SERVING SOUTHEASTERN OHIO & NORTHERN WEST VIRGINIA'S OIL & GAS INDUSTRY

INSIDE THIS ISSUE

CALENDAR OF EVENTS
NEW MEMBERS
GAS COMMITTEE REPORT
SAFETY CORNER: CONFINED SPACES

G	Α	S	&	0	i	L	P	R	i	C	i	N	G	
ů.	~	•	u.	v	•			••	•	v		••	v.	

THE CROW'S NEST

EMPLOYEE OWNED SUCCESS

SPRING MEETING

SPRING GOLF

SOOGA AWARENESS & INTRO S.A.F.E

OOGEEP WORKSHOP

LEGACY FUND

SOOGA Officers

PRESIDENT JIM JAVINS

VICE PRESIDENT MATT LUPARDUS

SECRETARY CHRISTY CHAVEZ

TREASURER
JOHN ALBRECHT

EXECUTIVE SECRETARY
BILLIE LEISTER

THE INSIDER EDITORS
CARL HEINRICH
KATHY HILL



SOOGA HOSTS "OPEN FORUM #2"

The SOOGA Board of Trustees recently hosted a second open forum for the SOOGA membership on February 13th, 2013. The goal of the second open forum was again to provide our membership with a means of coming together as an industry to discuss problems and issues being dealt with in our area of operations. The ultimate goal of these open forums is to help each other arrive at effective strategies and solutions to these problems. The following is a summary of the discussions held at Open Forum #2:

A question about the proposed severance tax in Ohio was brought forward. What is the Governor trying to do?

He is attempting to increase rate to 4% on oil and 1% on natural gas for shale wells Will it spill over onto conventional production? Not at this point, but that is possible in the future.

24 Die III the luture

2

2

3

19

22

30

32

Royalty owners will pay the severance tax unless they have negotiated it out in their lease agreement.

Discussion was raised about expensing of IDC's

So far it remains in place, but some politicians are trying to eliminate it.

The education of new ODNR field inspectors was discussed. Some of the details related to the education they are looking for were mentioned.

Cable tool drilling:

Does 7" casing that is temporarily set have to be tested? It does not have to be tested if it is not a permanent string.

Used permanent pipe does have to be tested prior to running it in the hole. It still appears that the ODNR has not provided an answer related to the recovery of temporary 7" pipe utilized in shallow Berea drilling.

Continued on page 26



Carl Heinrich receives SOOGA's First Time Hall of Fame Award at the Spring Membership Meeting from SOOGA President, Jim Javins. Other awards presented at the meeting were:

the Workhorse Award Shawn Bennett and
Larry Wickstrom, and
the Wildcatter Outstanding Lifetime
Achievement
Award - Mike McKee.
For more on Spring Meeting see
page 22.

THE CROW'S NEST

As summer begins, and storage is 55% full, the gas market has reacted both positively and negatively as economic reports, storage balances, supply and demand factors weigh in on a daily basis. With the June DTI Index posting at \$4.19 and TCO index posting at \$4.10, we are seeing July trading in the \$3.91 to \$3.97 range at the time of this article, June 19, 2013. This market is still somewhat volatile, waiting on weather reports and positive economic news that may impact pricing.

The association's spring Clay Shoot on June 14th was a success, with 61 shooters attending. The SOOGA sponsored seminar to educate our membership on security awareness and what to do in response to a protestor attack was held May 9th, 2013 at the Lafayette Hotel in Marietta, Ohio from 1:00 p.m. to 4:00 p.m. The meeting was a great success, and SOOGA will be looking at other training sessions concerning safety as we move forward into 2013. The board would like to see more involvement and participation in these sessions as they are vitally important as we see the protestor movement growing in the Southeastern Ohio Area.

Your association has established the SOOGA Legacy Fund with the Marietta Community Foundation. This fund was established to give back to our communities across Ohio and West Virginia and to honor the memory of members who have dedicated their life work to this industry. To date we have received a total of \$857.00 for the Legacy Fund.

Please consider pledging a tax deductible gift to this

important new fund.

SOOGA will match your gift up to a total of \$10,000 for the year of 2013.



The SOOGA Annual Trade Show is coming up in September, and we are planning that event now, with speakers being lined up for the technical presentations, seminars, and luncheon presentations. We are looking at a possible new venue for the trade show, and would like to hear your ideas on how to make the trade show better. We encourage all of our members to attend, and call the SOOGA office if you have any questions, comments, or ideas to make the trade show better. Flyers will be going out in the next few weeks about this event.

Our membership is growing as the Utica Shale brings more producer and support companies to Ohio and our Southeastern Ohio area. We are currently at 447 members and growing. The board and the Association appreciates the participation of all of our members in our activities, and looks forward to your participation in our Open Forum meetings, membership meetings, clay shoots, trade show, and golf outings throughout 2013.

Continue to operate safely and protect our environment as you produce the oil and gas that our nation needs.

President Jim Javins



Ohio Field Office

2167C State Route 821, Marietta, OH 45750

Phone: (740) 336-7831

Corporate Headquarters

1775 Sherman St, Ste 3000, Denver, CO 80203

Phone: (303) 860-5800

www.pdce.com

2013 SOOGA Events

SOOGA Fall Golf Outing August 23rd, 2013. Oxbow Golf Course, Belpre OH

> SOOGA Trade Show September 12th 2013

SOOGA Fall Clay Shoot October 18th, 2013 Hilltop Sports, Whipple OH

SOOGA Fall Gun Raffle November 1st - November 30th VOLUME 28, ISSUE 3 Page 3

2013 NEW MEMBERS SOOGA would like to welcome the following new members:

PAUL FULKS

Associate-Allied Weatherford International Ltd. 222 Gordon St. Bridgeport, WV 26330 304-374-6573

MIKE CISLER

Contractor **Appalachian Oilfield Services** 33200 Brownsville Rd. Mew Matamoras, OH 45767 740-885-9695

CHUCK DYE

Producer Honey Run Oil and Gas P.O. Box 537 Woodsfield, OH 43793 740-228-2161

KEVIN HYATT

Associate-Allied Ohio Oil Gathering, LLC a Crosstex Energy Company Dallas, TX 75201 214-721-9463

ROBERT GAYLOR

Contractor Appalachian Oilfield Services 33200 Brownsville Rd. New Matamoras, OH 45767 740-865-3376

THOMAS TUGEND

Professional TGT & Associated, LLC 5906 Dunliam Place Dublin, OH 43017 614-578-8213

TIMOTHY WYANT

Producer **Wyant Exploration Company** 347 Salem St. Rutland, OH 45775 740-992-3745

DONALD NESTOR

Professional Arnett Foster Toothman PLLC P.O. Box 2407 Buckhannon, WV 26201-2407 304-472-5550

CHARLENE TENNEY

Associate-Professional Arnett Foster Toothman PLLC P.O. Box 2407 2501 Cedar Springs, Suite 100 Buckhannon, WV 26201-2407 304-472-5550

WILLIAM PHILLIPS

Associate-Professional Arnett Foster Toothman PLLC P.O. Box 2407 Buckhannon, WV 26201-2407 304-472-5550

RYAN NESTOR

Associate-Professional Arnett Foster Toothman PLLC P.O. Box 2407 Buckhannon, WV 26201-2407 304-472-5550

MIRANDA KESSEL

Producer **CONSOL** Energy 1000 CONSOL Energy Dr. Canonsburg, PA 15317 724-485-3058

ETHAN EDDY

Producer ELK Oil Co. LLC 270 Tice Run Road. New Matamoras, OH 45767 740-350-6284

JOHN MACEYKO

Producer Northwood Energy 941 Chatham Lane Columbus, OH 43221 614-457-1024

2013 DIRECTORY CORRECTIONS

HAPCO Inc-Mike Szugye Cell: 330-697-3259 Bobby Anderson—Anderson Drilling Inc We apologize for any inconvenience.

SOOGA FALL TRADE SHOW 9/12/13

ACCEPTING REGISTRATIONS FOR ALL EXHIBITORS. INSIDE AND OUTSIDE BOOTH SPACE AVAILABLE. PLEASE CONTACT THE SOOGA OFFICE:

740-374-3203 OR EMAIL at mail@sooga.org.

THE INSIDER Page

Southeastern Ohio Oil and Gas Association Gas Committee Report June, 2013

PRICING

Prices June 10, 2013

One Year NYMEX strip (July, 2012 – June, 2013)	\$3.99
Summer NYMEX strip for 2013 (July-October)	\$3.85
Winter NYMEX strip (Nov. 2013 – March, 2014)	\$4.10
TCO Index Posting - June, 2013	\$4.19
DTI Index Posting – June, 2013	\$4.10

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.

Energy Information Administration (EIA) UPDATE-April, 2013:

EIA released its April, 2013 Short Term Energy Outlook report, and it showed that they expect the price of WTI crude to average \$89 in the fourth quarter of 2012, and \$88 per barrel in 2013. Natural Gas at the Henry Hub is expected to average \$3.52 MMBTU in 2013. EIA expects Henry Hub spot prices will average \$3.60 per MMBTU in 2014.

U.S. Natural Gas Consumption: EIA expects that natural gas consumption will average 70.3 Bcf per day in 2013, and 70.1 Bcf per day in 2014. The increase in the price of natural gas contributes to the decline in natural gas use for power generation from 25.0 Bcf per day in 2012 to 22.9 Bcf per day in 2013, and 22.8 Bcf per day in 2014.

The projected WTI price of crude oil is expected to average \$83 per barrel in 2013 and \$92 per barrel in 2014. By 2014, several pipeline projects from the midcontinent to the Gulf Coast refining centers are expected to come on line, reducing the cost of transporting crude oil to refiners, which is reflected in a drop in the price discount of WTI to Brent from an average \$18 per barrel in 2012 to \$9 per barrel in 2014.

GAS STORAGE AS OF THE June 6, 2013 Report

Working Gas in storage was 2,252 Bcf as of Friday, May 31, 2013. At 2,252, total working gas is **within** the 5 year historical range.

	S billion cubic	stocks feet (Bcf)		Year (05/3	•	5-Year average (2008-2012)	
Region	05/31/13	05/24/13	change	(Bcf)	% change	(Bcf)	% change
East	968	910	58	1,358	-28.7	1,074	-9.9
West	396	380	16	421	-5.9	349	13.5
Producing	888	851	37	1,089	-18.5	898	-1.1
Salt	254	243	11	260	-2.3	169	50.3
Nonsalt	634	608	26	829	-23.5	729	-13.0
Total	2,252	2,141	111	2,868	-21.5	2.321	-3.0

Storage is 54.4% full compared to normal as of this report, with normal total capacity of 3,939 at the start of the withdrawal season.

Continued to page 9



1101 Rosemar Road, Suite B Parkersburg, WV 26105 (304) 428-9711

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

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. 10005 Elisworth Rd|Streetsboro, OH 44241 330-653-5526



226 W. Main Street P.O. Box 150 Glenville, WV 26351

(304)-462-5634 Cell (304)-517-4088

grhodes@slssurveys.com



P.O. Box 103 305 Smithson St. Dexter City, OH 45727

WARREN DRILLING CO., INC

Office: 740-783-2775 & 740-783-2345

Office Fax: 740-783-0016

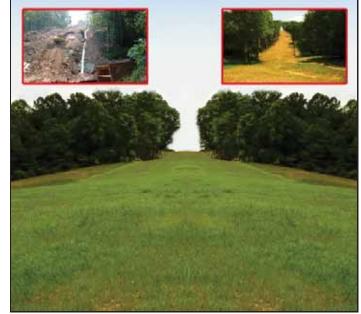
Shop Fax: 740-783-8012

accounts@warrendrilling.biz



Natural gas gathering in Ohio and West Virginia

For information please contact: Troy Greene **Director of Field Operations** 27724 State Route 7 Marietta, Ohio 45750 Office: (740) 374-2988 Ext. 147 Fax: (740) 374-9788



SENERGY

We are a financially secure natural gas marketing company with over 22 years of experience buying and selling gas in the Appalachian Region. Call us today!

> **Dave Gaiser** Natural Gas Buyer 614.659.5120 DGaiser@IGSenergy.com

6100 Emerald Pkwy, Dublin, OH 43016

1-800-301-6926 1-740-453-6926

Pres. Brian G. Jasper P.O. Box 2667 Zanesville, OH 43702-2667



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

Page 6 THE INSIDER

DXP ENTERPRISES

HPOPIUS Sales Representative Specializing in Appalachian Oil & Gas

Cell: 412.477.1986

jboyd@dxpe.com

Repair & Reliability

Field Service & Repair of all manufacturers of oil and gas pumps, mechanical seals, gearboxes, mixers, motors, plate & frame heat exchangers. Full line of Safety Supplies

Oil & Gas Pumps, Skid Systems, Service and Repair

- High Pressure, High Flow Pumps
- Salt/Brine Water Brine Injection
- Up To 32,000 BPD
- Up To 4,000 PSI
- Mine De-Watering

VIKING PUMP

A Unit of IDEX Corporation

POSITIVE DISPLACEMENT PUMPS

- Internal Gear Lobe Pumps
- External Gear Mag-Drive









DXP



- **Double Mechanical** · Mixer/Agitator



CENTRIFUGAL PUMPS

- End Suction Split Case
- Vertical Turbine Mag-Drive Submersible • Solids Handling





















High Shear Mixers

Mixers/Agitators

DXP

Full Service Repair Center Located at 27835 State Route 7, Marietta, Ohio 45750

Oil & Gas Training

- Crane Operator Certification
 Fixed and Swing Cab Cranes
- Heavy Equipment Operator
 Dozer, Track Hoe, Skid Steer and Backhoe
- Oil Field Basic Course
 Well Operations, Surface Equipment, Tanks, Gas
 Measurement, Artificial Lifts and Oil/Gas Accounting
- Truck Driving Academy Class A CDL
- Welding

All Processes and All Positions

Planned Courses

- Oil Field Hands-On Skills Training Compressors, Electricity, Pumps and Small Engines
- Heavy Equipment Maintenance and Repair
 Maintain and Repair Heavy Equipment



1-800-648-3695

21740 St Rt 676 • Marietta, OH 45750 www.mycareerschool.com

Hands-On Training That Works!

Properties For Sale or Lease

Updated 1700 SF Office with Concrete Parking 40 SR 339, Belpre, OH .9 Acre Flat Lot, 3 Side Road Access 1090 Clement Ave (SR 7), Belpre, OH 1200 SF Shop, W/Office, .5 Acre Fenced Lot 9940 SR 550, Barlow, OH

3200 SF Shop, 700 SF Office, House

Corner of SR 339 and SR60 Beverly, OH

740-984-2517



Tool & Equipment Rental Beverly, OH

740-984-0000

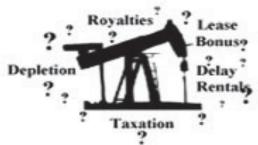
Kelly Lang Contractors, Inc.

Industrial - Commercial - Specialized Concrete and Foundation Repair Services ACI Certified

740-984-2517

Perry & Associates Certified Public Accountants, A.C.

Confused about Oil and Gas?



Call Us, We Can Help!!!

Marietta, OH 740-373-0056 Parkersburg, WV 304-422-2203 St. Clairsville, OH 740-695-1569

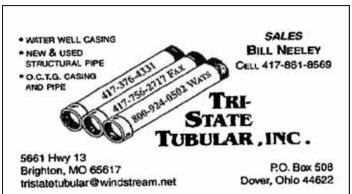
www.perrycpas.com

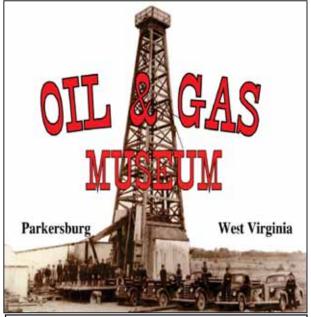


THE INSIDER Page 8









P.O. Box 1685
119 Third Street
Parkersburg, WV 26101
1-304-485-5446 or 1-304-428-8015
www.oilandgasmuseum.com

Continued from page 4

GATHERCO

Retainage for March, 2013, is as follows for the Gatherco systems. Treat was 3.0%, Miley was 3.0%, Meigs was 5.7%, York was 3.0%, Grimes was 6.3%, and Elk was 3.0%.

April, 2013 retainage was not available as of the date of this report.

DOMINION EAST OHIO GAS

Effective April 1, 2013, East Ohio's new BTU adjustment for Ohio production supplies will be as follows:

1.134 (0.001 decrease) and 1.348 for meters in the Ludlow territory (0.010 increase).

These factors will remain in effect through March 31, 2014.

System wide BTU goes from 1.023 BTU to 1.029 BTU.

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

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.

There are also several shut-ins on Columbia in Eastern Kentucky and Southern WV as TCO replaces a large amount of pipe on line KA. This project should be completed soon and the producers should be able to turn their production back in the line.

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

http://www.nqtsnavigates.com/infopost/index.php?option=com_content&task=view&id=28&Itemid=105

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.

Appalachian Gateway Project:

On June 13, 2012 DTI responded to requests from IOGA WV and Appalachian Gateway Customers by offering the equivalent of a fixed ten year negotiated rate of \$0.4950. This deferred payment plan would allow customers to reduce its cash outlay by about 15% during the initial 5 year period of the agreement. Any deferred payments would then be paid back over the next 5 years, and the repayment would be accomplished by locking in the Appalachian Gateway rate for the last five years of the term of the agreement. The deferred payments under this plan would incur interest at the rate of 3.25%. Under the deferred payment plan, the rate for the first 5 years will remain \$0.5800 per dth. The cash obligation would be \$.4950 for this same period. For years six through ten, DTI's negotiated rate is \$.3950 plus \$.1000 dth for the previously deferred payments. In addition to this alternative rate plan, IOGA WV asked DTI to look at its POD plan and assist producer in alternative delivery points to help them take advantage of the Gateway firm transportation. This new rate plan is an option. The producer has the choice of this plan, or continuing under the original Gateway rate. Http://www.dom.com/about/gas-transmission/index.jsp

Continued from page 9

UTICA NEWS:

Utica Shale holds massive resources, estimates show. <u>Columbus Business Journal</u>. The U.S. Geological Survey released its first estimate, showing the shale formation holds about 38 trillion cubic feet of undiscovered, recoverable natural gas, 940 million barrels of oil and 9 million barrels of natural gas liquids such as ethane and propane.

Ohio is ranked 14th in this year's <u>Global Petroleum Survey</u> of 147 states and countries by the Fraser Institute, a free-market think tank in Calgary, Canada. That's down from second in 2011, with the fall apparently driven by concerns about complying with tougher federal and state environmental <u>regulations</u> and a tax increase on oil and gas <u>production</u> proposed by Gov. <u>John Kasich</u>.

NEW PIPELINE PROPOSED TO SPUR UTICA SHALE DRILLING IN OHIO

Two pipeline companies from the Southwest, Williams Companies Inc. and Boardwalk Pipeline Partners LP, have formed a joint venture to build a transportation system to move natural gas liquids from shale plays in Ohio, West Virginia, and Pennsylvania to processing and storage facilities in Louisiana.

The Blueline Pipeline would allow oil and natural gas producers to move 200,000 barrels/day of natural gas liquids, such as ethane, to processing facilities on the Gulf Coast. The pipeline will be built from the Ohio and West Virginia Utica and Marcellus plays to a transmission system in Hardinsburg, KY. From there, the natural gas liquids would be transported via a converted portion of a pipeline to Eunice, LA.

The companies expect to approve the project later this year and put the pipeline into service in the second half of 2015. Cost of the project is still to be determined.

PROCESSING NEWS:

Markwest has been processing 60 Mmcf/d since August of 2012 from it gas processing facilities in Cadiz. They have now completed their Cadiz 1 facility and commenced operations of their 125 Mmcf/d cryogenic processing plant. With the completion of Cadiz 1, MarkWest will now be able to process more of the liquids rich gas coming from customers like Gulfport, Antero, PDC and Rex Energy.

Further South in Noble County, MarkWest is at work building an additional complex: the Seneca Complex. The Seneca I and Seneca II gas processing plants will be capable of processing 200 Mmcf/d each, and is on pace to begin operations of the Seneca I early in the fourth quarter of this year. The Seneca II is also scheduled to be installed later this year.

Gulfport reports production from their First Quarter 2013:

- Gulfport currently plans to increase its Utica Shale operated horizontal rig count from three rigs at the end of the first guarter of 2013 to seven rigs by the end of June 2013.
- Gulfport recently tested its Lyon 1-27H well in the Utica Shale. The Lyon 1-27H tested at a peak rate of 1,087 barrels of condensate per day, 2.5 million cubic feet ("MMCF") per day of natural gas and 343 barrels of NGLs per day assuming full ethane recovery and a natural gas shrink of 21%, or 1,759 BOEPD.
- Gulfport recently tested its Lyon 2-27H well in the Utica Shale. The Lyon 2-27H tested at a peak rate of 1,373 barrels of condensate per day, 1.8 MMCF per day of natural gas and 279 barrels of NGLs per day assuming full ethane recovery and a natural gas shrink of 23%, or 1,883 BOEPD.
- Gulfport's Stout 1-28H well was recently placed on production in the Utica Shale. The Stout 1-28H produced at an average 24-hour sales rate of 443 barrels of condensate per day, 4.2 MMCF per day of natural gas and 517 barrels of NGLs per day assuming full ethane recovery and a natural gas shrink of 19%, or 1,527 BOEPD.
- Gulfport's Stout 2-28H well was recently placed on production in the Utica Shale. The Stout 1-28H produced at
 an average 24-hour sales rate of 413 barrels of condensate per day, 3.3 MMCF per day of natural gas and 446
 barrels of NGLs per day assuming full ethane recovery and a natural gas shrink of 20%, or 1,299 BOEPD

VOLUME 28, ISSUE 3 Page 11



Bruce Kaiser 1770 Calumet Street | Clearwater, FL 33765

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

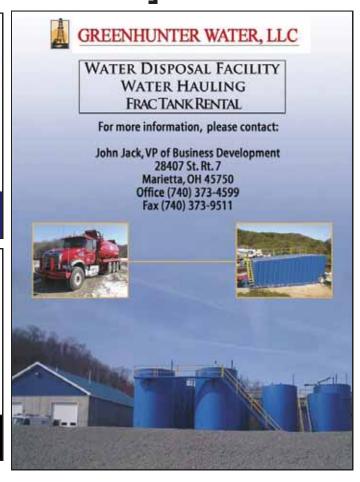
bkaiser@lightningmaster.com



804-273-9092 • Fax 804-273-9093 4461 Cox Road, Suite 113 • Glen Allen, Virginia 23060 www.eServices.cc

> Peter Kinsella VP Business Development 804,754.6131 (cell) pkinsella@eservicesllc.com

Columbia Gas Transmission, East Ohio Gas, Dominion Gas Transmission, Big Sandy and East Tennessee







Serving the oil and gas industry since 1981

Wells Fargo Insurance Services USA, Inc.

Scott K. Mapes, CIC Account executive 513-333-2171 or 800-452-4532

1014 Vine St., Suite 1100 Cincinnati, OH 45202-1195 scott.mapes@wellsfargo.com

wellsfargo.com/wfis

© 2010 Wells Fargo Insurance Services

Working Safely in Confined Spaces

A confined space is a space that has these three characteristics:

- limited openings for entry and exit
- large enough to permit a worker to enter
- is not designed for continuous worker occupancy

The characteristics of a confined space causes it to present unique hazards. Yesterday's miners knew some of the dangers of a confined space. Have you ever heard about the canary that died? Miners once took a bird into the mine; when the bird died, the miners knew the atmosphere within the mine was getting dangerous; the death of the bird told the miners it was time to leave. Today, we have more sophisticated ways of testing the atmosphere within a confined space, but the principle is the same: Check the atmosphere to make sure it's safe to work in the confined space.

Regulatory agencies require workplaces to have a plan for working in confined spaces safely. If you work in a confined space, you should know your company's procedures for safely entering into the space and working in it. Confined spaces should be identified and classified, and safe entry procedures developed. Some confined spaces are called "permit-required confined spaces," meaning a permit is required for entry into the confined space. In addition to the normal characteristics of a confined space, permit required confined spaces present one or more of these hazards:

- Has the potential to contain a hazardous atmosphere
- Could contain material capable of engulfing someone entering the space
- Has an internal configuration such that a person could be trapped or asphyxiated by inwardly converging walls or by a floor, which slopes downward and tapers off to a smaller cross section (e.g., a grain silo)
- Contains any other recognized serious hazard

In general, these are the things you should be aware of before you enter a confined space:

- Know how to enter it safely
- Know how to exit safely and quickly
- Know that the atmosphere in the space is tested and found to be free of dangerous levels of toxic or flammable vapors, and that there is sufficient oxygen
- Know that the atmosphere within the space is going to remain safe while you are working
- Know the rescue plan in the event of an emergency, and make sure the proper rescue equipment is available and in good condition
- Know that another person outside the confined space is keeping an eye on you as you work, and that they know the rescue plan, too.

Confined spaces present many dangers-some of which the miners of yesterday never knew. These are some of the common ones:

- Lack of oxygen, presenting a suffocation hazard
- Fire or explosion hazards from an accumulation of flammable vapors
- Health hazards from toxic vapors
- Difficulty exiting the space in the event of an emergency
- Cramped spaces to work in, resulting in a danger of being caught in equipment
- Poor visibility
- High levels of noise
- Temperature extremes

Another very important point to remember is what to do if someone working in a confined space becomes ill or injured. You should never enter a confined space to rescue someone without the proper equipment, training, and atmospheric testing. Chances are, whatever caused the illness or injury will claim you as a victim too.

ERGON

Oil Purchasing, Inc. Division Order 800-278-3364

Purchasers

Transporters of Crude Oil

Trucking, Inc.

Magnolia Terminal Marietta Terminal 1-800-846-2550 1-888-429-1884

HARBISON-FISCHER

General Offices & Manufacturing Plant 901 North Crowley Rd., Crowley, Texas 76036-3798 (817) 297-2211 Fax (817) 297-4248

Scott Gillespie Sales Representative



Warehouse Address 3470 Old Wheeling Rd. Zanesville, OH 43701

Phone (740) 453-5991 Fax (740) 453-5374 Mobile (740) 408-0611 sgillespie@hfpumps.com

Bus: (740) 255-5208

Brandon Preston Store Manager



Mobile: (330) 205-4294 bpreston@d-ksupply.com 4466 Glenn Highway Cambridge, OH 43725

CANAAN INDUSTRIES LLC

Customized Natural Gas Compression

Purchase/Lease/Field Repair





- Complete drop-in units built to your specs.
- Ladder-style base won't accumulate dirt and oil
- Murphy operating & safety controls
- Quincy, Corken and Gardner-Denver compressors
- Refurbish your existing unit
- All controls built in-house
- Square D electrical components
- Gas or electric driven

Visit our web site at www.canaanindustries.com

067

Chris Deem Canaan Industries LLC 12845 Burbank Rd • Burbank, Ohio 44214 Phone (330) 464-1510





THE INSIDER Page 14

GAS PRICING

MAY 2013

NYMEX Settlement: \$4.1520 Inside FERC/DTI: \$4.1200 (Basis: -\$0.032) Inside FERC/TCO: \$4.1900 (Basis: \$0.038) NYMEX 3-day Average: \$4.1617

JUNE 2013

NYMEX Settlement: \$4.1480 Inside FERC/DTI: \$4.1000 (Basis: -\$0.048) Inside FERC/TCO: \$4.1900 (Basis: \$0.042) NYMEX 3-day Average: \$4.1863

OIL PRICING 2013

ERGON OIL PURCHASING WEST VIRGINIA MONTHLY AVERAGE

April Ohio Tier 1: \$93.7497 April Ohio Tier 2: \$90.7497 April Ohio Tier 3: \$87.7497 April West Virginia Tier 1: \$92.2497 April West Virginia Tier 2: \$89.2497 April West Virginia Tier 3: \$86.2497 April Marcellus/Utica Condensate: \$81.4820 April Marcellus/Utica Medium: \$93.7497 April Marcellus/Utica Light: \$87.1880

May Ohio Tier 1: \$96.4768
May Ohio Tier 2: \$93.4768
May Ohio Tier 3: \$90.4768
May West Virginia Tier 1: \$94.9768
May West Virginia Tier 2: \$91.9768
May West Virginia Tier 3: \$88.9768
May Marcellus/Utica Condensate: \$80.9423
May Marcellus/Utica Medium: \$96.4768
May Marcellus/Utica Light: \$89.7219

Tier 1 - 150 + 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 - 60-149.99 net barrels of crude oil Two Stops within 5 miles

Tier 3 - 30-59.99 net barrels of crude oil

The prices as posted are based upon computation of volume by using tank tables, or as measured by a deduction for all BS&W and correction for temperature deductions or allowances shall be made on the oil purchased shall be free of contamination and/or alteration by foreign substances or chemicals not but are not restricted to, oxygenated and/or chlorinated compounds.

The Marcellus/Utica Shale produced crude oil will be purchased based on the monthly average for the following postings: 38.0-47.9 API Gravity—Marcellus/Utica Medium crude oil 48.0-59.9 API Gravity—Marcellus/Utica Light crude oil 60.0+ API Gravity—Marcellus/Utica Condensate (formerly posted as Appalachian Sweet Light-ALS).

Other parameters will be evaluated on a farm by farm basis.

You can now find EOP WVA Crude oil Price Bulletin on the internet at: www.ergon.com

OIL PRICING 2013

AMERICAN REFINING GROUP AVERAGE

4/21 to 4/28 Group 1 OH: \$93.70 Group 2 OH: \$90.70 Group 3 OH: \$87.70 5/1 to 5/10 Group 1 OH: \$97.07 Group 2 OH: \$94.70 Group 3 OH: \$91.07

5/11 to 5/20 Group 1 OH: \$96.97

Group 2 OH: \$93.97 Group 3 OH: \$90.97 1 Group 1 OH: \$95.49

5/21 to 5/31 Group 1 OH: \$95.49 Group 2 OH: \$92.49

Group 3 OH: \$89.49

6/1 to 6/10 Group 1 OH: \$95.71

Group 2 OH: \$92.71

Group 3 OH: \$89.71 6/11 to 6/20 Group 1 OH: \$98.54

> Group 2 OH: \$95.54 Group 3 OH: \$92.54

ARG GROUP PRICING CATEGORIES AND DEFINITIONS FOR PENNSYLVANIA GRADE CRUDE OIL (LEGACY)

Group 1 (OH/PA/NY) - 150.0 barrels from a single location, with a BS&W of 2% or less,

Group 2 (OH/PA/NY) - 60.0-149.99 net barrels from a single location

Group 3 (OH/PA/NY) - 30-59.9 net barrels from a single location

For questions relating to ARG Group Pricing or Utica / Marcellus Shale pricing, please contact:

Gary Welker, Mgr.-Crude Supply & Gathering - 330-813-1898; gwelker@amref.com

Magnuson Hotel

- On the Muskingum River in Marietta, Ohio
- · Boat dock and fishing on premises
- · Picnic area with grills
- · Rooms open to the parking lot
- Weekly rates available

279 Muskingum Drive (Route 60) 855-307-8131 or 740-374-7211



- · Reserve-Based Lending
- Equipment Financing
- Cash Management
- · Employee Health & Retirement Plans¹
- Commercial Insurance¹

Contact Us Today!

peoplesbancorp.com | 740.374.6175



Working Together. Building Success.

Insurance products are: NOT FDIC Insured . NOT GUARANTEED by Peoples Bank . NOT a deposit . NOT insured by a federal government agency . Subject to risk and may lose value. Peoples Insurance Agency, LLC. Trust & Investment Services offered through Peoples Bank: 138 Putnam Street Marietta, Ohio 45750.







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



OGIA Insurance Agency

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

Mark Freshwater President Reynoldsburg, OH 614-402-0842 Cell: 614-202-0842

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



Drilling Chemical "Solution" **CARROLLTON OH**

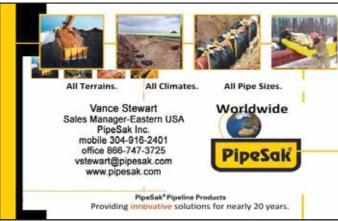
Your Oil & Gas Production and

John W. (Wes) Mossor Jr. Cell: (304)-377-7432

Rt 1 Oak Drive | Spencer, WV 304-927-2470

4257 Avon Road | Carrollton OH 330-738-3919

Dirk Rickard Cell: (330)-280-2924





24 - HC	DUR G	ROSS	PRODU	CTION	RATES
---------	-------	------	--------------	-------	-------

	Gas (MMcf)	Oil (Bbls)
Wagner 1-28H	10.1	108
Boy Scout 1-33H	1.5	449
Boy Scout 5-33H	1.3	205
Ryser 1-25H	2.7	312
Shugert 1-1H	14.9	83
Shugert 1-12H	16.3	109
BK Stephens 1-16H	3.6	390
Stout 1-28H	4.2	443
Stout 2-28H	3.3	413

Magnum Hunter Resources Corporation:

It a has been reported that Magnum Hunter spudded the first Utica Well in Washington County April 15, 2013. Stay tuned for results as they become available.

Magnum Hunter Resources Corp. announced January 2, 2013 a new Joint Operating Agreement with Eclipse Resources I, LP. The deal covers existing mineral leaseholds owned by both entities in the Marcellus and Utica Shale in Monroe County, OH. The agreement covers 1,950 acres with the drilling of 12 horizontal wells in the Marcellus Shale and 12 horizontal wells in the Utica Shale over the next three years. Triad Hunter, LLC will operate the contract area and each company will own 47% working interest in the agreement.

On November 2, 2012, Magnum Hunter closed on the previously announced agreement to acquire all of the stock of privately held Viking International Resources company, Inc. (VIRCO) for \$106.7 million. VIRCO's mineral interest acquired was 52,600 gross acres, with approximately 27,000 acres in the Marcellus Shale, and 28,000 acres in the Utica Shale. The acquisition gives the company's midstream division, Eureka Hunter, some additional expansion opportunities in West Virginia and Ohio.

Utica Facts and Numbers - Calendar Year 2012:

Owner Name	Oil (BBLS)	GAS (MCF)	BRINE (BBLS)	Days	Wells
ANADARKO E & P ONSHORE LLC	118,726	443,297	107,313	1,335	7
ANTERO RES APPALACHIAN CORP	21,522	37,693	4,499	27	3
CHESAPEAKE EXPLORATION LLC	372,212	10,092,701	401,816	4,811	53
CNX GAS COMPANY LLC	10,015	9,986	1,284	50	1
DEVON ENERGY PRODUCTION	2,149	0	69,792	294	5
ENERVEST OPERATING LLC	32,546	160,209	23,010	304	3
GULFPORT ENERGY CORP	63,167	767,129	46,912	185	8
HESS OHIO RESOURCES LLC	560	922,979	2,285	296	2
HG ENERGY LLC	0	232,847	4,334	247	1
PDC ENERGY INC	2,120	10,608	8,427	311	3
REX ENERGY	12,879	159,213	18,786	119	1
TOTALS	635,896	12,836,662	688,458	7,979	87



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

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

Huffman - Bowers Inc.

450 South State Street P.O. Box 538 New Lexington, Ohio 43764

Barry L. Bowers, President Office (740) 342-5205 Cell (740) 605-6011

Fax (740) 342-7376





- Compression
- Flow Measurement
- Production Equipment 7280 Rose Hill Road Roseville, Ohio 43777 (740) 697-0305

"Not the Biggest, Just the Best!"

Oil and Natural Gas Production Equipment
Natural Gas Compression
Industrial Air Compression
Manual and Positive Shut-off Drips
Desiccant Dehydrators
Orifice Meter Tubes and Meter Stations
Paddle and Universal Type Orifice Plates
New Electric Motors at Wholesale Prices
Welding and Metal Fabrication
CNC Machining and Plasma Cutting
Complete Engine and Compressor Rebuilding

Your Source for Parts • All Makes and Models

Servicing All Types of Oil Field Equipment

ucp

Natural Gas Measurement

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

 Auditing

United Chart Processors

WWW.UCPGAS.NET Ph: 740.373.5801

PERKINS SUPPLY, INC.

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

Clay M. Perkins Vice President Donna DeLancey Manager

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

OGPUPS A

Ohio Oil & Gas Producers Underground Protection Service

1. Call before you dig

2. Wait 48 hours

3. Respect the marks 4. Dig with care

It's the Law.

Call Before You Dig

Call 1-800-925-0988 or dial 811

Visit us online at www.ogpups.org

Whether you are a homeowner planting a tree or a contractor digging a trench, safe digging means getting crude oil and natural gas lines marked. THE INSIDER Page 18



Hunting unconventional resources plays for unconventional growth in shareholder value. Oil and Gas exploration and development in the Appalachian Region



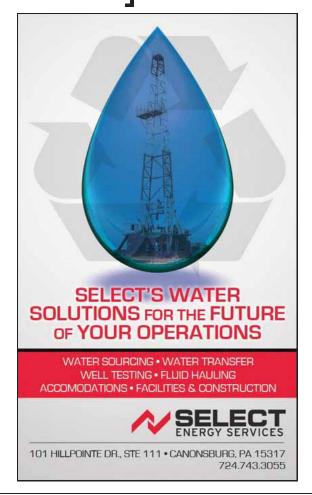


Chamber Membership can save you money on Workers Compensation, Group Health Insurance and connect you to suppliers.



Enroll in the Mid-Ohio Valley Safety Council to access training opportunities and save money. For more information call 740-373-5176. Deadline for the 2013-2014 year is July 31, 2013.

MOVSC is co-sponsored by the Marietta Area Chamber of Commerce and the Ohio Bureau of Worker's Compensation.



Oil & Gas



Real Estate

GERALD BENSON PO Box 7 Byesville, Ohio 43723

Cell: 740.260.2020 Ofc: 740.685.0404 Fax: 740.685.0402 mattmarkdrilling@aol.com

6223 Tanoma Road Indiana, PA 15701 www.compressco.com

Jeremy Jacoby Sales Engineer

Cell (814) 323-2354 Fax (814) 840-4064

jjacoby@Compressco.com



The Natural Choice in Production Enhancement Services!

Employee-owned business making its success story

Judie Perkowsli- The Daily Jeffersonian, 5/12/2013

Zanesville- An employee –owned business in Zanesville, Producers Service Corporation, has seen growth in recent years due to the increase in gas and oil drilling in the region.

Jim Rose has been involved in the gas and oil industry since he graduated from Marietta College in 1976 with a bachelor's degree in petroleum engineering. He met his wife of 35 years, Annie, who graduated the same year from Marietta majoring in art and mathematics.

After graduation Rose went to work for Dowell, the Gas & Oil Division of Dow Chemical in Midland, Mich. where he was employed for eight years. But, when a chance to work for a company in Ohio arose, he jumped at the offer and began working for Producers Service Corporation in 1984 as vice president of sales, never giving a second thought to becoming one of its owners.

The couple moved to Zanesville and lived there until 1994 when they moved to Wheeling W.Va. when Annie was offered a position as head of online distance learning at West Liberty University. Rose said he commutes to Zanesville office weekly.

Producers Service Corp. was founded in 1981 by a dozen gas and oil producers who left Halliburton to form their own company. The business was designed to be a local supplier of fracturing and acidizing services. Acidizing is a method by which petroleum bearing limestone or sandstone formations are injected with an acid to enlarge the pore spaces and passages through which reservoir fluids can flow.

Everything was going pretty good for Rose, who joined the firm in 1984- until the economy tanked in the late 1980s. Even with all their expertise in the industry, the business suffered some lean years.

"We struggled. We all took pay cuts... we were all in it together, and we hung in there," said Rose.

"Then, in 1994, the stockholders (owners) decided to sell the company. They were going to sell all the equip-

ment overseas, and even worse, we would all lose our jobs. So, about 10 of us talked about buying the company and asked for the opportunity to present it to the owners.

"We put together an Employee Stock Ownership Plan." he said.

Most ESOPs are used to provide a market for the shares of a departing owner of a profitable, closely held company.*

"The company's board of directors gave us 90 days to have a signed deal. Part of the deal was that the company was allowed to stay operational to retain its customers. The biggest struggle was with the bank. They were not sure if we could actually run the business.

"Our down payment included all of our combined profit-sharing and selling off one crew (six of our trucks). We came up with about \$2 million and the bank loaned us the balance of \$3 million. We were elated... We were in business for ourselves!"

"Everything was great, we are a 100 percent employee – owned company, and we were paying our bills on time. We ran into a slump in 1995 and 1996, but we were determined to keep the business on track. Slowly, things started picking up, and in August of 1999 we paid off the bank loan. The following October we shut the business down for four days and took all employees and their wives to the Bahamas for a mortgage burning ceremony.

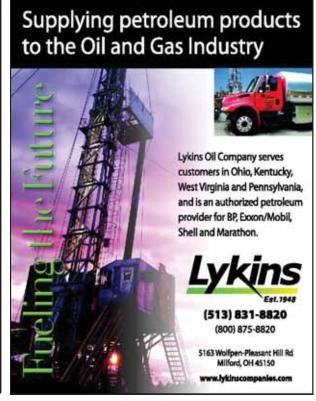
Continued on page 29

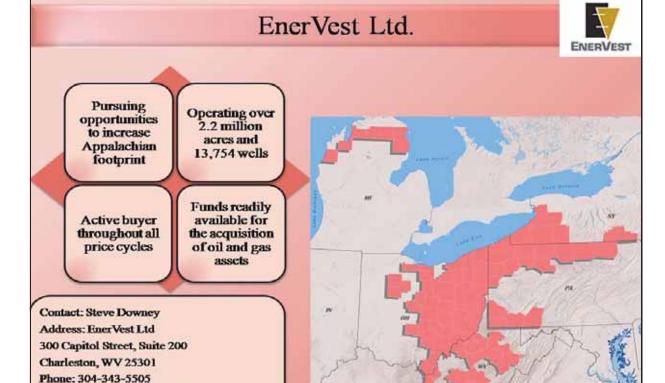


THE INSIDER Page 20



Email: sdowney@enervest.net







\$\$ 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

STEVE BOONE Plant Manager

FRED CANNON President

EDDY CANNON Vice President

Celebrating 110 years of service.



OF PARKERSBURG, INC. GAS AND OIL WELL EQUIPMENT MFG.

"Sold through your favorite oilfield supply stores."

- 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.

600 Parmaco Street Parkersburg, WV 26101 PHONE: (304) 422-6525 FAX: (304) 485-0530

parmaco@suddenlinkmail.com

cell# 614-561-3118



Oil Gathering Corp. 649 Mitchells Ln Marietta, OH 45750 (740) 374-9355

B D Oil Gathering Corporation is a full service crude oil purchaser and transporter.

Our company was established in 1993 with genuine commitment to professional & personalized service.

- Oil pick-ups within 3-5 days(weather
- Pays an average monthly price. Payments are disbursed on the 10th of every month(unless it is a weekend or
- holiday) Provides 24 hour Emergency Service through a pager service

ALPHA HUNTER, LLC

Top Hole Drilling For All Your Marcellus & Utica Needs

For more information please Contact: Mike Rogers Drilling Superintendant 27724 State Route 7 Marietta, Ohio 45750 Office: (740) 374-2988 Ext. 131 Fax: (740) 376-0106 Mobile: (740) 525-5074





CONTACT VOLUNTEER ENERGY

OHIO OFFICE 614.328.2953 jsmith@volunteerenergy.com MICHIGAN OFFICE Larry Anderso 248.456.6065

landerson@volunteerenergy.com

790 Windmiller Drive 🌢 Pickerington, Ohio 43147 🌢 volunteerenergy.com

THE INSIDER Page 22

2013 SPRING MEMBERSHIP MEETING



















2013 Workhorse Award: Larry Wickstrom

2013 Workhorse Award: Shawn Bennett

Paul Fulton Scholarship Award: Matt Boothe

Thank you to our Sponsors



Spring Membership Meeting Breakfast, Buffet Lunch & Refreshments Sponsor

Spring Membership Meeting
Meeting Rooms, Refreshments &
Grand Prize Sponsor
ERGONE



Ron Surella, Grand Prize Winner of 50" Flat Screen TV

Thank you to our Spring Meeting Sponsors

Wells Fargo Ins. Services

Ergon Oil Purchasing

Bruce Allen Pipeline Contractor

Parmaco of Parkersburg, Inc.

Universal Well Services

Producers Service Corp

Huffman Bowers Inc.

Leslie Equipment Co

Dominion Field Services

EDI

A.W. Tipka Oil & Gas Inc

Volunteer Energy Services Inc

EnerVest Operating

American Refining Group

Washington County Career Center Triad Hunter LLC

Canaan Industries LLC

Integrys Energy Services

Buckeye Oil Producing CO

Perkins Supply INC

NGO Development Corp.

Eastern Solutions LLC

J.F. Deen Oil & Gas LLC

J.D. Drilling Company

Dominion Gathering & Prod.

Weatherford

Cobra Pipeline

Utility Pipeline Ltd.

Ergon Trucking

Select Energy Services LLC

Aqua-Clear INC

Tech Star INC

DXP

Lykins Oil Company



The Membership Committee is excited to announce

2013 Membership Drive

Sponsored by: Timco, INC

The Member who signs up the Most "New Members" wins a

Henry Golden Boy

Sponsored by SOOGA: All New Members signed up in 2013 will be entered in a Drawing for a Prize valued at \$100

> Don't wait, Start Signing up those New Members Winners will be announced at the 2014 Spring Membership Meeting

Contact the SOOGA office for Membership Applications or visit the SOOGA website @ www.sooga.org * To receive credit for New Members, your name must be listed as referred by on the application.*



Eddy Biehl

2012 Membership Drive Winner with 11 new Members sighed up!

2013 SPRING GOLF OUTING



Flight A 1st place-M.L. Miller & Sons



Flight A 2nd Place—Eastern Mountain Fuel



Flight A 3rd Place—Harris Oil Company



Flight B 1st Place—Baker Hughes



Flight B 2nd Place-Englefield Oil



Flight B 3rd Place-Ergon

Skill Prize Winners

Men

#10 Long Drive in the Fairway—Greg Reichmen #18 Longest Putt-Don Burris **Ladies**

#4 Long Drive in the Fairway—Billie Leister

Men or Ladies

#3 Closest to the Pin—Mark Bradley #8 Closest to the Pin 2nd Shot—Casey Branham #16 Closet to the Pin—Aaron Fleming

Thank you to our Sponsors



Spring Golf Refreshments

Buffet Lunch



VOLUME 28, ISSUE 3

Thank you to our Sponsors

Wells Fargo Ins. Services American Refining Group Cobra Pipeline

Ergon Oil Purchasing Washington County Career Center Triad Hunter LLC

Bruce Allen Pipeline Contractor Canaan Industries LLC Utility Pipeline Ltd

Parmaco of Parkersburg, Inc Integrys Energy Services Phoenix Specialty

Universal Well Services Buckeye Oil Producing CO Select Energy Services LLC

Producers Service Corp Perkins Supply INC Aqua-Clear

Leslie Equipment Co NGO Development Corp. Plant Oil Production

Dominion Field Services Eastern Solutions Tech Star INC

EDI J.F. Deem Oil & Gas B.D. Oil Gathering

A.W. Tipka Oil & Gas Inc Weatherford Team Oil Tools

Volunteer Energy Services Theisen, Brock, LPA DXP

EnerVest Operating Aqua-Clear Lykins Oil Company

SOOGA Security Awareness and Introduction to S.A.F.E.

On May 9, SOOGA held a Security Awareness Seminar at the Lafayette Hotel and we had 48 members in attendance. We had a terrific panel of experts that presented during the Seminar.

- Navy SEAL (ret.) Frank Hoagland is the CEO of S.T.A.R.T. (Special Tactics and Rescue Training) and he presented
 on Personal Security Awareness. He discussed general security information in addition to the surveillance
 tactics used by protestors. One key message is the importance of increasing your awareness of your surroundings.
- Mark Warden of the Washington County Sheriff's Office provided a detailed account of the response to the protestor event at the Green Hunter facility in New Matamoras. He provided information about what the protester group targets and how the group attacks and disrupts businesses. One key message is the importance of communication between law enforcement and our industry.
- John Triplett of the Theisen Brock law firm discussed the legal aspects of what you can and shouldn't do if you are involved in an incident with these protestors. Additionally, understanding the use of force and Civil Remedies vs. Criminal Remedies were also covered. One key message is to be informed on the laws and make the best decision for you and your company, or you may find yourself in a lawsuit.

As an important first step identified from this seminar, SOOGA is putting together the Security Alert & Focus Email (S.A.F.E). The S.A.F.E distribution list will be used to communicate security information or alerts to/from the industry and law enforcement. Not only will the members of the list receive alerts to protestor activities, but also provide a means for us to notify each other and law enforcement of suspicious activity. Due to the sensitive nature of this information, the list will be restricted to members of the oil and gas industry that have a need to receive this information. We would like to limit the distribution to 1 or 2 owners/managers per company that can then be responsible for filtering and distributing the appropriate level of information to your organization. To be included in the SOOGA S.A.F.E. distribution please contact the SOOGA Office.

Continued from Page 1

Based on current cementing requirements for the production casing, it would not be possible to recover the 7" pipe being used as a temporary string. This issue should probably be addressed as a variance request with the permit application.

A question was raised about exporting U.S. natural gas and how that would affect the small Ohio producer.

Not much affect to the small Ohio producer. We will still feed gas into the system as usual.

It would however create another source of demand to help balance supply, which would ultimately help boost the currently low price of natural gas. That would help small Ohio producers' economics.

If exports are restricted by the government, it restricts free markets. Free markets should be allowed to work.

Discussion was introduced about potential problems with outlets for gas as shale volumes continue to rise in our area.

Firm, secondary, and curtailments were discussed. The Rex pipeline has been negatively impacted by the boom in the Marcellus.

There will definitely be a need for more infrastructure in certain areas.

Free market exporting of natural gas would help ease the burden of rising shale gas supply.

Triad Hunter has utilized their sister company Eureka Hunter in conjunction with MarkWest as their solution to getting gas to market.

Discussion was raised about issues encountered on Dominion Field Services, DTI, and the Appalachian Gateway systems.

Some leases are "non-productive" due to pipeline shut -ins. This has been a major issue for some companies as other companies have tried to claim these leases due to the extended shut-ins.

It was again mentioned that exporting of U.S. natural gas would help ease these types of issues.

The issue of companies telling land owners not to cash their royalty checks "so their lease would terminate" was discussed.

Companies do this in an attempt to claim the old lease is invalid, and then try to take a new lease on what is in reality a valid HBP lease.

It was mentioned that it is very important to keep good documentation, such as production and tank gauge reports, to back yourself up in these instances.

Field Security

Anti-fracing folks, in some cases extremists, have been increasing in number in our area.

2 weeks ago a Chesapeake site was vandalized. A dozen fuel tanks were filled with frac water.

Some companies are installing locking gasoline caps on their equipment. A fuel system in an F350 costs around \$12,000.

There was even a case of a bomb being placed on a pipeline in PA.

It was mentioned that the Department of Homeland Security offers free security classes. You have to request the classes online through the "PDAC". The classes train people how to recognize when a situation isn't normal, keeping them alert.

Protests have occurred a couple of times recently at an Athens County disposal well facility.

The local Homeland Security officer is currently providing training for these types of issues.

Theft has also increased drastically recently.

It was mentioned that scrap metal recycling centers are no longer allowed to accept oil and gas equipment. They are now taking pictures of everything and no longer accept copper wire unless it is from a business. Local sheriffs have been taking classes on scrap metal theft awareness.

This concludes the summary of items discussed at SOOGA Open Form #2. Thanks to all those who participated in this forum. Hopefully these forums will continue to provide an effective means of communication between our members with the ultimate goal of helping all members arrive at solutions to the issues we face. We will provide more information in regard to SOOGA Open Forum #3 in the coming months.



Continued from Page 16

AS of May 29, 2013, there have been 686 Utica Shale permits issued in 22 counties in Ohio to 27 companies, and 335 of them have been developed. The counties are listed below.

Ashland, Belmont, Carroll, Columbiana, Coshocton, Geauga, Gurnsey, Harrison, Holmes Jefferson, Knox, Mahoning, Medina, Monroe, Muskingum, Noble, Portage, Stark, Trumbull, Tuscarawas, Washington, and Wayne.

There are currently 100 Utica Shale wells in production, without a single environmental violation to date.

DTE Energy, Enbridge and Spectra Energy to Develop New Major Pipeline to connect growing shale gas supplies to Premium Markets in the U.S. Midwest and Ontario. <u>December(13)</u>

They have announced the execution of Memorandum of Understanding to jointly develop the NEXUS Transmission (NGT) system, a project that will move growing supplies of Ohio Utica Shale gas to markets in the R.S. Midwest, including Ohio and Michigan, and Ontario, Canada.

The proposed project will originate in NE Ohio, and include 250 miles of large diameter pipe capable of transporting one billion cubic feet per day of natural gas. The line will follow existing utility corridors to an inner-connect in Michigan and utilize the existing Vector Pipeline system to reach the Ontario market. After completion, Spectra will become a 20% owner in Vector Pipeline. It will serve local distribution companies, power generators and industrial users in Ohio, Michigan, and Ontario markets. The pipeline will cost \$1.2 to \$1.5 billion dollars with a tentative start date of November, 2015.

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 made 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, an 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.



Ron Anderson, Eastern District Manager

Clearwater Wholesale Products

Weatherford International Ltd. 100 Leetsdale Industrial Drive, Suite A Leetsdale, Pennsylvania 15056

> 724/318-1050 Main Office 800/995-4294 Toll Free 724/318-1049 Fax 304/482-0383 Cell

ron.anderson@weatherford.com www.cwichem.com

Engineered Chemistry

Pettigrew Pumping Service, Inc.



AUTHORIZED DEALER



Matthew J. Pettigrew PO Box 809, Ravenna, OH 44266

PPSI@Bright.net

Mt. Gilead, OH Office: (419) 768-9977 Fax: (419) 768-9900 Ravenna, OH Office: (330) 297-7900 Fax: (330) 297-7901 Curt Reed Account Manager



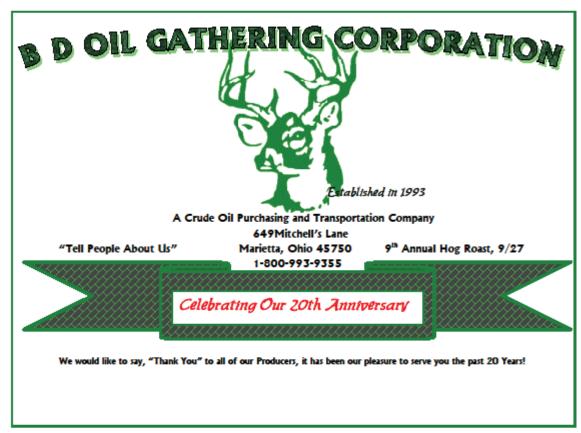
Baker Petrolite

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

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

THE INSIDER Page 28





Did you know that you could save paper and receive your Insider via email? Contact us at mail@sooga.org to sign up.

Continued from page 19

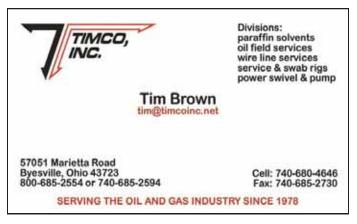
"In 2004 we were named the ESOP of the year. We had 20 employees, and by 2007 we had 30. We now have 100 employees from Caldwell, Logan and Killbuck area," said Rose, who is optimistic about the future.

"We are very busy with conventional wells in Ohio and West Virginia.... We are ready to meet the demands of this highly specialized industry."

The Roses' have two children, a son, James, who lives in Indiana and works for the Chicago Tribune; and Julia, who lives and works in Columbus at the Wexner Ohio State University Medical Center.

According to the company's website, Producers Service Corporation has worked with numerous companies in Ohio, Pennsylvania and West Virginia, providing pressure pumping services, water transfer and pumping, high pressure pumping and skilled technical advice.





The company has maintained the expertise of its original core employees and has recently added a second, large, high-rate high pressure shale crew to service the growing needs of the Appalachian Basin, in both the Marcellus and Utica shale plays.

* An Employee Stock Ownership Plan is governed by federal pension laws. There are clear requirements to ensure that there can be no preferred classes of participants in an ESOP; all employees must be treated proportionally the same.

Berry Well Service

Call for your service rig needs.

BILL MITTON
VP Field Operations

DONNIE STRANGE Rig Supervisor

Phone: (740) 787-1391

Other Services: Water Hauling & Pipeline Construction

A division of Knox Energy, Inc.



OOGEEP Responding to Oilfield Emergencies Workshop

More than 1,000 Ohio Firefighters Trained Since Inception of **OOGEEP's Emergency Response Training Program**

implementing the nation's first Oilfield Emergency Response Training Program. Since 2000, more than 1,000 Ohio firefighters from around the state have participated in this training program, along with firefighters from seven other states.

"Ohio citizens should be honored that many other energy producing regions have looked to Ohio as a model to set up similar safety programs in their respective states," said Rhonda Reda, executive director of OOGEEP.

The training course provides background information and practical guidelines to assist responders in communicating and evaluating a potential emergency site, and the ability to respond to both drilling and production emergencies. The hands-on training portion includes "live burns" utilizing both crude oil and natural gas props. The training program is funded 100% by Ohio's natural gas and crude oil operators.

"Ohio has always been a leader in developing safety programs. While there have been very few natural gas and crude oil emergencies in Ohio, often times fire departments are also called to respond to non-emergency incidents simply because there is a lack of knowledge or unfamiliarity of equipment, standard practices and advanced technologies used by Ohio's industry," notes Charlie Dixon, lead fire instructor, and OOGEEP's safety and workforce administrator. "The fact is not all incidents reported are emergencies, and we are hopeful that this program will also mitigate those types of reported incidents that could tie up community resources that may be needed elsewhere."

Brent Gates, a New Concord, Ohio, Fire Chief, an Ohio Certified Fire Instructor and one of the instructors for the

OOGEEP took the lead in the U.S. by creating and training adds, "This is by far one of the best training programs I have been involved in. The information and handson training we provide makes a difference to so many communities who are impacted by the development of oil and gas."

> "Ohio's oil and gas industry has always committed to safety and we believe it is our responsibility to help educate Ohio's firefighters," said Eric Smith, OOGEEP's Board Chairman and an Ohio oil and gas operator. "In Ohio, we have drilled over 275,000 wells, and advanced technology will continue to make these operations safer and environmentally sound, while helping Ohio produce more of our own energy needs."

> "It's really a service we are providing to the emergency responders, but it also significantly benefits local communities," explains Ron Grosjean, OOGEEP Board Member and Chairman of the Firefighter Training Committee. "We want the public to be confident that both the industry and emergency responders are well trained." The workshops are endorsed by the Ohio Fire Chief 's Association, the Ohio Society of Fire Service Instructors and the Ohio Fire and Emergency Services Foundation. Upon completion of the training, each firefighter can also receive up to 12 CEU contact credit hours and an optional college graduate credit through Hocking College.

OOGEEP would like to thank Ergon, Inc., and S & H Oilfield Services LLC, for their donation of crude oil, water services and personnel over the years during these training sessions.

OOGEEP will be hosting several additional training sessions in the fall, visit www.oogeep.org to learn more.

(article provided by OOGEEP 5/20/13)

Electronic Design for Industry, Inc. 100 Ayers Blvd. Belpre, Oh 45714 740,401,4000-Facc740,401,4005

Vapor Recovery System

The Vapor Recovery System (VRS) allows your oil and gas company to be safety conscious and environmentally responsible while optimizing their production. The VRS package includes a compressor, drive unit (electric or natural gas engine), scrubber and Vapor Recovery Controller. The controller is designed to be user friendly and display reliable and accurate digital inputs.





Specializing in production needs for over 30 years.

- Controllers
- Pumpmatic, VRS, WCC, DCS-NG, TSC-JR, Hi-Lo and DPS.
- Engine Packages
- Compressor Packages
- Lubricators
- Plungers
- Plunger Sensors
- Bumper Springs
- Motor Valves





The most important asset to your Company is your employees. They're worth protecting.

O'Brien's Safety Services



- Confined Space Rescue Standby Teams
- •Safety Consulting/Training
- OHSA Authorized Training
- PEC Basic SafeLand USA Orientation
- ROCK-N-RESCUE Dealer

O'Brien's Safety Services, L.L.C. 740.336.8407 p 740.374.6956 f www.obrienssafetyservices.com

Available around the clock to meet your safety needs. Serving Ohio, Pennsylvania and West Virginia.

Reduce Downtime on your gas engines!



- Removes carbon under low loads and
- protects valves under high loads

AMPCO LUBRICATORS LLC

Phone: 860-355-5706 Fax: 860-355-8357 www.ampcolubes.com Email: info@ampcolubes.com

Introducing the **SOOGA LEGACY FUND**

The oil and gas industry has been a big part of our community for more than 120 years and this year marks the 35th anniversary of SOOGA. Our history with the community has led us to partner with the Marietta Community Foundation to establish the SOOGA Legacy Fund. This fund was established to give back to our communities across Ohio and West Virginia and to honor the memory of members who have dedicated their careers work to this industry. The SOOGA Board will serve as the advisor to the fund.

The Fund will give grants that "energize our community"!

A few Examples include:

- Support local education programs in Oil & Gas related fields
- Provide scholarship opportunities to deserving students
- Support park or community center improvements & repairs
- Help local law enforcement and fire departments be prepared and educated for response to oil & gas related incidents

To give a tax deductable gift visit www.sooga.org for more information

SOOGA will match the first \$10,000 of gifts made in 2013!





Since 1862

CHANCELLOR INSURANCE

James Shriver President

613 Market Street Parkersburg, WV 26101 304/422-3563 FAX 304/422-3565

Moody and Associates, Inc.

Experience, Efficiency, Effectiveness.

Services

- * Professional hydrogeologic services
- Hydrogeologic evaluation and well site inspection
- Development of high capacity groundwater supplies
- * Pre-drill, post-drill sampling
- * Spill Response Investigations
- * Stray gas migration investigations
- * Wetlands determination

Canton, 877•636•4448

www.moody-s.com kcramer@moody-s.com

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

SMITTY VANDALL

Rig & Truck Superintendent

CELL (740)336-0684 smythe48@yahoo.com

MILLARD CARPER

Owner Cell 740.516.5355

OFFICE(740) 374-2567 FAX (740)374-2610

Dozer & General Trucking — Vacuum Water Trucks Roust-A-Bout — Brine Disposal — Disposal Wells

CARPER WELL SERVICE Inc.

P.O Box 273 Reno OH, 45773



EPA Licensed
Compost Facility for
Compost Materials

740.373.1639

www.greenleaflandscapes.com

414 Muskingum Drive | Marietta, OH 45750



AN EMPLOYEE OWNED COMPANY

Jim Rose

Vice President of Sales Office (740) 454-6253 | Cell (740) 683-5002 Home (304) 336-7087

Pressure Pumping Services 109 South Graham Street | Zanesville, OH 43701

www.producersservicecorp.com jrose@producersservicecorp.com





Tech Star, Inc.

2100 Clay Road Post Office Box 449 Junction City, Ohio 43748-0449

Larry D. Hill

(800) 987-5556 (740) 987-8888 FAX Home (740) 376-9103 Mobile (740) 568-8965



Advantage—Predator® Drilling System



Advanced technology drilling package

- The Predator Drilling System is a new generation oil and gas rig and skate system offering 200,000 to hook load. Carrying an API 4F license, this extremely mobile platform features greater automation and efficient, hands-free pipe handling.
- The new open unit compressors, XRVO 1550 (1550/365) and XRXO 1400 (1400/435), offer greater accessibility and installation options on oil and gas sites.
- The newly designed 1,000 psi capacity Hurricane 87-41/1000 booster is a smaller, lighter booster with all the power of larger boosters.
- Introduced in 2010, the CaliberX XHG diamond hit increases tootage per bit while the TD80, TD85 and TD90 DTH hammers increase penetration rates these tools are raising the bar on performance standards.

800-732-6762

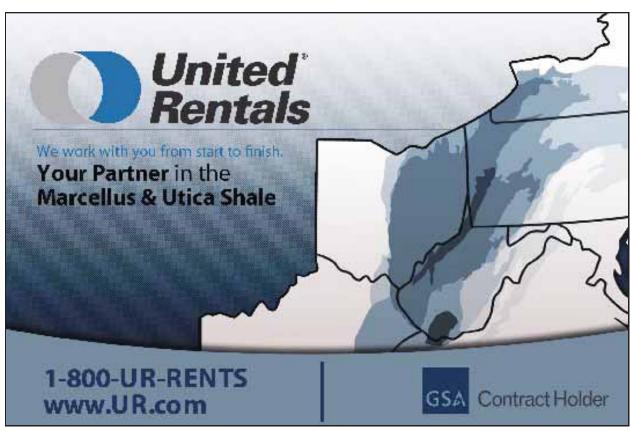
Learn more at www.atlascopco.com/predates and at www.atlascopco.com/ollandgases.

Sustainable Productivity



VOLUME 28, ISSUE 3





We are on the web!

Check us out at www.sooga.org

FIRST CLASS MAIL

Date:____/___

SOUTHEASTERN OHIO OIL & GAS ASSOCIATION

P.O. Box 136 Reno, Ohio 45773

Phone: 740-374-3203 Fax: 740-374-2940 E-mail: mail@sooga.org



Southeastern Ohio Oil and Gas Association Membership Form

Name		Co	mpany		Title			
Address			City	State				
Phone			_ Fax		Email			
		Members	ship Classificat	tion (Please C	Circle One)			
\$150 Annually	Producer	Contractor	Allied Industry	Professiona	al			
\$100 Annually	Associate (A	dditional employee	es of Company)					
\$75 Annually	Royalty Own	er Non-Operating l	Investor					
Special	Wildcatter Package \$1,200.00 Producer Contractor Allied Industry Professional - Special Acknowledgement; Logo/ad at all association events & functions							
	- One free ticket to association golf & clay shoot outings							
	- Tee sponsorship at each golf outing, clay shoot							
	- Grand Advertising Package (business card website, full page directory, double ad in Insider)							
	- Four total company employee membership (3 Associates)							
	Derrick Pack	kage \$850.00	Producer	Contractor	Allied Industry	Professional		
	- Special Acknowledgement ; Logo/ad at all association events & functions							
	- One free ticket to association golf & clay shoot outing (OF YOUR CHOICE)							
	- Tee sponsorship at each golf outing, clay shoot							
	- Queen Advertising Package (business card website, 2/3 page directory, single ad in Insider)							

Southeastern Ohio Oil & Gas Association P.O. Box 136 Reno, OH 45773 740-374-3203; 740-374-2840 Fax Email: mail@sooga.org

- Two total company employee membership (1 Associate)

WWW.SOOGA.ORG

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.