

PADEP Begins Accepting Grant Applications for Plugging Orphaned Oil and Gas Wells

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On October 9, 2024, the Pennsylvania Department of Environmental Protection (PADEP) began accepting applications for grants to plug abandoned oil and gas wells. See [Press Release](#), PADEP, “Shapiro Administration Launches New Program in Pennsylvania to Plug Orphan Oil and Gas Wells, Creating Jobs and Cutting Methane Emissions in the Commonwealth” (Oct. 2, 2024). PADEP said that this new program is intended to reduce greenhouse gas emissions from orphaned wells that have the potential to leak methane, while also supporting job growth in the energy sector. An orphaned well is defined by section 3202 of the Pennsylvania Oil and Gas Act as “a well abandoned prior to April 18, 1985, that has not been affected or operated by the present owner or operator and from which the present owner, operator or lessee has received no economic benefit other than as a landowner or recipient of a royalty interest from the well.” According to PADEP, Pennsylvania has more than 350,000 orphaned and abandoned wells, which contribute to approximately 8% of the state’s total methane emissions.

The total amount of available funding is \$16.8 million, and applicants can apply to plug up to five wells per application, with subawards based on well depths. A maximum of \$40,000 will be awarded for each well that is 3,000 feet or less, and a maximum of \$70,000 will be awarded for wells greater than 3,000 feet. The grants are available to Qualified Well Pluggers, defined as a “person who demonstrates access to equipment, materials, resources and services to plug wells in accordance with statutory and regulatory requirements.” An applicant may apply to plug additional wells once the last well under its current application is adequately plugged, PADEP issues a plugging certificate, and all terms and conditions of the grant agreement have been satisfied. All wells must be screened for methane prior to the application process, and for wells where methane is detected, emissions must be measured after application approval, but prior to plugging the well.

The funding is part of the \$76.4 million Phase 1 formula grant awarded to Pennsylvania through the Infrastructure Investment and Jobs Act (IIJA). Additionally, per the IIJA, recipients of grant funds must submit environmental information documentation to the U.S. Department of the Interior for approval before beginning work on plugging projects, which contains a project scope and description, Endangered Species Act clearance, and National Historic Preservation Act clearance. More information on the application requirements is available [here](#), and more information about the program is available at the Office of Oil and Gas Management’s website [here](#). PADEP published notice of the program and application period in the *Pennsylvania Bulletin* on October 5, 2024. 54 Pa. Bull. 6343 (Oct. 5, 2024).

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