Mahoning County SWIW #

REX
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Monday, December 01, 2014

Richard J. Simmers
Chief, Division of Oil and Gas Resources Management
Ohio Department of Natural Resources
2045 Morse Road, Bldg. F-2
Columbus, Ohio 43229



Re: R.E. Disposal Well No. 1---Interim Seismic Test Injections

Dear Chief Simmers:

Thank you again for meeting with me and other representatives of Rex Energy (parent company of R.E. Disposal LLC) on October 22 to discuss the future of R.E. Disposal Well No. 1 and your recent order. As you know, we have agreed to hold our appeal of the order in abeyance to await the report of the induced seismicity work group of the Ground Water Protection Council and the Interstate Oil and Gas Compact Commission that you co-chair. We are optimistic that the work of that group, under your leadership, will find common ground among all the parties working to safely develop our domestic oil and gas resources. And we are hopeful that this process will lead to the issuance of a permit to operate the well as soon as possible in 2015.

The purpose of this letter is to renew our request that you exercise your seismic testing authority to allow us to make limited injections into the well during your work group's deliberations, so that we can together gather information on seismicity associated with the injections. As we noted in the meeting, we think that the well, with its array of seismic monitors, provides a unique opportunity to gather valuable information that the work group can apply to its work. The information will also be useful in our later discussions on the terms of a permit to operate the well. We stand ready to work with you on the details of the injections, and we are willing to install temporary surface facilities, subject to your prior approval, to allow for the injections. We would also provide the Division with an internet link to the seismic monitoring data to facilitate your access to the data in real time. The injections would proceed under your supervision and would be discontinued at your direction if events warrant.

We view this suggestion as beneficial to the Division, the national working group, our company, and the public, and hope that you will work with us on realizing the benefits of this collaboration. I look forward to discussing this with you in the very near future.

Yours truly,

Patrick M. McKinney

cc: Robert Worstall

Andrew Adgate

Michael L. Williams, Esq.