PADEP Officials Hold Workgroup Meetings and Finalize First Bid Packages to Plug Conventional Oil and Gas Wells Using Federal Funds

December 1, 2022

FNREL Mineral and Energy Law Newsletter

Pennsylvania - Oil & Gas

(By Joseph Reinhart, Sean McGovern, Matthew Wood and Gina Falaschi)

In response to passage of the Infrastructure Investment and Jobs Act (IIJA), Pub. L. No. 117-58, 135 Stat. 429 (2021), and its conventional well plugging component, the Pennsylvania Department of Environmental Protection (PADEP) invited stakeholders to participate in several workgroup sessions to gather information and assist with PADEP's development of a new conventional oil and gas well plugging program. See PowerPoint Presentation, PADEP, "Infrastructure Investment and Jobs Act (IIJA) Implementation" (Apr. 28, 2022); Notice, "DEP Inviting Stakeholders to Participate in Workgroups on New Federal Conventional Oil & Gas Well Plugging Program," PA Env't Digest (Aug. 4, 2022).

PADEP held seven workgroup sessions between August 23 and September 19, 2022. The sessions were open to the public, other interested parties, and industry. Covered topics included due diligence and documentation of previously undocumented abandoned wells; project prioritization; engineering design, permitting, and monitoring requirements; and handling of waste generated from plugging abandoned wells and reclaiming well sites. See PADEP, "September 2022 Report to the Citizens Advisory Council" (Sept. 2022); PADEP, "October 2022 Report to the Citizens Advisory Council" (Oct. 2022).

Of note, at a September 1, 2022, workgroup meeting, Joe Kelly, PADEP Bureau of Oil and Gas Planning and Program Management, said that any waste generated by the new plugging program will not be exempt from hazardous waste requirements, unlike the same or similar wastes generated from active oil and gas production wells and facilities (as exempted by 40 C.F.R. § 261.4(b)(5)). See David E. Hass, "DEP: Wastes Generated by the New Conventional Oil & Gas Well Plugging Program Will NOT Be Exempt from Hazardous Waste Regulations, Unlike Wastes from Active Wells," *PA Env't Digest Blog* (Sept. 1, 2022). Kelly went on to say that contractors will also have to meet existing spill notification and cleanup requirements and prepare pollution prevention contingency plans to implement spill and leak prevention measures. *Id.*

The stakeholder input PADEP received during the workgroup meetings will assist the agency in developing Pennsylvania's IIJA well plugging program, including preparing invitations to quote, requests for bids, and requests for proposals. Following the last workgroup session, PADEP finalized the first group of bid packages to plug 249 conventional oil and gas wells using IIJA funds, which were posted on BidExpress.com for review by potential contractors. See PADEP, "Plugging Contractor Information," https://www.dep.pa.gov/Business/Energy/Oil-andGasPrograms/OilandGasMgmt/LegacyWells/Pages/Contractors.aspx.

Waste disposal and handling updates are expected to be presented to the Pennsylvania Grade Crude Development Advisory Council at its scheduled December 18, 2022, meeting. The most recent draft of the waste handling regulations update was posted by PADEP in September 2021. See PADEP, Draft Chapter 78 Conventional Oil and Gas Well Regulations (Aug. 19, 2021).

Copyright © 2022, The Foundation for Natural Resources and Energy Law, Westminster, Colorado

