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Marcellus bill slims down

No permit fees in new version

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The Dominion Post

CHARLESTON — After a long day of fits and starts, the House Judiciary Committee passed a Jenny Craig version of the Marcellus gas industry regulation bill late Thursday afternoon. The most notable change in the new bill: No specified permit fees.

Earlier this week, the committee had in hand two bills from different sources: A 140-page bill from the Department of Environmental Protection, and a 100-page bill from the joint interim judiciary committee. The com-



mittee fused it into a 170-plus-page hybrid, which a subcommittee then loaded with amendments Wednesday.

Committee staff whacked away at it all day Thursday. Interest groups packed the 8:30 a.m. meeting, where it was at the top of the agenda, only to learn it was off. They all cleared out. A smaller crowd turned out at 1:30 p.m., where it was on, then off again.

Even fewer showed up for the 3:30 p.m. meeting, which started at 4:30 p.m. This time, there was a bill — slimmed down to 32 pages.

This version removed much of the DEP bill referring to the oil and gas industry in general, and kept

highlights of both, dealing exclusively with horizontal extraction.

Highlights:

- It avoids specific reference to Marcellus wells, calling them horizontal wells, and categorizes them with shallow wells.

- Leases must contain a bold-faced warning, to be initialed, telling the involved parties it's a binding contract.

- It extends notice for property owners that work will begin from 15 days to 30 days.

- The Division of Highways must certify compliance with all bonding and road maintenance requirements.

- Wells must not be within 1,000 feet of a dwelling or water well without the owner's consent.

- No well site can be within 100 feet of a natural or artificial body or course of water or

wetland; within 2,500 feet of a surface water source supplying public water, or 1,000 feet of a groundwater source supplying public water.

- Each phase of well development will require DEP inspection.

- The drilling firm will keep records on fracking fluid ingredients and volume used and recovered. Water management plans are required.

- Water impoundments and wastewater pits must be constructed according to DEP rules.

- The DEP will formulate rules, for legislative approval, for new permit fees, permit renewals and modifications.

- There are no references to forced pooling.

The original interim bill set new permit fees at \$15,000 per

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well; the DEP bill put them at \$10,000. The intent was to raise money to hire more inspectors.

Committee Counsel Joe Altizer told members the dollar figures were pulled because time is running out — the two chambers have only until Wednes-

day to pass bills to the other chamber — and they didn't want the bill to have to go through the Finance Committee. They must seek a waiver to bypass the Finance Committee, Committee Chairman Tim Miley said.

Members approved the bill — a committee substitute — without amendments. Members submit-

ted a couple of amendments, but Miley said House rules prohibited including them because the skinny bill was an amendment to an amendment — the 170-page hybrid bill.

Delegate Barbara Evans Fleischauer, D-Monongalia, said any further amendments will come on the House floor.

Delegate Mike Manyen-

ny, D-Taylor, said various interest groups have expressed discontent with the bills, and the same will likely happen with this one. But he said he was pleased that many of the environmental and landowner protections he and Fleischauer had amended into the hybrid survived in the version reported to the full House.