

July 7, 2022

CERTIFIED MAIL NO.

Re:

Water Supply Request for Investigation ID 365101

Notice Sent to Operator

Springfield Township, Bradford County

Subject Address:

Dear

This letter is regarding your water supply located at the above subject address. The Department's investigation prompted by the information provided to the Department by your tenants on June 28, 2022, indicates that oil and gas activities are presumed to be the cause of the pollution of your water supply.

Please find enclosed the Department's Notice of Presumption to Blackhill Energy, LLC ("Notice"). As you can see, the Notice requests that certain actions take place within defined timeframes. The Department will continue to pursue this matter.

If you have any questions about any of the above, please contact Matthew Nuss at 570-916-8500.

Sincerely, Jenila Wilcans

Jennifer W. Means

Environmental Program Manager

Eastern Oil and Gas District

Enclosures:

Notice to Operator (sample results attached)

Fact Sheet - Interpreting Water Supply Results

Fact Sheet - Stray Gas

Stephanie Wharton Matthew Nuss File OC cc:



July 1, 2022

Blackhill Energy, LLC 4600 J. Barry Court, Suite 120 Canonsburg, Pennsylvania 15317

Re: Notice of Legal Presumption

24-Hour Request for Temporary Water Request for Restoration/Replacement Plan Water Supply Investigation 365101

Springfield Township, Bradford County

Dear

This is a Notice regarding the pollution of a water supply listed in Exhibit A ("Water Supply") associated with your oil and gas activities, set forth in the table below. The legal requirements to provide temporary water and submit a plan to the Department to restore or replace the water supply are explained below. We request that you provide temporary water within 24 hours of this Notice to the location of the Water Supply set forth in Exhibit A.

CASE INFORMATION

Date of	Nature of Complaint (odor, taste, quantity, use, color)	Elevated Sample Results (above pre-	Oil and Gas
Complaint		drill, expected levels)	Activities
June 28, 2022	Bubbles and sediment observed in water. More frequent changing of water filter due to sediment.	Methane detected at 23.3 mg/L in 6/28/22 sample. Pre-purge water well headspace: 4% LEL combustible gases with effervescence. Post-purge water well headspace: 2% LEL combustible gases peak, sustained at 0% LEL. Methane was non-detect in pre-drill samples collected on 11/16/2021 (<0.0250 mg/L). No effervescence was noted during collection.	Drilling of three Blackhill Energy unconventional gas wells located <2500' from the water supply is currently ongoing: 117-23732 (3H) 117-23733 (2H) 117-23734 (9H)

OIL AND GAS ACT - PRESUMPTION OF RESPONSIBILITY

One or more of your vertical well bores are within 2,500 feet of the Water Supply. Under Section 3218(c) of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3218(c), an unconventional well operator is presumed to be liable for pollution of a water supply if the water supply is within 2,500 feet of the unconventional vertical well bore and the pollution occurred within 12 months of the latter of completion, drilling, stimulation or alteration of the unconventional well, unless the operator rebuts the presumption by affirmatively proving that one of the defenses contained in Section 3218(d)(2) applies. As a result of this presumption, not restoring or replacing the Water Supply will be a violation of law if the aforementioned facts are not rebutted.

TEMPORARY WATER WITHIN 24 HOURS

Under Section 3218(c.1) of the Oil and Gas Act, where the rebuttable presumption applies, the operator shall provide a temporary water supply if the water user is without a readily available alternative source of water. The temporary water supply provided under this subsection shall be adequate in quantity and quality for the purposes served by the supply. It is the Department's understanding that Blackhill Energy is currently providing bottled water to the user of the Water Supply.

The Department requests that you provide a temporary water supply to the affected residence within 24 hours of your receipt of this Notice. Please notify us in writing within 24 hours of your receipt of this letter that you have provided temporary water to the affected users of the Water Supply. If temporary water is already being provided, we request that you continue providing that supply until otherwise notified by the Department.

If the user of the Water Supply refuses temporary water, you should provide immediate written documentation of that refusal to the Department.

REQUEST FOR PLAN AND/OR REBUTTAL WITHIN 30 DAYS

Please provide a plan to restore or replace the Water Supply within thirty (30) calendar days of your receipt of this letter, including the following, at a minimum ("Restoration or Replacement Plan"):

- proposed corrective actions (e.g. treatment, drill new water supply well, connect to public water supply, and/or other corrective actions) to permanently restore or replace the Water Supply in compliance with Section 3218(a) of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3218(a), and 25 Pa. Code § 78a.51(d);
- proposed schedule to implement the corrective actions so that the Water Supply is restored or replaced within forty-five (45) days of receipt of the Department's written approval of the Restoration or Replacement Plan or of the modified Restoration or Replacement Plan;
- the independent accredited laboratory that you will use to analyze samples from the restored or replaced Water Supply;

- plan for confirmatory samples of the restored or replaced Water Supply after you assert that you have permanently restored or replaced the Water Supply, or after you assert that the Water Supply is no longer affected. Such samples will be used to determine whether the Water Supply meets the standards set forth in Section 3218(a) of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3218(a), and 25 Pa. Code § 78a.51. The confirmatory sampling plan should provide for: split samples with the Department; that sampling would only take place Monday through Thursday during Department working hours; and, should specify that the Department will be notified at least three (3) working days before any scheduled sampling of the Water Supply.
- proposed arrangements between you and the users, landowner(s) and/or water purveyor(s) of the Water Supply to provide for all plumbing, conveyance, pumping, or auxiliary facilities necessary for the use of the permanently restored or replaced Water Supply.
- proposed arrangements between you and the users, landowner(s) and/or water purveyor(s) of the Water Supply documenting how you will compensate on a permanent basis for any increased operating and maintenance costs for the replaced or restored Water Supply.

If some or all of these restoration or replacement activities have been conducted, please provide the results of those activities along with the supporting documentation with your Restoration or Replacement Plan.

This Notice is neither an order nor any other final action of the Department of Environmental Protection. It neither imposes nor waives any enforcement action available to the Department under any of its statutes. You may submit a rebuttal to the above-described rebuttable presumption of responsibility for the pollution of the Water Supply. If you choose to do so, please submit the rebuttal within thirty (30) calendar days of your receipt of this letter along with or lieu of your proposed Restoration or Replacement Plan. Be sure to identify the defense to the presumption of liability that you are asserting. If the Department determines that enforcement is appropriate because you failed to submit a plan, or because your Restoration or Replacement Plan is insufficient, or because your rebuttal is not accepted, you will be notified of that action.

Should you have any questions, please contact Matthew Nuss at 570.916.8500 or by electronic mail at mnuss@pa.gov.

Sincerely,

Jennifer W. Means

Environmental Program Manager

Eastern Oil and Gas District

Jennifer W. Means

Enclosures:

Exhibit A Sample Results

c: Stephanie Wharton

Matt Nuss

Complainant File: 365101