BEFORE THE
PENNSYLVANIA GAME COMMISSION

BEFORE: Ralph A. MARTONE, President
         Robert W. Schlemmer, Vice-President
         David J. Putnam, Secretary
         David W. Schreffler, Commissioner
         James J. Delaney, Jr., Commissioner
         Ronald A. Weaner, Commissioner
         Bradley C. Bechtel, Chief Counsel
         Carl G. Roe, Executive Director
         R. Matthew Hough, Deputy Executive Director

LOCATION:  PA Game Commission
           2001 Elmerton Avenue
           Harrisburg, PA  17110

HEARING:   Tuesday, June 26, 2012, 8:30 a.m.

WITNESSES: None

Reporter: Danielle S. Ohm

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CHAIR:
Good morning. Welcome to the Pennsylvania Gaming Commission's Board of Commissioners quarterly meeting for June 2012. At this time I'd like to remind you to either turn your cell phones off or put them on mute. And if you would, join me in the pledge of allegiance.

PLEDGE OF ALLEGIANCE RECITED

CHAIR:
Mr. Secretary, would you call roll, please?

MR. PUTNAM:
Commissioner Schreffler?

MR. SCHREFFLER:
Present.

MR. PUTNAM:
Commissioner Putnam?

MR. PUTNAM:
Present.

MR. PUTNAM:
Commissioner Martone?

MR. MARTONE:
Present.
MR. PUTNAM:
Commissioner Schlemmer?

MR. SCHLEMMER:
Present.

MR. PUTNAM:
Commissioner Delaney?

MR. DELANEY:
Present.

MR. PUTNAM:
Commissioner Weaner?

MR. WEANER:
Present.

MR. PUTNAM:
Mr. President, all Commissioners are present and accounted for.

CHAIR:
Okay. At this time I'd like to turn it over to Executive Director Roe.

MR. ROE:
As I mentioned yesterday, I just wanted a few comments so we get to the record that Rob Criswell our regional director for the Southcentral Region is retiring in July. He's got a lot on his plate in the near future. He's got some traveling he wants to do. I just want to take the opportunity, like I say, for
the history of the Game Commission to thank you for
all the hard work that you've given and your many,
many years of service to the Commonwealth. So, Rob,
thank you very, very much and good luck.

CHAIR:

On behalf of the Board we'd like to thank
you for your service as well and, again, I think
everybody in the Board appreciates the word retirement
very, very much. So, at this time I'd like to approve
the minutes of the Commission meeting held April 24th,
2012. Do I have a motion to accept the minutes from
that meeting? Commissioner Schlemmer?

MR. SCHLEMMER:

Second.

CHAIR:

Commissioner Weaner? Is there any
discussion on the minutes? Hearing none, all those in
favor signify by saying aye.

ALL RESPOND AYE

CHAIR:

Those opposed? Mr. Secretary?

MR. PUTNAM:

Mr. President, the minutes are approved.

CHAIR:

At this time I'd like to turn the
commentary for proposed rulemaking over to Mr. Bechtel.

ATTORNEY BECHTEL:

Thank you. The first item to come before the Commission today concerns proposed rulemaking to amend 58 Pa.C., Section 133.21 to reflect the current status of breeding populations in the Commonwealth and to update scientific nomenclature. The upland sandpiper, which is a grassland nesting bird, long classified as threatened has declined precipitously over the last two decades and has virtually disappeared from Pennsylvania. Its rarity and diminished breeding range warrant downgrading its status to endangered.

The northern harrier, once a rare but regular breeder in the state, has experienced a marked decline in Pennsylvania as well as declines in northwest and northcentral regions over the last few decades, prompting a proposal to list this species as threatened. The northern harrier is listed as either endangered or threatened in all neighboring states.

Long-eared owls, extremely rare breeders in Pennsylvania, and difficult to survey. Nesting locations have been confirmed in only seven locations in recent years, despite a concerted survey effort
over much of the last decade. Most nests are located in the Ridge and Valley and Appalachian Plateau regions. The rarity and diffuse scattering of nest records within this Commonwealth have prompted the proposal to list this long-eared owl as threatened.

Finally, in a major reorganization of warbler nomenclature in 2011 by the American Ornithologist’s Union, the genus Dendroica was changed to Setophaga necessitating this administrative change in the scientific name of the endangered blackpoll warbler. The text of the changes appear on pages two and three of your agenda.

CHAIR:

Thank you. Do I have a motion to accept the changes of Subsection 133.21 changing the listing of the upland sandpiper to endangered northern area and long-eared owl to threatened?

MR. HOUGH:

So moved.

CHAIR:

Okay.

MR. DELANEY:

Second.

CHAIR:

And second was Commissioner Delaney. Is
there any discussion on these, Commissioner Putnam?

**MR. PUTNAM:**

For the people that are watching the broadcast of this meeting, the detailed discussion of this took place yesterday at our working group meeting and that's available on our website for rebroadcast.

**CHAIR:**

I will add to that that if you watched the working group meeting back in May and then yesterday's staff reports you realize the Board had pretty extensive information, pretty extensive discussion on all of these being changed in status. And I think we learned a lot and I think this move makes sense, so I would encourage everybody to vote in favor of this. At this time, Commissioner Delaney?

**MR. DELANEY:**

Yeah. I'd just like to elaborate on that a bit, too. Not only did we hear the detailed discussions yesterday, we heard a lot of value of what the agency is going to try to do to enhance those species so we don't see further deterioration. So I don't think we just received a report on the status and where we may go, but we received the --- some pretty extensive information on what the agency is doing to protect those species.
CHAIR:

Thank you. Any further discussion?

Okay. At this time all those in favor of the status change signify by saying aye.

ALL RESPOND AYE

CHAIR:

Opposed? Mr. Secretary?

MR. PUTNAM:

Mr. President, the motion passes unanimously.

ATTORNEY BECHTEL:

The next item also concerns adopted rulemaking. It comes from the Bureau of Wildlife Protection. The adoption of proposed amendments to Section 131.2 to remove two sentences from the definition of bow relating to draw-locks and the minimum draw weights of bows. The proposal also adds definitions for the terms decoy and meat or animal products. These definitions and the text of the changes are shown on page five of your agenda.

CHAIR:

Thank you. Do I have a motion to adopt proposed amendments to Subsection 131.2 removing two sentences from the definition of bow and adding the definition terms decoy and meat or animal products in
this proposal?

MR. SCHREFFLER:
So moved.

CHAIR:
Commissioner Schreffler. Second?

MR. WEANER:
Second.

CHAIR:
Commissioner Weaner. Any discussion? I would like to add that after this was first brought up at the April meeting there seemed to be quite a few questions about the use of meat and animal products. Director Palmer, could you explain the exact text that this falls into is not just as bait, but a very specific use of the bait?

MR. PALMER:
That's correct. When the new definition specifically states for the purpose of Section 2361(a)(13) that is the section that provides for the prohibition of bait visible from the air to avoid non-target captures primarily of raptors.

CHAIR:
Right. Okay. And I think that's where the concern arose that this doesn't state --- this is within the section that is talking about bait visible
from the air.

MR. PALMER:
That's correct.

CHAIR:
Okay.

MR. PALMER:
That is the only prohibition that applies.

CHAIR:
Okay. I think that was an important clarification. Thank you. Commissioner Putnam?

MR. PUTNAM:
One additional question on that. The visible from the air, some trappers will use rubber crayfish as a bait. And does --- visible from the air would that include if the said is under water?

MR. PALMER:
It would if it's actually visible ---

MR. PUTNAM:
If you could see through the water?

MR. PALMER:
--- from the air. Right. And a cubby set that would be legal, but if it would be visible, then it would still be a prohibition.

CHAIR:
Any other discussion on this? All those in favor signify by saying aye.

ALL RESPOND AYE

CHAIR:

Opposed? Mr. Secretary?

MR. PUTNAM:

Mr. President, the motion passes unanimously.

ATTORNEY BECHTEL:

The next item before the Commission concerns the adoption of proposed amendments to Section 141.20 to amend that section to apply the more restrictive fluorescent orange requirements to WMUs 1A, 1B and 2A that apply to all other WMUs where use of rifles to hunt turkey is authorized. The text of this amendment is shown on page seven.

CHAIR:

Do I have a motion to accept proposed amendments to Subsection 141.20 changing the fluorescent orange requirements in WMU 1A, 1B and 2A to match the other WMUs where rifles are permitted for fall turkey?

MR. SCHLEMMER:

Motion.

CHAIR:
Commissioner Schlemmer. Do I have a second?

MR. WEANER:
Second.

CHAIR:
Commissioner Weaner. Is there any discussion on this? Okay. All those in favor signify by saying aye.

ALL REPS ответили YES

CHAIR:
Opposed? Mr. Secretary?

MR. PUTNAM:
Mr. President, the motion passes unanimously.

CHAIR:
Thank you.

ATTORNEY BECHTEL:
The next item is the adoption of proposed amendments to Section 143.13 relating to the change of residency registration to require holders of hunting and fur taking licenses who change their residency status to acquire a change of residency registration within 30 days of the change, otherwise their licenses would become invalid. The text of this change is shown on page nine of your agenda.
CHAIR:

Do I have a motion to accept the proposal to make amendments to Subsection 143.13? This adds language showing the changes in residency for license buyer.

MR. WEANER:

So moved.

CHAIR:

Commissioner Weaner. Second?

MR. SCHREFFLER:

Second.

CHAIR:

Commissioner Schreffler. Any discussion on this? I will add this is not a very common thing, but it is an important thing for somebody moving into the state or out of the state with a Pennsylvania license. So I think it accomplishes what it set out to do, but it's not something that we'll see applied very often. Any further discussion? At this time all those in favor signify by saying aye.

ALL RESPOND AYE

CHAIR:

Opposed? Mr. Secretary?

MR. PUTNAM:

Mr. President, the motion passes
unanimously.

ATTORNEY BECHTEL:
The next item is also an adoption of a proposed amendment to Section 147.552 to replace the reference to WMUs 5C and 5D with the more appropriate reference to the southeast special regulations areas. This text is shown on page 11 of your agenda.

CHAIR:
Do I have a motion to approve the proposed amendments to Subsection 147.552? This is a final approval to replace the reference in WMUs 5C and 5D to southeast special regulation areas.

MR. WEANER:
So moved.

CHAIR:
Commissioner Weaner. Second?

MR. SCHREFFLER:
Second.

CHAIR:
Commissioner Schreffler. Is there any discussion on this motion? Hearing none all those in favor say aye.

ALL RESPOND AYE

CHAIR:
All those opposed? Mr. Secretary?
MR. PUTNAM:

Mr. President, the motion passes unanimously.

ATTORNEY BECHTEL:

The next item concerns proposed rulemaking to amend 58 Pa.C. Section 131.3. On July 1st, 1995, relevant portions of the Conservation and Natural Resources Act created the Department of Conservation and Natural Resources and changed the name of the Department of Environmental Resources to the Department of Environmental Protection. The 1995 name changes were never incorporated into 58 Pa.C. Section 131.3. The Commission is proposing to amend that section to eliminate the reference to the Department of Environmental Resources and replace it with a reference to Department of Conservation and Natural Resources. The Commission is also proposing to update this section's reference to the Commission's officers as wildlife conservation officers. This proposal is non-substantive and is not intended to further expand or further limit the enforcement authority of any classification of officer. The text is shown on page 12 of your agenda.

MR. WEANER:
So moved.

CHAIRMAN:
Commissioner Weaner believes in brevity.

Second?

MR. SCHREFFLER:
Second.

CHAIR:
Any discussion? I would like to take an opportunity to compliment Director Palmer and his staff for maintaining the details of the Code. You know, this type of, I guess, fix shows the depth of understanding and the amount of time and effort you put into keeping the Code up to date and being very thorough about it. So I think this --- these type of language change, although they're pretty routine, show the extent to which you apply yourself to the Code and keeping it current. And I have to compliment you and your staff on this. Any further discussion? All those in favor signify by saying aye.

ALL RESPOND AYE

CHAIR:
Opposed? Mr. Secretary?

MR. PUTNAM:
Mr. President, the motion passes unanimously.
ATTORNEY BECHTEL:

The next item concerns the amendment of 58 Pa.C. Section 135.2. Unauthorized all-terrain vehicle, or ATV, operation on State Game Lands and hunter access cooperator properties continues to be one of the top ten violations that wildlife conservation officers, or WCOs, encounter each year. Illegal ATV operation has been identified as a major source of wildlife habitat destruction across the landscapes of these lands and waters. These usage violations are very often accompanied by ATV classification offenses such as registration or insurance, as set forth in the Vehicle Code under Title 75. Under current law, WCOs do not have the authority to enforce Title 75 summary offenses. The Commission normally forwards these violations to other enforcement authorities. And this practice typically ends in mixed results. Often delays and jurisdictional problems result in significant challenges in the processing of these cases successfully. The Commission is proposing to amend Section 135.2 to create a regulatory violation to possess, maintain, operate, occupy or travel by ATV or snowmobile in a manner not in accordance with the standards set forth in Title 75. This amendment will
ensure safe and effective enforcement of these requirements occurring on lands and waters under Commission ownership, lease, agreement or control. The text of this change is shown on page 13 of your agenda.

CHAIR:
Do I have a motion to accept the changes to Subsection 135.2?

MR. WEANER:
So moved.

CHAIR:
Commissioner Weaner.

CHAIR:
Second?

MR. SCHREFFLER:
Second.

CHAIR:
Commissioner Schreffler. Any discussion? Commissioner Delaney?

MR. DELANEY:
Director Palmer, if we approve this change in the Code or amend it, what will it do for your officers in the field?

MR. PALMER:
It'll add another tool for them to be
able to address these violations without having to engage another officer such as a DCNR forest ranger, potentially a park ranger or the Pennsylvania State Police or any other jurisdiction of a traditional police department to handle those violations under Title 75 that are summary offenses; helmets, registration, those types of offenses that currently our officers cannot enforce. We currently would cite them for being on the property illegally, but those other violations we have to hand to another department. That adds a lot of delay in the processing of that particular citation, sometimes problems with the prosecution as well.

MR. DELANEY:
Thanks for the explanation.

CHAIR:
Commissioner Putnam?

MR. PUTNAM:
Director Palmer, would you explain the difference between the lands and waters that we own, lease or control and, let's say, a farm that's enrolled in our program and a farm that's not enrolled in one of our public access programs?

MR. PALMER:
Obviously, lands that are under our lease
and control directly would be --- the best example I would be able to give you would be Lake Raystown. There's a lot of Corps of Engineer type properties that are actually under our lease and control and given a number very similar to the game lands. Farm game projects, those type of public access programs are not.

CHAIR:

We had some discussion yesterday with the Farm Bureau about their problems with ATVs and we pointed out to them that if a landowner really has an issue with ATVs, that our officers are more than willing to help them address that issue if they're a cooperator in one of our programs. But our strategic plan directs our officers to work on lands under our --- under agreements with us and to stay off the lands that are not under agreement with us.

MR. PALMER:

Well, obviously, where our jurisdiction would apply would be to those lands for the violation of operating the ATV. I think some good examples, very good examples actually, gives some credit to the northwest region. They have had a number of large forest game cooperators such as Collins Pine that have specifically maintained their enrollment in our public
access programs of the additional enforcement effort that we can provide to them in ATV enforcement. And the northwest region and the northeast region in a number of cases --- actually most of the regions run specific enforcement task forces. I picked the northwest out because it was one of the most recent ones over the Memorial Day weekend had a couple of dozen officers out on a holiday weekend specifically targeting ATV enforcement. And those landowners and those cooperators are very appreciative of those efforts.

CHAIR:

Thank you.

MR. SCHREFFLER:

I'll add that we do take ATV use on game lands very seriously, but as you saw yesterday's testimony from the Farm Bureau, that's one what they consider their major problem. It's what we consider our major problem and, you know, it's something we intend to continue taking very seriously. Talking to a lot of landowners and the Farm Bureau, a lot of property gets posted, not because of hunters, but because of ATV use. So, you know, the more we can deal with the ATV problem the more land we can keep open in the cooperative program.
MR. PALMER:

And we do acknowledge the significant nature of the problem. It has consistently been in our top five violations for several years now, and we continue to work on it as we can with targeted enforcement efforts such as task forces.

MR. DELANEY:

And the good thing is this amendment will give it more teeth.

MR. PALMER:

That's very true.

CHAIR:

More fines on top of what we already do. Good. Any further discussion? At this time all those in favor signify by saying aye.

ALL RESPOND AYE

CHAIR:

Opposed? Mr. Secretary?

MR. PUTNAM:

Mr. President, the motion passes unanimously.

ATTORNEY BECHTEL:

The next item concerns the amendment of 58 Pa.C. Section 141.18. Each year the Commission is asked to review potential use of certain devices for
hunting or trapping purposes that are otherwise prohibited by statute or regulation, and as part of this process the Commission generally reviews to what degree use of a given device might negatively impact principles of resource conservation, equal opportunity or public safety. Recently the Commission has been requested to review the use of electronic crow decoys for use in the hunting of crows and after thoughtful review, the Commission has determined that the use of these devices for crow hunting purposes would be acceptable due to their negligible impacts to the above mentioned principles. The text is shown on page 14 of your agenda.

CHAIR:
Do I have a motion to accept this change for electronic decoys for hunting crow?

MR. PUTNAM:
So moved.

CHAIR:
Commissioner Putnam. Do I ---

MR. SCHLEMMER:
Second.

CHAIR:
--- have a second? Commissioner Schlemmer. Any discussion? Seeing none, all those in
favor say aye.

ALL RESPOND AYE

CHAIR:

Opposed? Mr. Secretary?

MR. PUTNAM:

Mr. President, the motion passes unanimously.

ATTORNEY BECHTEL:

The next item concerns the amendment of 58 Pa.C. Sections 147.724 and 147.724a. Each year the Commission processes a few hundred Nuisance Wildlife Control Operator's applications. The application process ends with an examination that must be passed with a minimum score of 80 percent before a permit will be issued. In numerous instances applicants never take the examination or contact the Commission after an extended period of time and request the opportunity to take the examination. Currently Section 147.724 does not limit an applicant from taking the examination months or even years after their initial application. This deferral in time often results in unreasonable administrative difficulties for the Commission in its attempt to accommodate the delayed testing for these applicants. The Commission is proposing to amend this section to
require applicants to take the required
examination within 180 days of the final approval of
their application by the Bureau of Wildlife
Protection.

The Nuisance Wildlife Control Operator’s examination has a high failure rate. This is normally the result of the applicant not reviewing or studying the materials provided by the Commission. The Commission has recently identified a significant rise in the number of applicants retesting, sometimes multiple times in a single year, in an attempt to learn the material from the test and ultimately pass the examination. Current regulation does not limit the number of times an approved applicant can take the required examination. The Commission is also proposing to amend Section 147.724 to limit approved applicants to a total of two opportunities to take the examination each permit year.

Lastly, the Commission is proposing to amend Section 147.724a and relocate its requirements to 147.724. This amendment is non-substantive and does not create or remove any regulatory requirements. The text is shown on pages 15 and 16 of your agenda.

CHAIR:
Do I have a motion to amend Subsection
147.724 and 147.724a?

MR. WEANER:
So moved.

CHAIR:
Commissioner Weaner. Second?

MR. SCHREFFLER:
Second.

CHAIR:
Commissioner Schreffler. Any discussion?

Seeing none all those in favor say aye.

ALL RESPOND AYE

CHAIR:
Opposed? Mr. Secretary?

MR. PUTNAM:
Mr. President, the motion passes unanimously.

ATTORNEY BECHTEL:
The next items before the Commission come before the Bureau of Wildlife Habitat Management and concern real estate. There are five acquisitions. Contract No. 3608 State Game Lands No. 51 in Fayette County Bonnie Czirban and Debbie Mostel are offering for sale 113 more or less acres of land in Connellsville Township, Fayette County adjoining State Game Land No. 51 as shown on Exhibit RED-1 on page 18
of your agenda. The option price is $127,000 lump sum. The property fills an indenture in State Game Lands No. 51. It is forested with mixed northern hardwoods and lies within an Important Mammal Area and supports the existence of both and state and federally listed species. The property will be purchased with funds from third party commitments for compensation of habitat and recreational losses, which occurred on State Game Lands from previously approved projects and may also be funded by habitat mitigation commitments for impacts to state and federally listed species.

The second acquisition is Contract No. 3609, State Game Land No. 87, Clearfield County. Aquillas J. and Sallie A. Peachey are offering for sale 650 acres more or less of land in Penn Township, Clearfield County adjacent to State Game Land No. 87 as shown on Exhibit RED-2 on page 19 of your agenda. The option price is $485,000 lump sum to be paid with funds from third party commitments for compensation of habitat and recreational losses which occurred on State Game Lands from previously approved projects. The majority of the property is forested with mixed hardwoods and has an 80 acre reclaimed surface mine covered with grassland and regenerating trees seedlings. Poplar Run and unnamed tributaries flow
through the property. Spring seeps are located on the hillsides and small riparian wetlands are associated with Poplar Run. The Peacheys are accepting and reserving all timber 13 inches or greater DBH until November 11th, 2026. However, that does not include any hickory and conifer trees, except for larch. All reclamation, seeding and infrastructure development supporting timber operations will be in coordination with the Game Commission. Settlement on this tract must be held no later than September 1st, 2012.

CHAIR:
Do I have a motion to approve --- sorry.

ATTORNEY BECHTEL:
I'm sorry. There's three more acquisitions.

CHAIR:
All right.

ATTORNEY BECHTEL:
If you go to page 20 of your agenda there are more acquisitions. The first is Contract No. 3610, State Game Land No. 129 in Carbon and Monroe Counties. Yamulla Trucking and Excavating Company, Inc. is offering for sale 165 acres of land in Kidder Township, Carbon County and Tunkhannock Township, Monroe County adjoining State Game Lands No. 129.
That's shown on page 21 on Exhibit Red Three. The option price is $1,100 per acre to be paid with funds from third party commitments for compensation of habitat and recreational losses, which occurred on State Game Lands from previously approved projects. Predominately this project is hemlock with mixed oaks transitioning to northern hardwoods. A 25 acre wetland is located on the property as well as a small tributary to Tunkhannock Creek. Route 903 runs along the northern boundary and will provide access into this portion of State Game Lands No. 129.

The fourth contract is Contract No. 3611, State Game Lands No. 207 in Luzerne County. The Earth Conservancy is offering 8.35 acres more or less of land in Hanover Township and Ashley Borough, Luzerne County adjacent to State Game Lands No. 207. That's shown on page 22 on Exhibit RED-4. The option price is $4,800 lump sum to be paid with funds from third party commitments for compensation of habitat and recreational losses, which occurred on State Game Lands from previously approved projects. The option reserves all oil, coal, gas and other minerals, but not including uranium or any other radioactive minerals. It also provides the Earth Conservancy shall not enter into any sale or lease for the removal
of coal, oil, or gas or other minerals through the surface without written consent of the Commission. After January 1st, 2032 the coal, oil, gas and other minerals shall revert to the Commission with 50 percent of any future revenue received by the Commission being allocated for Earth Conservancy. The property has been timbered resulting in early successional forested habitat.

The fifth and last acquisition is Contract No. 3612, State Game Land No. 168 in Northampton County and State Game Lands No. 217 in Lehigh County. Wildlands Conservancy is offering for sale 32.43 more or less acres of land close to State Game Lands Nos. 168 and 217. These are shown on Exhibits RED 5, 6, 7 and 8 on pages 23 through 26 of your agenda. There are seven small tracts each between approximately one and nine acres. The largest, a tract of 9.11 acres, adjoins State Game Lands No. 168. Wildlands Conservancy is offering these tracts to the Commission for $28,000 lump sum to be paid with funds from third party commitments for compensation of habitat and recreational losses, which occurred on State Game Lands from previously approved projects. Each of these wooded tracts was acquired by Wildlands Conservancy with the intent to transfer them
to the Commission.

CHAIR:
Now I can go?

ATTORNEY BECHTEL:
Sure.

CHAIR:
Okay. Do I have a motion to accept Contracts 3608, 3609, 3610, 3611 and 3612?

MR. WEANER:
So moved.

MR. DELANEY:
Second.

CHAIR:
Commissioner Delaney second Commissioner Weaner. Any discussion?

MR. DELANEY:
Yes.

CHAIR:
Mr. Delaney.

MR. DELANEY:
I'd just like to I guess editorialize the bid on page 21 from contract 3610 with the proposed addition to State Game Lands 129. This tract --- we heard yesterday about the endangered northern flying squirrel and about a population that sits right there
at State Game Lands 29. So I certainly think this
additional acreage will be a plus for that endangered
species. Secondly one of the largest recreational
areas in the Pocono regions, Big Boulder is located a
couple of thousand feet away, so not to enhance Big Boulder,
but enhance wildlife habitat for that area I think is
critical. So I believe that this is a win/win
situation to my fellow Commissioners and I advocate a
vote for this.

CHAIR:
I'd like to add a comment on Contract
3609, the addition to State Game Lands 87. You know,
just a couple of years ago that game lands was only, I
believe, about 1,200 acres.

MR. CAPOUILLEZ:
Correct.

CHAIR:
What does this bring the acreage up to
now? Can you give me a rough idea or a ---?

MR. CAPOUILLEZ:
With this acquisition we're in around
1,200 acres.

CHAIR:
Okay. That's a pretty significant
increase. It's wonderful. I got an opportunity to
visit that track back in spring gobbler and it's some excellent property, excellent habitat and it's going to make a great, great game lands. At this point I'm just thrilled that we keep adding to it, so I'd like to congratulate the Bureau of Habitat Management for their efforts in getting this — all these efforts put together in one big game lands 87. Thank you. At this time is there any further discussion on the contract? Seeing none, all those in favor signify by saying aye.

ALL RESPOND AYE

CHAIR:

Opposed? Mr. Secretary?

MR. PUTNAM:

Mr. President, the contracts are approved unanimously.

ATTORNEY BECHTEL:

There's one land exchange to come before the Commission today. This is Contract No. 3613, State Game Lands Nos. 42 and 79 in Cambria County. Peoples Natural Gas Company, LLC is offering ten acres of land in Jackson Township, Cambria County as shown on Exhibit RED-9 on page 28 of your agenda in exchange for the issuance of a license for right-of-way. This license would be for the privilege of constructing,
operating and maintaining a pig launcher on State Game Land No. 42 in Lower Yoder Township, Cambria County shown on Exhibit RED-10 on page 29 of your agenda. The pig launcher is generally a funnel shaped Y section in a pipeline, which extends above the ground and allows for a pig or maintenance/inspection device to enter the pipeline without stopping the flow of product in the pipeline. The ten acre tract that we would be acquiring is an interior on State Game Land No. 79, which has a one acre clearing from a plugged well site surrounded by an early successional forest.

CHAIR:

Thank you. Do I have a motion to accept Contract 3613?

MR. WEANER:

So moved.

CHAIR:

Commissioner Weaner. Second?

MR. SCHREFFLER:

Second.

CHAIR:

Commissioner Schreffler. Any discussion? Bill, I have to say for a minute there I thought the pig launcher was a solution to our wild bore problem. I guess not. We'll have to keep looking for a
solution. Okay. Hearing no discussion, all those in favor signify by saying aye.

ALL RESPOND AYE

CHAIR:

Opposed?

MR. PUTNAM:

Mr. President, the motion passes unanimously.

CHAIR:

Thank you.

ATTORNEY BECHTEL:

The next item before the Commission concerns a Restricted Surface Use Oil and Gas Cooperative Agreement Amendment for Tract 268A-11 State Game Land No. 268 in Tioga County. Endless Mountain Energy proposes to amend the acreage under a Restricted Surface Use Oil and Gas Development Cooperative Agreement for Tract 268A-11 in Morris Township, Tioga County. Tract 268A-11 is located on a portion of State Game Land No. 268 and currently consists of 1,930 acres. Endless Mountain Energy proposes to include an additional 413.3 acres for non-surface use and will not require any additional surface impacts on Tract 268A-11 on State Game Lands No. 268. This additional acreage is shown on Exhibit
OGM-1 on page 31 of your agenda.

The terms of the amendment will remain consistent with the existing agreement, approved by the Commission in April 2011. The total bonus payment will be approximately $1,446,550 and shall be deposited into the Game Fund or an interest bearing escrow account for future purchase of wildlife habitats, lands or other uses incidental to hunting, fur taking and wildlife resource management. Oil and gas development will continue to be regulated by the Commonwealth's oil and gas regulations and the Commission's Standard Oil and Gas Development Agreement, which is currently in place.

CHAIR:

Okay. Do I have a motion to accept the Restricted Surface Use Oil and Gas Cooperative Agreement?

MR. WEANER:

So moved.

CHAIR:

Commissioner Weaner. Second?

MR. PUTNAM:

Second.

CHAIR:

Commissioner Putnam. Any discussion?
Hearing none, all those in favor say aye.

ALL RESPOND AYE

CHAIR:

Opposed? Mr. Secretary?

MR. PUTNAM:

Mr. President, the amendment is accepted unanimously.

ATTORNEY BECHTEL:

The next item also concerns a Restricted Surface Use Oil and Gas Cooperative Agreement offering. This is for Tract 36A-12 on State Game Lands 36 in Bradford County. Chesapeake Appalachia, LLC of Oklahoma City, Oklahoma requested the Commission offer its oil and gas ownership under a portion of State Game Land No. 36. The proposed tract, containing a total of 3,710.33 acres, is located in Albany and Monroe Townships, Bradford County. It's shown on Exhibit OGM-2 on page 33 of your agenda.

The terms of the agreement are a paid up, five year, Restricted Surface Use Oil and Gas Agreement, a $2,000 per acre bonus payment and a 20 percent royalty. Chesapeake Appalachia, LLC has a strong lease position surrounding this portion of State Game Land No. 36 and has initiated well drilling
and development programs on adjacent private lands. Chesapeake Appalachia, LLC has the ability to unitize the Commission's oil and gas reserve by horizontal drilling with no disturbance to the State Game Land's surface. The staff has negotiated with Chesapeake Appalachia, LLC in an effort to safeguard the prudent development of the Commission's oil and gas reserve and simultaneously protect the wildlife resources and recreational use of State Game Land No. 36.

The bonus payment of $7,420,660 shall be deposited into the Game Fund or an interest bearing escrow account for the future purchase of wildlife habitats, lands or other uses incidental to hunting, fur taking and wildlife resource management. Future rentals and royalties shall be deposited into the Game Fund. Oil and gas development will be regulated by the Commonwealth's oil and gas regulations and the Commission's Standard Restricted Surface Use Oil and Gas Development Agreement.

CHAIR:

Thank you. Do I have a motion to approve Restricted Surface Use Oil and Gas Cooperative Agreement on Tract 36A-12?

MR. SCHLEMMER:

Moved.
CHAIR:
Commissioner Schlemmer. Second?

MR. WEANER:
Second.

CHAIR:
Commissioner Weaner. Any discussion?
I'd like to point out --- Director Capouillez, could you explain? Is there any surface use on this agreement at all?

MR. CAPOUILLEZ:
On this particular lease, this is a no drilling lease. We would allow under certain conditions a pipeline or road access to accommodate drilling that might be on the periphery of the lease so we can deunitize. But the reason this particular lease was leased to Chesapeake was because of the fact of their holdings around the game lands and their ability to drill on the private land and access oil and gas underneath those. So, you know, in allowing for us to get that royalty and that revenue off the game lands, we would allow them access, you know, under certain conditions through the game lands to get to those properties.

CHAIR:
But as far as well ---?
MR. CAPOUILLEZ:

There's no drilling, no permit, no well pads or anything, no.

CHAIR:

Thank you. Any other discussion? Hearing none, all those in favor signify by saying aye.

ALL RESPOND AYE

CHAIR:

Opposed? Mr. Secretary?

MR. PUTNAM:

Mr. President, the motion passes unanimously.

ATTORNEY BECHTEL:

The next item also concerns a Restricted Surface Use Oil and Gas Cooperative Agreement offering for Tract 36B-12, State Game Lands No. 36, Bradford County. The Commission offered its oil and gas ownership under a portion of State Game Lands No. 36 in Monroe and Overton Townships, Bradford County, for oil and gas development by competitive royalty bid. Tract 36B-12, Exhibit OGM-3 shown on page 35 of your agenda, containing approximately 3,177.7 acres, was announced for competitive royalty bid in May 2012 with a one time bonus/rental payment of $2,000 per
acre for a five year paid up primary term and a minimum bid of 20 percent royalty. Additionally, the bid provides the Commission a well pad location fee of $250,000 per well pad if well pads are necessary on the State Game Land's surface. The agreement restricts surface use to a 260 acre area and a limit of two well pads for development. The agreement will include a free gas provision for the Commission to use free of charge up to 350,000 cubic feet of gas annually or an annual payment for non-use of the free gas.

Oil and gas development will be regulated by the Commonwealth's oil and gas regulations and the Commonwealth's (sic) Standard Restricted Surface Use Oil and Gas Development Cooperative Agreement to include a $50,000 performance bond. The agreement will include the Commission's standard wildlife and environmental protection measures. The bonus payment of $6,355,400 shall be deposited into the Game Fund or an interest bearing escrow account for the future purchase of wildlife habitats, lands or other uses incidental to hunting, fur taking and wildlife resource management.

Bids for this tract were opened on May 30th, 2012 with Chesapeake Appalachia, LLC of Oklahoma
City, Oklahoma submitting the highest royalty bid of 25.5 percent for each thousand cubic feet of gas or MTF produced and sold from the premises. The results of the royalty bid are listed on page 34 of your agenda.

MR. DELANEY:
Mr. President?

CHAIR:
Yes, Commissioner Delaney?

MR. DELANEY:
I propose a motion to accept the Restricted Surface Use Oil and Gas Cooperative Agreement for Tract 36B-12 State Game Lands No. 36 Bradford County with the following conditions. Strictly follow the Board of Commissioner's resolution for Marcellus Shale dated April 20th, 2010, have a minimum disruption of hunting and maximize hunting seasons, no drilling or limited drilling, limited heavy hauling and limited pipeline construction during the fall hunting seasons. And prioritize replacement lands for the purchase of wildlife, habitats or lands to the extent possible for the local region.

MR. WEANER:
Second.

CHAIR:
Thank you. We have Commissioner Delaney made the motion. Commissioner Weaner seconded it. Is there any discussion at this time? Commissioner Delaney?

MR. DELANEY:

To follow up, Director Capouillez, can you explain to the Board the standard operating procedure for prioritizing the replacement lands if there was going to be well development on a site like this?

MR. CAPOUILLEZ:

Yeah, absolutely. In fact, this particular agenda item the preceding real estate transfers acquisitions that you've already approved if you can look to the maps, if you go to page 18, for example. How we prioritize acquisition for the Game Commission, we're looking for indentures. Page 18 is an indenture. We're looking for properties that are in close proximity to the game lands. Page 19 is in close proximity to the game lands. If you look at the little brown tract next to the acquisition of the Peachy parcel, for example, although when we initially purchased that it was a smaller tract. It was not contiguous to the game lands.

One of the other things that we look for
is the opportunity to acquire additional tracts to
further manage so, you know, had we not picked up that
50 acres, this 650 acres that you're acquiring now
would not have as much value. So we try to close in
game lands complexes so interiors, indentures --- one
of the acquisitions that you approved you happened to
mention about, you know, threatening endangered
species. That's another thing we're looking for.
Critical unique habitats, wetlands. Are they an
important bird area, are they important mammal area?
You know, do they further our mission for wildlife for
sportsmen? Do they provide additional recreational
access for the hunting community?

One of the other ones you approved was a
ten acre interior. You know, those are extremely
important for us to close out as opposed to somebody
building a cabin or something there and then you have
150 yard safety zone around it. And so that takes
away from our management. So they're just some of the
attributes that we look for in land acquisition.
Certainly need to have a willing seller. Certainly
need to have a cost or a fee to acquire that's
acceptable to us. You know, we look at appraised
values and use that.

I would take a moment and, you know,
identify staff, Mike DeMatteo, Kerry Speelman, Dennis Neideigh. You know, there's a lot of people in the regions and in the Bureau that get involved in looking at, you know, what acquisitions we have, what monies we have available to do those things. I mean, for example, if you look at our budget from last year you might be surprised to know that we only had $150,200 for land acquisition the entire year. Yet you're seeing right here over 1,000 acres of acquisition. That acquisition is occurring because of these leases that you're approving, because of the resolution, you know, that you mentioned, which was April of 2010 where you said as a Board, you know, replacement lands.

If we're going to do leases we need to do replacement lands. We need to minimize disruption. When you're making your motion now you're reconfirming what we've been doing. Minimizing disruption by way of hunting season restrictions. Minimizing disruption by way of where you can drill, improving habitat, using that money to acquire lands, those kinds of things. That particular lease --- you know, if you coupl...
the verge of approving with this next motion of which 260 acres we’re allowing drilling to occur of which 26 acres roughly if there were two pads to occur. I mean, you’re getting down, you know, into the 1-100th of a percent of potential surface impact for the ability for the Commission to reap that revenue on 2.4 square miles. And then all that money as per the resolution goes towards replacement lands and also towards, you know, furthering our mission, whether it goes into the Game Fund or whether it goes into the escrow for land acquisitions. So hugely important.

One of the other things that I would mention on this particular lease you’ll see where there’s a quarter million dollar well location fee. You know, that’s a deterrent I will tell you. For most oil and gas companies they don’t want to come in after they’ve spent this kind of money to acquire a land where they’re extremely restricted on where they can drill to further have to pay another quarter million dollars to even put the pad in. But having those wells on the Game Commission under certain circumstances is critical for us to be able to actually extract the resource we have.

One of the other things you’ll see on this particular lease because it allows for that
limited drilling there's a 350,000 cubic feet of free
gas allotment. We cannot use free gas unless the well
is physically drilled on our property and within that
lease. So where there's acreages that are being
unitized on private lands if they're drilling a well,
we don't have the ability to use that free gas. We do
use free gas on game lands. In fact, the northwest
regional headquarters is supplied by free gas that's
coming off of our leases. We have other food and
cover core (phonetic) buildings that's supplied by
free gas that's coming off of our leases.

So there's a lot of complexity into how
the staff reviews it, how the region reviews it and
certainly, you know, with what you're saying as far as
considerations for minimizing impacts and land
acquisition and replacement functions and values.
There's a very elaborate complex process that we go
through just to meet those goals and objectives, too.

MR. DELANEY:

One more follow up if I may, Mr.
President. The historical folks from Bradford County
had reached out to the Board. Since State Game Lands
12 and 36 a hundred years ago were the heart of
Bradford County's economics a lot of small towns
within the game lands. Can you just explain the
MR. CAPOUILLEZ:

Sure. I mean, regardless of what we have written in our lease, all the gas companies have to adhere to state and federal regulations by way of permitting and so forth. So for them to come in, put in a pipeline, put in a road, you know, develop a well pad, there is a permitting process that they would go through. And part of that permitting process often entails a review with what's called the PNID system, which allows for also PHMC, which is the Pennsylvania Historic Museum Commission, to look at things.

So if there's assets out there, resources out there that have historical or archeological value, there is a state and federal process that the companies have to go through with regard to how they develop to make sure that they protect and conserve those resources.

MR. DELANEY:

Thanks very much, Bill.

MR. CAPOUILLEZ:

Sure.

CHAIR:

Thank you. Commissioner Schreffler.
MR. SCHREFFLER:
Jay, would you go over those restrictions or conditions you had slowly for me so I can really ---?

MR. DELANEY:
Sure. Number one, they certainly aren’t restrictions, but I'll read it to you again.

MR. SCHREFFLER:
Uh-huh (yes).

MR. DELANEY:
Strictly follow the Board of Commissioners’ resolution for Marcellus Shale dated April 20th, 2010. Number two, have a minimum disruption of hunting and maximize hunting seasons, no drilling or limited drilling, limited heavy hauling and limited pipeline construction during the fall hunting season. Number three, prioritize replacement lands for the purchase of wildlife habitats or lands to the extent possible for the local region. That's it.

MR. SCHREFFLER:
Thank you.

CHAIR:
Director Capouillez, you mentioned the $250,000 well pad fee. What is the normal well pad
fee that a private individual might have in a lease?

MR. CAPOUILLEZ:

Well, depending on how the reservation was taken for oil and gas rights they have, they normally at least get some kind of a damage fee, $10,000 to $20,000. That could be per pad or per well depending on how their lease is written. If it's a shallow well, you might see $1,000, $2,000.

CHAIR:

So somebody considering leasing and sees the Game Commission had a quarter of a million dollar well pad fee ---?

MR. CAPOUILLEZ:

Yeah, good luck with that. Probably won't happen.

CHAIR:

Thank you. The other thing is can you explain the restrictions? I know these lands are --- there's a lot of guys whose hunting seasons depend on these properties. Can you explain the restrictions during hunting season that are written into these leases --- or this particular lease?

MR. CAPOUILLEZ:

Our leases are 20-some pages versus a normal industry lease, which is about a page and a
half. We have a lot of restrictions in there as it relates to the overall management. There's a lot of contingencies written in the lease that, you know, the company has to coordinate with the actual local land manager on the ground as to when he goes out on the property to drill and develop and so forth. And we continue to try to minimize impacts, so when we're looking at hunting seasons the way the restrictions are written there is that unless there's additional written approval, they have to avoid the game lands and avoid development during those times of the year, but we send out a questionnaire. I mean, how we come up with 260 acres on, you know, 10.7 square miles, almost 7,000 acres, how we come up with just 260 acres wasn't by accident. It was by design, so, you know, prior to the lease even being written the region gets involved and the staff gets involved as to where a drilling could occur if we were to allow for it to occur. That way when someone bids on it, they're not surprised by the fact that they just paid for 10. some odd square miles and are restricted to 200-some acres. The actual map that they would have used when they bid on this shows here's the area that we'll say that you can go into and oh, by the way, when you go in here we're still going to tell you exactly where you
can go within that 260 acres. So there's a constant
management and a constant, you know, limitation and
restriction use of the game lands.

    CHAIR:
    Thank you. Commissioner Schreffler, do you have ---

    MR. SCHREFFLER:
    Yeah.

    CHAIR:
    --- any questions?

    MR. SCHREFFLER:
    Bill, just one other question. The conditions that were cited by Commissioner Delaney, will they have any major impact on your ability to complete this contract beyond what we normally do?

    MR. CAPOUILLEZ:
    Absolutely not. I mean, what I'm hearing and I'm thinking I'm making pretty good notes, ---

    MR. SCHREFFLER:
    Okay.

    MR. CAPOUILLEZ:
    --- it's just reconfirming what we do.

    MR. SCHREFFLER:
    Okay.

    MR. CAPOUILLEZ:
You know, when we're looking at acquisition, we're fully sensitive to the fact that the sportsmen want the lands replaced, the habitat replaced, the attributes replaced in the area of impact. I mean, the local sportsmen in your area could probably care less whether we buy property down near Pittsburgh. Now, we look at it from a statewide acquisition priority, but certainly we prioritize impacts to the game lands, to the region, to the watershed, you know, those types of ---. It doesn't always work out like that, but I mean, in your area I would put out that if there's anybody that owns property against that game lands that's willing to sell, that's the first step. Contact the Game Commission. You know, we have to have that willing seller because we're out there beating the bush looking for people that are trying to sell property that meet these attributes. You know, we'd much rather replace it in the area of impact. That's the goal.

MR. SCHREFFLER:
Okay.

CHAIR:
Thank you.

MR. SCHREFFLER:
Thank you.

CHAIR:

Any further discussion? Hearing none, we'll proceed to vote. All those in favor of this motion with Commissioner Delaney's addition signify by saying aye.

ALL RESPOND AYE

CHAIR:

Opposed? Mr. Secretary?

MR. PUTNAM:

Mr. President, the motion passes unanimously.

CHAIR:

Okay. That completes the proposals on --- is there any other new business from the Board? Executive Director Roe?

MR. ROE:

I want to mention that we briefed yesterday dealing with wild bores. I would ask the Board if they would give us some direction if we --- they would like to proceed with us starting the process to establish some regulations to deal with wild bore as designated by the Supreme Court being our responsibility.

CHAIR:
Okay.

MR. SCHREFFLER:

So moved.

CHAIR:

We have a motion by Commissioner Schreffler supporting Executive Director Roe's recommendation.

MR. SCHLEMMER:

Second.

MR. SCHREFFLER:

As a motion.

CHAIR:

We have a second from Commissioner Schlemmer. All those in favor --- any discussion --- further discussion on that?

MR. PUTNAM:

I think we should state the motion.

CHAIR:

Go ahead, Commissioner Putnam.

MR. PUTNAM:

Well, Commissioner Schreffler made the motion.

MR. SCHREFFLER:

Uh-huh (yes). It's to begin the process in developing regulations concerning what these
Pennsylvania Supreme Court labeled as wild bore and it's --- the motion is just to begin that process, to direct staff to begin that process.

CHAIR:
Okay. I think that's a good summary of it. Any further discussion on it? Hearing none, all those in favor say aye.

ALL RESPOND AYE

CHAIR:
Opposed? Mr. Secretary?

MR. PUTNAM:
Mr. President, the motion passes unanimously.

CHAIR:
Okay. A couple other items and new business that I have. There was an addition to the policy manual passed out to each of the Board members. There's a stack down front for the public.

Commissioner Weaner.

MR. WEANER:
I move that we accept --- yeah, I move that we accept the additional to the policy manual.

MR. DELANEY:
Second.

CHAIR:
Any further discussion on this?

MR. SCHREFFLER:

Yes.

CHAIR:

Commissioner Schreffler?

MR. SCHREFFLER:

Yes. I wish to make a motion to make two amendments to the balance management process on the policy here. The second paragraph down it says it represents number two. I would like to replace the word constituents with stakeholders. And in the next paragraph down where it talks about Commissioners recognizing the challenge of managing all wildlife populations in state while balancing one species, I'd like to replace the word against as in relation to another.

MR. WEANER:

Second.

CHAIR:

Okay. We have a motion to accept the new chapter for the policy manual entitled balanced management with two changes in wording constituents to stakeholders and against change to in relation to. We have a second. Is there any further discussion on this motion? All those in favor signify by saying
aye.
ALL RESPOND AYE

CHAIR:
Opposed? Mr. Secretary?

MR. PUTNAM:
Mr. President, the motion passes unanimously.

CHAIR:
Also under new business ---.

MR. WEANER:
Excuse me, Mr. President. You have the point of order?

CHAIR:
Yes, sir.

MR. WEANER:
We just now passed the amendment. We now have to amend the motion that needs discussion.

CHAIR:
Okay. Any discussion on the original motion?

MR. WEANER:
The amended motion.

CHAIR:
The amended motion? Hearing none, all those in favor of the amended motion signify by saying
aye.

ALL RESPOND AYE

CHAIR:

Opposed? Thank you. Mr. Secretary?

MR. PUTNAM:

Mr. President, the amended motion passes unanimously.

CHAIR:

Okay. Thank you, Commissioner Weaner for that correction. Also under new business we have several meeting dates coming up that I wanted to see if the Board was amenable to. The first would be --- the next working group meeting would be scheduled for Monday, August 13th. Following that we have our September Board meeting would be held in Franklin, Pennsylvania this year on September 24th and 25th. That would be followed by the working group meeting in December on Monday, December 17th for the working group meeting. And then the January quarterly meeting for the Board would be held on Sunday, January 27th, Monday the 28th and Tuesday, the 29th, 2013. Is there any comments on these dates or discussion on these dates?

MR. WEANER:

Would you like a motion to approve these?
CHAIR:
Yes, please.

MR. WEANER:
I move that we approve the dates as you just listed them.

MR. SCHLEMMER:
Second.

CHAIR:
Second. Commissioner Weaner makes the motion. Commissioner Schlemmer seconded it. Any discussion on these dates? Hearing none, all those in favor say aye.

ALL RESPOND AYE

CHAIR:
Opposed? Mr. Secretary?

MR. PUTNAM:
Mr. President, the motion passes unanimously.

CHAIR:
Thank you. At this time I would like to take a moment to recognize and acknowledge the passing of former Commissioner Nicholas Spock. Commissioner Spock served from 1994 to 2002 on this Board representing District Five. On behalf of the Board I would like to express our heartfelt condolences to his
family and acknowledge his service to the Pennsylvania Game Commission as a Commissioner. And I thought that was unfortunate but, you know, I'm glad we had a meeting at this time to acknowledge that. Any further discussion from the Board? Hearing none, this meeting stands adjourned.

* * * * * *

MEETING CONCLUDED AT 10:30 A.M.

* * * * * *

CERTIFICATE

I hereby certify that the foregoing proceedings, hearing held before Chair Martone, was reported by me on 06/26/2012 and that I Danielle S. Ohm read this transcript and that I attest that this transcript is a true and accurate record of the proceeding.

[Signature]
Court Reporter