

NOTICE TO DEFEND

YOU HAVE BEEN SUED IN COURT. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any other claim or relief requested by the Plaintiff. You may lose money or property or other rights important to you. YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.

IF YOU CANNOT AFFORD TO HIRE A LAWYER, THESE OFFICES MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.

LAWYER REFERRAL SERVICE
Washington County Bar Association
Contact information: 724.225.6710

Lawyer Referral Service
119 South College Street
Washington, PA 15301
(724) 225-6710

Southwestern Pennsylvania Legal Aid Society
10 West Cherry Avenue
Washington, PA 15301
(724) 225-6170

IN THE COURT OF COMMON PLEAS
WASHINGTON COUNTY PENNSYLVANIA
CIVIL DIVISION

BRYAN LATKANICH, HUNTER LATKANICH COLTON LATKANICH RYAN LATKANICH, a minor by and through Natural guardian BRYAN LATKANICH	: Case No. 2022-6006 : : Type of pleading: : : SECOND : AMENDED COMPLAINT : : Filed on behalf of: : Plaintiffs : : Counsel of Record for : Plaintiffs : : Lisa Johnson, Esq. : Pa. I.D. No. 200101 : Lisa Johnson & Associates : 1800 Murray Ave., #81728 : Pittsburgh, PA 15217 : lisa@lajteam.com : Phone: 412-913-8583
Plaintiffs	
v	
CHEVRON CORP. CHEVRON U.S.A. INC. CHEVRON APPALACHIA, LLC CHEVRON NORTH AMERICAN EXPLORATION AND PRODUCTION COMPANY	
Chevron Defendants	
and	
EQT CORP. EQT PRODUCTION COMPANY EQT PRODUCTON MARCELLUS EQT CHAP LLC	
EQT Defendants	
and	
JOHN DOE DEFENDANTS	
PFAS Defendants	

SECOND AMENDED COMPLAINT

COME NOW, Plaintiffs Mr. Bryan Latkanich, Mr. Hunter Latkanich, Mr. Colton Latkanich and Mr. Ryan Latkanich, a minor by and through natural guardian Mr. Bryan Latkanich (hereinafter sometimes collectively referred to as "**Plaintiffs**"), by and through counsel, for their cause of action against the above-named defendants, jointly and severally, state and allege as follows:

1. This is an action by Plaintiffs in Washington County, Pennsylvania for damages arising from the Chevron Defendants' fossil fuel operations, including drilling, exploration, extraction, construction, transportation, improper restoration, and related acts and/or omissions and described more fully below.

2. This action also includes damages arising from the EQT Defendants' operations on the Property related to the oil and gas activities on the Property, including for improper restoration, and related acts and/or omissions and described more fully below.

3. This action also includes "John Doe PFAS Defendants" with respect to the manufacture and use of PFAS in the Chevron Defendants' and/or EQT Defendants' operations on the Property (defined below); the "John Doe" designation relates to the fact that Plaintiffs will be engaging in discovery to identify the proper defendants.

4. Plaintiffs complain, inter alia, of environmental contamination and polluting events caused and/or contributed by the conduct and activities of the Defendants herein, for releases, spills, and discharges of chemicals, industrial wastes, PFAS, radioactive wastes, hazardous chemicals, and other harmful substances from the Chevron Defendants' various fossil fuel and gas operations, the EQT Defendants' purchase and assumption thereof, and the

improper restoration of the Property by them.

5. These releases, spills and discharges caused the Plaintiffs to be exposed to such chemicals, industrial wastes, PFAS, radioactive wastes, hazardous chemicals, and other harmful substances and caused damage to Plaintiffs' property and the natural resources of the environment, causing health injuries, loss of use and enjoyment of the Property, loss of quality of life, emotional distress, and other damages. Moreover, the Chevron Defendants failed to fulfill their contractual obligations and engaged in fraudulent conduct, as more fully set forth herein.

6. The physical operations and improper restoration related to the oil and gas activities described herein caused significant damage to the Property and the Home.

7. Plaintiff Bryan Latkanich has filed a notice of appeal with the Pennsylvania Environmental Hearing Board appealing the determination of the Pennsylvania Department of Environmental Protection's ("DEP") investigation of the environmental complaints regarding the subject matter of this action. Plaintiffs request that this Court take judicial notice of such appeal pursuant to Rule 201 of the Pennsylvania Rules of Evidence, which is docketed at *Latkanich v. DEP*, 2023 EHB 043.

JURISDICTION AND VENUE

8. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

9. Jurisdiction and venue in the Court of Common Pleas Washington County, Pennsylvania is proper because one or more of the Defendants regularly conducted and continue to conduct business in Washington County, Pennsylvania, and the harms complained of occurred in Washington County, Pennsylvania.

10. Defendant Chevron Corp. has its headquarters at 6001 Bollinger Canyon Rd., San

Ramon, CA 94583.

11. Defendant Chevron Corp. is a corporation formed in the state of California on September 10, 1879, originally under the name of Pacific Coast Oil Company.

12. Defendant Chevron Corp. has minimum contacts with Pennsylvania and the maintenance of this suit against Chevron Corporation “does not offend traditional notions of fair play and substantial justice. *Milliken v. Meyer*, 311 U.S. 457, 463 (1940).

13. This Court has personal jurisdiction over Defendant Chevron Corp. pursuant to Pennsylvania’s “long-arm” statute at 42 Pa. C.S. § 5322 and applicable case law, including but not limited to enterprise liability. *See Mortimer v. McCool*, 255 A.3d 261 (Pa. 2021).

a. Defendant Chevron Appalachia was the “alter ego” for Defendant Chevron Corp. in this matter.

b. Veronica Flores-Paniagua, a spokesperson for Defendant Chevron Corp., has made public comments responding specific to this matter to various reporters and news outlets.

c. Deena McMullen, an external affairs employee for Defendant Chevron Corp., has made public comments specific to this matter to various reporters and news outlets.

d. Defendant Chevron Appalachia no longer exists as a corporate entity in Pennsylvania.

e. Defendant Chevron Corp., through its representatives, has held itself out as being integral to the Chevron Defendants’ operations on the Property, to wit:

f. On the Defendant Chevron Corp.’s website, references are made as of the filing of this amended complaint to locations in Moon Township Pennsylvania and southwestern Pennsylvania.

g. Defendant Chevron Corp., or its subsidiaries and/or affiliates, including

Defendant Chevron Appalachia and Defendant Chevron USA Inc., holding themselves out as “Chevron”) representatives have visited the site on numerous occasions.

h. Representatives from the DEP and “Chevron” representatives were present at two meetings with Mr. Latkanich.

i. These meetings were instigated by the DEP under 58 PA Cons Stat § 3251.

j. It was reported that the DEP commented publicly on these meetings, which were not scheduled pursuant to Rule 408 or otherwise kept confidential:

“Within days after the DEP responded to Post-Gazette questions about the Latkaniches, the department scheduled a conference with him to resolve their differences. ‘While there is no formal arbitration or litigation that DEP is aware of, DEP encouraged both parties to discuss site restoration during a conference,’ Ms. Fraley said.”

k. Plaintiffs dispute whether these meetings were “compromise” negotiations under Rule 408, regardless, the information surrounding these meetings are presented for the basis of establishing this Court’s jurisdiction over Chevron Corp and further evidence of the ongoing fraudulent activity of Defendant Chevron Appalachia and Defendant Chevron USA Inc., on behalf of Chevron Corp.

l. Further several other attendees signed under “Chevron.”

m. Persons on the attendance list all have a Chevron.com email.

n. Representatives held themselves out as being employed by “Chevron” and did not distinguish between Chevron USA Inc. or Chevron Appalachia LLC.

o. Mr. Latkanich was not advised to obtain counsel prior to the meetings, nor was he permitted by the “Chevron” representatives to bring another person into the meetings with him.

p. The crop value calculation sheets received by the Plaintiffs were sent by Chevron and the Chevron name and logo is the only name and logo appearing on the crop value calculation sheets.

14. This Court has general jurisdiction over Defendant Chevron Corp.
- a. Plaintiffs incorporate the contacts described above with respect to specific jurisdiction.
 - b. Chevron Corporation has had continuous and systematic contacts with the Commonwealth and has availed itself to Pennsylvania courts and have also been parties to actions brought by the Commonwealth, and is therefore “at home” in Pennsylvania:
 - i. Suit by Pennsylvania Attorney General regarding MTBE pollution of Pennsylvania groundwater by Chevron Corp. *See The Commonwealth of Pennsylvania V. Exxon Mobil Corporation (1:14-cv-06228) (S.D.N.Y.)*
 - ii. A PACER search done on May 17, 2023, resulted in 4,740 entries for Chevron Corp. as a party in cases in the Third Circuit, which includes Pennsylvania courts.
 - iii. Defendant Chevron Corp. has made public comments related to an incident at one of Defendant Chevron Appalachia’s well sites in Greene County, Pennsylvania that resulted in a worker’s death and regulatory action by the Pennsylvania Department of Environmental Protection for environmental harm (“Lanco Incident”).
 - iv. Defendant Chevron Corp. reported the Lanco Incident in its June 30, 2014 10-Q:

“Government Proceedings: As initially disclosed in the Quarterly Report on Form 10-Q for the period ended March 31, 2014, filed May 2, 2014, a fire was reported on February 11, 2014, at Chevron Appalachia, LLC’s Lanco 7H well located in Dunkard Township, Greene County, Pennsylvania. The Pennsylvania Department of Environmental Protection (PA DEP) and the Occupational Safety and Health Administration of the United States (OSHA) initiated investigations as a result of the incident. The PA DEP issued Chevron a Notice of Violation alleging nine separate incidents of noncompliance. Chevron entered into a settlement agreement with the PA DEP resolving the alleged violations and a penalty has been paid in the amount of \$939,553.”

v. Defendant Chevron Corp. reported the Lanco Incident in its 2015 10k filing for the 2014 fiscal year under “Legal Proceedings.” See <https://chevroncorp.gcs-web.com/node/21186/html>

15. Defendant Chevron USA Inc. is a domestic business corporation in the Commonwealth of Pennsylvania, entity ID number 149371.

16. Defendant Chevron USA Inc. was incorporated in the Commonwealth of Pennsylvania on August 9, 1922.

17. Defendant Chevron USA Inc. is an active Corporation in the Commonwealth of Pennsylvania according to the Pennsylvania Department of State.

18. Defendant Chevron USA Inc. address on the PA Department of State website is stated as PO Box 6028 San Ramon, CA 94583-0728.

19. Defendant The registered service address for Defendant Chevron USA Inc. in the Commonwealth of Pennsylvania is in Dauphin County as stated on the Pennsylvania Department of State website.

20. Defendant Chevron USA Inc. is a wholly owned subsidiary of Chevron Corporation.

21. Defendant Chevron USA Inc. was an “alter ego” for Defendant Chevron Corp. in this matter.

22. Defendant Chevron USA Inc. has at least two permitted facilities in the Commonwealth of Pennsylvania with PA DEP site ID number 238845.

23. Defendant Chevron USA Inc. was and is the owner of gas well water treatment facilities in the Commonwealth of Pennsylvania.

24. Defendant Chevron USA Inc. was and possibly is an owner/operator of impoundments located on or adjacent to the Plaintiff's real property.

25. Defendant Chevron Appalachia LLC was formed as a limited liability corporation in the Commonwealth of Pennsylvania on April 7, 2011 entity ID number 6000387.

26. Defendant Chevron Appalachia had a principal place of business at 1550 Coraopolis, PA 15108.

27. Upon information and belief, Defendant Chevron Appalachia is no longer active in Pennsylvania.

28. Defendant Chevron Appalachia was a subsidiary of Chevron USA Inc.

29. Defendant EQT Corp. announced the acquisition of Defendant Chevron Appalachia's assets on October 27, 2021.

30. According to the Pennsylvania Secretary of State's website, Defendant Chevron Appalachia changed its name to EQT Defendant "EQT CHAP, LLC."

31. Defendant Chevron Appalachia owned and operated gas will sites throughout the Commonwealth of Pennsylvania including the sites referred to in this matter.

32. Upon information and belief, Defendant Chevron Appalachia had 114,159 million cubic feet of natural gas production in 2018 and 334 active wells across eight counties in western Pennsylvania, from Clarion and Armstrong through Westmoreland to Fayette, Greene and Washington.

33. Defendant Chevron Corp. is the parent company of Defendant Chevron North American Exploration and Production Company.

34. Defendant Chevron North American Exploration and Production Company has visited the site in question on numerous occasions.

35. Defendant Chevron North American Exploration and Production Company was involved with the production and exploration of gas resources on the site in question.

36. Defendant Chevron North American Exploration and Production Company has the same business address as Chevron Corporation.

37. The definition of the Chevron Defendants shall include, for the purposes herein, their predecessors, successors, parents, subsidiaries, affiliates, divisions, assignees, contractors, and those persons directed by the Chevron Defendants.

38. Defendant EQT Corp. is a Pennsylvania domestic business Corporation formed in the Commonwealth of Pennsylvania on June 10, 2008.

39. Defendant EQT Corp. is an active Corporation in the Commonwealth of Pennsylvania.

40. Defendant EQT Corp. is the parent company/affiliate of Defendant EQT Chap LLC.

41. Defendant EQT Corp. has numerous permitted compressor, pipeline and other facilities permitted through PA DEP throughout the Commonwealth of Pennsylvania including the site in question.

42. Defendant EQT Corp.'s registered office is in Allegheny County, Pennsylvania.

43. Defendant EQT Production Company is a Pennsylvania domestic business Corporation formed in the Commonwealth of Pennsylvania on December 29, 2000.

44. Defendant EQT Production Company holds offices and operations that are permitted by the PA DEP.

45. Defendant EQT Production Company is listed as a subsidiary of EQT Corporation on SEC filings.

46. Defendant EQT Production Marcellus is a domestic limited liability corporation formed in the Commonwealth of Pennsylvania on May 20, 2013.

47. Defendant EQT Production Marcellus' registered address is 625 Liberty Ave., Suite 1700, Pittsburgh PA 15222.

48. Defendant EQT Production Marcellus is listed as a subsidiary of EQT Corporation on SEC filings.

49. Defendant EQT Production Marcellus holds offices and operations that are permitted by the PA DEP.

50. Defendant EQT Chap LLC is a domestic limited liability company formed in the Commonwealth of Pennsylvania.

51. Defendant EQT CHAP LLC is a subsidiary of EQT Corporation.

52. Defendant EQT CHAP LLC has at least two permits covering the Property.

53. All of the Chevron Defendants and EQT Defendants, by and through themselves or their subsidiaries, sister companies, or affiliates, have done and/or continue to do business in the Commonwealth of Pennsylvania in gas well exploration, drilling, production transmission and or treatment of gas well materials.

54. All of the Chevron Defendants and the EQT Defendants have availed themselves

or have been subject to the laws of the Commonwealth of Pennsylvania.

55. During the times mentioned herein until October 30, 2020, one or more of the John Doe Defendants may have manufactured and sold per- and polyfluoroalkyl substances (“PFAS”) to the Chevron Defendants for use in the Operations. The definition of the PFAS Defendants shall include, for the purposes herein, their predecessors, successors, parents, subsidiaries, affiliates, divisions, assignees, contractors, and those persons directed by the PFAS Defendants.

56. The John Doe PFAS Defendants are unknown at this time and are not able to be known by Plaintiffs until after full discovery on this matter.

57. The Chevron Defendants, the EQT Defendants, and the PFAS Defendants shall sometimes be collectively referred to herein as the “Defendants.”

58. Plaintiffs reserve the right to amend their complaint with respect to the John Doe PFAS Defendants and/or the various entities related to or contracted by any of the Defendants.

59. Because of the number of entities involved in the site and communications with Mr. Latkanich, Plaintiffs’ descriptions of Operations as to Defendants or any particular Defendant herein will be refined after discovery is complete.

PLAINTIFFS

60. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

61. The Defendants are as described above.

62. At all times mentioned herein, Plaintiff Bryan Latkanich (“**Mr. Latkanich**”), was and is a citizen of the Commonwealth of Pennsylvania, residing at 95 Hill Road,

Fredericktown, PA 15333 (the “**Property**”).

63. Mr. Latkanich resides on the Property with his minor child, Plaintiff Ryan Latkanich, and also brings this action individually and on Ryan Latkanich’s behalf as parent and natural guardian.

64. Plaintiff Mr. Hunter Latkanich was and is a citizen of the Commonwealth of Pennsylvania and lived on the Property as a minor child at various times from his birth on October 12, 1999, through 2017 and continues to visit the Property.

65. Plaintiff Mr. Hunter Latkanich was exposed to the Operations when he was present on the Property.

66. Plaintiff Mr. Colton Latkanich was a citizen of the Commonwealth of Pennsylvania and lived on the Property as a minor child at various times from his birth on November 1, 2000, through June 2, 2022, when he joined the military and is in the United States Navy.

67. Mr. Colton Latkanich was exposed to the Operations when he was present on the Property.

68. The times mentioned herein until October 30, 2020 shall be referred to as the “Chevron Period”.

69. From October 30, 2020 to present shall be referred to herein as the “EQT Period.”

GENERAL ALLEGATIONS, FACTS, AND BACKGROUND

The Property

70. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

71. The Property consists of 33 acres and Mr. Latkanich acquired a portion of the

Property in 1998 and the remainder of the Property in 2005.

72. The Property was to be used for residential, farming, hunting, and recreational purposes.

73. The home is a custom-built farmhouse with an attached 2.5 car garage and a wraparound porch and was constructed in 2000 (the “**Home**”).

74. Since living on the Property, Plaintiffs had come to expect and enjoy the quiet, fresh air, clean water, privacy, lack of disturbance to the Property and Home, surrounding environs, and peacefulness of the area.

75. Upon reasonable belief, the Home and the majority of Property is down-gradient of and sits at a lower elevation than the infrastructure used in the Operations (as defined below).

76. Prior to the Operations and any of the Defendants’ activities described herein, Plaintiffs had never experienced any problems with water supply, air quality, emissions, noises, dust, odors, or any other environmental issues impacting their health or the peaceful habitation of the Property and Home.

77. Plaintiffs Hunter Latkanich and Colton Latkanich have been apprehensive about visiting the Property and Home and visited the Home and Mr. Latkanich on a less frequent basis, because of the fear of ongoing exposure to the pollution and harms caused by the Operations and described herein.

The Gas Lease

78. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

79. Mr. Latkanich entered into oil and gas lease agreements dated December 7, 2009,

and effective March 19, 2010 covering the two parcels comprising the Property (together, and as may have been amended from time to time, the "**Gas Lease**") with Phillips Exploration, Inc., copies of which are attached as Exhibit A and the Gas Lease was ultimately held by Defendant Chevron Appalachia, LLC, and now Defendant EQT CHAP, LLC has a permit for the Latkanich #2H well site and an ESCGP-3 permit covering the Property.

80. The DEP's website does not contain information related to the Latkanich #1H well site and Plaintiffs will only be able to ascertain the history and ownership status of the Latkanich #1H well site after full discovery.

81. Appellant is legally blind, and at the time of entering into the Gas Lease, he was totally blind in his right eye and had impaired vision in his left eye from recent brain surgery and could not read the Gas Lease and related documents; instead, a representative of the leasing agent read the Gas Lease to Appellant.

82. The Gas Lease was not negotiated at "arm's length".

83. In the process of obtaining the Gas Lease, it was expressly warranted to Mr. Latkanich by the Chevron Defendants by and through its predecessor companies, the following, upon which Mr. Latkanich relied, and his children's detriment, as the basis for the bargain:

a. That the fossil fuel and gas exploration and production activities would not present a danger to Plaintiffs' health, the Property, or the environment.

b. That the facilities would be constructed and operated in locations agreed upon by Mr. Latkanich in the Gas Lease and as lawfully permitted by the Pennsylvania Department of Environmental Protection ("**DEP**");

c. That the Property's domestic water supply would be properly and thoroughly tested prior to and following commencement of fossil fuel and gas exploration and

production activities in order to ensure that the water supply would not be adversely affected by said operations;

d. That each Plaintiff's, person, property, and land resources would remain for themselves and future generations substantially preserved and undisturbed in the face of the fossil fuel and gas exploration and production activities;

e. That Plaintiffs' health, quality of life, and use and enjoyment of the water supply, Property, and home would not be disrupted or adversely affected for themselves and future generations by said fossil fuel and gas exploration and production activities;

f. That in the event that it was determined fossil fuel and gas exploration and production activities adversely affected Plaintiffs' water supply, Home, or Property, the Chevron Defendants would immediately disclose that information and, at its expense, take all steps necessary to abate and remediate such harms;

g. That the Operations would remain at all times in substantial compliance with all state and federal laws and regulations governing safe fossil fuel and gas exploration and production activities; and

h. That Mr. Latkanich would receive timely and regular payments of monetary compensation commensurate with the amount of natural gas extracted from the Property, which payments would be calculated according to a transparent formula with verifying data.

The Operations

84. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

85. Prior to the Chevron Period and before obtaining the Gas Lease from Mr. Latkanich, Defendants Chevron Appalachia and Chevron USA Inc., on behalf of Defendant Chevron Corp. engaged in fossil fuel and gas exploration and production activities, including drilling activities, and owned and operated numerous gas wells, impoundment pits, and a compressor station in the vicinity of and in close proximity, to the Property, the Home, and its

groundwater well.

86. Upon information and belief, the Defendants Chevron Appalachia and Chevron USA Inc., on behalf of Defendant Chevron Corp., or their predecessors, did not perform baseline testing on the Property prior to commencing all of their fossil fuel and gas exploration and production operations in the vicinity of and in close proximity to the Property, the Home, and groundwater well as set forth below, and therefore, no true baseline testing was performed on the Property.

87. The Defendants Chevron Appalachia and Chevron USA Inc., on behalf of Defendant Chevron Corp., engaged in significant drilling, exploration and extraction, pipeline construction, gas transportation, waste storage, waste transfer, fracking fluid transfer, transfer of other substances, venting, condensate tanks, construction of an access road, waste impoundments, drill pits, above ground waste water pipelines, bunk trailers, equipment storage, seismic testing, drilling, hydraulic fracturing, flaring, heavy equipment use, excessive truck traffic and transportation of oversized loads, and constructed, installed maintained the Pits, and/or related activities and restoration efforts have occurred on or in close proximity to the Property (collectively, without limitation “**Operations**”).

88. The term “Operations,” and the facts herein, shall include the following:

- a. EQT CHAP, LLC’s, its affiliates and on behalf of Defendant EQT Corp., assumed the liability of the applicable Chevron Defendants, and taken no action to relieve the severe emotional distress of Mr. Latkanich and Plaintiff and minor child Ryan Latkanich.
- b. Restoration activities done on the Property by EQT CHAP, LLCs, its affiliates

and on behalf of Defendant EQT Corp., were performed in improper locations and in an improper manner, intentionally and recklessly prolonging the damage to the Property.

- c. EQT CHAP, LLC's, its affiliates and on behalf of Defendant EQT Corp. has performed no testing on the Property's air, water, and soil to ensure the safety of its Operations on the Property or if the restoration activities continued to contribute to damage to the Property and the pollution of the Property's air, water, and soil.

89. Defendant Chevron Appalachia had an Erosion and Sediment Control General Permit authorization for earth disturbance associated with the site, number ESX11-125-0026.

90. As part of their Operations, Defendant Chevron Appalachia, on behalf of Defendants Chevron USA, Inc. and Chevron Corp., owned, drilled, fracked, operated, and was in control of the following wells (referred to herein as the "**Gas Wells**"), which were plugged in the April and May of 2020:

a. Latkanich #1 Well

- i. Drilling commenced on September 14, 2011, with a horizontal spud date of January 11, 2012;
- ii. Drilling was completed on January 18, 2012 with a rig release date of January 23, 2012;
- iii. No gas block (or equivalent used) for the "Surface/Water" casing string;
- iv. Stimulation or "fracking" occurred from July 25, 2012 through August 25, 2012;
- v. 1,652,917 gallons of freshwater were used for "stimulation base fluid", which was received from Southwestern PA Water Authority – Source #18, Pennsylvania American Water Company – Source #16, Westmoreland County Water Authority – Source #3, North Fayette Water Authority – Source #24, Marianna Municipal Water Works Source #21, North

Fayette Water Authority – Source #8, Youghiogheny River – Source #5, Monongahela River – Source #14, Isabelle Lake – Source #6, Duquesne Light Mine Water Treatment Plant – Source #7; and

- vi. 27,825 gallons of “recycled” water were used for stimulation base fluid.
- vii. 12,180 pounds (6 tons) of drill cuttings were generated.
- viii. 575,610 gallons of drilling fluid waste was produced.
- ix. 1,524,390 gallons of fracing fluid waste was produced.
- x. 6,774 gallons of fracturing fluid waste was produced.
- xi. 10,105 gallons of other oil and gas wastes (RWC 899) were produced.
- xii. 362,691 gallons of produced fluid was generated.
- xiii. 244,294 gallons of total produced fluid were generated (RWC 802).
- xiv. 1,349 gallons of produced fluid was generated (RWC 802).
- xv. 163 gallons of synthetic liner materials were produced (RWC 806)
- xvi. 216 gallons of wastewater treatment sludge was generated (RW 804).
- xvii. Reported wellhead value of \$15,098,442.84 @ \$7.54 Mcf.
- xviii. Reported residential value of \$ 49,280,196.06 @ \$24.61 Mcf.

b. Latkanich # 2 Well

- i. Drilling commenced on September 17, 2011, with a horizontal spud date of December 25, 2011;
- ii. Drilling was completed on January 8, 2012 with a rig release date of January 10, 2012;
- iii. No gas block (or equivalent used) for the “Water String” casing string or the cement plug;
- iv. Stimulation or “Fracking” occurred from July 26, 2012 through August 26, 2012;
- v. 2,282,600 gallons of freshwater were used for “stimulation base fluid”, which was received from Southwestern PA Water Authority – Source #18, Pennsylvania American Water Company – Source #16, Westmoreland County Water Authority – Source #3, North Fayette Water Authority – Source #24, Marianna Municipal Water Works Source #21, North Fayette Water Authority – Source #8, Youghiogheny River – Source #5, Monongahela River – Source #14, Isabelle Lake – Source #6, Duquesne Light Mine Water Treatment Plant – Source #7;
- vi. 37,411 gallons of “recycled” water were used as “stimulation base fluid”;
- vii. 12,180 pounds (6 tons) of drill cuttings were generated.
- viii. 270,480 gallons of drilling fluid waste was produced.

- ix. 1,107,666 gallons of fracing fluid waste was produced.
- x. 6,773 gallons of fracturing fluid waste was produced.
- xi. 10,105 gallons of other oil and gas wastes (RWC 899) were produced.
- xii. 340,473 gallons of produced fluid was generated.
- xiii. 239,464 gallons of total produced fluid were generated (RWC 802).
- xiv. 1,349 gallons of produced fluid was generated (RWC 802).
- xv. 163 gallons of synthetic liner materials were produced (RWC 806)
- xvi. 216 gallons of wastewater treatment sludge was generated (RW 804).
- xvii. Reported wellhead value of \$20,528,705.60 @ \$7.54 Mcf.
- xviii. Reported residential value of \$67,004,170.04 @ 24.61 Mcf.

91. Defendants Chevron Appalachia and Chevron USA Inc., on behalf of Defendant Chevron Corp., located the Gas Wells approximately 500 feet from Plaintiffs' the home and groundwater well.

92. Under §3218 of the Oil and Gas Act, unless rebutted, the Act presumes that an operator is responsible for pollution of a water supply if the affected water supply is 2,500 feet from an unconventional well and that pollution occurred within 12 months of the later of completion, drilling, stimulation or alteration of the unconventional well.

93. The contamination of the Water Supply is continuous, and the fact that the Gas Wells and Pits were well within 2,500 feet of the Water Supply supports the fact that there is no other explanation for the pollution of the Property's air and water supply.

94. In the course of their Operations, the Defendants Chevron Appalachia and Chevron USA Inc., on behalf of Defendant Chevron Corp., used a drilling process known as hydraulic fracturing, which requires the discharge of enormous volumes of hydraulic fracturing fluids otherwise known as "fracking fluid" or "drilling mud" into the ground under extreme pressure to dislodge and discharge the gas contained under the ground.

95. Upon reasonable belief, fracking fluid or drilling mud contains carcinogenic, toxic, and harmful chemicals including but not limited to arsenic, benzene, cadmium, lead, formaldehyde, chlorine, mercury, hydrogen sulfide, methane, ethane, cobalt, toluene, diesel fuel, products containing volatile organic compounds and semi-volatile organic compounds, additives, scale inhibitors, biocides, chlorides, and lubricating materials, (as described below) (collectively and without limitation referred to herein as “**Fracking Fluid**”).

96. Fracking Fluid that is returned to the surface is known as “**Produced Water**” and upon information and belief, Produced Water also includes toxic and hazardous waste and toxins, including Radioactive Waste, as described below.

97. The Defendant Chevron Appalachia, on behalf of Defendants Chevron USA, Inc. and Chevron Corp., disclosed certain chemicals to the DEP used in their Fracking Fluid for the Gas Wells including hydrotreated light distillate, ammonium sulfate, ethylene glycol, dibromoacetonitrile, 1,1-Dibromo-3-nitrilopropionamide, polyethylene glycol, hydrochloric acid, guar gum, carbohydrates, and hemicellulose enzyme that would be included in the aforementioned spills, discharges, releases, and other activities.

98. Defendants Chevron Appalachia and Chevron USA Inc., on behalf of Defendant Chevron Corp., also used chemicals in its operations that have not been disclosed to Plaintiffs pursuant to §3222.1 of the Oil and Gas Act, which may be dangerous, hazardous, and/or toxic.

99. Upon information and belief, on average there are over 1,600 chemicals used in hydraulic fracturing.

100. The Operations of Defendants Chevron Appalachia and Chevron USA Inc., on behalf of Defendant Chevron Corp., were illegal, negligent, grossly negligent, and/or reckless,

such that:

a. On December 14, 2012, the DEP issued a violation on the Latkanich #1 well to Defendant Chevron Appalachia for a violation of Section 401 of the Pennsylvania Clean Streams Law by pumping Radioactive Waste from a Pit to a non-vegetated area on the Property;

b. On December 14, 2012, DEP issued a violation on the Latkanich #1 well to Defendant Chevron Appalachia for a violation of 78 Pa. C.S. § 78.608 for unlawfully discharging Radioactive Waste onto the Property;

c. On September 5, 2018, DEP issued a violation on the Latkanich #2 well to Defendant Chevron Appalachia for a violation of 78 Pa. C.S. § 102.51 because it failed to obtain an erosion and sediment control permit prior to commencing earth disturbance activity;

d. On September 5, 2018, DEP issued a violation on the Latkanich #2 well to Defendant Chevron Appalachia for a violation of 78 Pa. C.S. § 78.53 because it failed to design, implement, and maintain best management practices and an erosion and sediment control plan during and after earthmoving or soil disturbing activities, including the activities related to siting, drilling, completing, producing, servicing and plugging, constructing, utilizing and restoring the site and access road; and

e. On September 5, 2018, DEP issued violations on the Latkanich #2 well to Defendant Chevron Appalachia for violations of 25 Pa. C.S. § 78.53, 25 Pa. Code § 102.5(c), and 25 Pa. Code § 102.5(m)(4) because multiple areas of the site, including sections of the entrance, access road, and pad were found to have been constructed contrary to permitted plans in that Defendant Chevron Appalachia failed to comply with permit conditions in constructing the site and failed to acquire required permits or permit modifications to alter the site from permitted plans.

(collectively, the “**DEP Violations**”).

101. A Department violation report dated April 4, 2013, in regard to the above violations, included the following comment:

“The response letter gave a silly explanation and really didn’t change the facts or

circumstances. These guys need a fine on this one.” *Id.* at p. 2.

This comment was in response to the below narrative from the inspection:

“On December 10, 2012, the Department received a complaint about discolored springs and drainage swales off of Hill Road in Deemston Borough (the site has a Fredericktown address). My investigation revealed that the nearby Latkanich pad probably changed the drainage patterns. Additionally, the discoloration was the result of iron bacteria in that water. To complete my inspection, I stopped at the pad itself. The site was well marked with signage, and E&S plan was on site as was a PPC plan; I noted that the PPC plan needed updated to include the DEP's emergency telephone numbers. All the paperwork was soaked and Chevron needs to consider better ways to protect it. On-site I found that a previously lined pond was being pumped into the E&S diversion ditch. When I first asked about the water in the pond, on-site personnel told me it was from precipitation in the pond, but they didn't know the pH or conductivity. After some calls to Chevron's environmental staff I was told that the pH was 6.0 and the conductivity 405µshmo. As stated, the water was pumped into the diversion ditch through a sediment bag. From there the water travelled down a rip-rap ditch to a sediment pond. The water then went under the outflow (it was short-circuited) flowed across a swampy area, through silt sox and finally discharged to an UNT of Plum Run (Plum Run flows to Ten Mile Creek). The UNT was obviously discolored by this run-off. This is a violation of...” (The rest of this summary appears to be missing).

102. On April 20, 2017, an “admin inspection” was performed by the DEP and the following observations were made:

“Results from operator predrill samples taken 8/2/11 and post drill samples from 3/26/13 and 4/18/13 were analyzed in comparison to DEP samples obtained during inspection 2582952 on 2/22/17. ***Increases in levels of multiple parameters were noted*** but no conclusive indicators of oil and gas impact were

observed.” (emphasis added).

103. In addition, the April 20, 2017 report stated the below, however, Defendant Chevron Appalachia was previously issued violations for unlawfully discharging “pit water” onto the Property.

“The complainant reported suspected past improper disposal of fluids in former ponds on site. Previous inspections of site found no surface indications of spills or contamination.”

104. On February 26, 2019, Defendant Chevron Appalachia submitted an application for a new ESCGP permit to reclaim the site, specifically “the existing access road and well pad will be reclaimed to approximately original grade. The pipeline will be cut within the LOD associated with the well pad. The LOD associated with the pipeline will not be disturbed.”

105. Defendant Chevron Appalachia received an authorization of coverage under the Erosion and Sediment Control General Permit (“ESCGP-3”) for Earth Disturbance Associated with Oil and Gas Exploration, Production, Processing, or Treatment Operations or Transmission Facilities No. ESG076320004-00 on the Latkanich #1H/#2H Unit Well Sites for receiving watersheds known as tributaries 40725 and 40726 of Plum Run with a “TSF” designation (Trout Stocking”), effective on April 6, 2020 and expiring on April 5, 2025 to conduct activities described “in the final approved Erosion and Sediment Control (E&S) Plan and the Post-Construction Stormwater Management (PCSM) Plan and permit application.

106. On April 22, 2020, the DEP entered into a Consent Order and Agreement with Defendant Chevron Appalachia with respect to violations of the Oil and Gas Act and the Clean Streams Law (“Consent Order”) with respect to the Latkanich well site, which included the following:

- a. As part of their Operations, Chevron Appalachia previously had an Erosion and Sediment Control General Permit authorization for earth disturbance associated with the site, number ESX11-125-0026 (“Original ESCGP”).
- b. In December 2013, the Department amended the ESGCP to include the unpermitted areas provided that the Chevron Parties constructed, installed and maintained a post-construction stormwater management best management practices, which expired on December 8, 2018. (“PSCM BMP”).
- c. The COA documented the fact that the well site was not constructed as approved in the ESCGP, specifically including the fact that the access road was wider than approved and the well pad was larger than approved, and therefore located in unpermitted areas.
- d. The COA documented the fact that Chevron violated 25 Pa. Code §§ 78a.53, 102.5(c) and (m)(4), 102.7(a), and 102.8(a) by failing to comply with the terms of the Amended Latkanich ESCGP and by failing to install and maintain PCSM BMPs, as described in the COA. The Department issued Notices of Violation to Chevron pertaining to these matters at the Well Site on September 5, 2018 (as revised on September 26, 2018) and December 6, 2019.
- e. Chevron violated Section 3216(c) of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3216, by failing to restore the Well Site within nine months from the date that the drilling of the last well on the Latkanich Well Site was completed in 2012.
- f. Commencing in December 2013, Chevron violated the Amended Latkanich ESCGP, and thereby 25 Pa. Code § 102.5(m)(4), by failing to permanently stabilize the Well Site and submit a Notice of Termination (“NOT”).
- g. The violations described in Paragraphs H, I, and J set forth in the COA, constitute unlawful conduct under Section 3259 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3259, and Section 611 of The Clean Streams Law, 35 P.S. § 691.611; constitute a nuisance under 402(b) of The Clean Streams Law, 35 P.S. § 691.402(b); and subjected Chevron to a claim for civil penalties under Section 3256 of the 2012 Oil and Gas Act, 58 Pa. C.S. § 3256, and Section 605 of The Clean Streams Law, 35 P.S. § 691.605.
- h. As of the date of the COA, April 22, 2020, Chevron had not installed the

stormwater basin PCSM BMP.

107. As required by the terms of the Consent Order with respect to transfers, on October 29, 2020, Defendant Chevron Appalachia notified the Department that “on or around November 30, 2020, EQT Aurora LLC, a subsidiary of EQT Corporation, intended to purchase Chevron Northeast Upstream LLC, which owns all of the membership interests of Chevron Appalachia.”

108. The Department then issued the ESCGP-3 to Defendant EQT CHAPP LLC.

109. Both Defendant Chevron Appalachia and Defendant EQT CHAP LLC submitted quarterly reports to the Department pursuant to “reporting obligations under the referenced consent orders inherited through the acquisition of Chevron Appalachia, LLC.”

110. Defendant EQT CHAP, LLC is listed on the DEP’s website as having an interest in (a) the “Latkanich #1H/#2H Unit Well Sites ESCGP-Expedited (746637)” with an “Unspecified” status and (b) the Latkanich Unit 2H OG Well (749145).

111. The Latkanich 2H Well Site has an associated “Residual Waste Processing” permit with an authorization number of 1289738 issued to Defendant EQT CHAP LLC.

The Chevron Defendants’ Contamination of the Property’s Water Supply and Air

112. Defendants Chevron Appalachia and Chevron USA Inc., on behalf of Defendant Chevron Corp., contamination, pollution, harms to the Property, the Home and to Plaintiffs as evidenced by the DEP Violations, the Consent Order and other violations of applicable state and federal laws were the result of the Chevron Defendants' negligence, gross negligence, and/or recklessness, including its negligent planning, training and supervision of staff, employees and/or agents and their failure to provide significant and continuous oversight of their

Operations.

113. Water test results of the Property's water supply have detected among other toxins and pollutants:

- a. PFAS, Butyl Cyclohexane, N-dodecane, Naphthalene, Tridecane, 2-methylnaphthalene, 1-methylnaphthalene, tetradecane, and pentadecane.
- b. High or excessive levels of acetone, aluminum, barium, boron, calcium, potassium, iron, magnesium, manganese, methane, Ph, sodium, silicon, strontium, sulfate, iron related bacteria, radium, sulfate reducing bacteria, total coliform, total dissolved solids.

114. With respect to the PFAS found in the Property's Water Supply, PFAS stands for per-and polyfluoroalkyl substances, which contain a strong carbon-fluorine bond that allows them to accumulate over time in the environment and in the bodies of animals and people, posing health risks (collectively, "PFAS").

115. The EPA has proposed rulemaking to include PFOA and PFOS as CERCLA hazardous substances.

116. The EPA has stated:

"The proposed designation of PFOA and PFOS as hazardous substances is based on significant evidence that PFOA and PFOS may present a substantial danger to human health or welfare and the environment. PFOA and PFOS can accumulate and persist in the human body for long periods of time and evidence from laboratory animal and human epidemiology studies indicate that exposure to PFOA and/or PFOS can cause cancer, reproductive, developmental (e.g., low birth weight), cardiovascular, liver, kidney, and immunological effects."

117. The EPA has proposed drinking water regulation for six PFAS including perfluorooctanoic acid (PFOA), perfluorooctane sulfonic acid (PFOS), perfluorononanoic acid

(PFNA), hexafluoropropylene oxide dimer acid (HFPO-DA, commonly known as GenX Chemicals), perfluorohexane sulfonic acid (PFHxS), and perfluorobutane sulfonic acid (PFBS).

Id.

118. The EPA has stated, with respect to the proposed drinking water regulation, “if fully implemented, the rule will prevent thousands of deaths and reduce tens of thousands of serious PFAS-attributable illnesses.”

119. EPA’s proposed maximum contaminant level goal for PFOA and PFOS is zero and the proposed maximum containment level goal is 4.0 parts per trillion.

120. The proposed maximum containment level goal for PFNA, PFHxS, PFBS, and HFPO-DA is 1 (unitless) and the proposed maximum level goal is 1.0 (unitless).

121. The DEP has published the MCL for PFOA at 14 parts per trillion and PFOS at 18 parts per trillion, which levels are not protective of human health and environment as compared to the EPA standards.

122. The University of Pittsburgh sampled water from the Private Water Well for PFAS from five sources within the Home, and the results are depicted below.

March 20, 2022:

PFAS	LLOD ng/L	TAP1-1	TAP1-2	TAP1-3	TAP2-1	TAP2-2	TAP2-3	TAP3-1	TAP3-2	TAP3-3	TAP4-1	TAP4-2	TAP4-3	TAP5-1	TAP5-2	TAP5-3	TAP6-1
PFPeA	50																
PFHxA	0.5																
PFHpA	0.1	0.11	0.25	0.50	0.42	0.39		0.30	0.60	0.72	0.61	0.39	0.23	0.42	0.27	0.56	0.57
PFOA	0.1	0.35	0.22		0.16		0.12			0.17		0.11		1.12	0.12	0.12	0.14
PFNA	0.1											0.12					
PFDA	0.1		0.27	0.25	0.55	0.34	0.53		0.17	0.18	0.46	0.36	0.51	0.48	0.30	0.76	0.41
PFUdA	0.5																
PFDoA	0.5																
PFTriA	0.5																
PFTreA	0.5																
PFHxS	0.25				0.25											0.53	0.28
PFHpS	0.5																
PFOS	0.5	0.87	0.88				0.65							0.72			7.57
PFDS	2.5		3.14			3.72			2.87					2.73	3.05		
PFAS	LLOD ng/L	first floor kitchen			first floor bathroom			Basement from well			Basement after filter			Second floor bathroom			first floor shower

November 7, 2021:

PFAS	LLOD ng/L	Retest1	Retest2	Retest3	Retest4	EWB-1	EWB-2	EWB-3	EWB-4
						Kitchen sink	Basement source	Bathroom sink	Bathroom shower
PFPeA	50								
PFHpA	0.1		0.44			0.53			
PFHxA	0.5	3.98				3.49			
PFOA	0.1	1.07	0.87	1.08		0.66	0.74		
PFNA	0.1	0.26	0.21			0.13	0.18	0.11	0.18
PFDA	0.1	3.35	2.93			3.25	3.13	3.02	3.18
PFUdA	0.5								
PFDoA	0.5								
PFTriA	0.5								
PFTreA	0.5								
PFHxS	0.25	5.72	5.06	6.06	4.01	4.34	5.48	3.81	7.57
PFHpS	0.5	0.19	0.38						
PFOS	0.5			6.77	4.12		4.57		
PFDS	2.5		10.90				10.23		
PFAS	LLOD ng/L	Sample from Amanda				Sample from Dr. Haig			

1, the unit for PFAS results is ng/L (or ppt).
2, Samples of TAP X-X are sampled on 3/19/22 and analyzed on 3/21/2022.
3, Samples of Retest X are sampled on 11/14/21 and reanalyzed on 3/30/2022.
4, Samples of EWB X are from Dr. Haig (sampled on 11/7/2021) and analyzed on 3/30/2022.

The results are described in the report as follows:

“Figure 1 displays the results of water samples taken on March 20, 2022. Working from left to right: Tap 1 is the first floor kitchen, Tap 2 is the first floor bathroom, Tap 3 is from the storage tank, Tap 4 is from the basement after the filter, Tap 5 is the second floor bathroom, and Tap 6 is the first floor shower. The first test from each tap was taken immediately after turning the water on. The second test for each tap was taken after running the water for about 10-15 seconds. The third test for each tap was taken after at least a minute of letting the water run. Figure 2 displays the results of water samples taken on November 7, 2021. The results of the retest were significantly lower than what was found from the first round of testing and aligned much more closely with the results of the water samples from March 20, 2022.

Interpreting the PFAS results is more complicated because studying PFAS is so new that a lot of the chemicals do not have standards established. These are the main takeaways from the PFAS testing that we are able to interpret.

- PFOA has a known standard by the PA DEP of 14 ppt, and the results ranged from 0.11-1.12 ppt with the highest at the second floor bathroom.
- PFOS has a known standard by the PA DEP of 18 ppt, the results ranged from 0.65-7.57 ppt with the highest at the first floor shower.
- PFHxA results were high ranging from 3.49-3.98 ppt with the highest at the kitchen sink.”

123. The Department tested sampled water from the Private Water Well from only one source inside the home and the results are depicted below.

Parameter	Acronym	02/01/2023 Results		LOQ	MDL
		Pre-Purge	Post Purge		
Perfluorohexanesulfonic acid	PFHxS	0.64 J	ND	4.1	0.56
Perfluorooctanesulfonic acid	PFOS	2.3 J	ND	4.1	2.0
Perfluorooctanesulfonamide	PFOSA	ND	1.3 J	4.1	0.62

Results are identified at parts per trillion or
ng/L LOQ: Limit of Quantitation
MDL: Method Detection Limit
ND: Not detected at or above the MDL
J: Estimated Result; less than LOQ and greater than or equal to MDL

The DEP described the results as follows:

“Those results of PFAS compounds are below the limit of quantitation and are therefore estimated. The PFOS levels are below Pennsylvania’s maximum contaminant levels (MCLs) as well as a recently published Environmental Protection Agency proposed MCL. Compounds PFOSA and PFHxS do not have EPA or Pennsylvania proposed or current MCLs.”

124. The Determination Letter indicates that the DEP disregarded the PFAS testing performed by the University of Pittsburgh.

125. The Determination Letter further states that:

“Review of documents related to the well site did not reveal any direct evidence that PFAS chemicals were used during site construction, well drilling or completion activity, well production, well plugging, or site restoration. However, review of records did indicate that fresh water was used in the fluid mixture for stimulation activity on the Latkanich unconventional wells. This fresh water was obtained from multiple sources including municipal water authorities, which source surface water from the Monongahela River, Youghioghney River and/or Tenmile Creek. Review of sample results from sampling conducted on surface water sources across Pennsylvania by the United States Geological Survey in summer 2019, indicated that PFAS was identified at several locations on the Monongahela and Youghioghney Rivers and Tenmile Creek. **Based upon the widespread presence of PFAS in these freshwater sources, PFAS-containing water may have inadvertently been used on the well pad during stimulation.** No indication of an incident during fracturing was identified that would cause a release to groundwater, *but because the Water Supply is located downgradient of the well site, an impact from surface spills is possible.*” pp. 2-3. (emphasis added).

and

“While there was no evidence of PFAS use at the Latkanich well site, as discussed above, *it is possible that PFAS chemicals were present in the fresh water utilized during stimulation activity at the Latkanich well site.*” p. 4. (emphasis added)

126. The DEP advised that it is possible that the Chevron Defendants’ use of “fresh water” contaminated with PFAS during stimulation polluted the Water Supply.

127. Contamination of the Water Supply resulted from improper spills, discharges,

seeps, and/or improper well construction, defective casing, and/or other deficiencies with the Gas Wells in the course of the Operations and restoration.

128. Upon information and belief, Defendant Chevron Corp., through its affiliates and/or subsidiaries, used PFAS in its Fracking Fluid in some of its wells between 2012 and 2020.

129. The Determination Letter did not reflect as to whether the DEP *asked* any Chevron Defendant and/or any EQT Defendant used PFAS on the Property at any time for any purpose.

130. The Determination Letter also stated:

“While the Department did not determine that oil and gas activities polluted your Water Supply, please do note that your water quality does not meet (i.e., is worse than) health and/or aesthetic statewide standards. You may consider exploring remedial actions regarding the levels of hardness, sodium, total dissolved solids, and total coliform as identified above. Or, alternatively, you may consider replacing your water with the public water that is plumbed to your home already and, if desired, installation of filtration or treatment for any constituents of concern in that public water.”

131. The Water Supply is polluted and the only credible and plausible explanation for such pollution is the existence of the Operations on the Property.

132. Risks associated with PFAS include cancer, increased cholesterol levels, decreased birth weights, decreased fertility, increased risks for kidney and testicular cancer, increased risk of high blood pressure, preeclampsia in pregnant women, and decreased vaccine response in children.

133. Air testing of the Property has detected, among other toxins and pollutants:

a. Toluene, Benzaldehyde, m/p Ethyltoluene, 1-Dodecanol, and 4-Heptanone, in

July/August 2019.

- b. 40 chemicals that are commonly emitted from fracking sites and compressor were detected at least once across the air sampling in July/August 2019.
- c. Benzene, ethylbenzene, and naphthalene were also detected.

134. Mr. Latkanich wore an air monitor on July 23, 2019 and on August 5, 2019. Mr. Latkanich's air monitor recorded the highest level of 4-Heptanone seen in the study on July 24, 2019.

135. Plaintiff and minor child Ryan Latkanich, 9 years old at the time, also wore an air monitor on July 23, 2019 and August 5, 2019. Ryan's air monitor recorded the highest levels of Benzaldehyde, m/p-Ethyltoluene, and 1-Dodecanol seen in the Study on August 5, 2019.

136. In 2019, Flir video was taken on Property with a Flir GF320 camera, which detects and captures hydrocarbon and volatile organic compound (VOC) emissions from natural gas production and use; the Flir video clearly captures emissions that came from the well site in 2019. See (<https://www.youtube.com/watch?v=GJJuAhKIS3M> (August 2019), <https://www.youtube.com/watch?v=xx3HTq8BTC4> (November 2019), and <https://www.youtube.com/watch?v=Ni0BhCvGzTA> (December 2019).

137. The Plaintiffs were and continue to be exposed to harmful radiation.

138. As part of the extraction of natural gas from gas wells in the Marcellus and Utica Shales, operators drill through, among other deposits, naturally occurring radium, uranium, thorium, and potassium deposits (“**NORM**”).

139. NORM is then brought to the surface with Produced Water, drill cuttings, and other waste resulting the generation of radioactive drill cuttings, sludge, and other radioactive oil and gas waste (collectively referred to herein as “**Radioactive Waste**”).

140. Defendant Chevron Appalachia, on behalf of Chevron USA, Inc. and Chevron Corp. drilled through radium, uranium, thorium, and potassium deposits, generating tons of Radioactive Waste on the Property.

141. Defendant Chevron Appalachia, or an affiliate, contracted with a third party, which received a blasting permit from the DEP that was issued on August 8, 2011 in connection with the Operations on the Property.

142. From approximately 2010 to the spring of 2013, either Defendant Chevron Appalachia or Defendant Chevron USA Inc., on behalf of Defendant Chevron Corp. constructed, owned, and operated three impoundment pits on the Property, which held the Produced Water, PFAS, Radioactive Waste, and other wastes (collectively referred to hereinafter as “Pits”) and that were approximately 500 feet from Plaintiffs’ home and groundwater well.

143. The Pennsylvania Attorney General’s 43rd Grand Jury Report (“Grand Jury Report”)¹ describes the use of pits:

“A prime example of the outmoded regulatory approach was the use of ‘impoundments,’ or pits for storing liquids at the well site. While pits certainly existed at old-fashioned conventional well sites, the impoundments that were springing up around fracking sites dwarfed anything DEP had seen previously. These impoundments were now being used to store tens of thousands of gallons of fracking fluid, which contained varieties of exotic, complex chemical compounds, many of which may have serious health consequences. The Grand Jury heard testimony about consideration of new rules for such impoundments that would have required permits like those for landfills. In the end, DEP decided to let operators build impoundments as part of the well pad, making them exempt from permit requirements under the Solid Waste Management Act. In the mid-2010s, DEP recognized that impoundments were not safe, and they were phased out in favor of more secure storage methods. But by that time, DEP had years of knowledge about impoundment failures. The Grand Jury heard extensive testimony about leaks from impoundments that contaminated springs and wells which had served as the only

¹ See <https://www.attorneygeneral.gov/wp-content/uploads/2020/06/FINAL-fracking-report-w.responses-with-page-number-V2.pdf>

source of water for many Pennsylvania families. We also heard about the effects on neighbors' living standards caused by the intense, rancid odors generated by the impoundments. The consequences of these under-regulated impoundments ruined property values, family finances and water supplies in many areas, and impacts on physical health are still being assessed. DEP's new regulatory approach is welcome, but for many Pennsylvanians it came too late. We heard from current DEP Deputy Secretary Scott Perry, who was also with the agency in those early fracking days. He testified that an initial decision made by DEP management to exempt impoundments from regulation under the Solid Waste Management Act was "wrong," but that his position was rejected. A former DEP employee testified that, based on his experience with the agency, the impoundment decision was likely made in deference to the oil and gas industry: "if they had to go through waste management, they were concerned that there were going to be delays in getting these permits issued.... [W]hat was consequential for [the industry] was time, not so much money.... They had a lot of resources. They could spend the money." pp. 50-5

"Different homeowners described different ways in which the industry's operations affected their lives. We heard many accounts of impoundments; man made ponds, several acres in size, where oil and gas operators stored millions of gallons of fluids. In some instances the DEP permitted the use of an impoundment to hold fresh water for use in fracturing wells in the surrounding area. Over time, however, the industry sometimes would use these impoundments to store contaminated wastewater, even though they were not designed to store toxic fluids. Such impoundments lacked features like double liners and leak detection zones capable of detecting leaks. As a result some of these ponds of liquid waste failed, with devastating consequences. Dangerous chemicals and contaminants invaded the environment and affected public health." p. 32.

144. The Pennsylvania Environmental Hearing Board has held that there is a "high level risk" associated with the operation of *impoundment pits* and that the "high risk requires a high level of operator attention and care." See *DEP v. EQT Production Company*, 2014 EHB 140.

145. The Gas Wells and Pits were located approximately 500 feet from the Home and Private Water Well.

146. The Private Water Well, the Home, and the majority of Property are down-gradient of and sit at a lower elevation than the Gas Wells and the Pits.

147. During the Chevron Period, Defendant Chevron Appalachia, on behalf of Defendant Chevron USA, Inc. and Defendant Chevron Corp. sent Radioactive Waste and other waste generated from its fossil fuel exploration and production activities from the Property, Gas Wells, and the Pits to various locations, including radioactive sludge delivered across state lines to the AMS Martins Ferry Facility in Ohio, Produced Water for reuse at various well sites in Pennsylvania and across state lines in West Virginia, Produced Water for road spreading in Crawford County, Pennsylvania, and to various wastewater treatment facilities, all as reported to the DEP by the Chevron Defendants.

148. Regardless of the express requirements of Pennsylvania law, general duties of safety require that reasonable measures be taken to ensure that leaks from impoundments containing hazardous materials be monitored, prevented, and contained, which would necessarily include, at a minimum, the construction of a leak detection zone and several groundwater monitoring wells.

149. When impoundments are used to hold wastes, Produced Water, Radioactive Waste, and other wastes, such as the Pits at issue in this case, the gases and chemical compounds contained therein naturally emanate and/or are released into the air around the impoundment and surrounding areas.

150. To that end, the Pits were a consistent source odorous and hazardous chemical odors and emissions that frequently permeated the Property and Home, thereby causing significant damage and injury to Plaintiffs, the Home, and the Property.

151. Upon reasonable belief, such aeration caused the increased continuous dispersal into the air at and around the Pits of hazardous and toxic chemicals and gases found in oil and

gas wastes, including Radioactive Waste, Fracking Fluids, and Produced Water, which is in addition to the hazardous and toxic chemicals dispersed when Defendant Chevron Appalachia, on behalf of Chevron USA, Inc. on behalf of Chevron Corp. was flaring the Gas Wells.

152. The fact that Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp. stored and transferred Radioactive Waste in the Pits over the course of 3 years, without providing any warning or notice whatsoever of the inherent risks and hazards associated therewith was a major source of injury, harm, annoyance, inconvenience, discomfort, and loss of use and enjoyment of the home and the Property to Plaintiffs.

153. Upon information and belief, areas within 12 miles downwind of fracking wells tend to have radiation levels that are about 7% above normal background levels, according to the U.S. Environmental Protection Agency's radiation monitor readings nationwide from 2011 to 2017 and readings can go much higher in areas closer to drill sites, or in areas with higher concentrations of drill sites.

154. Federal and Pennsylvania law prohibits such uncontrolled emissions. See 42 U.S.C. § 74 I(r)(1); 42 U.S.C. § 7401 et seq. (1970); 35 P. S. § 4001 et seq.

155. Defendant Chevron Appalachia and Defendant Chevron USA, Inc. on behalf of Defendant Chevron Corp. failed to perform their Operations to ensure erosion and sediment control, including in its construction and use of an access road on the Property.

156. Discharges and spills of Fracking Fluids, Produced Water, Radioactive Waste, PFAS, and other wastes, pollutants and hazardous substances were the result of the Chevron Defendants' negligence, gross negligence, and/or recklessness, including its negligent planning,

training and supervision of staff, employees and/or agents.

157. Upon information and belief, Defendant Chevron Appalachia and Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp. performed their activities in such a negligent, grossly negligent, and/or reckless manner as to violate the aforementioned regulations, and additional Pennsylvania state laws and the Rules and Regulations promulgated there under, including but not limited to the Pennsylvania Clean Streams Law, 35 P.S. §§691.1, *et seq.*, the Pennsylvania Solid Waste Management Act, 35 P.S. §§ 6018.101, *et seq.*, the Pennsylvania Oil and Gas Act, 58 P.S. §§ 601.101, *et seq.*, the Pennsylvania Hazardous Sites Cleanup Act ("HSCA"), 35 P.S. §§ 6020.101, *et seq.*; the Federal Solid Waste Disposal Act, 42 USC §§ 6901, *et seq.*; the Federal Comprehensive Environmental Response, Compensation, and Liability Act, 42 USC §§ 9601, *et seq.*; and the Federal Water Pollution Control Act, 33 USC §§ 1251, *et seq.*

158. Health harms linked with drilling, fracking, and associated infrastructure are well-established and include cancers, asthma, respiratory diseases, skin rashes, heart problems, and mental health problems. Multiple corroborating studies of pregnant women residing near fracking operations across the nation show impairments to infant health, including birth defects, preterm birth, and low birth weight. Emerging evidence shows harm to maternal health—including elevated risks for eclampsia during pregnancy—and shortened lifespans among older residents living in proximity to oil and gas wells.

159. In Defendant Chevron Corp.'s 2012 Annual 10-K Statement to the Securities and Exchange Commission, the year the Gas Wells were "fracked," the 10-K stated:

"The company's operations have *inherent* risks and hazards that require significant and continuous oversight. Chevron's results depend on its ability to identify and mitigate the risks and hazards inherent to operating in the crude oil and natural gas industry. The

company seeks to minimize these operational risks by carefully designing and building its facilities and conducting its operations in a safe and reliable manner. However, failure to manage these risks effectively could result in unexpected incidents, including releases, explosions or mechanical failures resulting in personal injury, loss of life, environmental damage, loss of revenues, legal liability and/or disruption to operations. Chevron has implemented and maintains a system of corporate policies, behaviors and compliance mechanisms to manage safety, health, environmental, reliability and efficiency risks; to verify compliance with applicable laws and policies; and to respond to and learn from unexpected incidents. Nonetheless, in certain situations where Chevron is not the operator, the company may have limited influence and control over third parties, which may limit its ability to manage and control such risks.” (emphasis added)

160. Defendant Chevron Corp. stated in its 2022 Annual 10-K statement to the Securities and Exchange Commission that: “The company’s operations have inherent risks and hazards that require significant and continuous oversight.”

161. None of the Chevron Defendants performed “significant and continuous oversight” of Defendant Chevron Appalachia’s and or Defendants Chevron USA, Inc. on the Property, causing significant damages to Plaintiffs’ health and wellbeing, the Home, and the Property.

162. Each of the Chevron Defendants knew that they could not take steps to mitigate inherent risks and hazards harms to Plaintiffs, their persons, property, and the environment.

163. The Chevron Defendants could and reasonably should have taken any number of steps to mitigate the other risks and hazards harms to Plaintiffs, their persons, property, and the environment.

164. The Chevron Defendants have denied and continue to deny the risks and hazards, inherent or otherwise, of the Chevron Defendants’ Operations to the Plaintiff’s health, home,

and Property.

Harms to Plaintiffs, the Home, and the Property

165. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

166. Defendant Chevron Appalachia' and Defendant Chevron USA, Inc.', on behalf of Defendant Chevron Corp., improper, unlawful, tortious, and deceptive conduct has harmed Plaintiffs, their persons, the Property, the Home, and the environment.

167. The releases, spills, discharges, non-performance attributed, concealment, misrepresentations, to and caused solely by Defendant Chevron Appalachia's and/or Defendant Chevron USA, Inc.'s, on behalf of Defendant Chevron Corp., negligent, grossly negligent and/or reckless drilling and production activities and fraudulent solicitation of the Gas Lease, Plaintiffs and the Property have been seriously harmed, to wit:

a. Directly because of the Operations and the lack of regulatory and other oversight, and in addition to the fact that the well site was not stabilized, remediated, or otherwise made compliant with applicable laws for 8 years after the wells were completed, the Property and Home have been harmed and significantly diminished in value to wit, "pit water", wastewater, and rainwater cascaded from the elevated well pad, flooding the backyard and leaving water pooled against the Home's back wall, resulting in bowing, cracking and shifting of his home's double cinder block foundation and 18.4 acres of the 33-acre Property and the Property has been made unsuitable for any other use.

b. Plaintiffs have lost the use and enjoyment of the Property, the Home, and the quality of life they otherwise enjoyed.

c. Plaintiffs' water supply was contaminated.

d. The Property's air was contaminated.

e. During all periods mentioned herein to present, Plaintiffs use the groundwater well for bathing, cooking, washing and other daily residential and business uses.

f. Plaintiffs relied on the groundwater well for drinking prior to and during the Chevron Period except from April 2013 to November 1, 2013, and after July 2017 when Latkanich was forced to purchase drinking water for him and his children to drink.

g. Plaintiffs were unwittingly exposed to Fracking Fluids, Radioactive Waste, PFAS, and other wastes and toxins in their air and water.

h. Plaintiffs Mr. Latkanich and minor child Ryan Latkanich have been sickened by such exposures.

Toxicology Testing of Appellant and Minor Child Ryan Latkanich

168. The Study also included toxicology testing for Mr. Latkanich and Plaintiff and minor child Ryan Latkanich.

169. Mr. Latkanich and his son Ryan have had ongoing medical issues and health complications while living next to the Operations.

170. Most recently, Mr. Latkanich had a heart attack on March 11, 2023, and his diagnosis of stage IV kidney failure was confirmed; Mr. Latkanich has suffered with neuropathy and has unexplainedly not been able to walk at times.

171. Toxicology results from six urine samples taken over 3 visits from Mr. Latkanich in July and August 2019 are summarized as follows:

- a. All six of Appellant's samples exceeded the U.S. 95th percentile for Mandelic acid, a metabolite for Ethylbenzene and Styrene, as high as 25 times as the U.S. median and eight times as high as the 95th percentile, and for Phenylglyoxylic acid, a metabolite of Ethylbenzene and Styrene.
- b. Four of the six samples exceeded the U.S. 95th percentile for trans, trans-muconic acid, a metabolite for Benzene.
- c. All six of the samples exceeded the U.S. median for Hippuric acid (a metabolite for Toluene and Cinnamaldehyde), Mandelic acid (a metabolite for Ethylbenzene and Styrene), 2-Methylhippuric acid (a metabolite for Xylene), Phenylglyoxylic

acid (a metabolite for Ethylbenzene and Styrene), and Trans, trans-Muconic acid (a metabolite for Benzene).

172. Toxicology results from six urine samples taken from Plaintiff and minor child Ryan Latkanich, who was 9 years old at the time, in July and August 2019 are summarized as follows:

- a. Hippuric acid in Ryan's urine were more than 91 times as high as the U.S. median and nearly five times as high as the U.S. 95th percentile. Hippuric acid is a metabolite for Toluene and Cinnamaldehyde.
- b. Mandelic acid in his samples was nearly 42 times as high as the U.S. median and nearly 13 times as high as the U.S. 95th percentile. Mandelic acid is a metabolite for Ethylbenzene and Styrene.
- c. 2-Methylhippuric acid, a metabolite of Xylene, in his samples were at a level nearly 14 times as high as the U.S. median, nearly five times as high as the median detected in families in non-fracking regions, and nearly twice as high as the U.S. 95th percentile.
- d. Phenylglyoxylic acid is a metabolite of Ethylbenzene and Styrene and Ryan's level of this compound was nearly 16 times as high as the U.S. median and more than six times higher than the U.S. 95th percentile.
- e. Trans, transmuconic acid, a metabolite for benzene, was detected nearly 32 times as high as the U.S. median and more than five times as high as the U.S. 95th percentile.

Toxicology Testing from UPMC

173. Ryan had previously been chemically burned when taking a bath using the water from the Private Water Well in April 2013, and had also developed rashes.

174. Mr. Latkanich sought immediate medical care for his child at the time.

175. On November 8, 2017, a DEP representative called Mr. Latkanich and advised him that he was going to contact the Pennsylvania Department of Health and that Mr. Latkanich

should talk to his physician and his son's physician about what was occurring on the Property, that Appellant needed a reverse osmosis filter for their water supply, and that the Department did not have enough information to force "Chevron" to provide Appellant water.

176. Mr. Latkanich took Plaintiff and minor child Ryan Latkanich to UPMC for toxicology testing when Ryan was 8 years old out of continued concern for Ryan's health.

177. On May 1, 2018, Ryan was diagnosed with "#1 hydraulic fracking/volatile hydrocarbon exposure" with differential diagnoses of "#1 respiratory irritation from hydrocarbon exposure, #2 neurotoxicity, # 3 radiation exposure."

178. The Grand Jury's exhaustive investigation and findings support Appellant's concerns and the treatment that he and his child were receiving:

"We learned that kids get sick from airborne contamination not just because of some faulty industry operation, such as a malfunctioning compressor station, or practices that are no longer commonplace, like the use of wastewater impoundments. We know that air contamination is not limited to anomalous, outdated, or unintended industry activities. Indeed, the exact opposite is true. Standard operating procedure under Pennsylvania's current legal and regulatory regime exposes those living in close proximity to fracking operations to possible exposure and health risks. Pennsylvania needs to resolve this problem by requiring industry sites be far more distant from where we live and work. The current 500 foot standard is woefully inadequate." p. 39

Parents invariably feared what exposure to fracking operations posed to their children's health and future, as any parent would. There are simply too many people who have suffered similar harms in communities throughout Pennsylvania where fracking occurs to disregard the damage caused by this industry's operations. This reality necessitates laws and regulations capable of protecting those put at risk by fracking, and a government willing to enforce them. For too long, Pennsylvania has failed to live up to its responsibility to its people in both respects. p. 22.

One witness recounted:

"I took my son [] to the doctor and he referred me to Children's Hospital for his rash. . . . I went in there and after several times of going to [the doctor's] office, she

said that there was nothing she could do for me. Then she said her advice was to get an attorney or move.

And then that's when I thought, I can't live – why is this happening? And that's when I thought, I can't move. I'm going to sell this house to somebody else and let this happen to somebody else or somebody else's kid? I couldn't do it. So that's when we just decided we really have to, as a family, just watch out for one another and my two neighbors and just not go outside.” p. 45

Environmental testing at their homes, when properly conducted, would confirm the presence of airborne contaminants. Medical testing would likewise reveal that chemicals associated with industry operations were inside of their bodies. P. 37.

We heard the same account from witness after witness about the rashes their families would get from exposure to air contaminants. These rashes would appear on the frequently exposed parts of their bodies – their hands and arms, necks and faces – and would go away when they were away from home for a long enough period of time. P. 38

A constant theme in the stories we heard was that children suffered health effects from nearby oil and gas operations more than adults. In addition to severe and chronic rashes, headaches, and nosebleeds, we heard accounts of children experiencing lethargy, bruising, intense cramping, difficulty sleeping, and painful stomach problems, including nausea and vomiting. They had eye problems ranging from frequent burning sensations and conjunctivitis to partial blindness. We heard of young people suffering symptoms associated with neurological problems, like twitching and tremors, erratic and uncontrollable eye movements, and neuropathy, which involves weakness, numbness, and stabbing or burning sensations throughout the body. P. 39.

We heard clear and convincing evidence that leads us to conclude that industry operations in Pennsylvania have made our children sick. That is not a reality we are willing to accept, and the recommendations we propose will help to alleviate this problem. *Id.* (emphasis added)

i. During the Chevron Period and continuing through the EQT Period, Latkanich and minor child and Plaintiff Ryan Latkanich have been caused to become physically sick and ill, manifesting neurological, gastrointestinal, and dermatological symptoms, as well demonstrating urine study results, as described above, consistent with toxic exposures.

j. During the Chevron Period, Latkanich was diagnosed with renal failure,

spleen failure, neuropathy, sterility, asthma, gout, left bundle branch heart condition, and other medical conditions.

k. During the Chevron Period, in May 2018, minor child and Ryan Latkanich was sickened and diagnosed with hydraulic fracking exposure and volatile hydrocarbon exposure and was advised avoid the exposure source.

l. During the Chevron Period and continuing through the EQT Period, minor child and Plaintiff Ryan Latkanich has had rashes and other reactions to the water and has been diagnosed with high cholesterol, asthma, and other medical conditions.

m. Plaintiffs Mr. Latkanich and minor child Ryan Latkanich live in constant fear that their current illnesses will continue to worsen.

n. Plaintiffs live in constant fear of future physical illnesses.

o. Plaintiffs Mr. Latkanich and minor child and Plaintiff Ryan Latkanich live in a constant state of severe emotional distress consistent with post-traumatic stress syndrome.

p. Because the Chevron Defendants have not disclosed all of the chemicals they used on the Property, Plaintiffs do not have access to meaningful medical evaluation and treatment.

q. Plaintiffs are seeking the disclosure of all such chemicals pursuant to discovery in this matter.

r. Discovery will also aid Plaintiffs to identify the roles that each Defendant has played in this amended complaint.

s. The factual determinations that need to be proved through evidence more than mere affidavits but by transactional, acquisition, contractual and other documentation will be sought and produced during discovery.

179. In the midst of the issues at the Property, Chevron Appalachia's operations resulted in the death of an oil and gas worker in 2014 due to the lack of oversight by both the operator and the Department.

180. Specifically, the Department issued violations and entered into a Consent Agreement for Civil Penalty with Chevron Appalachia in connection with a well fire and the death of a worker from an incident (“Lanco Incident”) stemming from February 11, 2014 through March 3, 2014 at the Lanco well site in Greene County, PA.

181. Hazardous chemicals, or their variants, detected during the investigation of the air testing in the Lanco Incident (“Well Fire Site”) have also been detected on the Property in this matter.

182. However, the Lanco Incident and the issues at the Well Fire Site, the DEP Violations, and the Consent Order did not deter Chevron’s actions on the Property and the contamination and health effects described herein continued because of the Department’s failures to regulate and protect.

183. The Lanco Incident, the DEP Violations, and the Consent Order evidence the fact that none of the Chevron Defendants exercised any general duty of care or oversight, and further evidences the abnormally dangerous nature of the Operations.

184. As a result of the foregoing and following allegations and Causes of Action, Plaintiffs seek, *inter alia*, that Defendant Chevron Corp., on behalf of Chevron USA, Inc. and Defendant Chevron Appalachia and Defendant EQT Corp. on behalf of the other EQT Defendants, abate the nuisances, unlawful conduct, violations, and damages created by them, and an order requiring the Chevron Defendants and the EQT Defendants, jointly and severally, to pay compensatory damages, punitive damages, the cost of future health monitoring, litigation fees and costs, and to provide any further relief that a jury and the Court may find appropriate.

COUNT I: Breach of Contract
Mr. Latkanich v. Chevron Defendants

185. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

186. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., constructed, operated, and maintained the Gas Wells, Pits, and other infrastructure used in connection with the Operations in violation of the Gas Lease and relevant regulations, statutes, and other applicable laws.

187. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., constructed, operated, and maintained its infrastructure, including the Gas Wells and the Pits in unpermitted locations and in locations not agreed to by Mr. Latkanich in the Gas Lease.

188. As previously indicated, the Gas Lease required the Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., to properly and thoroughly test the Water Supply following commencement of drilling operations on the premises in order to ensure that the water supplies would not be adversely affected by the Operations.

189. Under the Gas Lease, in the event it is determined that said Operations adversely affected the Water Supply, the Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., at their own expense, would take all steps necessary to return the water supply to pre-drilling conditions.

190. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., have failed to perform their obligations as required by the

Gas Lease, in that the Water Supply was not thoroughly and properly tested for various substances including but not limited to Fracking Fluids, Produced Water, Radioactive Waste, PFAS, including other hazardous chemicals used in the hydro-fracturing process, once it was suspected that such Operations had caused discharges, releases, spills or leaks on the Property, into the air and in the Water Supply.

191. Furthermore, the Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., failed to perform as required by the Gas Lease by immediately, at its own expense, taking all steps necessary to return the Water Supply to actual pre-drilling conditions.

192. In addition, as previously indicated, it was expressly warranted to Mr. Latkanich that he would receive timely, certain, and regular compensation in the form of royalty checks representing a certain percentage of the value of natural gas extracted from the Property.

193. The payments to Mr. Latkanich under the Gas Lease were less than warranted and were presented without opportunity or mechanism to verify their correctness and accuracy.

194. As previously indicated, it was expressly warranted that the Property, health, and environment would remain safe and undisturbed despite the Operations.

195. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp.'s breaches under the Gas Lease, proximately caused spills, discharges, and releases onto the Property, contaminated the Property's water, soil, and air, caused physical harm and/or exposures to Plaintiffs and reduced Plaintiffs' quality of life.

196. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., by their acts and/or omissions, including those of their

officers, agents, and/or employees, when they violated the Gas Lease was unreasonable and substantially interfered with Plaintiffs' right to use and enjoy Plaintiffs' Property and the Home.

197. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., did not perform continuous and significant oversight of their Operations.

198. As such, the Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., breached the Gas Lease.

199. The Chevron Defendants, jointly and severally, by reason of these breaches of contract, are liable for all damages and injuries to Mr. Latkanich caused by such breaches of contract, and are required to make Mr. Latkanich whole, put Mr. Latkanich back into the same condition he would have been if the contract was not breached, and remediate the contamination.

**COUNT II: Fraudulent Misrepresentation
Mr. Latkanich v. Chevron Defendants**

200. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

201. In order to induce Mr. Latkanich to lease their natural gas rights, the Chevron Defendants, through its predecessors, officers, agents and/or employees, intentionally misstated certain material facts and omitted other material facts, including those made with respect to the Gas Lease and described in ¶¶81-83 herein, and risks and resulting injuries to Plaintiffs, the Property and the Home as a result of the Chevron Defendants' Operations.

202. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., misrepresented the size and scope of its infrastructure needed for the Operations and was issued violations for building the Gas Wells, Pits, and related

infrastructure in a larger footprint and in areas that were not permitted by the Department or agreed to by Mr. Latkanich.

203. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., never provided Mr. Latkanich with a list of chemicals that were being used on the Property, even after the erosion and sediment damage, spills and discharges that occurred on the Property as evidenced by the Chevron Violations and the Consent Order.

204. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., repeatedly advised Mr. Latkanich that his water was not polluted by their Operations.

205. These statements and omissions were made for the purpose of inducing reliance on the part of Latkanich.

206. These statements and omissions were material to the transaction, *to wit*, obtaining Mr. Latkanich's agreement to lease his gas rights.

207. Mr. Latkanich justifiably relied on these statements and omissions, to his and his children's detriment.

208. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., knowingly and intentionally failed to perform significant and continuous oversight over their Operations in order to continue misrepresenting the inherent and other risks and hazards to the Property, Home, and the health and wellbeing of Plaintiffs.

209. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., by their acts and/or omissions, including those of their

officers, agents, and/or employees, have caused an unreasonable and substantial interference with Plaintiffs' right to use and enjoy Plaintiffs' Property and the Home, and causing grave harms and injuries to Plaintiffs' health and wellbeing, by reason of fraudulent misrepresentation.

210. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., by reason of fraudulent misrepresentation, are jointly and severally liable for all damages and injuries to Plaintiffs caused by Mr. Latkanich's justifiable reliance, as well as punitive damages.

COUNT III: Reckless Misrepresentation
Mr. Latkanich v. Chevron Defendants

211. Plaintiffs incorporate the preceding paragraphs as if set forth herein.

212. The Chevron Defendants understood and knew that the Operations were high risk, dangerous, and/or inherently dangerous and threatened the Property, the Home, the environment, and Plaintiffs' health and wellbeing.

213. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., asserted and represented to Mr. Latkanich that their Operations on the Property were safe, including as described in ¶¶81-83 herein, and could not be a proximate cause of the harms to Plaintiffs in spite of the fact that the Chevron Defendants knew the Operations presented inherent and other risks and hazards to Plaintiffs.

214. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., repeatedly advised Mr. Latkanich that the water supply was not polluted by the Operations, and Plaintiffs were forced to continue to ingest and be exposed to the water supply, harming and risking their health.

215. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., by their reckless acts and/or omissions, including those of their officers, agents, and/or employees, have caused an unreasonable and substantial interference with Plaintiffs' right to use and enjoy Plaintiffs' Property and the Home, while also causing grave harm and injuries to Plaintiffs.

216. The Chevron Defendants failed to provide significant and continuous oversight of their Operations on the Property.

217. Mr. Latkanich and his minor child and Plaintiff Ryan Latkanich's health conditions have worsened because the Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., recklessly, intentionally, and knowingly concealed, omitted, or otherwise misrepresented the true nature of their Operations, to Mr. Latkanich, thereby also interfering with their access to meaningful medical care to evaluate and treat them.

218. The Chevron Defendants, by reason of reckless misrepresentation, are jointly and severally liable for all damages and injuries to Plaintiffs caused by Mr. Latkanich's justifiable reliance, as well as punitive damages.

COUNT IV: Fraudulent Concealment
Mr. Latkanich v. Chevron Defendants and EQT Defendants

219. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

220. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., actively concealed the fact that the Operations on the Property presented inherent and other risks and hazards to the Property, Home, and Plaintiffs'

health and wellbeing.

221. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., actively concealed the true nature of the Operations to Mr. Latkanich by not revealing all of the dangerous chemicals used in their operations, including but not limited to Radioactive Waste, PFAS, carcinogens, and other toxins that would negatively and significantly affect Plaintiffs' health.

222. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., representations to Mr. Latkanich that their Operations on the Property would not endanger his or his children's health was material to Mr. Latkanich entering into the Gas Lease.

223. The Chevron Defendants continue to conceal the true nature, risks, and effects of the Operations.

224. The Chevron Defendants, by reason of fraudulent concealment, are jointly and severally liable for all damages and injuries to Plaintiffs, as well as punitive damages.

**COUNT V: Fraudulent Non-Disclosure
Mr. Latkanich v. Chevron Defendants**

225. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

226. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., made the assertions described in ¶¶81-83 herein.

227. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., did not disclose the true nature of their Operations, which were inherently dangerous to Plaintiffs, the Property, Home, and the environment.

228. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., failed to advise Mr. Latkanich that the Operations were built on a larger footprint and were not permitted by the DEP.

229. At various times during the Chevron Period, Mr. Latkanich requested that The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., properly and thoroughly test the Property's drinking water, air, and soil.

230. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., performed inadequate testing by not disclosing and testing for all of the known chemicals used by the Operations on the Property.

231. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp.'s, non-disclosure of the true nature, risks, and effects of the Operations is ongoing.

232. The Chevron Defendants, by reason of fraudulent non-disclosure, are jointly and severally liable for all damages and injuries to Plaintiffs, as well as punitive damages.

COUNT VI: Trespass
All Plaintiffs v. Chevron Defendants and EQT Defendants

233. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

234. Mr. Latkanich did not consent, either expressly or implied, to any Chevron Defendants entrance on the Property in locations that were not agreed to by Latkanich in the Gas Lease.

235. Each Chevron Defendant knew that no Chevron entity had such consent from Mr. Latkanich to enter these locations.

236. None of the Chevron Defendants had permits for the Operations on the Property in constructed locations.

237. The Gas Wells, Pits, and other infrastructure used in the Operations were intentionally built by the Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp. in these impermissible locations.

238. As a result of these trespasses, Plaintiffs, the Property and the Home were damaged and/or injured.

239. None of the Chevron Defendants received consent from Mr. Latkanich to use hazardous, toxic, and harmful chemicals on the Property that were spilled, released, and discharged on the Property.

240. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., including their officers, agents and/or employees, created and maintained during the Chevron Period a continuing trespass on the Property, by allowing the Gas Wells and the Pits to exist and operate in unpermitted areas not consented to by Mr. Latkanich, creating dangerous and hazardous conditions, allowing the spills, discharges, and releases, and/or the threats of spills and releases, of hazardous chemicals, Radioactive Waste, PFAS and allowing the spills, discharges, and releases on Plaintiffs' Property and groundwater well, resulting in exposures and injuries to Plaintiffs' health, well-being and property, and the effects from such trespass are ongoing and continue to be discovered by Plaintiffs.

241. None of the Chevron Defendants performed significant and continuous oversight of the Operations on the Property.

242. As a result of these trespasses, Plaintiffs were unwittingly harmed by and exposed

to hazardous, toxic, and harmful chemicals.

243. The Chevron Defendants, by reason of these intentional trespasses, effects of which are continuing in nature, are jointly and severally liable for all damages and injuries to Plaintiffs.

244. EQT CHAP LLC now has permits on the Property as described above.

245. The trespasses are continuous trespasses as the Property was affected and improperly restored, and the contamination of the Property and water supply occurs and reoccurs on a daily basis.

246. Plaintiffs continue to discover trespasses as information was and continues to be intentionally concealed from Plaintiffs, for example, Plaintiffs only learned of the PFAS contamination after the testing that was performed on November 7, 2021.

247. It is impossible to know exactly how many incidents of trespasses will occur in the future, or the severity of the damage that may be caused, such that the full amount of damages cannot be calculated in a single action.

248. Said reoccurring and occurring trespasses since the purchase of said assets and wells was caused and is caused by EQT.

COUNT VII: Private Nuisance
All Plaintiffs v. Chevron Defendants and EQT Defendants

249. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

250. Plaintiffs resided on the Property, consumed water from the Water Supply and otherwise used the Water Supply for all other purposes, including bathing, and inhaled the air that was polluted by the Operations.

251. In Pennsylvania, private nuisance is when the activities of another encroaches upon another's interest in the private use and enjoyment of land, and the encroachment is either intentional and unreasonable, or unintentional and otherwise actionable under the rules controlling liability for negligent or reckless conduct, or for abnormally dangerous conditions or activities.

252. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., by their acts and/or omissions, including those of their officers, agents, and/or employees, have caused an unreasonable and substantial interference with Plaintiffs' right to use and enjoy Plaintiffs' Property and the Home.

253. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., conducted the Operations on the Property and similar operations on adjacent property.

254. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., had a duty to not contaminate the subsurface and surface waterways under the PA Clean Streams Law, the Oil and Gas Act and the United States Clean Water Act and a duty to not pollute the air pursuant to the Air Pollution Control Act and the Clean Air Act.

255. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., placed fracking materials, radioactive materials, PFAS, allowed spills discharges and releases of hazardous chemicals and materials to be placed upon and injected into the ground, as further evidenced by the DEP Violations and the Consent Order.

256. The contaminants and pollution prevented the Plaintiffs from using both portable

nonportable water on the Property.

257. The contaminants and pollution prevented the Plaintiffs from enjoying the outdoor portion of their property because of the air, water, and soil contaminants.

258. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., intentionally and unreasonably placed the contamination pollution aforementioned onto the surface of the ground and injected the same into the subsurface areas.

259. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., knew the chemical composition of the materials that were not only placed upon the ground but injected into the ground and the hazards to health welfare and use and enjoyment of the Property and to Plaintiffs.

260. Said contamination and pollution encroached upon the Plaintiff's private use and enjoyment of the Property.

261. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., received repeated violations but continued to allow said contamination and pollution to encroach upon the Plaintiffs' private use and enjoyment of said surface and subsurface estate.

262. The Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., including their officers, agents and/or employees, created and maintained during the Chevron Period a continuing nuisance on the Property, by allowing inherent risks and hazards to persist on the Property, allowing the Gas Wells and Pits to exist and operate in a dangerous and hazardous condition, allowing the spills, discharges, and releases,

and/or the threats of spills and releases, of hazardous chemicals, Radioactive Waste, PFAS and allowing the spills, discharges, and releases to continue to spread to surrounding areas, including Plaintiffs' Property and groundwater well, resulting in exposure and injuries to Plaintiffs' health, well-being and Property.

263. The restoration of the well site was improperly completed, leaving a nuisance unabated.

264. The Chevron Defendants, by reason of this private nuisance, are jointly and liable for all the damages and injuries to Plaintiffs proximately caused by the spills, releases, and contamination, and to remediate the contamination.

265. The pollution has continued to occur and reoccur on a continuous and daily basis during the EQT Period, and the Property that was affected is larger than the footprint that was permitted and agreed to by Mr. Latkanich.

266. The EQT Defendants had the same duties as the Chevron Defendants.

267. Defendant EQT CHAP, LLC, on behalf of the other EQT Defendants, is in continuous breach said duties by not taking steps to prevent and/or abate the contamination and pollution from continuously occurring in reoccurring.

268. EQT CHAP, LLC, on behalf of its affiliates and EQT Corp., has allowed and continues to allow the encroachment of chemicals and contamination on the Property, diminishing the Plaintiffs' private use and enjoyment of the Property and Home.

269. The contaminants and pollution from the Operations prevented the Plaintiffs having a source of clean drinking water on the Property.

270. The contaminants and pollution from the Operations prevented the Plaintiffs from enjoying the outdoor portion of the Property because of the air, water, and soil contaminants.

271. The defendants intentionally and unreasonably placed the contamination and pollution from the Operations onto the surface of the ground and injected the same into the subsurface areas.

272. Plaintiffs continue to discover nuisances on the Property that were intentionally concealed from Plaintiffs, for example, Plaintiffs only learned of the PFAS contamination after the initial testing on November 7, 2021.

273. It is impossible to know exactly how many incidents of nuisance will occur in the future, or the severity of the damage that may be caused, such that the full amount of damages cannot be calculated in a single action.

274. The Plaintiffs are continuously harmed, and damages increase because of the negligence of the Defendants.

275. EQT CHAP's, on behalf of its affiliated companies and on behalf of Defendant EQT Corp., negligence contributes to the Plaintiff's damages from the date upon which one or more of the EQT Defendants purchased the assets and wells from one or more of the Chevron Defendant's.

COUNT VIII: Negligence
All Plaintiffs v. Chevron Defendants and EQT Defendants

276. Plaintiffs incorporate the preceding paragraphs as though fully set forth herein.

277. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., by violating the various laws indicated herein, including the DEP

Violations and the facts and findings of the Consent Order, engaged in negligence *per se*.

278. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., failed to provide significant and continuous oversight of their Operations on the Property.

279. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., conducted the Operations and engaged in the storage of gas well materials, including in connection with the Pits, and wastes upon the Property and adjacent property.

280. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., have a duty to not contaminate the subsurface and surface waterways under applicable laws, including the PA Clean Streams Law, the Oil and Gas Act and the United States Clean Water Act.

281. The Operations conducted by Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp. on the Property allowed contaminants and pollution to enter in to the subsurface and surface waterways, soil and airways on the Property.

282. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., breached the duty to prevent the contamination and pollution of the Property by conducting the Operations in a manner that allowed and cause said contaminants and pollution to enter the subsurface and surface waterways, soil and airways.

283. The Plaintiffs were harmed, and there are numerous medical health issues with Mr. Latkanich and Plaintiff and minor child Ryan Latkanich, the loss of their potable nonportable sources of water, pain-and-suffering, attorneys fees, loss of use and enjoyment,

damages to the Home, damage to the water conveyance piping in the home and appliances, medical bills, and other damages referenced in this Second Amended Complaint.

284. The negligent actions of Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., are the cause of the Plaintiffs' damages because the damages suffered by the Plaintiffs are from the Operations, and the effects thereof, including chemicals and contamination that were released, spilled injected or otherwise negligently used and employed by the Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp.

285. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., owed a duty of care to Plaintiffs by law to responsibly engage in their Operations, to own and operate Gas Wells, respond to spills and releases of hazardous chemicals, and prevent such releases and spills, and take all measures reasonably necessary to inform and protect the public, including Plaintiffs, from the aforementioned spills, discharges, releases, and other activities that contaminated the Water Supply, further harm to the Property, the home, and exposure to Radioactive Waste, PFAS, hazardous chemicals, combustible gases, wastes and other harmful toxins.

286. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., including their officers, agents, and/or employees knew, or in the exercise of reasonable care should have known, the Operations would result in the release or the threat of release of the aforementioned Radioactive Waste, PFAS, hazardous chemicals, combustible gases, wastes, and other harmful toxins.

287. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of

Defendant Chevron Corp., including their officers, agents, and/or employees knew, or in the exercise of reasonable care should have known, of the dangerous, offensive, hazardous or toxic nature of their Operations.

288. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., including their officers, agents, and/or employees knew, or in the exercise of reasonable care should have known, of the dangerous, offensive, hazardous or toxic nature of the Radioactive Waste, PFAS, combustible gases, hazardous chemicals, and other toxins released by the Chevron Defendants, and that they were capable of causing serious personal injury to persons coming into contact with them, polluting the Water Supply of the Plaintiffs, damaging the Property, Home, and causing natural resource damage.

289. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., including their officers, agents, and/or employees, should have taken reasonable precautions and measures to prevent or mitigate the aforementioned releases, discharges, and spills, including the design and operation of process systems so that such releases and spills did not occur, as well as adequate planning for such spills, discharges, or releases or other emergencies.

290. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., including their officers, agents, and/or employees knew, or in the exercise of reasonable care should have known, that once a spill, discharge, or release occurred, they should take reasonable measures to protect the public, including by issuing immediate and adequate warnings to nearby residents, including Plaintiffs, to emergency personnel and to public officials.

291. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., including their officers, agents, and/or employees knew, or in the exercise of reasonable care should have known, that the spills, discharges, and releases caused by the Chevron Defendants' negligent and negligent *per se* conduct, and the resultant harm to Plaintiffs and their property, were foreseeable and inevitable consequences of the Operations, acts and/or omissions in the manner in which they engaged in the Operations.

292. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., including their officers, agents, and/or employees, acted unreasonably and negligently in causing the releases, discharges, and spills and the contamination of Plaintiffs' Water Supply and Property, and failed to take reasonable measures and precautions necessary to avoid and/or respond to the spills, discharges, and releases of hazardous chemicals, and to protect the public, including the Plaintiffs, from exposure to Radioactive Waste, PFAS, combustible gases, hazardous chemicals, wastes, and other toxins.

293. Defendant Chevron Appalachia's and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., acts and/or omissions mentioned herein were the direct and proximate cause of the damages and injuries to Plaintiffs, the Property, Home, and groundwater well alleged herein.

294. Some or all of the acts and/or omissions of the Chevron Defendants were grossly, knowingly, recklessly and wantonly negligent, and were done with utter disregard for the consequences to Plaintiffs and other persons, and therefore Plaintiffs are entitled to an award of punitive damages.

295. Plaintiffs in no way contributed to the damages and injuries they have sustained.

296. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., by reason of their negligence, and violations of law as set forth herein, are liable for all the damages and injuries to Plaintiffs proximately caused by the spills, discharges, and releases of hazardous chemicals, Radioactive Waste, PFAS, and other toxins indicated herein, and to remediate the contamination caused by such spills, discharges, and releases.

297. The intentional and deliberate actions of Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., including their officers, agents and/or employees, violated applicable laws and were grossly, knowingly, recklessly and wantonly negligent, and were done with utter disregard for the consequences to Plaintiffs and other persons.

298. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp. failed to perform adequate, significant and/or continuous oversight of their Operations on the Property.

299. Defendant Chevron Appalachia and/or Chevron USA, Inc., on behalf of Defendant Chevron Corp., by reason of their gross, reckless, and wanton negligence, are liable for all the damages and injuries to Plaintiffs, the Property, and the Home and proximately caused by the spills, discharges, releases and contamination, to remediate the contamination, and for punitive damages.

300. One or more of the EQT Defendants purchased the assets and wells from one or more of the Chevron Defendants.

301. The contamination pollution has continued to occur and reoccur on a continuous and daily basis during the EQT Period.

302. Defendant EQT CHAP, LLC, on behalf of its affiliates and Defendant EQT Corp. has the same duties as Defendant Chevron Appalachia, with respect to compliance with applicable laws, including the PA Clean Stream Law, the Oil and Gas Act and the US Clean Water Act.

303. Defendant EQT CHAP, LLC, on behalf of its affiliates and Defendant EQT Corp. has breached said duty by not taking steps to prevent and/or remediate the contamination and pollution on the Property, ongoing health harms to Plaintiffs, and damage to the Home during the EQT Period.

304. The Plaintiffs are continuously harmed, and damages increase because of the negligence of the Chevron Defendants and the EQT Defendants.

305. Defendant EQT CHAP, LLC's, on behalf of its affiliates and Defendant EQT Corp., negligence is the cause of the Plaintiffs' damages during the EQT Period.

COUNT IX: Hazardous Sites Cleanup Act
All Plaintiffs v. Chevron Defendants, EQT Defendants, and John Doe PFAS Defendants

306. Plaintiffs incorporate the preceding paragraphs as if fully set forth herein.

307. None of the Chevron Defendants or the EQT Defendants performed adequate, significant, or continuous oversight of the Operations on the Property.

308. The locations of the releases of hazardous substances as set forth above constitute "sites" as defined by the Pennsylvania Hazardous Sites Cleanup Act ("HSCA"), 35 P.S. §§ 6020.101, *et. seq.*

309. The spills, releases, and discharges set forth above constitute "releases" of hazardous substances and contaminants under HSCA.

310. During the Chevron Period, Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp. engaged in the Operations, and disposed, treated, and transported, of or possessed and arranged for the disposal, treatment or transport for disposal or treatment of the hazardous substances under the HSCA.

311. PFAS manufactured and sold by the John Doe PFAS Defendants contaminated the Water Supply, and Plaintiffs have been unwittingly exposed to and ingested such water.

312. As set forth above, Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., caused releases or substantial threats of releases, of hazardous substances or contaminants which present a substantial danger to the public health or safety or the environment under HSCA.

313. Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., EQT CHAP, LLC, its affiliates and on behalf of Defendant EQT Corp., and the John Doe Defendants are "responsible persons" responsible for the release or threatened release of hazardous substances under HSCA.

314. Pursuant to Section 507, 702 and 1101 of HSCA, 35 P.S. §§ 6020.507, 6020.507 and 6020.1101, the Chevron Defendants are strictly liable for costs incurred by Plaintiffs to respond to the Chevron Defendants' releases or threatened releases of hazardous substances and contaminants, including but not limited to the cost of a health assessment or health effects study, medical monitoring, and interest.

315. The above releases and threats of releases of hazardous substances and contaminants by the Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., EQT CHAP, LLC, its affiliates and on behalf of Defendant

EQT Corp., and the John Doe Defendants constitute public nuisances under Section 1101 of HSCA, 35 P.S. § 6020.1101.

316. The above releases and threats of releases of hazardous substances by the Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., EQT CHAP, LLC, its affiliates and on behalf of Defendant EQT Corp., and the John Doe Defendants constitute unlawful conduct under Section 1108 of HSCA, 35 P.S. §6020.1108.

317. The above releases and threats of releases of hazardous substances and contaminants by the Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., EQT CHAP, LLC, its affiliates and on behalf of Defendant EQT Corp., and the John Doe Defendants have caused personal injury and damage to Plaintiffs, the Property, Home, and groundwater well.

318. Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., EQT CHAP, LLC, its affiliates and on behalf of Defendant EQT Corp., and the John Doe Defendants, by reason of these releases and threats of releases, are jointly and severally liable for all the damages and injuries to Plaintiffs proximately caused by the releases and threats of releases, and to remediate the releases, threats of releases, and resultant contamination.

319. Each of the EQT Defendants' liability commenced at the beginning of the EQT Period.

COUNT X: Strict Liability

All Plaintiffs v. Chevron Defendants, EQT Defendants and John Doe PFAS Defendants

320. Plaintiffs incorporate the preceding paragraphs as if fully set forth herein.

321. Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., knew the Operations were inherently dangerous and could not be mitigated during the Chevron Period, and that the risk of injuries to Plaintiffs, the Property, the Home, and the environment were likely to be injurious to Plaintiffs, the Property, the Home, and the environment.

322. The Pennsylvania Environmental Hearing Board has held that there is a “high level risk” associated with the operation of *impoundment pits* and that the “high risk requires a high level of operator attention and care.” *See DEP v. EQT Production Company*, 2014 EHB 140.

323. The theory of strict liability in tort remains open to plaintiffs in Pennsylvania on a case-by-case basis and as warranted by a fully developed record after an opportunity for discovery.

324. Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., EQT CHAP, LLC, its affiliates and on behalf of Defendant EQT Corp., and the John Doe Defendants are strictly liable for response costs under the HSCA, CSL, SWMA.

325. The Operations were inherently dangerous because of the chemicals that were being used during Operations included Radioactive Waste and PFAS.

326. None of the Defendants have fully disclosed all of the chemicals and constituents

that they used on the Property.

327. Unconventional gas well drilling is ultrahazardous when radioactive materials are generated.

328. This case differs from the cases that have been heard before in Pennsylvania because harmful radioactivity and the Radioactive Waste is now known to be present during oil and gas operations, and the generation of harmful radioactivity and the Radioactive Waste is inherent to oil and gas operations and was inherent to the Operations.

329. In the alternative, if the Court would determine that the drilling itself is not ultrahazardous, the storage and usage of such inherently dangerous chemicals that by their nature prevent the removal from waterways and other contamination points is ultrahazardous.

330. The nondisclosure of said chemicals to Plaintiffs, surrounding residents and other persons is also ultrahazardous because Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., EQT CHAP, LLC, its affiliates and on behalf of Defendant EQT Corp., and the John Doe Defendants intentionally and deliberately prevented Plaintiffs from having any knowledge or existence of these chemicals or the Radioactive Waste.

331. None of the Chevron Defendants provided adequate, significant or continuous oversight of the Operations on the Property and knew that, because the Operations are inherently dangerous, knowingly and recklessly continued to operate on the Property.

332. The hazardous chemicals and combustible gases used, processed, and stored by the Chevron Defendants, including Fracking Fluids, Produced Water, Radioactive Waste, PFAS, wastes, chemicals, pollutants, and combustible gases, in the Pits or otherwise, are of a toxic and

hazardous nature capable of causing severe personal injuries and damages to persons and property coming in contact with them, and therefore are ultra-hazardous and abnormally dangerous.

333. The use, processing, and storage of Fracking Fluids, Produced Water, Radioactive Waste, PFAS and other hazardous chemicals and toxins at the Gas Wells, in the Pits, adjacent to or on residential properties, was and continues to be an abnormally dangerous and ultra-hazardous activity, subjecting persons coming into contact with the Fracking Fluids, Produced Water, Radioactive Waste, PFAS, wastes, chemicals, pollutants, and combustible gases to severe personal injuries, regardless of the degree of caution the Chevron Defendants might have exercised.

334. Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., EQT CHAP, LLC, its affiliates and on behalf of Defendant EQT Corp., and the John Doe Defendants, by engaging in abnormally dangerous and ultra-hazardous activities, are jointly, severally, and strictly liable with regard to all the damages and injuries to Plaintiffs, the Property, the Home, and the environment proximately caused by the spills, releases and contamination caused by Defendants, and to remediate the contamination, including for punitive damages.

335. The EQT Defendant's liability commenced at the beginning of the EQT Period.

336. Each of the EQT Defendants has allowed for the continuous occurring in reoccurring contamination and pollution to continuously injure and damage Plaintiffs.

XI: Medical Monitoring Trust Funds
All Plaintiffs v. Chevron, EQT Defendants, and John Doe PFAS Defendants

337. Plaintiffs incorporate the preceding paragraphs as if fully set forth herein.

338. As set forth above, as a result of the Defendant Chevron Appalachia and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp., EQT CHAP, LLC, its affiliates and on behalf of Defendant EQT Corp., and the John Doe Defendants', negligent, negligent *per se*, knowing and intentional torts, and/or reckless acts and/or omissions, Plaintiffs have been exposed to hazardous substances, Fracking Fluids, Produced Water, Radioactive Waste, PFAS, combustible gases, wastes, pollutants, and other toxins that are greater than background levels.

339. As a proximate result of their exposure, Mr. Latkanich and Plaintiff and minor child Ryan Latkanich have become sickened, and such illnesses and negative health effects worsen and progress on a daily basis.

340. As a proximate result of their exposure to such hazardous substances, Plaintiffs have a significantly increased risk of contracting serious latent diseases.

341. Each of the EQT Defendants is aware the subject matter of this action.

342. None of the EQT Defendants have remediated or abated the contamination and pollution on the Property or harms to the Home.

343. None of the EQT Defendants have employed any type of mitigation or assistance in monitoring or treating any types of health issues of Plaintiffs.

344. A monitoring procedure exists that makes the early detection of diseases possible.

345. Such early detection will help to ameliorate the severity of the diseases. The

prescribed monitoring regime is different from that normally recommended in the absence of exposure.

346. The Defendants are jointly and severally liable for and are compelled to establish medical monitoring trust funds for each Plaintiff.

XI: Intentional Infliction of Emotional Distress
Plaintiff Bryan Latkanich and Plaintiff and Minor Child Ryan Latkanich v.
Chevron, EQT Defendants, and John Doe PFAS Defendants

347. Plaintiffs incorporate the preceding paragraphs as if fully set forth herein.

348. The conduct of Defendant Chevron Appalachia, and/or Defendant Chevron USA, Inc., on behalf of Defendant Corp. described herein was intentionally outrageous and extreme, resulting in severe emotional distress of Mr. Latkanich and minor child and Plaintiff Ryan Latkanich.

349. Defendant Chevron Appalachia, and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp. knew that the Operations were sickening Mr. Latkanich and minor child and Plaintiff Ryan Latkanich, yet ignored this fact and intentionally and recklessly continued the Operations while making public comments to discredit and undermine Mr. Latkanich, which includes further fraudulent misrepresentation by Defendant Chevron Appalachia, and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp..

350. Defendant Chevron Appalachia, and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp. knew that the Operations were polluting the air, water and soil of the Property, and that the Plaintiffs' drinking water was destroyed by the Operations.

351. Defendant Chevron Appalachia, and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp. knew that the Operations concealed the true nature of the

Operations and the risks they posed to Mr. Latkanich and Plaintiff and minor child Ryan Latkanich, including the radiation exposure that occurred to them, were unknown to Mr. Latkanich and Plaintiff and minor child Ryan Latkanich.

352. The toxicology reports for Mr. Latkanich and Plaintiff and minor child Ryan Latkanich described above also evidence grievous and outrageous harm to Mr. Latkanich and Plaintiff and minor child Ryan Latkanich from the Operations.

353. Defendant Chevron Appalachia, and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp. knew that the Operations exhibited intentional and reckless conduct so extreme in degree, as to go beyond all possible bounds of decency, and to be regarded as atrocious, and utterly intolerable in a civilized community, particularly in case of the harms that were inflicted upon and the distress caused to minor child Ryan Latkanich.

354. Mr. Latkanich and minor child and Plaintiff Ryan Latkanich suffer distress on a daily basis as they constantly experience the mental and physical effects of the Operations.

355. Mr. Latkanich has extreme difficulty sleeping because of the effects of the Operations.

356. Mr. Latkanich's recent heart attack was attributable to the Operations.

357. Mr. Latkanich's ability to engage in physical activity has been severely diminished as a result of the Operations.

358. Plaintiff and minor child Ryan Latkanich has been ridiculed at school because of the physical symptoms that manifested from the Operations while attending school.

359. Mr. Latkanich and Plaintiff and minor child Ryan Latkanich have researched

shortened lifespans of children living next to oil and gas operations, including the increased risks of cancer to children.

360. EQT CHAP, LLC's, its affiliates and on behalf of Defendant EQT Corp., assumed the liability of the applicable Chevron Defendants, and taken no action to relieve the severe emotional distress of Mr. Latkanich and Plaintiff and minor child Ryan Latkanich.

361. Restoration activities done on the Property by EQT CHAP, LLCs, its affiliates and on behalf of Defendant EQT Corp., were performed in improper locations and in an improper manner, intentionally and recklessly prolonging the damage to the Property.

362. EQT CHAP, LLC's, its affiliates and on behalf of Defendant EQT Corp. has performed no testing on the Property's air, water, and soil to ensure the safety of its Operations on the Property or if the restoration activities continued to contribute to damage to the Property and the pollution of the Property's air, water, and soil.

363. The Chevron Defendants and the EQT Defendants, including Defendant Chevron Appalachia, and/or Defendant Chevron USA, Inc., on behalf of Defendant Chevron Corp. and EQT CHAP, LLC's, its affiliates and on behalf of Defendant EQT Corp. are jointly and severally liable for intentional, reckless, outrageous, and atrocious conduct, and the damages, including physical injury, suffered by Mr. Latkanich and Plaintiff and minor child Ryan Latkanich, and for punitive damages.

AS TO THE EQT DEFENDANTS

364. Plaintiffs incorporate the preceding paragraphs as if fully set forth herein.

365. On October 30, 2020, one or more of the EQT Defendants purchased the assets and operations of one or more of the Chevron Defendants.

366. Defendant Chevron Appalachia changed its name to Defendant EQT CHAP, LLC, and steps into the shoes of Defendant Chevron Appalachia.

367. Defendant EQT CHAP, LLS is an “alter ego” of its sister companies and EQT Corp.

368. On February 22, 2021, Mr. Latkanich was visited by an EQT Corp. employee who advised Mr. Latkanich that “EQT” had bought “Chevron’s” interests in the Property.

369. EQT CHAP, LLC’s, its affiliates and on behalf of Defendant EQT Corp., due diligence, if done properly, would have revealed the harms to Plaintiffs, the Home, and the contamination of the Property as well as the ongoing health hazards to Latkanich and Plaintiff Ryan Latkanich, a minor child from the Chevron Defendants’ Operations.

370. The EQT Defendants are jointly and severally liable for the Causes of Action set forth herein that either occurred during the EQT Period or as otherwise assumed by the EQT Defendants for the Chevron Period and that remain ongoing.

AS TO THE JOHN DOE PFAS DEFENDANTS

371. The Plaintiffs incorporate the preceding paragraphs as if fully set forth herein.

372. The John Doe PFAS Defendants know that PFAS are inherently dangerous to human health and the environment.

373. The John Doe PFAS Defendants, by manufacturing and selling PFAS to one or more of the Chevron Defendants, are strictly liable with regard to all the damages and injuries to Plaintiffs, the Property, the Home and the environment proximately caused by the Chevron Defendants’ use of PFAS.

374. The John Doe PFAS Defendants have a duty to warn under applicable laws, and Plaintiffs did not receive such warnings by, through, or from any Defendant.

375. Plaintiffs reserve the right to amend additional counts against the John Doe PFAS defendants when said defendants are identified during the discovery period in this case.

WHEREFORE, upon the aforesaid Causes of Action, Plaintiffs seek the following relief, jointly and severally as to all Defendants:

a. A preliminary and permanent injunction barring the EQT Defendants from engaging in the acts complained of and requiring the Chevron Defendants and the EQT Defendants to abate the aforesaid nuisances, wrongful acts, violations and damages created by them;

b. A full disclosure and accounting of all of the chemicals used by the Chevron Defendants and the EQT Defendants on the Property;

c. reasonable and necessary costs of remediation of the hazardous substances, Produced Fluid, Radioactive Waste, PFAS and other contaminants;

d. Compensatory damages in excess of \$50,000 for the loss of property value, damage to the natural resources of the environment in and around the Property, medical costs, loss of use and enjoyment of the Property and Home, loss of quality of life, emotional distress, personal injury, loss of consortium, future medical damages and treatment, loss of potable and non-potable water source, loss of personal property, water replacement costs, and such other reasonable damages incidental to all claims.

e. Punitive damages for Defendants for negligence, fraudulent misrepresentation, reckless misrepresentation, fraudulent concealment, fraudulent non-disclosure, and the intentional infliction of emotional distress;

f. The cost of future health monitoring;

g. Ongoing and future water, soil, and air monitoring;

h. Plaintiffs' costs and fees, including attorneys' fees, expert and litigation costs and expenses; and

- i. any further relief that the jury and the Court may find appropriate.

DEMAND FOR JURY TRIAL

Plaintiffs hereby demand that the trial of all issues and Causes of Action be heard by a Judge sitting with jury in accordance with the Pennsylvania Rules of Civil Procedure.

RESPECTFULLY SUBMITTED,



Lisa Johnson, Esq.
Pennsylvania Attorney I.D. 200101
Lisa Johnson & Associates
1800 Murray Ave., #81728
Pittsburgh, PA 15217
Phone: 412-913-8583
lisa@lajteam.com

DATED: May 19, 2023

CERTIFICATION OF COMPLIANCE
REGARDING CONFIDENTIAL INFORMATION

I certify that this filing complies with the provisions of the Public Access Policy of the Unified Judicial System of Pennsylvania: Case Records of the Appellate and Trial Courts that require filing confidential information and documents differently than non-confidential information and documents.



Lisa Johnson, Esq.
Pennsylvania Attorney I.D. 200101
Lisa Johnson & Associates
1800 Murray Ave., #81728
Pittsburgh, PA 15217
Phone: 412-913-8583
lisa@lajteam.com

DATED: May 19, 2023

CERTIFICATE OF SERVICE

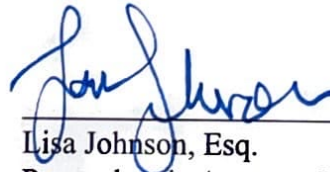
The undersigned hereby certifies that a true and correct copy of the foregoing Notice of Appearance was served upon Defendants' counsel via electronic mail, this 19th day of May 2023.

**BABST, CALLAND, CLEMENTS
and ZOMNIR, P .C.**

Film #812

Two Gateway Center, 6th Floor
603 Stanwix Street
Pittsburgh, PA 15222
(412) 394-5400 -Phone
(412) 394-6576 – Fax

Kathy K. Condo
kcondo@babstcalland.com
Mark K. Dausch, Esquire
mdausch@babstcalland.com
Joshua S. Snyder
jsnyder@babstcalland.com



Lisa Johnson, Esq.
Pennsylvania Attorney I.D. 200101
Lisa Johnson & Associates
1800 Murray Ave., #81728
Pittsburgh, PA 15217
Phone: 412-913-8583
lisa@lajteam.com

DATED: May 19, 2023

VERIFICATION

1. My name is Bryan Latkanich and I am over eighteen years of age.
2. I am a plaintiff in the above-captioned case and I am familiar with the contents of of the Complaint filed herewith.
3. The specific averments of facts contained in the Complaint are true based on my personal knowledge, and/or reasonable information and belief.
4. I make this verification on behalf of myself and my minor child and plaintiff, Ryan Latkanich.

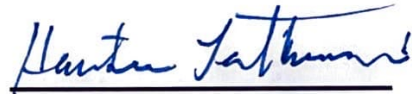


Bryan Latkanich

Dated: May 19, 2023

VERIFICATION

1. My name is Hunter Latkanich and I am over eighteen years of age.
2. I am a plaintiff in the above-captioned case and I am familiar with the contents of of the Complaint filed herewith.
3. The specific averments of facts contained in the Complaint are true based on my personal knowledge, and/or reasonable information and belief.



Hunter Latkanich

Dated: May 19, 2023

VERIFICATION

1. My name is Colton Latkanich and I am over eighteen years of age.
2. I am a plaintiff in the above-captioned case and I am familiar with the contents of of the Complaint filed herewith.
3. The specific averments of facts contained in the Complaint are true based on my personal knowledge, and/or reasonable information and belief.



Colton Latkanich
Dated: May 19, 2023

EXHIBIT A

<input checked="" type="checkbox"/> Indexed				Map Reference
<input checked="" type="checkbox"/> Loc. <i>BL</i>				
<input checked="" type="checkbox"/> Terms				MAP 220-003-00-00-0011-03
<input checked="" type="checkbox"/> Signed & Sealed				LOCATION
Copy to Lessor				LEASE #: PA11123-10
Recording				
Title				

OIL AND GAS LEASE

from

Bryan B. Latkanich

to

**PHILLIPS EXPLORATION, INC.
502 KEYSTONE DRIVE
WARRENDALE, PA 15086**

Date of Lease December 7, 2009 _____

Effective on March 19, 2010 _____

Term: 2 Years Expires March 19, 2012 _____

Payments Due Paid-Up _____

No. of Acres 22.7 _____

Township of Deemston Borough _____

County of Washington _____

State of Pennsylvania

Payee Bryan B. Latkanich _____

95 Hill Road _____

Fredericktown, PA 15333 _____

RECORDER'S DATA

Received for Record..... 20.....

Recorded..... 20.....

In..... Book, Volume..... Page.....

.....Recorder

of.....Pennsylvania

**Paid Up
OIL AND GAS LEASE**

Made this 7th day of December, 2009, becoming effective on March 19, 2010 by and between Bryan B. Lalkanich of Washington County, Pennsylvania, hereinafter designated as lessor, and PHILLIPS EXPLORATION, INC., a Pennsylvania corporation, of 502 Keystone Drive, Warrendale, Pennsylvania 15086, hereinafter designated lessee.

WITNESSETH, that the said lessor for and in consideration of one dollar in hand paid by the said lessee, the receipt whereof is hereby acknowledged, and the further consideration of the agreement hereinafter contained, to be done, kept and performed by said lessee, hereby demises and lets unto said lessee, its successors and assigns, all that certain tract of land situate in Deemston Borough Washington County, Pennsylvania, bounded and described as follows:

On the North by lands of n/f Bogan, Martincic

On the East by lands of n/f Lalkanich, Bogan

On the South by lands of n/f Shaw, Berry

On the West by lands of n/f Berry, Burns

Containing 22.7 acres, more or less.

TO HAVE AND TO HOLD the said premises for the sole and only purpose of testing, drilling and operating for oil and gas in any underlying strata therein by any means and withdrawing therefrom by any means oil or gas produced from the same or other lands, with the exclusive right to operate the same for the term of Two (2) years from March 19, 2010, and as long thereafter as oil or gas is produced, or withdrawn therefrom by any means, or operations for oil or gas thereof are being conducted, including the right to commence operations for drilling a well or subsequent wells for said purposes at anytime during the term of this lease, or at anytime thereafter oil or gas is being produced, or withdrawn therefrom, or operations are being conducted thereon for said purposes and to complete the same; also the right to sublease and subdivide the leased premises, together with a right of way to all places for testing, operating, and also a right of way for pipe lines to convey oil, gas, water or steam off, on or across the same, and including a right of way for power, telephone and telegraph lines and necessary appurtenances, including the right to conduct geophysical and other exploratory tests, as long as said lessee, its successors or assigns, desires to maintain the same. Lessor agrees that lessee may enter upon the leased premises, search for and clean out any abandoned oil or gas well, and such well shall then be considered to have been drilled under the terms of this lease and the same may be properly plugged and abandoned again or refitted and utilized by lessee for the production of gas.

LESSOR'S COVENANTS. Lessor hereby covenants that he is seized of an indefeasible fee simple estate in the land herein before described, together with all the underlying oil and gas, and that he will forever warrant and defend the leasehold estate hereby demised unto the lessee against the lawful claims and demands of all persons whomsoever, and that lessee shall have the exclusive, full, free and quiet possession of said described premises for the purposes and during the term herein set forth. Lessor further agrees that the lessee at its option may pay and discharge, when defaulted, any taxes, mortgages or other liens existing, levied or assessed on or against the above described lands, and in the event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty or rentals accruing hereunder.

UNITIZATION. Lessee is hereby granted the right to pool and unitize any one or more formations under all or any part of the land described above with any other lease or leases, land or lands, mineral estates, or any of them whether owned by lessee or others, so as to create one or more drilling or production units. Such drilling or production units shall be created when in Lessee's judgment, it is necessary or advisable to develop and operate efficiently such lands. Any such pool shall not exceed 640 acres in extent and shall conform to the rules and regulations of any lawful governmental authority having jurisdiction in the premises, and with good drilling or production practice in the area in which the land is located. In the event of the unitization of the whole or any part of the land covered by this lease, lessee or designated operator shall before or after the completion of a well, record a copy of its unit operation designation in the County wherein the leased premises is located, and mail a copy thereof to the lessor. In order to give effect to the known limits of the oil and gas pool, as such limits may be determined from available geological or scientific information or drilling operations, lessee may at any time increase or decrease that portion of the acreage covered by this lease which is included in any drilling or production unit, or exclude it altogether, provided that written notice thereof shall be given to lessor promptly. As to each drilling or production unit designated by the lessee, the lessor agrees to accept and shall receive out of the production or the proceeds from the production from such unit, such proportion of the royalties specified herein, as the number of acres out of the lands covered by this lease, which may be included from time to time in any such unit, bears to the total number of acres included in such unit. The commencement, drilling, completion of or production from a well on any portion of the unit created under the terms of this paragraph shall have the same effect upon the terms of this lease as if a well were commenced, drilled, completed or producing on the land described herein. In the event, however, that a portion only of the land described in this lease is included from time to time in such a unit then a proportionate part of the delay rental, hereinafter provided, shall be paid on the remaining acreage.

ROYALTY. IN CONSIDERATION of the above demise, lessee agrees to market the oil produced from the premises, provided the quality of said oil is acceptable for marketing and the amount of production is deemed sufficient by lessee to economically market the same. Lessee further agrees to pay lessor a royalty equal to fourteen percent (14%) of the proceeds received from time to time by lessee for all oil so marketed, less lessor's pro rata share of any severance or excise tax imposed by any governmental body. Payment of said royalty shall be made on or about the 25th day of the month for all oil so marketed during the preceding month.

Should any well not produce oil, but produce gas and the gas produced therefrom be sold off the said premises, the consideration to said lessor for the gas from each well completed and from which well gas is produced, metered and sold shall be as follows:

Royalty equal to fourteen percent (14%) of the proceeds received from time to time by lessee for all gas produced, metered and sold, less lessor's pro rata share of any severance or excise tax imposed by any governmental body. Payment of said royalty shall be made on or about the 25th day of the month for all gas produced, metered and sold during the preceding month. The time and method of producing, metering, delivering and selling gas produced from any well on the leased premises and the amount thereof that shall be used or sold within any period of time shall be entirely within the sole discretion of the lessee.

RESERVE GAS. By written request to the lessee, lessor may reserve from the leased premises through any well thereon producing gas, provided the gas pressure is high enough, gas for use on said premises for domestic purposes to the extent of 300,000 cubic feet per year, or such part thereof per year as lessor requires; subject, however, to the operation and pumping by lessee of its wells and pipelines on the premises, the lessee to make the necessary connection and lessor to assume all risk in using the gas. User shall indemnify and hold Lessee harmless from all causes of loss other than those caused by Lessee's sole negligence. Said connection must be made at a place designated by lessee and may be at any gas line of lessee on said premises; subject, however, to the right of lessee at any time to abandon, take up, remove, repair or change any of its lines or abandon any of its wells, lessee not being liable for any expense, shortage or failure of gas which may arise by reason of said changes, lack of gas pressure or abandonment. Lessor agrees to pay for all gas used in excess of the quantity reserved at the then existing price established by lessee and further agrees that lessee, at its option, may deduct from any royalty accruing to lessor hereunder any amount owed to lessee by reason of lessor's use of gas in excess of the quantity of gas which may be reserved under the terms hereof. Said established price shall not exceed the highest posted domestic rate for any public utility in the county in which the leased premises is located, and measurement and regulation shall be by meter furnished by lessee and regulators furnished by lessor and set at the tap on the line. If lessor's use of the gas reserved at any time interferes with lessee's operation of the leased premises, lessor agrees at the option of lessee, and after receipt of written notice, to discontinue the use of the gas reserved and to accept in lieu thereof and in full consideration therefor, an annual cash payment of an amount equal to the average price per thousand cubic feet received by lessee times the quantity of gas (in thousands of cubic feet) reserved to lessor herein. If lessor elects in writing not to utilize and reserve gas, lessee agrees to make an annual cash payment of an amount equal to the annual average price per thousand cubic feet received by the lessee times the quantity of gas (in thousands of cubic feet) reserved to lessor herein.

Lessor is to have the free use and enjoyment of the premises except the parts necessary or convenient for lessee's operations hereunder. Lessee is to have the free use of oil, water and gas from the premises for lessee's operations on the premises, and the right at any time during or after the term of this lease to remove from the premises all machinery, pipe lines, buildings and fixtures belonging to it (including the right to draw and remove casing) whether placed thereon under this or any former lease.

DELAY RENTAL. PROVIDED, HOWEVER, that this lease shall become null and void and all rights hereunder shall cease and determine, unless operations for the drilling of a well on said premises for oil or gas, or as provided in above Unitization Clause, are commenced within forty-five (45) days from the date hereof, or unless said lessee shall pay N/A dollars (\$ N/A) every year in advance for each additional year the commencement of such operations is delayed from the time above mentioned for the commencement of operations, until operations are commenced, as hereinafter provided, are paid. It is agreed, however, that this lease shall not be forfeited for lessee's failure to pay any rentals until lessee has received written notice by certified mail of such default and shall fail for a period of fourteen days after receipt of such notice to pay same. When operations are commenced for the drilling of a well for oil or gas, all rentals cease, except as provided in above Unitization Clause, and the work is to be prosecuted with due diligence to completion.

Upon the drilling of a nonproductive oil or gas well on the premises or on any other land pooled or unitized with this lease, or if no royalty is being paid for gas from any other well or wells on the leased premises, lessee may continue to hold the leased premises or unitized acreage upon the reinstatement of the payment of the delay rental, hereinafter provided, until the expiration of the original term of this lease, or until operations are again commenced for drilling a well during the original term of this lease.

payment of delay rental, gas royalty, to said lessor mailed on or before the date due to:

Bryan B. Latkanich
at 95 Hill Road
Fredericktown, PA 15333
or to such other address as payee may designate in writing shall be good and sufficient payment for same, as provided for in this lease.

TRANSFERS AND ADVERSE INTERESTS. Upon receipt of notice of knowledge of change of ownership, or of any tax sale or judicial sale, or adverse claim affecting title to the lease premises, or death or incapacity of the designated payee, or upon refusal of the lessor to accept payments hereunder, or upon failure of the lessor to notify lessee of change of address to which payments are to be mailed, lessee may at its discretion make payments as aforesaid, or without further notice, may hold any or all payments until title is established and certified to lessee and a new payee designated by the lessors or owners of the whole title, or until lessor gives written notice of his intention to accept payments hereunder, or until lessor shall furnish lessee with change of address in the event such change shall have occurred.

In case of transfer of title to any part of the premises leased, the owners shall be entitled to delay rentals according to their respective acreage; and to all oil or gas royalty from wells located on that portion owned by them respectively, payment of which rental or royalty may be made to the lessor as agent for all such owners or to them individually. In case of such transfer, the gas hereinbefore excepted and reserved for each calendar year shall be prorated among the royalty interests in accordance with the number of producing gas wells located in said year on that portion owned by each.

SURRENDER. Lessee at any time and from time to time, may surrender this lease as to all or any part or parts of the premises by recording an appropriate instrument of surrender in the proper county, and thereupon this lease, and the rights and obligations of the parties hereunder, shall terminate as to the part or parts so surrendered. Upon each surrender as to any part or parts of the premises, the rentals and minimum payment as specified shall be proportionately reduced on an acreage basis, and lessee shall have reasonable and convenient easements for pipe lines, pole lines, roadways, and other facilities through and over the portions of the premises surrendered for the purpose of continuing operations on the portions of the premises retained.

FORCE MAJEURE. In the event lessee is rendered unable in whole or in part, by a force majeure to carry out its obligations under this lease, other than to make payments of amounts due hereunder, its obligations so far as they are affected by such force majeure shall be suspended during the continuance of an inability so caused. The term "force majeure" as used herein shall be Acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, riots, epidemics, lightning, earthquakes, explosions, accidents or repairs to machinery or pipes, delays of carriers, inability to obtain materials or rights of way on reasonable terms, acts of public authorities, or any other causes, whether or not of the same kind as enumerated herein, not within the control of the lessee and which by the exercise of due diligence lessee is unable to overcome.

SHUT IN CLAUSE. In the event a well drilled hereunder is a producing well and the Lessee is unable to market the production therefrom, or should production cease from a producing well drilled on the premises, or should the Lessee desire to shut in producing wells, the Lessee agrees to pay the Lessor, commencing on the date one year from the completion of such producing well or the cessation of production, or the shutting in of producing wells, a payment of \$20.00 per acre per year until production is marketed and sold off the premises or such well is plugged and abandoned according to law.

AFFIDAVIT OF NON-PRODUCTION. Lessors hereby warrant that (i) the property is not encumbered by any enforceable oil and gas lease of record or otherwise and that (ii) they are not currently receiving any bonus, rental, production royalty, or shut-in royalty as the result of any prior oil and gas lease covering any or all of the subject property and that there have been no wells drilled upon the subject property or upon any lands with which the property has been combined in a drilling or production unit.

PAID-UP LEASE Lessor hereby acknowledges receipt of payment in advance of all rentals set forth in Paragraph 6 "Delay Rental" of Lease, herein which are or may become due and payable for the five (5) years of the term set forth in Paragraph 1 "To Have and To Hold" of Lease, herein and this Oil and Gas Lease is therefore paid up through said five (5) year term.

APPROVAL OF LOCATION. Lessee agrees to consult with lessor for the purpose of determining mutually acceptable well locations (and/or access roads, and pipeline from said wells) said approval not to be unreasonably withheld; provided, however, that it is expressly understood and agreed that lessee shall have the right to fully develop the leased premises.

DAMAGES. Lessee agrees to pay Lessor at a reasonable rate for all damages caused to growing crops, trees, and timber caused by the drilling operations, which would include damages caused by the well location(s), road(s) to the location(s), and pipeline(s) from the well(s) on the leased premises.

RECLAMATION CLAUSE: Surface of well location to be restored to as near as practicable to original contour of well location.

This lease is taken in lieu of a former lease dated March 19, 2009 and recorded in Washington County, Pennsylvania as Instrument # 200912371. Said former lease shall terminate by its terms and this lease shall become effective thereafter.

All expressed or implied covenants of this lease shall be subject to all Federal and State laws, executive orders, rules or regulations, and this lease shall not be terminated in whole or in part, nor shall lessee be held liable in damages, for failure to comply therewith if compliance is prevented by, or if such failure is the result of any such law, order, rule or regulation.

This lease shall never be forfeited or terminated for failure of lessee to perform in whole or in part any of its express or implied covenants, conditions or obligations until it shall have been first finally judicially determined that such failure exists, and lessee shall have been given a reasonable time after such final determination within which to comply with any such covenants, conditions or obligations.

It is agreed that lessee may drill or not drill on said land, as it may elect, and the consideration and rentals paid and to be paid hereunder constitute adequate compensation for such privilege.

In case the person or persons executing this lease are not all of the owners of the leased premises, then such person or persons shall be entitled only to such portion of the oil, gas royalty, delay rentals paid or payable in proportion to their actual interest.

It is agreed that the entire contract and agreement between lessor and lessee is embodied herein, and that no verbal warranties, representations or promises have been made or relied upon by lessor or lessee supplementing, modifying, or as an inducement to this lease.

All conditions and agreements herein contained shall be binding on the heirs, executors, administrators, successors or assigns of said parties.

IN WITNESS WHEREOF, the said parties have executed this lease the day and year first above written.

WITNESS:

.....
John Maly

..... (SEAL)
Bryan B. Latkanich
Bryan B. Latkanich

ATTEST:

.....
[Signature]
Assistant Secretary

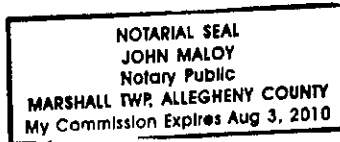
PHILLIPS EXPLORATION, INC.
By: *[Signature]*
Senior Vice President of Operations

COMMONWEALTH OF PENNSYLVANIA }
COUNTY OF WASHINGTON } ss.

On this, the 7th day of December 2009, before me, the undersigned officer, personally appeared Bryan B. Latkanich known to me or satisfactorily proven to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged that he/she/they executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.


Notary Public




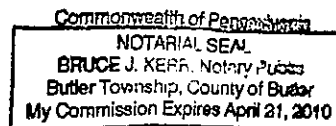
CORPORATE ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA }
COUNTY OF ALLEGHENY } ss.

On this, the 14th day of DECEMBER 2009, before me, a Notary Public, the undersigned officer, personally appeared Samuel E. Fragale, who acknowledged himself to be the Senior Vice President of Operations of Phillips Exploration, Inc., a corporation, and that he as such Senior Vice President being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Senior Vice President.

In witness whereof, I hereunto set my hand and official seal


Notary Public





63145176 WER200112

PA 07365
220-003-00-00-0011-02
LATKANICH

10.8 AC

<input checked="" type="checkbox"/> Indexed				
<input checked="" type="checkbox"/> Loc. BK				Map Reference
<input checked="" type="checkbox"/> Terms				
<input checked="" type="checkbox"/> Signed & Sealed				MAP 220-003-00-00-0011-02
Copy to Lessor				LOCATION
Recording				LEASE #: PA07365-20
Title				

OIL AND GAS LEASE

from

Bryan B. Latkanich

to

DEDRAH BANDELLA
RECORDER OF DEEDS
WASHINGTON, PA
Pennsylvania

INSTRUMENT NUMBER
201006284
RECORDED ON
Feb 22, 2010
11:57:54 AM
Total Pages: 4

PHILLIPS EXPLORATION, INC.
802 KEYSTONE DRIVE
WARRENDALE, PA 15086

RECORDING FEES \$24.00
TOTAL PAID \$24.00

75 429156 USER: 117

Date of Lease: December 7, 2009

Effective on: March 17, 2010

Term: 2 Years Expires: March 17, 2012

Payments Due: Paid-Up

No. of Acres: 10.8

Township of Daemston Borough

County of Washington

State of Pennsylvania

Payee: Bryan B. Latkanich

95 Hill Road

Fredericktown, PA 15333

RECORDER'S DATA

Received for Record..... 20.....

Recorded..... 20.....

In..... Book, Volume..... Page.....

.....Recorder
of.....Pennsylvania

**Paid Up
OIL AND GAS LEASE**

Made this 7th day of December, 2009, becoming effective on March 17, 2010 by and between Bryan B. Lalkovich of Washington County, Pennsylvania, hereinafter designated as lessor, and PHILLIPS EXPLORATION, INC., a Pennsylvania corporation, of 502 Keystone Drive, Warendale, Pennsylvania 15086, hereinafter designated lessee:

WITNESSETH, that the said lessor for and in consideration of one dollar in hand paid by the said lessee, the receipt whereof is hereby acknowledged, and the agreement hereinafter contained, to be done, kept and performed by said lessee, hereby demises and lets unto said lessee, its successors and assigns, all that certain tract of land situate in Darmston Borough Washington County, Pennsylvania, bounded and described as follows:

On the North by lands of off Bogan

On the East by lands of off Hill Road

On the South by lands of off Shaw

On the West by lands of off Lalkovich

Containing 10.8 acres, more or less.

TO HAVE AND TO HOLD the said premises for the sole and only purpose of testing, drilling and operating for oil and gas in any underlying strata therein by any means and withdrawing therefrom by any means oil or gas produced from the same or other lands, with the exclusive right to operate the same for the term of Two (2) years from March 17, 2010; and as long thereafter as oil or gas is produced; or withdrawn therefrom by any means, or operations for oil or gas thereof are being conducted, including the right to commence operations for drilling a well or subsequent wells for said purposes at anytime during the term of this lease, or at anytime thereafter oil or gas is being produced, or withdrawn therefrom, or operations are being conducted thereon for said purposes and to complete the same; also the right to sublease and subdivide the leased premises, together with a right of way to all places for testing, operating, and also a right of way for pipe lines to convey oil, gas, water or steam oil, on or across the same, and including a right of way for power, telephone and telegraph lines and necessary appurtenances, including the right to conduct geophysical and other exploratory tests, as long as said lessee, its successors or assigns, desires to maintain the same. Lessor agrees that lessee may enter upon the leased premises, search for and clean out any abandoned oil or gas well, and such well shall then be considered to have been drilled under the terms of this lease and the same may be properly plugged and abandoned again or refilled and utilized by lessee for the production of gas.

LESSOR'S COVENANTS. Lessor hereby covenants that he is seized of an indefeasible fee simple estate in the land herein before described, together with all the underlying oil and gas, and that he will forever warrant and defend the leasehold estate hereby demised unto the lessee against the lawful claims and demands of all persons whomsoever, and that lessee shall have the exclusive, full, free and quiet possession of said described premises for the purposes and during the term herein set forth. Lessor further agrees that the lessee at its option may pay and discharge, when defaulted, any taxes, mortgages or other liens existing, levied or assessed on or against the above described lands, and in the event it exercises such option, it shall be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien, any royalty or rentals accruing hereunder.

UNITIZATION. Lessee is hereby granted the right to pool and utilize any one or more formations under all or any part of the land described above with any other lease or leases, land or lands, mineral estates, or any of them whether owned by lessee or others, so as to create one or more drilling or production units. Such drilling or production units shall be created when in Lessee's judgment, it is necessary or advisable to develop and operate efficiently such lands. Any such pool shall not exceed 640 acres in extent and shall conform to the rules and regulations of any lawful governmental authority having jurisdiction in the premises; and with good drilling or production practice in the area in which the land is located. In the event of the unitization of the whole or any part of the land covered by this lease, lessee or designated operator shall before or after the completion of a well, record a copy of the unit operation designation in the County wherein the leased premises is located, and mail a copy thereof to the lessor. In order to give effect to the known limits of the oil and gas pool, as such limits may be determined from available geological or scientific information or drilling operations, lessee may at any time increase or decrease that portion of the acreage covered by this lease which is included in any drilling or production unit, or exclude it altogether, provided that written notice thereof shall be given to lessor promptly. As to each drilling or production unit designated by the lessee, the lessor agrees to accept and shall receive out of the production or the proceeds from the production, from such unit, such proportion of the royalties specified herein, as the number of acres out of the lands covered by this lease, which may be included from time to time in any such unit, bears to the total number of acres included in such unit. The commencement, drilling, completion or production from a well on any portion of the unit created under the terms of this paragraph shall have the same effect upon the terms of this lease as if a well were commenced, drilled, completed or producing on the land described herein. In the event, however, that a portion only of the land described in this lease is included from time to time in such a unit then a proportionate part of the delay rental, hereinafter provided, shall be paid on the remaining acreage.

ROYALTY. IN CONSIDERATION of the above demise, lessee agrees to market the oil produced from the premises, provided the quality of said oil is acceptable for marketing and the amount of production is deemed sufficient by lessee to economically market the same. Lessee further agrees to pay lessor a royalty equal to fourteen percent (14%) of the proceeds received from time to time by lessee for all oil so marketed, less lessor's pro rata share of any severance or excise tax imposed by any governmental body. Payment of said royalty shall be made on or about the 25th day of the month for all oil so marketed during the preceding month.

Should any well not produce oil, but produce gas and the gas produced therefrom be sold off the said premises, the consideration to said lessor for the gas from each well completed and from which well gas is produced, metered and sold shall be as follows:

Royalty equal to fourteen percent (14%) of the proceeds received from time to time by lessee for all gas produced, metered and sold; less lessor's pro rata share of any severance or excise tax imposed by any governmental body. Payment of said royalty shall be made on or about the 25th day of the month for all gas produced, metered and sold during the preceding month. The time and method of production, metering, delivering and selling gas produced from any well on the leased premises and the amount thereof that shall be used or sold within any period of time shall be entirely within the sole discretion of the lessee.

RESERVE GAS. By written request to the lessee, lessor may reserve from the leased premises through any well thereon producing gas, provided the gas pressure is high enough, gas for use on said premises for domestic purposes to the extent of 300,000 cubic feet per year, or such part thereof per year as lessor requires; subject, however, to the operation and pumping by lessee of its wells and pipelines on the premises, the lessee to make the necessary connection and lessor to assume all risk in using the gas. User shall indemnify and hold Lessee harmless from all causes of loss other than those caused by Lessee's sole negligence. Said connection must be made at a place designated by lessee and may be at any gas line of lessee on said premises; subject, however, to the right of lessee at any time to abandon, take up, remove, repair or change any of its lines or abandon any of its wells, lessee not being liable for any expense, shortage or failure of gas which may arise by reason of said changes, lack of gas pressure or abandonment. Lessor agrees to pay for all gas used in excess of the quantity reserved at the then existing price established by lessee and further agrees that lessee, at its option, may deduct from any royalty accruing to lessor hereunder any amount owed to lessee by reason of lessor's use of gas in excess of the quantity of gas which may be reserved under the terms hereof. Said established price shall not exceed the highest posted domestic rate for any public utility in the county in which the leased premises is located, and measurement and regulation shall be by meter furnished by lessee and regulators furnished by lessor and set at the tap on the line. If lessor's use of the gas reserved at any time interferes with lessee's operation of the leased premises, lessor agrees at the option of lessee, and after receipt of written notice, to discontinue the use of the gas reserved and to accept in lieu thereof and in full consideration therefor, an annual cash payment of an amount equal to the average price per thousand cubic feet received by lessee times the quantity of gas (in thousands of cubic feet) reserved to lessor herein. If lessor elects in writing not to utilize and reserve gas, lessee agrees to make an annual cash payment of an amount equal to the annual average price per thousand cubic feet received by the lessee times the quantity of gas (in thousands of cubic feet) reserved to lessor herein.

Lessor is to have the free use and enjoyment of the premises except the parts necessary or convenient for lessee's operations hereunder. Lessee is to have the free use of oil, water and gas from the premises for lessee's operations on the premises, and the right at any time during or after the term of this lease to remove from the premises all machinery, pipe lines, buildings and fixtures belonging to it (including the right to draw and remove casing) whether placed thereon under this or any former lease.

DELAY RENTAL. PROVIDED, HOWEVER, that this lease shall become null and void and all rights hereunder shall cease and determine, unless operations for the drilling of a well on said premises for oil or gas, or as provided in above Unitization Clause, are commenced within forty-five (45) days from the date hereof, or unless said lessee shall pay 114 dollars (\$ 114) every year in advance for each additional year the commencement of such operations is delayed from the time above mentioned for the commencement of operations, until operations are commenced, as hereinafter provided, are paid. It is agreed, however, that this lease shall not be forfeited for lessee's failure to pay any rentals until lessee has received written notice by certified mail of such default and shall fail for a period of fourteen days after receipt of such notice to pay same. When operations are commenced for the drilling of a well for oil or gas, all rentals cease, except as provided in above Unitization Clause, and the work is to be prosecuted with due diligence to completion.

Upon the drilling of a nonproductive oil or gas well on the premises or on any other land pooled or unitized with this lease, or if no royalty is being paid for gas from any other well or wells on the leased premises, lessee may continue to hold the leased premises or unitized acreage upon the reinstatement of the payment of the delay rental, hereinafter provided, until the expiration of the original term of this lease, or until operations are again commenced for drilling a well during the original term of this lease.

A payment of delay rental, gas royalty, to said lessor mailed on or before the date due to:

Bryan B. Lalkanich

at 95 Hill Road

Fredericktown, PA 15333

or to such other address as payee may designate in writing shall be good and sufficient payment for same, as provided for in this lease.

TRANSFERS AND ADVERSE INTERESTS. Upon receipt of notice of knowledge of change of ownership, or of any tax sale or judicial sale, or adverse claim affecting title to the lease premises, or death or incapacity of the designated payee, or upon refusal of the lessor to accept payments hereunder, or upon failure of the lessor to notify lessee of change of address to which payments are to be mailed, lessee may at its discretion make payments as aforesaid, or without further notice, may hold any or all payments until title is established and certified to lessee and a new payee designated by the lessor or owners of the whole title, or until lessor gives written notice of his intention to accept payments hereunder, or until lessor shall furnish lessee with change of address in the event such change shall have occurred.

In case of transfer of title to any part of the premises leased, the owners shall be entitled to delay rentals according to their respective acreage; and to all oil or gas royalty from wells located on that portion owned by them respectively, payment of which rental or royalty may be made to the lessor as agent for all such owners or to them individually. In case of such transfer, the gas hereinbefore excepted and reserved for each calendar year shall be prorated among the royalty interests in accordance with the number of producing gas wells located in said year on that portion owned by each.

SURRENDER. Lessee at any time and from time to time, may surrender this lease as to all or any part or parts of the premises by recording an appropriate instrument of surrender in the proper county, and thereupon this lease, and the rights and obligations of the parties hereunder, shall terminate as to the part or parts so surrendered. Upon each surrender as to any part or parts of the premises, the rentals and minimum payment as specified shall be proportionately reduced on an acreage basis, and lessee shall have reasonable and convenient easements for pipe lines, pole lines, roadways, and other facilities through and over the portions of the premises surrendered for the purpose of continuing operations on the portions of the premises retained.

FORCE MAJEURE. In the event lessee is rendered unable in whole or in part, by a force majeure to carry out its obligations under this lease, other than to make payments of amounts due hereunder, its obligations so far as they are affected by such force majeure shall be suspended during the continuance of an inability so caused. The term "force majeure" as used herein shall be Acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, wars, blockades, riots, epidemics, lightning, earthquakes, explosions, accidents or repairs to machinery or pipes, delays of carriers, inability to obtain materials or rights of way on reasonable terms, acts of public authorities, or any other causes, whether or not of the same kind as enumerated herein, not within the control of the lessee and which by the exercise of due diligence lessee is unable to overcome.

SHUT-IN CLAUSE. In the event a well drilled hereunder is a producing well and the Lessee is unable to market the production therefrom, or should production cease from a producing well drilled on the premises, or should the Lessee desire to shut in producing wells, the Lessee agrees to pay the Lessor, commencing on the date one year from the completion of such producing well or the cessation of production, or the shutting in of producing wells, a payment of \$20.00 per acre per year until production is marketed and sold off the premises or such well is plugged and abandoned according to law.

AFFIDAVIT OF NON-PRODUCTION. Lessors hereby warrant that (1) the property is not encumbered by any enforceable oil and gas lease of record or otherwise and that (2) they are not currently receiving any bonus, rental, production royalty, or shut-in royalty as the result of any prior oil and gas lease covering any or all of the subject property and that there have been no wells drilled upon the subject property or upon any lands with which the property has been combined in a drilling or production unit.

PAID-UP LEASE. Lessor hereby acknowledges receipt of payment in advance of all rentals set forth in Paragraph 8 "Delay Rental" of Lease, herein which are or may become due and payable for the five (5) years of the term set forth in Paragraph 1 "To Have and To Hold" of Lease, herein and this Oil and Gas Lease is therefore paid up through said five (5) year term.

APPROVAL OF LOCATION. Lessee agrees to consult with lessor for the purpose of determining mutually acceptable well locations (end/or access roads, and pipeline from said wells) said approval not to be unreasonably withheld; provided, however, that it is expressly understood and agreed that lessee shall have the right to fully develop the leased premises.

DAMAGES. Lessee agrees to pay Lessor at a reasonable rate for all damages caused to growing crops, trees, and timber caused by the drilling operations, which would include damages caused by the well location(s), road(s) to the location(s), and pipeline(s) from the well(s) on the leased premises.

RECLAMATION CLAUSE: Surface of well location to be restored to as near as practicable to original contour of well location.

This lease is taken in lieu of a former lease dated March 10, 2009 and recorded in Washington County, Pennsylvania as Instrument # 200912372. Said former lease shall terminate by its terms and this lease shall become effective thereafter.

All expressed or implied covenants of this lease shall be subject to all Federal and State laws, executive orders, rules or regulations, and this lease shall not be terminated in whole or in part, nor shall lessee be held liable in damages, for failure to comply therewith if compliance is prevented by, or if such failure is the result of any such law, order, rule or regulation.

This lease shall never be forfeited or terminated for failure of lessee to perform in whole or in part any of its express or implied covenants, conditions or obligations until it shall have been first finally judicially determined that such failure exists, and lessee shall have been given a reasonable time after such final determination within which to comply with any such covenants, conditions or obligations.

It is agreed that lessee may drill or not drill on said land, as it may elect, and the consideration and rentals paid and to be paid hereunder constitute adequate compensation for such privilege.

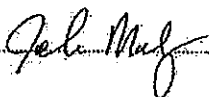
In case the person or persons executing this lease are not all of the owners of the leased premises, then such person or persons shall be entitled only to such portion of the oil, gas royalty, delay rentals paid or payable in proportion to their actual interest.

It is agreed that the entire contract and agreement between lessor and lessee is embodied herein, and that no verbal warranties, representations or promises have been made or relied upon by lessor or lessee supplementing, modifying, or as an inducement to this lease.

All conditions and agreements herein contained shall be binding on the heirs, executors, administrators, successors or assigns of said parties.

IN WITNESS WHEREOF, the said parties have executed this lease the day and year first above written.

WITNESS:



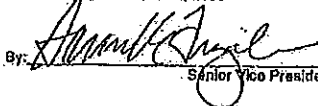


Bryan B. Lalkanich

(SEAL)

ATTEST:

PHILLIPS EXPLORATION, INC.



By:


Senior Vice President of Operations

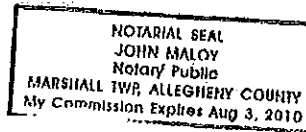
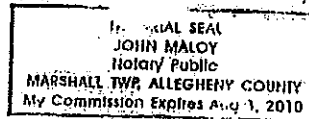
Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA }
COUNTY OF WASHINGTON } ss.

On this, the 7th day of December 2009, before me, the undersigned officer, personally appeared Bryan B. Latkanich known to me or satisfactorily proven to be the person(s) whose name(s) is/are subscribed to the within instrument, and acknowledged that he/she/they executed the same for the purposes therein contained.

In witness whereof, I hereunto set my hand and official seal.


Notary Public

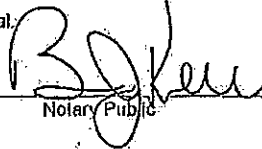


CORPORATE ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA }
COUNTY OF ALLEGHENY } ss.

On this, the 14th day of December 2009, before me, a Notary Public, the undersigned officer, personally appeared Samuel E. Frégale, who acknowledged himself to be the Senior Vice President of Operations of Phillips Exploration, Inc., a corporation, and that he as such Senior Vice President being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as Senior Vice President.

In witness whereof, I hereunto set my hand and official seal.


Notary Public

