

(b) When a well is drilled [through two or more coal seams in a location from which] at a location where the coal has been removed from two or more seams, such liner shall extend not less than twenty-five feet below the lowest seam penetrated and shall extend to a point not less than twenty-five feet above the highest such seam. In such multiple coal seams in a location from which the coal has been removed, the liner may be run and cemented as a separate string of pipe: Provided, however, That the liner shall be run and cemented when the <sup>1</sup> well is drilled at least thirty feet and not more than fifty feet below the lowest coal seam; or such alternate method of protecting the coal seams may be employed as the division may approve pursuant to an application filed under section 207. Such representative of the division as the deputy secretary shall have designated and the coal operator shall be given at least seventy-two hours notice by the well operator when the casing is to be cemented through the coal seam.

(c) A well penetrating one or more workable coal seams in a location from which the coal has not been removed shall be drilled to such depth and of such size as will permit the placing of casing and packers in the hole at such points and in such manner as will exclude all oil or gas from the coal seam, except such as may be found naturally in the coal seam itself. Each string of casing run in the hole shall be provided with a steel casing, shoe collar, packer or other suitable device firmly fixed on the bottom of such string of casing. The outer string of casing run through any workable coal seam shall be of at least one-quarter inch wall thickness and shall be seated at least thirty feet below such coal seam or, if run through more than one workable coal seam, then at least thirty feet below the lowest of such coal seams, in at least twenty feet of cement, [aquagel] ben-

<sup>1</sup> "will" in original.

tonitic mud or [other such equally] nonporous material or by such alternate method as the division may approve pursuant to an application filed under section 207 and such casing string shall extend to the surface. The space behind the largest diameter casing extending through a workable coal seam or seams shall be filled to the extent possible to the surface with cement [„aquagel“], bentonitic mud or such [other equally] nonporous material or by such alternate method as the division may approve pursuant to an application filed under section 207. Such representative of the division as the deputy secretary shall have designated and the coal operator or owner shall be given at least seventy-two hours notice by the well operator when the well is to be cased through such coal seam.

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Section 205. Notice of Intention to Plug a Well and Filing of Plugging Certificate.—(a) Prior to the abandonment of any well in an area underlain by a workable coal seam, the well operator shall notify the coal operator and the owner of all known workable coal seams to whom notices are required to be given [by the well operator] under section 201 and such representative of the division as the deputy secretary shall have designated, of his intention to plug and abandon any such well and submit a plat (on a form to be furnished by the division) showing the location of the well and fixing the time at which the work of plugging will be commenced, which time shall be not less than seventy-two hours after the time when such notice is received, in order that their representatives may be present at the plugging of the well. Such notice may be waived by the division and said coal operator or owner and either of them may likewise waive his right to be present but such waiver shall be in writing and a copy thereof attached to notice of abandonment, filed with the division under this section. Whether or not such representatives appear, the well operator may, if he has fully complied with the requirements of this section, proceed, at the time fixed, to plug the well in the manner hereinafter described. When such plugging has been completed, a certificate shall be prepared (on a form to be furnished by the division) by two experienced and qualified men who participated in the work setting forth the time and manner in which the well was plugged. One copy of this certificate shall be mailed to each coal operator or owner to whom notice was given by registered mail and another copy shall be mailed to the division.

(b) Prior to the abandonment of any well in an area not underlain by a workable coal seam, the well operator shall notify the division or such representative of the division as the deputy secretary shall have designated of his intention to plug and abandon any such well and submit a plat (on a form to be furnished by the division)

showing the location of the well and fixing the time at which the work of plugging will be commenced, which time shall not be less than seventy-two hours nor more than thirty days after the time of mailing such notice, in order that the division representative may be present at the plugging of the well. Such notice or waiting period may be verbally waived by the division or its representative: Provided, however, That in non-coal areas where more than one well has been drilled as part of the same development project, and these wells are now to be plugged, it is required that the district oil and gas representative be given seventy-two hours notice prior to plugging the first well of such project subject to waiver of notice described herein. In the plugging of subsequent wells on this project it shall be the responsibility of the division representative to learn when this work is to be continued. Whether or not such division representative appears, the well operator may, if he has fully complied with the requirements of this section, proceed at the time fixed to plug the well in the manner hereinafter described. When such plugging has been completed a certificate shall be prepared, (on a form to be furnished by the division) by two experienced and qualified men who participated in the work, setting forth the time and manner in which the well was plugged. A copy of this certificate shall be mailed to the division.

Section 206. Plugging and Pulling Casing.—\* \* \*

(c) Upon abandoning or ceasing to operate any well which passes through a workable coal seam, the owner or operator of said well shall plug the same in the following manner.

The well shall be filled with sand pumpings or [other equally] such nonporous material as the division may approve pursuant to an application filed under section 207, to the top of the lowest stratum bearing or having borne oil, gas or water and, at such point, a suitable type of plug approved by the division shall be placed. The space above the plug shall be filled for at least twenty feet with cement or [other equally] such nonporous material as the division may approve, pursuant to an application filed under section 207. A sufficient lapse of time shall be allowed after the introduction of the cement or other material for it to set properly before proceeding. All other formations encountered in the well which bear or have borne oil, gas

or water shall be plugged and filled in the same manner. A final plug shall be anchored approximately ten feet below the bottom of the smallest coal protecting string of casing but not less than forty feet below the lowest workable coal seam and the hole above filled with approximately twenty feet of rock or gravel. After the inside casing has been drawn, there shall be placed on top of the rock or gravel above the final plug a vent pipe at least two inches in diameter with a bell fitting or other suitable device to carry any free gas into the vent pipe. The vent pipe shall extend above the surface at least six feet and shall be fitted at the top with a tee and two street ells, or similar devices, to prevent debris from entering the vent pipe. The space surrounding the vent pipe and immediately above the bell fitting or other device shall be filled with [at least] a maximum of five feet of sand pumpings or fine gravel and, then, the space from this point shall be filled with cement to a point not less than twenty-five feet above the highest workable coal seam. From this point to the surface, the space around the vent pipe shall be filled with sand pumpings or other equally nonporous material. In a storage reservoir subject to section 304, the vent pipe shall be maintained in good repair by the storage operator. If approved by the division pursuant to an application filed under section 207, an alternative method of plugging and venting may be employed.

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Section 5. The act is amended by adding after section 207, a new section to read:

Section 208. Oil and Gas Division Cooperation with Sanitary Water Board.—Upon request of the Sanitary Water Board the Oil and Gas Division shall, and upon its own initiative it may, submit to said board recommended regulations for the control and prevention of pollution of surface and underground waters resulting from drilling, operation, abandonment or plugging of oil or gas wells. The Oil and Gas Division shall report to the Sanitary Water Board any violation of The Clean Streams Law, or of any regulation or order of said board issued pursuant thereto, which the division shall find in its inspections and investigations made under the authority conferred by section 501 (g) of this act.

Section 6. Subsection (a) of section 302 and section 504 of the act are amended to read:

Section 302. Filing of Maps and Data by Persons Operating Coal Mines.—(a) Any person owning or operating a coal mine shall, within thirty days from the effective date of this act, file with the division a map prepared by a competent engineer, showing the out-

side coal boundaries of the said operating coal mine, the existing workings and exhausted areas and the relationship of said boundaries to identifiable surface properties and landmarks: Provided, however, That any operating coal mine, which has been penetrated by a well since the effective date of this act, shall furnish a mine map to the division each year indicating the excavations for the preceding year and the projections for the ensuing year. Any person who is stor-

ing or contemplating the storage of gas in the vicinity of such operating coal mines shall, upon written request, be furnished a copy of the aforesaid map by the coal operator and such person and the division shall, thereafter, be informed of any boundary changes at the time such changes occur. The division shall keep a record of such information and shall promptly notify both the coal operator and the storage operator if it is found that the coal mine and the storage reservoir are within ten thousand linear feet of each other.

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Section 504. Penalties.—Any person who shall wilfully violate any provisions of this act or any order of the Oil and Gas Division, issued pursuant to the provisions of this act, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be sentenced to pay a fine of not more than five hundred dollars (\$500), or undergo imprisonment of not more than one year, or both. Each day's continuance of such violation shall be a separate and distinct offense.

APPROVED—The 31st day of July, A. D. 1968.

RAYMOND P. SHAFER.

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No. 266

AN ACT

HB 916

Amending the act of June 16, 1836 (P. L. 715), entitled "An act relating to Reference and Arbitration," increasing the amount of arbitration by the County Court of Philadelphia.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Section 8.1, act of June 16, 1836 (P. L. 715), entitled "An act relating to Reference and Arbitration," amended June 24, 1959 (P. L. 477), is amended to read: