 **TOM WOLF, GOVERNOR • PATRICK MCDONNELL, DEP SECRETARY**

## 2019 Annual Oil and Gas Report

Natural gas production in Pennsylvania increased while new well drilling decreased in 2019, according to the 2019 Oil and Gas Annual Report released by the Pennsylvania Department of Environmental Protection (DEP). The report also notes improved permit review efficiency. DEP is also exploring new partnerships to address orphan wells, identifying better restoration practices, and developing better ways to manage stormwater on well sites.

Production from natural gas wells continues to increase. More than 6 billion Mcf of natural gas was produced, continuing an upward trend from previous years.

Other details from the annual report:

- 1,705 drilling permits were issued; 1,475 unconventional and 230 conventional
- There were 787 wells drilled; 615 unconventional and 172 conventional
- DEP conducted 35,324 inspections and found 5,496 violations
- DEP collected \$4.1 million in fines and penalties in 2019

[To see the full 2019 Annual Report please click here.](#)



## Comments Are Being Accepted Through September 28, 2020: Draft Pressure Barrier Technical Guidance

On August 29, 2020, the Department of Environmental Protection published in the Pennsylvania Bulletin the notice of availability of [Draft Technical Guidance Document \(TGD\) 800-0810-003, Guidelines for Development of Operator Pressure Barrier Policy for Unconventional Wells](#).

The purpose of these guidelines is to inform unconventional operators engaged in drilling, hydraulic fracturing, alteration or plugging activities, or other pertinent oil and gas operations; of items to consider when developing the Pressure Barrier Policy (PBP) component of a Preparedness, Prevention and Contingency (PPC) plan. Recommendations relevant to maintaining compliance with the requirements of Chapter 78a and any additional requirements set forth in The Clean Streams Law, The Solid Waste Management Act, the 2012 Oil and Gas Act and other applicable laws are summarized. These guidelines have been developed to facilitate appropriate well control incident risk mitigation.

Interested persons may submit written comments on this draft TGD through Monday, September 28, 2020. Comments submitted by facsimile will not be accepted. All comments, including comments submitted by e-mail, must include the commenter's name and address. Commenters are encouraged to submit comments using the [Department's online eComment tool](#) or by e-mail to [ecomment@pa.gov](mailto:ecomment@pa.gov). Written comments can be mailed to the Technical Guidance Coordinator, Department of Environmental Protection, Policy Office, Rachel Carson State Office Building, P.O. Box 2063, Harrisburg, PA 17105-2063.

The final draft TGD is available on the Department's website and any questions regarding this TGD can be directed to Harry Wise at [hwise@pa.gov](mailto:hwise@pa.gov) or (717) 772-2199.

## Electronic Payment Issues

DEP has been experiencing issues related to the electronic payment for permit applications submitted via the ePermitting and eWell applications. For a number of electronic permit application submissions, DEP is not receiving the electronic verification of payment from our electronic payment vendor. This results in an electronic permit application remaining in a "draft" status rather than being updated to a "Submitted" status despite payment being submitted. As a result, some operators are attempting to resubmit their permit applications, in some cases multiple times. These resubmission attempts result in additional payment transactions, which then need to be refunded.

If an operator attempts to submit an electronic permit application through the ePermitting application or the eWell application and receives an email receipt indicating that payment has been approved, but the associated application remains in "draft" status, please **do not** attempt to resubmit the application. Doing so may result in additional charges to your credit card or bank account. The DEP has implemented a procedure to identify these records and get them updated to a "submitted" status within 24-48 hours. Additionally, we are working to our electronic payment vendor to identify and resolve the verification issue.

Any questions regarding this matter should be directed to the Bureau of Oil & Gas Planning and Program Management's BOGMOGRE Resource Account at [RA-ep-BOGMOGRE@pa.gov](mailto:RA-ep-BOGMOGRE@pa.gov).

## Updates on Blowout Preventer and Pressure Testing Measures

DEP has recently completed a comprehensive analysis of both regulatory requirements and an industry standards document updated in December 2018 relating to blowout preventer (BOP) function and pressure testing (American Petroleum Institute (API) Standard 53, Well Control Equipment Systems for Drilling Wells). In response to the analysis, the agency has rewritten a [frequently asked questions \(FAQ\) document](#) to align it with the current, best technical thinking associated with effective BOP testing measures. BOP equipment provides a last line of defense when an operator runs the risk of losing control of a well (uncontrolled flow of pressurized gas and liquids toward the surface).

The updated [FAQ](#) establishes that following the referenced API guidelines for both function and pressure testing, as written, are acceptable and provide superior safety measures. More specifically, the API guidelines provide consistent, system-wide testing procedures during BOP set-up, use, and transition to nearby wells on a multi-well pad. Further, the guidelines provide specific procedural steps that ensure comprehensive function and pressure testing at test intervals that have been fully vetted.

With the release of this [FAQ](#), DEP has clarified that following API Standard 53 is consistent with the intent of the 2011 rulemaking language associated with 78a.72/78.72 (e) and (f), and would be in compliance with DEP's regulations. The updated [FAQ](#) provides a transparent and clear mechanism for an operator to pursue a contemporary, superior BOP testing procedure, as allowed by the referenced regulations. In cases where an operator is proposing a method not consistent with the [FAQ](#) or the section 78a.72/78.72 testing requirements, DEP has also developed a new form, [8000-FM-OQGM0017](#), that can be used to document requests for DEP review and approval associated with modified BOP testing procedures. All of these new resources are available for reference and implementation, effective immediately.

## New eFACTS Client Validation for EIN Data

Beginning September 17, 2020, eFACTS will require users to enter a client's Employee Identification Number (EIN) as part of a record creation or update. This will apply to the following eFACTS client types:

- PA Corporation (PACOR)
- Partnership-Limited (PARTL)
- Limited Liability Partnership (LLP)
- Non-PA Corp (NPACO)

This change is designed to help prevent duplicate records and offer better data integrity in the system.

## Availability of Final Technical Guidance: Policy for the Replacement or Restoration of Private Water Supplies Impacted by Unconventional Operations

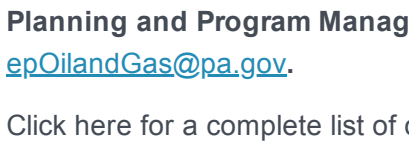
On August 8, 2020, the Department of Environmental Protection [published the notice of availability of final Technical Guidance Document \(TGD\) 800-0810-002, Policy for the Replacement or Restoration of Private Water Supplies Impacted by Unconventional Operations](#) in the Pennsylvania Bulletin. [A copy of the final TGD is available here](#) and replaces the interim final guidance document published by the Department in the Pennsylvania Bulletin on October 8, 2016 ([46 Pa.B. 6392](#)). The purpose of this guidance is to inform Department staff, the regulated community and the public how to comply with the private water supply restoration and replacement requirements in the 2012 Oil and Gas Act, The Land Recycling and Environmental Remediation Standards Act, The Clean Streams Law, and 25 Pa. Code Chapter 78a. This TGD is intended to memorialize existing Department policy relating to the restoration or replacement of private water supplies adversely impacted by unconventional gas operations with a water supply of adequate quantity and/or quality for the purposes served by impacted water supply source(s) under section 3218 of the 2012 Oil and Gas Act (58 Pa.C.S. § 3218).

[More information on the final TGD is available on the Department's website](#) and any questions should be directed to the Bureau of Oil & Gas Planning and Program Management's Resource Account at [RA-epOilandGas@pa.gov](mailto:RA-epOilandGas@pa.gov).

**If you have any questions related to the articles in this newsletter or if you have something you would like to see included in this newsletter, please contact the Bureau of Oil and Gas Planning and Program Management office in Harrisburg at 717-772-2199 or email [RA-epOilandGas@pa.gov](mailto:RA-epOilandGas@pa.gov).**

Click here for a complete list of our [DEP Oil and Gas Office locations](#).

Pennsylvania Department of Environmental Protection, 400 Market Street Harrisburg, PA 17101



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