

COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

IN THE MATTER OF:

Range Resources – Appalachia, LLC : The 2012 Oil and Gas Act
3000 Town Center Boulevard :
Canonsburg, PA 15317 :

CONSENT ASSESSMENT OF CIVIL PENALTY

This Consent Assessment of Civil Penalty (“CACP”) is entered into this 7 day of January, 2021, by and between the Commonwealth of Pennsylvania, Department of Environmental Protection (“Department”) and Range Resources – Appalachia, LLC (“Range”).

Findings

The Department has found and determined the following:

A. The Department is the agency with the duty and authority to administer and enforce Chapter 32 of Title 58 of the Pennsylvania Consolidated Statutes, 58 Pa. C.S. §§ 3201-3274 (“2012 Oil and Gas Act”); Section 1917-A of the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, *as amended*, 71 P.S. § 510-17 (“Administrative Code”); and the rules and regulations promulgated thereunder.

B. Range, a Delaware limited liability company, is engaged in various oil and gas exploration and production activities in Pennsylvania. Range’s business address is 3000 Town Center Boulevard, Canonsburg, PA 15317.

C. Range was the “owner” and/or “operator”, as those terms are defined in Section 3203 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3203, of the forty-two (42) conventional gas wells located in various counties throughout Pennsylvania that are identified in **Exhibit A** (the “Wells”).

D. Range applied for Inactive Status for the Shirocky Unit #1, Permit No. 051-20829 (Shirocky #1), located in Lower Tyrone Township, Fayette County (“Shirocky Inactive Request”). The Shirocky Inactive Request is dated September 29, 2017 and attached as **Exhibit B**.

E. In its Shirocky Inactive Request, Range indicated that significant reserves remained in place, and that Range intended to return the well to production as stated in the Shirocky Inactive Request within Range’s plan for future use of the well.

F. Concurrently with its submission of the Shirocky Inactive Request, Range also submitted to the Department an internal memorandum (“Range Internal Memorandum”) which is attached as **Exhibit C**. The Range Internal Memorandum included statements regarding the Shirocky #1 that were inconsistent with those contained in the Shirocky Inactive Request.

G. From July 16, 2013 through October 11, 2017, Range submitted Applications for Inactive Well Status for the Wells. Range’s applications for the Wells indicated “Significant reserves remain in place and I plan to return the well to production.”

H. On November 3, 2017, the Department served Range a subpoena for specific documents relating to wells for which Range had previously requested inactive status from the Department (“Subpoena”).

I. The documents produced pursuant to the Subpoena contained information that conflicted with the Applications for Inactive Well Status for the Wells.

J. The documents produced pursuant to the Subpoena indicated that the Wells do not have future utility or significant reserves remaining in place.

K. Some of the Wells had not produced oil or natural gas for twelve consecutive months at the time of the Applications for Inactive Well Status.

L. The Wells were “abandoned wells” pursuant to Section 3203 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3203. Pursuant to Section 3220(a) of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3220(a), “Upon abandoning a well, the owner or operator shall plug it in the manner prescribed by regulation of the department...”

M. Range did not report production for the Wells following the submission of its Applications for Inactive Well Status. Range thereafter plugged the Wells except the Miscovich 1, which Range has scheduled to plug in 2021.

N. The conflicting information provided by Range in its submissions regarding the Shirocky Inactive Request and the Applications for Inactive Well Status for the Wells, when compared to Exhibit C and the documents submitted in response to the Department’s subpoena consumed Department time and resources and constitutes violations of Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3259.

O. For the Shirocky Inactive Request and the Applications for Inactive Well Status for the Wells, described above, Range:

1. Failed to meet the requirements of 25 Pa. Code § 78.102(4), “The applicant shall certify that the well is of future utility and shall present a viable plan for utilizing the well within a reasonable time...” and,

2. Failed to accurately anticipate future use of the Wells, in violation of Section 3214(a)(3) of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3214(a)(3).

P. The violations described in Paragraphs N and O, above, constitute unlawful conduct under Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3259, and subject Range to a claim for civil penalties under Section 3256 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3256.

ASSESSMENT

After full and complete negotiation of all matters set forth in this CACP, and upon mutual exchange of the covenants contained herein, the Parties desiring to avoid litigation and intending to be legally bound, it is hereby ASSESSED by the Department and AGREED to by Range as follows:

1. **Assessment.** In resolution of the Department's claim for civil penalties, which the Department is authorized to pursue under Section 3256 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3256, the Department hereby assesses a civil penalty of TWO HUNDRED NINETY-FOUR THOUSAND DOLLARS (\$294,000.00), which Range hereby agrees to pay.

2. **Civil Penalty Settlement.** Range consents to the assessment of the civil penalty assessed in Paragraph 1, which shall be paid in full upon signing this CACP. This payment is in settlement of the Department's claim for civil penalties for the violations set forth in Paragraphs N and O, covering the dates set forth herein. The payment shall be by corporate check or the like made payable to "Commonwealth of Pennsylvania" and sent to the Pennsylvania Department of Environmental Protection, Bureau of Oil and Gas Management, 400 Waterfront Drive, Pittsburgh, Pennsylvania 15222-4745.

3. **Findings.**

a. Range agrees that the Findings in Paragraphs A through H, K and M, above, are true and correct and, in any matter or proceeding involving Range and the Department, Range shall not challenge the accuracy or validity of these Findings.

b. The Parties do not authorize any other persons to use the Findings in this CACP in any matter or proceeding.

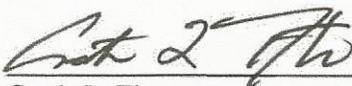
4. **Reservation of Rights.** The Department reserves all other rights with respect to

any matter addressed by this CACP, including the right to require abatement of any conditions resulting from the events described in the Findings. Range reserves the right to challenge any action which the Department may take, but waives the right to challenge the content or validity of this CACP.

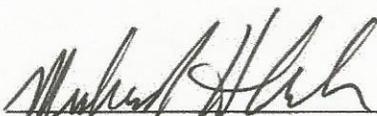
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IN WITNESS WHEREOF, the Parties hereto have caused this CACP to be executed by their duly authorized representatives. The undersigned representatives of Range certify under penalty of law, as provided by 18 Pa. C.S. § 4904, that they are authorized to execute this CACP on behalf of Range; that Range consents to the entry of this CACP as a final ASSESSMENT of the Department; that Range hereby knowingly waives any right to a hearing under the statutes referenced in this CACP; and that Range knowingly waives its right to appeal this CACP, which rights may be available under Section 4 of the Environmental Hearing Board Act, Act of July 13, 1988, P.L. 530, 35 P.S. § 7514; the Administrative Agency Law, 2 Pa. C.S. § 103(a) and Chapters 5A and 7A; or any other provisions of law. Signature by Range's attorney certifies only that the agreement has been signed after consulting with counsel.

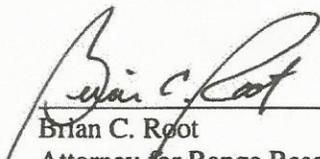
FOR RANGE RESOURCES -
APPALACHIA, LLC:



Curtis L. Tipton
Division Vice President

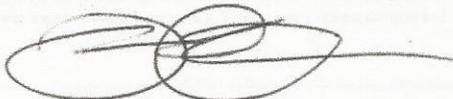


Michael H. Arch
Vice President Environmental Compliance



Brian C. Root
Attorney for Range Resources - Appalachia,
LLC

FOR THE COMMONWEALTH OF
PENNSYLVANIA, DEPARTMENT OF
ENVIRONMENTAL PROTECTION:



Daniel F. Counahan
District Oil and Gas Manager
Southwest District Oil and Gas Operations



Forrest Smith
Assistant Counsel
Southwest Regional Office

Exhibit A

	API Number	County	DEP Well Name & Number
1	005-01732	Armstrong	MAUDE E CUMMINS, ETAL 74X-1
2	005-01805	Armstrong	JAMES KAMMERDIENER 563-1
3	027-21303	Centre	GULF USA 21
4	035-21045	Clinton	HARBISON WALKER 9
5	039-20433	Crawford	KEBERT DEVELOPERS INC Y3
6	039-20524	Crawford	KEBERT DEVELOPERS INC 33
7	039-20719	Crawford	ROBERT T JOHNSON 1
8	039-20762	Crawford	WL DUNN CONST 4
9	039-20763	Crawford	VICTOR BABYAK 1
10	039-20766	Crawford	THELMA SMITH 2
11	039-20851	Crawford	JOHN PODUSZLO ET AL 1
12	039-21321	Crawford	JOHN SCHMUCKER 1
13	039-21429	Crawford	JACOB LEFFLER 1
14	039-21653	Crawford	JOSEPH LORENZ 1
15	039-21732	Crawford	WM SUTTER FRMLY BUNTING 1
16	039-22406	Crawford	F & R EAKIN 1
17	039-22939	Crawford	E & F SMITH 2
18	039-22982	Crawford	DENNIS B HALFAST 1
19	039-23189	Crawford	J NOEL 1
20	039-23480	Crawford	BANGS 2
21	039-24528	Crawford	WEBSTER UNIT 5
22	051-20829	Fayette	SHIROCKY UNIT #1
23	051-21434	Fayette	MARICONDI 1
24	051-21618	Fayette	RANDOLPH ET AL 3
25	051-22566	Fayette	GOLIGHTLY 1
26	051-23289	Fayette	MISCOVICH 1
27	063-22614	Indiana	ANTHONY GEORGIANA JR 2962
28	085-20312	Mercer	URA MILLER 2
29	121-33390	Venango	MT PLEASANT OIL & GAS CO 1
30	121-36533	Venango	R W DRAKE 2
31	121-36828	Venango	JAMES SWAB 1
32	121-36953	Venango	S STANONIS 1
33	121-39749	Venango	C HAZLETT 1
34	121-39892	Venango	RAY GILLILAND 2
35	121-41409	Venango	ANDREW KEELY 1
36	121-41575	Venango	WILLIARD GLOVER 1
37	121-41800	Venango	W & G BALAS 1
38	121-42385	Venango	G. WHETZEL 2

Exhibit A

	API Number	County	DEP Well Name & Number
39	121-42402	Venango	WILLIS C. MARSHALL 1-A
40	121-42426	Venango	J 7 M RUSSELL 1
41	121-42600	Venango	FLORENCE RUTH SCHWABENBAUER 1
42	121-42879	Venango	GALLAGHER/LEGGE UNIT 1

Exhibit A

Exhibit B

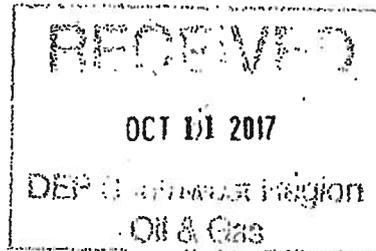
NWRO
SWRO



RANGE RESOURCES®

October 5, 2017

Commonwealth of Pennsylvania
Department of Environmental Protection
North Central Office
Bureau of Oil & Gas Management
208 West Third Street
Williamsport, PA 17701



Re: Applications for Inactive Well Status

We are transmitting the following information for each of the following wells via UPS:

Copies	Description	
10	Application for Inactive Well Status	
10	Well Record/Completion Report & Plat	
County	Well Permit #	Well Farm Name & #
Fayette	37-051-20829	SHIROCKY UNIT #1
Fayette	37-051-21618	RANDOLPH ET AL #3
Indiana	37-063-23067	NORMAN REEGER 2712 #2
Indiana	37-063-22271	M M HAZLETT #1
Armstrong	37-005-21869	W A DILL 5181 #1
Armstrong	37-005-20864	W A DILL HRS 5182 #2
Armstrong	37-005-01732	MAUDE E CUMMINS, ETAL 74X-1 #1
Armstrong	37-005-21391	HELEN COGLEY 101 #1
Armstrong	37-005-21652	JOHN C ELLENBERGER 527T1 #1
Venango	37-121-41278	L HOFFMAN #1

sent
to
NWRO →

Enclosed, you will find the completed Form 5500-FM-OG0056, Application for Inactive Well Status and Well Record/Completion Report for each of the listed wells. If you have any questions or require additional information, please call me at 724-743-5260.

Sincerely,

Laura M. Rusmisl, E.I.T.
Manager Regulatory Compliance PA,
Range Resources-Appalachia, LLC



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Oil & Gas Management Program

100983

DEP USE ONLY	
Auth # 1202319	APS # 952559
Site # 253916	PF # 2164326
Client # 41142	SF # 259041

Application for Inactive Well Status

Well Operator RANGE RESOURCES-APPALACHIA,LLC		DEP Client ID # 141142	Well Permit or Registration Number 37-051-20829	
Address 3000 TOWN CENTER BLVD.			Well Farm Name Shirocky Unit	Well # 1
City CANONSBURG	State PA	Zip Code 15317	County Fayette	Municipality Lower Tyronne Twp.
Phone 724/743/6700	Fax 724/743-6790	Bond Instrument No. 6855	Is this an application for annual extension of inactive status? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Condition of the Well	Describe in detail how the condition of the well satisfies the criteria for approval of inactive status. See 25 Pa. Code §§ 78.102(i), (2)(i) or (ii) and (3). Use additional sheets if necessary. If available, attach well records, driller's logs, and other information describing well casing, cement, equipment, and any other pertinent information.			
Well Type:	<input checked="" type="checkbox"/> Gas <input type="checkbox"/> Oil <input type="checkbox"/> Combination Oil & Gas <input type="checkbox"/> Injection <input type="checkbox"/> Storage <input type="checkbox"/> Disposal			
Casing Diameter: 9 5/8"	Casing Lengths: 42'	Type and amount of cement (sacks) used for surface casing: Class A 100 sks, 50/50 poz 100 sks		
7"	1185'	Tubing or Production Casing Pressure (current): 220	If an oil well, state the depth to fluid in the surface casing: N/A	
4 1/2"	3794'	Annulus Pressure (current - between tubing or production casing and surface casing): 0-psi-8/1/2017 MIT		
Tubing or production casing diameter: 1 1/2"	Tubing or production casing length: 3681'	Is the annulus open to atmosphere? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Other information about the well's condition: The condition of the well is sufficient to affirmatively demonstrate compliance with Chapter 78.102 The construction prevents damage to the producing zone or contamination of fresh water, stops the vertical flow of fluids or gas and poses no threat to the health and safety of persons, property, and the environment. 2016 Production: 40 mcf				
Future Use of the Well	Describe a viable plan, in accordance with 25 Pa. Code § 78.102(4), explaining the intended future use of the well within a reasonable time. Use additional sheets if necessary. Provide the information requested below and any other information necessary for DEP to make a determination on inactive status for this well.			
Provide certification that one of the following applies (check one): <input checked="" type="checkbox"/> Significant reserves remain in place and I plan to return the well to production. The well will be used for: <input type="checkbox"/> Disposal <input type="checkbox"/> Storage <input type="checkbox"/> Observation <input type="checkbox"/> Injection - Recovery <input type="checkbox"/> Other (describe) This well will be returned to use in: Month: SEPTEMBER Year: 2022 State your plan for future use of the well. Range Resources certifies that this well is of future utility and that significant reserves remain in place that Range intends to produce. This filing is in accordance with the provisions of Chapter 78.102.				
Signature of Applicant (Well Operator)		DEP USE ONLY		
Signature 	Date 9-29-2017	<input type="checkbox"/> Approved <input type="checkbox"/> Denied		Date
Print or type signer's name and title: Laura M Rusmiser, E.I.T. Manager Reg Compl PA		by (DEP Manager):		

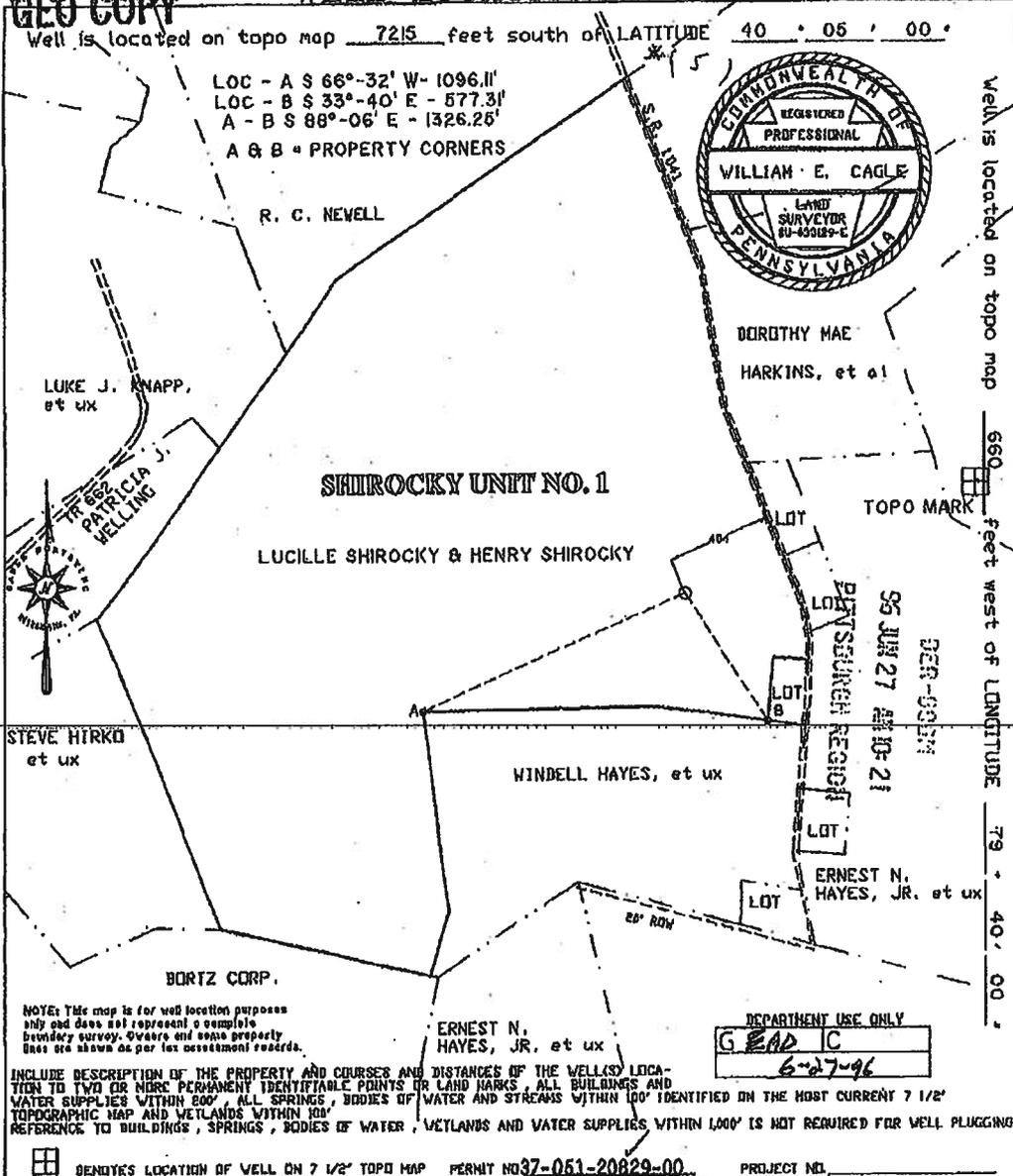
RECEIVED
OCT 06 2017

RECEIVED
OCT 11 2017
DEP Secretary's Office

Recommend denial - Espartero OGI 10/24/17

GEO COPY

WELL LOCATION PLAT



<p>NOTE: This map is for well location purposes only and does not represent a complete boundary survey. Owners and some property lines are shown as per tax assessment records.</p> <p>INCLUDE DESCRIPTION OF THE PROPERTY AND COURSE AND DISTANCES OF THE WELL(S) LOCATION TO TWO OR MORE PERMANENT IDENTIFIABLE POINTS OR LAND MARKS, ALL BUILDINGS AND WATER SUPPLIES WITHIN 800', ALL SPRINGS, BODIES OF WATER AND STREAMS WITHIN 100' IDENTIFIED ON THE MOST CURRENT 7 1/2" TOPOGRAPHIC MAP AND WETLANDS WITHIN 100'. REFERENCE TO BUILDINGS, SPRINGS, BODIES OF WATER, WETLANDS AND WATER SUPPLIES WITHIN 1000' IS NOT REQUIRED FOR WELL PLUGGING.</p>		<p>DEPARTMENT USE ONLY</p> <p>G E A D I C</p> <p>6-27-96</p>	
<p>☐ DENOTES LOCATION OF WELL ON 7 1/2" TOPO MAP PERMIT NO <u>37-051-20829-00</u> PROJECT NO. _____</p>		<p>REVISION ALTERATION STORAGE RECONDITION NEW LOCATION DRILL DEEPER ABANDONMENT REGISTRATION PLUGGING</p>	
<p>LOMAK OPERATING COMPANY</p> <p>Well Permittee/Registrant P. O. BOX 235 Address YATESBORO, PA. 16263</p>		<p>WILLIAM E. CAGLE Surveyor/Engineer SU-03329-E BK 91 PG 35 SHIRUN-IDWG Drawing Number 6-03-96 Date 6-27-96 Scale 1" = 200 FEET</p>	
<p>LUCILLE SHIROCKY & HENRY SHIROCKY</p> <p>Surface Owner N/A</p> <p>Surface Lessor (if any) SHIROCKY UNIT</p> <p>Farm Name 1</p>		<p>SURFACE LANDOWNER AND WATER PURVEYOR WITH WATER SUPPLY WITHIN 1000'</p> <p>APPROXIMATE COURSE AND DISTANCE TO WATER SUPPLY</p>	
<p>Well No. <u>108.362</u> Tract Serial No. <u>1059</u></p> <p>Acres <u>N/A</u> Ground Elevation <u>4000</u></p> <p>Angle of Deviation (Drilling) FAYETTE</p> <p>County DAWSON Municipality <u>5</u></p> <p>Topo Quadrangle Section</p>		<p>S-80 ROBERT HAYES N 89-18' E - 450'</p> <p>W-89 JACK E. BARD S 82-52' E - 608'</p> <p>S-88 DORIS K. STUMA S 83-61' E - 728'</p> <p>S-88 ERNEST N. HAYES JR. S 67-17' E - 956'</p> <p>S-87 THOMAS W. HAYES S 33-03' E - 937'</p>	
<p>COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL RESOURCES BUREAU OF OIL AND GAS MANAGEMENT</p>		<p>Markable Coal Seams Owner/Operator/Lessee Name of Seam WELLS SHIROCKY & HENRY SHIROCKY OWNERS ALL SEAMS JUL 8 1996</p> <p>PA GEOLOGICAL SURVEY Oil & Gas Geology Division</p>	

Commonwealth of Pennsylvania
 Department of Environmental Resources
 Bureau of Oil and Gas Management

WELL RECORD AND COMPLETION REPORT

- In accordance with 26 Pa. Code 78.122(a), a Well Record must be submitted to the Department within 30 calendar days of cessation of drilling or altering a well.
- In accordance with 26 Pa. Code 78.122(b), a Completion Report must be submitted within 30 calendar days after completion of the well. In addition, the information on land application of topsoil water and disposal of residual waste (including contaminated drill cuttings) in a pit is to be filed with the Completion Report (see ER-06-75).

Well Operator	Lomak Operating Company		Telephone Number	(412) 783-7144	
Address	P. O. Box 235, Yatesboro, PA		Zip	16283	
Permit Number	37-061-20829		Project Number		
Farm Name	Shrocky Unit	Farm Number	1	Acres	
Township	Lower Tyrone	County	Wayne		
Type of Well	X Gas	Oil	Injection	Storage	Disposal
				Other (Specify)	

WELL RECORD
 (Include Driller's Log on Reverse Side)

Drilling Method	Rotary (Air X Mud)		Cable Tool	Date Drilling Started	Date Drilling Completed
Other (Specify)				08/16/87	08/22/87
Elevation	1088	Total Depth	4030	7-12" Quadangle	Dawson

CASING AND TUBING RECORD

Hole Size	Pipe Size	Amount In Well	Material Behind Pipe		Packer/Hardware			Date Run
			Type and Amount	Type	Size	Depth		
12-1/4"	9-5/8"	42'	Driven					08/16/87
8-7/8"	7"	1105'	100 sacks Class A cement	guide shoe	7"	1105' KBM		08/17/87
6-1/4"	4-1/2"	3784'	100 sacks 60/50 Poz Mix con. rd	float shoe	4-1/2"	3784' GL		08/22/87
	1-1/2"	3681'	Tubing					07/14/87

Cement return on surface casing? Yes X No

COMPLETION REPORT

Perforation Record			Stimulation Record					Average Infection Rate	
Date	Interval From	Perforated To	Date	Interval Treated	Fluid Type	Amount	Proppant Agent Type		Amount
07/02/87	3698	3718	07/02/87	3388-3718	gelled water	18,884	20/40 sand	34,600	27 bpm
"	3345	3357	"	3348-3357	gelled water	18,888	20/40 sand	41,000	26 bpm
"	2387	2432	"	2387-2432	gelled water	26,838	20/40 sand	33,000	27.5 bpm
"	2269	2277	"	2288-2277	gelled water	18,018	20/40 sand	22,000	26 bpm

Natural Open Flow	NA	Natural Rock Pressure	NA	Hours	
After Treatment Open Flow	61 MCFPD	After Treatment Rock Press.	1,070 psi	72 Hours	

RECEIVED

Name, Address, and Telephone Number of Well Services Companies	
Northeast Energy, Inc., 2784 Route 422W, Bldg. 3, Indiana, PA 15701 412-348-7538	
B J Services Company, R R 1, Box 144A, Fairmount City, PA 16224 814-366-2003	PA GEOLOGICAL SURVEY Oil & Gas Geology Division
Allegheny Wireline Services, P.O. Box 506 Weston, WV 26452 304-260-2600	
Titan Wireline Services, 227 S Main Street, P O Box 286, Elderon, PA 16738 412-354-2629	

DRILLER'S LOG OF FORMATIONS

Name	Top	Bottom	Gas at	Oil at	Water at (Fresh or Brine)	Source of Data
TB-Gl.	0	6				Driller log
Shale & Sand	6	196			Freshwater @ 60' & 66'	
Coal	196	198				
Shale & Sand	198	958				
Red Rock	958	990				
Shale & Sand	990	1,080				
Red Rock	1,080	1,098				
Shale & Sand	1,098	2,280				
Red Rock	2,280	2,280				
Shale & Sand	2,280	2,807				
Shale	2,807	2,850				
Shale & Sand	2,850	3,040				
Shale	3,040	3,340				
Shale & Sand	3,340	3,600				
Shale	3,600	3,708				
Sand	3,708	3,720				
Shale	3,720	3,940				
Sand	3,940	3,980				
Shale	3,980	4,030				
Total Depth	4,030					
Flint Sandstone	2,238	2,318				Geophysical logs
Bayard Sandstone	2,332	2,434				
Speechley Sandstone	3,194	3,216				
Balltown Sandstone	3,341	3,384				
Bradford Marker	3,642	3,647				
First Bradford Sandstone	3,688	3,716				

William G. Zagorski
Operator's Signature

Manager of Geology & Exploration, Appalachian District
Title

9/8/97
Date

FOR OFFICIAL USE ONLY

ckh 10/17/97
Reviewed By Date

Exhibit C



RANGE RESOURCES

1

INTEROFFICE COMMUNICATION

Range Resources – Appalachia, LLC

1369 Cochran Road, Carlton, PA 16311
(814) 425-3100, Fax (814) 425-3181

TO: NWPA Team
CC:
FROM: Douglas Tabar
DATE: 9-7-2017
SUBJECT: Shirocky Unit 1, Property # 537002004, API # 37-051-20829

The Shirocky Unit 1 last produced to sales in December 2016. It has become incapable of economic production.

This well is HBP so no acres will be lost when the well is plugged. This well does not provide house gas. Please file for Inactive Status for this well.

This well will be added to the Yatesboro P&A list.

This well is located in Lower Township, Fayette County, PA. The well will be shut in and not capable of gas sales going forward.