THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 2502 Session of 2018

INTRODUCED BY OBERLANDER, FRITZ, RYAN, CORR, MILLARD, KAUFER, SANKEY, EVERETT, TOOHIL AND BERNSTINE, JUNE 18, 2018

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY, JUNE 18, 2018

AN ACT

1 2	Amending Title 58 (Oil and Gas) of the Pennsylvania Consolidated Statutes, in development, further providing for well permits.
3	The General Assembly of the Commonwealth of Pennsylvania
4	hereby enacts as follows:
5	Section 1. Section 3211 of Title 58 of the Pennsylvania
6	Consolidated Statutes is amended by adding a subsection to read:
7	§ 3211. Well permits.
8	* * *
9	(n) Cross unit drillingWhere an operator has the right to
10	drill an oil and gas well on separate leases or units, the
11	operator may drill and produce a well that traverses, by
12	horizontal drilling, more than one lease or unit, provided the
13	operator reasonably allocates production from the well among the
14	leases or units and the traversing well is not expressly
15	prohibited by the terms of a lease. Nothing in this section
16	shall authorize any producer to drill or produce natural gas
17	that is not subject to a valid lease and royalty agreement with

1 <u>a landowner.</u>

2 Section 2. This act shall take effect in 60 days.