NGAC Meeting Notes - 9/8/20

<u>Participants</u>: Jordan Allison, Craig Chapman, Kate Cole, Kirstin Dorshimer, Joshua Ebersole, Gerald Hoy, Ryan Szuch, Shawn Lehman, Jamie Rode, Tom Stahl, Ben Williams, Ephraim Zimmerman, Jack Clark, Kelsey Krepps, Lance Ridall, Robert Williams, Scott Perry, James Seyler, Steve Barondeau, Kimberly Kaal, Arianne Proctor, Bruce Snyder, Stephanie Livelsberger, Tamara Gagnolet, Michael DiMatteo, Peter Gordineer, Nathan Harris, Patrick Drohan, Rachel Reese, Jim Grace, John Norbeck, Shea Zwerver, Nicole Faraguna, Rebecca Bowen (39)

DCNR Update - John Norbeck

- Budget
 - Legislature passed budget for first 5 months of year through November
 - Administration and legislature working on 7/12 budget for rest of year, and also working on 2021 budget.
 - Revenue projections are low. We look at Moody's forecasts, and it suggests that state government budgets will be slow to recover. Impacts slower to take effect on state governments than on private sector. Next 4-5 years could be pretty difficult budget years.
 - We've been primarily in a hiring freeze, although we've been able to get relief on filling a few positions. Most vacancies will remain open. Could mean slower response times to inquiries. We made case to fill some O&G positions because the program is revenue producing.
- Popularity of State Parks and Forests during COVID pandemic
 - We are experiencing high use of outdoor recreation areas during COVID.
 - o State Parks.
 - Pre-Great Recession = 25-32 million visits per year
 - During Great Recession = upper 39 to lower 40 millions
 - Post Great Recession, it stayed up in upper 30s.
 - During COVID expect to be about 45 million visits in 2020.
- Safety has been very important during COVID. We are doing our best to keep our staff safe and contractors safe as well.

Minerals Division Update – Arianne Proctor

- Update data sheet provided and overviewed during call. (See data document)
 - Streambed leases are publicly-owned stream beds not necessarily affiliated with a state park or state forest.
 - Increase of \$57 million in revenue since October 2019 report.
 - Working on update to conversion numbers, but has not changed much, because there's been little development.
 - Have recovered about \$600,000 on audit recoveries since October 2019.
- Shared revenue bar chart during call. (See revenue document)

- Chart is of royalty revenue (not bonus). That's why 2008-2009 low revenue because they hadn't really drilled much Marcellus right around when the leases were sold.
- Revenue seems to be sustained over past few years. New wells coming online are balance the declines of older wells.
- Gas prices not helping revenue generation situation.

Shale Gas Monitoring Update – Shawn Lehman

- Powerpoint Shared during call. (see powerpoint document)
- COVID affected field work, some work had to be shifted/adjusted.
- Water
 - Widespread Sampling no site goes more than 3 years without being visited
 - No sites have deviated from previous visits at Widespread points, so far this year.
- PCSM
 - The pads monitored are part of the Intensive Pad Monitoring Program.
- Roads
 - If encounter any poorly rated roads, the Gas Foresters are notified. This has not occurred yet this year.
- Comment Cards
 - Adjusting entry process due to COVID. Entry is up-to-date through July.
- Invasive Species
 - EDRR is one of most effective programs because its not just monitoring, it involves taking action to address emerging invasive species.
 - Some populations considered too large for the Monitoring team to treat are handed over to District staff.
- Sound
 - Also part of permanent intensive pad monitoring.
- Story Map
 - New way to present monitoring data.
 - Story Map been improved over past several months. 2019 data is built into Story Map already. Working on final approvals to release Story Map.

DCNR Plant Regulations Update – Rebecca Bowen

- Summary sheet of main points and process provided during call. (see plant regs document)
- Rulemaking process typically takes about 2 years.
- 22 species out of Tentatively Undetermined. That category was sort of a placeholder for species that needed watched a few years, etc. Working to use that as intended and get species out of that category once enough data known.

Report from Members

- Jordan Allison (PA F&BC) Had anticipated a new F&BC monitoring project at the SRBC water monitoring sites, but that's been on hold until next year when more field work permitted (COVID).
- Michael DiMatteo (PGC) 114 leases active covering about 133,000 acres. (Get revenue numbers from him.) Active drilling on about 6 Game lands around Commonwealth – most drilling is non-disturbance.
- Scott Perry (PA DEP) Working on major well-plugging initiative in Cornplanter SF. DCNR also been partnering on priority permitting review process. Gives priority to projects that have non-required BMPs. Well permit fee increased to provide program stability.
- Ben Williams (Seneca) 4 Utica wells recently completed in Tioga SF. Anticipating some activity in Elk SF in 2022 on a Utica test at an existing pad. Recently partnered with WPC on some fish habitat improvements.
- Bruce Snyder (Fire Cherry Consulting) no update.
- Ephraim Zimmerman (WPC) Continuing to look at subsurface rights ownership for acquisitions. Tom's Run Nature Preserve (outside Pittsburgh) – working to remove old shallow gas infrastructure and make more publicly accessible. Seen skyrocketing use of properties during COVID. Working with DCNR on plant regs through heritage partnership.
- Jack Clark (PAOHV) Working with legislators to include off highway motorcylces with ATVs in legislation and on trails. PA Trails Foundation – does youth training at events during summer, but mostly curtailed due to COVID this year. Snowmobile/ATV Advisory Cmte – hasn't met, but virtual meeting coming up soon.
- Kelsey Krepps (Sierra Club) no update. New to NGAC. Based in Pittsburgh, with Sierra Club national.
- Lance Ridall (Repsol) No activity planned for rest of 2020, and nothing in Q1 of 2021 either.
- Nathan Harris (PGE) No report. Not much activity at this point.
- James Seyler (USFS Allegheny NF) Slow year. 54 new wells proposed over 19 different case files. 21 wells plugged in 2020 (conventional wells). Working on 4-5 Marcellus wells being plugged. No new Marcellus wells proposed this year. A developer looking at a new water flood this year, to do 2-3 injection wells.
- Steve Barondeau (Alta) Drilled and completed 6 wells on Tract 357A. Drilling first of 5 wells on Tract 551A. Drilled 6 wells from private lands underneath Clarence Moore tract.

Planning

- Not sure when next meeting will be.
- Can contact Gerald with questions, comments, or ideas for future meetings.