



News for Immediate Release

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Independent Report Faults Clearfield County Gas Well Operators for June 3 Blowout; DEP Outlines Proper Procedures for all Marcellus Drilling Firms

Companies Fined for Improper Well Control, Lack of Training for Well Workers

Harrisburg – Untrained personnel and the failure to use proper well control procedures were the principal causes of a June 3 natural gas well blowout in Clearfield County, according to an independent investigation that was released today by the Department of Environmental Protection.

DEP Secretary John Hanger said the blowout, which allowed natural gas and wastewater to escape from the well uncontrollably for 16 hours, was the result of failures by the well's operator, EOG Resources. The company and its contractor, C.C. Forbes LLC, lost control of the well while performing post-fracturing well cleanout activities.

"The blowout in Clearfield County was caused by EOG Resources and its failure to have proper barriers in place. This incident was preventable and should never have occurred," said Hanger, who added that EOG Resources has been ordered to take nine corrective actions; C.C. Forbes ordered to take six corrective actions and both companies were fined more than \$400,000, collectively.

Following a 40-day suspension of operations in Pennsylvania, EOG Resources and C.C. Forbes were permitted to resume all well completion activities.

The report was compiled by John Vittitow, whom DEP hired to conduct a thorough and independent investigation into all aspects of EOG's drilling operation based on his respected reputation in the industry as an experienced petroleum engineer. The investigation was conducted concurrently, but independently of DEP's investigation.

"Make no mistake, this could have been a catastrophic incident," Hanger said. "Had the gas blowing out of this well ignited, the human cost would have been tragic, and had an explosion allowed this well to discharge wastewater for days or weeks, the environmental damage would have been significant."

In light of the investigation's findings, Hanger said his agency has written each company drilling into the Marcellus Shale to ensure they understand proper well construction and emergency notification procedures. The letter stated that:

- A snubbing unit, which prevents pipes from ejecting uncontrollably from a well, may be used to clean out the composite frac plugs and sand during post-fracturing (post-frac) if coil tubing is not an option.
- A minimum of two pressure barriers should be in place during all post-frac cleanout operations.
- Any blowout preventer equipment should be tested immediately after its installation and before its use. Records of these tests should be kept on file at the well site or with the well site supervisor.
- A sign with DEP's 24-hour emergency telephone number and local emergency response numbers, including 911 and the county communications center, should be posted prominently at each well site.
- At least one well site supervisor who has a current well control certification from a recognized institution should be on location during post-frac cleanout operations. These certifications should be in possession at all times.
- A remote-controlled, independently powered blowout preventer unit, which allows workers to control what's happening on the rig at a safe distance, must be located a minimum of 100 feet from the well and operational during all post-frac cleanout operations.

The fines assessed to EOG Resources and C.C. Forbes—for \$353,400 and \$46,600, respectively—will cover the cost of DEP's response to the incident and the investigation. In addition to the financial penalties, DEP ordered EOG Resources to implement practices and take nine corrective actions to avoid a repeat of this incident. C.C. Forbes was ordered to implement similar practices and to take six corrective actions.

To review a copy of the complete investigation report and related documents, visit www.depweb.state.pa.us and click on the report graphic under the "Latest News" tab.

Media contact: Tom Rathbun, 717-787-1323

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