



# 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

---

October 24, 2007

The Honorable Michael DiBerardinis  
Secretary of Conservation & Natural Resources  
7<sup>th</sup> Floor Rachel Carson Building  
Harrisburg, PA 17105

Dear Secretary DiBerardinis:

Please accept these comments regarding the Department's proposal to modify its current moratorium on new oil and gas leases on state forest land.

I strongly support lifting this moratorium, and urge the Department to move expeditiously in updating its State Forest Management Resource Plan accordingly. As you know, the Department has a long history of entering into leases principally to permit the development of natural gas reserves which lie underneath state forest land. In fact, significant acreage that is currently part of the state park and state forest system was acquired in large part through the revenue raised from lease and royalty payments.

This proposal also comes at a critical time for the Commonwealth. As you know, Governor Rendell has talked a great deal about the need for the Commonwealth to move toward "energy independence". The Governor and many policymakers are concerned about our nation's reliance on energy sources from distant and unstable regions of the world. Coupled with rising natural gas prices, it stands to reason that the Department should explore and encourage the responsible development of mineral resources underneath state forest lands.

As you recall, the General Assembly overwhelmingly passed House Resolution 394 in 2003. The resolution and subsequent report by the Joint Conservation Committee demonstrate a clear interest to encourage the responsible development of mineral resources on state forest land in concert with – but not at the expense of – sustainable management of the state forest system. The report offers specific recommendations on what is and is not appropriate acreage for potential leasing, and I encourage the Department to review the report as part of its evaluation of the current moratorium.

As you also know, I recently introduced Senate Bill 1127, which was referred to the Senate Environmental Resources and Energy Committee. This legislation would require the Department to conduct leases on state forest land when sufficient interest has been expressed. In my view, it is not sufficient for the Department to merely lift the moratorium which is currently in place. Doing so would accomplish little if it is replaced by a de facto moratorium whereby the Department simply chooses not to act on any of the expressions of interest it receives from interested developers.

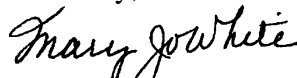
The Honorable Michael DiBerardinis  
Secretary of Conservation & Natural Resources  
October 24, 2007  
Page 2

I recently read comments from your Department spokesperson criticizing this legislation. The concern stated that, under the legislation, DCNR's ability to manage the state forest system in a sustainable manner would be subverted. In my view, this concern is overstated and ignores the fact that, as party to the lease, DCNR reserves the right to craft the lease in a manner that permits the responsible development of mineral resources while ensuring that doing so does not negatively affect the sustainable management of the forest system.

Further, successfully leasing acreage for development does not guarantee any drilling activity. A lessee would still be required to apply for and receive specific drilling permits from the Department of Environmental Protection and be required to comply with all applicable environmental safeguards called for by state law, regulation and lease criteria. New wells have been drilled recently on state forest land under the terms of leases pre-dating the 2003 moratorium, allowing for the development of some of the existing mineral resources while providing needed royalty and lease payment revenue for the Department's conservation efforts.

I remain open to discussing your thoughts regarding Senate Bill 1127 and how to encourage the responsible development of mineral resources on state forest lands. Thank you for your consideration of my comments.

Sincerely,

A handwritten signature in cursive script that reads "Mary Jo White".

Mary Jo White, Chairman  
Senate Environmental Resources  
& Energy Committee