ODNR Appoints Northeastern Administrator

Chief of Oil and Gas Operations

ODNR NEWS RELEASE, COLUMBUS, OH—Ohio Department of Natural Resources (ODNR) Director James Zehringer announced today the appointment of Richard Simmers to Chief of the Division of Oil and Gas Resources Management. “Rick’s extensive experience in field enforcement issues and previous management roles are going to be invaluable to him as chief of the new created Division of Oil and Gas Resources Management,” said Zehringer. “I am confident that he will be a great leader for his staff and provide oversight of Ohio’s oil and gas industry.

Simmers will be responsible for enforcing Ohio’s laws related to oil and gas drilling, production, plugging, orphan wells, solution mining, ethanol recovery, gas storage and underground injection control operations. The division employs about 70 employees, nearly half are field inspectors. “Leading the Division of Oil and Gas Resources Management is an honor,” said Simmers. “As chief, my goal will be to effectively and fairly regulate the industry and, above all else, ensure that public safety and protection of the environment are foremost.” (Continued on Page 5)

West Virginia Has New Marcellus Drilling Law

On Wednesday, December 14, Governor Earl Ray Tomblin, Senate President Jeff Kessler and House Speaker Rick Thompson announced the passage of the Horizontal Well Act, relating to Marcellus Shale.

“While we are excited about the passage of the Horizontal Well Act, it’s important to note that it imparts tremendous obligations on the oil and natural gas industry,” stated Doug Malcolm, Independent Oil and Gas Association of West Virginia board member.

“The Horizontal Well Act is a compromise, but I’m confident with the passage of this legislation we are headed in the right direction,” continued Malcolm. “The oil and natural gas industry is critical to our state. Reasonable regulation of this industry ensures further economic development and opportunities for West Virginia,” said Malcolm. The new law provides clear permitting and regulatory rules that will enable our state to continue to develop job opportunities, as well as invest in West Virginia. The Horizontal Well Act also provides the Department of Environmental Protection.

(Continued on Page 20)
The Utica play in Ohio, similar to the Marcellus in Pennsylvania, has certainly caught national attention, and the national and local press is reporting on its development on a daily basis. It is being given good press as well as bad press, from reports of the 200,000 plus jobs it and the economic gains it will create, to the heavily debated issues of ground water contamination from fracing, possible upcoming EPA regulations, well construction standards, and road repair regulations. As always, the SOOGA board will be monitoring and representing producer interests in this developing regulatory climate.

As we look at the declining price of gas on the NYMEX, the one bright spot is the price of oil, which has hovered around the $100/bbl mark for awhile now. With storage at record levels, production levels being 4 BCF+/day higher than last year primarily due to the Marcellus, and winter weather being below normal compared to last year, the price of natural gas has suffered. Some analysts have forecasted a return to better pricing in 2013, perhaps to the $5.50-$6.00 level. Time and circumstances will tell.

SOOGA put together a Tax Seminar for its producers on November 29th, with Robert “Butch” Rogers as the guest speaker. He reviewed current Hot Issues and Developments, as well as 2012 and 2013 possible tax changes for the 25 attendees. It was well received and most timely for the producers and tax professionals who attended. A potential follow up presentation is in the works for this spring.

As we start the New Year, SOOGA is planning its 2012 schedule of events from the Spring Membership meeting to the Fall Trade Show. As the dates of each become available, watch for them in the Bulletin and in emails and registration forms as they are sent out. SOOGA ended another successful year with 368 members, and our membership base continues to grow. Thanks to all who have joined the association, and we look forward to your involvement and participation as we monitor and watch out for your interests in this changing regulatory and political climate.

On behalf of the Southeastern Ohio Oil and Gas Association, I wish each one of you a Happy Holiday Season and a Prosperous New Year.

Please operate safely, be good stewards of the environment, and stay the course. Our country needs our energy products.

President
Jim Javins
2012 CALENDAR OF EVENTS

TENTATIVE

Wednesday, April 25, 2012
SOOGA Spring Membership Meeting
Comfort Inn, 700 Pike St.
Marietta, OH 45750.

Thursday, April 26, 2012
SOOGA Spring Golf
Marietta County Club, 705 Pike St.
Marietta, OH 45750

Friday, June 22, 2012
SOOGA Spring Clay Shoot
Hilltop Sports, 1530 Offenberger Rd.
Whipple, OH 45788

Friday, August 17, 2012
SOOGA Fall Golf
Lakeside Golf Course, 18218 State Route 60
Beverly, OH 45715

Wednesday, September 12th & Thursday, September 13th
SOOGA 2012 Annual Fall Trade Show
Washington County Fairgrounds, 922 Front Street
Marietta, OH 45750

Friday, October 19, 2012
SOOGA Fall Clay Shoot
Hilltop Sports 1530 Offenberger Rd.
Whipple, OH 45788

November 1st - November 30th, 2012
SOOGA Annual Gun Giveaway

---

Brine Water Disposal in Ohio
Well being drilled in Guernsey County
AVC News12/8/2011

New monitoring equipment will help determine whether earthquakes in northeast Ohio are resulting from the disposal of brine used in natural gas drilling. An ODNR spokesman said that four new seismographs have been set up in the Youngstown area, which has seen eight minor earthquakes near new wells this year.

Seven of the eight earthquakes this year in Mahoning County had epicenters near the well owned by D&L Energy Inc. D&L has said that the brine is injected at pressures that are regulated by the state and are safe. Brine pumped underground by the well is a byproduct of a drilling process called hydraulic fracturing, or fracking, which uses water laced with chemicals to free up gas locked in underground shale.

A brine disposal well is being drilled in Cambridge Township, just off Southgate Parkway near K-mart. The well is being drilled by Whipstock Natural Gas Services for an unknown customer. Whipstock Natural Gas Services in Canton is a private company established in 2007 and incorporated in Ohio. Current estimates show the company has an annual revenue of $150,000.

---

Tech Star, Inc.
2100 Clay Road
Junction City, Ohio 43748-0449

Larry D. Hill
(800) 987-5556
(740) 987-8888 FAX
Home (740) 376-9103
Mobile (740) 568-8965

ALPHA HUNTER DRILLING, LLC
Shallow Hole Drilling: Gas or Oil
Shallow Directional Work
Top Hole Drilling

For more information please Contact:
Mike Rogers
Drilling Superintendent
P.O. Box 430 Reno, OH 45773
Office: (740) 374-9490 Ext. 131
Fax: (740) 374-5270
Mobile: (740) 525-5074
December 2011 – Press Release

OGIA Expands Energy Team

OGIA Insurance Agency, serving SOOGA members since 1979, has established a strategic partnership to better serve its growing client base. The partnership will mean expanded resources to better assist businesses as they navigate through the challenges of the new Utica play. The team is headed by Mark Freshwater of OGIA and Matt Yost of Taylor Agency and assisted by Linda Custer in Grove City as well as additional support staff at both agencies.

SOOGA member businesses of all sizes will have available a full range of insurance products, bonding and advisory services. All existing clients and brokers represented by the two firms will continue to deal with their respective offices. Please contact Mark Freshwater, OGIA President, by emailing msfreshwater@aol.com for additional information.

Mark Freshwater, MBA, CIC, ARM Linda Custer, Vice President
T: 888.231.8426 T: 800.334.5488
E: msfreshwater@aol.com E: lcuster@columbus.rr.com

Energy Risk Advisors, Ltd.
www.ogiainsurance.com

An ODNR career employee of 26 years, Simmers began working for the Oil and Gas Program in 1985 as a staff geologist and groundwater investigator. In 1987, he was promoted to Northeast Ohio enforcement administrator for 19 counties. From 1994 to 1996, Simmers also served as acting Chief for the Division of Oil and Gas. When the division merged with the reclamation program to become the Division of Resource Management in 2000, Simmers assumed responsibility for supervising all field enforcement activities across the state.

Simmers earned both a Masters of Science degree and Bachelor’s in Geology from the University of Akron. He also holds a bachelor’s degree in Biology from the University of Akron.

Currently serving as Ohio’s representative to the Interstate Oil and Gas Compact commission, Simmers also served on the Ground Water Protection Council. Simmers resides in Stark County.

The ODNR ensures a balance between wise use and protection of our natural resources for the benefit of all. Visit the ODNR Web site at ohiodnr.com.

For more information, contact: Laura Jones, ODNR Communications Chief or Heidi Hetzel, ODNR Oil and Gas Resource Management

(continued from Page 1)
## 2011 NEW MEMBERS

SOOGA would like to welcome

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Company</th>
<th>Address</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>JOHN BOYD</td>
<td>Allied Industry</td>
<td>Allied Industry</td>
<td>27835 St.Rt. 7, Marietta, OH 45750</td>
<td>866-793-7867</td>
</tr>
<tr>
<td>DOW CAMERON</td>
<td>Contractor</td>
<td>Dow Cameron Oil &amp; Gas, LLC</td>
<td>1149 Parkview Dr., Zanesville, OH 43701</td>
<td>740-452-1568</td>
</tr>
<tr>
<td>KEN MCFANN</td>
<td>Allied Industry</td>
<td>Southern Oil Field Supply</td>
<td>607 5th St., Racine, OH 45771</td>
<td>740-949-2525</td>
</tr>
<tr>
<td>CHARLENE ANDERSON</td>
<td>Professional</td>
<td>Anderson Accounting</td>
<td>201 Ayers Blvd Ste. C, Belpre, OH 45714</td>
<td>740-423-7292</td>
</tr>
</tbody>
</table>

## Correction

William Stolarik, Jr was listed as a Producer member in the Sept/Oct issue, he should have been listed as a Professional member.
“SECOND CROP OIL”
AT MACKSBURG

Among the old timers who worked in the Macksburg field, the term “second crop oil” is heard. This is an interesting term and refers to a period in the productive history of this area when a unique set of geological and operating conditions combined to provide for additional recovery of oil.

To understand this situation a review of the early drilling techniques used in the early stages of Berea production is in order. As we discussed in an earlier article, the wells completed in the 1880’s were drilled in “wet”. The only casing in the hole was a string (usually 6\(\frac{1}{4}\)” or 4\(\frac{7}{8}\)”) set through the red rock cave zone above the First Cow Run Sand. From this point no more casing was run as the hole was drilled to the Berea objective.

In the normal course of events, large volumes of salt water would be found in the Big Injun. Because the hole was now too small to permit running another string to shut off this water it was “carried” as the hole was drilled deeper. Generally, there was enough pressure in the Big Injun to cause the hole to fill up with salt water. The pressure was such that the hole would fill to within one to two hundred feet of the surface. Very rarely would the salt water fill the hole completely to the point where it would flow out of the casing. However, as the well was drilled deeper, the hydrostatic pressure on the bottom of the hole would constantly increase due to the increased head of the fluid. When drilling into the Berea, enough gas would be encountered to agitate the salt water column and cause it to flow. In the case of the better wells, enough gas would be present so that the salt water would be unloaded with a strong flow.

At this point the well could not be produced in this fashion, so additional work was necessary. The problem was solved by running two inch tubing equipped with a packer to set above the Berea. Thus, the water was prevented from entering the Berea and the Berea gas was prevented from agitating the Big Injun salt water. In this manner the early wells were produced from the Berea.

There were problems with this procedure, however. First, the early packers were of the “seed Bag” type. These consisted of a leather pouch which was wrapped around the tubing at the desired depth and then filled with flax seed. As the seed became wet it expanded, forming a seal between the pipe and walls of the hole. This worked well until the leather deteriorated or the tubing had to be pulled to service the well. When the tubing was pulled, the pouch broke and the water from above rushed into the Berea, flooding the sand.

During the early years of the field, when gas pressure was high, this temporary flooding of the sand with salt water did not cause much of a problem. It just required the crew pulling tubing to work fast and run the tubing back in with a new seed bag before too much water had invaded the sand.

As the field was produced and the gas pressure declined, the wells became invaded by the water to a greater extent each time the packer broke or was pulled loose. Advances in packer design utilizing a rubber packing element did away with problems of the seed bag breaking. However, even this type of packer required unseating in order to pull the tubing.

The solutions for these problems are obvious to present day oil men, but it should be remembered that such simple things as better casing programs and insert pumps were hailed as great discoveries when they first appeared on the scene over eighty years ago.

The net effect of the combination of wet drilling and leaky packers served to introduce large volumes of salt water into the Berea sand at Macksburg during the early years. The only way the old time operators had to counteract this was by continuous pumping of the wells. However, eventually even this would not overcome the water, and abandonment of the wells began. The oil industry of the 1880’s was geared to obtaining the maximum flush production from a field and then salvaging the usable equipment for use in the next newly discovered area. Macksburg was no exception to this pattern and by the late 1880’s most of the early wells had their pipe removed. Very little attempt was made to plug any of the holes except at the surface to prevent sink holes.

By the middle of 1890’s there were very few of the original wells still producing and these were in the hands of local individuals who were content to eke out a modest living from stripper wells. However, at this time developments were beginning which were to extend the life of the Macksburg field for many more years.

(continued to page 10)
GAS PRICING

NOVEMBER 2011
NYMEX Settlement: $3.524
Inside FERC/DTI: $3.610 (Basis: $0.086)
Inside FERC/TCO: $3.560 (Basis: $0.036)
NYMEX 3-day Average: $3.5907

DECEMBER 2011
NYMEX Settlement: $3.364
Inside FERC/DTI: $3.530 (Basis: $0.166)
Inside FERC/TCO: $3.410 (Basis: $0.046)
NYMEX 3-day Average: $3.4553

OIL PRICING

AVERAGE AUGUST 2011 & SEPTEMBER 2011

ERGON PURCHASING WEST VIRGINIA
MONTHLY AVERAGE

October Ohio Tier 1: $84.7400
October Ohio Tier 2: $82.0303
October Ohio Tier 3: $79.3206
October West Virginia Tier 1: $83.2400
October West Virginia Tier 2: $80.6594
October West Virginia Tier 3: $78.0787
October Appalachian Light: $70.2461

November Ohio Tier 1: $97.09383
November Ohio Tier 2: $94.0983
November Ohio Tier 3: $91.0983
November West Virginia Tier 1: $95.5983
November West Virginia Tier 2: $92.5983
November West Virginia Tier 3: $89.5983
November Appalachian Light: $81.9890

Tier 1 - 156 + net barrels of crude oil
No more than 2% BS&W (if the BS&W is over 2% it will then qualify for Tier 2 pricing)

Tier 2 - 60-155.99 net barrels of crude oil
Two Stops within 5 miles

Tier 3 - 30-59.99 net barrels of crude oil

AMERICAN REFINING GROUP
AVERAGE

10/1 to 10/10 Group 1 OH: $78.03
Group 2 OH: $75.93
Group 3 OH: $73.83
App. Light: $59.64

10/11 to 10/20 Group 1 OH: $85.26
Group 2 OH: $82.26
Group 3 OH: $79.26
App. Light: $68.07

10/21 to 10/31 Group 1 OH: $90.32
Group 2 OH: $87.32
Group 3 OH: $84.32
App. Light: $72.62

11/1 to 11/10 Group 1 OH: $94.79
Group 2 OH: $91.79
Group 3 OH: $88.79
App. Light: $76.65

11/11 to 11/20 Group 1 OH: $98.96
Group 2 OH: $95.86
Group 3 OH: $92.86
App. Light: $80.30

11/21 to 11/30 Group 1 OH: $97.64
Group 2 OH: $94.64
Group 3 OH: $91.64
App. Light: $79.21
Southeastern Ohio Oil and Gas Association  
Gas Committee Report  
December, 2011

PRICING

Prices December 12, 2011

One Year NYMEX strip (January, 2012 – December, 2012) $3.48  
Summer NYMEX strip (April, 2012 – October, 2012) $3.48  
Winter NYMEX strip (January, 2012 – March, 2012) $3.29  
TCO Index Posting - December, 2011 $3.41  
DTI Index Posting – December, 2011 $3.53

The average 2012 Index price for TCO is $4.14, and the average 2012 price for DTI is $4.20.

It appears that high storage levels combined with enhanced production capabilities and slow usage growth could keep gas prices from rising dramatically over the next couple of years.

EIA UPDATE:

Per the latest EIA report and forecast for natural gas production, the EIA expects demand for gas to be stronger than previously expected, but the benefits will be largely offset by increased supplies. US natural gas production is expected to increase 6.7% in 2011 to 66 Bcf per day, up for the previously projected growth rate released earlier this year. The current EIA forecast is that the average Henry Hub price average for 2011 will be $4.15 per MMBtu, $.24 less that the 2010 average. EIA expects the 2012 average price to be $4.32 per MMBtu.

EIA also expects natural gas consumption will grow 1.2 Bcf/day per day in 2011. Projected total consumption to raise 0.5 Bcf/day in 2012.

Price Update – 2011: Last month Raymond James and Associates came out with their updated forecast for 2011. They have lowered the forecast for the average price of gas from $4.25 to $3.75, and $4.25 for 2012, and Oil for 2011 will average $90 /bbl, and $100.00 (or higher) in 2012. Goldman Sachs says Crude Oil to average $110/BBL in 2012, up from a forecast of $100.  Goldman Sachs forecast is based on “the better prospects for continued robust world economic growth”.

Merrill Lynch this week lowered their price forecast for natural gas from $5.00 to $4.60 for 2011. There is “upsie” to prices from 2013 onward, Merrill said.

Barclays sees Anemic Northeast natural gas growth. Power generation and exporting natural gas to Canada are seen as potential relief points for regional oversupply.

Looking forward toward winter, their continues to be a downward pressure and a bearish view on price, as weather demand coupled with storage levels may indicate some sideways trading between a low of $3.22 and $3.28. A shift in temperatures could provide a rebound to the $3.40 area.

GAS RESERVES:

The EIA came out with their Proved Gas Reserve Report. U.S. natural gas proved reserves, estimated as “wet” gas which includes natural gas plant liquids, increased by 11 percent in 2009 to 284 trillion cubic feet (Tcf), the highest since 1971. Last year’s increase demonstrates the importance of shale gas exploration and production technologies per the agency. Louisiana led the nation in additions to natural gas proved reserves with a net increase of 9.2 Tcf (77% increase), and Arkansas (Fayetteville Shale) and Pennsylvania (Marcellus Shale) nearly doubled their reserves.


Working Gas in storage was 3,794 Bcf as of Friday, December 2, 2011. At 3,794 total working gas is within the 5 year historical range.

<table>
<thead>
<tr>
<th>Region</th>
<th>12/02/11</th>
<th>11/25/11</th>
<th>Change</th>
<th>12/02/10</th>
<th>12/02/10</th>
<th>5 Year Avg.</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>East</td>
<td>2,058</td>
<td>2,074</td>
<td>-16</td>
<td>2,009</td>
<td>2.4%</td>
<td>1,962</td>
<td>4.9%</td>
</tr>
<tr>
<td>West</td>
<td>517</td>
<td>516</td>
<td>1</td>
<td>480</td>
<td>7.7%</td>
<td>474</td>
<td>9.1%</td>
</tr>
<tr>
<td>Producing</td>
<td>1,256</td>
<td>1,261</td>
<td>-5</td>
<td>1,239</td>
<td>1.4%</td>
<td>1,087</td>
<td>15.5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>3,831</td>
<td>3,851</td>
<td>-20</td>
<td>3,729</td>
<td>2.7%</td>
<td>3,524</td>
<td>8.7%</td>
</tr>
</tbody>
</table>

Storage is 99.6% full compared to normal as of this report, with normal total capacity of 3,890 at the start of the withdrawal season.

(continued to page 11)
It is not known who first introduced better drilling practices to the Macksburg field. Both George T. McDonald and O.C. Williams were given credit. Their “discovery” now appears so simple we wonder why nobody thought of it before, but many of the great inventions appear so after someone has shown the way. What they came up with was a casing program where the production casing was set through the Big Ingun thereby eliminating the wet drilling process. This way there was no invasion of the sand from the salt water and no packers were required. The production tubing was simply hung in the hole and could be removed or changed as necessary with no problems.

Since the original holes were of small diameter and in poor condition, drilling of new wells was the only way to revitalize the field. This had begun in the earnest by 1895 and continued for the next eight to ten years. With the better casing programs now being used, production from the field increased. These wells were known as the “second crop” wells. They were not as prolific as the original wells due to the lower reservoir energy as a result of gas depletion. The average production of the second crop wells was from 4 to 50 barrels per day whereas the original wells ranged from 10 to 400 barrels per day.

A number of observers who saw the “second crop” activity used it to advance the theory that oil was being regenerated by the earth. In reality, oil and gas are being regenerated by the same geologic process that originally formed it, but the rate is so small that is can’t be measured. What actually happened at Macksburg is that the “second crop” wells recovered oil by primary recovery methods which was bypassed during the original hasty development using crude methods.

With the development and utilization of better drilling and production methods, the Macksburg field went on to build a record as one of the more productive fields of our area.
GATHERCO

Retainage for September, 2011 is as follows for the Gatherco systems. Treat was 9.38%, Miley was 7.15%, Meigs was 4.76%, York was 4.0%, Grimes was 16.46%, and Elk was 4.0%.

October retainage was not available as of the date of this report.

DOMINION EAST OHIO GAS

Update on 2011 enhancement surcharges:

Per Dominion East Ohio:

Dominion East Ohio Calendar Month Implementation

- Effective December 1, 2011
- Applies to all non-MOA electronically-measured master meters with no paper stations.
- Transition will add 12 to 16 days of production to the November period.
- New meters coming online after October 1, 2011 will be designated as Calendar Month meters.
- DEO will hold information meeting in Marietta on September 23, 2011.

The $.06 enhancement fee surcharge of $.06 has been paid off, and the new enhancement fee rate is now $.26/mcf.

Below is the website for Dominion East Ohio, where you can find notices about interruptions, shut-ins, contacts, maps, and information about current enhancements projects being worked on and considered by the enhancement committee.

http://www.dom.com/about/gp-services/index.jsp

CNR/COLUMBIA GAS TRANSMISSION

Line P on TCO is scheduled for a 120 day shut in this summer. This shut-in began July 5, 2011 and work was completed on October 21, 2011.

There are some shut-ins on Columbia in Ohio, due to the extra Marcellus gas causing some constraints on their systems, and they are allowing only Firm Transport to flow. The Smithfield to Adeline MA 35 constraint has some Ohio, PA, and WV producers shut in as of the date of this report.

For shut in notices on Columbia Gas Transmission, please use the link below.


COBRA PIPELINE COMPANY, LLC

Effective February 6, 2008, Cobra Pipeline Company LLC purchased The Churchtown, North Trumbull, and Holmesville systems from Columbia Gas Transmission. Cobra took over the ownership and management of those systems on that date.

Cobra Pipeline Company website: https://www.quicknom.com/cobra/

EQUITABLE:

Dec. 8, 2011 - EQT Corporation announced that it intends to file a registration statement with the U.S. Securities and Exchange Commission during the first quarter of 2012 for an IPO of common units of a master limited partnership (MLP) that would own portions of the assets of Equitrans, L.P., and EQT’s interstate pipeline subsidiary.

Under the anticipated structure, EQT expects to sell a limited partner interest in the MLP in the IPO, subject to market conditions. At the close of the IPO, EQT would own the general partner of the MLP, which would own the incentive distributions rights, as well as a substantial portion of the MLP’s common units. Proceeds of the IPO would be used to fund the further acceleration of EQT’s Marcellus development. The MLP would focus on providing gathering and transmission services to producers in the Marcellus Shale, including EQT Production Company.
E.P.A. Links Tainted Water in Wyoming to Hydraulic Fracturing for Natural Gas

By KIRK JOHNSON  
Wallstreet Journal  
Published: December 8, 2011

DENVER — Chemicals used to hydraulically fracture rocks in drilling for natural gas in a remote valley in central Wyoming are the likely cause of contaminated local water supplies, federal regulators said Thursday.

The draft report, after a three-year study by the Environmental Protection Agency, represents a new scientific and political skirmish line over whether fracking, as it is more commonly known, poses a threat in the dozens of places around the nation where it is now being used to extract previously unreachable energy resources locked within rock.

The study, which was prompted by complaints from local residents about the smell and taste of their water, stressed that local conditions were unusual at the site, called the Pavillion field, in that the gas wells were far shallower than in many other drilling areas around the country. The shallow depth means that natural gas itself can seep upward naturally through the rock, and perhaps into aquifers.

But the suite of chemicals found in two test wells drilled at the site, the report said, could not be explained entirely by natural processes. The agency’s analysis of samples taken from deep monitoring wells in the aquifer indicated the presence of synthetic chemicals, like glycols and alcohols consistent with gas production and hydraulic fracturing fluids, benzene concentrations well above standards in the Federal Safe Drinking Water Act standards, and high methane levels.

Also complicating the inquiry is the Pavillion field’s long history. The oldest wells there were drilled 40 years ago or more, and chemicals that might have been used were not required to be listed or reported to anyone.

The energy industry has long stressed that fracking and water contamination have never been definitively linked. “When considered together with other lines of evidence, the data indicates likely impact to ground water that can be explained by hydraulic fracturing,” the draft study said.

And perhaps just as crucially, the evidence also suggested that seepage of natural gas itself had increased around the drilling sites.

“Data suggest that enhanced migration of gas has occurred within ground water at depths used for domestic water supply,” said the draft study, which will now be sent for scientific peer review and public comment.

A spokesman for Encana Oil & Gas (USA), which bought the Pavillion field in 2004 and drilled some of the approximately 169 wells there, said the E.P.A.’s science was inconclusive. Encana’s parent company is based in Calgary.

“What we have here is not a conclusion, but a probability — and based on the facts, not a good probability,” said Doug Hock, the company’s spokesman. He said that enhanced migration of gas as a result of drilling was unlikely in the Pavillion field, since drilling had reduced pressure in the underlying rock, thus reducing forces that can lead to gas seepage. And finding methane and benzene in two deep test wells drilled for the study, he said, is what you would expect in a gas-rich zone.

“Encana didn’t put those there, nature did,” he said.

The governor of Wyoming, Matt Mead, also said in a statement that the E.P.A.’s conclusions were “scientifically questionable” and not based on enough data. Mr. Mead, a Republican, called for more testing by the E.P.A., in conjunction with a state group of residents, state and federal agencies, and Indian tribes already at work looking into questions about Pavillion’s water supply.

Wyoming, which is dependent on oil and gas drilling, along with coal mining, as anchors of its economy, will also be among the peer reviewers of the E.P.A.’s draft, the governor’s statement said. The chairman of a local Pavillion residents’ group — about 200 people, mostly involved in farming and ranching, who live in proximity to the drilling sites — expressed gratitude to the E.P.A., and perhaps a bit of veiled doubt about the zeal of local and state regulators.

(Continued on Page 25)
$\$$ Buying Appalachian Production $\$$

**OH * PA * KY * WV**

*Fortune Magazine’s - “America’s Most Admired Companies”*

*Forbes Magazine - “Best Managed Companies in America”*

Jim Javins at 614-844-4308
cell# 614-561-3118

---

**Integrystm energy services**

---

**Tenney & Associates**

Certified Public Accountants and Advisors

107 Lancaster Street
Marietta, Ohio 45750
Telephone 740-373-2900
Facsimile 740-373-0058

418 Grand Park Drive, Suite 320
Vienna, West Virginia 26105
Telephone 304-428-9711
Facsimile 304-428-9714

---

1-800-301-6926
1-740-453-6926
Pres. Brian G. Jasper
P.O. Box 2667
Zanesville, OH 43702-2667

**Formation Cementing**

Oil Well Cementing * Pumping * Plugging
Wire Line Measure and Minor Industrial Cleaning

---

**Bruce Allen Pipeline Contractor**

Howard L. Baldwin
Director of Marketing & Business Development
PO Box 199 | Harrisville, WV 26362
Office: 304-643-4613 Cell: 304-834-0980
Fax: 304-643-4615
hbaldwin@Bruceallenpipeline.com
www.Bruceallenpipeline.com

---

**Parmaco**

Since 1901

**Made in America**

- Parmaco Brand -
  Packers, Casing Heads, Tubing Heads, Casing Supports, Casing Nipples, Couplings, Bell Nipples, Perforated Nipples, Choke Nipples, Pup Joints, Changeovers, Packer Repairs, CNC, and Manual Machining, Etc.

PHONE: (304) 422-6525
FAX: (304) 485-0530
parmaco@suddenlinkmail.com

---

**USI**

*3M Scotch Tape Solutions*

Doug Klingsmith
Technical Sales Consultant
NAIC Coating Inspector
Level I - Certified
Cert. No. 27309
Cell (249) 830-2935
Office (249) 686-7560
Fax (249) 684-0255
Training & 24/7 Tech Support

---
DOMINION TRANSMISSION

Dominion has been experiencing some line pressure issues on parts of their system, as well as maintenance. This has resulted in some intermittent shut-ins for producers.

Dominion Reaches lease Deal to Move Marcellus natural Gas to New York:

Dominion Transmission and Tennessee Gas Pipeline have reached a ten-year lease agreement to move Marcellus shale natural gas from northern Pennsylvania to upstate New York. Dominion Transmission’s parent Dominion, announced the agreement with Houston-based Tennessee Monday. Richmond-based Dominion say the Ellisburg-to-Craigs Project includes construction of additional compression facilities and new regulating facilities. If federal regulators approve the project, construction would begin in March 2012 and operations would begin November 1, 2012. Dominion says it plans to file in December for a certificate from the FERC.

OTHER APPALACHIAN BASIN NEWS:

Exclusive: Exxon buys two Marcellus companies for $1.7 billion. Reuters. Exxon Mobil Corp (XOM.N) said it bought privately held natural gas company Phillips Resources and related company TWP Inc for $1.69 billion last week, picking up about 317,000 acres for exploration in the Marcellus shale basin. The action highlights the importance Exxon is placing on natural gas assets after spending about $30 billion last year to buy natural gas company XTO Energy, adding one of the leading developers of shale gas and a resource base of 45 trillion cubic feet of gas equivalent.

MARCELLUS AND UTICA NEWS:

Marcellus Update:
The Department of Environmental Protection’s latest report on Marcellus production shows that during the first 6 months of 2011, production rose 22% to 1.87 bcf/day.

Consol Energy is selling half of their Marcellus Development rights to Noble Energy for $3.4 billion. Noble will pay $1.07 billion for a 50% stake in Consol’s 663,350 undeveloped acres and fund $2.13 billion of consol’s drilling costs over an eight year period. Noble will also buy a 50% stake in consol’s 70 million cubic feet per day of existing Marcellus production for $219 million. The spending will be capped at $400 million per year, and drops off when gas prices are below $4.

Utica News:
Companies and analysts can only speculate on what the future of the Utica Shale play will bring because of its early stage of development. Here is what some of the experts are saying:

- The Ohio Geological Survey calculates the Utica/Point Pleasant reserve potential estimate for Ohio of 1.96 billion to 8.2 billion barrels of oil equivalent.
- Audrey McClendon, CEO of Chesapeake, projects there to be 25 billion barrels of oil, natural gas, gas liquids, calling it “one of the biggest discoveries in U.S. history”. Chesapeake has already acquired 1.25 million acres above the Utica formation in eastern Ohio, and McClendon believes this land is worth $15 billion to $20 billion in increased value to the company.
- Deputy Chief of the Ohio Division of Mineral Resources Management, Tom Tugend, believes the Utica in Ohio is on a similar track to the Marcellus in Pennsylvania.
- In a recent report, Morgan Stanley analysts project the play has the potential to be on par with leading North American liquids-rich targets.
- John Walker, CEO of EV Energy partners, told investors at IPAA’s OGIS symposium that the Utica “has the promise to be America’s next big shale play”. He emphasized the “thousands of jobs” that it will directly and indirectly create in Ohio.

(Continued to page 22)
Electricity and Conductivity

Electricity’s Pathways

Electricity always follows the easiest path to the ground. It will travel there through any conductive material, such as water, metal, some chemical solutions and the human body. If you come into contact with live electrical parts or wires - either through direct touch or via a conductor - electric current will pass through your body on its way to the ground, delivering a shock and possibly severe burns or death.

A complete circuit is necessary for electricity to flow through a conductor. A complete circuit is made when there’s a source of electricity, a conductor and a consuming device such as a portable drill. Most electrical accidents occur when workers come into contact with electrical current - either directly or through conductive materials or equipment.

Protect Yourself

- Whenever you work around electrical equipment, always identify all conductors that could come in contact with electricity. Metal tools, pipes, ladders, steel wool, some chemical solutions and water are a few of the common conductors.
- Avoid wearing metal jewelry and headgear when working around energized parts or equipment.
- Avoid using electrical equipment when your hands are wet or sweaty.
- Lockout/tagout procedures enforce the shutoff of all energized parts during equipment maintenance and repairs to protect workers from accidental contact with live electrical parts.
- If you must work with energized parts and lockout/tagout isn’t possible, always use protective equipment, such as rubber boots, sleeves, blankets and mats and nonconducting tools rated for the voltage of the parts.
- Never patch worn or frayed extension cords with tape.
- Never carry equipment by the cord.
- When using extension cords, never fasten them with staples, hang them from nails, suspend them by wire or otherwise damage the cord’s insulation.
- Make sure insulation is adequate for the voltage, undamaged, clean and dry.

How much electricity does it take to hurt you?

The answer is “not much.” In fact, the amount of current needed to light an ordinary 60-watt light bulb is five times what can kill a person. What this means is that all electrical equipment on work sites is potentially deadly.
Big and bulky isn’t always best
Atlas Copco compressors and boosters

1951: UNIVAC is the most powerful computer in the world. Its main memory and processor fill over 830 cubic feet.

2011: Your mobile phone has more computing power.

In 2011, big and bulky isn’t the same as powerful.

What about your compressors and boosters?

The ones you’re using now might be bigger, and look more powerful.

They’re not.

Atlas Copco makes the most powerful compressors and boosters in their class.

Call us today to learn more.

800-732-6762
www.atlascopco.us

Sustainable Productivity
PERKINS SUPPLY, INC.

OILFIELD & INDUSTRIAL SUPPLIES
2966 Northwest TPke, Pennsboro
WV 26415-9624

Clay M. Perkins
Vice President
Greg Powers
Manager

Phone: 304-659-3570 Fax: 304-659-3575
Email: perkinssupply@yahoo.com

OGIA Insurance Agency
P.O. Box 146
Grove City, PA 43123

Linda Custer
Agent & Customer Service
Grove City (Col's, OH) 800-334-5488
Fax: 614-875-6482

Mark Freshwater
Agent
Reynoldsburg, OH 888-231-8426
Cell: 614-202-0842

Mailing Address: OGIA Insurance Agency, PO Box 146, Grove City, OH 43123
Email: MSFRESHWATER@AOL.COM

LightningMaster Corporation

Bruce Kaiser
1770 Calumet Street | Clearwater, FL 33765

800-749-6800 | 727-461-3177 Fax

bkaiser@lightningmaster.com

JABO SUPPLY CORPORATION
6803 Emerson Avenue, P.O. Box 1109
Parkersburg, West Virginia 26104

Mark Miller
Sales Representative

Office: (304) 464-4400
Wats: (800) 624-2645
Cell: (304) 481-0517
Fax: (304) 464-4419
Res: (304) 375-6239

We Buy Wells
Producing or idle, 1 well to 1000. Keep your good wells - we'll buy your losers! Immediate cash available with proof of ownership. Cash out those old partners NOW! If it must be plugged, we leave it neat and clean every time. References available.

Call Ben Cart or Mark Depew.

PETROX, Inc.
(330) 757-3303
67 Poland Manor, Poland OH 44514

CARPER WELL SERVICE, Inc.
PO Box 273 | Reno OH 45773
Office/24 Hr Number: 740.374.2567
Fax: 740.374.2610

VACUUM SERVICE RIGS | POWER TONGS | SWAB UNITS | ROUST-A-BOLT | VACUUM WATER TRUCKS | BRINE DISPOSAL | TANKS AND PRODUCTION | DISPOSAL WELLS | DOZERS | GENERAL TRUCKING

Millard Carper
Owner
Cell 740.516.5355

Ron Dalrymple
Rig Superintendent
Cell 740.350.1728

Smitty Vandall
Trucking Supervisor
Cell 740-336-0684

Don’t Plug that Well!
As a geologist with the Ohio Division of Oil and Gas Resources Management (Division), I have reviewed the draft report of U.S. EPA regarding the “Investigation of Ground Water Contamination Near Pavillion, Wyoming.” As a professional geologist at the Division for 23 years with experience and expertise in conducting several hundred alleged groundwater contamination cases in Ohio, I see many deficiencies and concerns with this draft U.S. EPA report. The list of deficiencies and concerns are as follows:

1. There is huge lack of geological and hydrogeological information within this report. When conducting a groundwater investigation of this magnitude, local geology and hydrogeology must be presented and evaluated to accurately determine the impacts geology and hydrogeology play in the role of identifying pathways for migration of contamination. There are no local geologic maps (which should include at minimum: structural, isopach, stratigraphic, and facies maps), detailed localized geological cross sections, groundwater flow maps, potentiometric surface maps, or aquifer or aquitard identification.

2. No information of water well construction, condition and age of water wells, and historic aquifer development in this area.

3. Total lack of evaluation or determination of naturally-occurring hydrocarbons in shallow geologic reservoirs. If they exist, they need be evaluated.

4. Failure to evaluate historic oil and gas operations and the potential of legacy oil and gas contamination causes. Typically, historic legacy oil and gas contamination problems are well known in most developed oil and gas plays and need to be thoroughly evaluated in any groundwater contamination case.

5. There was no evaluation of historic and current oil and gas well construction methods, cementing practices, detailed review of hydraulic fracturing practices, and other completion methods.

6. U.S. EPA did preliminary evaluations of cement bond logs on some oil and gas wells in the area. This evaluation is fundamentally flawed as determinations of actual “channelization of cement” or free pipe was not made in the interpretations. First generation acoustic cement bond logs (CBLs) are inherently a poor method for cement determination and does not give an accurate picture of the cement job in the oil and gas well. In my evaluation of the cement bond logs examples that are presented in this report, U.S. EPA did not consider the normal issues (microannulus, poor cement bonding, gas-cut cement, or free pipe) inherent to first generation cement bond logging evaluation. These issues need to be addressed prior to obtaining accurate determinations. When evidence of “poor cement bonding”, “gas-cut cement”, or “free pipe” is identified, then the first generation CBLs must be re-run under pressure to determine whether a “microannulus” in the cement sheath exists or channelization of the cement exists. A “microannulus” in the cement closes under pressure and is not capable of transmitting fluid movement like channelization of cement. Today, this problem is eliminating by using second generation cement bond logging tools which map a complete 360 degree of the cement sheath and accurate determination of cement tops and cement conditions.

(Continued to page 21)
ALFAB Oilfield Equipment custom manufactures a variety of equipment for the natural gas and oil producing industry, as well as providing repair services for your existing damaged or used equipment. Specialty products, such as toolboxes, cab guards, fenders, or tanks can be fabricated to your specifications.

ALFAB Oilfield Equipment
Rt. 16 N / PO Box 26
Smithville WV 26178

www.alfab.com  bknight@alfab.com

Phone: 304-477-3356  Fax: 304-477-3040

QUALITY & SERVICE
MAKE THE "DIFF"

Rich Wynn
Electronic Design for Industry
100 Ayers Blvd
Belpre, Ohio 45714

(740) 401-4000  Fax (740) 401-4005
www.ediplungerlift.com  Email nwynn@ediplungerlift.com

Ohio Energy Proud.org

UNIVERSAL
WELL SERVICES INC.

2489 Bauman Rd.
Wooster, OH 44691  (330) 264-1109

H & L
OILFIELDS SERVICES LLC
409 Poplar Street, Suite A
Caldwell, Ohio 43724

*FOR ALL YOUR WATER HAULING NEEDS*
Specialized in water work, winch truck, frac tank rental, straight trucks & tractor trailer services
FOX Engineering Wins Design Award

The American Council of Engineering Companies of West Virginia (ACECWV) awarded their Engineering Excellence Awards during the Engineering Excellence Awards Banquet held October 18th, 2011 at the Charleston Marriott. FOX engineering was honored to be the recipient of the Gold Award in the Category of Transportation for the Blandville Bridge Replacement.

FOX designed the replacement structure for Blandville Bridge, which carries West Virginia Route 18 over Meathouse Fork in Doddridge County, West Virginia. The existing structure was a three-span concrete T-beam bridge with a total span length of 154 feet. The replacement structure was a single span steel plate girder spanning 172 feet. Services provided by FOX for this project included surveying, hydraulic analysis, permit applications, right of way, bridge design roadway and maintenance of traffic design. FOX was able to meet a very aggressive project faced environmental concerns and construction issues. FOX was able to come up with Meathouse Fork and to help save construction dollars. The existing piers were used to help launch the new girders before being demolished. This limited stream impact as well as construction disturbance to the floodplain. One existing abutment was left in place to act as a retaining structure. The Abutment was approximately 43 feet in height and would have been cost prohibitive to completely remove. Only the top portion, the amount necessary to provide required clearance to the new structure, was removed. A new cap was cast and the abutment was painted to create an attractive retaining structure.

(Continued from Page 1)

with funding and regulatory authority. With the provisions pertaining to the reclamation of roads, notice of drilling activity to surface owners and reporting of water and frac fluid usage, the Act will generate responsible Marcellus Shale development throughout West Virginia.

Highlights of the new law:
• Permit fees will be raised to $10,000 per first well and $5,000 per well drilled from the same pad.
• WV DEP oil and gas supervisors will have a minimum salary of $40,000 per year, and inspectors a minimum salary of $35,000 per year.
• The WV DEP will have authority to make adjustments to changing technologies in the process of drilling and casing a well.
• Management of road issues caused by the heavy machinery and traffic generated by drilling activity to the Division of Highways, and drillers will need to clear a plan with the DOH before drilling can begin.
• Surface owners will have 30 days (up from 15) to file comments on new drilling permits.
• Surface owners must receive 72 hours notice before a survey is conducted on their property.
• Surface owners must receive seven days’ notice before drilling is to begin on their property.
• Surface owners must be compensated for lost crops and timber and damage to water supplies and personal property.
• Permit applications from drillers will require more information, including the depth they plan to drill, the rock formations they want to drill, how they will case the well, a soil and erosion plan, a safety plan and more.
• Certain minimum distances from a drilled well and other structures: 250 feet of existing water wells; 625 feet of another well and certain agricultural structures; 100 feet of any perennial stream, water body or wetland; 300 feet of a naturally producing trout stream or 1,000 feet of a public surface water or groundwater intake.
• Drillers must provide a water management system for each operation, and they must also disclose all chemicals used in fracturing fluids.
• Drill cuttings and leftover solids must go to a landfill unless the DEP approves on-site management.
• Operators with pits or impoundments that hold more than 210,000 gallons of water will be regulated by the DEP.
• Once drilling is complete, operators have six months to reclaim the drilling site for a single well-pad.
• Drillers must obtain a $50,000 performance bond, or if there are multiple wells in an operation, a $250,000 bond to cover all of them.
7. The presences of BTEX (Benzene, Toluene, Ethylbenzene, and Xylene) compounds are known naturally-occurring compounds in commercial and non-commercial hydrocarbons reservoirs and occasionally in aquifers. I see no geochemical analyses by U.S. EPA of oil and gas production brines or other hydrocarbon fluid production to evaluate natural BTEX compounds already present in the reservoirs. To assume these compounds came from additives inherent to hydraulic fracturing is truly flawed science! Additionally, water sampling should have been done in the same aquifers outside of the Pavillion natural gas field in order to determine actual aquifer background conditions.

8. The entire U.S. EPA draft report and study almost totally relied upon chemistry determinations and really is lacking in the in depth scientific investigation that needed to be conducted on this site. This study needs to apply the scientific method test to this report.

It is interesting that the U.S. EPA report references the Ohio DNR, Division of Mineral Resources Management’s Expert Panel Bainbridge Investigation Report (see U.S. EPA reference) as an investigation example. What they failed to mention is the use the scientific method in the Bainbridge Report to test the hypothesis. The Bainbridge Expert Panel Report states the following as their method for testing their hypothesis:

“The power and the beauty of the scientific method lie in the requisite hypothesis testing by the original investigator and the re-testing of the hypothesis by subsequent investigators. The scientific method is an informal set of rules for formulating questions, making observations, developing hypotheses, and then testing the hypotheses by experimentation and further observation. Responding to a period when standards for admission of expert testimony in trials were lax, in 1993 the U.S. Supreme Court in Daubert v. Merrel Dow Pharmaceuticals, Inc. held that under Rule 702 of the Federal Rules of Evidence, scientific knowledge presented as testimony must be derived by the scientific method and that evidentiary reliability is to be based on scientific validity. Under the Daubert ruling, the judge is given the responsibility of gatekeeper to make the preliminary evaluation as to whether the reasoning and methodology underlying the expert testimony is scientifically valid or reliable (Foster and others, 1993). In essence the gatekeeper’s role is to determine whether experts used valid scientific reasoning and principles to reach their conclusions and to screen out expert opinions based on conjecture and speculation (Blauvelt, 1999).”

Conclusions:
Utica News:
Companies and analysts can only speculate on what the future of the Utica Shale play will bring because of its early stage of development. Here is what some of the experts are saying:

- The Ohio Geological Survey calculates the Utica/Point Pleasant reserve potential estimate for Ohio of 1.96 billion to 8.2 billion barrels of oil equivalent.
- Aubrey McClendon, CEO of Chesapeake, projects there to be 25 billion barrels of oil, natural gas, gas liquids, calling it “one of the biggest discoveries in U.S. history”. Chesapeake has already acquired 1.25 million acres above the Utica formation in eastern Ohio, and McClendon believes this land is worth $15 billion to $20 billion in increased value to the company.
- Deputy Chief of the Ohio Division of Mineral Resources Management, Tom Tugend, believes the Utica in Ohio is on a similar track to the Marcellus in Pennsylvania.
- In a recent report, Morgan Stanley analysts project the play has the potential to be on par with leading North American liquids-rich targets.

John Walker, CEO of EV Energy partners, told investors at IPAA’s OGIS symposium that the Utica “has the promise to be America’s next big shale play”. He emphasized the “thousands of jobs” that it will directly and indirectly create in Ohio.

Utica Production News:
On September 28, 2011, Chesapeake Energy Corporation released the following data on their initial horizontal well drilling results in both the wet and dry phases of the Utica Shale in Eastern Ohio and Western Pennsylvania. They have drilled 12 wells in the discovery phase of the Utica shale with the following results on first four of those wells.

- The Neider 10-14-5 8H in Carroll County, Ohio was drilled to a lateral length of 4,152 feet and achieved a peak rate of 3.8 mmcf per day of natural gas and 980 bbls per day of liquids, or 1,530 boe per day; and
- The Mangun 22-15-5 8H in Carroll County, Ohio was drilled to a lateral length of 6,231 feet and achieved a peak rate of 3.1 mmcf per day of natural gas and 1,015 bbls per day of liquids, or 1,615 boe per day; and
- The Neider 10-14-5 3H in Carroll County, Ohio was drilled to a lateral length of 4,152 feet and achieved a peak rate of 3.8 mmcf per day of natural gas and 980 bbls per day of liquids, or 1,615 boe per day; and
- The Thompson 3H in Beaver County, Pennsylvania was drilled to a lateral length of 4,322 feet and achieved a peak rate of 6.4 mmcf per day of dry natural gas.

The production listed above assumes maximum ethane recovery.

Latest Utica Joint Ventures:

- Per Reuters and the Wall Street Journal, Chesapeake Energy has signed a letter of intent to jointly develop roughly 25% of Chesapeake’s 650,000 acres with an unnamed major. The $3.4 billion deal fetches $15,000 an acre for unproven reserves in Ohio’s Utica formation per the article.
- Consol Energy Inc. entered into an agreement with Hess Corp. for the joint exploration and development of consol’s 200,000 Utica Shale acres in Ohio. The total consideration to be paid by Hess for 50% on consol’s fee and leased mineral interests in Ohio is $593 million, or $6,000 per net acre. The companies’ plan of jointly developing the Utica Shale assets calls for Hess to operate the liquids rich window of approximately 80,000 acres in Belmont, Harrison, Guernsey and Jefferson counties. Consol will operate elsewhere in Eastern Ohio including Portage, Tuscarawas, Mahoning counties, in the oil window, as well as Noble County. Hess also paid $750 million for the purchase of 85,000 acre Marquette Exploration LLC and other leases in the same week.
- EV Energy Partners, an upstream master limited partnership formed by Enervest in 2006, announced that they finalized an agreement with Chesapeake on a long term joint venture to develop the Utica shale of Eastern Ohio. Chesapeake will operate about 40% of Enervest’s 780,000 net acres.

The link below is a good one to keep up with the events and concerns surrounding the Marcellus and Utica Play’s in the North East.

http://www.energyindepth.org/

Use of Data:
The information contained in this document is compiled and furnished without responsibility for accuracy and is provided to the recipients on the condition that errors or omissions shall not be the basis for a claim, demand or cause of action. The information contained in this document is obtained from recognized statistical services and other sources believed to be reliable, however we have not verified such information and we do not make any representations as to its accuracy or completeness.

Disclaimer:
Neither the information, nor any opinion expressed, shall be construed to be, or constitute, and offer to buy or sell or a solicitation of an offer to buy or sell any futures, options-on-futures, or fixed price natural gas. From time to time, this publication may issue reports on fundamental and technical market indicators. The conclusions of these reports may not be consistent.
**Perry & Associates, CPA’s, A.C.**

"Bringing more to the table of what you're looking for."

- Tax Consulting, Planning and Preparation
- Oil & Gas Accounting, Advance Land Rent, and Royalties
- Bookkeeping Services
- Governmental, Non-Profit and For-Profit Auditing
- Payroll Preparation and Reports
- Estate and Trust Planning
- Business Planning and Consulting
- Elder Care Planning
- Financial Statement Compilation

Marietta, OH  (740) 373-0056  
Parkersburg, WV  (304) 422-2203  
St. Clairsville, OH  (304) 695-1596

[www.perrycpas.com](http://www.perrycpas.com)

---

**ucp Natural Gas Measurement**

- Integration
- Calibration
- Instrumentation
- Gmoa approved
- Gas analysis
- Roots proving
- Meter sales & service
- Auditing

**United Chart Processors**

WWW.UCPGAS.NET  Ph: 740.373.5801

---

Curt Reed  
Account Manager

**Baker Petrolite**

Oil Field Chemicals  
P.O. Box 228, Rt.50 East  
Smithburg, West Virginia 26436

Office: 304-873-2073 | Cell: 618-214-2751

---

**ERGON**

**Oil Purchasing, Inc.**  
Division Order  
1800-273-3364  
1-800-CRUDE OIL

**Truckers of Crude Oil**  
**Trucking, Inc.**

Magnolia Terminal  
1-800-844-2550  
Marietta Terminal  
1-888-429-1884

---

**HUNTER DISPOSAL, LLC**

**WATER DISPOSAL FACILITY**

**WATER HAULING**

**FRAC TANK RENTAL**

For more information please Contact:  
John Jack  
Disposal Well Supervisor  
P.O. Box 430 Reno, OH 45773  
Office: (740) 753-2223  
Fax: (740) 374-5270
HAVE A HAPPY AND PROSPEROUS NEW YEAR!!
Wyoming, which is dependent on oil and gas drilling, along with coal mining, as anchors of its economy, will also be among the peer reviewers of the E.P.A.’s draft, the governor’s statement said. The chairman of a local Pavillion residents’ group — about 200 people, mostly involved in farming and ranching, who live in proximity to the drilling sites — expressed gratitude to the E.P.A., and perhaps a bit of veiled doubt about the zeal of local and state regulators.

“This investigation proves the importance of having a federal agency that can protect people and the environment,” said John Fenton, the chairman of Pavillion Area Concerned Citizens. “Those of us who suffer the impacts from the unchecked development in our community are extremely happy the contamination source is being identified.”

Gas drilling, using both hydraulic fracturing to release gas and horizontal drilling techniques that can snake underground far from the actual bore holes, is now moving into closer proximity to American population centers than in the past.

From the suburbs of Denver to Pennsylvania and Oklahoma, natural gas reserves, known about but previously unreachable for economic and technological reasons, are being tapped, and anxieties about the hydraulic injection process and its consequences are growing. Wyoming, in 2010, became one of the first states to require petroleum companies or their contractors to disclose the ingredients in their specially formulated fracking fluids. The E.P.A. has also begun a national study on the potential impacts of hydraulic fracturing on drinking water resources.
THANK YOU!!

2011 FALL CLAY SHOOT SPONSORS

THANK YOU!!

SPECIAL THANKS TO:

HUFFMAN BOWERS, INC REFRESHMENT SPONSOR
COBRA PIPELINE MEAL SPONSOR
M.L. MILLER AND SONS DONATED THE REMINGTON 870 12 GA CAMO THUMBHOLE STOCK SHOTGUN
PRODUCER SERVICES DONATED A CASE OF SHELLS
HILLTOP SPORTS

Bonus Gun Winner United Chart Processors winner of a Walther G22 .22 LR

Thanks to everyone that supported our Annual Gun Raffle this year !!!
2011 SOOGA FALL CLAY SHOOT

KILBARGER OIL FIELD SERVICES

JAMES KILBARGER
450 Gallagher Ave
Building #7
PO Box 1154
Logan, OH 43138
Ph: 740.380.9049 | Fax: 740.380.9039
jameskace@kilbargerservices.com | kilbargerservices.com

CANAAN INDUSTRIES LLC
Customized Natural Gas Compression
Purchase/Lease/Field Repair

IF WE MISSED YOU PLEASE LET US KNOW
Southeastern Ohio Oil and Gas Association Membership Form

<table>
<thead>
<tr>
<th>Name</th>
<th>Company</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>City:</td>
<td>State:</td>
</tr>
<tr>
<td>Phone:</td>
<td>Fax:</td>
<td>Email:</td>
</tr>
</tbody>
</table>

Membership Classification (Please Check One)

- $150 Annually □ Producer □ Contractor □ Allied Industry □ Professional
- $100 Annually □ Associate (Additional employees in a Member company)
- $75 Annually □ Royalty Owner □ Non-Operating Investor

Optional Packages:

- $200.00 Wildcat Package (Wildcat, 500 acres)
  - Special Acknowledgement, logo/ad at all association events and functions
  - One free ticket to association golf and clay shoot outings
  - Sponsorship at each golf outing, clay shoot
  - Grand Ad Package (business card website, full page directory, double ad in Insider)
  - Four total company employee memberships (1 Associate)

- $850.00 Derrick Package
  - Special Acknowledgement, logo/ad at all association events and functions
  - Sponsorship at each golf outing, clay shoot
  - Queen Ad Package (business card website, 1/2 page directory, single ad in Insider)
  - Two total company employee memberships (1 Associate)

CALL FOR ADDITIONAL INFORMATION ON MEMBERSHIP AND ADVERTISING PACKAGES,

MAKE CHECKS PAYABLE TO: Southeastern Ohio Oil and Gas Association (SOOGA) and mail to

Southeastern Ohio Oil and Gas Association  
P.O. Box 136  
Reno, OH 45773  
740-374-3203 - Phone Number  
740-374-2840 - Fax Number  
mail@sooga.org - Email Address

The information presented herein is for informational purposes only and should not be considered as legal or other professional advice. To determine how various topics may affect you individually, consult your attorney and/or other professional advisors. Southeastern Ohio Oil & Gas Association, its Board of Trustees, Officers, Members and/or Staff are not liable or responsible for any damage or loss resulting from the use of information in this publication or from inaccuracies contained herein.