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December 7, 2016

Mr. Seth Pelepko
ecomment@pa.gov
Department of Environmental Protection, Policy Office
Rachel Carson State Office Building,
P.O. Box 2063
Harrisburg, PA 17105-2063

Re: *DEP ID*: 800-0810-001, Guidelines for Implementing Area of Review Regulatory Requirement for Unconventional Wells [46 Pa.B. 6392]

Dear Mr. Pelepko,

As an active operator in the Commonwealth of Pennsylvania and an operating subsidiary of the third largest natural gas producer in the continental United States, SWN Production Company, LLC ("SWNPC") appreciates the effort on behalf of the Pennsylvania Department of Environmental Protection ("DEP") to develop and issue The Area of Review Technical Guidance Document (the "TGD") relating to the implementation and interpretation of the Area of Review provisions of Chapter 78a Sections 78a.52 and 78a.73. The purpose of this letter is to provide the DEP with SWNPC's thoughts and comments on the TGD.

As a member of the Marcellus Shale Coalition (the "MSC"), SWNPC hereby lends its full support to the comments on the TGD submitted by the MSC, and for purposes of this letter such comments shall be considered to be fully incorporated herein. In addition, SWN hereby submits the following additional comments on the TGD:

1. **Landowner Survey Form 8000-PM-OOGM0148U (Area of Review)**: The Landowner Survey Form instructs landowners to identify wells solely within the 1,000 feet buffer, but does not contemplate identification via any other means, for instance by identifying all wells within a given mapped area or all wells on the landowner's property. **Since (i) identifying the applicable well location and buffer area may be difficult for landowners, and (ii) the ultimate goal is to identify all orphaned and abandoned wells, we recommend revising the form so as to contemplate and accommodate the identification by the landowner of any wells located in a given mapped area (e.g., "please identify all wells located within the area shown on the attached map."), and on the landowner's entire parcel (e.g., "please identify all wells located on your property."). Alternatively, the same thing could be accomplished by leaving the current form in place but issuing a new, alternate form which would allow for well identification in this manner.** SWNPC believes allowing operators to solicit AOR information in this manner will further the DEP's objectives by producing more complete and accurate results, and we welcome further discussion on this issue.

2. **General Comment (Area of Review):** In the frequently asked questions for Area of Review, a portion of the answer for #5 give states: *"If an operator suspects a well is present on a particular parcel that penetrates the zone of hydraulic fracturing influence, the level of effort to establish communication with the property owner and secure access to inspect and monitor the well should be commensurate with the perceived level of risk the offset well represents."* We would like additional clarifying language and/or guidance to enable us to understand the exact nature of the operator's obligation to "establish communication" here. We also believe there should be a clear safe harbor set for an operator that has made good efforts to contact an unresponsive landowner; at some point such an operator should be able to cease futile efforts confident in the fact that it is not leaving itself exposed to potential liability by doing so.

3. **General Comment (Area of Review):** SWNPC would like clarification as to the effect of the DEP deeming an operator requested AOR review incomplete. For example, in such an event, is the operator still clear to spud? Or would changes need to be made and cleared before spudding?

4. **General Comment (Area of Review):** SWNPC would like clarification as to what steps should an operator take in the event a landowner identifies a well that was previously unknown, other than monitoring and ensuring containment (e.g., a description of the formal recording/reporting process, GPS coordinate info, what agencies to notify, etc.).

5. **Page 26 Article X. Paragraph I (Reportable Communication):** "When a reportable communication incident occurs, the operator must notify DEP, cease stimulation activities and prevent any pollution to waters of the Commonwealth or discharges to the surface." We are seeking clarification/confirmation with respect to some verbal guidance provided to SWNPC by DEP personnel while attempting to file a communication report. The report in question related to a communication incident SWNPC encountered during completion operations with an offsetting well of SWNPC's. The guidance we received was that it was not necessary to report intra-company communication such as the above-described incident, as it was "assumed that we monitor our own wells." As the AOR TGD does not explicitly address this, we would ask that the DEP confirm whether or not this is in fact correct, and if so we would suggest that clarifying language be added to the AOR TGD.

SWNPC appreciates this opportunity to comment on the TGD, and welcomes further discussion. Should you have any questions relating to these comments, please contact me at 832-326-7747 or via email at toni_showan@swn.com.

Sincerely,

Toni S. Showan

Toni S. Showan
Regulatory Manager Appalachia

The Right People doing the Right Things, wisely investing the cash flow from our underlying Assets, will create Value+®