



September 2021 Newsletter

Hello from Arthur Stewart, Secretary

CLEAR ENERGY DAY NOW OCTOBER 26, 2021

Mark your calendar to be in Harrisburg October 26th. PGCC is sponsoring “Clear Energy Day”—a day to look at energy through a clear lens.

Harrisburg is populated with many politicians and bureaucrats who are ready to subsidize unreliable wind and solar energy with our tax dollars. At the same time, the misdirected are doing all they can to put fossil fuels out of business.

Ever wonder how effective wind and solar are at powering a nation? Ever wonder what RGGI (the Regional Greenhouse Gas Initiative just decreed law in Pennsylvania by King Wolf) does to a state’s economy? Mark Mathis, founder of Clear Energy Alliance ([Clear Energy Alliance - Exposing Flaws in Important Energy Issues](#)) knows the answers. Mark has studied energy issues for years and his video clips are extremely popular. [Clear Energy Alliance - Videos - Exposing Lies About Alternative Energy](#) Mark is a speaker in demand around the country, and we’ve arranged for Mark to join us for dinner and a talk at 6 PM at the Camp Hill Radisson. PGCC is the event sponsor.



One of Mark’s videos...featuring the Green New Genie!

THIS IS AN ALL-HANDS-ON-DECK EVENT FOR PGCC MEMBERS. We want you to invite friends and family to join us in Harrisburg at the Capitol at noon on October 26th. We will visit legislators all afternoon. We

will move to the Radisson for social time with legislators at 5:30, then dinner at 6 and the presentation by Mark.

Between now and October 26th we will be asking you to help us call legislators to invite them to attend. Judy has already sent invitations to all legislators, but your calling will help remind legislators about the need to see energy clearly.

PGCC is covering the cost of the dinner so there is no charge to you. If you want to stay at the Radisson the night of October 26th that will be at your expense. We have a group of rooms set aside—if you want to book a room call the Radisson (717) 763-7117 and let the desk know you are part of the PGCC group.

Our strategy in 2021-22 is to break down the fairly tale nonsense that politicians and bureaucrats can wipe out fossil fuels and continue as though nothing happened. Truth be told, fossil fuels provide 84% of the world's energy and fossil fuel demand is going up every year. Wind and solar provide 3% of the world's energy and they come with a host of environmental problems (mining, land usage, bird kills). We need a clear-eyed discussion of these points.

PGCC has been sending clear energy blurbs to Legislators every few weeks. The dinner with Mark Mathis is another step in that strategy. **Let's ALL get to Harrisburg on October 26 and change the dialogue!**



COME JOIN US
OCT | 26 | 2021
AT THE
Radisson Hotel Harrisburg
Camp Hill Conference Center
1150 Camp Hill Bypass, Camp Hill, PA 17011
Bring a guest!
APPETIZERS: 5:30 PM DINNER: 6:00 PM
SPEAKER: MARK MATHIS,
CLEAR ENERGY ALLIANCE
Oil, Natural Gas, Coal and Nuclear provide inexpensive, reliable energy. Yet members of our State and Federal governments want to put these industries out of business. Mark Mathis and the Clear Energy Alliance have been giving clear talk about energy for 20 years. Come join us for dinner, hear Mark, and enjoy his very entertaining video clips. Mark will give us fascinating facts and ideas that we will be glad to know and share. This will be a night you won't want to miss.
RSVP BY OCTOBER 4
to Judy Saf at PGCC:
judy.saf@pagcoc.org or (814) 778-5820
clearenergyalliance.com

PGCC ANNUAL MEETING OCTOBER 7, 2021

The PGCC Annual Meeting is at Jackson Valley Country Club, 6927 Jackson Run Road, Warren, PA. Social hour starts at 5 PM.

Our annual meeting gets underway at 6 PM. Here is the agenda so far:

- *Election of Officers*
- *Financial Report*
- *Harrisburg update from Bob Taylor and Mike Ward*
- *Clear Energy Day planning*
- *Brine Testing (CDAC)*
- *Future PGCC legal Seminars*
- *Legislation and Regulation Updates:*
 - *Plugging Stimulus Update*
 - *Ch. 78 Regulations*
 - *EPA New Source Rules*
 - *Well bonding proposal (\$38,000 per well)*
 - *RGGI*

Thanks to American Refining Group for sponsoring the meeting food!!

STATE TREASURER VISITS OIL PATCH



State Treasurer Stacy Garrity and Rep. Kathy Rapp visited on July 21

On July 21st State Treasurer Stacy Garrity spent the day on a frac job and visiting oil and gas workers in northwest Pennsylvania. The Treasurer understands we would be cold and hungry without fossil fuels. Earlier this year, Treasurer Garrity sent a letter calling on the Biden administration to stop encouraging banks to cut off capital to oil, gas, and coal companies.

Treasurer Garrity said this about the actions being led by President Biden:

“These companies play a critical role in the economies of many hard-working, middle-class communities across Pennsylvania and the United States. They rely on and deserve access to capital from financial institutions, just like any other law-abiding American company. The federal government should not pick and choose which companies can do business with banks based on a political agenda.”

The Treasurer was joined by Kathy Rapp as they toured orphan wells, operating wells and a maintenance shop.

PGCC WORKS WITH “GT” THOMPSON TO INTRODUCE POWER ACT

US Representative Glenn (GT) Thompson recently introduced the [POWER Act](#). The Power Act reauthorizes a federal orphan well remediation program, and establishes a new \$2.2 billion grant program to cover plugging costs.

There are other bills pending in Congress which would fund well plugging. Most of those bills are laden with anti-fossil fuel provisions including requirements for higher well bonding and greater regulation of oil and gas well drilling and operation. PGCC worked with GT to draft a simple funding bill that is free of the anti-fossil fuel baggage.

“It’s just a great opportunity to help our mom-and-pop oil and gas companies that are out there,” said Thompson.

RGGI PASSES IN PA

Earlier this month, Pennsylvania’s Independent Regulatory Review Commission (IRRC) voted 3 to 2 (along party lines) to approve a rule empowering the state to participate in the [Regional Greenhouse Gas Initiative](#), RGGI, a cooperative, market-based “cap and invest” program that sets a regulatory limit on carbon dioxide (CO₂) emissions from fossil fueled power plants located in Pennsylvania. The RGGI establishes a regulatory scheme for the trading of CO₂ emission allowances to limit CO₂ emissions from fossil fuel-fired electric power plants in the state.

Currently, there are 11 RGGI participating states: Connecticut, Delaware, Maine, Maryland,

Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, and Virginia. In those other ten states RGGI was passed by an act of the legislature. In Pennsylvania King Wolf decreed it and the DEP passed RGGI as a regulation, not a law.

In reality, RGGI is a new tax. Our Clear Energy Day speaker, Mark Mathis, produced a great video that explains the problems with RGGI. Take a look at it here: [RGGI Reality - Clear Energy Alliance](#)

ATTACKED FROM ALL SIDES

Oil, natural gas, and coal provide 84% of the world's energy needs. Yet our government is hell bent on destroying these life-sustaining energy sources.

At the national level President Biden killed the Keystone pipeline and stopped leasing of federal oil and gas properties. More germane to us, On January 20, 2021, President Biden issued Executive Order 13990 titled "Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis." Among other direction to EPA, the order instructs EPA to consider taking two actions by September 2021 focused on reducing methane emissions from the oil and gas sector: 1) Propose strengthening previously issued standards for new sources; and 2) Propose emission guidelines for existing operations in the oil and gas sector. The administration claims these actions both fall under section 111 of the Clean Air Act.

PGCC must pay attention to these methane rules. We first saw these rules at the end of the Obama administration. Had the rules gone into full effect at that time we would have been required to purchase or rent expensive methane detection devices, do extensive record keeping and reporting, and possibly even install methane recovery devices on storage tanks. When the rules were being written PGCC joined trade organizations from other states to urge the Obama administration to employ a stripper well exception. The rationale is simple: the low pressure-low volume stripper wells don't produce much methane relative to regular wells; leaks would be small; the cost of the program would be entirely unjustified; the natural incentive to collect and sell natural gas is adequate to achieve the dubious goals sought by the administration. The Obama administration considered, but rejected, the stripper well exception.

When President Trump was elected, PGCC made trips to Washington DC to educate about the importance of the stripper well exception. President Trump pulled back EPA funding for implementation of the methane rules, and eventually the EPA carved out an exception for stripper wells.

President Biden's actions turn back the clock to the Obama era, and the Biden executive order has spurred the EPA to action. The first EPA steps are directed toward "new" sources of methane—think new wells. After those rules are written the executive order requires the EPA to look at existing sources.

PGCC is taking an active role in comments to the EPA. PGCC members Doug Jones and Arthur Stewart were invited by the SBA and EPA to serve as small business representatives to the EPA rulemaking process (Arthur and Doug served in the same roles during the Obama rulemaking process). The EPA is moving with lightning speed and PGCC had to submit its first round of comments in under two weeks. Those comments were submitted July 13, 2021. PGCC's second round of comments was submitted a month later.

Doug and Arthur worked with trade organizations from several other states. PGCC formed a special working relationship with IOGANY. IOGANY elected Mary Gilstrap (of Minard Run) as its president. New York is implementing its own state methane rules and Mary and IOGA hired a firm to do methane testing and assemble conclusions and comments based on that testing.

Mary and IOGANY allowed PGCC to use the IOGANY testing data in PGCC's responses to the EPA. That gave both PGCC and IOGANY a voice in these early rounds of EPA comments. Moreover, the PGCC Board voted to authorize PGCC to hire testing expertise, as necessary in the future, to keep PGCC members informed about the consequences of proposed EPA rules. PGCC has agreed to share that testing data with IOGANY. Send a thanks to Mary and Meredith Fesenmyer if you get a chance—both PGCC and IOGANY are better prepared by working on this project together.

PGCC's second round of comments are nearly 20 pages—much too long to reproduce here. In a few days we will have a link to those comments on the PGCC website, and we will send a note to PGCC members letting you know how to access the comments.

Meantime, old and new challenges continue to pop at the state level. The revised chapter 78 regulations continue to be advanced by the DEP. Those regulations were again the topic of discussion at the August CDAC meeting. PGCC's Legal and Legislative Committees met 11 times in the last year to develop comments on the proposed regulations. At the August CDAC meeting PGCC led the industry with written comments and questions about the proposed regulations. PGCC's Ch. 78 comments will also be on PGCC's website shortly.

Also, in August PGCC drafted a letter to Pennsylvania's Independent Regulatory Review Commission objecting to the procedure used to ram RGGI into place. PIOGA and PIPP joined in the letter. RGGI is going to make electricity more expensive for all Pennsylvanians, including our own businesses.

In September, HB 1763 was introduced in the PA House that would disallow oil and gas producers from deducting post-production costs from oil and gas royalties paid to lessors. PGCC sent letters to the bill's sponsors and to the House ERE Committee members advising that the bill would rewrite leases—some of which are 100 years old. Also, by denying post-production expenses the bill would work a hardship on conventional producers and cause some wells to be shut in. PGCC asked that the bill not be advanced out of the ERE Committee

Meantime, a second minimum royalty bill has just emerged in the State Senate that appears to impose

new and burdensome reporting requirements. For example, the bill appears to require the operator to list the API number of every producing well on every check stub. This might involve dozens or hundreds of wells on every check stub. PGCC's Legal and Legislative Committees will dig into this new bill in the coming weeks.

Finally, the Sierra Club, joined by five other organizations, has filed a document asking the Environmental Quality Board to make conventional oil and gas companies submit bonds of \$38,000 for each conventional well. The Sierra Club proposal would apply to all future wells plus all of the approximately 54,000 existing conventional wells that were drilled beginning in 1985.

Anyone has the right to petition the EQB to develop new regulations. The lengthy proposal from the Sierra Club uses alleged data assembled by a University of Pittsburgh professor. The proposal fails to distinguish between conventional gas, oil or combination wells and instead lumps them all together.

The proposal also deals with unconventional wells, proposing that each unconventional well be bonded for \$83,000.

MAKING THE MORAL CASE FOR FOSSIL FUELS

Want a great resource on how to talk about energy issues? Check out the work of Alex Epstein, author of the [Moral Case for Fossil Fuels](#). Alex maintains a website with some great talking points: [Energy Talking Points - Alex Epstein](#)

The talking points came in handy for PGCC member Cameron Energy. In March 2021 Cameron got a call, out of the blue, from a television production company in Montana. "Do you want to do a Mike Rowe show about oil?" It sounded like a scam. But some research proved that it really was "that" Mike Rowe, and that Mike was serious about showing the hard work that goes into providing the products that everyone uses...and takes for granted. After discussing it with family, employees and other PGCC members, Cameron was a "go."

Pre-production consisted of several telephone calls and exchanges of pictures and videos with the production company. A 4-person film crew arrived in April and filmed for 9 days. Cameron employees were miked-up and told to go about business as normal. That didn't work. The camera crew wanted commentary, and so everyone started over, this time describing the steps as they happened. That took getting used to. A knowing eye can catch a couple nervous mistakes that made the final cut. But most of America won't notice, and the final product casts our industry members as the hard workers and risk-takes we are.

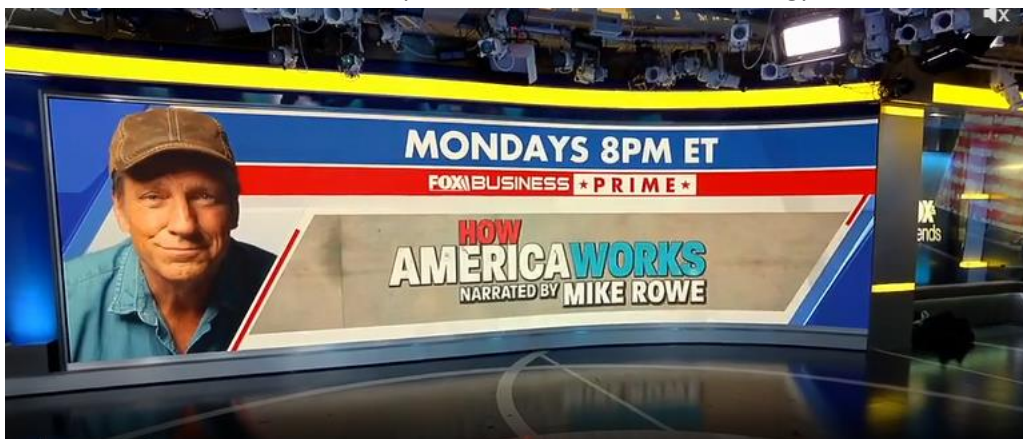
To promote the show Fox asked Cameron Energy father and son, Arthur and John Stewart to do some promos. The talking points came in handy because on Cavuto: Coast to Coast, the questions turned to

national politics.



<https://video.foxbusiness.com/v/6274476334001#sp=show-clips>

The show is titled How America Works. Episode 2 features Cameron Energy.



Here's a 10-minute preview: [How America Works: Pennsylvania oil - YouTube](#)

ANNOUNCEMENT/REQUEST FROM DEP:

Funding may soon become available to advance DEP's efforts to plug the many orphan and abandoned wells in Pennsylvania. DEP's O&G Team recently completed and posted an electronic survey aimed at gathering information from existing and prospective plugging contractors and service companies/consultants working in the Northern Appalachian Basin. DEP is hopeful that many of these contractors/companies will be available to mobilize in the event

the agency's plugging program experiences a significant budget increase. The information gathered in the survey is intended to serve as a planning resource for effective coordination among stakeholders during plugging. For emphasis: this is NOT just a survey for well plugging contractors, but also those companies who might provide any of the numerous support and management services tied to large-scale plugging efforts. This is especially important considering that draft legislation at the federal level includes provisions for reporting environmental impacts (emissions and otherwise) being addressed through plugging and site reclamation and large-scale plugging might also require a different approach for erosion and sediment (E&S) control and data management, among other support services.

For this reason, DEP would greatly appreciate interested firms complete the survey accessed through the link below. The survey should take approximately 20 minutes to complete and will assist DEP in assessing your interest, availability and ability to perform plugging and plugging support work.

[CLICK HERE TO REGISTER YOUR INTEREST AND COMPLETE THE SURVEY TODAY.](#)

The dep has also prepared a FAQ you can check out for more info about how plugging currently works if you are a commonwealth contractor: [Finalized Plugging FAQ 09292021 READ ONLY.pdf \(state.pa.us\)](#)

If you have questions or concerns, please reach out through DEP's Oil and Gas resource account: RA-epOilandGas@pa.gov.

SUPPORT OUR MEMBERS:

PGCC is fortunate to have a growing membership that includes valued service providers. We urge you to support our service members!!!

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(724-859-7373)

Garry Rex – Casedhole Mgn.
(724-705-3942)

Marty Comini – COO
(412-260-9040)

Operation Location: 15771 Olean Trail, Strattanville, PA 15139 (Corsica Shop)

Equipment & Service Description

- 1) **Description:** 3 Complete Wireline Units setup to run Openhole and Casedhole Services. With 2 additional Wireline units in yard. Equipment was built and designed to handle the terrain of the Appalachian's, and the specific needs of the Energy business.
- 2) **Safety:** ATF & NRC Licenses for all operating States. Registered with ISNetworld with a "A" rating. OOSH 300A forms with ZERO incidents since conception (Sept. 2014). All training and safety audits up to date.
- 3) **Personal:** Keystone Wireline staff has many years of field, sales, and management experience dealing with all aspects of wireline work, including Plug-n-Abandonment, Openhole, Casedhole, Cavern, and Porosity storage operations. The team has between 20 plus years of experience for each individual in the wireline industry, making the staff experience leader in the industry.



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