## Oil and Gas Regulations



Federal, state and local permits and approvals are required for oil and gas wells and related activities in Pennsylvania to ensure protection of the environment and public health and safety. Legal obligations and best practices are regularly updated as technology advances. Pennsylvania maintains one of the most comprehensive and stringent regulatory programs in the country for oil and gas activities.

The process of obtaining the necessary permits and approvals starts long before a well is drilled and continues until the day the well is properly plugged and abandoned. Wells targeting unconventional (shale) formations are subject to the largest number of permits, approvals, plans and other requirements.

At right is a list of the permits, approvals, plans and other requirements here in Pennsylvania. Not included are reporting requirements, such as production reports and mechanical integrity testing to satisfy state and federal laws and regulations.

# Potential Permits, Approvals, Plans and Other Requirements for Oil and Gas Wells

## Well Drilling and Operation, Act 13 of 2012 and 25 Pa. Code Chapters 78 and 78a

- Well drilling permit (with well location plat, casing and cementing plan, Pennsylvania Natural Diversity Inventory (PNDI) for threatened or endangered species, cultural resources clearance, landowner/water well owner notifications, coal owner or operator notification and gas storage field owner notification)
- Transfer of well permit or registration
- Approval of proposed alternate method of casing, plugging, venting or equipping a well
- Bond for oil and gas well(s) (individual or blanket, various bond types allowed)
- Approval of waiver of distance requirements from spring, stream, body of water, or wetland (to construct an unconventional pad within 100 feet of streams or wetlands or a vertical well bore within 300 feet)
- Approval of variance from distance restriction from existing building or water supply (to construct an unconventional well bore within 500 feet of a building or 1,000 feet of a supply for a water purveyor)
- Containment plans for unconventional well sites
- Approval of inactive well status
- Submission of orphan well classification
- Emergency response plan that complies with the National Incident Management System; register unconventional well addresses with local 9-1-1 system operators; post informational signs (Act 9 of 2013, for each unconventional well)
- Compliance with 330-foot setback from the nearest outside boundary line of the lease for conservation wells (Oil & Gas Conservation Law; penetrating the Onondaga Limestone, which includes Utica Shale wells).
- Compliance with Coal and Gas Resource Coordination Act in areas of workable coal seams
- Act 537 Sewage Facilities Approval for onsite toilet facilities

## Waste Disposal, Pennsylvania Solid Waste Management Act (SWMA)

- Approval for onsite alternative waste management practices
- Off-site waste disposal to permitted facilities
- Preparedness, Prevention and Contingency (PPC) plan prior to generation or storage of waste onsite
- General permits for residual waste transfer stations and processing facilities
- Compliance with hauler requirements for the transportation of residual waste

### **Road Occupancy/Use**

- PennDOT Highway Occupancy Permit (HOP) or municipal driveway/crossing permit for occupancy of state and local roadways associated with temporary/ permanent access roads and utility crossings
- Road use bond (PennDOT or municipality)

### **Pits and Impoundments**

- Dam Safety Permit for freshwater impoundments > 50 acre-feet in capacity and with a dam height > 15 feet
- SWMA Permit for centralized impoundments
- Approval of a pit for control, handling or storage of production fluids from conventional wells
- Use of alternate pit liner

## Wastewater Discharges for activities other than at well sites

- National Pollutant Discharge Elimination System (NPDES) Permit PAG-10 Discharges from Hydrostatic Testing of Tanks and Pipelines
- Water Quality Management Permit for treatment facilities

#### **Water Use**

- Water Management Plan for drilling and hydraulic fracturing of any natural gas well completed in an unconventional formation.
- Compliance with Water Resources Planning Act for water withdrawals
- Water allocation rules/requirements (Susquehanna River Basin Commission, Delaware River Basin Commission, or DEP for Ohio River basin)

### Stream and Wetland Impacts, 25 Pa. Code Chapter 105 and Section 404 of the Federal Clean Water Act

- Joint Permit for Chapter 105 Water Obstruction and Encroachment Permit and U.S. Army Corps of Engineers Section 404 Permit
- Pennsylvania State Programmatic General Permit (PASPGP-5) (no application form – Federal approval for stream and wetland impacts permitted by the PADEP)
- Department of the Army Permit (for requesting Federal approval for impacts waived by the PADEP)
- Submerged Lands License Agreement (SLLA) (to occupy or cross lakes and rivers owned by the state)
- Pennsylvania Bureau of Waterways Engineering and Wetlands General Permits
- GP-3 for Bank Rehabilitation, Bank Protection, and Gravel Bar Removal
- GP-4 for Intake and Outfall Structures
- GP-5 for Utility Line Stream Crossings
- GP-7 for Minor Road Crossings
- GP-8 for Temporary Road Crossings
- GP-11 Maintenance, Testing, Repair, Rehabilitation or Replacement of Water Obstructions and Encroachments

# Air Emissions: Pennsylvania Air Pollution Control Act and Federal Clean Air Act

- PADEP Bureau of Air Quality General Permits
- Plan Approval for major sources
- GP-5 for Natural Gas Compression Stations, Processing Plants and/or Transmission Stations
- GP-5A for Unconventional Natural Gas Well Site Operations and Remote Pigging Stations
- Air Quality Permit Exemption 38(c) for oil and gas exploration, development, and production facilities and associated equipment and operations which construction or reconstruction commenced on or after August 8, 2018
- Facilities may file a Request for Determination of Changes of Minor Significance and Exemption from Plan Approval/Operating Permit (RFD) to obtain PADEP confirmation that proposed action is exempt from permit requirements
- U.S. EPA Regulations (Note that these regulations are incorporated by reference into GP-5 and GP-5A but may apply to affected oil and gas operations that are exempt from permit requirements and are sometimes overlooked)
- 40 CFR Part 60, Subpart OOOO Regulates volatile organic compound (VOC) emissions from well pads, compressor stations, storage vessels, pneumatic devices, pneumatic pumps, and oil and gas processing facilities for which construction, modification or reconstruction commenced after August 23, 2011 and before September 18, 2015.
- 40 CFR Part 60, Subpart OOOOa Regulates VOC and Greenhouse Gas (GHG) emissions from well pads, compressor stations, storage vessels, pneumatic devices, pneumatic pumps, and oil and gas processing facilities for which construction, modification or reconstruction commenced after September 18, 2015.
- 40 CFR Part 60, Subpart JJJJ Regulates emissions from spark ignition stationary internal combustion engines (ICE).
- 40 CFR Part 63, Subpart HH Regulates emissions of hazardous air pollutants (HAP) from oil and gas production facilities that are major or area sources of HAP including storage vessels, glycol dehydration units, and ancillary equipment at natural gas processing plants.
- •- 40 CFR Part 63, Subpart HHH Regulates emissions of HAP from natural gas transmission and storage facilities that are major sources of HAP.
- 40 CFR Part 98, Subpart W Annual reporting of GHG emissions from onshore petroleum and natural gas production facilities, if GHG emissions are greater than 25,000 metric tons of CO2e within company operations in a given sub-basin.

# Erosion and Sedimentation Control (E&S) and Post-Construction Stormwater Management (PCSM)

- Compliance with requirements under 25 Pa. Code Chapter 102
- E&S Plan for sites proposing between 5,000 square feet and 5 acres of disturbance
- E&S General Permit for Oil and Gas Activities (ESCGP-3) for sites proposing 5 acres or greater of disturbance
- Site Restoration and/or PCSM for well sites, access roads, any earth disturbance

## Other Requirements, Plans and Approvals

- Impacts to state and federal listed threatened or endangered species
- Cultural resource clearances
- Act 127 Pipeline Operator registration
- Local zoning approvals and conditional use permits under the PA Municipal Planning Code, including Act 14 notification
- Surface use notice to proceed from U.S. Forest Service in Allegheny National Forest
- USEPA Spill Prevention, Control and Countermeasure (SPCC) plan for storage of petroleum above certain volumes

# For additional information about the regulations oil and gas operators must comply with, here are some resources:

- PA Department of Environmental Protection Oil and Gas Program
- Laws, regulations and guidelines
- Industry resources
- Public resources
- Marcellus Shale
- PA Department of Conservation and Natural Resources
- PA Public Utility Commission
- Act 13 impact fee
- Act 127 pipeline safety
- Diagram of federal statutes regulating each step of the hydraulic fracturing process (Energy In Depth)
- U.S. Environmental Protection Agency
- Susquehanna River Basin Commission
- Delaware River Basin Commission

<sup>\*\*</sup> This information is not intended to provide legal advice or to be a complete list of the many regulatory requirements for oil and gas operations in Pennsylvania. Currently effective statutes and regulations must be consulted for the most current obligations, as well as currently effective policies, technical guidance documents and other agency pronouncements for the agencies' current interpretations related to the obligations.