

# MEETING MINUTES

## Oil and Gas Technical Advisory Board

May 10, 2018

### **TAB MEMBERS PRESENT**

Voting Members: Bryan McConnell, P.G. (Chair), David Yoxtheimer, P.G., Casey Saunders, P.E., Fred Baldassare, P.G.

Non-voting Advisors: Michael Griffin, Ph.D., John Walliser, Esq.

### **DEP STAFF PRESENT**

Scott Perry, Kurt Klappkowski, Harry Wise, Joe Kelly, Ann Mathew, Shahed Noyon, Todd Wallace, Jennie Demjanick, Elizabeth Davis, Roma Monteiro

### **CALL TO ORDER**

A meeting of the Oil and Gas Technical Advisory Board (TAB) was held via conference call in Room 105 at the Rachel Carson State Office Building, 400 Market Street, Harrisburg. This meeting was open to the public. McConnell called the meeting to order at 10:00 a.m.

### **APPROVAL OF MEETING MINUTES**

McConnell asked for a motion to approve the meeting minutes of the February 14, 2018 TAB meeting. Saunders made a motion to approve the meeting minutes and Yoxtheimer seconded. McConnell asked if there was any further discussion or suggested edits to the meeting minutes. McConnell requested a roll-call vote and the following TAB members voted to approve the February 14, 2018 meeting minutes: Saunders, Yoxtheimer, Baldassare, McConnell. The motion passed unanimously.

### **PROPOSED OIL AND GAS PERMIT APPLICATION FEE – ANNEX A**

Perry led a discussion about the proposed oil and gas permit application fee that included a presentation of Annex A of the proposed rulemaking. Perry summarized the regulatory development process that included the presentation of the 3-Year Fee Report to TAB on February 14, 2018 and to the Environmental Quality Board (EQB) on April 17, 2018. The 3-Year Fee Report concluded that the current permit application fee is not sufficient to fund the costs of DEP's oil and gas program. Based on current fiscal projections, the Well Plugging Fund, that pays for the operating costs of DEP's Office of Oil and Gas Management, is expected to be insolvent by FY2019-20.

Perry did not request TAB to take specific action on the proposed rulemaking; however, he invited questions from TAB members about the proposed rulemaking. Perry stated that DEP will present this proposed rulemaking to EQB on May 16, 2018. DEP will request that the EQB publish this proposed rulemaking in the *PA Bulletin* with a 30-day comment period.

McConnell inquired whether the Chapter 102 and Chapter 105 permit fees that are collected by DEP are deposited into the Well Plugging Fund. Perry responded that these fees are variable from year-to-year depending on the number of Chapter 102 and Chapter 105 permits that are received. Over the past several years, DEP has collected about \$2.4 million annually in Chapter 102 and Chapter 105 permit application fees. Perry stated that these permit fees are deposited into DEP's Clean Water Fund. Perry further explained that the 2012 Oil and Gas Act includes a provision for the \$6 million allocation to DEP from the Act 13 Impact Fee to be distributed to the funds that support DEP's water program, air program and/or oil and gas program. Instead of allocating a portion of the \$6 million toward DEP's water and air programs, the full amount is deposited into the Well Plugging Fund. Consequently, the Chapter 102 and Chapter 105 permit fees are deposited into the Clean Water Fund to support DEP's water program.

#### **WELL PLUGGING SUBCOMMITTEE**

McConnell stated that TAB would benefit from forming a subcommittee to address a variety of technical issues related to well plugging. Such issues might include a discussion and analysis of what constitutes an "attainable bottom" of oil and gas wells and developing a better understanding of the relationship between Act 214 and the Chapter 78 regulations. This subcommittee will address issues that pertain to both conventional and unconventional wells.

McConnell asked for a motion to establish the Well Plugging Subcommittee of TAB. Saunders made a motion to establish the Well Plugging Subcommittee and Yoxtheimer seconded. McConnell requested a roll-call vote and the following TAB members voted to approve the motion as presented: Saunders, Yoxtheimer, Baldassare and McConnell. The motion passed unanimously.

Baldassare asked McConnell for the names of the individuals who will participate on the Well Plugging Subcommittee. The current list of subcommittee members includes:

#### *TAB*

McConnell  
Hendricks  
Saunders

#### *PA Grade Crude Development Advisory Council (CDAC)*

David Ochs (PGCC member)  
Mark Cline (PIPP member)

*PA Independent Oil and Gas Association (PIOGA)*  
Dan Weaver

*PA Grade Crude Oil Coalition (PGCC)*  
Joe Mainey

*PA Independent Petroleum Producers (PIPP)*  
David Hill  
Rick Andlis

*DEP*  
Various staff from the Office of Oil and Gas Management

A kick-off meeting of the Well Plugging Subcommittee is scheduled on Tuesday, May 15, 2018, at DEP's Moshannon District Office. McConnell invited TAB members to recommend any relevant topics for inclusion on the meeting agenda.

On a related matter, Yoxtheimer reported that the Pennsylvania State University (PSU) is scheduled to host an Abandoned Well Workshop on Wednesday, May 16, 2018 at the Nittany Lion Inn from 1:00 pm – 5:00 pm. Yoxtheimer stated that the workshop will include discussions by subject matter experts from PSU, Indiana University of Pennsylvania and DEP.

### **GP-5/GP-5a**

McConnell reminded TAB members that the comment period remains open for GP-5 and GP-5a, as well as Exemption 38. DEP's Bureau of Air Quality provided a presentation to TAB members on February 14, 2018.

McConnell asked TAB members if there was an interest on the part of TAB to submit comments to DEP regarding GP-5, GP-5A and/or Exemption 38. No TAB member offered a motion to submit comments to DEP about these general permits or Exemption 38.

Perry explained that the comment period will remain open until May 15, 2018.

### **PUBLIC COMMENT**

Chairman McConnell announced that TAB was prepared to receive comments.

One question was received via the WebEx chat feature about when the Erosion and Sedimentation Control General Permit-3 (ESCGP-3) workgroup will be created and begin functioning. Klapkowski responded that DEP will be sending invitations to potential workgroup members during the week of May 14, 2018.

No additional questions or comments were directed to TAB or DEP.

## **NEW BUSINESS**

Chairman McConnell stated that TAB did not have any new business items and Perry stated that DEP did not have any new items of business.

Saunders asked DEP about the status of the “Guidelines for Chain Pillar Development and Longwall Mining Adjacent to Unconventional Wells.” Klapkowski responded that the guidelines were published as interim final and the comment period closed in March. The Marcellus Shale Coalition and CONSOL Energy, Inc. submitted comments and DEP is currently preparing the Comment and Response Document. DEP will present this revised Technical Guidance Document (TGD) to TAB at the next regularly scheduled meeting on August 8, 2018.

McConnell mentioned that he recalls that a draft Technologically Enhanced Naturally Occurring Radioactive Material (TENORM) manual related to oil and gas activities has been under development by DEP’s Bureau of Radiation Protection. McConnell stated that he is willing to contact George Hartenstein, Deputy Secretary for DEP’s Office of Waste, Air, Radiation and Remediation to get an update on the status of this manual. Perry volunteered to contact Mr. Hartenstein and follow up with Chairman McConnell regarding the status of the manual. Perry stated that DEP will present a copy of the TENORM manual to TAB when it is completed and available for review.

## **ADJOURNMENT**

McConnell asked if there was a motion to adjourn the meeting. Yoxtheimer made a motion to adjourn the meeting and Saunders seconded. Motion passed unanimously and the meeting was adjourned at 10:36 am.