

The PIOGA Press

The monthly newsletter of the
Pennsylvania Independent Oil & Gas Association
December 2022 • Issue 152

Election Recap

The following article was written by Gmerek Government Relations, Inc.

The recent election will bring many changes to Harrisburg that will impact how Harrisburg state government operates and the issues considered before the General Assembly and within the state government agencies.

Not since Pennsylvania's Constitution was amended in the late 1960s, allowing a Governor to serve two consecutive terms, has the Governor's Office been controlled back-to-back by candidates of the same party...until now. With the win of Josh Shapiro, and his Lt. Governor running mate Austin Davis from Pittsburgh, the Democratic Party will retain control of the Governor's Office for at least another four years. As Governor, Josh Shapiro will be able to appoint individuals to senior-level leadership positions in state government agencies in Harrisburg, in offices across Pennsylvania, and to many boards and commissions that will establish and impact policy for years to come.

All 203 districts in the House of Representatives and 25 of the 50 state Senate districts were on the ballot on November 8. The narratives impacting the legislative elections were the large number of members who were not returning to Harrisburg next session...over 40...due to retirements, losses in the Primary Election losses, or a member was running for another office, and what impact would the once-every-10-year leg-

islative redistricting have on the outcomes of the elections.

In the Senate, Republicans held a solid 29-21 majority, with the Senate's lone Independent voting with the Republicans heading into Election Day. Republicans will be in the majority next session with a 28-22 majority. The Democrats regained the district of the lone Independent when the district was moved from Northeast Pennsylvania to the Lehigh Valley as part of the legislative redistricting. The Senate Republicans retained each of the 5 seats for which the Republican incumbent was not on the ballot. The Senate will welcome 6 new members into the Chamber next year (5 Republicans and 1 Democrat). The most significant changes occurring within the Senate will come from changes in leadership teams and legislative committee chairmanships that will result from many retirements in the Senate and members who lost their reelection efforts. The Senate will be led by

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Election *Continued from page 1*

Senate President Pro Tempore Kim Ward (R-Westmoreland), the first female elected to the position.

In the House of Representatives, legislative redistricting significantly impacted the outcome of this election cycle. Not only did it lead to 27 members announcing they would not seek reelection, but it made many more races competitive. Heading into Election Day, the Republicans held a 113-90 majority. Heading into the start of the new 2023-2024 legislative session, Democrats hold a 102-101 majority. When the new legislative session begins on January 3, 2023, 48 new members will take the oath of office in the House of Representatives alone. This represents a nearly 25% turnover in a single election cycle, which is significant.

Operationally, the House of Representatives will be at a 101-101 tie when it convenes on Tuesday, January 3, to convene the new 2023-2024 legislative session because of the vacancy in the Pittsburgh-area district of Tony DeLuca, who died in October. It was too late to remove DeLuca's name from the ballot, and he was easily reelected with over 85% of the vote. Additionally, Representative Summer Lee was reelected to her state House district while also winning a race to the U.S. House of Representatives. Swearing-in day in Harrisburg and Washington, DC both occur on January 3. If Representative Lee cannot take the oath of office in Harrisburg on January 3, that would provide the Republicans with a 101-100 majority.

Lastly, Representative Austin Davis will resign his state House position to take the oath of office as Lieutenant Governor on January 17. Until that day, however, Representative Davis can vote on matters before the House of Representatives. Once Representative Davis resigns, Republicans will enjoy a 101-99 majority until the Special Elections are held. The Speaker of the House of Representatives sets the dates for Special Elections. But, to be elected Speaker, a candidate must receive the vote

of a majority of the members elected and serving in the House of Representatives. For either the Democrats or Republicans to attain the Speaker's gavel on January 3, each will need to capture votes from the opposite side of the aisle. At this point, it is unclear if a power-sharing agreement will be reached for the short term until the Democrat majority can be solidified through the Special Elections in each of these solid Democratic districts. Depending on which party holds the Speaker's gavel in January, the Special Elections could be set as soon as March or as late as the May Primary.

Regardless of the power battles within the House Chamber, the very narrow majority will impact the issues that can get through the House of Representatives if there is not unanimous support within the majority caucus.

With a Democratic-controlled House of Representatives, the Senate will be where bills go to die. Assuming House Democrats can remain cohesive, there is over a decade worth of legislative proposals that Democrats have been unable to get any legislative action on and which cover a wide array of topics, including environmental issues that will impact the oil and gas industry. If the Democrats can remain cohesive, many of these proposals could quickly move through the legislative process in the House of Representatives in an effort to put the legislation, and focus political pressure, on the Senate to act.

As a governor, we expect Josh Shapiro to be more engaged with the General Assembly than Governor Tom Wolf was during his tenure. The new political dynamics in Harrisburg, meaning a Democratic Governor and a Democratic House of Representatives, will likely force the Senate Republicans to negotiate on many issues it did not have to when the House of Representatives was also in Republican control. However, time will tell if Governor Josh Shapiro is the "Great Negotiator" or if gridlock will continue in Harrisburg.

Continues on page 4 with a look at the 2023/24 Legislative Leadership Teams

2023-2024 Legislative Leadership Teams
Senate

Republicans

Interim President Pro Tempore: Kim Ward (R-Westmoreland)
Leader: Joe Pittman (R-Indiana)
Whip: Ryan Aument (R-Lancaster)
Appropriations Chair: Scott Martin (R-Lancaster)
Caucus Chair: Kristin Phillips-Hill (R-York)
Caucus Secretary: Camera Bartolotta (R-Washington)
Policy Chair: Dan Laughlin (R-Erie)
Caucus Administrator: Lisa Baker (R-Luzerne)

Democrats

Leader: Jay Costa (D-Allegheny)
Appropriations Chair: Vincent Hughes (D-Philadelphia)
Appropriations Vice Chair: Tim Kearney (D-Delaware)
Whip: Tina Tartaglione (D-Philadelphia)
Caucus Chair: Wayne Fontana (D-Allegheny)
Caucus Secretary: Maria Collett (D-Montgomery)
Policy Chair: Katie Muth (D-Montgomery)
Caucus Administrator: Judy Schwank (D-Berks)

House of Representatives

Democrats

Leader: Joanna McClinton (D-Philadelphia)
** Expected to be nominated Speaker once the operational control of the House is clearer, and the Democrats have the votes necessary to elect their candidate to lead the Chamber. Representative McClinton would be the first female to serve as the Speaker.
Appropriations Chairman: Matt Bradford (D-Montgomery)
Whip: Jordan Harris (D-Philadelphia)
Caucus Chair: Dan Miller (D-Allegheny)
Caucus Secretary: Tina Davis (D-Bucks)
Caucus Administrator: Mike Schlossberg (D-Lehigh)
Policy Chair: Ryan Bizzarro (D-Erie)

Republicans

Leader: Bryan Cutler (R-Lancaster)
Appropriations: Seth Grove (R-York)
Whip: Tim O'Neal (R-Washington)
Caucus Chair: George Dunbar (R-Westmoreland)
Caucus Secretary: Martina White (R-Philadelphia)
Caucus Administrator: Sheryl Delozier (R-Cumberland)
Policy Chair: Josh Kail (R-Beaver)

In response to the election, PIOGA wanted to immediately start introductions to the newly elected. First on the list, Governor-Elect Shapiro. Below find the letter sent to the Governor-elect on behalf of PIOGA members. Starting in February, PIOGA will start introducing the organization to the newly elected legislators.

“PIOGA needs to make introductions to the newly elected and start educating these legislators on the truths of the oil and gas industry,” Dan Weaver, PIOGA President and Executive Director. “There are 50-some brand-new legislators coming in January. We need to go make introductions and talk about energy. We need to get to know these legislators.”

Any members interested in going to Harrisburg to make introductions or any members with suggestions about industry focus and conversation should reach out to Dan Weaver - dan@pioga.org. ■

Check out page 5, to see the introduction letter PIOGA membership sent to Governor-elect Shapiro.



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November 21, 2022

Dear Governor-Elect Shapiro:

The members of the Pennsylvania Independent Oil & Gas Association (PIOGA) extend their congratulations to you on your victory. Your years of experience as Attorney General, State Representative, and county commissioner will serve you well as you prepare to be sworn in as Pennsylvania's 48th governor.

PIOGA applauds your recently announced plan to convene an inclusive work group to assist your administration in developing its climate and energy policy and goals. PIOGA respectfully requests an appointment to the work group to be part of the critical dialogue to shape Pennsylvania's energy economy for the future.

As you are aware, climate change is a challenging issue facing the United States and the world. With Pennsylvania being the number two producer of natural gas, only behind Texas, we have a very important and leading role to fulfill in overcoming the climate challenges that no doubt will not be easy. Respectful, and factual debates involving diverse stakeholder perspectives all aimed at achieving a united and better outcome are essential for Pennsylvania to fulfill this leading role. Establishing a path to a lower carbon economy for our future energy demands while responsibly meeting the reliable and inexpensive expectations of our citizenship now means we must collaborate – here in Pennsylvania, across the country, and around the globe – to meet this challenge. In this debate, PIOGA and its members provide an essential stakeholders appreciation of our nation's, our state's, oil and natural gas development sensitivities and its supportive role toward the development of hydrogen, carbon capture, and other promising advanced technologies.

PIOGA represents more than 365 companies engaged in all aspects of the production and transportation of oil and natural gas in the state, along with the environmental, engineering, legal and geological service providers that support their operations. Our members include both conventional and unconventional oil and gas operators and companies developing the needed energy to secure our energy independence and national security. We are proud to be the oldest oil and natural gas advocacy group in Pennsylvania, with our predecessor organization dating back to 1908.

Thank you for your consideration of our request. We are committed to being a responsible partner in the development of solutions to the Commonwealth's energy, environmental, and climate issues.

Daniel J. Weaver
President and Executive Director

Pennsylvania: *The Keystone to America's Energy Future*[®]

PIOGA Member Benefit

Did you know as a PIOGA member you are entitled to one-on-one time with a seasoned professional attorney!



Kevin Moody, Esq., General Counsel & Vice President of Government Affairs at PIOGA, has been providing legal counsel to the association and its members since April 2011. First as outside counsel for 11 years and now General Counsel.

Moody is the core legal and business advisor to our association, bringing a broad skillset and industry knowledge to the resolution of matters affecting our industry, association and members. He manages PIOGA's legal representation in litigation in state and federal courts, including personally representing PIOGA in most of our litigation, as well as PIOGA's trademarks.

How General Counsel Can Benefit You

Moody can provide legal advice and guidance to members on industry matters involving: public utility mergers/acquisitions & rates, terms and conditions of service; state and federal pipeline safety laws and regulations; PA One Call; Act 13 impact fees; Pennsylvania's Environmental Rights Amendment; zoning; Home Rule Charters; state regulatory agencies (DEP, DCNR, Game Commission, Fish & Boat Commission, PennDOT); federal regulatory agencies (EPA, DOE, FERC, Army Corps of Engineers, US Coast Guard, Forest Service); multistate/federal regulatory agencies (SRBC, DRBC); state and federal rulemakings; as well as issues involving oil and gas leases, royalties, taxes, and bankruptcy.

Contacting Moody can save members possibly hundreds of dollars in legal fees - these savings can repay the cost of their membership dues!

To contact Kevin Moody – kevin@pioga.org
717.234.8525

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VOC *Continued from page 7*

EQB that the proposed regulations were identical to the ones approved previously except for a certificate of need, drafted by Gov. Tom Wolf, that would allow the rulemaking to go forward in time.

"If it (the commonwealth) doesn't submit the final regulated rulemaking by Dec. 16, 2022, sanction deadline, hundreds of millions of dollars in federal highway funding will be withheld until the submission is made," Ramamurthy said.

But Glendon King, executive director of the House Environmental Resources and Energy Committee and alternate member to Committee Chairman Daryl Metcalfe, R-Butler County, said during the meeting that the DEP has known about the deadline since October 2016. He said the DEP could have completed the work within a year if they hadn't taken so long to gather data.

King also criticized DEP and others for blaming the House Environmental Resources and Energy Committee, for the potential for losing the highway funding and said that every other state had gotten its paperwork in on time.

The Pennsylvania Independent Oil and Gas Association (PIOGA), which is based in Wexford, said that it and the Pennsylvania Grade Crude Oil Coalition and the Pennsylvania Independent Petroleum Producers Association had long ago let DEP know that state law required it to have a separate process for the conventional oil and gas wells.

"DEP inexplicably waited until October 2022 to submit the Conventional VOC regulation to create the so-called 'emergency' relied upon to justify this latest attempt to avoid complying with Pennsylvania law and shift blame for the imposition of federal sanctions to the House Environmental Resources & Energy Committee," said Kevin Moody, general counsel of PIOGA. "PIOGA will continue its efforts to force DEP's compliance with Pennsylvania law with respect to this rulemaking."

PA DEP Decrees Onerous VOC Reg for Conventional O&G in Effect Now

Jim Willis – Marcellus Drilling News

Full Article: PA Conventional Industry Responds to "Emergency" VOC Regs | Marcellus Drilling News

(November 30th) The Environmental Quality Board (EQB – part of DEP), voted to adopt a last-minute, rushed-through-in-a-hurry regulation to control volatile organic compound (VOC) emissions (and by extension, methane emissions) from conventional oil and gas operations in the state. The DEP, attempting to beat a Dec. 16 deadline from the federal government, declared the rushed "emergency" regulation was officially in force as of Friday, Dec. 2.

The DEP and EQB had more than five years to work on these regulations and chose to fritter away the time. Faced with losing federal highway budget money without a new regulation in place, they rushed it—and botched it.

The Lawsuit – An Article and Details to Lawsuit

On December 5, 2022, PIOGA, PGCC and PIPP filed the second lawsuit challenging the lawfulness of the process of finalizing the Conventional VOC Regulation.

3 Groups Sue PA DEP, EQB to Block New VOC Conventional Regulation

Jim Willis – Marcellus Drilling News

Full Article: 3 Groups Sue PA DEP, EQB to Block New VOC Conventional Regulation | Marcellus Drilling News

The three statewide organizations that represent PA's conventional drillers filed a lawsuit yesterday against the Dept. of Environmental Protection (DEP) and the Environmental Quality Board (EQB), challenging the legality and legitimacy of the new VOC regulation for conventional drillers.

Marcellus Drilling News has chronicled the history of how this onerous new regulation was rushed through at the last minute. The DEP and EQB had over five years to get the job done, and they blew it. With time running out, earlier this year they tried to adopt a one-size-fits-all plan for both unconventional (shale) drillers and conventional drillers. The DEP and EQB, under threat of a lawsuit, broke the new reg into two

Continues on page 9

VOC *Continued from page 8*

pieces, passing and adopting the shale version first. Then, instead of doing the hard work of modifying the regulation for conventional drillers, the DEP/EQB reintroduced the same exact regulation for the conventional industry and forced it through at the last minute.

PIOGA Alert: Conventional VOC Regulation Lawsuit Filed

The lawsuit is available for your review on PIOGA's website (Petition for Review - VOC Lawsuit.pdf (pioga.org))

Count I (one) asserts that the use of the final omitted process was improper because DEP's reasons that requesting comments was impracticable, unnecessary, and contrary to the public interest have already been rejected by the Commonwealth Court in previous litigation.

Count II asserts that the regulation concerns conventional oil and gas wells, so the development of the regulation by DEP and EQB was improper because it was not done "separately and independently of unconventional wells or other subjects" and did not include a regulatory analysis form (RAF) "restricted to the subject of conventional oil and gas wells" as required by Act 52 of 2016, the statute that abrogated the Chapter 78 regulations for conventional wells and created the Pennsylvania Grade Crude Oil Development Advisory Council (CDAC).

Both Counts provide the basis for the Commonwealth Court to determine that the Conventional VOC Regulation was improperly finalized, rendering it null and void, and Count II would require DEP to begin anew by complying with the "separate and independent" development mandate of Act 52.

Other Articles to check out:

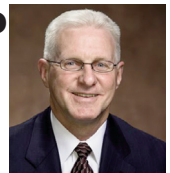
- 1) PA EQB Approves Onerous VOC/Methane Reg for Conventional O&G – Jim Willis, Marcellus Drilling News. December 1, 2022. PA Conventional Industry Responds to "Emergency" VOC Regs | Marcellus Drilling News
- 2) DEP Newsroom – EQB Adopts Emergency Air Quality Regulation for Existing Conventional Oil and Gas Sources – DEP Press Release. November 30, 2022. <https://www.ahs.dep.pa.gov/NewsRoomPublic/articleviewer.aspx?id=22231&typeid=1>

3) Gov. Wolf certifies emergency in oil and gas rulemaking to avoid losing federal highway funds – Anya Litvak, Pittsburgh Post-Gazette. December 1, 2022. <https://www.post-gazette.com/business/powersource/2022/11/30/wolf-dep-voc-regulations-funding-environmental-quality-board/stories/202211300111>

Articles used in following article: (1) 'Panel Oks – again – oil and gas rules, saving highway funding' – published in the Pittsburgh Business Times on November 30, 2022, authored by Paul J. Gough. (2) 'PA DEP Decrees Onerous VOC Reg for Conventional O&G in Effect Now' – published by Marcellus Drilling News on December 5, 2022, authored by Jim Willis. (3) '3 Groups Sue PA DEP, EQB to Block New VOC Conventional Regulation' – published by Marcellus Drilling News on December 6, 2022, authored by Jim Willis.

Intro by Kevin Moody, Esq., PIOGA General Counsel & Vice President of Government Affairs ■

PIOGA's Moody Named to the Government Relations Power 100 List



When it comes to government relations PIOGA continues to inform our members on the latest federal and state government news, along with representing member's interests on key industry issues. PIOGA's staff and committees work with regulators to achieve workable solutions to problems. One staff member Kevin Moody, Esq., General Counsel & Vice President of Government Affairs, deserves a huge congratulations on being named to the Government Relations Power 100 List by The City & State (cityandstatepa.com)

In City & States January 16th issue, Moody will be recognized as one of the top 100 professionals who operates at the intersection of politics and policy by working with elected officials at the municipal, county, state and federal levels. Moody helps to form legislation that benefits both industry organizations and Pennsylvanians in general. The individuals on this list have been selected through a process that involves research by their editorial staff and input from their 19-person City & State Advisory Board. ■

Pennsylvania Adds New Royalty Payment Reporting Requirements & Deadlines for Unconventional Oil & Gas

Published by Steptoe & Johnson - Authored by Bridget Furbee and Nate Holland.



On November 3, 2022, Pennsylvania Governor Tom Wolf signed Act 153 of 2022, which revises the Oil and Gas Lease Act's provisions on required disclosures accompanying payments made to royalty owners from unconventional oil and gas wells. Beginning on March 3, 2023, unconventional oil and gas operators must provide production and sales information on a well-by-well basis. New reporting requirements include categorized royalty deductions with an optional summary format. If an operator does not provide the required payment information within 60 days after receipt of a written request from the royalty owner by certified mail, the owner may bring a civil action to obtain the information and to recover attorney fees and court costs.

The Act also imposes new deadlines for royalty payments and penalties for late payments. Royalty payments must be made within 120 days of the first sale of oil and gas from a well, and thereafter within 60 days after the end of the month in which production is sold. Payments that are not made on time accrue an interest

penalty at the legal rate, currently 6% per annum. Payments may be suspended only if the royalty owner lacks marketable title, if there is a bona fide dispute concerning the interest, or if the owner cannot be located.

Unconventional oil and gas operators should take prompt action to review the Act and ensure that their royalty statements comply with the Act's reporting requirements and timelines by the Act's March 3 effective date. A full copy of the Act can be found here.

If you have any questions regarding these statutory changes or how they could impact you, please contact one of the authors of this alert. ■



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KEYSTONE	\$10,000	2	2	2	2	2	30%	YES
EXECUTIVE	\$7,500	2			2	2	20%	YES
MEETINGS	\$5,000				4		10%	YES
GOLF	\$4,000		4					YES
CLAYS	\$4,000			4				YES
COMMITTEE/ PIOGATECH	\$3,500					2		Committee meetings, PIOGA Press and eWeekly
ENGINEER	\$2,500							PIOGA Meetings, PIOGA Press and eWeekly
DRILLER	\$1,500							PIOGA Meetings and PIOGA Press

We are pleased to announce the 2023 PIOGA Partners Program. The program was launched five years ago in response to member requests for a “one stop” yearlong event sponsorship option for budgetary purposes. The program also offers unique opportunities – like the Committee Partner—to both support the association’s work and make your company stand out all year long.

We also continue to offer traditional event-by-

event sponsorships.

The various Partner levels and their benefits are shown in the accompanying table. If you have any questions or are ready to sign on now, contact Debbie Oyler at debbie@pioga.org or 724-933-7306 ext. 22.

And finally, a big thank-you to the members who were 2022 PIOGA Partners. They can be found on page 27 of this issue. We greatly appreciate your support! ■

Don't forget your 2023 PIOGA dues

For most PIOGA members, now is the time to renew your membership for the coming year. 2023 Dues renewal invoices will be sent via email and regular mail beginning the week of December 12, 2022 and will be directed to the main contact of your company membership.

Your PIOGA membership has always been a great value, worth far more than the amount you pay in dues. For more than a century, PIOGA and our predecessor associations have prided ourselves on our role of bringing together a widely diverse range of companies, individuals and interests to collaborate for the benefit of the entire industry. As stated on our website’s homepage, Working together, we help members accomplish that which they cannot achieve alone. What you can be sure of is that PIOGA is working harder than ever to advocate for Pennsylvania’s oil and gas industry. Understanding the interconnected-

ness of all facets of the industry is crucial to the success of our industry. Coming together to work on today’s challenges is imperative and effectively communicating to our stakeholders is paramount.

If you would like to know more about how we are working together on behalf of the entire Pennsylvania oil and gas industry, please take a few minutes to read a summary of our activities at pioga.org/publication_file/PIOGA_Overview_and_Accomplishments.pdf. You’ll also find suggestions about how to increase the value of your membership, such as participating PIOGA committees and taking advantage of member discounts.

Thank you in advance for continuing to be a PIOGA member in 2023 and beyond. Questions about your membership? Contact Debbie Oyler, Director of Member Services, at debbie@pioga.org or 724-933-7306 ext. 22. ■

EPA Doubles Down in Long-Awaited Supplemental Proposed Oil and Gas Methane Rule

Published by Babst Calland-Authored by Gary Steinbauer, Gina Falaschi and Christina Puhnaty

Babst | Calland
Attorneys at Law

On November 11, 2022, the U.S. Environmental Protection Agency (EPA) released a pre-publication version of its supplemental proposal for Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review (Supplemental Proposal). The Supplemental Proposal has been highly anticipated since EPA published its initial proposal on November 15, 2021. EPA, Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review, 86 Fed. Reg. 63110 (Nov. 15, 2021) (Initial Proposal).

EPA currently regulates emissions from oil and natural gas facilities under 40 C.F.R Part 60 Subparts OOOO[1] and OOOOa.[2] As part of the Initial and Supplemental Proposals, EPA would regulate oil and natural gas facilities constructed, modified, or reconstructed after November 15, 2021, under a new Subpart OOOOb. With the Supplemental Proposal, EPA has released proposed regulatory language for Subpart OOOOb. In addition, EPA released proposed regulatory text for emissions guidelines in a new Subpart OOOOc. These emissions guidelines are intended to inform states in the development, submittal, and implementation of state plans to establish standards of performance for greenhouse gases (in the form of limitations on methane) from sources existing on or before November 15, 2021. Under the Supplemental Proposal, states and tribes would be required to submit plans to EPA for review within 18 months of the publication of a final rule, with a compliance deadline for existing sources that is no later than 36 months after the deadline to submit the plan to EPA. The Supplemental Proposal also includes an updat-

ed proposed “Appendix K,” which is a protocol for determining leaks using optical gas imaging that EPA is now proposing to limit to natural gas processing plants.

The Supplemental Proposal includes several significant changes or updates, which EPA describes as improvements, and additional proposed requirements for sources that were not covered in the Initial Proposal. Several consequential aspects of the Supplemental Proposal include:

1. Super-Emitter Response Program: EPA is proposing to allow regulatory agencies and approved “qualified” third parties to monitor well sites, centralized production facilities, and compressor stations for “super-emitter emission events,” which are defined as emission events resulting in 100 kilograms (220.5 pounds) per hour or more of methane. Upon receipt of a notification by a third party, owners and operators of these facilities would be required to initiate a prescribed root cause analysis within five days and complete the root cause analysis and initial corrective actions within 10 calendar days. If initial corrective actions do not rectify the identified cause of the event, facility owners and operators will be required to prepare and submit a corrective action plan to EPA. In addition, recipients of “super-emitter emission event” notifications would also be required to notify EPA within 15 days of completing corrective actions. EPA plans to host a public website that will include information related to the proposed Super-Emitter Response Program.

2. Abandoned and Unplugged Well Monitoring: The Supplemental Proposal includes new suite of well closure requirements. Under these proposed requirements, owners and operators of well sites would be required to submit a closure plan to EPA within 30 days of the cessation of

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**JUST
THE
FACTS**



Your Holiday Gift Guide

Courtesy of American Oil and Natural Gas

The facts are clear, products made from the processing of oil and natural gas are all around us during the holiday season, in addition to the popular gifts: light strings, artificial Christmas trees and wreaths, inflatable yard decorations, and noisemakers, banners and balloons for New Year's Eve celebrations are just the start of that list. Whether you are staying home for the holidays or traveling - in a gasoline-powered car, a jet-fueled airplane, or an electric vehicle that's made of 50 percent plastic - PIOGA wishes you a safe and enjoyable holiday season!

December's Just the Facts goes holiday shopping - specifically looking at some of the most popu-

lar gifts this year for kids, for people who enjoy the outdoors and the legions of do-it-yourselfers out there. One constant in just about every one of the gifts is the manufacturers' reliance on items made from oil and natural gas, with many of them made exclusively from these two American-made resources. Take a moment to read and share this information about how oil and gas make the holiday season complete, and have a safe and enjoyable time this year with family and friends.

To read more from this month's Just the Facts - and to share it with friends and colleagues - visit the Latest News and Blog section at pioga.org.



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PIOGA's 2022 Oil and Natural Gas Tax and Accounting Seminar

For many years, Baker Tilly (formerly Arnett Carbis Toothman LLP) has presented in-person seminars for PIOGA. In 2020, due to Covid-19 restrictions, a change was made from in-person to a one-day virtual format co-sponsored by all three organizations GoWV, PIOGA and SOOGA, covering tax and accounting issues affecting West Virginia, Ohio, and Pennsylvania. This year's seminar continued with the virtual format.

The following important and timely topics were on the agenda:

- General Tax Updates for 2022 – Federal and State, including issues now being addressed in Congress, and at the individual states' level.
- Oil & Gas Industry Tax Updates for 2022
- CARES Act
- Paycheck Protection Program – Forgiveness, Tax, and Accounting Considerations
- Purchase/Sale, Valuation, Succession and Estate Planning
- IT Security

PIOGA extends a sincere thank you to the team from Baker Tilly (formerly Arnett Carbis Toothman, llp) for all their efforts to hold this annual oil and gas tax and accounting seminar and to provide this valuable educational event to PIOGA members and guests. A special thanks to our instructors Marlin Witt, Partner, CPA, CFP, CGMA; Bill Phillips, CPA, Partner Emeritus; Charlene Tenney, Supervisor, Business Outsourcing; Chad Parker, CPA; Jonathan Jones, CPA; Benjamin Ellis, Director, Technology. They presented to a group of over 70 participants that earned CPE and CLE credits after the 7-hour course. ■



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Only a few of the 100 custom Case knives PIOGA commissioned for our Centennial celebration are remaining. They make a great gift for the industry colleague or petroliana aficionado on your holiday shopping list—or even as a gift to yourself! The cost is just \$75 for this collector's piece. Contact Deana McMahan at deana@pioga.org to place your order today!



PIOGA Member Profile: Share Your Story!



Welcome to PIOGA! We would like to offer you the opportunity to introduce yourself to other members via our monthly newsletter, *The PIOGA Press*. The PIOGA Profile section of the newsletter gives members a chance to share information about their company and the products and services they offer to others in Pennsylvania's oil and natural gas industry. We encourage you to take advantage of this free member service.

PIOGA Profile submission guidelines

- Include a brief history of your company. When and where was the company 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, or a new product you would like to highlight?
- If applicable, tell how the business has 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 for readers to use.
- Your submission may be a maximum of 400-450 words and should be provided as a Word document. Please use minimal formatting—bold and italic fonts are fine, 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 should 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.
- All material should be emailed to **Meghan Keely, PIOGA Director of Internal Communications, at meghan@pioga.org**. Your submission will be confirmed on receipt, and we will use submissions in the order in which they are received. This is a free service to our member companies and publishing dates are at the discretion of PIOGA. If you have questions or want to follow up on a submission, email Meghan or call 814-671-2484.

Interested in submitting articles, news releases or advertising for *The PIOGA Press*? Contact Meghan Keely at the email address or phone number shown above.

Allegheny Township approves natural gas fracking deal beneath the Tredway Trail

Article was published by Trib Live on November 19, 2022. Authors Tom Yerace and Tony Larussa.



Allegheny Township supervisors are pumping up the township coffers with approval of an oil and gas lease with Olympus Energy.

The “nonsurface lease” approved unanimously by the township’s three supervisors is for 27.7 acres of the Tredway Trail.

Township Manager Greg Primm said the land involved is from the end of the trail at Braeburn in Lower Burrell up to the yacht club along the Allegheny River.

Under the terms of the agreement, the township stands to raise at least \$61,000 in revenue and conceivably a lot more depending on how much natural gas is extracted.

The agreement calls for Olympus to pay the township \$2,200 per acre upfront, which totals \$60,940. In addition, the township will receive a royalty of 16.5% on the value of the gas extracted.

“They only need to use a third of the trail, but they are offering us on all 27 acres because it is the township,” Primm said, adding that Olympus views it as a way to help out the township.

Energy companies obtain the lease agreements for fracking, or hydraulic fracturing. It’s a process in which oil and gas are extracted from Marcellus shale bedrock thousands of feet below the surface by injecting a high-pressure mixture of water, sand or gravel and chemicals.

Supervisors chairman Mike Korn said: “That offer came in lower, but our township manager negotiated with them and came up with what I consider to be a damn good deal.”

He said the gas well involved with the lease actually was drilled in Upper Burrell, but it draws underground natural gas that is in Allegheny Township.

Representatives from Olympus Energy did not respond to messages from the Trib seeking information about whether users of the trail will notice any drilling activity. ■



Shell begins cracker plant operations in Beaver County

Article was published by Beaver County Times on November 15, 2022. Authored by Chrissy Suttles



Photo: Doral Chenoweth - Beaver County Times

After a decade of political hype and five years of construction, Beaver County's ethane cracker plant is online.

Shell Polymers Senior Vice President Hilary Mercer announced the facility's opening in a Tuesday statement, but crews have been producing plastic pellets for "several weeks," Mercer told The Times.

"One of the things we wanted to do was make sure we can continuously make pellets," she said. "We didn't want to announce and then have to restart again. It was really about proving to ourselves that everything was working well and that we would be in continuous operations."

Residents can expect to see steam plumes rise from the factory's cooling towers, the glow of its ground flares and, occasionally, an elevated flare used to burn excess hydrocarbon gasses.

Located along the Ohio River in Potter Township, the multi-billion-dollar petrochemical complex will convert natural gas into polyethylene used in plastics manufacturing. The plant is expected to produce up to 1.6 million tons of polyethylene each year to make products like flexible food packaging, sports equipment, toys, crates, shampoo bottles and milk cartons.

Construction of Shell's ethane cracker plant, once among the largest building projects in the

region and estimated to cost more than \$6 billion, wrapped up in September.

It's the first of its kind in Appalachia. Lawmakers awarded Shell one of the largest tax incentives in Keystone State history to build the plant — \$1.7 billion in state tax credits — estimated to save the company about \$66 million a year. Former Pennsylvania Gov. Tom Corbett and Gov. Tom Wolf both made efforts to court the company.

"When this project was first announced, Gov. Wolf said this would be a game-changer for Pennsylvania's economy, and he is absolutely right," said Neil Weaver, Pennsylvania Department of Community and Economic Development acting secretary. "This plant is the first of its kind in the Northeast, and represents one of the biggest investments by a company in Pennsylvania since World War II."

The complex's 600 permanent employees are on site, and Shell will hire additional contractors as needed. At one point, more than 8,500 employees worked to build and commission the complex, which includes a 250-megawatt natural gas and steam cogeneration facility.

In 2012, the company first announced it was considering buying the former Horsehead Corp. zinc plant site to build its sprawling 386-acre petrochemical complex. Attracted by an abundance of local ethane and lower transportation costs — 70% of the company's customer base is in the Northeast — Shell leaders committed to building in Potter Township in 2016, buying the Horsehead property for \$13.5 million.

Construction began in November 2017 and stopped only briefly for a COVID-related pause.

"This moment has been years in the making,"

Continues on page 25

Methane Rule *Continued from page 12*

production. The contents of this plan would need to include the steps necessary to permanently plug all wells, a description of financial requirements and assurance to complete closure, and the schedule for completing closure. Fugitive emissions monitoring would be required until closure, and an Optical Gas Imaging survey would be required to confirm that closure eliminated any emissions from the well.

3. Fugitive Emissions Monitoring for All Wells: Contrary to its Initial Proposal, in which EPA proposed to require fugitive emissions monitoring (i.e., leak detection and repair or LDAR monitoring) at wells with estimated emissions of 3 tons per year or more, the Supplemental Proposal would require LDAR monitoring at all well sites, regardless of estimated fugitive emissions from the well sites. The type (audio, visual, or olfactory versus instrument) and frequency of LDAR monitoring will vary depending on whether the facility in question is a single wellhead-only well site, wellhead only well site with two or more wellheads, or a well site or a centralized production facility that contains “major production and processing equipment.”

These are only some of the numerous additional requirements that EPA is proposing in the Supplemental Proposal. Due to the breadth and complexity of the Supplemental Proposal and the long-awaited release of proposed regulatory text, EPA has also published a memorandum and accompanying chart that summarizes where, throughout the proposal, the agency is soliciting public comment (Summary of Comment Solicitations). In the Summary of Comment Solicitations, EPA has organized the agency’s 142 solicitations for comment by topic, preamble section, and issue to assist the public in understanding on which aspects of the proposal the agency specifically seeks input and guidance. Examples of the topics on which EPA solicits comment include: the potential of advanced methane detection technologies; the “equivalence determination” now required by

Clean Air Act Section 136(f)(6)(A)(ii), a provision added to the per the Biden Administration’s Inflation Reduction Act of 2022; and the proposed Super-Emitter Response Program.

Although the Supplemental Proposal has not been published in the Federal Register, EPA has established a public comment deadline of February 13, 2023, and will hold virtual public hearings on January 10 and 11, 2023.

Comments can be submitted to EPA by registering to speak at the public meeting or in writing on the Federal e-rulemaking portal (www.regulations.gov). The agency plans to issue a final rule in 2023.

EPA’s efforts to advance CAA regulations to reduce methane emissions from the oil and gas industry sector are separate from the inspections and anticipated rulemaking by the Pipeline and Hazardous Materials Safety Administration (PHMSA) under Sections 113 and 114 of the PIPES Act of 2020. While PHMSA has stated that EPA’s regulations may satisfy some Section 114 PIPES Act requirements, it has provided little guidance on this issue.

If you have any questions about the Supplemental Proposed Rule or submission of comments to EPA, please contact one of the below authors. ■



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gsteinbauer@babstcalland.com



Gina N. Falaschi at (202) 853-3483
gfaschi@babstcalland.com



Christina Puhnaty at (412) 394-6514
cpuhnaty@babst-calland.com



*Happy Holidays to the people that
make the season Merry and Bright.*



From the PIOGA Staff - Dan, Danielle, Deana, Debbie, Kevin and Meghan
The PIOGA Office will be closed on December 23, 26 and 30



PIOGA's Online Buyers' Guide is LIVE!

PIOGA is pleased to announce that the 2022 edition of PIOGA Buyers' Guide, the premier resource of relevant products and services for oil & gas professionals, is now available via the PIOGA website or directly at www.paoilgasbuyersguide.com

The 2022 version of the Buyers' Guide features updated and expanded company and product listings, in addition to other valuable information relating to the oil & gas industry. PIOGA members and other industry professionals now have an easy way to browse for goods and services.

"For the past 7 years, the PIOGA Buyers' Guide has become a great online purchasing resource and is a "one-stop-shop" for our members looking for products and services needed for oil and gas operations," said Dan Weaver, PIOGA's President and Executive Director. "We encourage you to look for the PIOGA logo on the listings and use the products and services of our PIOGA members. They support us and we should support them!"

Our long partnership with Strategic Value Media (SVM) has allowed PIOGA to provide more options to our members to advertise their products and services.


The Buyers' Guide provides users with an efficient way to browse for goods and services and offers oil & gas suppliers and companies exceptional visibility by showcasing their products and services to a targeted, industry-specific buyer group.

PIOGA Profits too!

A portion of the proceeds from the Buyers' Guide comes back to PIOGA to help sustain our association. An investment in the Buyers' Guide is not only an investment for your company, but an investment in PIOGA too. We thank you!

A photograph of an oil drilling rig in a field under a blue sky with white clouds. The rig is tall and made of metal, with a yellow and red structure. In the foreground, there is a body of water with reeds. A semi-transparent white box with a pinkish tint is overlaid on the center of the image, containing text and logos.

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PIOGA-ADVERTISE@SVMEDIA.COM



IPAA Announces Steven Pruett as New Board Chairman IPAA Board Appoints Pruett, Elevation Resources President & CEO, as Chairman for 2022-2024 Term

On December 5th, the Independent Petroleum Association of America (IPAA) board of directors met and appointed Steven H. Pruett, the president and chief executive officer of Elevation Resources LLC, as board chairman for the 2022-2024 term. Pruett comes into this role after serving the past term as the association's vice chairman.

"I'm excited to take on this role at a critical time for our industry," said Pruett. "I've been encouraged by the response our IPAA staff is having with our elected officials in Washington. We've truly had an impact on legislation affecting our industry. In the upcoming session, we'll educate freshmen members and veterans of Congress, and elevate our dialogue with the federal agencies regulating our industry. My primary goal is to ensure the financial sustainability of the IPAA by reengaging our existing members and recruiting new members. IPAA's mission is to preserve our industry's ability to develop and produce oil and natural gas responsibly in the United States. I believe that IPAA has a greater impact on federal upstream legislation and regulation than any other association. My job is to help communicate that to our members and to join arms with our staff and members when we are needed in Washington."

"Steve's energy and enthusiasm are assets the IPAA team is grateful to have in our next chairman," said Jeff Eshelman, IPAA president and chief executive officer. "Past-chairman Jim Wilkes, the president, director and co-owner of Texland Petroleum, and Steve made for a great leadership team, helping to guide IPAA through challenging times including price shocks and the pandemic. I look forward to working with Steve as we build upon what they accomplished for IPAA and our members."

Pruett co-founded Elevation Resources, a Permian Basin exploration and production company and operator, in 2013. Mr. Pruett was previously Senior Vice President of Corporate Development of Concho Resources over 2012-13. He co-founded and served as President and CFO of Legacy Reserves LP, a public upstream MLP from 2006-2012. Mr. Pruett has 38 years of oil and gas operating, financial and management experience. Prior to forming Legacy Reserves, Mr. Pruett was a Venture Partner with Quantum Energy Partners, was President of Petroleum Place and P2 Energy Solutions. He previously served as President and CEO of First Permian and First Reserve Oil & Gas Co, both oil and gas operators. He served as Vice President of First Reserve Corporation originating upstream equity investments. He was an energy investment banker with CS First Boston. Mr. Pruett worked in planning and economics for Amoco and began his career as a petroleum engineer for ARCO where he earned his registered professional engineer certificate. Mr. Pruett received his B.S in Petroleum Engineering, High Honors, from the University of Texas at Austin and graduated with an MBA from the Harvard Business School where he was a Baker Scholar.

Pruett is a past chairman of the Permian Basin Petroleum Association where he serves on the Finance Committee, serves on the Board of Governors of Midland Memorial Hospital Foundation where he chairs the Investment Committee. He serves on the advisory board of the College of Business at The University of Texas Permian Basin and is a Director of the Trinity School Endowment Corporation. Mr. Pruett serves on the boards of The Henry Foundation and the Springboard Center of Midland.

For the full IPAA Board of Directors, visit <https://www.ipaa.org/board-of-directors/> ■

PIOGA's 2023 Committee Meeting Schedule

Changes for 2023: The **2nd Wednesday** of each month our committees will meet on the same day (Market Development & Environmental Committees monthly and Safety Committee quarterly)

What those Wednesday's will look like:

9 am to 10:30 am — Market Development

10:45 am to 12:30 pm — Environmental

12:30 pm to 1:30 pm — Lunch (provided to those who attended 2 or more meetings on travel dates only)

1:30 pm to 2:45 pm — Safety (this meeting will only take place on a quarterly basis)

We will be meeting at the PIOGA office (call-in option) for a majority of the year with a travel date every quarter. The virtual/call-in option will NOT be available on travel dates. Travel days will be IN PERSON only meetings.

Committee Schedule for 2023: (** no virtual/call-in option available)

January 11 - PIOGA

February 8 - PIOGA

March 8 - The Chadwick, Wexford **

April 12 – PIOGA

May 10 – PIOGA

June 14 – American Refining Group (brief meetings & a tour) **

July – Everyone take off for summer break (unless you need a virtual meeting scheduled)

August 9 – PIOGA

September 13 – CEC, Inc, Monroeville **

October 11 – PIOGA

November 8 – PIOGA

December 13 – CNX, Southpoint **

Not sure what our committees are doing? We are encouraging all members to join on the first Travel Day in March! Come participate, meet our Committee Chairs and have lunch on us!

For all travel dates, PIOGA staff will not be sending out the normal calendar reminders. The quarterly travel dates/meetings will be RSVP through the PIOGA website.

Please contact Deana McMahan at deana@pioga.org or 724.933.7306 ext. 23 if you are interested in joining one or more of our committees.

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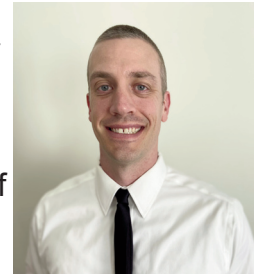


Civil & Environmental Consultants, Inc.

PIOGA's Market Development Committee

New Vice Chair

Joseph O'Donnell from BHE Eastern Energy Field Services is the new Vice Chair for the Market Development Committee. O'Donnell will be joining David Marks, Committee Chair, to help out with the committee.



The committee advocates for the responsible production, development and use of PIOGA member resources. Through the committee structure, companies have a mechanism to share ideas, concerns and solutions.

Elevator Speech Challenge

PIOGA's Market Development Committee is challenging members of the committee to create and present their own elevator speech!

Over the next couple of months, members of the committee will have time at each meeting to present their elevator speeches. Each person who presents a 30-second speech will get a gift.

At each monthly meeting, 2-3 volunteers will be allowed time to present. The challenge is only for those present at the meeting!



The committee meets the second Wednesday of each month from 9 am - 10:30 am.

To join the Market Development Committee, please contact Deana McMahan at deana@pioga.org



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ARG expands hydrotreated base oil product line

American Refining Group Inc. (ARG) announced this week the expansion of its hydrotreated base oil product offerings.

ARG President and Chief Operating Officer Jon Giberson said, "We are pleased to introduce a selection of new hydrotreated base oils with improved color, oxidative stability, and reduced sulfur content."

ARG's line of new hydrotreated base oils includes Kendex® 0070, 0100, 200H, 250H, 300H, 325H, 500H and 600H.

Giberson said, "American Refining Group stands for unrivaled quality in refined products. From our reliable ARGold Legacy™ and the well-received ARGold™ bright stocks, to Kendex® 0060HT and 0150H, these new hydrotreated base oils add still more versatility to the ARG product line that our customers rely on and trust."

Giberson added that the new hydrotreated base oils may be of particular interest to blenders of industrial lubricants such as process oils, hydraulic and gear oils, as well as elastomer, rubber, and plasticizer applications.

Made in Pennsylvania, ARG's products are regionally sourced and widely distributed to various industries. To learn more, visit www.amref.com/products/ and reach out to an ARG salesperson with any questions via the product inquiry form.

Established in 1881, ARG's unique facility is situated on approximately 131 acres in Bradford, Pennsylvania, the heart of McKean County and the birthplace of the U.S. domestic oil industry more than 100 years ago. The refinery has a rated capacity of 11,000 barrels per day and processes light, sweet, paraffinic crude. This type of crude is available domestically, and ARG purchases most of its crude from sources in Pennsylvania, Ohio, New York and West Virginia.

ARG feedstocks are converted into high-quality waxes, lubricant base oils, gasoline and fuels, as well as a wide variety of specialty products. American Refining Group's state-of-the-art blending and packaging facilities produce a full spectrum of finished lubricants. These products are available in a broad range of package sizes, including bulk, and can be delivered by rail or truck. The facility's commitment to quality is proven through its packaging plant and refinery's certifications to ISO 9001:2015 and Made in USA standards.

For more information about ARG, visit www.amref.com or follow the refinery on Facebook and LinkedIn.



PIOGA Members in the Community

PIOGA is looking for more Members in the Community feature stories! If you are a PIGOA member and have a positive community story to share - please reach out to meghan@pioga.org.

We are looking for stories of community impact - education programs, volunteering, positive industry outreach, donations, etc.

It is time to showcase all the good in our industry and shed light on the positives! These feature stories/articles will be used in PIGOA's social media and future marketing materials!

If you have any questions or suggestions for articles - please reach out! Together we can educate and promote the Oil & Gas industry!

Cracker Plant *Continued from page 17*

Mercer said. "Safely constructing and commissioning this world-class facility is a special and once-in-a-lifetime opportunity and we couldn't have done it without a truly collaborative approach between teams around the globe and the support of the community."

Bringing the plant online was a "phenomenal, tremendous" undertaking, Mercer said, calling the startup process a "feat of coordination."

Still, "there's nothing I would say was any different than bringing up any other major project," she said.

Residents for more than a year have monitored the plant to hold Shell accountable, participating in watchdog meetings to learn about reporting air, water, light and sound violations. Shell is permitted by Pennsylvania's Department of Environmental Protection to annually emit hundreds of tons of air pollutants, the highest in the region. The company will soon apply for a five-year Title V air quality permit from federal and state environmental regulators.

The "Eyes on Shell" watchdog group, founded by the Beaver County Marcellus Awareness Community, received a grant from the Center for Environmental Law to buy air monitors and lab analysis, with members of the Louisiana Bucket Brigade giving lessons on air sampling and other tools to document pollution.

As the plant neared completion, local river watchers Mountain Watershed Association and Three Rivers Waterkeeper conducted routine "nurdle patrols" along the Ohio River and Raccoon Creek to document the amount of floating plastic pellets in an effort to gather baseline data.

BCMAC is expected to present Shell with a to-do list next week to "meet community expectations on transparency and accountability."

Earlier this month, related groups including the Breathe Project received nearly \$500,000 in federal grant funding to monitor chronic and acute pollution in the Upper Ohio River Valley.

"Our razor focus now shifts to monitoring the pollution coming into the community and fighting them every day from this day forward as we have been," the Breathe Project said on Twitter following Shell's startup announcement.

Marcellus Shale Coalition President David Callahan called Tuesday's "historic" announcement an "important case study of how competitive, pro-energy job policies can create sustained economic growth for the commonwealth and our nation."

"Built by thousands of our talented and hard-working regional building trades partners, Shell's world-class manufacturing facility is enhancing our quality of life by turning natural gas liquids into the building blocks for essential consumer goods and medical supplies," he said. "We're proud of the hard work by Shell, and so many others, involved in completing this project." ■



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PIOGA Royalty Membership Seeking Help from our Producers

[Hey Producers! Help PIOGA grow their Royalty Membership](#)

There's great potential to grow our membership and supporters if PIOGA can get Producer members to help! PIOGA is looking for Producers willing to send out recruitment letters –encouraging PIOGA membership – to all your Royalty Owners.

[Don't Worry Producers – We have made the recruitment process easy!](#)

If you are a producer and are willing to send PIOGA recruitment mailings to your Royalty Owners – we have simplified the process! PIOGA has produced a mailing template that can be sent out to Royalty Owners.

Simply click on the following link and use the mailing template: <https://tinyurl.com/2cru7x9t>

The template includes a recruitment letter on the front and the membership application on the back. The letter includes bullet points of key reasons why the Royalty Owners should join and testimonials from other Royalty Owners.

Reach out to PIOGA if you are able to do a mailing – we can be of any assistance to help!

[Kriebel Company Mailing Success!](#)

PIOGA would like to highlight and thank Jim Kriebel and Kriebel Companies for doing a mailing to all their Royalty Owners. The company sent the letters out in July and have already brought in 10 new royalty owners and the membership applications continue to come in daily!

The Kriebel Companies have proven that this recruitment process can work and benefit all members of PIOGA!

[What is a Royalty Member?](#)

Individuals, business entities and associations whose sole relationship to oil and natural gas exploration and production is through leasehold or similar property interests.

[PIOGA Pitch and Key Benefits for Royalty Members](#)

PIOGA represents nearly 360 members, including producers, oil and natural gas royalty owners, drilling contractors, service companies, manufacturers, distributors, professional firms and consultants, pipelines, end users, and others with interests in the success of

Pennsylvania's oil and gas industry. PIOGA has been fighting on behalf of the industry for over a century.

Oil and Gas Producers (Individuals and businesses engaged in the exploration and production of natural gas and/or crude oil) and Royalty Owners have a unique partnership. The Royalty Owners has extended the right to develop his/her/their resource to the producer. In turn, the producer shared a portion of its financial rewards in the form of royalties. Anything PIOGA and the association can do to increase wellhead prices or maintain year-round, uncurtailed production benefits both sides of the Producer/Royalty Owner partnership.

PIOGA's work in the legislative and regulatory arenas helps Producers control costs and extend the economic life of their wells, again benefitting Producers and Royalty owners.

PIOGA and its current membership encourages Royalty Owners to be part of the association to better understand the production side of our business and to help us better understand the issues and concerns of Royalty Owners.



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.

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Learn about the PIOGA Partners program:
pioga.org/publication_file/2022_PIOGA_Partners_flyer.pdf

Oil & Gas Dashboard

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Sources

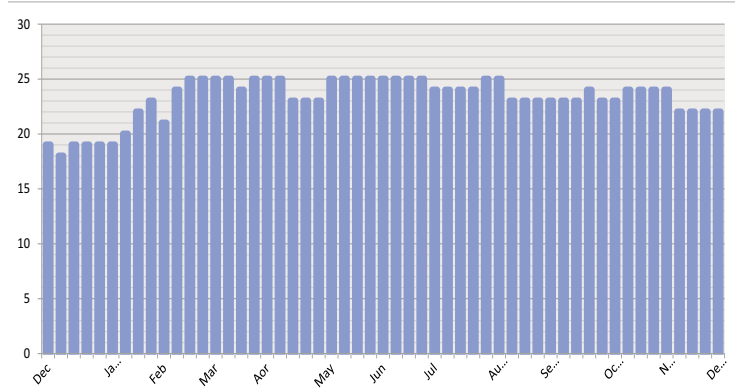
American Refining Group:
www.amref.com/Crude-Prices-New.aspx
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 Gas futures: quotes.ino.com/exchanges/?r=NYMEX_NG
 Baker Hughes rig count: bakerhughesrig-count.gcs-web.com/na-rig-count
 NYMEX strip chart: Mid American Natural Resources
 Basis futures values: BHE Eastern Energy Field Services

Natural Gas Futures Closing Prices

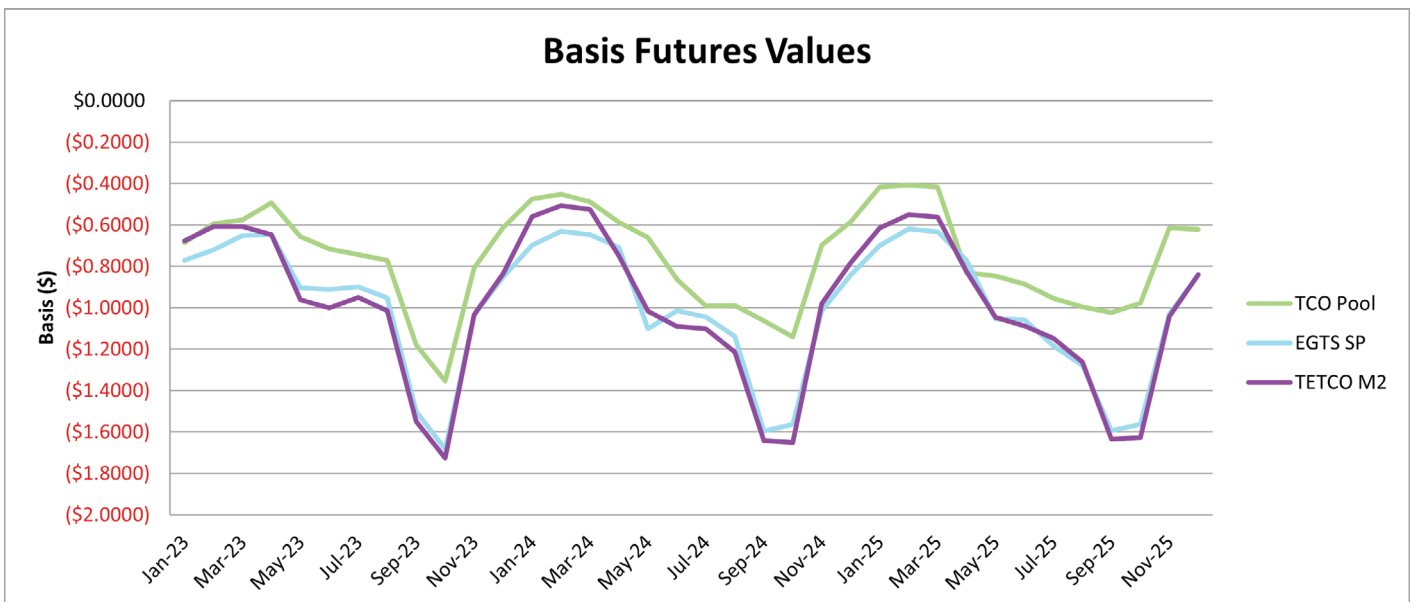
January 2023	5.900
February	5.850
March	5.314
April	4.755
May	4.690
June	4.816
July	4.905
August	4.922
September	4.865
October	4.916
November	5.150
December	5.563

Prices as of November 9

Pennsylvania Rig Count



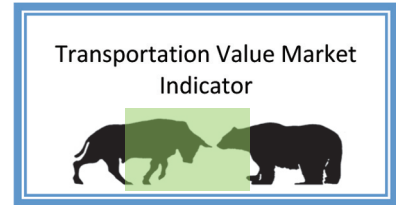
Basis Futures Values



Northeast Pricing Report — November 2022

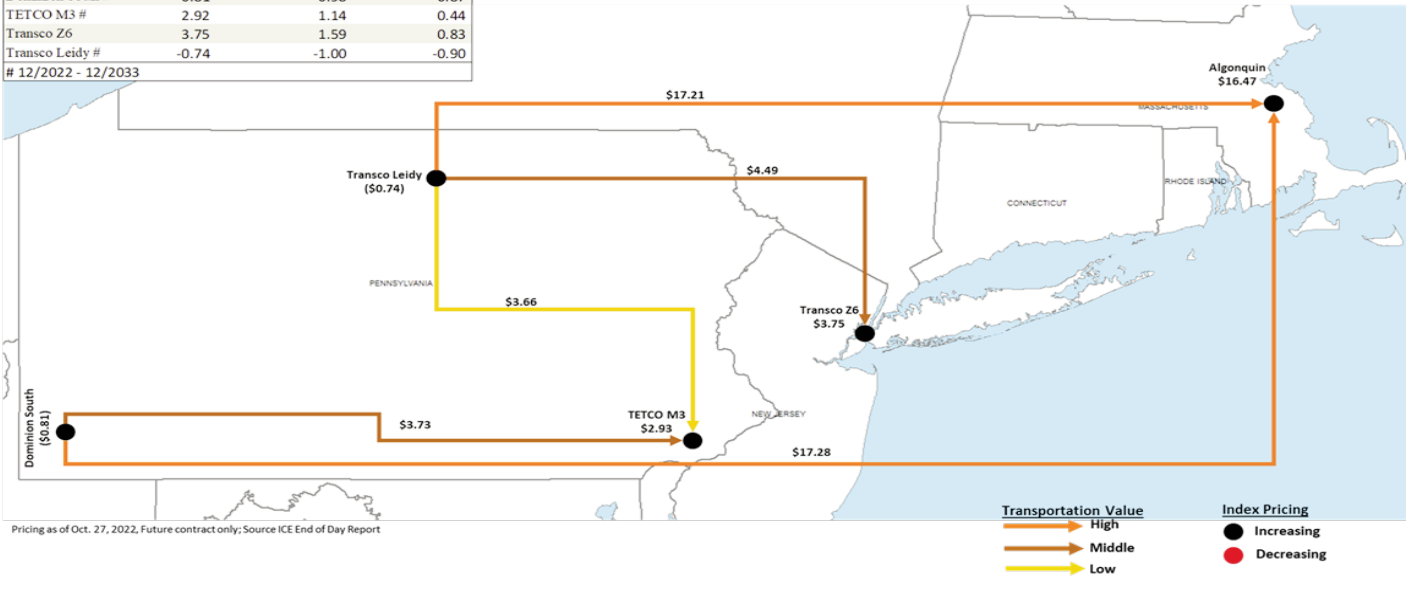
The Henry Hub December contract rose by \$0.83 per MMBtu or 14% over November. Northeast basis values continued their climb as temperatures have been driving demand. Algonquin's basis market increased by \$15.23 per MMBtu or 1,228% to \$16.47 per MMBtu. Transco Z6 grew \$4.61 per MMBtu or 536% to \$3.75 per MMBtu. TETCO M3 also had a significant boost of \$3.98 per MMBtu to \$2.92 per MMBtu. Dominion South and Transco Leidy had the lowest increases of \$0.57 and \$0.68 per MMBtu respectively. The rolling 12-month prices saw similar patterns. The demand areas of Algonquin, TETCO M3, and Transco Z6 increased \$2.14, \$0.40, and \$0.25 per MMBtu respectively. The same goes for the full term trading period. Algonquin raised \$0.44 per MMBtu while TETECO M3 saw an increase of \$0.13 per MMBtu.

Every transportation value saw a significant pop in value. The two routes to Algonquin had the greatest surge in pricing at \$14.67 and \$14.55 from Dominion South and Transco Leidy respectively. While Transco Leidy to Transco Z6 increased \$3.93 per MMBtu, Dominion South to TETCO M3 improved \$3.42 per MMBtu. Transco Leidy to TETCO M3 increased \$3.30 per MMBtu and Transco Leidy to Transco Z6 grew \$3.93 per MMBtu. TETCO M3 to Transco Z6 increased the least at \$0.63 per MMBtu. .

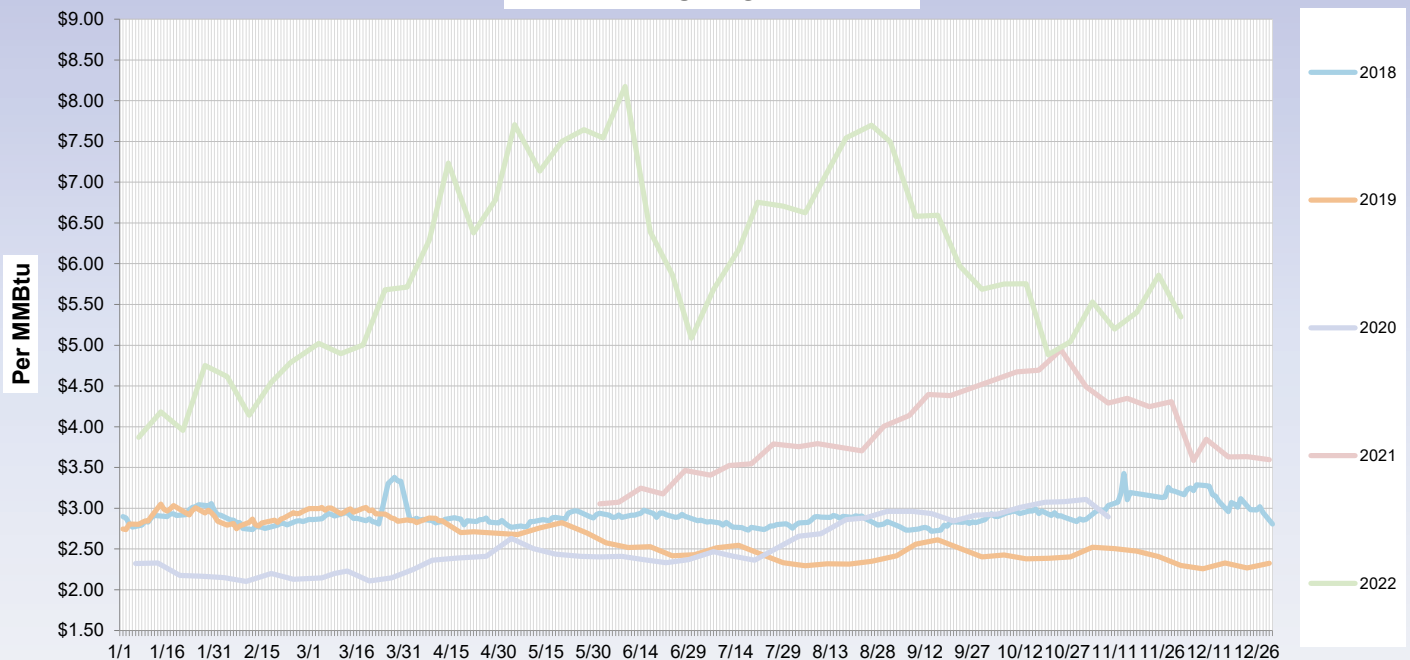


Provided by Bertison-George, LLC
www.bertison-george.com

Location	Pricing Term		
	12/2022	12/2022-11/2023	12/2022-12/2027
Algonquin	16.47	7.55	4.87
Dominion South #	-0.81	-0.98	-0.87
TETCO M3 #	2.92	1.14	0.44
Transco Z6	3.75	1.59	0.83
Transco Leidy #	-0.74	-1.00	-0.90
# 12/2022 - 12/2033			



NYMEX ANNUAL STRIP PRICE



Spud Report: November



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	OPERATOR	WELLS	SPUD	API #	COUNTY	MUNICIPALITY
BKV OPR LLC	3	11/21/22	131-20653	Wyoming	Washington Twp	Russ Holden Well SVC *	2	11/21/22	123-48724	Warren	Watson Twp
		11/21/22	131-20652	Wyoming	Washington Twp			11/26/22	123-48723	Warren	Watson Twp
		11/21/22	131-20651	Wyoming	Washington Twp	Seneca Resources Co LLC	11	11/7/22	023-20293	Cameron	Shippen Twp
Cameron Energy Co	1	11/9/22	123-48718	Warren	Sheffield Twp			11/7/22	023-20294	Cameron	Shippen Twp
Chesapeake Appalachia LLC	14	11/1/22	015-23754	Bradford	Terry Twp			11/8/22	023-20291	Cameron	Shippen Twp
		11/1/22	015-23753	Bradford	Terry Twp			11/8/22	023-20292	Cameron	Shippen Twp
		11/1/22	015-23755	Bradford	Terry Twp			11/28/22	023-20302	Cameron	Shippen Twp
		11/5/22	015-23778	Bradford	Wilmot Twp			11/28/22	023-20297	Cameron	Shippen Twp
		11/5/22	015-23779	Bradford	Wilmot Twp			11/28/22	023-20298	Cameron	Shippen Twp
		11/11/22	015-23780	Bradford	Wilmot Twp			11/28/22	023-20299	Cameron	Shippen Twp
		11/11/22	015-23762	Bradford	Wilmot Twp			11/28/22	023-20300	Cameron	Shippen Twp
		11/11/22	015-23763	Bradford	Wilmot Twp			11/28/22	023-20301	Cameron	Shippen Twp
		11/17/22	015-23764	Bradford	Wilmot Twp			11/28/22	023-20303	Cameron	Shippen Twp
		11/17/22	131-20650	Wyoming	Meshoppen Twp			11/28/22	023-20304	Cameron	Shippen Twp
		11/17/22	131-20649	Wyoming	Meshoppen Twp	SWN PROD CO LLC	3	11/5/22	115-23001	Susquehanna	Great Bend Twp
		11/29/22	131-20648	Wyoming	Meshoppen Twp			11/6/22	115-23003	Susquehanna	Great Bend Twp
		11/29/22	131-20646	Wyoming	Windham Twp			11/7/22	115-23002	Susquehanna	Great Bend Twp
		11/29/22	131-20647	Wyoming	Windham Twp	Wilmoth Interests Inc. *	1	11/21/22	123-48650	Warren	Sheffield Twp
CNX GAS CO LLC	1	11/29/22	129-29141	Westmoreland	Bell Twp						
Coterra Energy Inc.	4	11/5/22	115-23028	Susquehanna	Harford Twp						
		11/5/22	115-23029	Susquehanna	Harford Twp						
		11/5/22	115-23030	Susquehanna	Harford Twp						
		11/5/22	115-23027	Susquehanna	Harford Twp						
EQT Prod Co	9	11/2/22	059-27957	Greene	Morris Twp						
		11/3/22	059-27958	Greene	Morris Twp						
		11/3/22	059-27959	Greene	Morris Twp						
		11/4/22	059-27960	Greene	Morris Twp						
		11/4/22	059-27961	Greene	Morris Twp						
		11/5/22	059-27962	Greene	Morris Twp						
		11/5/22	059-27963	Greene	Morris Twp						
		11/6/22	059-27964	Greene	Morris Twp						
		11/7/22	059-27949	Greene	Morris Twp						
First Amer Energy Inc. *	2	11/3/22	083-57548	McKean	Lafayette Twp						
		11/7/22	083-57547	McKean	Lewis Run Boro						
Gas & Oil Mgmt Inc. *	2	11/11/22	123-48642	Warren	Pleasant Twp						
		11/21/22	123-48641	Warren	Pleasant Twp						
Howard Drilling Inc *	2	11/3/22	083-57363	McKean	Wetmore Twp						
		11/10/22	083-57364	McKean	Wetmore Twp						
Johnson Well SVC LLC *	3	11/4/22	123-48583	Warren	Mead Twp						
		11/9/22	123-48584	Warren	Mead Twp						
		11/15/22	123-48585	Warren	Mead Twp						
Mead Oil LLC *	3	11/4/22	123-48617	Warren	Cherry Grove						
		11/10/22	123-48614	Warren	Cherry Grove						
		11/18/22	123-48613	Warren	Cherry Grove						
Pa Gen Energy Co LLC	3	11/14/22	117-22195	Tioga	Union Twp						
		11/18/22	117-22194	Tioga	Union Twp						
		11/20/22	117-22193	Tioga	Union Twp						
Range Resources Appalachia	10	11/5/22	007-20652	Beaver	Independence Twp						
		11/5/22	007-20653	Beaver	Independence Twp						
		11/6/22	007-20654	Beaver	Independence Twp						
		11/6/22	007-20655	Beaver	Independence Twp						
		11/6/22	007-20656	Beaver	Independence Twp						
		11/7/22	007-20657	Beaver	Independence Twp						
		11/21/22	125-28985	Washington	Buffalo Twp						
		11/21/22	125-28986	Washington	Buffalo Twp						
		11/21/22	125-28987	Washington	Buffalo Twp						
		11/22/22	125-28984	Washington	Buffalo Twp						

	Nov	Oct.	Sept.	Aug	July	June
Total wells	75	73	58	91	96	62
Unconventional Gas	59	52	34	60	73	44
Conventional Gas	0	0	0	0	0	0
Oil	14	14	19	22	20	17
Combination Oil/Gas	2	7	5	9	3	1



Calendar

PIOGA events

Information: www.pioga.org > PIOGA Events

PIOGATech: Air Quality Compliance

December 15, The Chadwick, Wexford

Mix, Mingle & Jingle Holiday Party

December 15, The Chadwick, Wexford

Cigar Event

February 16, Burn, Pittsburgh.

2023 Spring Meeting

March 22 - 23, Rivers Casino, Pittsburgh.

Other events

Gas & Oil Association of West Virginia - 2023

Winter Meeting, January 18-19.

<https://gowv.com/events/2023-winter-meeting/>

IPAA Private Capital Conference - January 19.

<https://www.ipaa.org/events/private-capital-conference-2023/>

30th Anniversary NAPE Summit Week - February 1-3.

<https://napeexpo.com/summit>

New PIOGA members — welcome!

SLR International Corp

Nathaniel Lanham

8 Capitol Street - Suite 300 Charleston, WV 25301

Allies & Providers

PIOGA's online Career Center

Did you know that our website offers the ability for companies to post open positions? To help in your employee recruitment efforts, go to pioga.org and click on Careers.



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