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Susquehanna County: Trouble in Marcellus.

## Pennsylvania suspends Cabot well requests

**Pennsylvania regulators have suspended consideration of all well applications by US independent Cabot Oil and Gas after the company failed to comply with an agreement concerning water well contamination in Susquehanna County.**

Noah Brenner 15 April 2010 16:54 GMT

Cabot will also have to plug three vertical wells that lie near 14 water wells the company is accused of contaminating in the Dimock area, under a new agreement with state regulators.

In addition, Cabot will pay \$240,000 and another \$30,000 per month until all its obligations under the new agreement are met, which must happen no later than November this year, the company said in a release.

As part of the agreement, Cabot must provide the 14 homes with permanent drinking water sources.

John Hanger, who heads the Pennsylvania Department of Environmental Protection (DEP) blasted the operator in a statement.

"Cabot had every opportunity to correct these violations, but failed to do so," Hanger said.

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**" Cabot had every opportunity to correct these violations, but failed to do so. "**

"Instead, it chose to ignore its responsibility to safeguard the citizens of this community and to protect the natural resources there."

In November, Cabot agreed to pay \$120,000 in civil penalties for alleged violations in casing wells that DEP said likely led to drinking water contamination.

The original DEP investigation found contamination in 13 wells and also found failed cementing and casing in Cabot wells that were allowing gas to vent into non-producing zones.

Ten of the wells were within 1000 feet or less of a Cabot well.

The original agreement called for Cabot to fix defective cementing and well casing that was allowing the gas migration.

DEP said the company failed to meet the agreement.

Results of DEP's latest investigation showed five more defective wells and turned up another home with methane in its water supply.

Under the latest agreement, the company will also idle its rigs in the Dimock area for one year, according to an amended agreement.

Cabot said the moves will not hit its production estimates.

"This modified order does not impact the number of wells scheduled to be drilled under Cabot's 2010 drilling effort, nor will it impact our production guidance," Cabot boss Dan Dinges said in a release.

"Specifically, we have no rigs drilling in the area presently, and of the eight wells scheduled in the affected area later in the year, these wells will be replaced with other wells."

The regulator continues to investigate another 10 Cabot wells to try to determine the source of migrating gas and Cabot could be forced to plug additional wells.

Cabot representatives were not immediately available for comment.

A copy of the agreement between Cabot and DEP is available in the related media section.

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