AN ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF MERCER, COMMONWEALTH OF PENNSYLVANIA, IMPOSING AN UNCONVENTIONAL GAS WELL FEE ON EACH UNCONVENTIONAL GAS WELL SPUD

IN MERCER COUNTY; DEFINING TERMS; PROVIDING FOR ADMINISTRATION;

REPEALING INCONSISTENT ORDINANCES; MAKING THE TERMS THEREOF SEVERABLE: AND SETTING AN EFFECTIVE DATE.

Be it ordained and enacted, and it is hereby ordained and enacted by the Board of Mercer County Commissioners by the authority of same as follows:

SECTION 1. Definitions. As used in this ordinance, the following terms shall have the Meanings indicated, unless a different meaning clearly appears from the context: "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 14, 2012 (P.L. 2012 No 7) "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 2. TAX IMPOSED: The County of Mercer hereby imposes an unconventional Gas well fee on each unconventional gas well spud in Mercer County, as authorized by Title 58.

SECTION 3. ADMINISTRATION: The unconventional gas well fee shall be applicable And shall be administered as provided for in Title 58. A certified copy of this Ordinance shall be sent by the Chief Clerk to the Pennsylvania Public Utility Commission as required by Title 58.

SECTION 4. REPEALER. All ordinances or parts of ordinances which are inconsistent Herewith are hereby repealed.

SECTION 5. SEVERABILITY. If any sentence, clause, section, or part of this ordinance Is for any reason found to be unconstitutional, illegal or invalid, such unconstitutionality, Illegality or invalidity shall not affect or impair any of the remaining provisions, sentences, clauses, sections or parts of this ordinance. It is hereby declared as the intent of the Board of Commissioners that this ordinance would have been adopted had such unconstitutional, illegal or invalid sentence, clause, section or part thereof not been included herein.

SECTION 6. EFFECTIVE DATE. This ordinance shall become effective immediately Upon adoption.

ADOPTED this 22^{nd} day of March 2012.

MERCER COUNTY BOARD OF COMMISSIONERS

Attest

Timothy M. Hofius Chief Clerk