

The PIOGA Press

The monthly newsletter of the
Pennsylvania Independent Oil & Gas Association
July 2021 • Issue 135

States cannot block condemnation under the Natural Gas Act with sovereign immunity

In a 5-4 decision issued on June 29, the United States Supreme Court overturned a Third Circuit ruling in *PennEast Pipeline Company, LLC v. New Jersey*, allowing PennEast Pipeline Company, LLC to use the federally delegated power of eminent domain to cross land owned or controlled by New Jersey. No. 19-1039, — S.Ct. —, 2021 WL 2653262. The Supreme Court held that states cannot use 11th Amendment sovereign immunity to block condemnation of state lands brought under the Natural Gas Act (NGA). Reversing the Third Circuit, the court concluded that the Federal Energy Regulatory Commission (FERC) can delegate its condemnation authority to private companies who can then override a state's sovereign immunity derived from the 11th Amendment of the United States Constitution.

PennEast is a joint venture composed of several private companies that deliver energy to Pennsylvania and New Jersey. In 2015, FERC granted PennEast a Certificate of Public Convenience and Necessity, authorizing construction of a 116-mile natural gas pipeline from Pennsylvania to New Jersey.

PennEast commenced condemnation actions under the NGA to acquire properties for the pipeline. Forty-two of the properties are owned by the state of New Jersey or "various arms of the State." PennEast sued

Authors:



Gillian Flick



Jon Beckman

—
Steptoe &
Johnson, PLLC

New Jersey in federal court seeking to condemn the properties and gain immediate access. *See In re PennEast Pipeline Company*, 938 F.ed 96, 99 (3d Cir. 2019). New Jersey did not consent to the suits and moved to dismiss the actions for lack of jurisdiction pursuant to 11th Amendment sovereign immunity from suits commenced by private parties in federal court. The District Court held that the condemnation actions were not barred by the state's immunity and granted relief in favor of PennEast. New Jersey appealed to the Third Circuit.

The Third Circuit vacated, holding that 11th Amendment sovereign immunity is not abrogated by the NGA. *Id.* Moreover, the Third Circuit held that the federal government's exemption from the state's sovereign immunity has not been delegated to PennEast. Finding that "[t]he federal government's power of eminent domain and its power to hale sovereign States into federal court are separate and distinct." *Id.* at 100, the Third Circuit concluded that "[i]n the NGA, Congress has delegated the former" and not the latter. *Id.*

On appeal, the United States Supreme Court considered "[w]hether the Federal Government can constitutionally confer on pipeline companies the authority to condemn necessary rights of way in which a State has an interest." *PennEast*, 2021 WL 2653262 at *4.

Continues on page 3

PIOGA events coming in August and September	2
PIOGA's participation in the PennEast case.	3
RGGI update: Legislation advances, EQB consideration	4
Just the Facts: Energy prices and essential products	6
Data privacy, cyber security and cyber insurance	7
Trends in litigation, land use and local ordinances	9
PHMSA bulletin on minimizing natural gas releases	12
DEP's 2020 Annual Oil and Gas Report	13
Thanks to our PIOGA Partners	17
PUC details distribution of impact fees	18
PIOGA Member News	19
Federal court dismisses suit against DRBC ban	19
Oil & Gas Dashboard.	20
Calendar of Events	23

Make plans to attend these PIOGA events

Coming next month:

PIOGATech — Water and Waste Management Training

Wednesday, August 18
The Chadwick, Wexford



Always one of PIOGA's best-attended PIOGATech events of the year—be sure to reserve your spot!

24th Annual Divot Diggers Golf Outing

Thursday, August 19
Tam O'Shanter Golf Club, Hermitage



An enjoyable day of golf, great prizes, good food and networking.

Find out more at pioga.org > PIOGA Events

Coming in September:

Birds & BBQ

Tuesday, September 14
West Penn Sportsmen's Club
Murrysville



A new event at a new venue. Watch for details soon!

Annual Membership Meeting & Reception

Wednesday, September 15
The Chadwick, Wexford



Join together with other PIOGA members at this informative, important business session.

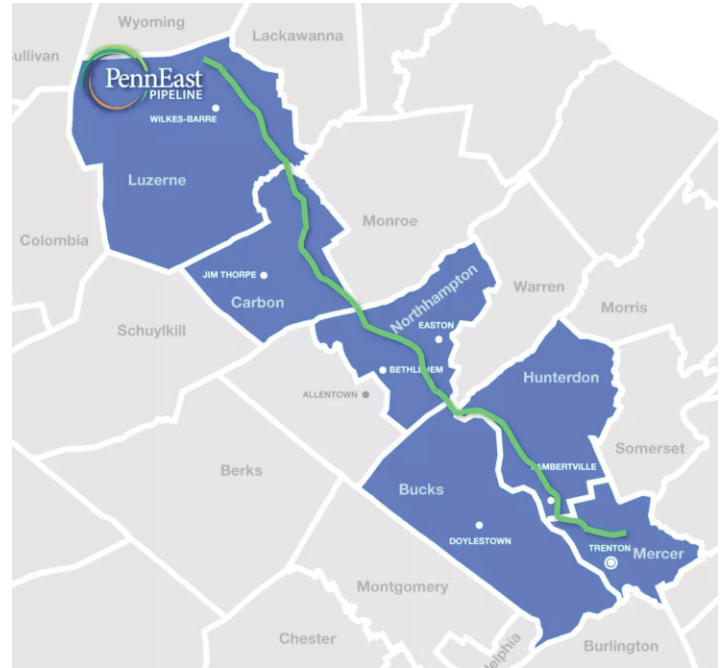
PennEast court victory *Continued from page 1*

The Supreme Court reversed the Third Circuit, holding that the holder of a certificate issued by FERC is authorized under the NGA to condemn all rights of way needed to construct the natural gas pipeline facility regardless of private or state ownership. *Id.* at *9. The court noted that “[f]or as long as the eminent domain power has been exercised by the United States, it has been delegated to private parties.” *Id.* at *8. “State property,” the court continued, “was not immune from the exercise of delegated eminent domain power.” *Id.*

Congress, by passing Section 717f(h) of the NGA endowed private pipeline developers with federal eminent domain power. “No one disputes that § 717f(h) [of the NGA] was passed specifically to solve the problem of States impeding interstate pipeline development by withholding access to their own eminent domain procedures.” The court stated, “[a]lthough nonconsenting States are generally immune from suit, they surrendered their immunity from the exercise of the federal eminent domain power when they ratified the Constitution.” *Id.* at *4. Anthony Cox, Chair of the PennEast Board of Managers said “[t]his decision is about more than just the PennEast project; it protects consumers who rely on infrastructure projects—found to be in the public benefit after thorough scientific and environmental reviews—from being denied access to much-needed energy by narrow State political interests.” PennEast Statement on Favorable U.S. Supreme Court Decision, June 29, 2021, [https://penneast-](https://penneast-pipeline.com/penneast-pipeline-statement-on-favorable-u-s-supreme-court-decision)

[pipeline.com/penneast-pipeline-statement-on-favorable-u-s-supreme-court-decision](https://penneast-pipeline.com/penneast-pipeline-statement-on-favorable-u-s-supreme-court-decision) (accessed July 5).

The Third Circuit’s decision, which threatened the viability of constructing public infrastructure projects via private companies beyond the NGA, is no more. While states may still use the environmental permitting process to regulate development, they cannot claim sovereign immunity to simply bar condemnation of state lands under the NGA. ■



PIOGA’s participation in the PennEast case

PIOGA participated in this case with the Marcellus Shale Coalition (MSC) in support of the PennEast Pipeline. While both the MSC and PIOGA have members in all three sectors of the natural gas industry—upstream, midstream and downstream—the MSC/PIOGA amicus brief focused on the impacts of the Third Circuit’s decision on the upstream sector because other participants addressed the direct impact of the lower court’s decision on the other sectors.

Our *amicus* brief pointed out that in 2019, Pennsylvania accounted for 20 percent of the United States’ natural gas production and produced more natural gas than any state except Texas, and we explained that the upstream exploration and production (E&P) companies that drill for and produce natural gas must rely on pipelines to get that gas to market for the benefit of end users throughout the country. Our brief plainly stated the significant negative effects of the Third Circuit’s decision on the natural gas industry and the Commonwealth of Pennsylvania:

Without adequate pipelines to get their product to market, E&P companies will need to

curtail their drilling of new wells, causing a negative impact on those companies and on the good paying, stable jobs they provide. Additionally, royalty owners, including the Commonwealth, will suffer reduced royalties. The reduction in income for workers and landowners will have a cascade effect on the larger economy in Pennsylvania.

Perhaps the most significant portion of our *amicus* brief concerning the overriding legal issue before the Supreme Court was the information concerning the extensive public lands in which Pennsylvania claims an interest. We stated that the Commonwealth has possessory interests in approximately 4 million acres, with more than 13.5 percent of the state’s land area owned in fee by Commonwealth agencies. Further, those 4 million acres do not include lands on which the Commonwealth or a political subdivision may hold an agricultural preservation or conservation easement under various conservation statutes. For example, as of

Continues on page 22

RGGI update:

Senate passes bill requiring legislative authorization, EQB sets July 13 vote

Governor Tom Wolf's unilateral effort to force Pennsylvania into a carbon dioxide reduction program for the state's fossil fuel power plants continues full speed ahead just as lawmakers advance legislation requiring approval by the General Assembly before the Commonwealth could join the Regional Greenhouse Gas Initiative (RGGI).

The state Senate on June 14 approved Senate Bill 119 (Pittman, R-Indiana), which would require legislative authorization before Pennsylvania could impose a carbon tax or enter into a cap-and-trade program such as RGGI. The bill passed by a margin of 35-15, with all of the chamber's Republicans and six Democrats voting to support the bill. The Democrats included James Brewster, Wayne Fontana and Lindsey Williams, all of Allegheny County; Marty Flynn of Lackawanna County; John Kane of Chester County; and Tina Tartaglione of Philadelphia.

"A carbon tax is a major energy and fiscal policy initiative that—if it is to be imposed on Pennsylvania employers—must be approved by the General Assembly," said Senator Joe Pittman, the bill's primary sponsor. "Beyond the severe financial impact this tax would have on coal and gas electric generation and consumers, it also creates serious constitutional questions of checks and balances between co-equal branches of government. Senate Bill 119 restores that balance by requiring legislative approval before Pennsylvania imposes a carbon tax on employers operating in the Commonwealth."

Under SB 119, the Department of Environmental Protection would be required to publish its RGGI proposal in the *Pennsylvania Bulletin* and provide a public comment period of at least 180 days. During the comment period, DEP would be required to hold a minimum of four public hearings in locations that would be directly affected economically by the proposal.

Following the public comment period, DEP would be required to submit a report to the House and Senate Environmental Resources and Energy Committees detailing the specific economic and environmental impacts that joining RGGI would have on impacted communities, the Commonwealth, and the PJM

Interconnection region.

After Senate passage, SB 119 was referred to the House Environmental Resources and Energy Committee. The committee had approved companion House legislation, HB 637 (Struzzi, R-Indiana), on June 8.

Identical legislation passed the General Assembly in 2020, but was vetoed by Wolf. The Senate passed SB 119 by a veto-proof majority this time around, but it's not likely that all of the Democrats who voted for the bill would defy the governor in an override vote. It's also not clear whether the House could muster a two-thirds majority if and when RGGI legislation comes up for a vote after the General Assembly returns to work in late September.

RGGI is an agreement among 11 Mid-Atlantic and Northeast states to reduce carbon dioxide emissions from the power-generation industry through a cap-and-trade plan. States that have joined the RGGI so far include Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, and Virginia.

Proponents have said it is a vital step toward reducing carbon dioxide and addressing climate change while opponents argue that the RGGI would hurt the state's economy, negatively affect energy customers and further devastate the coal-fired power industry.

RGGI regulations

Meanwhile, the Environmental Quality Board (EQB)—the entity that formally promulgates regulations for the Department of Environmental Protection—was scheduled to consider the final-form RGGI rulemaking on July 13. It would be a surprise if the EQB chose not to approve the regulation for adoption. So, what happens after that?

Once adopted as final, the regulation is sent to the Environmental Resources and Energy Committees in the House and Senate and to the Independent Regulatory Review Commission (IRRC) for action.

The two standing legislative committees can review and vote to approve or disapprove a final regulation. The likeliest course of action would be that the GOP majorities in the committees would pass a disapproval resolution, which would then be vetoed by the governor. For the regulation to be affected, the governor's veto would have to be overridden. With the legislature in recess until near the end of September, none of this would occur before fall.

The regulation also goes to the IRRC for consideration, which could occur at the commission's next meeting, on September 1. The IRRC is charged with determining whether a regulation is consistent with legislative intent. IRRC considers other criteria as well, such as economic impact, public health and safety, reasonableness, impact on small businesses and clarity. The commission also acts as a clearinghouse for complaints,

Choose how you get your news



If you now receive a printed copy of *The PIOGA Press* in the mail each month but prefer to read it online only, please email Deana McMahan at deana@pioga.org to opt out of the hard-copy version.

Current and past issues are always available by clicking on the News & Resources tab at pioga.org.



Industry Intelligence. Focused Legal Perspective.
HIGH-YIELDING RESULTS.



Meet our attorneys at babstcalland.com.

Whether it's a state or federal regulatory matter, local land use or zoning challenge, acquisition of title and rights to land, or jointly developing midstream assets, we help solve complex legal problems in ways that favorably impact your business and bring value to your bottom line.

Babst | Calland
Attorneys at Law

Where Trust and Value Meet.™

PITTSBURGH, PA | CANTON, OH | CHARLESTON, WV | HOUSTON, TX | SEWELL, NJ
STATE COLLEGE, PA | WASHINGTON, DC

comments, and other input from the General Assembly and the public regarding proposed and final regulations.

The IRRRC could disapprove the regulation, setting in motion a process where the agency would take another look at the rulemaking. Assuming, however, that the commission gives its approval, the RGGI rule would then go to the Office of the Attorney General for a final review and then be published as final in the *Pennsylvania Bulletin*. DEP expects this will occur in the fourth quarter of 2021, with program implantation beginning in January 2022.

Assuming it clears the rulemaking process successfully, expect Pennsylvania's RGGI regulation to be the sub-

ject of litigation. PIOGA and others contend (*February PIOGA Press, page 4*) that the state's Air Pollution Control Act (APCA) does not authorize the regulation of carbon dioxide and that no Pennsylvania court has ever held that CO2 constitutes air pollution or is a greenhouse gas under the APCA. Also, neither the ACPA nor the Uniform Interstate Air Pollution Agreements Act provides the necessary legislative authorization for Pennsylvania to participate in RGGI. Finally, opponents assert that the regulation's mandatory CO2 emissions allowance fees constitute a tax that the legislature has not authorized rather than a permissible regulatory fee.

As the saying goes, stay tuned for more. ■



**JUST
THE
FACTS**



Energy prices and essential products

In the June edition of our Just the Facts series, titled **"Shale Gas Impact on Energy Prices Significant, Lasting,"** we talked about the benefits of the shale energy revolution in the United States over the past decade, including how the exponential growth of natural gas from the Marcellus and Utica formations in the Appalachian Basin have spanned the nation's economic, environmental and social landscapes.

In the preceding decade, the outlook for our country's energy future was close to a crisis, particularly for our natural gas supply. Price spikes during the years 2000, 2003, 2005 and 2008 saw Henry Hub rates soar between \$15.77/Mcf in February 2003 to \$19.93/Mcf in September 2005, resulting in preliminary plans to build facilities to import liquified natural gas from overseas at considerable expense. This doomsday scenario turned into a new day between June 2008, when Henry Hub prices went from \$16.09/Mcf and August 2009 when they hit \$2.99/Mcf. Twelve years later, we tend to take this drop in energy prices, including natural gas, electricity and gasoline, for granted, but it is worth recalling what it means to families, businesses and other consumers.

Our July Just the Facts is titled **"No Substitute for Products Made from Natural Gas & Oil: Saving Lives & Enhancing Safety During COVID."** In it, we look back at the course of the pandemic starting in March 2020 and how there were thousands upon thousands of essential workers who were vital in the fight against COVID: medical professionals who staffed doctors'

offices and hospital, store employees who helped supply us with food and other essential items, trucking and delivery personnel who transported items to stores and to our homes, and more. Two additional essential items helped Pennsylvania and the rest of the nation reach a point today where we are returning to a degree of normalcy and deserve to be highlighted: the natural gas and oil that are essential to the manufacture of the medical, safety and consumer products Americans use every day.

We look at the role of oil and gas in producing recreational and consumer goods, personal protective equipment, items used for emergency and urgent care medical needs, pharmaceuticals, and highlight the printable poster PIOGA developed last year showing the many essential items in an emergency room that are derived from oil and gas. Technologies used to produce thousands of vital products made the fight against COVID winnable. Many Americans take these products for granted, but the fact remains that there is no substitute for the natural gas and oil needed to make them. Oil and gas truly is an essential industry, today and into the future!

These latest fact sheets are two more important chapters of the good-news story of Pennsylvania's shale-gas revolution. You can read them in the Latest News and Blog section of pioga.org, where you will find links to downloadable versions as well. We encourage you to share these with colleagues, friends and others.

Data privacy, cyber security and cyber insurance concerns for energy companies

By Steven Franckhauser, JD, CIPP/US
General Counsel and Chief Data Privacy Officer
Bertison-George LLC
and Mercy Komar, CIC, CyRM, MLIS at L. Calvin Jones

Energy businesses are attacked on many fronts and by many foes including data thieves and cyber pirates. For an industry under siege by those who enjoy the fruits of the energy industry efforts, yet ridicule the calloused hands of its labors, adding one more foe could tip the scales from healthy business to extinction. In blatant recognition of the digitized security threat, the 7th Cyber Yankee training exercise by the National Guard recently simulated a cyberattack that took out “critical” utilities across the United States. We should applaud and copy their efforts.

Now is your time to combat the loss of data. To do so, you must adopt a data safety and protection program concentrating on human behavior and education and which identifies and prioritizes your risks. Failing to act will imperil your operations. With rampant confusion, where is the clarity of purpose and action to be found? It can be found in educating people on safety measures and behavior modification.

Data privacy and cyber security are two inextricably related concepts. Data privacy is the broadly scoped concept of protecting and limiting distribution of data/information whether it belongs to a business, client or vendor. “Cyber Security” is the common expression describing the protection of data used, stored or transmitted in a digitized format.

Public perception has created a false narrative and fertile fields for harvesting stolen data. The false narrative is that data privacy relies entirely on technical solutions since cyber security is a purely technical problem. The converse is true. **Cyber security is a human behavioral problem masquerading as a technical problem.** Here is how we know this to be true:

The leading causes of data breaches are 1) human error, 2) physical theft/loss of device, 3) phishing {43 percent of data breaches worldwide}, 4) stolen or weak credentials, 5) application/OS vulnerabilities, 6) malicious cyber-attacks and 7) social engineering.

Businesses and organizations are imperiled by a scourge of data theft due largely these seven poor privacy practices. As privacy laws proliferate and cybersecurity measures grow, it is incumbent upon leaders to view data as a “raw material” and assess where that raw

material best resides within their data spectrum. Determining how, when, and what protections are most useful within reasonable budgetary and human resource constraints offers the most efficient route to sustainable data management best practices and data protection. Relying on purely technical defenses ignores the leading causes of data theft and enlists you in a perpetual arms’ race.

An infamous and parallel congressional lesson in energy history

A 30-year-old example offers a chilling reminder of what can happen when energy companies fail to act. Responding to the Exxon Valdez oil spill, the U.S. Congress enacted the Oil Pollution Act of 1990 (OPA) to strengthen the Environmental Protection Agency’s power to prevent oil spills. The OPA assigned financial liability for cleanup costs, defined responsible parties, and created a fund for damages and remediation. Unfortunately, these measures created financial burdens too massive for many smaller companies to afford. While larger entities possessed the financial capacity to self-insure and exploit the tax benefits of self-insuring, lesser capitalized companies folded their tents. Almost overnight, environmental impairment liability insurance (EIL) was out of the financial reach of many “mom and pop” gas stations, and they closed their doors. Does the same fate await smaller energy companies seeking cyber security insurance?

The onslaught of ransomware attacks, data theft and cyber espionage has transformed cyber security insurance from a bull to a bear market. Applications are being reexamined under revised and far more stringent underwriting guidelines. Meanwhile, data privacy and security have become core elements of business operations.

Insurance and the actual price of ransomware

Ransom payment figures are mere fodder for the media as they represent only one-third of the overall cost of a data breach!

While Colonial Pipeline recently paid a \$4 million ransom, that figure pales by comparison to the cumulative sums sought by their vendors under a hastily filed class action suit, rampant data destruction, computer brick-ing and overall loss of income. Ultimately, Colonials’ damages will easily exceed the \$15 million aggregate limits on their cyber risk policy.

Alarming, directors and officers insurance is now a target for lawsuits and attorneys seeking to secure lucrative damages in data breach claims.

Current cyber risk policy renewals are taking a 20-40 percent increase, with D&O policies following closely behind. This trend will continue as greedy, newly formed cyber specialty companies have entered the fray by persuading SMB’s they can secure cheaper coverage. These companies will be able to secure coverage, but they will soon be overwhelmed with under-reserved and underpriced losses far more quickly than their predecessors who had the cushion of five years for the liabili-



ty tail to develop. This is already being seen in the case of three-year tech startup Corvus, now rewriting their book of business with limited aggregates and higher deductibles.

Lagging in security demands, insurance carriers have begun to compel multi-factor authentication along with additional demands to even obtain quotes. Meanwhile, larger insureds are facing more expensive renewals with less limits and restrictive endorsements! Some carriers are adding pointless tandem additional coverages in the hopes that insureds will be duped into believing they have received value.

Until now, insurers have tampered only with ransom and crime coverages. You should expect more changes when pending state and federal bills are enacted into law.

Under the radar, in late 2020 the Treasury Departments' Office of Foreign Assets Control (OFAC) issued an advisory clearly stating that any payment made to a sanctioned entity (including those under the duress of a ransomware attack) would violate federal sanctions regulations. Conversely, should you ignore the ransom demands, your business is precariously perched as you try to claw your way back into business. The business interruption and dependent business interruption clauses are by far the most important and often overlooked sections of cyber policies. You need a good security coach to help you determine where your money should be spent in your cyber risk policy.

What can energy businesses do to help prepare?

The threshold questions for smaller energy-based businesses are, how can we weather the storm, and what are the long-term implications of data theft?

Weathering the storm requires an adjustment in attitude, and realization that the "storm" is here to stay. With insurance in place, you are better poised to adjust your business (and personal) culture to make data protection a matter of routine. We suggest you adopt these basic tenants:

- Your business *IS* a data business engaged in the energy sector.
- Educating your employees, vendors and customers about data protection is essential.
- Eventually, you will lose data or have it stolen. Prepare to quickly respond and recover.
- Making your business a less attractive target for

data theft is a victory.

Useful data privacy and protection and cyber security boils down to the quality of leadership. If leaders adopt a laissez faire attitude, their businesses will be in the sights of data pirates. Conversely, if data is treated as a "crown jewel" then you will simultaneously guard your treasure and exploit its benefits.

The need for data inventory and classification

Data privacy protection analysis is contingent upon what type of data you possess and what you do with the data. The lack of a single, comprehensive data privacy law in the United States requires you to deal with a collage of state and federal business sector and medium specific laws. Navigation of these laws is manageable once you know what you have. Here is a list of the sources of data most likely under your care, custody and control:

- Proprietary business data such as pricing, profit, loss, methods, etc.
- Employee-centric data including personally identifiable information such as SSNs, bank account numbers and personally identifiable health information
- Vendor information and data including data along the supply chain

Selecting data privacy and digital security measures

You should mesh data privacy and digital security into a comprehensive program. The most vital measures you can take are educating and training your people to value data as never before. Combining education, preparation and data protection in human terms with support from your technical arsenal is your best and most affordable option. After all, mega funded entities suffer tremendous breaches even with multiple technical defenses because of bad privacy practices and human and control vulnerabilities. One size does not fit all, but all successful data privacy and cyber security measures launch from the same pad of *organizational education and awareness*.

Business leaders must take the initiative by gaining the knowledge necessary to understand data privacy and cyber security on a broader scale if they are to protect their markets, their data and ultimately their businesses. Leaders explore their vulnerabilities and seek those who offer help. ■

Reliable resources throughout the oil & gas life cycle

WE OWN IT.™

cecinc.com/oil-gas

Air Quality Services
Civil Engineering
Construction Management Services
Ecological Services
Environmental Services
Geotechnical Engineering
Survey/Geospatial Services
Transportation Engineering

CEC PITTSBURGH
412.429.2324

CEC MONROEVILLE
724.327.5200

CEC ATHENS
570.886.2007

CEC
Civil & Environmental Consultants, Inc.

Litigation, land use and trends in local ordinances

This article is an excerpt from **The 2021 Babst Calland Report**, which represents the collective legal perspectives of Babst Calland's energy attorneys addressing the most current business and regulatory issues facing the oil and natural gas industry. The full report is available online at reports.babstcalland.com/the-2021-babst-calland-report-1.

Pennsylvania royalty cases

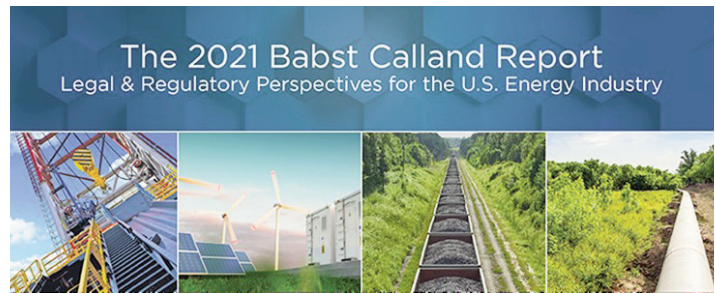
In two recent cases litigated by Babst Calland, courts applying Pennsylvania law reaffirmed that operators were entitled to deduct post-production costs from royalty payments based on lease language containing references to “at the wellhead” provisions. On April 28, 2021, the Court of Common Pleas of Butler County in *Dressler v. PennEnergy Resources*¹ considered this issue where the lease provided that the gas royalty was to be paid based on “gas sold at the well.” The court held that phrase equated to “at the wellhead” language, which mandates using the net back method for calculating royalties—thus justifying post-production cost deductions.

A nearly identical decision was rendered by the United States District Court for the Western District of Pennsylvania less than two weeks later in *Coastal Forest Resources Co. v. Chevron USA, Inc.* There, the district court held that the lease's royalty provision containing “at the wellhead” language had to be broadly interpreted to also allow for post-production cost deductions. Both cases relied on the Pennsylvania Supreme Court's decision in *Kilmer v. Elexco Land Servs., Inc.*, where “at the wellhead” was defined, to justify their holdings. It is likely that the two decisions will help temper further royalty litigation on the propriety of post-production deductions.

Oil and gas lease negotiations are not covered by the Pennsylvania Unfair Trade Practices and Consumer Protection Law

On March 24, 2021, the Pennsylvania Supreme Court issued its 6-1 decision in *Commonwealth v. Chesapeake Energy Corp.* The court considered whether the Attorney General could sue natural gas operators under Pennsylvania's Unfair Trade Practices and Consumer Protection Law (UTCPL). The Attorney General alleged, among other things, that the defendants violated the UTCPL by engaging in deceptive practices while negotiating natural gas lease agreements with landowners. The Supreme Court reversed the Commonwealth Court's *en banc* decision, which held that such transactions are subject to the UTCPL.

The central issue in the case was whether “trade and commerce” under the UTCPL included natural gas companies purchasing property rights when they entered into oil and gas lease agreements with landowners. The Supreme Court looked to the UTCPL statutory definition of “trade and commerce” to determine that the “UTCPL clearly regulates the conduct of



sellers and does not provide a remedy for *sellers* to exercise against buyers.” *Id.* at 946 (emphasis added). The Supreme Court rejected the Commonwealth Court's reliance on dictionary definitions of those terms when the legislature had specifically defined them. *Id.* (“Thus, the legislature chose to define trade and commerce as only acts of selling for purposes of the UTCPL, even though the ordinary meaning of those terms signifies both buying and selling goods.”).

The court held that in the oil and gas context, the companies were in the position of a buyer, purchasing rights to the landowners' mineral estate and the landowners were in the position of the sellers, conveying those rights. Accordingly, the court held that the UTCPL does not apply to such transactions.

Real estate & land use

Robinson Township/ERA-based challenges to ordinances permitting oil and gas development continue to fail, but home rule charters prohibiting development open a new battlefield.

Anti-industry activists continue to rely on the Pennsylvania Supreme Court's decision in *Robinson Township v. Commonwealth* in support of their challenges to the substantive validity of zoning ordinances permitting oil and gas development, on the basis that these ordinances violate substantive due process and Article I, Section 27 of the Pennsylvania Constitution, commonly known as the Environmental Rights Amendment (ERA).

As discussed in previous *Reports*, local zoning hearing boards, common pleas courts and the Commonwealth Court have consistently rejected these challenges, and the Supreme Court has declined to hear appeals in any of these cases. The list of unsuccessful challenges to the substantive validity of local zoning ordinances allowing oil and gas development continues to grow. Early this year, objectors voluntarily discontinued their Commonwealth Court appeal of another zoning hearing board decision rejecting similar claims.

As of this writing, two *Robinson Township*-based challenges to the validity of zoning ordinances permitting oil and gas development remain pending in Commonwealth Court. The first involves an appeal of a decision by the Murrysville Zoning Hearing Board in Westmoreland County, rejecting a validity challenge to that community's ordinance. The Murrysville ordinance limits oil and gas development to an overlay district and

imposes an additional setback of 750 feet from the well pad to occupied structures, the net effect of these two restrictions being to limit oil and gas development to less than 5 percent of the municipality's land mass. As such, the ordinance is far more restrictive than any of the ordinances previously found to be valid by the Commonwealth Court. The parties have briefed and argued the case and a decision is pending.

Ironically, the second case remaining pending in Commonwealth Court involves a challenge to the Robinson Township, Washington County, zoning ordinance, the objectors there essentially arguing that the township's ordinance authorizing oil and gas development is contrary to that very same township's prevailing position in the Supreme Court's *Robinson Township* decision. The zoning board originally dismissed the challenge on ripeness and standing grounds. After a long delay by the objectors in prosecuting their appeal, the Washington County Court of Common Pleas conducted a *de novo* hearing, after which it dismissed the appeal on standing grounds. The parties have briefed and argued this case before Commonwealth Court, and a decision is pending.

Despite this string of successes by municipalities, pro-development residents and natural gas operators, this has not stopped groups from going to great lengths to halt all oil and natural gas development at the local level. After the operator of a proposed underground injection well in Grant Township, Indiana County, successfully pursued a federal court challenge to the validi-

ty of a township ordinance prohibiting the deposit of waste from oil and gas operations, the township adopted a home rule charter essentially mirroring the prohibitions in the invalidated ordinance. In 2017, the Pennsylvania Department of Environmental Protection (DEP) granted the operator's well permit and filed a petition for review with Commonwealth Court seeking declaratory relief that state laws such as the Oil and Gas Act and the Solid Waste Management Act preempt the charter's prohibition on injection wells. The township filed counterclaims contending that these state laws violated the ERA. The Commonwealth Court denied DEP's preliminary objections and a trial on the merits is anticipated to occur later this year.

Pennsylvania Supreme Court considers and then decides not to consider the standard of review in land use decisions

Early this year, the Pennsylvania Supreme Court agreed to hear two issues relating to the standard of review applicable to local land use decisions in a case involving the approvals of two unconventional natural gas well pads in Penn Township, Westmoreland County. Both the Court of Common Pleas of Westmoreland County and the Commonwealth Court affirmed these well pad approvals. The Supreme Court directed the parties to address the capricious disregard standard of review, which had only been applied in previous decisions when a local agency deliberately ignores relevant competent evidence. The second question was whether



Premium Service for Your Premium Product.

Whether buying or transporting crude, Ergon Oil Purchasing's integrated network of assets offers diversity to the market. Through Ergon's refineries, network of terminals, barge and trucking fleets, we understand the needs of the crude oil industry.

1.800.278.3364 eopsales@ergon.com [f](#) [in](#)



ERGON
Oil Purchasing

the Commonwealth Court properly considered the alleged cumulative impacts of developing multiple unconventional natural gas well pads within the township. The Pennsylvania State Association of Township Supervisors and the Marcellus Shale Coalition filed briefs in support of the township zoning hearing board's approvals. After briefing and oral argument, on June 22, 2021, the Supreme Court, in a one-line order and without supporting opinion, dismissed both appeals as having been improvidently granted.

Trends in local ordinances

Since last year's *Report*, Pennsylvania municipalities continue to adopt ordinances impacting oil and natural gas activities. In addition, many have begun to attempt to address issues involving renewable energy systems such as wind and solar energy operations. Although most regulations are found in zoning ordinances, others, including road weight, noise or street opening ordinances impact energy industry operations of all types.

For oil and natural gas, ordinances imposing substantially increased setbacks are an ongoing challenge. For example, Leetsdale Borough, Allegheny County, placed a proposed oil and gas zoning amendment into pending status which would subject well sites to setbacks ranging from 1,500 feet to 2,800 feet. Municipalities also are placing an increased emphasis on more stringent noise limitations. One success story is in Union Township, Washington County, where input from operators during the consideration of a new ordinance resulted in temporary development activities such as pad development, drilling and completions being exempted from the township's new low-frequency dBC limits. Despite this victory, ordinances containing increased application requirements such as air, water, soil testing and other environmental study requirements of questionable legality continue to proliferate.

Local ordinances addressing pipelines also have become a recent trend. Uwchlan Township, Chester County, amended its subdivision and land development ordinance to require that new residential, commercial, educational and institutional uses maintain a 300-foot setback from any existing or proposed transmission pipeline rights-of-way.

In some cases, municipalities are attempting to stop certain oil and natural gas activities. In Clara Township, Potter County, the board of supervisors took the initial

steps to change its form of government to a home rule charter municipality, a move promoted by anti-industry groups to block a proposed oil and gas wastewater injection well. In Allegheny County, a council member recently proposed legislation to bar the county from entering into any agreement for any industrial or commercial land uses on or below the surface of any lands the county has designated as a park. This would include natural gas extraction by conventional or unconventional means and utilization of any other extractive technologies or methods.

Numerous municipalities across Pennsylvania have considered or enacted ordinances impacting renewable energy operations. Over the last year, over 50 municipalities across 30 counties in Pennsylvania have considered land use ordinances that regulate solar energy. These are primarily municipalities located in south-central and southwestern Pennsylvania. For example, Washington Township, Franklin County, enacted an amendment to its zoning ordinance regulating the use of solar and wind power in the township which set forth permitting requirements, setbacks, and use specifications for both principal and accessory renewable energy systems.

Monitoring these proposals and enactments is necessary to anticipate upcoming restrictions and take advantage of new opportunities. The pandemic put a temporary hold on municipal activity for a couple months, but the pace of ordinance activities is generally back to pre-pandemic levels. ■

Recruit a New Member Get Rewarded!

Earn a credit equal to 10% of the dues of every new PIOGA member you bring in, and use the credits toward reducing your own dues, event fees, advertising and more. Find out more by clicking "Join PIOGA" at www.pioga.org and scrolling to the list of member benefits.

Your reclamation seed source





ernstseed.com
sales@ernstseed.com
800-873-3321



PHMSA issues advisory bulletin on minimizing natural gas releases from pipeline facilities

On June 7, the Pipeline and Hazardous Materials Safety Administration (PHMSA) issued an advisory bulletin (ADB) reminding owners and operators of gas and hazardous liquid pipeline facilities of a self-executing mandate from the “Protecting our Infrastructure of Pipelines and Enhancing Safety Act of 2020” (PIPES Act of 2020).

Statutory mandate

The mandate, codified at Section 114(b) of the PIPES Act of 2020, provides that by December 27, 2021, “each pipeline operator shall update the inspection and maintenance plan prepared by the operator under section 60108(a) of title 49, United States Code, to address the elements described in the amendments to that section made by [Section 114(a)].”

Section 114(a) of the PIPES Act of 2020 added to 49 U.S.C. § 60108(a) that, in deciding on the adequacy of an inspection and maintenance plan, PHMSA or a certified state authority must consider the extent to which the plan will contribute to “eliminating hazardous leaks and

Author:



Ashleigh Krick
—
Babst Calland

minimizing releases of natural gas from pipeline facilities” and “the extent to which the plan addresses the replacement or remediation of pipelines that are known to leak based on the material (including cast iron, unprotected steel, wrought iron, and historic plastics with known issues), design, or past operating and maintenance history of the pipeline.”

Additionally, Section 114(a) added to 49 U.S.C. § 60108(a) that inspection and maintenance plans must “meet the requirements of any regulations promulgated under section 60102(q).” Section 60102(q) is a new rule-making mandate from Section 113 of the PIPES Act of 2020 that requires PHMSA to issue new leak detection rules for operators of regulated gas gathering, transmission, and distribution lines by December 27, 2021.

Section 114(a) also provided that PHMSA or a relevant state authority must review each plan not later than December 27, 2022, and then every five years.

Advisory bulletin

PHMSA issued the ADB to reiterate the mandate from Section 114 of the PIPES Act of 2020. Notably, PHMSA stated in the ADB that Section 114 applies to all pipeline facility owners and operators, including owners and operators of hazardous liquid pipeline facilities.

- **Natural gas releases and hazardous leaks.** While the PIPES Act did not define the type of natural gas releases or hazardous leaks operators are required to address, the ADB provides that an operator’s plan must address both intentional and unintentional releases of natural gas. PHMSA characterized intentional releases as including venting during normal operations or due to equipment design (e.g., pneumatic device bleeds, blow-downs, incomplete combustion or overpressure protection venting). Unintentional releases, the ADB explains, include any unintentional leaks from equipment, including pipelines, flanges, valves, meters, etc.

- **Pipelines known to leak.** With respect to addressing the replacement or remediation of pipelines that are known to leak based on the material (e.g., cast iron, unprotected steel, wrought iron, and historic plastics with known issues, according to PHMSA), design, or past operating and maintenance history, the ADB states that PHMSA will evaluate how the operator’s plans address reducing leaks from pipelines with these issues.

- **Inspection and maintenance plans.** PHMSA stated in the ADB that the updated plans must be “tailored to the operator’s pipeline facilities, supported by technical analysis where necessary, and sufficiently detailed to clearly describe the manner in which each requirement is met.” PHMSA also cited to page 17 its existing Part 192 O&M Enforcement Guidance and page 18 of its existing Part 195 O&M Enforcement Guidance.

- **Inspections.** PHMSA noted that it, along with state authorities, would be inspecting operator’s plans to determine whether they adequately address the PIPES Act mandate. PHMSA explained that it would evaluate the steps taken by an operator to prevent and mitigate both intentional and unintentional releases of natural gas. ■

Producer-focused, service-driven
purchaser of light, sweet, paraffinic crude oil
and blender of ARGuard™ lubricants for all
of your industrial equipment needs.

ARG’s roots are deep in the Pennsylvania oil fields.

In 1881, the Bradford oil refinery was
established in Northwestern PA, the birthplace
of the domestic oil industry. 140 years later,

ARG remains committed to supporting the
Commonwealth’s conventional oil and gas producers.

David Cook
Crude Oil Relationship Manager
dcook@amref.com
814-598-1607

Bill Murray
VP - Crude Supply & Logistics
bmurray@amref.com
330-224-4408



AMERICAN REFINING GROUP INC.

Refine everything.

www.amref.com

DEP releases 2020 Oil and Gas Annual Report

For the fifth year in a row, the Department of Environmental Protection has published its annual oil and gas report in a slick online-only format. A news release announcing the report highlights the fact that natural gas production in Pennsylvania increased while new well drilling decreased in 2020.

More than 7.1 trillion cubic feet of natural gas was produced in 2020, continuing an upward trend from previous years. Pennsylvania remains the second largest producer of natural gas.

Well permitting and drilling, however, declined from the previous year. During 2020, 1,017 drilling permits were issued (918 unconventional and 99 conventional) with 527 wells drilled (476 unconventional and 51 conventional). In 2019, there were 615 unconventional and 172 conventional wells drilled.

DEP also highlighted that it conducted 25,883 inspections and found 9,363 violations during 2020. Inspections were down from 35,394 in 2019, while the number of violations increased sharply from the 5,496 issued that same year. Fines and penalties skyrocketed from \$4.1 million in 2019 to nearly \$33.4 million in 2020.

The DEP release also said the department continues to identify and plug orphan and abandoned wells, noting that on average it costs \$33,000 to plug one well.

➔ Access the report at tinyurl.com/bm9e7vt5

2020 accomplishments

While the report is full of numbers and more numbers—some more revealing than others—there also is considerable information to be found about DEP’s plans and priorities. For example, the following are some (but not all) of the many accomplishments the department described for 2020. The online report itself contains more details, along with links to various documents and webpages.

■ Permitting efficiencies:

Electronic submittal of ESCGP-3. Effective September 9, 2020, new and/or major modification notices of intent under the Erosion and Sediment Control General Permit-3 (ESCGP-3) were required to be submitted through the department’s ePermitting system. Paper applications continue to be accepted by authorized Conservation Districts and DEP’s Regional Waterways and Wetlands Program.

Migration from eWell oil and gas drilling permit to new ePermit tool. Since fall 2018, the Office of Oil and Gas Management has operated two separate online applications available for electronic submission of well permit applications—the initial eWell application and the newly developed ePermitting application. Effective

January 1, 2021, DEP discontinued the use of the eWell application for the electronic submission of new oil and gas well applications and fully transitioned to ePermit.

Water data reporting—DEP/Susquehanna River Basin Commission (SRBC) collaboration. DEP’s oil and gas and water management programs entered into discussions with the SRBC to explore potential enhancements regarding both organizations’ online reporting applications and to streamline reporting requirements for source water data and post-hydraulic-fracture water data. Currently, operators submit similar data separately to both agencies. DEP and SRBC are exploring ways to share information to avoid the duplicate reporting of data.

DEP partners with U.S. Environmental Protection Agency (EPA) to streamline underground injection control (UIC) permitting. Currently, the permit review process is structured such that the EPA conducts its permit review and, if approved, issues the UIC permit to the applicant. Subsequently, the applicant includes the UIC permit with the DEP well permit application and then the department begins its review. DEP has been in discussions with EPA to revise the permit review process from the current linear review to a concurrent permit review. A concurrent permit review process allows both EPA and DEP to begin reviewing the UIC permit at the same time, thereby reducing the overall permit review timeframe.

■ Regulatory development:

Oil and gas fee rulemaking. In April 2018, DEP presented its three-year regulatory fee and program cost analysis report to the Environmental Quality Board (EQB). Based on this analysis, DEP introduced the proposed unconventional well permit application fee rulemaking to the EQB in May 2018. The proposed rulemaking increased the well permit application fees from \$5,000 for a nonvertical unconventional well and \$4,200 for a vertical unconventional well, to \$12,500 for all unconventional wells. The permit fee structure for conventional wells remains unchanged. The EQB adopted the final-form rulemaking in January 2020, and on August 1 it became effective with publication in the *Pennsylvania Bulletin*.

Calendar Year	Fines and Penalties Collected
2013	\$2,584,128
2014	\$7,138,908
2015	\$5,061,431
2016	\$9,688,573
2017	\$3,540,777
2018	\$4,140,382
2019	\$4,097,545
2020	\$33,385,358

■ Information technology enhancements:

Improvements to DEP website reporting.

In November 2020, DEP announced improvements to several of its most popular online reports, with the purpose of reducing the amount of time users spend generating reports, especially when requesting large volumes of data. Among the reports offering these enhancements were the Oil and Gas Well Inventory Report, Oil and Gas Compliance Report, Oil and Gas Production Report, and the Oil and Gas Waste Report.

Well locational data updates. Given the long history of oil and gas well development in Pennsylvania, many wells were drilled prior to the development of technology to allow accurate collection and compilation of well location data. In some cases, DEP lacks accurate locational data for historic wells. To address this issue, the Office of Oil and Gas Management has incorporated functionality within the mobile inspection applications to utilize the electronic locational services provided by notebook devices to allow for the collection of well surface hole locations. This data is automatically transmitted to the DEP's enterprise eFACTS application, where facility location data is maintained on a department-wide basis and can be made readily available both internally and externally for use in spatial applications.

DEP Well Plugging Program StoryMap publication.

In November 2020, DEP released a StoryMap illustrating oil and gas wells plugged by the DEP well plugging program since 2018. A photo and summary of the project is included for each well and the new tool reviews both standard and emergency well projects. A link to the StoryMap has been placed on the legacy well webpage to inform the public about the legacy well issues in the Commonwealth and showcase the positive work being done by DEP's well plugging program.

Underground gas storage (UGS) regulatory program and data modernization. The Bureau of Oil and Gas Planning and Program Management's (BOGPPM) Division of Subsurface Activities (DSA) continues to collaborate with the Bureau of District Oil and Gas Operations (DOGO) to modernize the regulatory oversight of this significant industry component in Pennsylvania and enhance data available to DOGO inspection staff. The most recent developments include

creation of an Intra-DEP SharePoint site to inventory UGS operator well and field integrity plans, which are required by regulation, and implementation of a UGS well schematic index file that links to approximately 1,600 detailed well schematics for operating storage wells. These resources are critical for DOGO monitoring and compliance efforts aimed at evaluating well construction specifications in the context of regulatory and statutory requirements, and ensuring that UGS operators are maintaining both well and field integrity.

■ Development of technical guidance documents (TGDs):

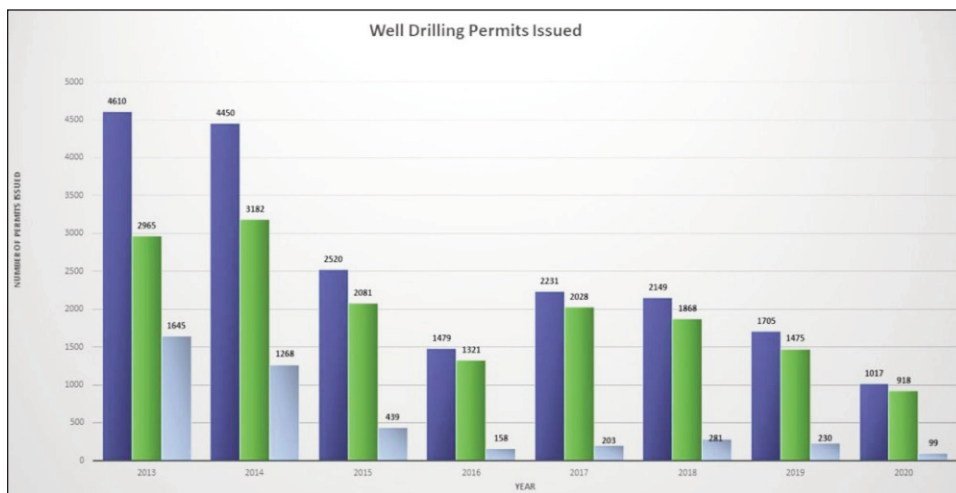
Draft Pressure Barrier Policy (PBP) guidelines. DEP published notice of availability of the Draft Technical Guidance Document 800-0810-003, *Guidelines for Development of Operator Pressure Barrier Policy for Unconventional Wells*, in August 2020. These guidelines inform unconventional operators of items to consider when developing the PBP component of a Preparedness, Prevention and Contingency (PPC) plan. These guidelines have been developed to facilitate appropriate well control incident risk mitigation and summarize agency regulations pertaining to well barrier elements and well control, along with focused recommendations specific to unconventional well operations adjacent to longwall mining districts and other sensitive environments. Hydrogen embrittlement during well completion is also covered in the document.

Policy for the Replacement or Restoration of Private Water Supplies Impacted by Unconventional Operations. In August 2020 DEP published notice of availability of the final Technical Guidance Document (TGD) 800-0810-002, *Policy for the Replacement or Restoration of Private Water Supplies Impacted by Unconventional Operations*. This TGD is intended to memorialize existing DEP policy relating to the restoration or replacement of private water supplies adversely impacted by unconventional gas operations with a water supply of adequate quantity and/or quality for the purposes served by impacted water supply source(s) under section 3218 of the 2012 Oil and Gas Act.

■ Innovations:

Erosion and Sediment Control General Permit (ESCGP-3) Prioritized Review Workgroup.

As part of the development of the ESCGP-3 for oil and gas activities, the Office of Oil and Gas Management intends to modify the current expedited review process. Innovative approaches through design and implementation of environmentally enhanced Best Management Practices (BMPs) and superior construction practices reduce environmental impacts from oil and gas operations. To incentivize these technologies and practices, the department plans to replace the expedited review permit process with a voluntary prioritized review process for projects that must obtain



an ESCGP-3. Permit applications submitted under the prioritized review process will be given a score based on the types of BMPs and environmentally superior construction practices proposed for a project. Projects that score well will be given priority review in advance of projects that do not propose environmentally superior BMPs and construction practices.

To achieve this goal, DEP contacted industry organizations, environmental groups and sister agencies to create a workgroup to explore and identify environmentally superior practices. A secondary goal for the workgroup is to develop the administrative process by which projects are prioritized for review. DEP hosted workgroup meetings throughout 2020. The workgroup has developed a draft suite of BMPs and construction practices to be included in the program and is developing a process to score applications. The workgroup also is preparing a draft prioritized review guidance document and a notice of intent checklist. The prioritized review process and draft documents are on track to be published for public comment in 2021.

UGS Well Risk Rankings and Risk Management Training. The Bureau of Oil and Gas Planning and Program Management's Division of Subsurface Activities has prepared a risk assessment of active UGS wells. The risk assessment is intended to assist with UGS well inspections and to guide inspection prioritization decisions. This project is part of a larger effort to modernize and support UGS regulatory oversight. The UGS regulatory framework is a complicated landscape that includes both federal and state agencies. As part of a focused effort on risk management, the Office of Oil and Gas Management is also considering options for interacting with the Pennsylvania Emergency Management Agency (PEMA).

Priorities for 2021

If you are not a member of PIOGA's Environmental Committee, you may not be aware of some of the above, as well as the initiatives that DEP is planning or already working on for 2021. One important point to keep in mind as you read this entire article is that we don't necessarily agree with DEP's point of view on some of these issues, but we are sharing it from their perspective here.

Establish long-term, stable source of funding. Permit application fees serve as the primary source of funding to pay for the operation of DEP's oil and gas program. Over the past several years, the number of permits submitted to DEP has been decreasing; therefore, so too has the amount of permit fees that support

essentially, clients value five things in a law firm

-  strong relationships
-  clear communication
-  budget certainty/
lean staffing
-  know-how
-  results

**TOP LISTED IN THE U.S. IN ENERGY LAW
BY THE BEST LAWYERS IN AMERICA®**

Sharon O. Flanery

Chair, Energy and Natural Resources Department
sharon.flanery@steptoe-johnson.com

ST STEPTOE
& JOHNSON
PLLC

steptoe-johnson.com

THIS IS AN ADVERTISEMENT

Spread the word!

Shouldn't you be advertising your products and services here? Contact Matt Benson at 814-598-3085 or matt@pioga.org for more information.



Average days to issue oil and gas permits

District	2015	2016	2017	2018	2019	2020
Southwest	39	54	104	32	26	33
Northwest	23	25	61	31	26	27

the program. Since DEP cannot predict the number of permit applications that will be received in future years, this fee structure is unpredictable and is not a viable mechanism to fund DEP's oil and gas program. In 2021, DEP will work to develop an alternate approach to funding the program that is more predictable and sustainable.

Environmental Protection Performance Standards for Conventional Oil and Gas Operators proposed. In 2016, the General Assembly passed Act 52, which abrogated the ongoing rulemaking process regarding conventional wells and established the Pennsylvania Grade Crude Oil Development Advisory Council (CDAC). Act 52 directed the department to work with CDAC to "examine and make recommendations regarding existing technical regulations promulgated under 58 Pa.C.S. (relating to oil and gas) ... that impact the conventional oil and gas industry of this Commonwealth and explore the development of a regulatory scheme that provides for environmental oversight and enforcement specifically applicable to the conventional oil and gas industry."

Since 2016, DEP has worked with CDAC and industry members to develop potential legislation and proposed regulations relating to conventional oil and gas wells. Specifically, proposed rulemaking concepts were discussed at several CDAC meetings throughout 2016, 2017 and 2018. In April 2018, oil and gas program staff and CDAC members met and developed a scoping document outlining where agreement could be reached on potential legislative or regulatory language. In 2018 and 2019, DEP efforts on this issue centered more directly on legislative language; however, legislation was not enacted, so the department restarted the rulemaking process that began in 2016. DEP is proceeding with the development of a proposed conventional oil and gas rulemaking that consists of two packages that are being advanced in parallel.

These two packages propose to amend regulations applicable to conventional operators (Chapter 78) to update the environmental protection performance standards related to oil and gas activities (i.e., environmental protection and waste management). The purpose of these regulations is to update the performance standards for surface activities at conventional well sites to ensure that these activities are conducted in a manner that protects the health, safety, and environment and property of Pennsylvania citizens consistent with the environmental laws that provide authority for these rulemakings and the Pennsylvania Constitution.

DEP discussed the proposed regulations at the CDAC meetings in August and December 2020 and the Oil and Gas Technical Advisory Board (TAB) meetings in

Average days to issue Erosion and Sediment Control General Permits

District	2015	2016	2017	2018	2019	2020
Southwest	63	74	118	64	45	94
Northwest	70	85	51	18	23	—
Eastern	32	36	33	57	38	38

September and December 2020. The proposed rulemakings were the primary focus of the April 2021 CDAC meeting and the May 2021 TAB meeting and will likely be considered by the EQB in late 2021.

Prioritized review of ESCGP-3 permits. The Office of Oil and Gas Management intends to amend the expedited permit review process for ESCGP-3 authorizations. Instead of conducting an expedited review, DEP will provide administrative priority to proposed development that will result in superior environmental outcomes. As described above, DEP convened a workgroup to explore and identify environmentally superior practices and the administrative process by which projects are prioritized for review. The draft documents are anticipated to be published for public comment in the *Pennsylvania Bulletin* in 2021.

Geologic Hazard Mitigation Plan. In accordance with erosion and sediment control requirements as well as the ESCGP-3, an operator must perform environmental due diligence including, but not limited to, the investigation and identification of the naturally occurring geologic formations and soil conditions, as well as prior surface and subsurface uses. The intent of the Geologic Hazard Mitigation Plan is to provide a consistent approach to geologic hazard mitigation investigation and reporting. DEP intends to establish guidelines for the identification and investigation of potentially hazardous geologic conditions to assist operators with the development of Geologic Hazard Mitigation Plans and work was initiated in 2020. It is anticipated this initiative will be finalized in 2021.

Coal-Gas Industry-Agency Stakeholder Committee. The committee developed an interim final guidance document in 2017 to direct regulatory coordination between longwall mining operations and unconventional gas development in chain pillars in a manner aimed at protecting miner safety and ensuring environmental protection. Since that time, the committee has been working on regulatory coordination matters in other areas where the two industries intersect. Work products in development include a risk-based matrix and accompanying data compilation for directing industry activity, an analysis of well integrity data in areas adjacent to mining, and enhanced drilling plans/notification processes for unconventional completions adjacent to mining operations. The work has also prompted significant technical research to better understand deformation processes associated with longwall mining that could affect gas well integrity. Final guidance document

publication is anticipated in 2021.

Underground Natural Gas Storage Industry-Agency Workgroup. Subcommittee work with representatives from the UGS industry was planned for 2020. As the result of several years of internal committee work aimed at updating the DEP's inspection protocols at UGS facilities, several areas in need of enhancement and modernization have been identified. Due to the challenges posed by COVID and competing priorities, DEP Division of Subsurface Activities representatives postponed development of a workgroup proposal

consisting of regulatory review and compliance assistance, risk management, data management and modernization, and technology subcommittees, instead focusing on updating digital records for gas storage fields and wells, completing a risk-based ranking system/inspection protocol, and participating actively in the American Petroleum Institute (API) Recommended Practice (RP) 1170/1171 Task Force. Training on the risk-based ranking system was rolled out in 2020, and the system was integrated with District Oil and Gas Operations inspection prioritization plans. ■

Thanks to our 2021 PIOGA Partners

Keystone Partners



Meetings Partners



Engineer Partners



Executive Partners



Golf Partners



Committee Partner



Driller Partners



Find out how to become a PIOGA Partner:
pioga.org/publication_file/2021_PIOGA_Partners_Flyer.pdf

PUC details \$146 million distribution of impact fees

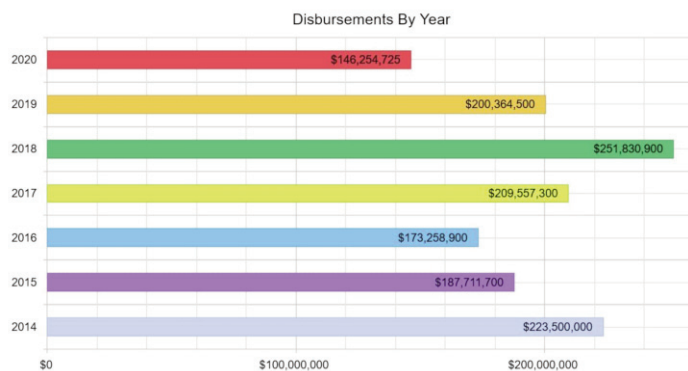
Total distribution tops \$2 billion to Pennsylvania communities

The Pennsylvania Public Utility Commission (PUC) in mid-June announced that \$146,254,725 in unconventional well impact fees are being distributed for the 2020 calendar year.

That total is approximately \$54 million less than what was collected for 2019, driven primarily by the average price of natural gas in 2020 (\$2.08 per MMBtu) versus the average price in 2019 (\$2.63 per MMBtu), which caused a lower impact fee payment for each well in 2020, along with the fewest number of new unconventional wells than in any year since the passage of Act 13 in 2012.

County and municipal governments directly affected by drilling will receive just under \$71.5 million for the 2020 reporting year. Additionally, \$51 million will be transferred to the Marcellus Legacy Fund, which provides financial support for environmental, highway, water and sewer projects, rehabilitation of greenways and other projects throughout the state. Also, \$23.7 million is being distributed to state agencies, as specified by Act 13.

With this year's distribution the PUC, over the past 10 years, has collected and distributed more than \$2 billion to communities across Pennsylvania. ■



Pittsburgh Branch
Foster Plaza 10
680 Andersen Drive | Suite 615
Pittsburgh, PA 15220
1-800-253-1232

Insurance contracts are underwritten and issued by one or more of the following: BITCO General Insurance Corporation and BITCO National Insurance Company (domiciled in Illinois), rated A+ (Superior) by A.M. Best, A2 Stable by Moody's, and A+ Strong by Standard and Poor's.

1-800-475-4477 | BITCO.com

WE ARE HERE FOR YOU

Since 1917, BITCO has provided customized insurance programs and services to support the backbone of the American economy. For over 70 years, we've helped our customers navigate the ups and downs of the energy sector.

Looking for a partner who understands your business, values long-term relationships and provides you the peace of mind that comes with being insured by an insurance carrier that is backed by the strength and stability of a Fortune 500 company? Look no further.

We are proud to be a member of the Old Republic Insurance Group, the largest business segment of Old Republic International and one of America's 50 largest shareholder-owned insurance businesses.

We are committed to you and are here for the long run.

Visit BITCO.com to learn more and find a specialist agent near you.



OLD REPUBLIC INSURANCE GROUP

2021 Babst Calland Report highlights legal and regulatory perspectives at a transformational time for the industry

Law firm Babst Calland has published its 11th annual energy industry report: *The 2021 Babst Calland Report – Legal & Regulatory Perspectives for the U.S. Energy Industry*. Each of our nation's energy sectors is impacted by local, state and federal policies, many of which are addressed in this inclusive report on legal and regulatory developments for the energy industry in the United States.

The Babst Calland Report represents the timely collective perspectives of more than 45 energy attorneys on the current state of the U.S. natural gas and oil, coal, and renewable energy sectors. For the first time, the *Report* is presented as an easy-to-navigate digital site featuring 12 sections, addressing the following key topics:

- Business Outlook for the U.S. Energy Industry
- Climate Change Initiatives from the Biden Administration
- Pipeline & Hazardous Materials Safety Administration Priorities
- Environmental Law Developments
- Environmental Justice Issues
- Appalachian Basin Regional Developments
- Coal Mining Regulatory Changes
- Expansion of the U.S. Renewable Energy Market
- Real Estate & Land Use Developments
- Litigation Trends
- Changes in Employment & Labor Law
- Emerging Technologies Affecting the Energy Industry

This edition also features commentary from Senator Joe Manchin (D-WV), Chairman of the U.S. Senate Energy and Natural Resources Committee, who spoke with Babst Calland energy clients at a special briefing on June 25. A link to the webinar recording is available in the *Report*.

To access *The 2021 Babst Calland Report*, go to reports.babstcalland.com/the-2021-babst-calland-report-1.

Dennison joins Cleveland Brothers

Dan Denison has joined Cleveland Brothers Equipment Company, Inc. as CE Account Manager for Forest, Elk, Clarion, Cameron, Jefferson and Clearfield counties. A 2002 graduate of Saint Bonaventure University, Dennison began his career at Diamond Tools Technology, rising to the position of National Sales Manager. He then went on to Superior Energy Services, where he served as Vice President of Sales before joining Cleveland Brothers. The Falls Creek resident will

work from Cleveland Brothers' Clearfield location and can be reached at 814-636-7453. ■

Cook named ARG representative to PIOGA Board of Directors

David Cook is replacing Bill Murray as the American Refining Group (ARG) representative on PIOGA's Board of Directors. Murray had served temporarily following the death of ARG's Dan Palmer in February.



David Cook



Bill Murray

Cook recently succeeded Palmer as ARG's crude-producer-relationship manager for Pennsylvania and New York. He previously served as sales manager for Reliance Well Services and prior to that as field sales rep with Universal Well Services.

"I am excited to join the board and look forward to this opportunity to assist PIOGA and the oil and gas industry in any way I can," Cook commented.

PIOGA welcomes Cook to the board and thanks Murray for his service. ■

Federal court dismisses GOP lawsuit against DRBC fracking ban

A federal court has dismissed a lawsuit filed by two Pennsylvania Senate Republicans against the Delaware River Basin Commission (DRBC) ban on hydraulic fracturing.

The U.S. District Court for the Eastern District of Pennsylvania said state Senators Gene Yaw and Lisa Baker lack standing to challenge the ban on unconventional oil and gas development in the 13,539-square-mile watershed.

The senators, along with two townships and two counties in the state, claimed the DRBC exceeded its authority by imposing a moratorium on fracking in the basin. They alleged that the commission usurped legislative authority. However, Judge Paul S. Diamond said the matter is a partisan one that should be resolved through the broader political process.

"Unfortunately for plaintiffs, the 'powers' the moratorium ostensibly impairs are all vested in either the general assembly or in the commonwealth, not in individual legislators or their party," Diamond wrote in dismissing the case on June 11.

The court also found that plaintiffs Carbon and Wayne

counties, along with Damascus and Dyberry townships, lacked standing. But Diamond said they could refile the suit by July 1 to better demonstrate how the moratorium has harmed them.

Another federal lawsuit against the ban filed by Wayne Land and Mineral Group LLC, which owns properties in the basin where it wants to develop oil and gas assets, is still pending.

The DRBC decided in 2009 that all gas drilling in the basin needed to be reviewed, saying it would not approve any development until it adopted new rules governing the industry. The next year it decided to postpone the review of natural gas development and left in place a de facto moratorium for years.

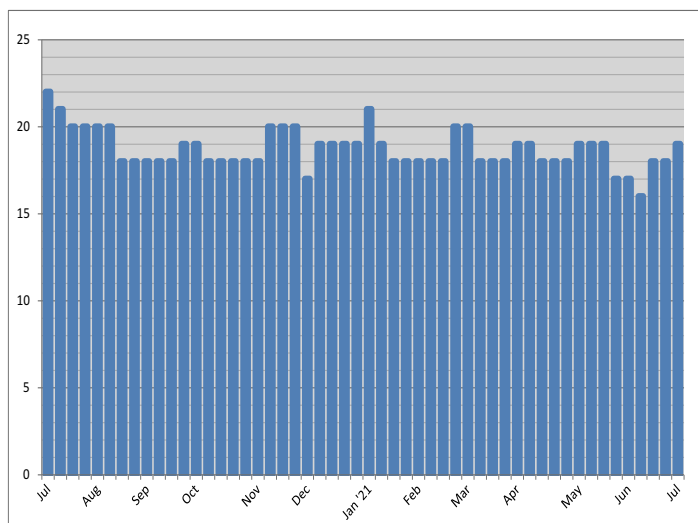
In February, the commission voted to permanently ban fracking in the basin, which overlaps parts of the Marcellus Shale in Pennsylvania and New York.

The DRBC was established in 1961 as a hybrid interstate and federal regulatory body to oversee the waters of the Delaware River Basin.

—Natural Gas Intelligence

Oil & Gas Dashboard

Pennsylvania Rig Count



Penn Grade Crude Oil Prices



Natural Gas Futures Closing Prices

Month	Price
August	\$3.742
September	3.720
October	3.717
November	3.760
December	3.853
January 2022	3.912
February	3.827
March	3.583
April	3.028
May	2.935
June	2.964
July	3.001

Prices as of July 9

Sources

American Refining Group: www.amref.com/Crude-Prices-New.aspx
 Ergon Oil Purchasing: www.ergon.com/crudeoil
 Gas futures: quotes.imo.com/exchanges/?r=NYMEX_NG
 Baker Hughes rig count: bakerhughesrigcount.gcs-web.com/na-rig-count
 Appalachian fixed price moving averages: David Marks, BHE Eastern Energy Field Services

PIOGA Member Profiles

Introduce your company

Introduce your company and tell other members what you offer to Pennsylvania's oil and gas industry. The guidelines for making a PIOGA Member Profile submission are:

- Include a brief history of your company. When and where was it founded, and by whom? Is the company new to the oil and gas industry in general or to Pennsylvania?
- Describe the products and services you offer specifically for the oil and gas industry. Do you have a product in particular that sets your company apart from the competition?
- If applicable, tell how the business been positively impacted by Pennsylvania's oil and gas industry. Have you expanded, added employees or opened new locations?
- Include a website address and/or phone number.
- Your submission may be a maximum of 400-450 words and should be provided as a Word document. Use minimal formatting—bold and italic fonts are OK, as are bulleted or numbered lists. Your submission is subject to editing for length, clarity and appropriateness.
- Include your company logo or a photo. Images must be high-resolution (300 dots/pixels per inch or higher) and in any common graphics format. Please include identifications for any people or products in a photo. Send image files separately, not embedded in your document.

Email material to Matt Benson at matt@pioga.org. This is a free service to our member companies and publishing dates are at the discretion of PIOGA. If you have questions, email Matt or call 814-598-3085.

Northeast Pricing Report – July 2021

Front-month trading ended up mixed from June. However, volatility was not substantial across any of the trading points. Overall, Algonquin increased the most, while Dominion South decreased the most. For front month trading, Algonquin had the greatest increase of \$0.24 MMBtu while Dominion South had the greatest decrease at \$0.26 per MMBtu. The one-year rolling term saw a similar trend with Algonquin increasing at \$0.32 per MMBtu and Dominion South decreasing the most at \$0.11 per MMBtu. Algonquin increased the most for the long-term trading period by \$.13 per MMBtu. Dominion South was down \$0.04 per MMBtu, which was the only trading point to experience a decrease for the full trading term.

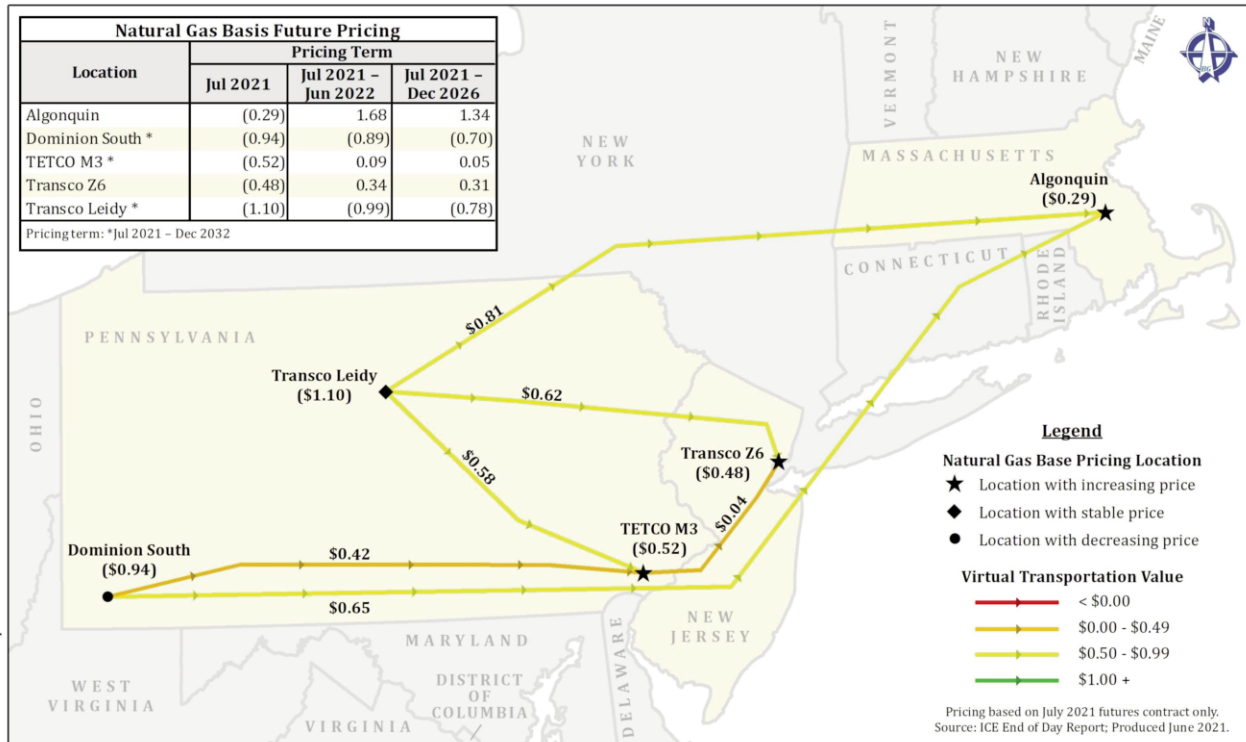
All transportation routes were up for July. Transco Leidy and Dominion South to Algonquin rose by \$0.43 and \$.50 per MMBtu, which were the largest transportation increases. Dominion South to TETCO M3 also had a sizeable increase of \$0.32 per MMBtu. TETCO M3 to Transco Z6 had the lowest increase of \$0.04 per MMBtu.

Transportation Value Market Indicator

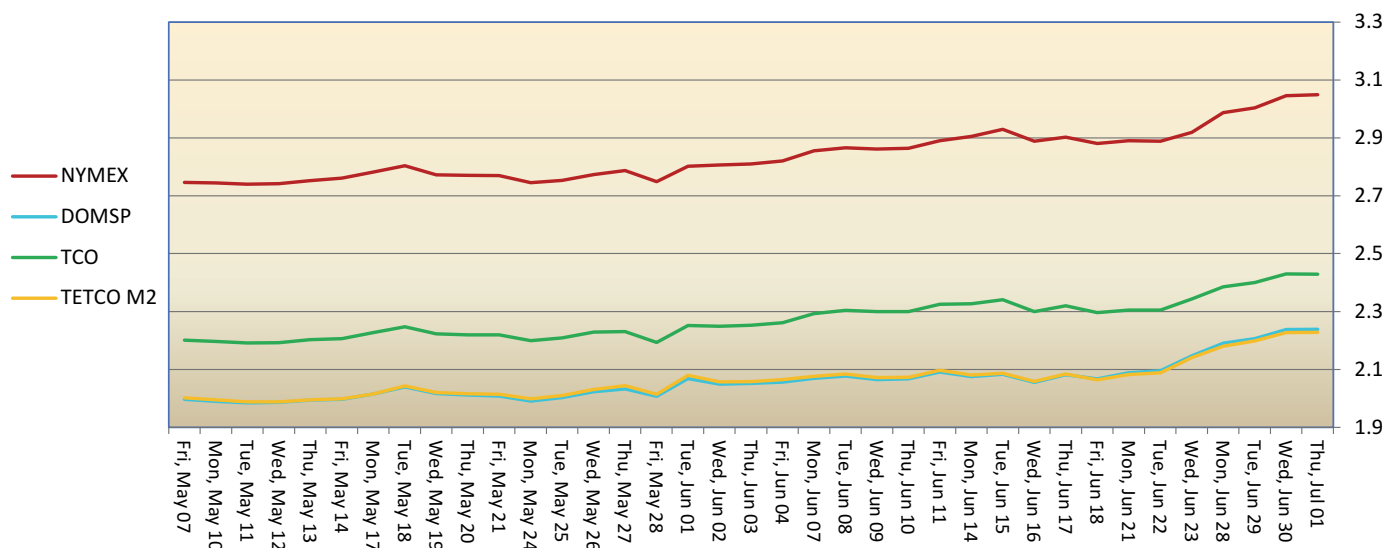


Provided by Bertison-George, LLC

www.bertison-george.com



36 - Month Appalachian Fixed Price Moving Averages



Spud Report: June 2021



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

available by going to the Office of Oil and Gas Management page at www.dep.pa.gov and choosing Report from the menu. 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
Apex Energy (PA) LLC	2	6/29/21	129-29094	Westmoreland	Hempfield Twp
		6/29/21	129-29096	Westmoreland	Hempfield Twp
Blackhawk Energy LLC	4	6/11/21	083-57236*	McKean	Wetmore Twp
		6/15/21	083-57232*	McKean	Wetmore Twp
		6/21/21	083-57227*	McKean	Wetmore Twp
		6/30/21	083-57233*	McKean	Wetmore Twp
Cabot Oil & Gas Corp	6	6/18/21	115-22824	Susquehanna	Springville Twp
		6/18/21	115-22825	Susquehanna	Springville Twp
		6/18/21	115-22826	Susquehanna	Springville Twp
		6/18/21	115-22827	Susquehanna	Springville Twp
		6/18/21	115-22828	Susquehanna	Springville Twp
		6/18/21	115-22829	Susquehanna	Springville Twp
Cameron Energy Co	4	6/17/21	053-30928*	Forest	Kingsley Twp
		6/10/21	123-48453*	Warren	Mead Twp
		6/17/21	123-48457*	Warren	Mead Twp
		6/23/21	123-48456*	Warren	Mead Twp
Chesapeake Appalachia LLC	5	6/15/21	015-23667	Bradford	Leroy Twp
		6/9/21	015-23664	Bradford	Wilmot Twp
		6/9/21	015-23686	Bradford	Wilmot Twp
		6/10/21	015-23665	Bradford	Wilmot Twp
		6/10/21	015-23666	Bradford	Wilmot Twp
Elder Oil & Gas Co	1	6/23/21	031-25726*	Clarion	Perry Twp
EQT Prod Co	8	6/7/21	059-28087	Greene	Springhill Twp
		6/7/21	059-28088	Greene	Springhill Twp
		6/7/21	059-28089	Greene	Springhill Twp
		6/7/21	059-28073	Greene	Springhill Twp
		6/7/21	059-28083	Greene	Springhill Twp
		6/7/21	059-28085	Greene	Springhill Twp
		6/7/21	059-28084	Greene	Springhill Twp
		6/7/21	059-28086	Greene	Springhill Twp
MSL Oil & Gas Corp	3	6/24/21	083-57211*	McKean	Hamilton Twp
		6/3/21	083-57217*	McKean	Lafayette Twp

OPERATOR	WELLS	SPUD	API #	COUNTY	MUNICIPALITY		
Olympus Energy, LLC	11	6/8/21	083-57216*	McKean	Lafayette Twp		
		6/18/21	129-29108	Westmoreland	Allegheny Twp		
		6/18/21	129-29107	Westmoreland	Allegheny Twp		
		6/18/21	129-29110	Westmoreland	Allegheny Twp		
		6/18/21	129-29109	Westmoreland	Allegheny Twp		
		6/15/21	129-29103	Westmoreland	Penn Twp		
		6/15/21	129-29101	Westmoreland	Penn Twp		
		6/15/21	129-29100	Westmoreland	Penn Twp		
		6/15/21	129-29099	Westmoreland	Penn Twp		
		6/15/21	129-29105	Westmoreland	Upper Burrell Twp		
Range Resources Appalachia	5	6/15/21	129-29104	Westmoreland	Upper Burrell Twp		
		6/15/21	129-29106	Westmoreland	Upper Burrell Twp		
		6/5/21	125-28872	Washington	Amwell Twp		
		6/5/21	125-28871	Washington	Amwell Twp		
		6/5/21	125-28873	Washington	Amwell Twp		
		6/6/21	125-28870	Washington	Amwell Twp		
		6/6/21	125-28869	Washington	Amwell Twp		
		Repsol Oil & Gas USA LLC	6	6/30/21	117-22100	Tioga	Ward Twp
				6/30/21	117-22101	Tioga	Ward Twp
				6/30/21	117-22102	Tioga	Ward Twp
6/30/21	117-22103			Tioga	Ward Twp		
6/30/21	117-22104			Tioga	Ward Twp		
6/30/21	117-22105			Tioga	Ward Twp		
Russ Holden Well Svc	1	6/23/21	123-48487*	Warren	Watson Twp		
		June	May	April	March	February	January
Total wells		56	32	62	67	44	49
Unconventional Gas		43	23	54	55	41	47
Conventional Gas		0	0	0	0	0	0
Oil		13	9	8	12	3	1
Combination Oil/Gas		0	0	0	0	0	1

PIOGA PennEast brief *Continued from page 3*

2017 an additional 4 million acres were enrolled in Agricultural Security Areas according to the Pennsylvania Land Trust Association.

Certainly the most consequential part of this portion of our *amicus* brief was inclusion of the Pennsylvania Department of Conservation and Natural Resources (DCNR) map of publicly owned streambeds (available at www.docs.dcnr.pa.gov/cs/groups/public/documents/document/dcnr_009716.pdf).

Although our brief informed the court that many individuals and organizations, including the MSC and PIOGA, disagree with the Commonwealth's claimed ownership of streambeds, the DCNR map illustrated, in ways that words cannot, the impossibility of constructing an interstate pipeline through Pennsylvania if the Third Circuit's decision upsetting more than 80 years of precedent was upheld. Justice Breyer's opening argument to New Jersey's attorney shows how important the DCNR map was to his argument, which captures the essence of the Court's decision:

Go back for a minute. To the late 1940s, early 1950s most of the natural gas was in the Permian basin in Oklahoma and in Texas and they were on the verge of or had built pipelines to carry that natural gas to

California San Diego El Paso natural gas. We're [or] up to Pennsylvania over d [to] Illinois, up to Massachusetts. Lots of the state[s], not a lot, but some were objecting in a whole variety of complex way. And so Congress passed the Natural Gas Act. **No, they couldn't have built the pipelines unless they had this power, I think.** I'm not certain of that, but I don't see how they could have, because they need to go look at the map on the map of water ways in which Pennsylvania claims an interest in the Marcellus shale coalition [brief.] day zone waterbeds [They own waterbeds.] They own all kinds of obstacles, but this was passed to build a pipeline. How could they have done it? I don't see it. And having known a little bit about that, since you need the federal power or a government power to for a private person to use eminent domain for anything against a private land or by a state, **I don't understand how they would have, how any reasonable person would have delegated any eminent domain power to the Natural Gas Act, which was for interstate pipelines**

without including the power to proceed against the state. Am I right about that? . . . You see the [thrust] of my argument[,] very historical, But that's been the understanding for the last 80 years. [*PennEast Pipeline Co. v. New Jersey*] Oral Argument, transcript at 100:25-102:12/102:55-103:01, C-SPAN Video Library (emphasis added).

The MSC/PIOGA *amicus* brief is available in the Members Only area of PIOGA's website.

—Kevin J. Moody, General Counsel, PIOGA

Calendar of Events

PIOGA events

Event information: pioga.org/events/pioga-events

Cigar Networking Event

July 15, BURN by Rocky Patel, Pittsburgh

PIOGATech: Water & Waste Management

August 18, The Chadwick, Wexford

24th Annual Divot Diggers Golf Outing

August 19, Tam O'Shanter of Pennsylvania, Hermitage

Birds & BBQ Sporting Clays

September 14, West Penn Sportsmen's Club, Murrysville

Annual Membership Meeting & Reception

September 15, The Chadwick, Wexford

Pins & Pints Networking Event

October 21, venue TBA

PIOGATech: Safety Topic TBA

October 26, venue TBA

Annual Oil & Gas Tax and Accounting Seminar

November 17, venue TBA

Wine Tasting Networking Event

November 18, venue TBA

PIOGATech: Air Quality Compliance

December 16, The Chadwick, Wexford

Mix, Mingle & Jingle Holiday Party

December 16, The Chadwick, Wexford

Other events

The Great Gathering (GGVII)

July 14, Washington Wild Things Park, Washington

Info: www.greatgathering2021.com; PIOGA member discount

LDC Gas Forum Northeast

July 19-21, Boston. Register at www.ldcgasforums.com/ne using discount code NEPIOGA125 for \$125 off

IOGA of NY Annual Golf Tournament and BBQ

August 5, Holiday Valley, Ellicottville, NY

Info: www.eventbrite.com/e/iogany-of-ny-annual-golf-tournament-bbq-tickets-159993014413

PIOGA Board of Directors

Gary Slagel (Chairman), Steptoe & Johnson PLLC
Sam Fragale (Vice Chairman), Freedom Energy Resources LLC
Frank J. Ross (2nd Vice Chairman), T&F Exploration, LP
James Kriebel (Treasurer), Kriebel Companies
Michael Hillebrand (Secretary), Huntley & Huntley, Inc.
Nicholas Andreychev, Ergon
Robert Beatty Jr., InsightFuel / Robert Beatty Oil & Gas
Stanley J. Berdell, BLX, Inc.
Brook Bertig-Coll, Fisher Associates
Enrico Biasetti, NG Advantage LLC
Dan Billman, Billman Geologic Consultants, Inc.
Brian Bittinger, Bittinger Drilling, LLC / D&B Gas Production, LLC
Mike Cochran, Greylock Energy
David Cook, American Refining Group, Inc.
Paul Espenan, Diversified Energy Company PLC
David Hill, Hill Drilling
Jessica Houser, WGM Gas Company Inc.
David Marks, BHE Eastern Energy Field Services
Teresa Irvin McCurdy, TD Connections, Inc.
Daniel McGraw, Pennsylvania General Energy Co., LLC
Beth Powell, New Pig Energy
Jake Stilley, Patriot Exploration Corporation
Bryan Snyder, Snyder Brothers, Inc.
Chris Veazey, OWS Acquisition Co. LLC
Jeff Walentosky, Moody and Associates, Inc.
Brandon M. Walker, HDR, Inc.
Ben Wallace, Penneco Oil Company, Inc.

Committee Chairs

Diversity Committee
Deana Stephens, Steptoe & Johnson PLLC
Environmental Committee
Paul Hart, Diversified Energy Company PLC
Ken Fleeman
Legislative Committee
Ben Wallace, Penneco Oil Company
Market Development Committee
David Marks, BHE Eastern Energy Field Services
Sandy Spencer, Appellation Construction Services, LLC
Safety Committee
Wayne Vanderhoof, RJR Safety, Inc.
Eric Staul, Diversified Energy Company PLC
Tax Committee
Bill Phillips, Arnett Carbis Toothman, LLP

Staff

Dan Weaver (dan@pioga.org), President & Executive Director
Kevin Moody (kevin@pioga.org), Vice President & General Counsel
Debbie Oyler (debbie@pioga.org), Director of Member Services and Finance
Matt Benson (matt@pioga.org), Director of Internal Communications (also newsletter advertising & editorial contact)
Danielle Boston (danielle@pioga.org), Director of Administration and Outreach
Deana McMahan (deana@pioga.org), Administrative Assistant & Committee Liaison

Pennsylvania Independent Oil & Gas Association

115 VIP Drive, Suite 210, Wexford, PA 15090-7906
724-933-7306 • fax 724-933-7310 • www.pioga.org

Harrisburg Office (Kevin Moody)

212 Locust Street, Suite 300, Harrisburg, PA 17101
717-234-8525

Northern Tier Office (Matt Benson)

167 Wolf Farm Road, Kane, PA 16735
814-598-3085

© 2021, Pennsylvania Independent Oil & Gas Association



115 VIP Drive, Suite 210
Wexford, PA 15090-7906

Address Service Requested

PRESORTED
STANDARD
U.S. POSTAGE PAID
PITTSBURGH, PA
15290
PERMIT NO. 1211