

The PIOGA Press

The monthly newsletter of the
Pennsylvania Independent Oil & Gas Association
November 2019 • Issue 115

PIOGA Annual Meeting emphasizes involvement

If there was a theme to PIOGA's Annual Membership Meeting, it was *involvement*—involvement with the legislature, involvement with regulatory agencies, and the involvement of members in the association's committees, board and events, among other things. The Annual Meeting took place October 15 at The Chadwick in Wexford and was attended by approximately 100 members.

Board Chairman Gary Slagel of Steptoe & Johnson PLLC kicked things off by welcoming those in attendance and calling for a vote on amendments to the association's bylaws. The three amendments passed unanimously and make the following changes:

1. Amended member classifications by reducing the number of, and combining, categories. The Service Provider category was renamed Allies and Providers, and the Professional Firm, End User and Pipeline categories all have been rolled into it. Further, the amendment clarifies that Associate category is intended only for schools, colleges, universities, chambers of commerce and other not-for-profit entities that support Pennsylvania's oil and gas industry. (*For additional information on these changes, see Dan Weaver's Message to the Membership elsewhere in this issue.*) The amendment also entitles Emeritus members to vote.

2. Enabled ballots to be provided electronically and voting to be conducted electronically. The change will make voting by the membership more effi-



Chairman Gary Slagel

cient and less expensive for the association. Until now, ballots have been mailed to the membership and must be returned by mail or hand-delivered to the PIOGA office.

3. Provided the board the authority to appoint directors to fill vacancies for terms extending beyond the next meeting of the members. The bylaws previously gave the board the power to appoint directors to fill vacancies until the next meeting of the members. Under this amendment, the board may appoint someone to serve out the unexpired term of the director who is being replaced, for a period of up to three years.

Slagel then announced the results of the just-concluded election for Board of Directors and recognized those directors in attendance. Those elected include (new directors shown in *italics*):

- Robert Beatty Jr., InsightFuel LLC, Sunnyside Energy Park and Beatty Oil & Gas
- Brook Bertig-Coll, Fisher Associates
- *Dan Billman, Billman Geologic Consultants, Inc.*
- *Brian Bittinger, Bittinger Drilling, LLC*
- Sara Blascovich, HDR Inc.
- *Mike Cochran, Greylock Energy*
- Ken Fleeman, ABARTA Energy
- Michael Hillebrand, Huntley & Huntley, Inc.

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Annual Meeting *Continued from page 1*

- Jessica Houser, WGM Gas Company Inc.
- Dan McGraw, Pennsylvania General Energy Co., LLC
- William Murray, Jr., American Refining Group, Inc.
- Beth Powell, New Pig Energy

Slagel concluded by recognizing the PIOGA staff, stating that under the leadership of President & Executive Director Dan Weaver “we have marched this association in a new direction, one that is more positive and higher functioning.”

Government relations report

Chris Lammando of PIOGA's government relations firm Gmerek and Associates in Harrisburg said they are thankful for the involvement of Weaver, Slagel and members of PIOGA's Legislative Committee for their help not only with Gmerek's efforts in Harrisburg but also for championing policies and legislation that benefit the entire industry.

As an example of such involvement, Lammando told of the committee's response to proposed legislation requiring that a producer make royalty payments within 90 days of production. With the help of specific examples provided by committee members, the Gmerek team and Weaver have been working to educate the bill's sponsor that the payment clock cannot start until *after* the producer is paid since most times the operator does not know at the time of production the price he will receive, and the 90-day time frame is unrealistic.

Gmerek is monitoring approximately 150 pieces of legislation on PIOGA's behalf, most of which would be damaging in some way to the industry. About two dozen of those bills would impose a new fee or tax on the industry. Chief among them is Governor Tom Wolf's Restore Pennsylvania proposal, which would use a natu-



Gmerek's Chris Lammando chats with Joyce Turkaly of PIOGA.

Other Board of Directors changes

Our thanks go out to Bill Polacek of Environmental Tank and Container as his term on the PIOGA Board of Directors ends. Also, PIOGA welcomes Bryan Snyder of Snyder Brothers, Inc. on his appointment to the board.

ral gas severance tax to leverage billions of dollars of spending on a wide range of projects—from flood control to broadband internet and much more (*February PIOGA Press, page 1*).

Lammando described Restore PA as “the governor's slush fund” and noted that while administration officials continue crisscrossing the state stumping for it, previously strong legislative support has been waning because paying for all that spending would require years and years of reliance on natural gas development. Still, a severance tax remains as the only big piece of Wolf's original agenda that he has not accomplished. Lammando said PIOGA must remain vigilant for attempts to move the legislation forward and to have a strategy in place if it happens.

Another worrisome issue is the governor's unilateral move for Pennsylvania to join the Regional Greenhouse Gas Initiative (RGGI), which would institute a cap-and-trade program on carbon dioxide emissions from power generation. Wolf's October executive order directs the Department of Environmental Protection to promulgate regulations by July 2020 establishing a means of auctioning CO2 emissions credits consistent with RGGI's model rule (*October PIOGA Press, page 1*).

Lammando anticipated that at about the same time as the regulations are formally proposed, the General Assembly will act to put parameters on the process of instituting a cap-and-trade program and joining RGGI. Many lawmakers believe Wolf is usurping his authority by acting on his own.

One positive in the General Assembly is movement of legislation creating the Conventional Oil and Gas Act (COGA) to get the state's conventional industry out from under Act 13, a law expressly aimed at the shale gas side (*see related article in this issue*). Lammando opined that the legislation faces a hurdle caused by today's political climate in which the left has moved further to the left and the right further to the right, leaving little room in between for compromise.

“We are making a little headway on COGA this session, so we will see what we can get done in the time remaining,” he said.

DEP has refused to come to the table to negotiate any of COGA's provisions, which Lammando said is typical of Wolf's my-way-or-no-way style of governing.

“We see this governor becoming more Obamaesque in his approach to governing,” acting by executive order and through regulations rather than working with the legislature to accomplish his goals, Lammando concluded. “It makes our job more challenging.”

Continues on page 18

What PIOGA's simplified membership categories and revised dues structure mean to you

Message
to the
Membership

Call this PIOGA's version of tax reform. Unlike what ends up happening when government touts "reform" and "simplification," we think our effort to revise our membership categories and dues structure will actually make it easier for members and in many cases save you money when you renew.

First, the membership categories. As you'll read in the accompanying report of the PIOGA Annual Membership Meeting, a bylaws amendment was approved renaming the Service Provider membership categories to Allies and Providers. At the same time, the Professional Firm, Pipeline and End User categories were eliminated. Members in these last three categories will be rolled into the new Allies and Provider heading.

As staff, we have seen that our membership categories can be confusing to companies joining PIOGA, particularly in the difference between Service Provider and Professional Firm. We often get questions from companies filling out the membership form, and as we review the roster we see members that obviously have chosen the wrong category for themselves. This change will eliminate the confusion.

The Associate category also has been a source of complications. The bylaws amendment clarifies that Associate membership is for educational institutions, chambers of commerce and other not-for-profit entities that support Pennsylvania's crude oil and natural gas industry.

Associate currently has quite a few self-employed consultants who chose that category because the dues were \$330 rather than the minimum of \$880 as a Professional Firm or \$900 as Allied Industry. Yes, they saved a few hundred dollars—which is considerable when you work for yourself. But they also have been shorting themselves when it comes to important membership benefits, not the least of which is inclusion in our online Buyers' Guide and more accurate categorization in the annual hardcopy membership directory. Both of these vehicles can enhance their visibility help drive new clients their way. Also, Associate members cannot vote or serve on the Board of Directors, unlike Allies and Providers.

To ease the pain of moving from Associate to Allies and Providers for many of these members, the board agreed to a staff suggestion to create a new Sole Proprietor dues level of \$500. If this applies to you, I am confident that you already realize the value of PIOGA membership and will choose to renew at this slightly higher rate.

There are no structural changes to the Producer, Royalty Owner and Student categories.

Let's talk a little more about dues levels as a whole. Things are difficult now for our Producer members. The market has again turned against them and they face an increasingly costly regulatory environment. The board decided to lower producer dues and also expand the number of revenue-based steps in the dues levels so that members can choose a level that more closely matches their company's size.

The Allied Industry, Professional Firm, Pipeline and End User categories previously had three revenue-based dues level. There are now five—again making it easier to match your company with an appropriate level. In many cases, your dues will now be lower too.

Dues renewals for most of our members will be going out this month. Now more than ever, PIOGA membership is worth far more than what you pay in dues. We hope you will agree and sign on for another year's membership. After all, as the "Who We Are" statement on our website's homepage concludes, *Working together, we help members accomplish that which they cannot achieve alone.*

If you have questions or comments about your membership category or dues level, please feel free to reach out to me or any other PIOGA staff member.

Sincerely,



Dan Weaver
President & Executive Director



2019 Annual Oil & Gas Tax and Accounting Seminar

Hosted by:
PIOGA's Tax Committee & Arnett Carbis Toothman



**Deadline to Register -
November 14**

**Location Information:
Holiday Inn Express
4000 Horizon Vue Drive
Canonsburg, PA 15317**



Additional Information about CEUs Program: Oil and Natural Gas Accounting and Tax 2019
CPE Credits for Accountants: 7.0
CPE Field of Study: Accounting (1.0); Taxes (3.0); Information Technology (1.0); Specialized Knowledge (2.0)
CLE Credits for Attorneys: TBD (pending CLE Board approval; estimated 5-7 CLE credits)

Date: Thursday, November 21
Location: Holiday Inn Express & Suites Southpointe, Canonsburg
Time: 8:30 AM - Registration & Continental Breakfast
9:00 AM to 4:30 PM Tax & Accounting Seminar
Fees: \$250 - PIOGA Members
\$350 - Nonmembers

Fee includes 5-7 CLE credits (for attorneys) and 7.0 CPE credits (for accountants), one-day seminar, handouts, breakfast/lunch.

The PIOGA Tax Committee is pleased to partner again with **Arnett Carbis Toothman (ACT)**, to host a special oil and gas tax and accounting seminar from 9 a.m. to 4:30 p.m.

Each participant will receive a detailed outline and course materials and an extensive resource section with copies of industry definitions, geological data, and data from federal, state and local tax authorities. This interactive seminar will provide ample opportunity to for attendees to network, offer your insights about oil and gas and ask questions.

Please plan to attend this seminar! The topics will be very beneficial, timely and exciting for participants regardless of their experience in the oil and gas industry.

Instructors: Charlene Tenney, Ryan Nestor, Bill Phillips, Marlin Witt, Benjamin Ellis

Questions?

Should you have any questions, please contact Deana McMahan at deana@pioga.org. If you have specific questions concerning the technical issues to be covered during the seminar, or if you would like a particular item to be covered during the presentation, please contact Don Nestor or any other associate at Arnett Carbis Toothman at 1-800-924-0729.



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COGA bill clears Senate, drilling-across-units legislation sent to governor

Two state Senate bills of interest to the oil and gas industry saw action late last month, with one advancing to the House of Representatives and the other arriving on the governor's desk.

Senate Bill 790, creating the Conventional Oil and Gas Act, or COGA, passed the Senate on October 21 by a vote of 26-23 and was assigned to the House Environmental Resources and Energy Committee. The bill is sponsored by Senate President Pro Tempore Joe Scarnati and is strongly supported by PIOGA.

We encourage members to reach out to their state representative in support of the measure. (Need to find out how to contact your representative? Go pioga.mmp2.org/my-government and click on My Officials.) SB 790 is opposed by Department of Environmental Protection, which continues to refuse to negotiate any of the bill's provisions. It will take quite an effort to convince Governor Wolf to sign it if it reaches his desk.

SB 694, sponsored by Senator Gene Yaw (R-Lycoming), clarifies that an operator who has the right to drill on separate leases or units may drill a well horizontally under more than one unit or lease. The operator is, however, required to allocate production from the well among the leases related to the acreage of the units.

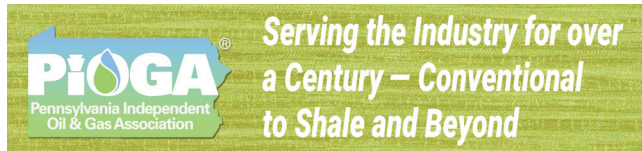
The rationale behind the bill is that the typical lease used by unconventional operators defines as drilling unit as 640 acres, or one square mile. Those leases never contemplated that laterals eventually would extend well beyond a mile. The bill gives an operator who owns adjoining leases the ability to drill across

units without the need to reopen leases.

Since we last reported on the bill (*October PIOGA Press, page 1*), it passed the House of Representatives on October 29 with just one dissenting vote, then was sent back to the Senate for concurrence on amendments made in the other chamber. The Senate approved those changes 49-0, and SB 694 was awaiting action by the governor at the time this newsletter was being finalized. The bill has the support of the Department of Environmental Protection, so it's likely to be signed into law by Wolf. ■

PIOGA Tax Committee seeking additional members

The new chairman of PIOGA's Tax Committee, Bill Phillips of Arnett Carbis Toothman, wants to get the group more actively involved. If you have an interest in oil and gas tax matters and can participate in quarterly meetings, please email Deana McMahan at deana@pioga.org to be placed on the committee's contact list. Plans are to have some of the meetings in person (probably at PIOGA's Wexford office), but conference calling will be available for all of the committee's meetings. ■



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The logo for American Refining Group Inc. features a stylized sun or flower icon to the left of the text "AMERICAN REFINING GROUP INC." in a bold, sans-serif font. Below the text is the website "www.amref.com" and the phone number "814-368-1200". There is also a small American flag icon.

WEIRTON, WV WITHIN MINUTES TO RT 22 AND 20 MINUTES TO PITTSBURGH INTERNATIONAL AIRPORT

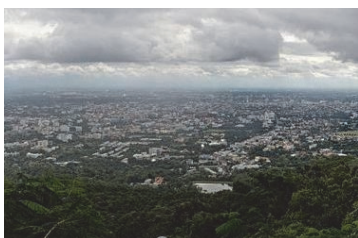
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Jamie Guida, Broker
304-748-2543



Air Quality Compliance Training

Hosted by:
PIOGA's Environmental Committee



Date: Tuesday, December 17
Location: The Chadwick, Wexford
Time: 8:30 a.m. - Registration & Breakfast
9:15 a.m. to 4:00 p.m. - Training
Breakfast and lunch provided
Fee: \$125 for PIOGA Members
\$200 for Non-PIOGA Members

Register online at
pioga.org > PIOGA Events

**Deadline to register is Friday,
December 6**

Fee includes Continuing Education Units (CEUs) and Professional Development Hours (PDH) and breakfast/lunch.

PIOGA's Environmental Committee is pleased to host this training in conjunction with our partners **CleanAir**, **All4** and **Civil & Environmental Consultants, Inc. (CEC)**

Location Information

The Chadwick
10545 Perry Highway
One Wexford Square
Wexford, PA 15090

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Air Quality Compliance Training

This training will provide an overview of the air quality regulations and associated compliance obligations currently impacting the oil and gas industry. The course will also cover emissions inventory basics, current developments regarding emissions monitoring and testing, and a legal update on oil and gas air quality topics. The course will close with a panel discussion covering air quality compliance topics.

The six-hour class will cover the following topics:

- Overview of Air Quality Regulations Affecting Oil and Gas Industry
- Emission Inventory Basics
- VOC Measurement Considerations for Compliance Testing
- Beyond the Air Permit - Managing Air Compliance
- Update on Next Generation Emission Measurement Approaches
- Draft/Proposed Pennsylvania CTG RACT Rule
- Subpart OOOOa Proposed Revisions
- Air Quality Monitoring Considerations for Emergency Response
- Other Air Quality Concerns
- Legal Update
- Panel Discussion

Register TODAY!

Go to pioga.org > **PIOGA Events** to register online. **Deadline is Friday, December 6**

October PIOGATech focuses on workplace security

On October 17, an intimate group of 25 people attended our first workplace security training sponsored by PIOGA's Safety and Environmental Committees.

The day was kicked off by PIOGA's Safety Committee chair, Wayne Vanderhoof, who provided an introduction to the group and gave an outline of the agenda.



Dave Mashek discusses communications and community relations.

Paul O'Donnell was the first presenter and did an amazing job teaching the group how to be prepared and gain the skills needed to prevent, recognize and increase their ability to survive an active shooter inci-

dent. They also learned how to make educated lifesaving decisions regarding which actions to take during an active shooter incident. He finished his presentation with teaching a commonsense approach in identifying common hazards, potential threats and various techniques to help the participant create a more secure workplace.

Gary Johnson led the group after lunch with his session on conducting vulnerability assessments, determining asset attractiveness to threats, integrating assessments with process hazard analysis and the importance of routinely reviewing emergency response procedures.

Dave Mashek finished the day with information focused on establishing a plan to understand the communities where oil and gas operations are taking place, which included developing working partnerships with local responders to improve communication and coordination in the event of an incident, as well as creating a media and public outreach plan to respond to inquiries and preempt the potential for rumors or misinformation.

For those who needed professional development credits, they were able to earn CEU and PHD credits.

PIOGA extends a sincere thank-you to Wayne Vanderhoof of RETTEW Associates and Ken Fleeman of ABARTA Energy for all their efforts in organizing this seminar and to provide this valuable educational event to PIOGA members and guests. A special thanks also to Gary Johnson of J.S. Held, Paul O'Donnell of RETTEW and David Mashek of Meinert/Mashek Communications. ■



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OLD REPUBLIC INSURANCE GROUP

PHMSA publishes three final rules substantially amending the federal pipeline safety regulations

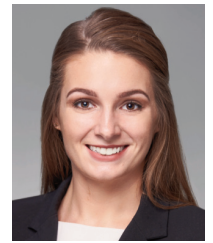
On October 1, the Pipeline and Hazardous Materials Safety Administration (PHMSA) published three long-awaited final rules amending the federal pipeline safety regulations. The first rule amends the federal safety standards for gas transmission lines. The second amends the federal safety standards for hazardous liquid pipelines. The third updates procedures for issuing emergency orders. These rules are summarized below.

Safety of gas transmission pipelines

The gas transmission rule, commonly referred to as the "Mega Rule," is the first in a three-part series of rules that PHMSA will be issuing to substantially revise the current federal safety standards and establish new requirements for gas pipeline facilities. This rule responds to congressional mandates and National Transportation Safety Board recommendations that arose from the investigation a 2010 gas transmission line incident in San Bruno, California. The rule adopts new requirements for verifying pipeline materials, reconfirming maximum allowable operating pressure (MAOP) and performing periodic assessments of pipeline segments located outside of high consequence areas (HCAs). The rule also amends the integrity management (IM) requirements, establishes requirements for reporting MAOP exceedances, for using inline inspection (ILI) launcher and receivers, as well as related recordkeeping requirements. The rule takes effect on July 1, 2020, but includes staggered compliance dead-

lines that extend as far out as 15 years.

- Materials verification.** Operators will be required to conduct destructive and nondestructive tests to verify pipeline attributes when they do not have traceable, verifiable and complete records for such attributes in certain situations, such as MAOP reconfirmation, IM or repair requirements. The new requirements allow for collection of missing pipe attributes over time, whenever a pipeline segment is exposed for maintenance or repairs, until a minimum number of excavations are performed. Gathering and distribution lines are not subject to the new materials verification rules.
- MAOP reconfirmation.** Operators must reconfirm the MAOP of certain onshore gas transmission pipelines by using one of six methods spelled out in the new regulations. Operators must develop MAOP reconfirmation procedures by July 1, 2021, perform MAOP reconfirmation for at least 50 percent of covered pipeline mileage by July 3, 2028, and for all pipeline mileage by July 2, 2035, or four years from the date that a segment becomes subject to the regulation, whichever is later.
- Assessing areas outside of HCAs.** Operators must conduct an integrity assessment of certain onshore, steel, gas transmission pipeline segments with a MAOP above 30 percent specified minimum yield strength located in a Class 3 or 4 location or pipeline segments that can accommodate ILI tools and are located in the newly-defined moderate consequence area, which is an onshore area within a potential impact circle containing either five or more buildings or any portion of the paved surface of an interstate, freeway, expressway, or principal arterial roadway with four or more lanes.



Ashleigh H. Krick, Esq.



Boyd A. Stephenson, Esq.

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- Recordkeeping.** The rule established a variety of new recordkeeping requirements, including records pertaining to class location, materials, design, components, welding, plastic pipe, testing and MAOP. The new requirements distinguish between the obligations that apply to operators of pipelines installed prior to July 1, 2020, which only require

retention of existing records, and pipelines installed after then, which require operators make certain records.

- **Miscellaneous.** PHMSA incorporated a series of ILI pipeline assessment industry consensus standards and expanded the array of assessment methods that operators may use in HCAs and in non-HCA areas. PHMSA also added requirements for protecting ILI launcher and receivers. The agency formally adopted the six-month grace period to the seven-calendar year maximum period for performing IM reassessments and requirements for reporting MAOP exceedances. Additionally, operators must consider seismicity as part of the threat evaluation under the IM program.

Safety of hazardous liquid pipelines

Ending a nearly decade-long rulemaking process, PHMSA issued a final rule amending the federal safety standards for hazardous liquid pipelines. A prior version was released in the last days of the Obama administration, but was sent back to PHMSA at the start of the Trump administration under a White House memorandum. This version of the rule incorporates input from the current administration, the most significant of which is removing new requirements for performing pipeline repairs. The rule takes effect on July 1, 2020. The most noteworthy provisions are summarized below.

- **Reporting requirements.** Operators of gravity lines (with exception to lines that travel no farther than one mile from a facility boundary without crossing any waterways used for commercial navigation) and previously unregulated gathering lines must submit annual, accident and safety-related condition reports to PHMSA.
- **72-hour inspections after extreme weather events.** Within 72 hours after the cessation of the event (unless the operator notifies PHMSA that personnel or equipment are unavailable), operators are required to perform inspections of all pipeline facilities potentially affected by an extreme weather event that has a likelihood of scouring damage or moving soil surrounding the pipeline. Extreme weather events include tropical storms; hurricanes; floods exceeding river, shoreline or creek-high water banks; landslides; or earthquakes. Operators must take remedial action based upon inspection results.
- **Pipeline assessments for non-IM segments.** Operators of onshore pipeline segments that can accommodate ILI tools and which are not currently subject to IM program requirements must perform integrity assessments, using ILI or an acceptable alternative technique if ILI is impracticable, at least once every 10 years, including an initial assessment by October 1, 2029.
- **Leak detection.** All hazardous liquids pipelines, except for offshore gathering lines and regulated onshore gathering lines, must have an effective leak detection system.
- **Accommodation of ILI tools.** All hazardous liquid

pipelines in HCAs and areas that could affect HCAs must be capable of accommodating ILI tools within 20 years, unless the basic construction of the pipeline will not accommodate ILI tools or the operator determines that the high cost of compliance would force it to abandon the pipeline, subject to PHMSA approval.

Emergency order procedures

In response to authority granted in the 2016 PIPES Act, PHMSA published a final rule updating the regulations for issuing emergency orders to address unsafe operating conditions. Under the rule, PHMSA may impose restrictions, prohibitions, or safety measures on an operator or a group of operators to address an imminent hazard, without first providing prior public notice or the opportunity for a hearing. An emergency order could be triggered after a natural disaster, the discovery of serious flaws in pipelines or in equipment manufacturing processes, or when an accident reveals an unsafe industry practice. The new regulations limit the duration of emergency orders to 365 days, at which time PHMSA must determine whether to initiate a rule-making or rescind the emergency order. The new regulations provide affected pipeline owners or operators a process to seek review of the emergency order. The rule takes effect on December 2, 2019. ■

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PHMSA proposes allowing liquefied natural gas transport by rail

By Boyd A. Stephenson and James Curry
Babst Calland

On October 24, the Pipeline and Hazardous Materials Safety Administration (PHMSA) published a notice of proposed rulemaking (NPRM) amending the Hazardous Materials Regulations (HMR) to allow the bulk transport of liquefied natural gas (LNG) in DOT-113C120W (DOT-113) specification railcars.

PHMSA issued the NPRM in response to a petition for rulemaking filed by the Association of American Railroads (AAR). Also, an April 10 Executive Order directed PHMSA to issue a final rule on bulk transportation of LNG by rail by May 2020. Comments on the NPRM are due by December 23.

Over the last decade, the number of LNG facilities and total storage and vaporization capacities have drastically increased. And, according to PHMSA, total liquefaction capacity increased by 939 percent due to new LNG export terminals. With this growth, PHMSA has recognized there may be a need for greater flexibility in the modes of transporting LNG.

While LNG is already authorized for transportation by highway and in maritime vessels, LNG may be transported by railcar only with a special permit from PHMSA or in smaller, portable tanks loaded onto a railcar. However, other cryogenic liquids that are chemically similar to LNG already are authorized to be transported by rail under the HMR.

Currently, there is a pending special permit renewal application to transport bulk LNG in DOT-113 specification railcars using requirements identical to those proposed in the NPRM. The comment period ended August 7, with PHMSA receiving nearly 3,000 comments. The agency has not yet acted on the application.

Proposed changes

In the NPRM, PHMSA proposes to:

- Amend the LNG entry on the Hazardous Materials Table (UN 1972, Methane, refrigerated liquid (cryogenic liquid), 2.1) to allow transportation of bulk LNG in rail tank cars under the terms of 49 C.F.R. § 173.319
- Amend the railcar provisions in the cryogenic liquid table in 49 C.F.R. § 173.319, to add the following requirements for bulk railcars transporting LNG:
 - Using a DOT-113 specification rail tank car.
 - A start-to-discharge pressure valve setting of 75 psig.
 - A design service temperature of -260° F.
 - Maximum pressure when offered for transportation of 15 psig.
 - A filling density of 32.5 percent by weight.

PHMSA did not propose any changes to the DOT-113 tank car design for transporting bulk LNG, or for handling bulk LNG in transit, but the agency solicits comments about:

- Whether there is a reason to set a maximum length



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of trains transporting LNG and, if so, what that maximum length should be.

- Whether there is a reason to limit the number of LNG railcars that can be in one consist (the lineup or sequence

of cars in a unit) or to limit where LNG tank cars may be placed within the train.

- Whether PHMSA should apply its high-hazard flammable train (HHFT) rules to trains transporting bulk LNG, including:

- Speed restrictions and tightened speed restrictions in high-threat urban areas.
- Two-way end-of-train devices for faster air brake deployment in emergency situations.

- Whether PHMSA should adopt the AAR's Circular OT-55, "Recommended Railroad Operating Practices for Transportation of Hazardous Materials," which all Class I and II freight railroads operating in the United States currently observe, into the rules for transporting bulk LNG

- Whether the additional route analysis requirements currently applied to HHFTs and to trains transporting explosives, toxic inhalation hazards or radioactive cargo should also be applied to trains transporting bulk LNG

Questions and commentary

Canada already allows the transport of bulk LNG in DOT-113 railcars, but, according to the NPRM, Mexico "does not provide explicit authorization for bulk transportation of LNG in rail tank cars." Yet, PHMSA cites increased Mexican demand for LNG as one reason why rail transport demand is rising.

Ethylene is a cryogenic liquid that is already approved to be transported in the same type of DOT-113 specification railcars proposed for LNG. But, according to AAR data, only 356 ethylene tank car movements originated

in 2015. PHMSA notes that "the numbers of DOT-113 tank cars in operation under the proposed regulatory change could increase well beyond the numbers of DOT-113 tank cars *currently in operation.*"

In addition to the DOT-113C120W railcar proposed for transporting bulk LNG, AAR's petition requested PHMSA also authorize the DOT-113C140W (140W) railcar. The 140W is not widely deployed and PHMSA elected not to include it in the NPRM due to a paucity of safety data. Rather, the agency proposes to further study the 140W tank car's technical standards and performance. The 140W better insulates the tank car's inner compartment from thermal creep and is designed to allow the railcar to travel for longer periods before the cryogenic liquid can vaporize into gas. Would also authorizing the 140W expand shippers' options for exporting LNG directly instead of delivering for transfer to a vessel at a maritime port?

PHMSA states that the NPRM does not impose costs or provide benefits exceeding \$100 million annually, but the Office of Management and Budget chose to designate it a significant rulemaking, subject to additional review, anyway. At the same time, an executive order mandates PHMSA take final action considering allowing bulk LNG by rail by May 2020. With such an accelerated timeline, will PHMSA be able to resolve public comments and conduct the necessary economic analysis?

The proposed rulemaking can be found at www.govinfo.gov/content/pkg/FR-2019-10-24/pdf/2019-22949.pdf. ■

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By Wayne Vanderhoof, CSP
PIOGA Safety Committee Chair, RETTEW

The American Petroleum Institute recently completed the fourth update of its Recommended Practice 54, *Occupational Safety and Health for Oil and Gas Well Drilling and Servicing Operations*. The previous edition of API RP 54 was reviewed and reaffirmed in 2007.

It is very important to keep the API Recommended Practices up to date, as OSHA recognizes them as the oil and gas industry's standards. This is evident when OSHA uses it with the General Duty Clause, Section 5(a)(1) of the Occupational Safety and Health Act of 1970, which states that employers are to provide "employment and a place of employment which are free from recognized hazards" when the OSHA regulations do not have a specific regulation that applies to an identified hazard in any industry.

Examples of this include the required use of flame-resistant clothing to protect workers against the hazard of a flash fire (prior to the release of the March 2010 OSHA letter), lockout/tagout (LOTO), hearing conservation program, and blow-out preventer or well control requirements. A search of the osha.gov online database yielded a 2018 example in which OSHA cited a drilling company using the General Duty Clause when "well control was not maintained during drilling operations" and a second citation was issued when "at the racking platform...the emergency descent device available for egress from the derrick would not extend due to a mechanical deficiency preventing its use as a means of escape." There are no specific OSHA regulations for well-control nor for emergency descent devices from the monkey board, though OSHA cited the drilling company and initially penalized the drilling company \$12,934 for each citation.

While not a prerequisite, it is helpful to be at least familiar with the previous (2007) version of API RP 54 to completely understand the changes and updates summarized in this article. This article will review the major changes, additions, consolidations, rearrangements and updates to API RP-54 2019. There were some wording changes made without change to meaning or requirement, and these will not be reviewed. The RP was revised, updated and changed to be more in line with the OSHA regulations without specifically stating anything at all about the OSHA standards or complying with the OSHA standards, even though that is the minimum requirement regardless of whether OSHA cites the General Duty clause and the RP or if they cite directly from the OSHA standard.

Before reviewing specific sections, it should be noted that the RP uses the words "should" and "shall" throughout. The word "shall" indicates a minimum requirement to conform to the standard and the word "should" indicates a recommendation or that which is advised though not required to conform to the standard. The changing from "should" statements in the 2007 RP to

"shall" in 2019 RP shows the evolution or change of emphasis from being a recommendation to be a requirement of the 2019 RP. A note of caution, though: It does not really matter if the item in the RP is a "should" or "shall" statement, OSHA views all of the information in the RP as the industry thinks it is enough of a hazard to list protective measures so the industry views the hazard as a problem that needs to be addressed. OSHA may cite using a "should" statement or a recommendation just the same as a "shall" statement or a requirement in the RP when citing using the General Duty Clause and the API RP.

A specific section that was added as the first section after Definitions was Safety and Health Management System and is described as: "One of the most effective ways to reduce workplace hazards and injuries." This is the first step in the evolution process of encouraging companies to have such a system, though there are no requirements or recommendations specifically for a safety management system and there are no "shall" or "should" statements. The section lists eight elements very similar to OSHA's I2P2 (Injury and Illness Prevention Program) and ANSI/ASSP Z10 standard for Safety Management Systems. The elements that were compiled from various parts of the earlier version of API RP 54 include regularly scheduled safety meetings emphasizing job tasks, probable hazards and safe practices; instruction of personnel on work procedures, job responsibilities and managing changes; safety education through safety meetings, company publications, training and other media; and good housekeeping practices. Other sections were added which include instruction on job safety analysis (JSA) and risk assessment; instruction and monitoring of new personnel; a plan to facilitate and organize employer and employee actions during a workplace emergency; and a shift or personnel changeover process to communicate ongoing operations and potential hazards.

Risk Assessment was another specific section that was added. It states that companies should evaluate for hazards and risks, then develop and implement the necessary control measures. It continues, "Job tasks, including potential simultaneous operations, shall be risk assessed before operations commence." The risk assessment is required to be communicated with the crew and affected personnel before the job or task starts. The RP provides that "(e)ach company should determine the best method to conduct a risk assessment appropriate for the task which may include" a documented process, a visual or verbal process, a JSA and/or use other company-specific process to recognize risk. Almost every section begins with a similar statement such as, "A risk assessment (shall or should) be (conducted or performed)," then somewhere in the section is a statement to the effect of "...(exposure controls) (shall or should) be provided when identified by the risk

assessment.” It is important to take notice of the emphasis being placed in the new API RP on the use of risk assessments and implementing of controls for the identified hazards as being the path forward from strictly compliance with applicable regulations to be more of a risk-based safety management system.

A section was added specifically for Hazard Communication, which generally summarizes the OSHA standard that requires hazard evaluations, labeling, safety data sheets and training.

Personal protective equipment (PPE) is to be determined by risk assessment which is similar to the OSHA standard requiring a PPE hazard assessment. Flame-resistant clothing should meet requirements of NFPA 2112 and 2113 or an equivalent standard. API RP 99 is referenced for conducting risk assessments for the risk of flash fires. “Gloves, boots, apron, and other protective equipment, as appropriate” is required to be worn “by personnel handling chemicals.” It is now required, instead of recommended as in the previous version, that personnel not wear jewelry or other adornments when working.

One of the examples where the oil and gas industry is exempt from an OSHA standard, or portions thereof, is in OSHA standard 1910.95(o) regarding hearing protection, where it specifically states that “employers engaged in oil and gas well drilling and servicing operations” are exempt. The exception is that these employers are not required to have a hearing conservation program which includes conducting noise monitoring,

audiometric testing, training and keeping records. However, in API RP 54 2019, it states that “a risk assessment shall identify and evaluate noise exposure(s) in the worksite. Protection against the effects of noise shall be provided when identified by the risk assessment.” Specifically added to the RP were statements that workers should be trained on the use and operation of hearing protection and that noise surveys should be conducted with signage posted. The table titled “Table 1 – Maximum Permissible Noise Exposures” was removed. This was the table that provided sound levels from one-half hour up to 12 hours.

In aligning with the 2016 date of the OSHA 1910 Subpart D, Walking-Working Surfaces standard—without stating as such—it was added in the 2019 update of the RP the requirement that workers are to be trained on selection, use and inspection of fall protection equipment.

For Incident & Medical Response, it was added that consideration “should” be given to share lessons learned with employees and industry. It also included that besides planning for prompt medical attention, planning should include planning transport to medical facility.

For fire prevention, a section was added specifically listing examples of potential ignition sources and sources of combustible fluids and vapors. It is required that risk assessment be conducted when materials have a flash point below 100 degrees F using information on the Safety Data Sheet (SDS). Explosion-proof and intrin-



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sically safe heaters are permitted on or near rig floor, substructure or cellar based upon API 500& 505 electrical classification, which was not previously permitted.

In the section covering fuel and oil transfers and refueling, specific requirements were added for above ground storage tanks to be grounded and that portable equipment be bonded back to the fuel tank during transfers per API 2003 (Protection Against Ignitions Arising Out of Static, Lightning, and Stray Currents).

In the Hot Work Equipment and Welding Fumes and Ventilation section, the requirement was added for oxygen and fuel gas cylinders to be separated by a barrier having a 30-minute fire rating. Also added was that damaged welding leads should not be repaired and immediately discarded. It was noted that respirators may be required if exposures are not reduced to safe levels by ventilation or work practices.

The updated RP definition of confined space is very similar to the OSHA regulation. It added a specific section with very similar information to the OSHA regulation defining a permit-required and a non-permit required confined space. The requirement was added to have continuous monitoring of the atmosphere when confined spaces are occupied.

Another example of where the oil and gas industry is exempt from an OSHA standard, or portions thereof, is in OSHA regulation 1910.147(a)(1)(ii)(E), stating that oil and gas well drilling and servicing is not covered by the Control of Hazardous Energy standard. The updated RP was changed so that a documented lockout/tagout pro-

gram is required to be established and implemented; previously it was just a recommendation. The change was made so that it is a requirement that personnel are trained in the LOTO program, where previously it was just a recommendation. The requirement was added that when group lockout (multiple locks) is used the procedure needs communicated to all users. A list of examples of energy isolating devices was added as well.

The definition of Simultaneous Operations was improved, and an entirely new section was added to the 2019 RP. A requirement is included that prior to commencing simultaneous operations, responsible personnel from involved operations will meet to verify operations, confirm emergency procedures, and identify constraints, limitations or conflicting activities. Then it recommends that the responsible personnel should stop work and reevaluate operations and manage changes, if any, to operations.

For personnel hoisting systems, there was a significant amount of information added to the updated RP. Equipment used for lifting of personnel is required to be specifically for and manufactured to lift personnel. It is also required that before hoisting personnel, an assessment is to be done to determine if other non-hoisting methods are available. The updated RP lists requirements for the equipment to be used, when it is to be used, the requirements for load limiting mechanism, line speed limiter, automatic secondary brake, controlled descent feature, emergency shut-off and drum guards.

In the Drilling and Well Servicing Equipment section, a specific section was added about dropped objects including the recommendation that items should be inventoried to ensure none are left in structure, that a periodic inspection program should be in place, personnel should not be under suspended loads and that personnel should not work under overhead work areas without additional safeguards—all as work practices to protect workers from dropped objects.

There were specific requirements and recommendations included in sections for wireline operations, acidizing, fracturing, hot oil operations, stripping and snubbing operations, and flowback that should be reviewed if you are involved in such operations.

The above are the major changes in API RP 54 2019, are summarized above. It is best to acquire the new API RP 54 2019 and review it to determine specifically which changes affect you and which do not. ■

This article was developed from a presentation given to the PIOGA Safety Committee at the October 2 meeting. The updated RP 54 can be found at www.api.org/products-and-services/standards/important-standards-announcements/recommended-practice-54.

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Peoples and litigation update

Weaver provided an update on behalf of Vice President & General Counsel Kevin Moody regarding proceedings involving PIOGA and Peoples Natural Gas Company pending before the Pennsylvania Public Utility Commission, as well as other litigation. Moody was not able to attend the meeting.

Weaver referred members to articles describing settlement of the Peoples base rate increase request in the September *PIOGA Press* and the proposed settlement in a proceeding involving the acquisition of Peoples by Aqua America in the August issue. He thanked the group of producers who came together to help PIOGA address the issues of importance to them in the proceedings.

PIOGA also is monitoring or involved in several legal proceedings of interest to the industry, Weaver related from Moody's report. Among them:

- *Richard Campola/B&R Resources v. DEP*. The case involves the "participation theory" of personal liability for violation of a DEP enforcement order (not plugging 47 wells). The Environmental Hearing Board held a hearing in August for "findings of fact as to how many, if any, of the wells could have been plugged if Campola had caused R&B to make reasonable efforts to plug the wells"—in other words, a proportionality and reasonableness standard. A decision by the administrative law judge is pending.

- *Briggs v. SWN*. The state Supreme Court is considering whether the long-established "rule of capture" applies to oil and gas produced by hydraulic fracturing of shale formations. Oral arguments were held in September, with a decision not expected for nine to 18 months afterward.

- *Marcellus Shale Coalition v. DEP/EQB*. As reported in the August *PIOGA Press*, the Commonwealth Court's most recent decision in the case involving portions of the Chapter 78a regulations was mixed and very complicated. Both MSC and DEP/EQB have filed appeals with the state Supreme Court. The threshold issue is whether the Commonwealth Court decision was a "final order" necessary for Supreme Court jurisdiction.

- *Pennsylvania Environmental Defense Fund v. Department of Conservation and Natural Resources*. The long-running case involves permissible use of state Oil and Gas Lease Fund



*Safety Committee Chairman
Wayne Vanderhoof*

money under the Pennsylvania Constitution's Environmental Rights Amendment (ERA). A July decision by the Commonwealth Court on remand determined that one-third of bonus and rental payments from state forest land leases are not part of the ERA "trust corpus" and may be used for General Fund (non-trust) purposes, while the other two-thirds remain part of the trust corpus and may only be used for "trust purposes"—to "conserve and maintain [Pennsylvania's public natural resources] for the benefit of all the people. The ruling has been appealed to the Pennsylvania Supreme Court.

- *Grant Township*. Another lengthy set of litigation involves efforts by Grant Township in Indiana County to block—through the adoption of a "Community Bill of Rights" ordinance—construction of a wastewater injection well by PIOGA member Pennsylvania General Energy (PGE). A federal suit by PGE against the township and the Community Environmental Legal Defense Fund (CELDF) is pending before the Third Circuit Court of Appeals and deals with whether the ordinance violates the U.S. Constitution, award of attorneys' fees to PGE and sanctions against CELDF lawyers. Separately in a suit in state court DEP is seeking summary relief to the township's challenges to the constitutionality of the Solid Waste Management Act and the Oil and Gas Act. Arguments were held in August.

- *PIOGA v. PA One Call System (POCS)*. The association in September filed suit in Commonwealth Court challenging the lawfulness of POCS' municipal activity fee structure, which charges *only* facility owners for all POCS' costs of operation while charging contractors low annual fees for unlimited use of POCS' communications system, and failure to use mapping as a basis for charges (*October PIOGA Press, page 7*). The outcome of the case has the potential to save PIOGA members a significant amount of money, Weaver pointed out.

Safety Committee report

Safety Committee Chairman Wayne Vanderhoof of RETTEW expressed frustration with low member participation in committee meetings and technical training hosted by the committee. The lack of involvement is frustrating, he said, because committee meetings have featured excellent presentations about issues that can cost or save members money and help them keep their employees safe.

The committee has been meeting every other month, but Vanderhoof is planning on quarterly meetings in 2020 and organizing two to three safety-related PIOGATech training opportunities. In addition to encouraging more member participation, he said he is always interested in hearing from members about what is working for them in the safety arena, as a possible meeting speaker or PIOGATech topic.

Environmental Committee

Committee co-chair Ken Fleeman of ABARTA Energy began thanking Moody and Associates, Inc. as Committee Sponsor under the 2019 PIOGA Partners program and Moody's Jeff Walentosky for his support



Diversity Committee chair Jennifer Mosesso

and involvement with the Environmental Committee. Fleeman also recognized co-chairman Paul Hart of Diversified Gas & Oil, committee consultant Scott Roberts, committee volunteers and PIOGA staff.

Rather than rehashing the issues that consume the committee, Fleeman provided the following value proposition for participating in the Environmental Committee:

- Learn by attending PIOGATech sessions.
- Be informed by way of comprehensive and concise descriptions of environmental issues and detailed reports from regulatory advisory committees.
- Stay up to date on state and federal environmental regulatory initiatives and on environmental litigation.
- Make your voice heard by helping to develop PIOGA policy positions and comments.

The committee meets at 10:30 a.m. on the second Wednesday of each month, moving to the PIOGA office in Wexford for 2020.

Tax Committee

New chair Bill Phillips of Arnett Carbis Toothman thanked longtime chairman Don Nestor for his leadership and mentoring. Phillips noted there currently is not much tax activity: PIOGA is monitoring attempts to impose a severance tax at the state level and hoping for a return of the Marginal Well Credit for the 2019 taxable year at the federal level.

In addition to continuing to organize PIOGA's Annual Oil & Gas Tax and Accounting Seminar, Phillips' goal for the committee is to see it become more active, holding quarterly meetings (or more often if needed), developing action plans where necessary and keeping the membership informed of tax matters through articles in *The PIOGA Press*.

Market Development Committee

Joyce Turkaly, PIOGA's Director of Natural Gas Market Development, explained how the committee's name and mission have evolved over the course of PIOGA's history, with one constant being that competing companies have come together to work toward common goals.

Today, the Market Development Committee is focused on emerging projects and market trends and how members can take advantage of those things. Committee participation is growing because members see that their involvement can bring them new business opportunities.

David Marks of Dominion Field Services, who leads the committee along with Sandy Spencer of Appellation Construction Services, related that the group discusses things that are impacting product prices, including pipeline projects and the hurdles they face. The committee also talks about business developments such as combined heat and power, modular CNG and LNG, and gas-to-liquids projects.

He added that the committee holds several field trips per year to see firsthand such things as a virtual pipeline facility, a paper-products plant fueled by natural gas wells onsite, a CNG fueling station that taps into landfill methane and more.

"Our committee is seeing some of the good things that are happening," Marks said. The committee meets the second Thursday of each month at the PIOGA office, unless a member is hosting the meeting at another location or the group has scheduled a field trip.

PoWER and Diversity Committee

PIOGA's Power of Women in Energy Roundtable, or PoWER, has conducted several events over the past three years addressing issues unique to women in the oil and gas industry. The initiative is now expanding to include a Diversity Committee chaired by Jennifer Mosesso of Steptoe & Johnson.

"Diversity has become an issue, in my opinion, that needs to be addressed within our industry," she said. "The landscape has changed; we are no longer just 'a white guy' industry. Hopefully, PIOGA will become a leader in our industry in diversity."

Her plans are to begin meeting more regularly as a committee to discuss diversity issues within the industry and to organize programs aimed at providing education on those issues. An initial conference call is planned for December 10. Members should watch for an invitation to participate.

CDAC Workgroup

Jeff Walentosky of Moody and Associates, who chaired the Environmental Committee's Well Construction Subcommittee until recently being named to DEP's Oil and Gas Technical Advisory Board, has been active in efforts to bring the industry together to develop solutions to legacy well issues such as well plugging and orphan and abandoned wells. These and other issues come under the purview of the state's Pennsylvania Grade Crude Development and Advisory Council (CDAC). PIOGA has two representatives on CDAC—Dave Ochs of Kriebel Companies and Burt Waite, who is retired from Moody and Associates.

Walentosky recognized that Ochs and Waite need support from PIOGA as they work on the conventional industry's thorniest problems like those mentioned

above as well as affordable disposal options for produced water. In response, the PIOGA CDAC Workgroup was formed recently to tap into the association's collective experience and to generate ideas and solutions. Walentosky said he welcomes the involvement of more members in that group.

PIOGA Political Action Committee

The reason for a political action committee isn't to "buy" people, said PIOGA PAC chair Teresa McCurdy of TD Connections. Rather, it's to support those elected officials who support us.

McCurdy is working on ways of drumming up more support for the PAC among PIOGA members, including a mechanism whereby members can contribute on an ongoing basis. Weaver added that PIOGA also hopes to add a PAC component to all of its events.

Open forum

The two-hour Annual Meeting ended with the opportunity for members to air anything on their mind. McCurdy kicked it with a plea for more member participation.

"We need more people to get involved"—in committees, workgroups, events, developing formal comments on proposed regulations, events and other activities, she said. Gary Slagel concurred: "Our success depends on all of you."

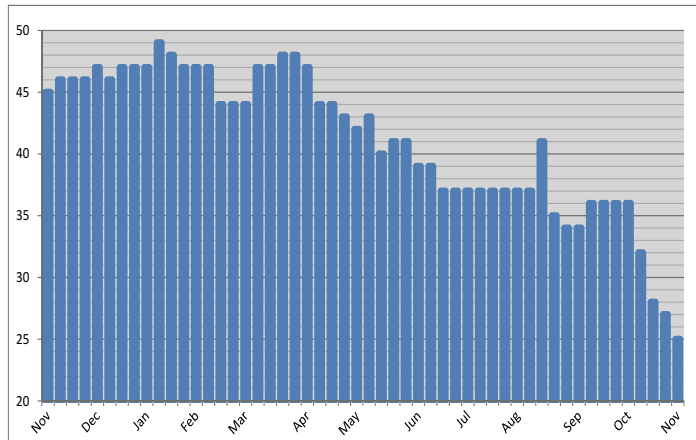
David Marks implored everyone to take any and all opportunities to talk about the positives of the industry and to counter those who contend that fossil fuels are not necessary. "Get your elevator speech ready," he advised, adding that the Market Development Committee is at work on just such a set of concise talking points that members can use.

Board member Mike Hillebrand of Huntley & Huntley offered that it is hard to understate the impact of the association over the years. He mentioned things such as "penny" that goes to PIOGA under the Peoples agreement and efforts to make the PA One Call System more equitable. Hillebrand said he envisions PIOGA as a unifying force among all of the oil and gas trade associations in Pennsylvania. ■



Oil & Gas Dashboard

Pennsylvania Rig Count



Penn Grade Crude Oil Prices



Natural Gas Futures Closing Prices

Month	Price
December	\$2.835
January 2020	2.917
February	2.866
March	2.701
April	2.408
May	2.376
June	2.410
July	2.450
August	2.455
September	2.443
October	2.472
November	2.523

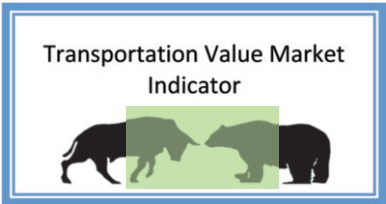
Prices as of November 6

Sources

American Refining Group: www.amref.com/Crude-Prices-New.aspx
 Ergon Oil Purchasing: www.ergon.com/prices.php
 Gas futures: quotes.ino.com/exchanges/?r=NYMEX_NG
 Baker Hughes rig count: phx.corporate-ir.net/phoenix.zhtml?c=79687&p=irol-report-sother
 NYMEX strip chart: Nucomer Energy, LLC, emkeyenergy.com

Northeast Pricing Report – November 2019

Short-term pricing turned much more bullish since October. Algonquin increased \$1.87 per MMBtu, while TETCO M3 and Transco Z6 increased nearly \$1.00 per MMBtu each. Even Dominion South and Transco Leidy increased \$0.51 and \$0.53 per MMBtu respectively. A shift in weather patterns bringing colder temperatures to most of the country, along with short coverings from speculators drove prices up. One-year trading increased across the board as well. TETCO M3 increased the most at \$0.26 per MMBtu, while both Dominion South and Algonquin increased the least at \$0.03 per MMBtu. There was very little change in long-term pricing. Dominion South decreased \$0.01 per MMBtu. Transco Z6 and Algonquin increased the most at \$0.10 and \$0.06 per MMBtu, respectively.

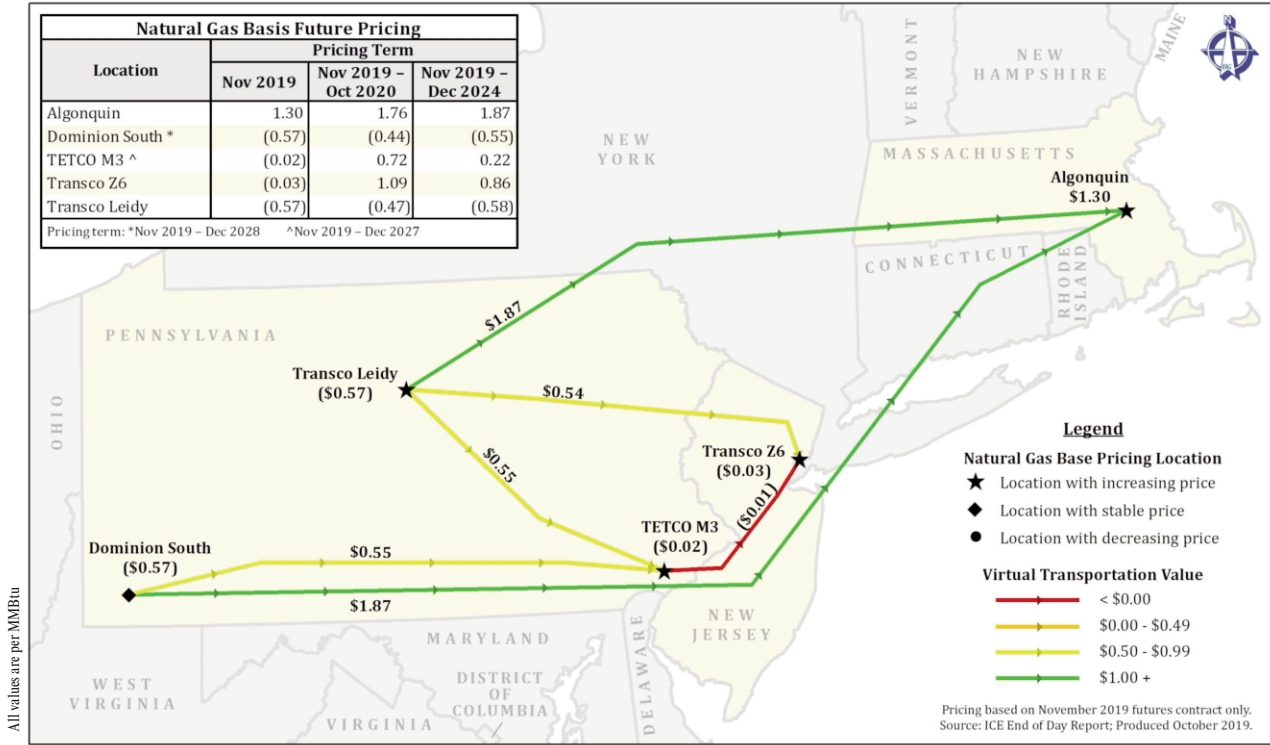


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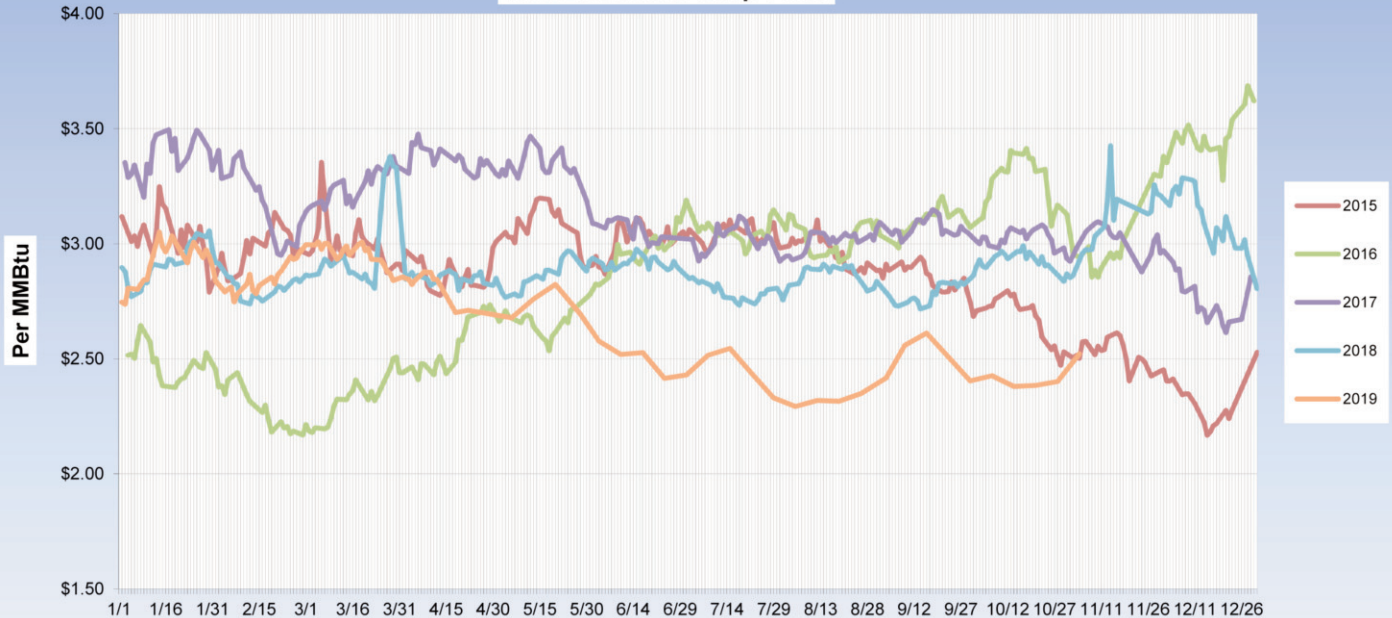
November had a rare occurrence where TETCO M3 to Transco Z6 had a negative value, albeit only a negative \$0.01 per MMBtu. Both routes to Algonquin increased the most at \$1.36 and \$1.34 per MMBtu from Dominion South and Transco Leidy respectively. Transportation from Dominion South and Transco Leidy to TETCO M3 increased similarly at \$0.42 and \$0.40 per MMBtu correspondingly.

Location	Pricing Term		
	Nov 2019	Nov 2019 - Oct 2020	Nov 2019 - Dec 2024
Algonquin	1.30	1.76	1.87
Dominion South *	(0.57)	(0.44)	(0.55)
TETCO M3 ^	(0.02)	0.72	0.22
Transco Z6	(0.03)	1.09	0.86
Transco Leidy	(0.57)	(0.47)	(0.58)

Pricing term: *Nov 2019 - Dec 2028 ^Nov 2019 - Dec 2027



NYMEX Annual Strip Price



Spud Report: October 2019



The data show below comes from the Department of Environmental Protection. A variety of interactive reports are

OPERATOR	WELLS	SPUD	API #	COUNTY	MUNICIPALITY
Beech Resources LLC	2	10/11/2019	081-21803	Lycoming	Lycoming Twp
		10/11/2019	081-21812	Lycoming	Lycoming Twp
Cabot Oil & Gas Corp	2	10/10/2019	115-22615	Susquehanna	Forest Lake Twp
		10/10/2019	115-22616	Susquehanna	Forest Lake Twp
Cameron Energy Co	2	10/11/2019	123-48366*	Warren	Sheffield Twp
		10/8/2019	123-48368*	Warren	Sheffield Twp
Chesapeake Appalachia LLC	4	10/29/2019	015-23502	Bradford	Monroe Twp
		10/24/2019	015-23509	Bradford	Towanda Twp
		10/24/2019	015-23508	Bradford	Towanda Twp
		10/22/2019	015-23497	Bradford	Wilmot Twp
Chief Oil & Gas LLC	1	10/31/2019	015-23531	Bradford	Overton Twp
		10/31/2019	015-23530	Bradford	Overton Twp
Culp Sarah D	1	10/22/2019	031-25711*	Clarion	Farmington Twp
Gas & Oil Mgmt Assoc Inc	1	10/18/2019	123-48348*	Warren	Mead Twp
Mead Oil LLC	2	10/7/2019	123-48284*	Warren	Sheffield Twp
		10/14/2019	123-48285*	Warren	Sheffield Twp
MSL Oil & Gas Corp	3	10/7/2019	083-57109*	McKean	Hamilton Twp
		10/14/2019	083-57108*	McKean	Hamilton Twp
		10/28/2019	083-57153*	McKean	Lafayette Twp
Range Resources Appalachia	6	10/18/2019	125-28630	Washington	Fallowfield Twp
		10/18/2019	125-28632	Washington	Fallowfield Twp
		10/18/2019	125-28633	Washington	Fallowfield Twp
		10/19/2019	125-28631	Washington	Fallowfield Twp
		10/19/2019	125-28634	Washington	Fallowfield Twp
		10/19/2019	125-28635	Washington	Fallowfield Twp
Repsol Oil & Gas USA LLC	1	10/8/2019	015-23513	Bradford	Armenia Twp
Rice Drilling B LLC	13	10/14/2019	059-27907	Greene	Center Twp
		10/14/2019	059-27908	Greene	Center Twp
		10/24/2019	059-27917	Greene	Franklin Twp
		10/24/2019	059-27913	Greene	Franklin Twp
		10/24/2019	059-27915	Greene	Franklin Twp
		10/25/2019	059-27918	Greene	Franklin Twp

available at www.dep.pa.gov/DataandTools/Reports/Oil and Gas Reports.

The table is sorted by operator and lists the total wells reported as drilled last month. **Spud** is the date drilling began at a well site. The **API number** is the drilling permit number issued to the well operator. An asterisk (*) after the API number indicates a conventional well.

OPERATOR	WELLS	SPUD	API #	COUNTY	MUNICIPALITY
		10/25/2019	059-27914	Greene	Franklin Twp
		10/25/2019	059-27916	Greene	Franklin Twp
		10/25/2019	125-28768	Washington	N Bethlehem Twp
		10/25/2019	125-28766	Washington	N Bethlehem Twp
		10/25/2019	125-28767	Washington	N Bethlehem Twp
Seneca Resources Co LLC	5	10/16/2019	047-25063	Elk	Jones Twp
		10/16/2019	047-25064	Elk	Jones Twp
		10/17/2019	047-25073	Elk	Jones Twp
		10/17/2019	047-25065	Elk	Jones Twp
		10/17/2019	047-25066	Elk	Jones Twp
SWN Prod Co LLC	7	10/25/2019	015-23546	Bradford	Stevens Twp
		10/26/2019	015-23547	Bradford	Stevens Twp
		10/27/2019	015-23548	Bradford	Stevens Twp
		10/28/2019	015-23549	Bradford	Stevens Twp
		10/29/2019	015-23550	Bradford	Stevens Twp
		10/4/2019	115-22697	Susquehanna	New Milford Twp
		10/5/2019	115-22698	Susquehanna	New Milford Twp
Tilden Marcellus LLC	1	10/8/2019	117-22066	Tioga	Gaines Twp
Weldbank Energy Corp	5	10/12/2019	123-48169*	Warren	Mead Twp
		10/16/2019	123-48392*	Warren	Mead Twp
		10/21/2019	123-48393*	Warren	Mead Twp
		10/23/2019	123-48394*	Warren	Mead Twp
		10/26/2019	123-48395*	Warren	Mead Twp

	October	September	August	July	June	May
Total wells	57	77	42	96	64	93
Unconventional Gas	43	46	21	73	45	83
Conventional Gas	1	0	0	0	0	0
Oil	13	29	20	22	19	8
Combination Oil/Gas	0	2	1	0	0	0

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PIOGA was invited by the Beaver County Energy & Advanced Manufacturing Partnership to participate in the annual Pathways day on October 17 at the Community College of Beaver County. The event is dedicated to familiarizing middle school students with educational and career paths in STEM-related fields. We had hundreds of students stop by our booth to try their hand at being a chocolate chip drilling engineer. They had their choice of either a toothpick for drilling a vertical well or a paperclip for drilling a horizontal well, each with its own advantages and disadvantages. Besides the chip activity, students were required to fill out job/industry questionnaires asking about skills needed.

Calendar of Events

PIOGA events

PIOGA event info: pioga.org > PIOGA Events

Annual Oil & Gas Tax and Accounting Seminar

November 21, Holiday Inn Express Southpointe, Canonsburg

PIOGATech: Air Quality Compliance

December 17, The Chadwick, Wexford

Holiday Mixer

December 17, The Chadwick, Wexford

2020 Spring Meeting

April 1, Rivers Casino, Pittsburgh

Other association & industry events

IOGAWV Winter Meeting

January 22-23, Charleston, WV
iogawv.com

OOGA 2020 Annual Meeting

March 4, Columbus, OH
www.ooga.org/events

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Join us on December 17:

PIOGATech Air Quality Compliance Training 9:15 a.m. - 4:00 p.m.



The training will provide an overview of emissions regulations and associated compliance obligations impacting the industry. See elsewhere in this issue for complete details.

PIOGA Holiday Mixer 4:00 p.m. - 7:00 p.m.



Market Development Committee Monthly Meeting • 2:00 - 4:00 p.m.

Executive Committee • 12:00 - 2:00 p.m.

Location: The Chadwick
10545 Perry Hwy, Wexford

**Watch your email or visit pioga.org >
PIOGA Events for details and registration**