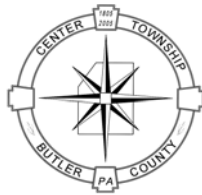


Board of Supervisors:
 Ronald Flatt, *Chairman*
 Philip Wulff, *Vice Chairman*
 Edward Latuska, *Supervisor*
 Robert Sloan, *Supervisor*
 Alan Smallwood, *Supervisor*



Anthony Amendolea, Secretary/Treasurer
Michael Gallagher, Solicitor
Gateway Engineers, Engineer
Patrick Gauselmann, BCO/Zoning Officer

Board of Supervisors
 PennEnergy Resources Conditional Use Hearing
 May 6, 2019
 6:00 p.m.

Please silence all pagers and cell phones
 (Emergency Responders are exempt)

CALL TO ORDER:

Chairman Ronald Flatt called the PennEnergy Resources Conditional Use Hearing, of the Center Township Board of Supervisors, to order at 6:00 p.m. The meeting was held at the Unionville Volunteer Fire Company Firehall, 102 Mahood Road, Butler PA 16001.

ROLL CALL:

In addition to Chairman Flatt, present were Vice Chairman Philip Wulff; Supervisors Robert Sloan and Alan Smallwood; Recording Secretary Cheryl Eckstein; and Township Secretary/Treasurer Anthony Amendolea. Supervisor Edward Latuska was absent.

PURPOSE:

The purpose of this public hearing is to obtain public comment and testimony from the parties involved in the conditional use application filed by PennEnergy Resources, LLC. The applicant proposes constructing a Marcellus Shale well site. The property, owned by Dwayne Croll, is located at 105 Roads End Lane (Center Township Map 060-2F63-5), Butler PA 16001. Chapter 20, Article XVI, Section 20-1605.B of the Center Township Codification of Ordinances permits oil and gas extraction subject to all requirements set forth in the Mineral Extraction Overlay District, Section 20-1305 et. seq. and also set forth in Chapter 20, Article XIX, Section 20-1908.A30 as a conditional use in the "R-1A", Low Density Residential District.

Public notifications were mailed Thursday, April 18, 2019 to all property owners within 300 feet. The Planning Commission recommended approval at their meeting held on Wednesday, April 24, 2019. The notice of the public hearing was published in the Butler Eagle editions on Sunday, April, 21, 2019 and Sunday, April 28, 2019. The property was posted on Monday, April 22, 2019.

APPLICANT COMMENTS: Ms. Kristi-Ann Staley, Attorney, presented the following exhibits into the record:

- A. Conditional Use Application and Exhibit (Exhibit A)
- B. PennEnergy's Response Letter dated May 2, 2019 (Exhibit B)
 - 1. The Applicant must show the location of the proposed sound walls on the Conditional Use Plan per Section 20-1802-B-1. *Please see the Conditional Use Plan which is attached hereto as Exhibit 2. PennEnergy Resources will utilize 16-foot-high sound walls around the entire perimeter of the Croll Well Pad.*

2. The Applicant must provide a Site Lighting Plan that meets the requirements of Sections 20-1802-B-6 and 20-1802-C. *Please see the Conditional Use Plan which is attached hereto as Exhibit 2. All lighting will be directed downward and inward and PennEnergy Resources will comply with the requirements of Sections 20-1802-B-6 and 20-1802-C.*
3. The Applicant must provide a Landscaping Plan that meets the requirements of Sections 20-1817-A-5 and 20-1805. *PennEnergy Resources will plant perennial grasses as depicted on the Conditional Use Plan, which is attached hereto as Exhibit 2.*
4. The Applicant must address compliance with the Conditional Use items listed in Section 20-1902-C. This may be addressed in the Application Narrative.
5. Section 20-1908-A-30-b states that Wellheads, vent flames, and ventilation openings shall be set back a minimum of one thousand feet (1000') from an existing dwelling, school or church. *The Croll Well Pad is in the "R-1A" Low Density Residential District and the "RRO" Rural Resource Overlay District. The "RRO" District permits "Oil and Gas Well Drilling" as a conditional use, subject to Sections 20-1802 and 20-1817 of the Zoning Ordinance. Section 20-1802 of the Zoning Ordinance does not include any setbacks and Section 20-1817 of the Zoning Ordinance provides "supplemental regulations" for Oil and Gas Operations. The latter section incorporates the Act 13 setbacks at Section 20-1817.B.*

The Croll Well Pad is not in the "MEO" Mineral Extraction Overlay District, which permits "Oil and Gas Extraction" as a conditional use. In addition to requiring compliance with Sections 20-1802 and 20-1817, the MEO district includes the requirement that "Oil and Gas Extraction" comply with Section 20-1908, including the 1,000 foot setback cited in the Township Engineer review letter.

Because the Croll Well Pad is not in the MEO, the additional Section 20-1908 requirements do not apply to this application. The application does comply with the relevant Act 13 setbacks as incorporated into the Zoning Ordinance at Section 20-1817.B
6. Section 20-1817-B state that setbacks from recorded property lines shall be in conformance with the provisions of Commonwealth of PA Act 13 of February 2012 where applicable, unless such minimum setback is waived by the affected abutting property owner or is otherwise specified. The setback requirements are stated in Act 13, Section 3215 as follows:

Wells may not be drilled within two hundred (200) feet, or, in the case of an unconventional gas well, five hundred (500) feet, measured horizontally from the vertical well bore to a building or water well, existing when the copy of the plat is mailed as required by Section 3211(b) (relating to well permits) without written consent of the owner of the building or water well.

All water wells must be shown on the conditional use plan and addressed in the application. Furthermore, comments 5 and 6 of this letter must be resolved with the Township.

Please see the Revised Conditional Use Plan attached hereto as Exhibit L. The attached Revised Conditional Use Plan updates the document in Tab 1 of PennEnergy Resources' original application to show 567 feet as the shortest distance between a water well and a well bore at the site. As shown on the Revised Conditional Use Plan, the application complies with the setback requirements as stated in Act 13, Section 3215.
7. The Applicant must provide a plan showing the method of screening and location of the minimum 6' high security fence that meets the requirements of §20-1908-A-30-c. This may be shown on the Landscaping Plan mentioned previously.

PennEnergy Resources' standard operating procedures include the installation of wildlife fencing around the entire site, as shown on the Conditional Use Plan attached hereto as Exhibit 2 in response to Township Engineer Comment No. 3. However, PennEnergy Resources maintains the position that the requirements of Section 20-1908 do not apply to this application, as set forth in the response to Comment No. 5 above.

Ms. Staley questioned Ms. Amy Gonzalez and Mr. Rich Watson, PennEnergy Resources, Inc. Ms. Gonzalez commented that PennEnergy is seeking conditional use approval for a well pad on Mr. Dewayne Croll's property. Eight wells are proposed. They have not applied for drilling permits at this time. PennEnergy will adhere to federal, state and local regulations. Access to the site will be State Route 308 (SR0308) to Holyoke Road (T-496) to Roads End Lane. An Excess Maintenance Agreement will be signed along with the proper bonding for Holyoke Road (T-496). The well pad is

370 feet by 320 feet will be graveled. Temporary lighting will be placed in the four (4) corners of the pad. Holyoke Road (T-496) will be kept clean. Proposed laterals will run northwest to southeast. Water wells within 2,600 feet of the well pad will be tested. Radon testing is not standard practice. Sound proofing will be accomplished by sixteen (16) foot high walls due to the housing in the area. During drilling and completion the operation will be twenty-four (24)/seven (7) days. Projected timeline is:

1. September 2019 – Well pad construction
2. December 2019 – Conductor rig on site
3. January 2020 – Top Hole rig on site
4. March 2020 – Horizontal rig on site
5. June 2020 – Well completion
6. August 2020 – Well production

Mr. Rich Watson stated water will be piped from the Renick impoundment pond to the Croll well pad by a sixteen (16) inch pipe eliminating truck traffic to deliver water to the site. However, trucks will be needed during the completion to haul used water out. Any previous agreement with Rex Energy is null and void or expired.

Ms. Staley stated that the one thousand (1,000) foot setback does not apply since the well pad is not located in the Mineral Extraction Overlay District.

PUBLIC COMMENTS:

- A. Mr. Jon Moon, 519 Holyoke Road: Mr. Moon is concerned about the electric lines across Croll's property.
- B. Mr. Don Fuechslin, 132 Roads End Lane: Mr. Fuechslin questioned the direction of the gas and water pipe lines and testing of water wells.
- C. Ms. Sarah Dobson, 109 Roads End Lane: Ms. Dobson asked how long temporary water line would be used.
- D. Mr. Frank Rodgers, 180 Moore Road: Mr. Rodgers is concerned with (1) sound proofing, (2) control of dust, (3) radon testing and (4) truck traffic.
- E. Ms. Kelly Calhoun, 460 Holyoke Road: Ms. Calhoun questioned status of previous Rex Energy leases.
- F. Mr. Robert McCandless, 541 Holyoke Road: Mr. McCandless is concerned with the telephone/electric lines.

BOARD COMMENTS:

- A. Smallwood asked (1) direction of temporary water line and (2) loss of water well.
- B. Sloan questioned if PennEnergy would re-drill water wells, if necessary.
- C. Township Solicitor Gallagher questioned (1) if residents have an opportunity to tap into the temporary water line and (2) clarification of the one thousand (1,000) setback.
- D. Flatt confirmed the route for truck traffic will be State Route 308 (SR0308) to Holyoke Road (T-496) to Roads End Lane.

Hearing adjourned to executive session at 6:37 p.m. to discuss hearing information. The meeting reconvened at 6:52 p.m. with no action taken.

ADJOURNMENT:

Sloan motioned to adjourn the hearing at 7:02 p.m. Smallwood seconded. Motion carried.

Anthony A. Amendolea
Township Secretary/Treasurer

Ronald E. Flatt
Chairman

Phillip B. Wulff
Vice Chairman

Absent
Edward G. Latuska
Supervisor

Robert M. Sloan
Supervisor

Alan H. Smallwood
Supervisor