

THE GOVERNOR

Title 4—ADMINISTRATION

PART I. GOVERNOR'S OFFICE

[4 PA. CODE CH. 1]

[EXECUTIVE ORDER NO. 2014-03]

Leasing of State Forest and State Park Land for Oil and Gas Development

May 23, 2014

Whereas, the Department of Conservation and Natural Resources (DCNR) is the state agency charged with ensuring the stewardship and protection of state forest and state park lands for the benefit of all citizens; and

Whereas, Pennsylvania is home to a world-class state forest and state park system, comprising over 2.2 million acres of state forest land and 200,000 acres of state park land contained within 120 state park and conservation areas; and

Whereas, Pennsylvania's award-winning state parks provide opportunities to enjoy healthful outdoor recreation and serve as classrooms for environmental education in a setting where natural, scenic, aesthetic and historical values are preserved for current and future generations while hosting 38 million visitors annually, contributing \$1.2 billion annually to the commonwealth's economy and providing more than 13,000 jobs; and

Whereas, Pennsylvania's state forest system is managed for a variety of uses and values, including ecological integrity; wild character; drinking water supply protection; recreation; plant and animal habitat; high-quality timber; and the environmentally sound utilization of mineral resources; and

Whereas, the international Forest Stewardship Council (FSC) has developed a set of principles and criteria that apply to FSC-certified forests around the world, and FSC forest-management certification confirms that a specific area of forest is being managed in accordance with the FSC principles and criteria; and

Whereas, Pennsylvania's state forest system has been independently certified to be in adherence with the gold standard for environmentally and socially responsible forestry established by the FSC, and Pennsylvania's state forest system has been FSC-certified longer than any other state forest system in the United States; and

Whereas, in December 2012, after five years of natural gas development in the Marcellus shale formation, the Rainforest Alliance's annual audit of Pennsylvania's conformance with the FSC certification found that certification requirements are being met and recommended maintenance of certification; and

Whereas, an independent review of Pennsylvania's state forest system in 2013 by Scientific Certification Systems, a certification body accredited by the FSC, recommended that Pennsylvania's state forest system be awarded FSC certification as a "Well Managed Forest"; and

Whereas, the Conservation and Natural Resources Act (Act of June 28, 1995, P.L. 89, No. 18) authorizes DCNR to enter into leases for the disposition of oil and natural gas when doing so would be in the best interests of the commonwealth; and

Whereas, DCNR has the responsibility and expertise to approach shale gas development in a way that efficiently utilizes commonwealth energy resources while balancing the many uses, values and overall sustainability of the state parks and state forest system; and

Whereas, the Governor's Marcellus Shale Advisory Commission, in accordance with Executive Order 2011-01, unanimously adopted a report and accompanying recommendations on the safe and responsible development of unconventional shale gas resources, and the Commission recommended that any future leasing of state forest land should be limited to agreements which result in no or minimal surface impact to commonwealth-owned land; and

Whereas, the Pennsylvania General Assembly enacted the 2012 Oil and Gas Act (Act of Feb. 14, 2012, P. L. 87, No. 13) (Act 13), which significantly enhanced the environmental protection standards for shale gas resource development in the commonwealth, including new protections for rivers, streams, water wells and public water supplies, well site inspection and enforcement, public notice and information sharing, remediation standards, and other enhancements; and

Whereas, Article 1, Section 27 of the Constitution of Pennsylvania, recognizes the right of citizens to clean water and pure air and establishes the commonwealth's duty to conserve and maintain Pennsylvania's public natural resources for the benefit of all the people; and

Whereas, Executive Order 2010-05, Leasing of State Forest and State Park Land for Oil and Gas Development issued by Governor Edward G. Rendell on October 26, 2010 ordered that no lands owned and managed by DCNR shall be leased for oil and gas development; and

Whereas, oil and natural gas development which results in no additional surface disturbance to state park and forest lands managed by DCNR is consistent with ensuring the stewardship and protection of such lands for the benefit of all the citizens, and with the requirements of Article 1, Section 27 of the Pennsylvania Constitution;

Now, Therefore, I, Tom Corbett, Governor of the Commonwealth of Pennsylvania, by virtue of the authority vested in me by the Constitution of the Commonwealth of Pennsylvania and other laws do hereby direct the following.



Governor

Fiscal Note: 2014-03. (1) Oil and Gas Lease Fund; (2) Implementing Year 2014-15 is \$210,174; (3) 1st Succeeding Year 2015-16 is \$214,377; 2nd Succeeding Year 2016-17 is \$218,665; 3rd Succeeding Year 2017-18 is \$223,038; 4th Succeeding Year 2018-19 is \$227,499; 5th Succeeding Year 2019-20 is \$232,049; (4) 2013-14 Program—\$917,176; 2012-13 Program—\$883,131; 2011-12 Program—\$667,695; (7) State Forests Operations; (8) recommends adoption. Funds have been included in the budget to cover this increase.

Annex A

TITLE 4. ADMINISTRATION

PART I. GOVERNOR'S OFFICE

CHAPTER 1. AGENCY OPERATION AND ORGANIZATION

Subchapter UU. (Reserved)

§§ 1.561 and 1.562. (Reserved).

Subchapter ZZ. LEASING OF STATE FOREST AND STATE PARK LAND FOR OIL AND GAS DEVELOPMENT

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| Sec. | |
| 1.701. | Department of Conservation and Natural Resources oil and gas leasing. |
| 1.702. | Use of oil and gas royalty revenue to buy oil and gas and other mineral rights and to provide improvements in State parks and State forests. |
| 1.703. | Effective date. |
| 1.704. | Termination date. |
| 1.705. | Rescission. |

§ 1.701. Department of Conservation and Natural Resources oil and gas leasing.

As of May 23, 2014, State forest or State park land may not be leased for oil and natural gas development which would result in additional surface disturbance on State forest or State park lands.

§ 1.702. Use of oil and gas royalty revenue to buy oil and gas and other mineral rights and to provide improvements in State parks and State forests.

The Department of Conservation and Natural Resources (Department) shall seek, in accordance with applicable laws, to utilize the royalty revenue generated from oil and natural gas leasing and development to:

(1) Repair and improve upon the infrastructure and amenities of the State forest and State park systems.

(2) Prioritize and acquire high-value inholding lands, indentures and areas of high conservation value or ecological importance.

(3) Prioritize and acquire privately-owned oil, natural gas and other mineral rights underlying high-value surface lands owned by the Department.

§ 1.703. Effective date.

This subchapter takes effect immediately.

§ 1.704. Termination date.

This subchapter remains in effect until amended or rescinded by the Governor.

§ 1.705. Rescission.

Executive Order 2010-05 is rescinded.

[Pa.B. Doc. No. 14-1338. Filed for public inspection June 27, 2014, 9:00 a.m.]
