

# SENATE BILL 798

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By: **Senator Frosh**

Introduced and read first time: February 3, 2012

Assigned to: Education, Health, and Environmental Affairs

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## A BILL ENTITLED

1 AN ACT concerning

2 **The Marcellus Shale Safe Drilling Study Fee**

3 FOR the purpose of altering the amount of a certain performance bond; authorizing  
4 the Department of the Environment to adopt certain regulations to alter the  
5 minimum amount of a certain performance bond; requiring certain owners of a  
6 certain gas interest in certain areas of the State to file a certain notice with the  
7 Department in accordance with certain requirements; requiring certain owners  
8 of a certain gas interest in certain areas of the State to pay to the Department a  
9 certain amount of money on or before certain dates under certain  
10 circumstances; establishing certain grounds for the denial of a certain permit;  
11 requiring the Department to deposit certain funds and penalties in the Oil and  
12 Gas Fund; requiring a certain amount of money in the Oil and Gas Fund to be  
13 used for a certain study; requiring the Department to make a certain refund  
14 under certain circumstances; authorizing the Department to impose a certain  
15 administrative penalty under certain circumstances; authorizing the  
16 Department to use certain funds for certain purposes; authorizing the  
17 Department and the Department of Natural Resources to enter into certain  
18 agreements for certain purposes; providing for the application of certain  
19 provisions of law; making stylistic changes; defining certain terms; altering  
20 certain definitions; and generally relating to gas and oil wells and gas interests.

21 BY repealing and reenacting, with amendments,

22 Article – Environment

23 Section 14–102, 14–111(a) and (b), 14–116, 14–117, 14–118, 14–122, and 14–123

24 Annotated Code of Maryland

25 (2007 Replacement Volume and 2011 Supplement)

26 BY adding to

27 Article – Environment

28 Section 14–113.1 and 14–120.1

29 Annotated Code of Maryland

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2007 Replacement Volume and 2011 Supplement)

2 Preamble

3 WHEREAS, The Marcellus Shale is an underground rock formation that  
4 contains natural gas and underlies New York, Pennsylvania, Ohio, West Virginia, and  
5 Western Maryland; and

6 WHEREAS, Hydraulic fracturing is a method of extracting natural gas from  
7 shale formations by injecting large quantities of water, sand, and chemicals at high  
8 pressure deep into the ground, fracturing the rock, releasing the natural gas, and  
9 allowing it to flow to the well; and

10 WHEREAS, Exploration for and production of natural gas from shale  
11 formations in neighboring states have resulted in water, livestock, and crop  
12 contamination, well blowouts, fires, severe injuries and fatalities, releases of methane  
13 and drilling wastes, and forest fragmentation; and

14 WHEREAS, In 2011, the U.S. Environmental Protection Agency (EPA) reported  
15 drinking water contamination in Wyoming and the occurrence of earthquakes in Ohio  
16 associated with the storage of natural gas drilling wastes from wells drilled using the  
17 natural gas extraction method known as hydraulic fracturing; and

18 WHEREAS, The U.S. Department of Energy, EPA, New York State, and the  
19 State of Maryland are individually studying the economic and environmental impacts  
20 of the natural gas drilling method known as hydraulic fracturing; and

21 WHEREAS, In March 2011, the Maryland House of Delegates passed House  
22 Bill 852 which would have required the Maryland Department of the Environment  
23 (MDE) and the Department of Natural Resources (DNR) to jointly convene an advisory  
24 commission and undertake a study of the extraction of natural gas from shale  
25 formations in the State; and

26 WHEREAS, In June 2011, the Governor signed an executive order establishing  
27 the Marcellus Shale Safe Drilling Initiative to assist State policymakers and  
28 regulators in determining whether and how gas production from the Marcellus Shale  
29 in Maryland can be accomplished without unacceptable risks of adverse impacts to  
30 public, health, safety, and the environment; and

31 WHEREAS, the Marcellus Shale Safe Drilling Initiative study is being  
32 implemented by MDE and DNR, in consultation with an advisory commission  
33 established under the June 2011 executive order; and

34 WHEREAS, The Maryland Marcellus Shale Safe Drilling Initiative study is  
35 required to be completed by August 2014; and

1 WHEREAS, Part I of the Maryland Marcellus Shale Safe Drilling Initiative  
2 study was issued in December 2011 and recommended, in part, the General Assembly  
3 impose a per acre fee on gas leases to fund the studies required under the June 2011  
4 executive order; and

5 WHEREAS, Completion of the Maryland study is dependent on funding for  
6 DNR and MDE; and

7 WHEREAS, The revenue requirements of DNR and MDE are outlined in Part I  
8 of the Report of the Marcellus Shale Safe Drilling Initiative study; and

9 WHEREAS, The critical funding for DNR and MDE will support the study of  
10 baseline requirements, including regional water quality and quantity, assessing  
11 specific stream data, and gathering regional mapping and survey data; and

12 WHEREAS, DNR and MDE report that at least 2 years of study for the baseline  
13 requirements is necessary to fully understand the magnitude of variations caused by  
14 different weather and seasonal events; and

15 WHEREAS, Any unused funds will fund State research relating to the practice  
16 of hydraulic fracturing for natural gas in shale formations and the release of methane  
17 and other hydrocarbons into the atmosphere, and also the relationship of this drilling  
18 method to climate change concerns; and

19 WHEREAS, Lacking a dedicated funding source, the study required by the  
20 Maryland Marcellus Shale Safe Drilling Initiative will fail to be completed; now,  
21 therefore,

22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
23 MARYLAND, That the Laws of Maryland read as follows:

24 **Article – Environment**

25 14–102.

26 (a) In this subtitle the following words have the meanings indicated.

27 (b) “Coalbed methane” means methane and any other gaseous substance  
28 occurring in or produced from a coal seam or related, associated, or adjacent rock  
29 materials.

30 (c) “County” includes Baltimore City unless otherwise indicated.

31 (d) “Department” means the Department of the Environment.

32 (e) “Field” means the general area [underlaid] **UNDERLAIN** by one or more  
33 pools.

1 (f) "Fund" means the Oil and Gas Fund.

2 (g) "Gas" means all natural gas, **NATURAL GAS LIQUIDS**, and other fluid  
3 hydrocarbons, not defined as oil, which are produced from a natural reservoir.

4 **(G-1) (1) "GAS INTEREST" MEANS THE RIGHT TO EXPLORE FOR GAS ON,  
5 OR PRODUCE GAS FROM, REAL PROPERTY.**

6 **(2) "GAS INTEREST" DOES NOT INCLUDE A FEE SIMPLE INTEREST  
7 IN THE SURFACE RIGHTS OF REAL PROPERTY REGARDLESS OF WHETHER THE  
8 FEE INTEREST INCLUDES THE MINERAL RIGHTS.**

9 **(G-2) "MARCELLUS SHALE" MEANS A MIDDLE DEVONIAN-AGE, BLACK,  
10 LOW-DENSITY, CARBONACEOUS SHALE THAT:**

11 **(1) OCCURS THROUGHOUT THE ALLEGHENY PLATEAU REGION  
12 OF THE NORTHERN APPALACHIAN BASIN; AND**

13 **(2) UNDERLIES PARTS OF GARRETT COUNTY, ALLEGANY  
14 COUNTY, AND WASHINGTON COUNTY.**

15 **(G-3) "NATURAL GAS LIQUIDS" MEANS COMPONENTS OF NATURAL GAS  
16 THAT ARE LIQUID AT THE SURFACE IN FIELD FACILITIES OR  
17 GAS-PROCESSING PLANTS.**

18 (h) "Oil" means crude petroleum oil and other hydrocarbons, regardless of  
19 gravity, which are produced at the wellhead in liquid form, except **NATURAL GAS**  
20 **LIQUIDS OR** liquid hydrocarbons known as distillate or condensate recovered or  
21 extracted from gas.

22 (i) "Owner" means the person who has the right to drill into and produce  
23 from a pool, or to store in a pool, and appropriate the oil or gas the person produces or  
24 stores either for the person or others.

25 (j) "Person" means [any individual, corporation, association, partnership,  
26 receiver, trustee, executor, administrator, guardian, fiduciary, or other representative  
27 of any kind]:

28 **(1) THE FEDERAL GOVERNMENT, THE STATE, A COUNTY, A  
29 MUNICIPAL CORPORATION, OR ANY OTHER POLITICAL SUBDIVISION OF THE  
30 STATE, OR ANY OF THEIR UNITS;**

1           **(2) AN INDIVIDUAL, A RECEIVER, A TRUSTEE, A GUARDIAN, AN**  
2 **EXECUTOR, AN ADMINISTRATOR, A FIDUCIARY, OR A REPRESENTATIVE OF ANY**  
3 **KIND; OR**

4           **(3) A PARTNERSHIP, A FIRM, AN ASSOCIATION, A PUBLIC OR**  
5 **PRIVATE CORPORATION, OR ANY OTHER ENTITY.**

6           (k) “Pool” means an underground reservoir containing a common  
7 accumulation of oil, gas, or both.

8           (l) “Producer” means the owner of a well capable of producing oil, gas, or  
9 both.

10          (m) “Product” means any commodity produced in its natural state by an oil or  
11 gas well.

12          (n) (1) “Production” means the act or process of producing oil or gas from  
13 a natural reservoir.

14               (2) “Production” does not include the sale or distribution of oil or gas.

15          (o) (1) “Underground storage” means the storing of gas or oil in a  
16 geological stratum beneath the surface of the earth.

17               (2) “Underground storage” includes the injection of gas or oil into and  
18 withdrawal from an underground storage reservoir and any other operation necessary  
19 for or convenient to the storage of gas or of oil.

20          (p) “Underground storage reservoir” means the stratum and subsurface area  
21 that are used or are to be used for or in connection with the underground storage of  
22 gas or of oil.

23 14–111.

24          (a) Every holder of a permit to drill for gas or oil shall:

25               (1) Submit a completion report on forms to be supplied by the  
26 Department within 30 days after the drilling of a well has been completed;

27               (2) Submit cutting samples at the request of the Department;

28               (3) Notify the Department when a well is about to be abandoned;

29               (4) Seal and plug the well in a manner approved by the Department;

1           (5) Post a performance bond to the State in the amount [not to exceed  
2 \$100,000] **OF AT LEAST \$50,000** for each [oil or gas] **GAS OR OIL** well, [and not to  
3 exceed \$500,000 as a blanket bond for all of the permit holder's oil or gas wells,] with  
4 good and sufficient surety, as provided in subsection (d)(1) of this section, conditioned  
5 upon compliance with the provisions of this subtitle, **INCLUDING PROPER SEALING**  
6 **AND PLUGGING OF THE GAS OR OIL WELL AND RECLAMATION OF THE SITE;**

7           (6) Obtain and keep in effect liability insurance coverage in [an] **THE**  
8 amount [not less than] **OF AT LEAST \$300,000** for each person and \$500,000 for each  
9 occurrence or accident to pay damages for injury to persons or damage to property  
10 caused by the drilling, production operations, or plugging of all of the permit holder's  
11 gas or oil wells in the State; and

12           (7) Notify the Department of the location of the equipment required by  
13 regulation for the prevention and containment of gas leaks and oil spills.

14           (b) The Department may adopt regulations to increase the [minimum]:

15                   **(1) MINIMUM AMOUNT OF THE PERFORMANCE BOND REQUIRED**  
16 **UNDER SUBSECTION (A)(5) OF THIS SECTION; AND**

17                   **(2) MINIMUM** amounts of liability insurance coverage under  
18 subsection (a)(6) of this section.

19 **14-113.1.**

20           **(A) THIS SECTION APPLIES TO A GAS INTEREST IN REAL PROPERTY**  
21 **THAT:**

22                   **(1) IS LOCATED IN AN AREA OF THE STATE UNDERLAIN BY THE**  
23 **MARCELLUS SHALE; AND**

24                   **(2) WAS ACQUIRED AFTER JANUARY 1, 2007, AND BEFORE**  
25 **AUGUST 1, 2014, OR BEFORE COMPLETION OF THE STUDY REQUIRED UNDER**  
26 **EXECUTIVE ORDER 01.01.2011.11 ISSUED ON JUNE 6, 2011, BY THE**  
27 **GOVERNOR, WHICHEVER IS EARLIER.**

28           **(B) ON OR BEFORE JULY 1, 2012, OR WITHIN 30 DAYS AFTER**  
29 **ACQUIRING THE GAS INTEREST, WHICHEVER IS LATER, AN OWNER THAT**  
30 **ACQUIRES A GAS INTEREST IN REAL PROPERTY IN GARRETT COUNTY OR**  
31 **ALLEGANY COUNTY FOR THE PURPOSE OF DRILLING FOR NATURAL GAS SHALL**  
32 **FILE A NOTICE WITH THE DEPARTMENT IDENTIFYING:**

1           **(1) EACH PARCEL, DESCRIBED BY METES AND BOUNDS, ON**  
2 **WHICH THE OWNER HAS A GAS INTEREST IN GARRETT COUNTY OR ALLEGANY**  
3 **COUNTY;**

4           **(2) A STATEMENT OF THE TOTAL ACREAGE OF THOSE PARCELS;**  
5 **AND**

6           **(3) A MAP SHOWING THOSE PARCELS.**

7           **(c) (1) (i) EACH OWNER OF A GAS INTEREST THAT WAS ACQUIRED**  
8 **AFTER JANUARY 1, 2007, AND BEFORE JULY 1, 2012, SHALL PAY TO THE**  
9 **DEPARTMENT A FEE IN ACCORDANCE WITH SUBPARAGRAPH (II) OF THIS**  
10 **PARAGRAPH.**

11                   **(ii) 1. ON OR BEFORE AUGUST 1, 2012, OR WITHIN 60**  
12 **DAYS AFTER ACQUIRING THE GAS INTEREST, WHICHEVER IS LATER, EACH**  
13 **OWNER OF A GAS INTEREST SHALL PAY TO THE DEPARTMENT A FEE IN AN**  
14 **AMOUNT EQUAL TO \$10 PER ACRE OF THE TOTAL ACREAGE REPORTED UNDER**  
15 **SUBSECTION (B) OF THIS SECTION.**

16                           **2. ON OR BEFORE AUGUST 1, 2013, EACH OWNER OF**  
17 **A GAS INTEREST SHALL PAY TO THE DEPARTMENT A FEE IN AN AMOUNT EQUAL**  
18 **TO \$10 PER ACRE OF THE TOTAL ACREAGE REPORTED UNDER SUBSECTION (B)**  
19 **OF THIS SECTION.**

20           **(2) EACH OWNER OF A GAS INTEREST THAT WAS ACQUIRED**  
21 **AFTER JULY 1, 2012, SHALL PAY TO THE DEPARTMENT AN ANNUAL FEE ON OR**  
22 **BEFORE AUGUST 1, OR WITHIN 60 DAYS AFTER ACQUIRING THE GAS INTEREST,**  
23 **WHICHEVER IS LATER, IN AN AMOUNT EQUAL TO \$10 PER ACRE OF THE TOTAL**  
24 **ACREAGE REPORTED UNDER SUBSECTION (B) OF THIS SECTION.**

25           **(3) EXCEPT AS PROVIDED IN SUBSECTION (I)(3) OF THIS**  
26 **SECTION, A FEE MAY NOT BE ASSESSED AFTER AUGUST 1, 2014, OR AFTER THE**  
27 **COMPLETION OF THE STUDY REQUIRED UNDER EXECUTIVE ORDER**  
28 **01.01.2011.11 ISSUED ON JUNE 6, 2011, BY THE GOVERNOR, WHICHEVER IS**  
29 **EARLIER.**

30           **(d) FAILURE TO FILE THE NOTICE REQUIRED UNDER SUBSECTION (B)**  
31 **OF THIS SECTION WHEN DUE, OR FAILURE TO PAY THE AMOUNT REQUIRED**  
32 **UNDER SUBSECTION (C) OF THIS SECTION WHEN DUE, MAY BE GROUNDS FOR**  
33 **DENIAL OF A PERMIT TO EXPLORE FOR OR PRODUCE GAS FROM FORMATIONS**  
34 **UNDER THE PARCEL.**

1           **(E) AN OWNER MAY NOT PASS THE PAYMENT OF FEES REQUIRED UNDER**  
2 **SUBSECTION (C) OF THIS SECTION TO, OR RECOVER THE FEES FROM, THE**  
3 **PERSON THAT OWNS THE SURFACE RIGHTS OF THE PROPERTY.**

4           **(F) IF THE FEE UNDER SUBSECTION (C) OF THIS SECTION HAS BEEN**  
5 **PAID TO THE DEPARTMENT, THE FEE MAY NOT BE ASSESSED AGAINST AN**  
6 **OWNER THAT SUBSEQUENTLY ACQUIRES A GAS INTEREST IN THAT PARCEL.**

7           **(G) THE DEPARTMENT SHALL DEPOSIT THE MONEY COLLECTED UNDER**  
8 **THIS SECTION INTO THE FUND ESTABLISHED IN § 14-122 OF THIS SUBTITLE.**

9           **(H) A PERSON THAT VIOLATES THIS SECTION IS SUBJECT TO THE**  
10 **ENFORCEMENT MECHANISMS PROVIDED IN §§ 9-334 THROUGH 9-340 OF THIS**  
11 **ARTICLE.**

12           **(I) (1) AFTER AUGUST 1, 2014, OR AFTER COMPLETION OF THE**  
13 **STUDY REQUIRED UNDER EXECUTIVE ORDER 01.01.2011.11 ISSUED ON JUNE 6,**  
14 **2011, BY THE GOVERNOR, WHICHEVER IS EARLIER, THE DEPARTMENT SHALL**  
15 **COMPARE THE ACTUAL COSTS OF THE STUDY WITH THE MONEY COLLECTED**  
16 **UNDER SUBSECTION (B) OF THIS SECTION.**

17           **(2) IF THE ACTUAL COST OF THE STUDY IS LESS THAN THE**  
18 **AMOUNT PAID UNDER SUBSECTION (C) OF THIS SECTION, THE DEPARTMENT**  
19 **SHALL REFUND THE DIFFERENCE, PRORATED BY ACREAGE, TO THE OWNERS**  
20 **WHO PAID A FEE.**

21           **(3) IF THE ACTUAL COST OF THE STUDY IS MORE THAN THE**  
22 **AMOUNT PAID UNDER SUBSECTION (C) OF THIS SECTION, EACH OWNER THAT**  
23 **FILED A NOTICE UNDER SUBSECTION (B) OF THIS SECTION SHALL PAY, WITHIN**  
24 **90 DAYS AFTER WRITTEN NOTIFICATION BY THE DEPARTMENT, AN AMOUNT**  
25 **DETERMINED BY THE DEPARTMENT, PRORATED BY ACREAGE, TO FULLY FUND**  
26 **THE COST OF THE STUDY.**

27 14-116.

28           **(A) Any person adversely affected by any rule, regulation, determination, or**  
29 **order of the Department may within 15 days after its effective date apply to the**  
30 **Department in writing for a rehearing. The application shall be acted upon within 15**  
31 **days after its filing. The rehearing, if granted, shall be held promptly.**

32           **(B) THIS SECTION DOES NOT APPLY TO ANY ACTION OF THE**  
33 **DEPARTMENT AUTHORIZED UNDER § 14-113.1 OF THIS SUBTITLE.**

34 14-117.



1 (a) Except as provided in § 14–105 of this subtitle, any person aggrieved by  
2 any action of the Department may apply to the circuit court of the county in which the  
3 person resides or the well is located for review of its decision. Any other interested  
4 party may intervene. The Department may become a party to the appeal. The case  
5 shall be docketed at once but may not take precedence over any other civil cause,  
6 action, or proceeding on the docket. The court shall hear the proceedings de novo,  
7 determine all matters of law and fact without a jury, and render its decision  
8 approving, setting aside, or modifying the Department’s action.

9 (b) Any party aggrieved by the final decision of the court may appeal to the  
10 Court of Special Appeals.

11 **(C) THIS SECTION DOES NOT APPLY TO ANY ACTION OF THE**  
12 **DEPARTMENT AUTHORIZED UNDER § 14–113.1 OF THIS SUBTITLE.**

13 14–118.

14 **(A)** Upon application of the Department, verified by oath or affirmation, the  
15 circuit court of the county where the well is located, sitting in equity, may by  
16 injunction enforce compliance with, or restrain the violation of any order, notice, rule  
17 or regulation made under the provisions of this subtitle or restrain the violation or  
18 attempted violation of any of the provisions of this subtitle.

19 **(B) THIS SECTION DOES NOT APPLY TO ANY VIOLATION OCCURRING**  
20 **UNDER § 14–113.1 OF THIS SUBTITLE.**

21 14–120.1.

22 **(A) SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE DEPARTMENT**  
23 **MAY IMPOSE AN ADMINISTRATIVE PENALTY ON A PERSON THAT FAILS TO FILE**  
24 **THE NOTICE REQUIRED UNDER § 14–113.1(A) OF THIS SUBTITLE WHEN DUE, OR**  
25 **FAILS TO PAY THE AMOUNT REQUIRED UNDER § 14–113.1(B) OF THIS SUBTITLE**  
26 **WHEN DUE.**

27 **(B) A PENALTY IMPOSED ON A PERSON UNDER THIS SECTION SHALL BE:**

28 **(1) UP TO \$10,000 PER DAY, CALCULATED FROM THE DATE ON**  
29 **WHICH COMPLIANCE IS REQUIRED; AND**

30 **(2) ASSESSED WITH CONSIDERATION GIVEN TO:**

31 **(i) THE SIZE OF THE PARCEL;**

1                   **(II) THE EXTENT TO WHICH THE EXISTENCE OF THE**  
2 **VIOLATION WAS KNOWN TO THE VIOLATOR BUT UNCORRECTED BY THE**  
3 **VIOLATOR; AND**

4                   **(III) THE EXTENT TO WHICH THE CURRENT VIOLATION IS**  
5 **PART OF A RECURRENT PATTERN OF THE SAME OR SIMILAR TYPE OF VIOLATION**  
6 **COMMITTED BY THE VIOLATOR.**

7           **(C) AN OWNER MAY NOT PASS THE PAYMENT OF ADMINISTRATIVE**  
8 **PENALTIES IMPOSED UNDER THIS SECTION TO, OR RECOVER THE PENALTIES**  
9 **FROM, THE PERSON THAT OWNS THE SURFACE RIGHTS OF THE PROPERTY.**

10           **(D) THE DEPARTMENT SHALL DEPOSIT THE PENALTIES COLLECTED**  
11 **UNDER THIS SECTION INTO THE FUND ESTABLISHED IN § 14-122 OF THIS**  
12 **SUBTITLE.**

13 14-122.

14           (a) There is an Oil and Gas Fund.

15           (b) The Fund consists of:

16                   (1) Fees collected by the Department under § 14-105 of this subtitle;

17                   **(2) MONEY COLLECTED BY THE DEPARTMENT UNDER § 14-113.1**  
18 **OF THIS SUBTITLE;**

19                   **[(2)] (3)** Funds appropriated by the General Assembly for deposit to  
20 the Fund;

21                   **[(3)] (4)** Fines and bond forfeitures collected by the Department in  
22 accordance with this subtitle that exceed the amount necessary to restore a site; **[and]**

23                   **(5) ADMINISTRATIVE PENALTIES COLLECTED UNDER § 14-120.1**  
24 **OF THIS SUBTITLE; AND**

25                   **[(4)] (6)** Any additional money made available from any sources,  
26 public or private, for the purposes for which the Fund has been established.

27           (c) (1) The Fund is a special, nonlapsing fund that is not subject to §  
28 7-302 of the State Finance and Procurement Article.

29                   (2) Notwithstanding any law to the contrary, unused money in the  
30 Fund may not revert to the General Fund.

1 (d) The Fund shall be maintained and administered by the Department in  
2 accordance with the provisions of this subtitle and any regulations the Department  
3 adopts.

4 14–123.

5 (A) [The] **SUBJECT TO SUBSECTION (B) OF THIS SECTION, THE**  
6 Department shall use money in the Fund solely to administer and implement  
7 programs to oversee the drilling, development, production, and storage of oil and gas  
8 wells, and other requirements related to the drilling of oil and gas wells, including all  
9 costs incurred by the State to:

10 (1) Review, inspect, and evaluate monitoring data, applications,  
11 licenses, permits, analyses, and reports;

12 (2) Perform and oversee assessments, investigations, and research;

13 (3) Conduct permitting, inspection, and compliance activities; and

14 (4) Develop, adopt, and implement regulations, programs, or  
15 initiatives to address risks to public safety, human health, and the environment  
16 related to the drilling and development of oil and gas wells, including the method of  
17 hydrofracturing.

18 (B) **ANY MONEY DEPOSITED IN THE FUND IN ACCORDANCE WITH §**  
19 **14–113.1 OF THIS SUBTITLE SHALL BE USED BY THE DEPARTMENT TO PAY FOR**  
20 **THE STUDY REQUIRED UNDER EXECUTIVE ORDER 01.01.2011.11 ISSUED ON**  
21 **JUNE 6, 2011, BY THE GOVERNOR.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That the Department of the  
23 Environment may use the money collected under § 14–113.1 of this Act to reimburse  
24 the Department of the Environment and the Department of Natural Resources for  
25 past expenditures relating to the study required under Executive Order 01.01.2011.11  
26 issued on June 6, 2011, by the Governor.

27 SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding §  
28 13–107 of the State Finance and Procurement Article, the Department of the  
29 Environment and the Department of Natural Resources may enter into sole source  
30 agreements for goods or services in order to expedite completion of the study required  
31 under Executive Order 01.01.2011.11 issued on June 6, 2011, by the Governor.

32 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
33 June 1, 2012.