

Jacob Cardiff

From: PC, Act13 <RA-Act13@pa.gov>
Sent: Wednesday, March 28, 2012 11:17 AM
To: Jacob Cardiff
Subject: RE: PA Impact Fee - Terminology: Capped vs Plugged Well

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Jacob, per our discussion yesterday, please file this in your comments and the Commission will address it in the Final Implementation Order....John

-----Original Message-----

From: Jacob Cardiff [mailto:Jacob.Cardiff@crzo.net]
Sent: Tuesday, March 27, 2012 3:30 PM
To: PC, Act13
Cc: Mitchell Ethridge; David Garcia
Subject: PA Impact Fee - Terminology: Capped vs Plugged Well

As it relates to Cessation and applicability of the Impact Fee:

1. Is a "capped" well synonymous with a "plugged" well, or does capped only mean shut in temporarily, and therefore capable of being brought back on production?
2. If a well is spud and subsequently "plugged" in the same year, is the Impact Fee due for that well for that year or does the fee cease immediately?
3. The Tentative Order rolled out last week on the PUC's Act 13 website indicates that the Impact Fee is due on wells for the initial three years. Is this still true for plugged wells? If so, it may be contradictory to the "Cessation" section of The Act (§2302 (e)).

I look forward to your reply.

Thank you,

Jacob Cardiff

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