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Pennsylvania Moves to Strengthen Natural Gas Drilling Regulations

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Natural gas drillers in Pennsylvania will be required to run quarterly inspections of their wells and undergo other well and operations changes under proposed tightening of drilling regulations by the state's Department of Environmental Protection (DEP). The department said the new standards are necessary because of the rapid increase in drilling for natural gas in the Marcellus Shale, which could lead to migration of the gas into the surrounding streams and lakes. The Marcellus Shale is a sedimentary rock formation that contains largely untapped natural gas reserves.

"We've seen gas migration in some areas," said Bill Rathburn, a spokesman for DEP. "But some of it is from old wells, and some of it occurs naturally. We want to get the added protection for the new wells."

A spokesman for the drilling industry said the industry has been working with DEP through the rulemaking process.

"We really only have a few concerns with the language as written," said Steve Rhoads, director of external affairs for East Resources, Inc. "We expect to have it all ironed out before they take effect."

Rhoads added it was difficult to predict when the new rules will take effect since they still must go before the Environmental Quality Board of DEP for review before implementation.

In a related move, DEP is also stepping up its enforcement of the regulations by hiring 68 employees for oversight. Salaries for the 68 employees will be funded through higher natural-gas-drilling permitting fees.

DEP performed 14,544 drilling site inspections in 2009 and took 678 enforcement actions against drillers for violations.

Key provisions in the proposed regulations:

- Require the casings of Marcellus Shale and other high-pressure wells to be tested and constructed with specific, oilfield-grade cement;
- Clarify the drilling industry's responsibility to restore or replace water supplies affected by drilling;

- Establish procedures for operators to identify and correct gas-migration problems without waiting for direction from DEP;
- Require drilling operators to notify DEP and local emergency responders immediately of gas-migration problems;
- Require well operators to inspect every existing well quarterly to ensure each well is structurally sound, and report the results of those inspections to DEP annually; and
- Require well operators to notify DEP immediately if problems, such as over-pressurized wells and defective casings, are found during inspections.

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