

Do I have to waive my water supply rights?

NO. A CBM developer may ask homeowners to sign a waiver of their water supply. As a homeowner, it is your **choice**; you are **not required** to do this. Be sure to read anything you are asked to sign carefully and consider having a lawyer review any documents you are thinking about signing. By law everyone is entitled to a clean water source. Contact PADEP for further information regarding questions about your water supply rights.

Should I have my water tested before a company begins Coalbed Methane drilling?

YES. In order to determine if your water supply has been polluted by a CBM well, you will need to establish baseline water quality levels. If the CBM operator does not take a pre-drill water sample then you are advised, at your expense, to have your water supply analyzed prior to the commencement of drilling. Please remember that PADEP will not conduct baseline water quality level sampling.

Quantity issues are not included under "presumption of responsibility" and it is unlikely that the operator will conduct pre-drill flow measurement of your water supply. It is advised that homeowners contact a reputable well driller to conduct a flow test or PADEP Water Supply Program for information on proper flow measurements.

Baseline conditions establish the quality and quantity of your existing water supply. Once this information is collected, you will have something to compare future water quality and flow rates to. That way, if you suspect a problem after CBM drilling has begun; you have proof of your water supply conditions prior to CBM drilling.

Water testing is the **only** way to assure that a private water supply is safe. The drilling developer may take a water sample prior to drilling, but is not mandated under law. It is in your best interest to let the developer draw a sample for analysis. If not, you should have your own water samples drawn, at your expense, by a **certified, independent lab** and have the flow measured prior to drilling activities.

What do I do if my water supply is impacted by CBM drilling?

As soon as you suspect water loss or pollution, report it to PADEP's Oil & Gas Management Program (PADEP will investigate all complaints) and to the development company. You may of course, if you can afford it, have a certified, independent laboratory run a water quality test as well. This may be done in addition to PADEP's analysis and the company's analysis, if you feel it is needed.

If PADEP determines that the well driller is responsible for a water loss or pollution problem PADEP will issue orders as necessary to the operator to replace or restore the water supply.

Are there any certified water quality laboratories in my area?

There are a number of certified labs in Pennsylvania. For a complete list, you can go to the PADEP's web-site at:

www.dep.state.pa.us/labs/



If you don't have access to the internet, call your local conservation district, watershed group or PADEP for help. A phone number and contact information are provided on the front of this brochure.

I want to have my water tested; what tests should I have run?

Many independent laboratories offer a variety of different packages for water sampling. At a minimum, your package should include tests for:

Specific Conductance, pH, Iron (Fe), Alkalinity, Total Dissolved Solids (TDS), Total Suspended Solids (TSS), Hardness, Calcium (Ca), Manganese (Mn), Sodium (Na), **Chloride (Cl)**, **Barium (Ba)** and Magnesium (Mg).

You may also want to consider adding tests for:

Total and Fecal Coliform Bacteria, Potassium (K), Strontium (Sr), MBAS (surfactants/detergents) and oil/grease.

How do I know if my well has been contaminated?

Indicators that your water supply may be experiencing contamination from CBM wells include unusual salty or metallic tastes, off-color (red, black, brown, yellow or cloudy) water appearance, stained fixtures, and/or unusual septic, musty, or earthy odors.

If your water test results show concentrations above the recommended standards/limits compared to your baseline results, this may also indicate CBM well contamination.

For a complete description of what each of these tests is and what the results mean, contact your local Conservation District Watershed Specialist or the Penn State Cooperative Extension Water Quality Agent. The phone number for each can be found in your local phone directory, or contact the organization listed on the front of this brochure or PADEP for assistance.

Whom do I contact if I suspect that coalbed methane wells are leaking methane or other contaminants into my private water supply?

You should contact the **PADEP's Oil & Gas Management Program** if you suspect that your private water supply has been contaminated by CBM activities.

PADEP's Oil & Gas Management Program

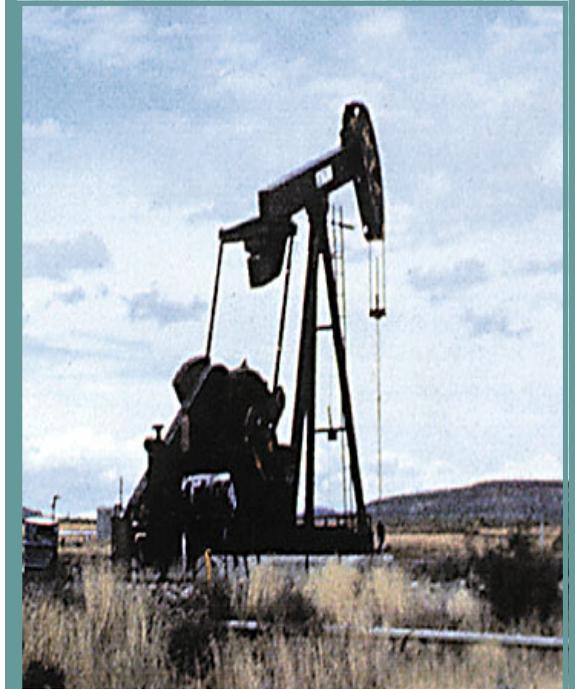
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COALBED METHANE (CBM):

Landowner Rights and Information



COALBED METHANE (CBM):

Do I own the Coalbed Methane located under my property?

In a 1983 Pennsylvania Supreme Court Case known as the "Hoge Decision" (*U.S. Steel Corp. v. Hoge*, 503 Pa. 140, 468 A.2d 1380), it was determined that Coal Bed Methane (CBM) ownership rights are granted exclusively to the coal rights owner.

In other words, if you don't own the coal rights under your property, you don't own the CBM and you are not entitled to any royalties for CBM produced under your property.

How many Coalbed Methane wells can be drilled on my property?

According to the Coal & Gas Coordination Act (Act 214), CBM wells are required to be spaced at least 1,000 feet apart. A waiver may permit the CBM producer to reduce this spacing to 900 feet. This averages to approximately 6 wells on a 100 acre property.

To maximize the removal of CBM in advance of active underground mining in order to reduce the hazard of methane caused mining explosions, the PADEP may allow for a denser spacing of CBM wells.

How much land does a typical Coalbed Methane well site occupy?

A CBM well site typically impacts an area of land approximately 150 feet x 150 feet or about 0.5 acre. This amount **does not** include the necessary access roads and pipelines.

How close can Coalbed Methane developers drill a well to my house?

CBM wells cannot be drilled within 200 feet of your house unless a waiver is granted by PADEP.



What is reasonable right of entry?

CBM developers who own or lease the rights to CBM under your property have the right to enter your property to extract the resource. CBM developers are not obligated to compensate you for property access. A landowner may be able to negotiate with the CBM developer to get the location of the well moved as long as the spacing requirements are met and both parties agree.

PADEP may assist property owners, upon request, in facilitating these discussions but **cannot** force CBM developers to relocate wells or access roads.

Who is responsible for property damage caused by CBM development?

If your property sustains damage from road and/or pipeline right-of-way or sustains timber damage or crop damage, it is considered a civil matter. Resolutions to all property damage claims are solely the responsibility of the property owner and the CBM developer. PADEP has no jurisdiction within these matters.

Who is permitted access to the Coalbed Methane wells located on my property?

All representatives of the developing company and any personnel managing or maintaining the well, including the well tender, drillers and maintenance staff, are granted free-right-of passage. Persons associated with the well are not obligated to obtain permission prior to entry, nor are they obligated to wear uniforms or drive vehicles with identification or logos. Representatives and workers for the developer are not required by law to carry personal identification badges, but their company may require them to do so. You may request to see identification and call the company for confirmation.

You cannot prevent the developing companies' personnel with legitimate reasons from entering the CBM site.

In addition, Section 508 of the Oil & Gas Act grants PADEP employees right of entry for well inspections.

Is the access road to a Coalbed Methane well required to be gated and locked?

NO. A CBM developing company is not required to gate and lock site access, but may choose to do so. If they do, you may request a key for this gate, but they are not required to grant a key to the landowner.

Who is required to maintain any access roads to Coalbed Methane wells?

The developing company is required to do any and all access road maintenance.

What is a typical workday for Coalbed Methane wells and their operators?

CBM wells operate 24-hours a day. Therefore, companies which operate CBM wells must also operate 24-hours a day.

This means that companies use a number of different shifts of employees and they may show up to inspect and/or service CBM wells on your property at anytime during the day or night.

It should be noted that companies which decide to inspect or service a well on your property during the night can and will put up lighting to do so.

Is there any noise associated with a Coalbed Methane well?

YES. CBM wells use a mechanism called a pumpjack which produces a constant mechanical noise during operation.

You may also be subjected to sounds of vehicles, including large trucks and various other equipment, during well inspection and servicing.

Are Coalbed Methane developers required to obtain permits from the Pennsylvania Department of Environmental Protection (PADEP)?

YES. CBM wells are subject to the same requirements by law and regulation as are imposed on conventional gas wells.



The laws imposing these requirements include the Oil & Gas Act (Act 223) Chapter 78 (regulations promulgated under Act 223) and the Coal & Gas Coordination Act (Act 214).

In order to drill a CBM well in Pennsylvania, the operator needs to obtain a drilling permit from the Bureau of Oil & Gas Management. The operator also needs to prepare an Erosion and Sedimentation Control Plan (E & S Plan) and depending on the site conditions and activities may need various other permits and/or approvals.

Operators must implement, update as necessary and keep in compliance their E & S Plans, maintain and keep functional controls in place and **permanently** restore the site after the well is completed. Access roads may be left in place if the surface owner wishes or if the road was in existence before the well was developed. Otherwise, access roads should be a part of the restoration process. Access roads will remain as long as the well remains active.

After completion, the CBM well operator is required to submit a well record and completion report to the Bureau of Oil & Gas Management. This is a matter of public record and may be reviewed by anyone interested.

What water supply protection do I have?

The oil and gas act requires any operator who affects a water supply by reduction or pollution to restore or replace that water supply.

There is a "**Presumption of Responsibility**" which assumes that an operator is responsible for **any pollution of any water supply** within **1,000 feet** of the gas well that occurs within **6 months** of the completion of drilling, unless the operator can prove CBM activities was not responsible for the water pollution.

