# The **PIOGA** Press

The monthly newsletter of the Pennsylvania Independent Oil & Gas Association July 2025 • Issue 183 A glimpse of what's inside this month's PIOGA Press

#### **TOP NEWS**

- 0000c Updates
- State Budget Update
- PIOGA Event Updates
- Industry News
  - ..... and much more!

# DEP's OOOOc Draft Plan: PIOGA Testifies, Urges Action

On May 31, 2025, the Pennsylvania Department of Environmental Protection (DEP) released its longawaited 193-page draft State Plan to implement the EPA's Subpart OOOOc methane regulations. These federal rules target greenhouse gas emissions from existing crude oil and natural gas facilities and will have far-reaching impacts on operations across Pennsylvania.

PIOGA has been preparing for this moment for months engaging with DEP officials, federal regulators, and state lawmakers to ensure that the industry's concerns are fully represented. Now, with the DEP plan out for public comment and on a fast track toward finalization by March 9, 2026, we need every member to get involved.

#### Testimony from the Front Lines: July 7 in Harrisburg

At the July 7 public hearing at the Rachel Carson State Office Building, PIOGA President & Executive Director Dan Weaver delivered forceful testimony on behalf of our nearly 300 member companies, calling the DEP's draft plan a threat to the Commonwealth's energy future.

"The Preliminary State Plan will obliterate Pennsylvania's status as a global leader in energy production, have crippling economic consequences, and endanger public safety," said Weaver.

In his remarks, Weaver outlined the massive disparity between the plan's cost burdens and the economic realities of operating in Pennsylvania—particularly for the conventional oil and gas sector. *He emphasized:* 

• The average conventional natural gas well in

Pennsylvania produces just \$4,200 in gross revenue annually, before operating and regulatory costs.



• Optical Gas Imaging (OGI) requirements under the plan could cost operators \$1,000 per facility per quarter, potentially bankrupting many small businesses.

• More cost-effective, industry-standard tools—like AVO (audio/visual/olfactory) methods, methane detectors, and combustion meters—are being sidelined without justification.

# Weaver warned that, if implemented as written, the plan would:

- Force hundreds of operators out of business.
- Result in job loss across the state.

• Cut off heating gas to rural and economically vulnerable Pennsylvanians.

• Trigger a spike in abandoned wells.

• Undermine production from unconventional wells currently held by conventional leases.

#### PIOGA called on DEP to:

1. Conduct meaningful Remaining Useful Life and Other Factors (RULOF) analyses.

2. Undergo a full formal rulemaking process—including IRRC, EQB, and General Assembly review.

3. Use any available EPA extensions to refine the plan

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# PIOGA Member Spotlight BlackRock Resources

Based in Canonsburg, Pa. BlackRock Resources has built a reputation as a trusted partner in providing specialized staffing, project management, and consulting solutions to the energy, manufacturing, and infrastructure sectors across the United States.

With a deep understanding of the oil and gas industry's dynamic demands, BlackRock Resources offers tailored workforce solutions that help clients meet project timelines, regulatory standards, and operational goals. From engineering and environmental compliance to safety, project controls, and construction oversight, the company is committed to delivering experienced talent that drives results.

What sets BlackRock Resources apart is their dedication to building relationships—both with clients and the professionals they place. Their team understands the importance of pairing the right people with the right opportunities, which not only supports successful project execution but strengthens the energy workforce overall.

As a proud PIOGA member, BlackRock Resources is actively engaged in promoting responsible energy development and supporting the growth of Pennsylvania's oil and gas industry. Their leadership recognizes the value of collaboration, industry advocacy, and staying ahead of regulatory and market trends.

We're proud to spotlight BlackRock Resources and thank them for their commitment to excellence and to the future of energy in the Appalachian Basin.

Find out more — contact Gene Pietrowski at gpietrowski@blackrockres.com

#### OOOOc Continued from page 1

with Pennsylvania-specific analysis.

4. Align with any revised federal model rules if issued.

The Pennsylvania Grade Crude Oil Coalition and the Pennsylvania Independent Petroleum Producers have joined PIOGA in fully supporting this testimony.

Read Dan Weaver's Full Testimony: https://pioga.org/publication\_file/PIOGA-Testimony-OOOOc-DEP.pdf

#### Next Steps: What You Can Do

This is a pivotal moment for our industry, and your participation is essential. Here's how you can help:

#### Attend a Remaining Public Hearing:1

• July 14 (6:30 p.m.) – Susquehanna County Public Safety Center, New Milford

• July 16 (6:30 p.m.) – Montgomery County Community College, Blue Bell

• July 22 (6:30 p.m.) - Virtual Hearing

PIOGA strongly encourages member participation.

#### Submit Comments:

• To DEP: Submit comments directly through the DEP eComment portal<sup>2</sup> by 11:59 p.m. on July 30, 2025.

• To PIOGA: Help shape our official submission by submitting input to PIOGA by July 21 – Submit via form:

#### https://forms.office.com/r/CWhMaEDNRv

#### Use Our Resources:

<u>OOOOc Info Sheet</u>:

https://pioga.org/publication\_file/OOOOc-Infosheet.pdf

<u>DEP Draft Plan:</u>

https://greenport.pa.gov/elibrary/GetFolder?FolderID=1646351

#### A Unified Voice Is Our Best Defense

This proposal mirrors the federal rule and will impact every oil and gas operator in the Commonwealth. There may still be opportunities to shape the final outcome—but that window is closing fast.

"If you're not part of the solution, you risk being part of the problem," Weaver said. "Let's rise to the challenge and make our voices heard."

Stay active, stay informed, and stay engaged. The future of Pennsylvania's energy economy depends on it.

#### **PIOGA Contacts:**

*Dan Weaver*, President and Executive Director - dan@pioga.org or (724) 933-7306 ext. 30*T* 

*Todd Pappasergi*, General Counsel & Vice President of Government Affairs - todd@pioga.org or (724) 933-7306 ext. 28

1 https://www.pa.gov/agencies/dep/programs-and-services/air/metha reduction-strategy.html



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## **PIOGA Leaders Represented** at IPAA's 96th Annual Meeting

Williamsburg, VA — From June 17–19, PIOGA President and Executive Director Dan Weaver attended the 96th Annual Meeting of the Independent Petroleum Association of America (IPAA), joining independent oil and gas producers and industry leaders from across the nation to discuss the future of energy in America.

Also proudly representing Pennsylvania was Michael Hillebrand, PIOGA Board Chairman and current Chairman of the IPAA Board. Hillebrand delivered remarks during the meeting, emphasizing Pennsylvania's leadership in responsible energy development and its vital contributions to the national energy conversation. His dual role reflects the depth of expe-



rience and influence Pennsylvania brings to both state and national energy policy discussions.

A highlight of the conference was a keynote address by Senator Joe Manchin, who shared timely insights into federal energy policy and legislative priorities. His remarks underscored the importance of a balanced, common-sense approach to



energy development that leverages America's natural resources while

maintaining global competitiveness. The IPAA Annual Meeting serves as a key opportunity for collaboration among independent producers, offering a platform for advocacy, innovation, and strategic planning in

today's evolving energy landscape. PIOGA's continued engagement at the nation-



al level ensures that the voices of

Pennsylvania's independent producers are heard, respected, and represented.

# Meet the New Chair of PIOGA's Tax Committee: Jeremy Matelan, CPA.

PIOGA is pleased to announce that Jeremy W. Matelan, CPA, Manager of Tax Advisory Services at Schneider Downs & Co., Inc., has been appointed as the new Chair of the PIOGA Tax Committee.

Jeremy has been an active member of PIOGA and brings a wealth of experience in tax compliance and advisory services, particularly within the natural resources sector. His focus on the oil, gas, and hard minerals industries makes him exceptionally well-suited to lead the committee at a time when tax policy continues to evolve at both the state and federal levels.

Since joining Schneider Downs in 2018, Jeremy has built a strong track record in corporate, pass-through, and individual tax matters. His expertise includes guiding clients through complex asset acquisitions, evaluating the tax impacts of strategic decisions, and optimizing deductions through tools such as percentage depletion, intangible drilling cost treatment, and accelerated depreciation.

In his new role, Jeremy will lead the Tax Committee's mission to

monitor and report on federal, state, and local tax developments affecting the oil and gas industry. The committee also organizes PIOGA's highly regarded Annual Tax Update Seminar, providing essential information and education to our members.



Jeremy holds a Master of Science in

Accountancy from Duquesne University and a Bachelor of Science in Business Administration from the University of Dayton. He is a member of both the American Institute and the Pennsylvania Institute of Certified Public Accountants, and he remains a dedicated resource to PIOGA members on all matters of tax strategy and planning.

Please join us in welcoming Jeremy Matelan as Chair of the Tax Committee. We look forward to his leadership and insight in the year ahead.

Contact Jeremy: jmatelan@schneiderdowns.com

### Natural Gas and Oil Day Highlights Pennsylvania's Energy Opportunity

On June 24, PIOGA joined API Pennsylvania, the Marcellus Shale Coalition, state lawmakers, labor leaders, and industry partners for Natural Gas and Oil Day at the Pennsylvania Capitol. The event spotlighted the essential role that oil and gas play in the state's economy, workforce, and energy future — while advocating for smart policies that support innovation and responsible development.

PIOGA President and Executive Director Dan Weaver addressed the crowd during the morning press conference, emphasizing the economic strength, environmental progress, and job creation tied to Pennsylvania's energy resources. "This industry continues to provide reliable, affordable energy while driving forward environmental improvements," Weaver noted.

The event featured remarks from key legislators, including Senators Camera Bartolotta and Lisa Boscola, and Representatives Ed Neilson and Eric Nelson, who reiterated their support for pro-growth energy policies and permitting reform.

Following the press conference, attendees explored an interactive technology showcase featuring innovations in safety, virtual reality demonstrations, gas detection tools, and the Mobile Energy Learning Unit (MELU) — all aimed at educating the public and policymakers on how today's energy is produced.

As part of the day's efforts, PIOGA, API PA, and the Marcellus Shale Coalition released a joint letter urging Governor Shapiro and the General Assembly to prioritize Pennsylvania's energy potential through fair tax policies, streamlined permitting, and a balanced regulatory framework.

PIOGA is proud to support and participate in events that advance the future of energy in Pennsylvania. (Photos below)







birthplace of the domestic oil industry. 330-22 140 years later, ARG remains committed to supporting the Commonwealth's conventional oil and gas producers. Crude Oil Relationship M dcook@am 814-59

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# **PIOGATech: PFAS/Water & Waste Management Training**

#### PIOGATech - PFAS/Water & Waste Management Training on July 30 in Washington, Pa.

PIOGA, through its Environmental Committee, will host a vital PFAS / Water & Waste Management Training on Wednesday, July 30, 2025, at the Countryside Banquet & Event Center in Washington, Pa. This full-day event is designed to equip energy and environmental professionals with the latest insights and compliance strategies related to per- and polyfluoroalkyl substances (PFAS), water management, and evolving waste disposal regulations.

**Why Attend?**As regulatory scrutiny increases and PFASrelated issues gain national attention, staying ahead of environmental compliance standards is essential for operators and stakeholders in the oil and gas sector. This training brings together legal, regulatory, and operational experts to provide up-to-date guidance and foster critical industry dialogue.

#### Event Details:

Date: Wednesday, July 30, 2025

Time: 9:00 AM - 3:00 PM (Registration from 8:30 - 9:00 AM)

Location: Countryside Banquet & Event Center, 935 Henderson Ave, Washington, PA 15301

#### Fees:

PIOGA Members: \$175

#### Non-Members: \$225

(Includes breakfast, lunch, full-day training, and certificates for Continuing Education Units and Professional Development Hours)

#### **Educational Credits:**

Participants will earn .4 CEUs and 4 PDHs, ideal for professionals maintaining licensure or certification in engineering, environmental sciences, or related disciplines.T

#### Topics to be Covered:

<u>PFAS</u>: Understanding the impact of PFAS in oil and gas operations and emerging best practices in mitigation and reporting

<u>DEP Updates</u>: Current priorities and future initiatives from the Pennsylvania Department of Environmental Protection

Legal & Regulatory Updates: Presented by experts from firms including Babst Calland and Morgan, Lewis & Bockius LLP

<u>Operator Roundtable</u>: Real-world insights from leading operators like CNX, sharing experiences on waste and water management in the field

#### **Registration Information:**

**Registration will open soon and must be completed with payment by July 23, 2025**. Cancellations will be accepted without penalty until this date. No refunds will be issued after July 23 due to financial commitments associated with the event.

#### Partners:

PIOGA is hosting this training in collaboration with **Babst Calland, CNX, Morgan, Lewis & Bockius LLP,** and **TD Connections**—all key contributors to the oil and gas regulatory and compliance landscape.

#### Contact:

For additional details or questions regarding CEUs, PDHs, or registration, please contact *Deana McMahan* at deana@pioga.org or (724) 933-7306 ext. 23



# **Historical Figure in Oil & Gas**

#### Maria das Graças Foster: Breaking Barriers in Brazil's Oil Industry

Maria das Graças Silva Foster (b. 1953) is a landmark figure in the global oil and gas industry. In 2012, she became the first woman in the world to lead a major oil company when she was appointed CEO of Petrobras, Brazil's staterun oil giant. Her rise from a modest upbringing in the favelas of Rio de Janeiro to the top of one of the world's largest energy companies is a testament to resilience, intellect, and leadership.

Born in a low-income community in Complexo do Alemão, Foster collected scrap metal to help her family while attending school. Driven by a passion for science and determination to change her circumstances, she earned a degree in chemical engineering from Fluminense Federal University, followed by a master's degree in nuclear engineering from the Federal University of Rio de Janeiro. She later earned an MBA in economics.

Foster joined Petrobras in 1978 as an intern and steadily climbed the ranks over three decades, gaining deep experience in gas and energy operations. Her technical expertise, combined with her management skills, led her to senior leadership roles, including head of the gas and energy division. In 2012, she was appointed CEO, making headlines around the world—not only for breaking gender barriers, but for bringing a nononsense, technically grounded approach to leading a company with over 80,000 employees.



While her tenure faced the immense challenges of economic pressures and corruption scandals within Petrobras, she remained widely respected for her integrity and engineering acumen. She advocated for transparency, corporate reform, and stronger internal controls—pushing for improvements in one of the most politically complex oil sectors in the world.

Maria das Graças Foster's legacy lies not only in her role as a female executive, but in her lifelong commitment to science, energy development, and ethical leadership. In an industry long dominated by men and shaped by global politics, her ascent marked a major step forward for women and underrepresented communities in engineering and executive leadership. Her journey is a vivid reminder that diversity and expertise can—and should—shape the future of energy. ■



# Now Accepting Nominations for PIOGA's 2025-2028 Board of Directors

The Pennsylvania Independent Oil and Gas Association (PIOGA) is seeking passionate, committed leaders to help guide the future of our organization and the Commonwealth's vital oil and gas industry. As we prepare for a pivotal new chapter, we invite nominations for individuals to serve on the PIOGA Board of Directors for the 2025–2028 term.

The PIOGA Board plays a central role in shaping the strategic direction of the association, advocating for industry priorities, and ensuring that the collective voice of our members is represented across Pennsylvania and beyond. We are looking for individuals with experience, vision, and a strong commitment to advancing PIOGA's mission.

#### Who is Eligible?

According to the association's bylaws, only Full Members of PIOGA are eligible to be nominated and elected to the Board. (Please note that Associate, Royalty Owner, Student, and Emeritus members are not eligible.)

#### How to Submit a Nomination

Members may nominate themselves or another qualified individual. To submit a nomination, please email the following to Deana McMahan at deana@pioga.org:

- Name of nominee
- Contact information
- Bio or résumé (if available)

#### Deadline for nominations: August 15, 2025, at 5 p.m.

We strongly encourage all nominators to review the General Board Expectations before submitting a name for consideration.

#### A Message from the Executive Committee

On behalf of the Executive Committee, thank you for helping identify the next generation of leaders who will steer PIOGA through the evolving regulatory, environmental, and economic challenges ahead. Your thoughtful nominations will help ensure that the Board continues to reflect the strength and diversity of Pennsylvania's oil and gas industry.

If you have questions about the nomination process or would like to discuss the role further, please contact Dan Weaver at (724) 933-7306 ext. 30.

# Together, let's shape the future of PIOGA—and the future of energy in Pennsylvania.

#### Current PIOGA Board of Directors - as of the 2024-25 term Officers & Executive Committee

- Michael Hillebrand, Chairman Huntley & Huntley (2022-2025)
- Ben Wallace, Vice Chairman Penneco Oil Company (2023-2026)
- Frank J. Ross, 2nd Vice Chairman T&F Exploration (2023-2026)
- James Kriebel, Treasurer Kriebel Energy (2024-2027)
- Sam Fragale, Secretary SEF Consulting (2024–2027)
- Gary Slagel, Past Chairman Steptoe & Johnson

#### Board Members

- Ben Jezonik, Ergon (2024–2027)
- Robert Beatty Jr., Coolspring Gas & Oil Co., LLC (2022-2025)
- Stanley J. Berdell, BLX, Inc. (2024-2027)
- Dan Billman, Billman Geologic Consultants, Inc. (2022-2025)
- Brad Little, Penn View Exploration, Inc. (2024-2027)
- Brian Bittinger, Bittinger Drilling, LLC (2022–2025)
- Mark Cline, Cline Oil Company (2023-2026)
- David Cook, American Refining Group, Inc. (2022-2025)
- Carrie Crumpton, CNX Resources Corp. (2022–2025)
- Charlie Frantz, CSR Services (2024–2027)
- Daniel Frick, Diversified Energy Company PLC (2024-2027)
- David Hill, Hill Drilling (2023-2026)
- Deana Stephens, Steptoe & Johnson PLLC (2024-2027)
- Paul Castelnovo, WGM Gas Company Inc. (2022-2025)
- Paul Kanouff, Civil & Environmental Consultants, Inc. (2022–2025)
- Bruce King, Greylock Energy (2022–2025)
- Joe O'Donnell, IGS Energy Producer Services, Inc. (2024-2027)
- Len Paugh, Long Ridge Energy & Power (2024-2027)
- Gene Pietrowski, BlackRock Resources, LLC (2022–2025)
- Sean Brake, ShalePro Energy Services (2022-2025)
- Jake Stilley, Patriot Exploration Corporation (2023–2026)
- Bryan Snyder, Snyder Brothers, Inc. (2022–2025)
- Jeff Walentosky, Moody and Associates, Inc. (2023-2026)

For more information - www.pioga.org or contact Deana McMahan at deana@pioga.org or Dan Weaver at dan@pioga.org



# **Committee Tour: Explore the Historic Carrie Blast Furnaces**

PIOGA is pleased to kick off our 2025 Committee Tour Series with an exclusive, behind-the-scenes visit to one of Pennsylvania's most iconic industrial landmarks—the Carrie Blast Furnaces in Rankin, PA.

**Location:** Carrie Blast Furnaces - 801 Carrie Furnace Blvd, Pittsburgh, PA 15218

Date: August 5, 2025

**Who's Invited:** Members of the Market Development Committee, Environmental Committee, and PIOGA Board of Directors

This National Historic Landmark offers a fascinating glimpse into Pittsburgh's rich steelmaking heritage. Attendees will enjoy a guided walking tour of the site, highlighting its role in shaping both the region's economy and its industrial legacy. Important Notes:

• The tour involves extended walking on uneven terrain in an open-air, industrial setting.

• Not recommended for individuals with mobility or respiratory concerns.

• Closed-toe shoes are required, and hard hats will be provided—no exceptions.

• Attendance is limited to 25 participants, so early RSVP is strongly encouraged.

To reserve your spot or for more information, please contact Deana McMahan at deana@pioga.org.

Don't miss this unique opportunity to connect with fellow members while exploring a powerful symbol of Pennsylvania's industrial past!

# PIOGA's 2025 Golf Outing

#### Get Ready for PIOGA's Upcoming Golf Outing at Lake Arthur Golf Club!

September 11th at Lake Arthur Country Club – Butler, Pa.

Mark your calendars, PIOGA members – an exciting day of golf, networking, and camaraderie is on the horizon! We are thrilled to announce our annual golf outing, set for **September 11th** at the beautiful Lake Arthur Golf Club at **Lake Arthur Country Club** in Butler, Pa.

Whether you're a seasoned pro or a casual golfer, this event promises something for everyone. Expect a fun-filled day, complete with plenty of opportunities to connect with fellow PIOGA members, share industry insights, and enjoy some friendly competition.

#### Here's what you can look forward to:

Tee Time: A beautiful course, perfect for both the seasoned golfers and those just looking to enjoy the game.

**Networking Opportunities:** Meet fellow professionals, make new connections, and catch up with old friends in a relaxed and enjoyable environment.

**Prizes and Giveaways:** Don't miss out on the chance to win fantastic prizes throughout the day – there's something for everyone!

**Delicious Food:** After a round of golf, indulge in a great selection of food and refreshments to keep the energy going. **Connection and Fun:** Beyond the game, this is an excellent chance to build stronger relationships with others in the industry in a fun and casual setting.

Details about registration, tee times, and sponsorship opportunities are coming soon, so keep an eye on your inbox for more information.

This is one event you don't want to miss! Stay tuned for all the updates, and be ready to join us for a day of sun, fun, and golf at one of Butler's premier golf courses.

#### Save the Date: September 11th

Location: Lake Arthur Country Club, Butler, Pa.

#### More Information Coming Soon!

We can't wait to see you there!

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### Pennsylvania Budget Update

As of the writing of this report, Pennsylvania's 2025-2026 Fiscal Year state spending plan is two weeks late. While legislative negotiations are occurring between Governor Josh Shapiro and the legislative leaders of each of the four legislative caucuses in the Senate and House of Representatives, progress is slow-moving. Since the start of the new fiscal year on July 1, the Senate has been "on leave" and will be called back to Harrisburg when a budget agreement is reached. The House of Representatives has been in Harrisburg each week continuing its regular legislative session voting on legislation that is not related to the budget.

Governor Shapiro's budget plan for the 2025-2026 Fiscal Year proposes \$51.5 billion in spending and relies upon more than \$4 billion in state reserves to balance the spending plan.

The Senate Republicans have made reducing state spending their top priority in the budget negotiations to address the fact that Pennsylvania's spending is outpacing revenues. Adding to this concern is the fact that the recently enacted Federal budget bill has added pressure on the state budget by reducing expenditures for joint state and Federal programs like Medicaid, which will result in the shifting of more expenses to states. With Medicaid being one of the state's most significant budget expenditures, reducing the program costs has been a major focus of the Senate Republicans.

Governor Shapiro and the legislative Democrats who control the House of Representatives remain focused on ensuring funding is available for increasing funding for K-12 education, providing additional support for public transit agencies, and maintaining health coverage for low-income people.

While Governor Shapiro proposed three revenue-raising measures in his budget – legalizing and taxing recreational marijuana, changing the corporate net income tax structure, and regulating and taxing skill game machines that are located in most convenience stores and pizza shops – only regulating and taxing skill games remains a viable leg-islative option among the original three. Other revenue-raising measures have surfaced over the last few weeks, such as eliminating exemptions for goods and services that are not currently subject to the state Sales and Use Tax, raising taxes on rental vehicles, tires, and other sources to

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fund public transit, and balancing the state budget. While legislation was recently introduced in the Senate (Senate Bill 910) to establish a natural gas severance tax in the amount of 6.5% of the gross value of the natural gas, a severance tax has not been a revenue source under consideration during the ongoing budget negotiations. Further, despite calls from legislative Republicans to lease additional state lands for natural gas production as a way to raise revenues, the Shapiro Administration continues to oppose those efforts.

#### Energy-Related Matters Involved in Budget Negotiations

Beyond Governor Shapiro's budget request for the Department of Environmental Protection (a proposed budget increase of 11.2%) and the Department of Conservation and Natural Resources (a proposed budget increase of 13.8%), the majority of the legislative focus on energyrelated issues in these budget negotiations has been on policy-related matters.

Earlier this year, Governor Shapiro introduced his Lightning Plan energy initiative focusing on:

• Renewable Energy Promotion: There is a legislative effort to update the Alternative Energy Portfolio Standard (AEPS) Act and incentivize renewable energy sources like wind and solar.

• Reduce Greenhouse Gas Emissions: Through proposals like the Pennsylvania Reliable Energy Sustainability Standard (PRESS) legislation and the Pennsylvania Climate Emissions Reduction (PACER), legislation has been introduced to cap emissions and invest in clearn energy solutions.

• Expand Energy Efficiency: Legislation has been introduced to update and expand Pennsylvania's energy efficiency law (Act 129 of 2008) to expand demand reduction programs as a way to generate more funding for energy efficiency programs.

• Support Energy Generation Development: Providing tax credits to attract investment in new energy development projects in Pennsylvania, the Pennsylvania Economic Development for a Growing Economy -EDGE- tax credit. Additional legislation has been introduced to establish a one-stop-shop location (the RESET Board) to streamline energy production projects *Continued on page 12* 

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by cutting the regulatory red tape that slows these projects is also under discussion as Governor Shapiro seeks to make Pennsylvania more attractive and move "at the speed of business."

While Governor Shapiro is seeking portions of his Lightning Plan in the final overall budget agreement, the Senate Republican leaders – Senator Joe Pittman and Senator Kim Ward- have repeatedly stated that there will be no discussion on energy issues until Governor Shapiro drops his appeal of the Commonwealth Court decision which overturned the regulation promulgated by former Governor Tom Wolf that placed Pennsylvania in the Regional Greenhouse Gas Initiative (RGGI). However, the Republicans in the Senate have their energy-related priorities, such as, among others, proposals to prohibit local governments from favoring one energy source over others, establishing their version of cutting regulatory red tape and providing support for energy generation projects, improving natural gas well plugging efforts, that they want included in a final budget deal.

Typically, the budget negotiations represent an opportunity for a governor and the Legislature to accomplish significant policy reforms because of the breadth of budget negotiations. While the pending appeal of the RGGI lawsuit before the Pennsylvania Supreme Court continues to stall consideration of issues like Governor Shapiro's PRESS and PACER initiatives in the Republican controlled Senate, there is bipartisan interest in making Pennsylvania more attractive for investment in energy production projects in Pennsylvania to meet the growing electricity demand, especially with recent announcements to develop data centers in Pennsylvania, and reduce government hurdles to attract that investment. Whether or not an agreement can be reached on the details of how to make Pennsylvania more attractive for private investment in energy projects, with all the other spending priorities that must be negotiated, remains to be seen at this late point in the negotiations.

# **PIOGA - Event Highlights in Pictures**



# **Babst Calland Article**

### Amidst EPA's Reconsideration, PA DEP Publishes Proposed State Plan for Greenhouse Gas Emissions from Existing Oil and Natural Gas Facilities

On May 31, 2025, the Pennsylvania Department of Environmental Protection (PADEP) published notice of opportunity for public comment on its Proposed State Plan for 40 CFR Part 60, Subpart OOOOc Emissions Guidelines for Greenhouse Gas Emissions from Existing Crude Oil and Natural Gas Facilities in the Pennsylvania Bulletin. 55 *Pa.B.* 3810.<sup>1</sup>

PADEP is obligated to undertake this rulemaking pursuant to section 111(d) of the Clean Air Act and its implementing regulations, which require states to establish, implement, and enforce standards of performance for existing sources of a pollutant for which emission guidelines have been issued by the United States Environmental Protection Agency (EPA). In March 2024, EPA published Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources: Oil and Natural Gas Sector Climate Review. 89 Fed. Reg. 16820 (Mar. 8, 2024). This rule, referred to by some as the "Methane Rule," established new New Source Performance Standards regulating greenhouse gases (GHGs) and volatile organic compounds (VOCs) emissions for the Crude Oil and Natural Gas source category that begin construction, reconstruction, or modification after December 6, 2022 (referred to as OOOOb) and emission guidelines for states to use in developing, submitting, and implementing state plans to establish standards of performance to limit GHG emissions (in the form of methane) from sources existing as of December 6, 2022 in the Crude Oil and Natural Gas source category (referred to as OOOOc). 0000b and 0000c are very similar as it relates to methane reduction. States, industry trade groups, and oil and gas companies have challenged the Methane Rule, and these challenges are pending before the D.C. Circuit Court of Appeals.

States can either adopt EPA's model emission guidelines as their state plan or develop their own standards that are equally as or more stringent than the federal model rule. States may apply standards less stringent than those included in OOOOc by taking into consideration the remaining useful life (RULOF) of the regulated facilities, or classes of regulated facilities in their plans. The state must demonstrate to EPA that each such facility (or class of such facilities) cannot reasonably achieve the degree of emission limitation in the model rule due to (1) unreasonable cost of control resulting from plant age, location, or basic process design; (2) physical impossibility or technical infeasibility of installing necessary control equipment; or (3) other circumstances specific to the facility. 40 C.F.R. § 60.24a(e).

The state must also demonstrate that there are fundamental differences between the information specific to these facilities (or class of such facilities) and the information EPA considered in determining the degree of emission limitation achievable in the model emission guidelines. Id. If the state has made the required demonstration, it may apply a less stringent standard of performance, but it must be no less stringent than necessary to address the fundamental differences identified and set a standard of performance in the form required by the applicable emission guideline. 40 C.F.R. § 60.24a(f). If the state applies less stringent standards based on an operating condition(s) within the designated facility's control, such as remaining useful life or restricted capacity, the state's plan must also include requirements for the implementation and enforcement of such operating condition(s), such as requirements for monitoring, reporting, and recordkeeping. 40 C.F.R. § 60.24a(g).

EPA promulgated regulations outlining the specific process for RULOF demonstrations in 2023 to give states greater clarity on and predictability for applying less stringent standards of performance consistent with CAA Section 111. 88 Fed. Reg. 80,480. In the preamble to that 2023 final rule, EPA acknowledged that the OOOOc emissions guidelines "address large, complex, and highly diverse source category[y]." 88 Fed. Reg. at 80, 512. As such, EPA suggested that RULOF may play a more significant role in state plans for OOOOc. Id.

PADEP has chosen to adopt EPA's model OOOOc emissions guidelines as its Proposed State Plan, while also seeking comments on whether RULOF should be considered in establishing a standard of performance in its State Plan "for any facility or class of facilities that would be reg-*Continued on page 14* 

#### Babst Continued from page 13

ulated." Operators that believe that they own and operate oil and natural gas facilities that should be subject to differing standards under a RULOF analysis, should consider providing as much information as possible to PADEP in the public comment period regarding unreasonable costs of control resulting from facility age, location, and design, infeasibility of installing equipment, and other specific details that would be relevant to such analysis.

In the Proposed State Plan, PADEP explains that it believes OOOOc, as part of the New Source Performance Standards, to be adopted by reference under 25 Pa. Code §122.3 and the Department has the statutory and regulatory authority to adopt the OOOOc performance standards through its federally enforceable plan approval, state operating permits, Title V permit programs, or general permits. The Department intends to develop General Plan Approval(s)/Operating Permit(s) that would incorporate the OOOOc model rule and the compliance, monitoring, recordkeeping, and reporting requirements required by federal regulation. PADEP says that it intends to collaborate with industry in developing these permits and will provide opportunity for public comment. What is not clear, however, is whether there will be additional opportunity for public comment regarding the State Plan that is submitted to EPA regarding its findings on RULOF.

A copy of the Proposed State Plan is available on the *DEP*  $eLibrary^2$ . The Proposed State Plan is 193 pages and includes various appendices. The Department will accept written comments on the proposed plan for a 60-day comment period, which closes on July 30, 2025. In addition, the Department is holding seven public hearings on its proposal in June and July, where the public can provide comments on the proposal. Further information regarding these hearings and registration can be found on the Department's website<sup>3</sup>.

As of the date of this article, PADEP must submit its state plan to EPA by March 9, 2026, with compliance deadlines in 2029. However, less than one week after the Department opened its Proposed State Plan for comment, the federal Office of Management and Budget received what it describes as the EPA's interim final rule to extend deadlines in OOOOb and OOOOc. In the past, EPA has issued interim final rules for rules related to the Agency's organization, procedure, or practice. These interim final rules typically become effective upon publication in the Federal Register or 30 days after publication and provide a relatively short period for submission of public comments. EPA has followed prior interim final rules with a final rule that considers and responds to comments submitted on the interim rule. Although EPA's interim final rule that is undergoing review by OMB has not been released to the public, it may extend the current March 9, 2026, deadline for the Department to submit the Proposed State Plan to EPA under 40 C.F.R. § 60.5362c. ■





Gina Falaschi, Esq.

Gary E. Steinbauer, Esq.

Babst Calland's Environmental Practice Group is closely tracking PADEP's Proposed State Plan and EPA's pending interim final rule, and our attorneys are available to provide strategic advice on how these actions may affect the oil and gas industry in Pennsylvania and can assist with drafting and submitting comments on PADEP's proposal. For more information or answers to questions, please contact Gary Steinbauer at (412) 394-6590 or gsteinbauer@babstcalland.com or Gina Buchman at (202) 853-3483 or gbuchman@babstcalland.com.

<sup>1</sup> https://www.pacodeandbulletin.gov/Display/pabull?file=/secure/pabulletin/data/ vol55/55-22/714.html

<sup>2</sup> https://greenport.pa.gov/elibrary/GetFolder?FolderID=1650575

<sup>3</sup> https://www.pa.gov/agencies/dep/programs-and-services/air/methanereduction-strategy.html#accordion-49368a0bf8-item-e682e67673



### PIOGA Members in the Community

#### **PIOGA Wants Your Community Stories!**

Are you a PIOGA member making a positive impact? Whether it's through education, volunteering, outreach, or donations — we want to hear from you!

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Send your story or questions to: meghan@pioga.org. Together, we can promote and celebrate the positive side of Oil & Gas!

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#### **Natural Gas Futures Closing Prices**

August 2025	4.094
September	4.161
October	4.222
November	4.277
December	4.314
January 2026	4.330
February	4.341
March	4.345
April	4.345
May	4.305

Prices as of July 15, 2025

#### Pennsylvania Rig Count 25 20 15 10 0 HU AUB Ger. 000 404 Dec. Jan. 4eb. No. AP1. W.



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#### **Spud Report: June**



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 Operator indicates a conventional well.

Operator	Wells Date	API#	County	Municipality
Branch, John *	4 6/4/2025	123-49127	Warren	Warren City
	6/11/202	5 123-49123	Warren	Warren City
	6/19/202	5 123-49126	Warren	Warren City
	6/26/202	5 123-49125	Warren	Warren City
Chesapeake Appalachia	a 3 6/26/202	5 131-20680	Wyoming	North Branch
	6/26/202	5 131-20682	Wyoming	North Branch
	6/26/202	5 131-20681	Wyoming	North Branch
CNX Gas	4 6/10/202	5 129-29275	Westmoreland	l Bell Twp
	6/10/202	5 129-29276	Westmoreland	l Bell Twp
	6/10/202	5 129-29277	Westmoreland	l Bell Twp
	6/10/202	5 129-29278	Westmoreland	I Bell Twp
Coterra Energy	6 6/17/202	5 115-23126	Susquehanna	Auburn Twp
	6/17/202	5 115-23127	Susquehanna	Auburn Twp
	6/17/202	5 115-23128	Susquehanna	Auburn Twp
	6/17/202	5 115-23129	Susquehanna	Auburn Twp
	6/17/202	5 115-23130	Susquehanna	Auburn Twp
		5 115-23131	Susquehanna	
Evergreen Resource *		5 123-49098	Warren	Pleasant Twp
		5 123-49100	Warren	Pleasant Twp
		5 123-49099	Warren	Pleasant Twp
Gas & Oil Mgmt *		123-49026	Warren	Mead Twp
		5 123-48949	Warren	Mead Twp
Holden Oil & Gas *		123-48976	Warren	Watson Twp
		5 123-48977	Warren	Watson Twp
Laurel Mountain *		019-22989	Butler	Bruin Boro
	6/9/2025		Butler	Bruin Boro
		019-22993	Butler	Bruin Boro
	6/10/202	5 019-22990	Butler	Bruin Boro

Operator	Wells	Date	API#	County	Municipality
Minard Run Oil		6/16/2025	053-31139 053-31140	Forest	Howe Twp Jenks Twp
			053-31138		Jenks Twp
			053-31142		Jenks Twp
			053-31146		Jenks Twp
Range Resources			007-20680		Independence
			007-20681		Independence
		6/7/2025	007-20679		Independence
			007-20676		Independence
Coordia Engenerativ			007-20678		Independence
Scorpio Energy * Seneca Resources			053-31121		Howe Twp Charleston
Seneca Resources			117-22283 117-22284	- 0 -	Charleston
			117-22279	- 0 -	Charleston
			117-22281		Charleston
			117-22282	- 0 -	Charleston
			117-22280	- 3-	Charleston
SV ABS Interest Wetmor			083-57794	- 0 -	Wetmore Twp
SWN Prod Co	-	6/2/2025	081-22038		Cogan House
		6/2/2025	081-22039	, ,	Cogan House
					-
		luna	May	Anneil M	arah
		June	-		arch
Total Wells	0	<b>48</b>	22	<b>67</b>	41
Unconventiona		30	13	62	32
Conventional G	as	0	0	0	0
Oil		13	8	5	8
Combination O	il/Gas	5	0	0	1

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#### Calendar

#### **PIOGA events**

Information: www.pioga.org > PIOGA Events

#### **PIOGA 2025 Events**

PiogaTech - PFAS/Water & Waste Management Training July 30

- PIOGA's Producers Golf Outing August 14th
- PIOGA Lake Arthur Golf Club Event September 11

#### Other events

#### **Appalachian STEPS Meeting**

August 14 (https://appalachiansteps.com/)

#### WEN Gala

August 15 (https://pioga.org/event/wen-gala/)

#### GO WV - Oil & Gas Festival

September 11-13 (https://pioga.org/event/go-wv-oil-gas-festival/)

#### Appalachian Hydrogen & Carbon Capture Conference

October 16 (https://pioga.org/event/appalachian-hydrogen-carboncapture-conference-2/)

#### Full Calendar - PIOGA Event & Meeting Schedule -

https://pioga.org/publication\_file/2025-PIOGA-Calendar.pdf

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