

**Brian J. Knipe**

717 237 4820  
[brian.knipe@bipc.com](mailto:brian.knipe@bipc.com)

409 North Second Street  
Suite 500  
Harrisburg, PA 17101-1357  
T 717 237 4800  
F 717 233 0852  
[www.bipc.com](http://www.bipc.com)

October 17, 2012

**VIA HAND DELIVERY**

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

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2012 OCT 17 AM 10:45  
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Re: *Act 13 of 2012 – Implementation of Unconventional Well Impact Fee;*  
Docket No. M-2012-2288561

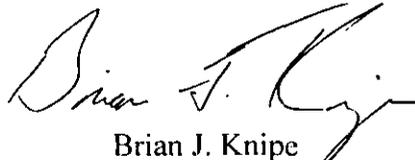
Dear Secretary Chiavetta:

On Friday, October 12, 2012, my office attempted to submit the *Answer of Talisman Energy USA Inc. in Support of Petition of Anadarko E&P Company LP for Amendment and Clarification* through the Commission's electronic filing system. The same day, copies of the *Answer* were served in accordance with the attached Certificate of Service.

This morning we learned that, due to a technical error on the part of my office, the *Answer* was uploaded into the e-filing system last Friday at 4:02 p.m., but not officially submitted. Therefore, I am enclosing the original *Answer* as well as the e-filing summary page confirming the date and time the *Answer* was originally uploaded into the e-filing system. I hereby respectfully request that the *Answer* be deemed timely filed.

Thank you for your consideration, and please contact me should you have any questions.

Very truly yours,



Brian J. Knipe

For BUCHANAN INGERSOLL & ROONEY, P.C.

BJK/kra

Enclosures

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717 237 4820  
brian.knipe@bipc.com

409 North Second Street  
Suite 500  
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F 717 233 0852  
www.buchananingersoll.com

October 12, 2012

**VIA E-FILING**

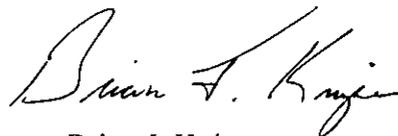
Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
400 North Street, 2nd Floor  
Harrisburg, PA 17120

Re: *Act 13 of 2012 - Implementation of Unconventional Well Impact Fee*; Docket No.  
M-2012-2288561

Dear Secretary Chiavetta:

On behalf of Talisman Energy USA Inc., I have enclosed for filing the *Answer of Talisman Energy USA Inc. in Support of Petition of Anadarko E&P Company LP for Amendment and Clarification*. Copies have been served on all parties as indicated on the attached certificate of service.

Very truly yours,



Brian J. Knipe  
For BUCHANAN INGERSOLL & ROONEY, P.C.

BJK/kra

Enclosure

cc: Certificate of Service

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**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Act 13 of 2012 - Implementation of : Docket No. M-2012-2288561  
Unconventional Gas Well Impact :  
Fee :

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**ANSWER OF TALISMAN ENERGY USA INC. IN SUPPORT OF  
PETITION OF ANADARKO E&P COMPANY LP  
FOR AMENDMENT AND CLARIFICATION**

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TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION (“COMMISSION”):

Talisman Energy USA Inc. (“Talisman”), in accordance with 52 Pa. Code § 5.572(e), submits this Answer in support of the Petition filed on September 28, 2012 by Anadarko E&P Company LP (“Anadarko”).<sup>1</sup> Anadarko’s Petition seeks amendment and clarification of the Commission’s Implementation Order Regarding Chapter 23, which was entered at this Docket on May 10, 2012 (“Implementation Order”), and its Reconsideration Order Regarding Chapter 23, which was entered July 19, 2012 (“Reconsideration Order”). Anadarko requests that the Commission determine, among other things, that a conductor placed at a well site, with no drilling, placement of casing, or production from within that conductor, does not establish a well that is subject to the unconventional gas well fee set forth in Chapter 23 of Act 13, Petition ¶¶ 4-13, 28(a), and further that the Commission develop procedures to be followed when a refund of impact fees is necessary, Petition ¶¶ 26, 27, 28(d).

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<sup>1</sup> The Commission has posted Anadarko’s Petition to the Act 13 (Impact Fee) page of its Web site, with a deadline of October 15, 2012 for interested persons to file answers.

Talisman supports Anadarko's Petition, and wishes to emphasize that the issue raised in the Petition regarding conductors placed at well sites is not exclusive to Anadarko. Talisman's initial Act 13 impact fee for calendar year 2011 was \$26,440,000. Of that impact fee, Talisman paid approximately \$7.5 million for well sites where only conductors were installed, without actual drilling, development or production of a well within the conductor. Accordingly, Talisman requests that the Commission expressly make any granting of Anadarko's requested relief relative to refunds of impact fees, or any offset or other mechanism, applicable to all producers.

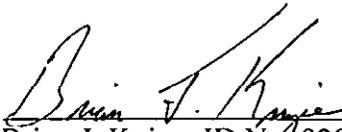
Talisman agrees with Anadarko's description of the use of conductors as a part of well site preparation, and as an activity that can be done separate and apart from actual drilling. Talisman further agrees that the setting of conductors without drilling, often months or even years before drilling commences, is a standard practice of many operators in the industry that promotes safety and efficiency. See Petition ¶¶ 6, 7. This practice also reduces environmental impact by limiting the number of times site preparation contractors need to visit the site. Talisman respectfully submits that establishing the date on which conductor pipe is set as the date a well is "spud" is inconsistent with Act 13, which defines "spud" as "the actual start of *drilling* of an unconventional gas well." 66 Pa. C.S. § 2301 (emphasis added).

For the foregoing reasons, and those reasons set forth at length in Anadarko's Petition, Talisman Energy USA Inc. respectfully requests that the Commission grant (i)

the Petition of Anadarko E&P Company LP for Amendment and Clarification, and (ii) such other relief as may be just and reasonable under the circumstances.

Respectfully submitted,

BUCHANAN INGERSOLL & ROONEY P.C.

By:   
\_\_\_\_\_  
Brian J. Knipe, ID No. 82854  
Alan M. Seltzer, ID No. 27890  
409 North Second Street, Suite 500  
Harrisburg, PA 17101-1357  
Telephone: (717) 237-4800  
Facsimile: (717) 233-0852  
[brian.knipe@bipc.com](mailto:brian.knipe@bipc.com)  
[alan.seltzer@bipc.com](mailto:alan.seltzer@bipc.com)

Dated: October 12, 2012

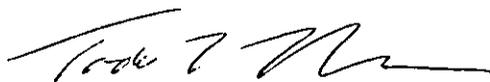
Attorneys for Talisman Energy USA Inc.

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**VERIFICATION**

I, TODD L. NORMANE, hereby state that the facts above set forth are true and correct (or are true and correct to the best of my knowledge, information and belief), and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Dated: October 10, 2012



Todd L. Normane  
Associate General Counsel  
Talisman Energy USA Inc.

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**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Act 13 of 2012 - Implementation of : Docket No. M-2012-2288561  
Unconventional Gas Well Impact :  
Fee :

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document upon the parties, listed below, in accordance with the requirements of § 1.54 (relating to service by a party).

**Via First-Class U. S. Mail**

Kevin J. Garber, Esquire  
Jean M. Mosites, Esquire  
Babst, Calland, Clements and Zomnir, PC  
Two Gateway Center  
Pittsburgh, PA 15222

Scott E. Coburn, Esquire  
PSATS  
4855 Woodland Drive  
Enola, PA 17025

Ron Grutza, Assistant Dir. of Gov. Affairs  
PA State Association of Boroughs  
2941 North Front Street  
Harrisburg, PA 17101

Douglas Hill, Executive Director  
County Commissioners Assoc. of PA  
17 North Front Street  
Harrisburg, PA 17101

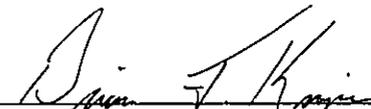
Jacob Cardiff  
Carrizo Oil & Gas, Inc.  
500 Dallas, Suite 2300  
Houston, TX 77002

Kathryn Klaber, President  
Marcellus Shale Coalition  
4000 Town Center Boulevard  
Canonsburg, PA 15317

Stephanie Catarino Wissman, Executive Dir.  
Associated Petroleum Industries of PA  
300 North Second Street, Suite 902  
Harrisburg, PA 17101

Kevin Moody, Esquire  
Vice President & General Counsel  
PIOGA  
212 Locust Street, Suite 300  
Harrisburg, PA 17101

Dated this 12<sup>th</sup> day of October, 2012.

  
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Brian J. Knipe, Esq.

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