



August 2024 Newsletter
Hello from Arthur Stewart, Secretary

Visit from Attorney General Candidate Dave Sunday



Senator Hutchinson, Rep. Rapp, Dave Sunday, and Rep. Causer toured the oil patch in August

This month PGCC hosted PA Attorney General Candidate, Dave Sunday, for a tour of PA conventional oil and gas operations. Dave is a US Navy Veteran and currently serves as York County District Attorney. During Dave's first term as DA, crime in York decreased 30%. Dave formerly served as a Special Assistant United States Attorney for the Middle District of Pennsylvania, where he assisted in prosecuting gang, illegal gun, and drug cases in Federal Court. During this time, Dave led the prosecution of Operation Sunrise, a large-scale multi-jurisdictional arrest and prosecution of over 100 members and affiliates of the "Latin Kings," a violent criminal gang operating in York County.

According to the Associated Press Dave's opponent has never worked as a prosecutor, defense lawyer, or trial lawyer. Instead, his opponent was elected to political office.

On the visit Dave was joined by Rep. Robert Leadbetter (Columbia County), Reps. Marty Causer and

Kathy Rapp, Senator Scott Hutchinson, and several members of the Commonwealth Foundation. During the visit the guests pumped oil at Cameron Energy and operated equipment at Gas and Oil Management Company.

Brine Hearing in Titusville

On Thursday July 25th, the House Republican Policy Committee, led by Rep. Josh Kail, convened a hearing on "brine spreading," at the Drake Well Museum in Titusville to further educate the public on the economic benefits and safety of brine as a dust suppressant.

Dust from dirt roads is the second most dangerous air pollutant in the United States. For decades brine has proven to be an inexpensive and safe method of dust control. In 1996 the EPA and DEP performed extensive field studies of brine use in Pennsylvania. The study concluded that by controlling the frequency and application rate of brine, impacts to groundwater and surface water would be minimized, while still meeting the road maintenance objective.



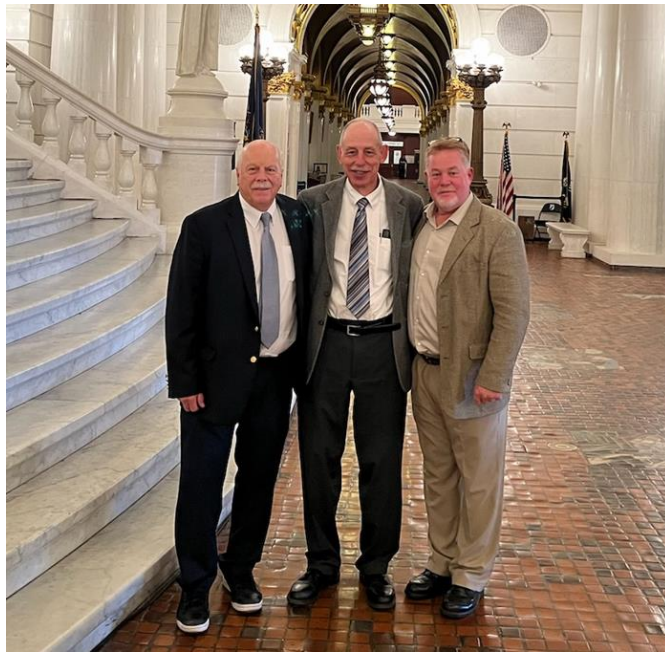
Center: Chairman Josh Kail flanked by several members of the PA House and Sen. Hutchinson.

A few years ago, DEP discontinued brine spreading, and Townships and residents have suffered severely since. Testifying at the panel were Township supervisors who discussed the difficulties of controlling dust and the expense of commercial products other than brine. Hydrologist Burt Waite discussed the EPA and DEP study and the science behind brine use.

PGCC has been active in pointing out that dust suppressant products other than brine are not only expensive...the limited testing on those other products show they contain the same, if not more, of the materials that DEP is worried about with brine. DEP has focused on brine without taking the care to examine the risks of other commercial products applied to dirt roads. While DEP acknowledges its failure to examine those other products, DEP has not been able to get its various departments (Water, Air, Waste Management, and Radiation) in the same room to discuss how DEP will look at the safety of other dust suppression products.

More PGCC Visits to Harrisburg

Members of the PGCC Executive Board regularly travel to Harrisburg to educate legislators about the existence and nature of Pennsylvania's conventional industry. On June 11 and 12 Wally Phillips, Dave Clark and Arthur Stewart met with two dozen legislators and staffers. This trip also included a meeting with DEP Acting Secretary, Jessica Shirley. The meeting was hosted by Senator Gene Yaw who suggested that communications with DEP might be improved through a face-to-face meeting to discuss several long-outstanding issues.



Wally, Arthur and David walking the halls of the Capitol



Somewhere along the way we lost David

To keep PGCC costs to a minimum PGCC Board members pay for their own travel and hotel arrangements. PGCC members are welcome to join Board members on Harrisburg visits, and if you have a desire to walk the halls of the Capitol contact Judy Saf or David Clark.

Visit from DEP Air Quality

On July 15, 2024, PGCC hosted DEP counsel and employees of DEP Air Quality at Cameron Energy well sites. The DEP staff were present to learn about conventional oil well infrastructure (wellhead, tanks, separators, etc.). Earlier in the month DEP staff visited conventional gas well sites in the southern part of the state, to learn about conventional gas well infrastructure.

The visits come as a result of the case PGCC, PIOGA and PIPP filed against the DEP, concerning VOC Emissions. In 2022, DEP advanced VOC emission regulations that lumped together conventional and unconventional wells. Two different statutes (Act 126 of 2014 (58 P.S. § 1207(a)) and Act 52 of 2016 require DEP to develop regulations concerning conventional oil and gas wells **separately** from regulations relating to unconventional gas wells. Act 52 even spells out that DEP must also develop a separate Regulatory Analysis Form (RAF) for conventional oil and gas wells. When DEP sent the new Emission Rule to the IRRC in March 2022, the DEP did it in a blended package and without a separate RAF for the conventional industry.

As reported in our April 2024 newsletter, the DEP suffered a setback in the lawsuit when the Court threw out all four of the DEP's initial objections. The visits were scheduled after the court ruling; attorneys for both sides suggested that DEP visit conventional wells to see how conventional wells are unique and different than unconventional wells.

PGCC welcomes the visits. For years PGCC has argued that VOC emissions from conventional well operations are insignificant and do not warrant regulation. Under law, the first question to be asked when considering new regulations is: ARE NEW REGULATIONS NECESSARY. PGCC has argued that DEP skipped that critical step.

Several PGCC members are serving on a joint committee with the other trade groups to work through the discussions now underway with DEP. Special thanks go to PGCC members **Doug Jones and Sam Harvey** for the heavy lifting they have been doing these past several months.

Babst Calland is representing the conventional trade groups in the litigation.

Many Golf Fundraisers for Candidates

Golf fundraisers have become a tradition for many PA House and Senate members. PGCC began attending these events several years ago. They are a good opportunity to get out of the suit and tie and get to know the legislators (and vice versa) in a more relaxed setting.

This summer PGCC has been well represented at numerous events. Participants have included ARG staff Ryan Krogmeier, Bill Murray and Dave Cook, Executive Board members Wally Phillips and Arthur Stewart, and members Tyler Martin and Justin Henry.



UPCOMING SEMINAR

DEP is holding 3 training sessions for the Act 96 grant money for well plugging. This is grant money that is long-delayed, but DEP said recently it thinks the release of the money is now near at hand.

The first two sessions will be in person: Slippery Rock Univ on August 26 and Univ of Pgh. at Titusville on August 27. The third session will be a virtual seminar on August 30.

For more information [click here](#).

Hire Private Firms for Well Inspections?

At the last several CDAC meetings DEP has offered the suggestion that the system of inspecting PA conventional oil and gas wells be overhauled. DEP says it does not have enough inspectors to do the job; the suggestion is that the inspection of wells be taken over by private enterprise. Under the suggestion, oil and gas well operators would pay the private inspectors to conduct the well inspections.

As support for the suggestion DEP points to the fact that thousands of wells have never been inspected (or at least not inspected in the last decade or more). Under the suggested system the oil and gas inspection program would mirror what is done with the underground tank program applicable to gasoline service stations. Kwik Fill, Sheetz, and all other PA service stations are required, by law, to pay inspectors to come periodically to inspect the underground tanks.

At the CDAC meeting on August 15, 2024, DEP invited participants in the underground tank program to speak about the advantages of the system. The speakers (including a representative of Sheetz) noted that the service station owners would rather deal with third party inspectors than state employees because third party inspectors will “help solve the problem.”

The conventional oil and gas members of CDAC have asked DEP to address two glaring problems. First, Sheetz and all other gas station owners in Pennsylvania pass the inspection costs directly on to the consumer. ALL PA gas stations are subject to the inspection process, all are incurring the same cost, and all are factoring that cost into the price of gasoline. Not so with oil and gas producers who have no way to pass the cost to consumers. If DEP can provide a mechanism for oil and gas producers to pass the cost to consumers then it will be an apples-to-apples comparison—if not, it is just another regulatory cost that will double-burden producers (because DEP inspectors would still remain in place to oversee the private inspections).

Second, what is going on with current DEP inspections? Last year DEP did about 30,000 oil and gas inspections. Yet most of those inspections were concentrated on fewer than 300 operators. There were about 5000 operators who got no inspections. In other words, DEP is choosing not to inspect difficult situations such as operators who are not filing production and mechanical integrity reports. What makes DEP think that operators who do not cooperate with reporting requirements, will cooperate with a program that requires them to pay for inspections? And see our April Newsletter for details about how DEP is failing to utilize information from inspections. Why does DEP do inspections if DEP can't handle the gathered information?

CDAC members have suggested that enlarging an inspection program that is already broken and inequitable is not a step toward better practice.

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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ARG remains committed to supporting the
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Marty Comini – COO
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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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