LM 3/28/12-

ORDINANCE NO. 3 -2012

AN ORDINANCE OF DAUPHIN COUNTY PROVIDING FOR AN UNCONVENTIONAL GAS WELL FEE ON EACH UNCONVENTIONAL GAS WELL SPUD IN THIS COUNTY

WHEREAS, Act 13 of 2012, the Unconventional Gas Well Impact Fee Act (Act 13), which amends Title 58 (Oil and Gas) of the Pennsylvania Consolidated Statutes, provides for the levying of an impact fee upon unconventional gas wells, as well as the collection and distribution of fee revenues to host counties and municipalities for certain allowable uses; and

WHEREAS, pursuant to Act 13, counties with unconventional gas wells are required to pass ordinances to impose an impact fee on unconventional gas wells to be eligible to receive fee revenues and revenues from statewide initiatives; and

WHEREAS, Dauphin County (the County) recognizes that unconventional gas wells may be spud within the County in the future; and

WHEREAS, all local municipalities within the County are automatically eligible for fee revenues with the enactment of a county-wide ordinance; and

WHEREAS, for the timely and efficient collection and disbursement of fee revenues to local municipalities within the County, it is determined to be in the best interest of Dauphin County to adopt such an ordinance at this time.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the Commissioners of Dauphin County, Pennsylvania as follows:

SECTION 1.

The County of Dauphin hereby imposes an unconventional gas well fee on each unconventional gas well spud in this County, as authorized in Title 58.

SECTION 2.

Definitions. The following words and phrases when used in this ordinance shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Fee." The unconventional gas well fee imposed under section 2302 of Title 58.

"Spud." The actual start of drilling of an unconventional gas well.

"Title 58." Title 58 (Oil and Gas) of the Pennsylvania Consolidated Statutes as amended by Act of February 13, 2012.

"Unconventional gas well." A bore hole drilled or being drilled for the purpose of or to be used for the production of natural gas from an unconventional formation.

SECTION 3.

The unconventional gas well fee shall be applicable, and shall be administered, as

provided for in Title 58.

SECTION 4.

This ordinance shall take effect immediately and shall remain in effect until repealed or amended.

SECTION 5.

A copy of this ordinance shall be transmitted to the Public Utility Commission as required by Title 58.

ENACTED AND ORDAINED into Ordinance this 28 day of Much

Attest:

BOARD OF COMMISSIONERS OF **DAUPHIN COUNTY**

Laura E. Evans, Esquire

Chief Clerk

Mike Pries, Vice Chairman