## COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL PROTECTION

## IN THE MATTER OF:

| CNX Gas Company LLC    | : | 2012 Oil & Gas Act             |
|------------------------|---|--------------------------------|
| 1000 Horizon Vue Drive | : | The Solid Waste Management Act |
| Canonsburg, PA 15317   | : |                                |

## CIVIL PENALTY ASSESSMENT

NOW, this 3<sup>rd</sup> day of November 2022, the Commonwealth of Pennsylvania, Department of Environmental Protection ("Department") has found and determined the following:

A. The Department is the agency with the duty and authority to administer and enforce Chapter 32 of Title 58 of the Pennsylvania Consolidated Statutes, 58 Pa. C.S. §§ 3201– 3274 ("2012 Oil and Gas Act"); the Solid Waste Management Act, Act of July 7, 1980, P.L. 380, *as amended*, 35 P.S. §§ 6018.101–6018.1003 ("Solid Waste Management Act"); Section 1917-A of the Administrative Code of 1929, Act of April 9, 1929, P.L. 177, as amended, 71 P.S. §§510-17 ("Administrative Code"); and the rules and regulations promulgated thereunder.

 B. CNX, a Virginia limited liability company, is engaged in various oil and gas exploration, production, and midstream activities in Pennsylvania. CNX's business address is 1000 Horizon Vue Drive, Canonsburg, PA 15317.

C. CNX is the "owner" and "operator", as those terms are defined in Section 3203 of the Oil and Gas Act, 58 Pa. C.S. § 3203, of the RHL 71 & RHL 87 Well Site ("Well Site"), located in Richhill Township, Greene County.

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D. On September 18, 2019, CNX discharged approximately 20 barrels of production fluid from a blender tub onto the secondary containment. As a result, the secondary containment overflowed causing the discharge of approximately 40 gallons of production fluid onto the ground at the Well Site ("First Incident").

E. On January 23, 2021, CNX discharged approximately 10 barrels of production fluid onto the ground at the Well Site due to the failure of a flange connection ("Second Incident").

F. On April 22, 2021, CNX discharged approximately 40 gallons of production fluid onto the ground at the Well Site due to the failure of a pump valve. ("Third Incident").

G. Production fluid that is spilled on the ground is a "residual waste" as that term is defined in Section 103 of the Solid Waste Management Act, 35 P.S. § 6018.103.

H. On the dates and at the location set forth in Paragraph D, E, and F, CNX:

- Failed to control and dispose of production fluids in a manner that prevents pollution of the waters of the Commonwealth in violation of 25 Pa. Code §78a.54 and discharged production fluid on or into the ground in violation of 25 Pa. Code §78a.57.
- Disposed production fluids onto the ground, in areas proximate to the Well Site, in a manner not authorized by the rules and regulations of the Department in violation of Sections 301 and 302 of the Solid Waste Management Act, 35 P.S. §§ 6018.301, 6018.302.

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I. Between September 18, 2019 and November 25, 2019 (67 days), CNX vacuumed puddled fluids associated with the First Incident and removed the contaminated soil (approximately 1,399 tons).

J. CNX summarized the findings and conclusions of the remediation of the spill for the First Incident in a Final Report, which was prepared and submitted to the Department in accordance with the Land Recycling and Environmental Remediation Standards Act, Act of May 19, 1995, P.L.4, No. 1995-2, 35 P.S. §§ 6026.101-6026.909 ("Act2") addressing the release described in Paragraph D

K. Between January 23, 2021 and January 25, 2021, CNX closed pad drains and vacuumed standing fluids associated with the Second Incident and removed the contaminated soil (approximately 283 tons)

L. CNX summarized the findings and conclusions of the remediation of the spill for the Second Incident in a Final Report, which was prepared and submitted to the Department in accordance with the Land Recycling and Environmental Remediation Standards Act, Act of May 19, 1995, P.L.4, No. 1995-2, 35 P.S. §§ 6026.101-6026.909 ("Act2") addressing the release described in Paragraph E.

M. Between April 22, 2021 and May 10, 2021 (18 days), CNX closed pad drains and vacuumed standing fluids associated with the Third Incident and removed the contaminated soil (approximately 17 tons).

N. The violations described in Paragraph H, above constitute unlawful conduct pursuant to Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3259 and Section 610 of the Solid Waste Management Act, 35 P.S. § 6018.610, and subject CNX to a claim for civil penalties

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pursuant to Section 3256 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3256, and Section 605 of Solid Waste Management Act, 35 P.S. § 6018.605.

## Assessment

NOW, THEREFORE, pursuant to the Department's authority under Section 3256 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3256 and Section 605 of the Solid Waste Management Act, 35 P.S. § 6018.605, the Department hereby assesses a civil penalty of ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$125,000.00) against CNX for the violations identified above. Payment of this Civil Penalty shall be made by certified check or the like, payable to the "Commonwealth of Pennsylvania" and sent to the Department of Environmental Protection, Bureau of Oil and Gas Management, 400 Waterfront Drive, Pittsburgh, PA 15222-4745.

Any person aggrieved by this action may appeal the action to the Environmental Hearing Board (Board) pursuant to Section 4 of the Environmental Hearing Board Act, 35 P.S. § 7514, and the Administrative Agency Law, 2 Pa. C.S. Chapter 5A. The Board's address is:

Environmental Hearing Board Rachel Carson State Office Building, Second Floor 400 Market Street P.O. Box 8457 Harrisburg, PA 17105-8457

TDD users may contact the Board through the Pennsylvania Relay Service, 800-654-5984.

Appeals must be filed with the Board within 30 days of receipt of notice of this action unless the appropriate statute provides a different time. This paragraph does not, in and of itself, create any right of appeal beyond that permitted by applicable statutes and decisional law.

A Notice of Appeal form and the Board's rules of practice and procedure may be obtained online at http://ehb.courtapps.com or by contacting the Secretary to the Board at 717-787-3483. The Notice of Appeal form and the Board's rules are also available in braille and on audiotape from the Secretary to the Board.

IMPORTANT LEGAL RIGHTS ARE AT STAKE. YOU SHOULD SHOW THIS DOCUMENT TO A LAWYER AT ONCE. IF YOU CANNOT AFFORD A LAWYER, YOU MAY QUALIFY FOR FREE PRO BONO REPRESENTATION. CALL THE SECRETARY TO THE BOARD AT 717-787-3483 FOR MORE INFORMATION. YOU DO NOT NEED A LAWYER TO FILE A NOTICE OF APPEAL WITH THE BOARD.

IF YOU WANT TO CHALLENGE THIS ACTION, YOUR APPEAL MUST BE FILED WITH AND RECEIVED BY THE BOARD WITHIN 30 DAYS OF RECEIPT OF NOTICE OF THIS ACTION.

> FOR THE COMMONWEALTH OF PENNSYLVANIA, DEPARTMENT OF ENVIRONMENTAL PROTECTION:

Daniel F. Counahan District Manager Southwest District Oil and Gas Operations