SENATE BILL 634

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By: Senator Frosh

Introduced and read first time: February 4, 2011 Assigned to: Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

$\mathbf{2}$ Marcellus Shale Safe Drilling Act of 2011 3 FOR the purpose of prohibiting the Department of the Environment from issuing 4 certain permits for the drilling of wells in the Marcellus Shale until certain $\mathbf{5}$ conditions are met; requiring the Department to consult with the governing 6 body of certain local governments in evaluating certain permits for the drilling 7 of wells in the Marcellus Shale; defining certain terms; and generally relating to 8 natural gas drilling in the Marcellus Shale. 9 BY repealing and reenacting, without amendments, Article – Environment 10 Section 14–104 11 12Annotated Code of Maryland 13 (2007 Replacement Volume and 2010 Supplement) 14BY adding to Article – Environment 15 16 Section 14–107.1 Annotated Code of Maryland 1718 (2007 Replacement Volume and 2010 Supplement)

- 19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 20 MARYLAND, That the Laws of Maryland read as follows:
- 21

Article – Environment

- 22 14–104.
- 23 (a) A person may not drill any well for the exploration, production, or 24 underground storage of gas or oil in the State without obtaining a permit from the

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.

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Department of the Environment under the terms and conditions and on the forms the
 Department prescribes.

3 (b) (1) The Department shall require an applicant to submit an 4 environmental assessment for the purpose of evaluating an application.

5 (2) The Department shall coordinate with the Department of Natural 6 Resources in its evaluation of the environmental assessment.

7 (c) The permit serves as the permit required under the provisions of Title 9,
8 Subtitle 13 of this article, dealing with well drillers.

9 (d) A person may not dispose of any product of a gas or oil well without the 10 necessary permits issued by the Department.

11 **14–107.1.**

12 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE 13 MEANINGS INDICATED.

14 (2) "CRITICAL HABITAT" MEANS HABITAT NECESSARY FOR THE
 15 SURVIVAL OF THREATENED OR ENDANGERED SPECIES OR SPECIES IN NEED OF
 16 CONSERVATION.

17(3) "FLOW BACK" MEANS THE FRACTURING FLUIDS THAT18RETURN TO THE SURFACE AFTER A HYDRAULIC FRACTURE IS COMPLETED.

19 (4) "FRACTURING FLUIDS" MEANS A MIXTURE OF WATER, 20 PROPPANT, AND ADDITIVES USED TO HYDRAULICALLY INDUCE CRACKS IN A 21 GEOLOGIC FORMATION.

(5) "HYDRAULIC FRACTURING" MEANS INJECTING FRACTURING
FLUIDS INTO A TARGET FORMATION AT A FORCE EXCEEDING THE PARTING
PRESSURE OF THE ROCK, INDUCING FRACTURES THROUGH WHICH OIL OR
NATURAL GAS CAN FLOW TO THE WELLBORE.

26 (6) "MARCELLUS SHALE" MEANS A MIDDLE DEVONIAN-AGE 27 BLACK, LOW-DENSITY, CARBONACEOUS SHALE THAT:

28(I) OCCURS THROUGHOUT THE ALLEGHENY PLATEAU29REGION OF THE NORTHERN APPALACHIAN BASIN; AND

30 (II) UNDERLIES PARTS OF GARRETT COUNTY, ALLEGANY
 31 COUNTY, AND WASHINGTON COUNTY.

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1 (B) THE DEPARTMENT MAY NOT ISSUE A PERMIT FOR THE DRILLING OF 2 A WELL IN THE MARCELLUS SHALE UNTIL, IN ADDITION TO ANY OTHER 3 REQUIREMENT OF LAW, THE PERMIT APPLICANT DEMONSTRATES TO THE 4 SATISFACTION OF THE DEPARTMENT THAT:

5 (1) A PLAN TO AVOID, MINIMIZE, AND OFFSET THE IMPACTS, 6 INCLUDING CUMULATIVE IMPACTS, OF DRILLING AND RELATED ACTIVITIES TO 7 WETLANDS, FORESTS, OR OTHER VITAL NATURAL RESOURCES, INCLUDING 8 FRAGMENTATION OF FORESTS AND CRITICAL HABITAT, HAS BEEN DEVELOPED 9 AND CAN BE IMPLEMENTED;

10 (2) AN AGREEMENT HAS BEEN REACHED WITH EACH LOCAL 11 JURISDICTION IN THE STATE THROUGH WHICH HEAVY EQUIPMENT OR TRUCKS 12 MAY PASS, REGARDING:

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(I) TRAVEL ROUTES;

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(II) HOURS OF TRUCK TRAVEL; AND

15(III) RESPONSIBILITYFORTHECONSTRUCTION,16MAINTENANCE, AND REPAIR OF ROADS AND BRIDGES;

17 (3) THE DRILLING AND OPERATION OF WELLS WILL NOT IMPAIR
 18 THE SUSTAINABILITY, WATER QUALITY, OR POTABILITY OF THE GROUNDWATER
 19 AND SURFACE WATER IN THE WATERSHED OF THE PROPOSED PERMIT;

20(4) THE WATER USED FOR DRILLING AND HYDRAULIC21FRACTURING IS FROM A PUBLIC WATER SUPPLY THAT:

22 (I) HAS SUFFICIENT CAPACITY UNDER ITS WATER 23 APPROPRIATION PERMIT; OR

24 (II) SUBJECT TO APPROVAL OF THE DEPARTMENT, IS 25 RECLAIMED WATER;

26 **(5)** THE FRACTURING FLUIDS USED FOR HYDRAULIC 27 FRACTURING CONTAIN ONLY PROPPANTS AND ADDITIVES THAT HAVE BEEN 28 APPROVED BY THE DEPARTMENT;

29(6) THE TREATMENT AND DISPOSAL OF FLOW BACK AND OTHER30WASTEWATERS AND WASTES WILL OCCUR ONLY AT REGULATED FACILITIES;

31(7) THE PERMIT APPLICANT WILL IMPLEMENT A MONITORING32PROGRAM, APPROVED BY THE DEPARTMENT, TO:

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1(I) ESTABLISH A BASELINE OF WATER QUALITY FOR2GROUNDWATER AND SURFACE WATER PRIOR TO THE DRILLING AND INITIAL3HYDRAULIC FRACTURING; AND4(II) TEST THE GROUNDWATER AND SURFACE WATER

5 PERIODICALLY TO DETERMINE WHETHER DRILLING AND HYDRAULIC 6 FRACTURING HAVE AFFECTED THE GROUNDWATER AND SURFACE WATER;

- 7 (8) A PLAN FOR EMERGENCY RESPONSE FOR THE PROPOSED SITE 8 AREA:
- 9 (I) HAS BEEN DEVELOPED;
- 10 (II) CAN BE IMPLEMENTED; AND
- 11 (III) INCLUDES:

121.A DESCRIPTION OF THE PERMIT APPLICANT'S13EMERGENCY RESPONSE CAPABILITY AND RESPONSE TIME; AND

142. ASSURANCETHATLOCALEMERGENCY15RESPONDERS HAVE BEEN TRAINED AND HAVE APPROPRIATE PROTECTIVE GEAR16AND EQUIPMENT TO ATTEND TO THE INJURED AND SECURE THE SITE UNTIL THE17PERMIT APPLICANT'S EMERGENCY RESPONSE UNIT ARRIVES; AND

18 **(9)** THE PERMIT APPLICANT HAS ENVIRONMENTAL IMPAIRMENT 19 LIABILITY INSURANCE, APPROVED BY THE DEPARTMENT, THAT IS SUFFICIENT 20 TO REMEDIATE ON- AND OFF-SITE CONTAMINATION, BODILY INJURY, 21 PROPERTY DAMAGE, AND OTHER LONG-TERM POLLUTION PROBLEMS CAUSED 22 BY DRILLING AND RELATED ACTIVITIES.

(C) IN EVALUATING A PERMIT FOR THE DRILLING OF A WELL IN THE
MARCELLUS SHALE, THE DEPARTMENT SHALL CONSULT WITH THE GOVERNING
BODY OF THE COUNTY AND, IF APPLICABLE, MUNICIPAL CORPORATION IN
WHICH THE PROPOSED WELL IS LOCATED.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 June 1, 2011.