



Senate Environmental Resources and Energy Committee

Senator Mary Jo White
Chairman

Patrick Henderson, Executive Director

Room 168 • State Capitol Building
Mailing address: Senate Box 203021 • Harrisburg, PA 17120-3021
Phone: 717-787-9684 • FAX: 717-787-6088

Summary Senate Bill 275, P.N. 279

Prime Sponsor: Senator D. White

Short Title:

Coal Bed Methane Well Dispute Resolution Act

Overview

Establishes a process to resolve objections between a surface land owner and the mineral rights estate owner regarding the location of coal bed methane wells or access roads.

Coal Bed Methane Review Board

- The Board's purpose shall be to consider objections and attempt to reach agreement on the location of coal bed methane wells or access roads
- Consists of three members, appointed by the Governor as follows:
 - One member from a list submitted by PA Farm Bureau
 - One member from a list submitted jointly by the PA Oil and Gas Association, the Independent Oil and Gas Association and the PA Coal Association
 - One member from a list submitted jointly by the deans of the College of Agricultural Sciences and the College of Earth and Mineral Sciences of Penn State University. The individual appointed shall have expertise in petroleum geology or petroleum engineering with at least three years of practice in Pennsylvania
- Members shall be appointed to three year terms, and receive per diem compensation of at least \$150/day plus reasonable expenses
- DEP shall provide administrative and clerical support as needed

Notification to Surface Owner

A well operator intending to drill a well or construct an access road must provide written notification to the surface owner of his intent. The notification shall include advising the surface owner of his right to file objections to the location of the well/access road with the

Coal Bed Methane Review Board and relevant information on how to file such objections with DEP.

Procedure for Alternative Dispute Resolution

- A surface owner must file written objections with the Coal Bed Methane Review Board within 15 days of receiving written notification
- Objections may include an alternative location for the well or access roads
- DEP shall notify the well operator and the Board within two days of receiving written objections
- A conference between the Board, well operator and surface land owner shall be convened no later than 15 business days from the date the well operator received notice of the written objections
- If mutual agreement is reached between the parties on the location of a well or access road, DEP shall be notified
- If the parties fail to reach mutual agreement, within 10 business days of the conference the Board, by majority vote, shall make a determination in writing establishing the location of the well or access road
- Within 15 business days of the conference, the Board shall issue a written statement setting forth findings of fact and reasons in support of its determination
- Any determination by the Board shall be binding on DEP
- Any person aggrieved by the Board's determination shall have the right to file an appeal with the Court of Common Pleas. The Court shall hold a hearing within 30 days and render its decision within 60 days of the appeal.

Notification

DEP shall publish a notice in the *Pennsylvania Bulletin* once the initial members of the Board have been appointed.

Effective Date

The majority of the act shall take effect immediately. The procedure for alternative dispute resolution shall take effect upon publication of the notice that the initial members of the Coal Bed Methane Review Board have been appointed.