

C-2023-3039609-AEL-1/16/24

EXHIBIT E

PART 3

**COTERRA/CABOT
GAS COMPANY
CHARGED AND
FINED FOR
WATER
CONTAMINATION
IN SUSQUEHANNA
COUNTY**

Attorney General Announces Plea, Public Water Line Construction for Victims of Cabot Oil & Gas

By **Editor** - November 30, 2022



Attorney General Josh Shapiro announced that Coterra Energy Inc., formerly known as Cabot Oil and Gas, has pleaded no contest to charges related to environmental crimes in Northeastern Pennsylvania. As part of the plea Coterra will pay \$16.29 million for the construction of a new public water supply in Susquehanna County.

"Residents of Dimock have waited far too long for the clean water Pennsylvania's Constitution is supposed to guarantee all of us," said Attorney General Josh Shapiro at a press conference in Susquehanna County. "Coterra, the corporate successor of Cabot Oil and Gas, took full responsibility for the crimes Cabot committed that polluted resident's water. Under this historic settlement, Coterra will now pay to build a new public water line that will provide clean, reliable drinking water for generations to come."

The Pennsylvania Office of Attorney General charged Coterra Energy Inc. in 2020 after a Grand Jury investigation into the contamination of well water in Dimock, Susquehanna County. The investigation revealed that the company's activities associated with drilling and producing unconventional gas wells were responsible for methane pollution in the local water supply. This contamination led to multiple Dimock residents suffering from impacts to their own personal water supplies, including the explosion of Norma Fiorentino's drinking water well in January 2009.

During the investigation, the Grand Jury heard testimony from several residents who shared stories of their water becoming contaminated after allowing Coterra to drill wells on their property. In some cases the water was so contaminated it even caught fire. These residents and their families were forced to stop drinking their water as it was impacted with metals and high levels of methane. In order to supply their homes with this necessity, residents had to travel miles to pick up drinking water.

When one resident contacted the Pennsylvania Department of Environmental Protections to ask when their water would be clean again, they were told that the water would be clean again in several years. A decade later, at the time of their appearance before the grand jury, the issue had remained unresolved.

Today, Coterra entered a plea to Prohibition Against Discharge of Industrial Wastes, a violation of the Clean Streams Law. As part of the plea agreement, Coterra will pay \$16.29 million toward a new regulated public water line as well as payment of 75 years of water bills for the impacted homeowners. This money will also be used to provide treatment systems to treat the homeowners' water supplies and the provision of bottled water while the public water line is under construction.

"This agreement brings justice to the residents of Dimock who for years had been ignored," said AG Shapiro. "People across the country remember what happened here in Dimock, and now, they will know the rule of law won the day. Companies will take notice that we won't allow communities like this to be taken advantage of or forgotten."

The agreement is the result of years of thorough investigation and evaluation by independent experts to sample and analyze the water contamination and develop an engineering plan that would best serve the needs of the residents of Dimock. The construction and operation of the water line will be overseen by Pennsylvania American Water Company, a company with years of experience providing water to the Commonwealth, that is currently serving nearly 19% of Pennsylvanians. While it will take time to construct, this water line will ultimately provide the residents of Dimock with clean, safe drinking water when they turn on their tap. Access to this clean water is a right that has been elusive to these homeowners for more than a decade.

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AG Shapiro Announces Plea, Public Water Line Construction for Victims of Cabot Oil & Gas

NOVEMBER 29, 2022 | TOPIC:

CRIMINAL

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SUSQUEHANNA COUNTY—Attorney General Josh Shapiro today announced that Coterra Energy Inc., formerly known as Cabot, pleaded no contest to charges related to environmental crimes in Northeastern Pennsylvania. As part of the plea Coterra will fund the construction of a new public water supply in Susquehanna County.

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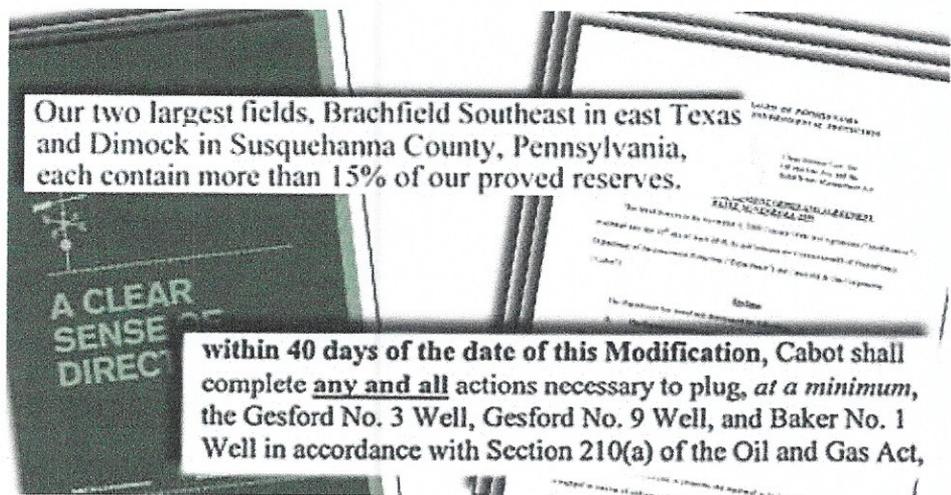
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Cabot Oil & Gas's Marcellus Drilling to Slow After PA Environment Officials Order Wells Closed

Pennsylvania has come down hard on a natural gas company whose drilling contaminated drinking water. Houston-based Cabot Oil and Gas must close some wells, pay nearly a quarter million dollars in fines, and permanently provide drinking water to 14 families.

by Abraham Lustgarten, April 16, 2010, 11:04 a.m. EDT



More than 15 months after natural gas drilling contaminated drinking water in Dimock, Pa., state officials are ordering the company responsible - Houston-based Cabot Oil and Gas -- to permanently shut down some of its wells, pay nearly a quarter million dollars in fines, and permanently provide drinking water to 14 affected families.

The order is among the most punitive in Pennsylvania's history and reflects officials' frustrations over a string of drilling-related accidents. The record of spills, leaks and water contamination in Pennsylvania -- several of which are tied to Cabot -- has spotlighted the environmental risks of drilling for natural gas across the country, jeopardized development of the massive Marcellus Shale resource deposit, and contributed significantly to actions by both Congress and the U.S. Environmental Protection Agency to bolster federal oversight of drilling.

"The events at Dimock have been the black eye for the industry and have also been a black eye for Pennsylvania," the state's chief environment official, John Hanger, told ProPublica. "It's been an enormous headache. If

Cabot doesn't get this message, the company has got an amazing hearing problem."

ProPublica was among the first to report about the water contamination problems in Dimock -- and about more than 50 other similar cases that have emerged as drilling development has spread across the state -- in an article published last April that was part of a series about drilling concerns across the country. Since then the state Department of Environmental Protection has more than doubled its enforcement staff, and legislation has been introduced to revise Pennsylvania's rules for drilling and strengthen protections for groundwater.

Cabot did not respond to a request for comment. In a statement Thursday, Cabot Oil and Gas said that it agreed to the DEP's measures and that the state's order represents "a continuing joint effort by Cabot and the PADEP to ensure the safety of people, water resources and the environment of Susquehanna County."

DEP officials determined last fall that methane gas and drilling waste had leaked through cracked underground casing on Cabot's gas wells and seeped into drinking water in the Dimock area. They fined the company, which is also being sued by a group of area residents, \$120,000 at the time. In its most recent order, which is an update of that 2009 action, the Department of Environmental Protection expressed frustration with Cabot's failure to address the contamination and said it found gas bubbling up in well water as recently as March, even though the company had submitted a plan to fix it last November.

On Thursday, the DEP gave Cabot -- which Hanger described as one of "the worst" oil and gas operators he has seen -- 40 days to plug the three wells it believes are responsible, and threatened that Cabot would have to plug more if the problems didn't subside. It gave the company a month to install permanent water treatment systems in 14 homes where water was found to contain high levels of methane, iron and other metals, and where residents have complained of headaches, skin rashes and sick animals. In addition, it ordered Cabot to pay a \$240,000 fine, plus \$30,000 for each month in which it fails to fix the problems.

The DEP is also suspending its review of Cabot's pending applications for new drilling permits across the state and won't allow the company to drill any new wells at all in the Dimock area -- even those already permitted -- for 12 months. It said it will continue to investigate 10 more Cabot wells near Dimock and could order some of them plugged as well.

The Dimock gas wells are among the most important for Cabot Oil and Gas, a \$4.2 billion publicly traded corporation. According to Cabot's 2009 annual report, the Dimock field accounts for 15 percent of the corporation's

gas assets and is its second largest development area, after a region in Texas. At current prices the Dimock wells produced \$55 million worth of natural gas last year. Much of the company's growth is tied to its plans for expansion in Pennsylvania's part of the Marcellus Shale. It planned to drill 100 new wells in the Dimock area in 2010.

Cabot CEO Dan Dinges, however, promised the enforcement action would "not impact the number of wells scheduled to be drilled under Cabot's 2010 drilling effort, nor will it impact our production guidance," according to the company's statement.

**Abrahm Lustgarten**

Abrahm Lustgarten writes about human adaptation to climate change, including global migration, demographic change and conflicts in response to a warming planet.

✉ Abrahm.Lustgarten@propublica.org [@AbrahmL](https://twitter.com/AbrahmL)

📞 917-512-1803 [🔒 Signal: 917-512-1803](#)

ATTORNEY MICHAEL GRUIN

CORRESPONDENCE WITH ME,

VERA SCROGGINS,

PAST MONTH



Vera Scroggins <veraduerga@gmail.com>

Question about testing the aquifer for the water wells in Dimock by PAWC?

6 messages

Vera Scroggins <veraduerga@gmail.com>

Sun, Jan 7, 2024 at 5:29 PM

To: "Guin, Michael A." <michael.guin@stevenslee.com>

hi, Michael:

Please send what PAWC will test for before drilling water wells for public use in Dimock?

What will PAWC test for in the acquiver where the Water Wells will be situated?

And will these water test results be made public?

Thanks, for your response and help with this,

Vera Scroggins
607-237-9685

Guin, Michael A. <michael.guin@stevenslee.com>

Wed, Jan 10, 2024 at 8:35 AM

To: Vera Scroggins <veraduerga@gmail.com>

Hello Vera

I can ask PAWC whether this information is available.

I was informed that you submitted a new "water quality information request related to the customer confidence report". As a reminder, please send any requests for information directly to me.

Michael A. Guin

Stevens & Lee

17 N. 2nd Street, 16th Fl.

Harrisburg, PA 17101

T: (717) 255-7365

F: (610) 988-0852

michael.guin@stevenslee.com

[Quoted text hidden]

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Vera Scroggins <veraduerga@gmail.com>
To: "Gruin, Michael A." <michael.gruin@stevenslee.com>

Wed, Jan 10, 2024 at 10:23 AM

I have.
Did it after writing to you.
And still not getting any satisfactory
responses

Vera
[Quoted text hidden]

Vera Scroggins <veraduerga@gmail.com>
To: "Gruin, Michael A." <michael.gruin@stevenslee.com>

Wed, Jan 10, 2024 at 11:38 AM

I will copy your responses and my letters for the PUC .

I need quick responses and from neutral people and not yourself,
who is trying to deny and kick me off the case.

You have shown yourself as evasive in answering me.

Vera Scroggins
607-237-9685
[Quoted text hidden]

Gruin, Michael A. <michael.gruin@stevenslee.com>
To: Vera Scroggins <veraduerga@gmail.com>

Wed, Jan 10, 2024 at 11:45 AM

Ms. Scroggins

I reject your assertion that I am being evasive. The fact is that you have formal litigation pending, therefore, any requests to PAWC must go through formal processes.

Please send your questions to me in writing and PAWC will respond accordingly.

[Quoted text hidden]
[Quoted text hidden]

Vera Scroggins <veraduerga@gmail.com>
To: "Gruin, Michael A." <michael.gruin@stevenslee.com>

Wed, Jan 10, 2024 at 11:51 AM

i can send you my questions

and also will continue to contact who I choose to answer my questions.

You have failed to answer my questions promptly and satisfactorily.]



Vera Scroggins <veraduerga@gmail.com>

**Fwd: Question about testing the aquifer for the water wells in Dimock by PAWC?
PAWC lawyer again tells me what to do.**

1 message

Vera Scroggins <veraduerga@gmail.com>
To: Craig Stevens <clscraigstevens@gmail.com>

Wed, Jan 10, 2024 at 10:24 AM

----- Forwarded message -----

From: **Gruin, Michael A.** <michael.gruin@stevenslee.com>
Date: Wed, Jan 10, 2024, 8:35 AM
Subject: RE: Question about testing the aquifer for the water wells in Dimock by PAWC?
To: Vera Scroggins <veraduerga@gmail.com>

Hello Vera

I can ask PAWC whether this information is available.

I was informed that you submitted a new "water quality information request related to the customer confidence report". As a reminder, please send any requests for information directly to me.

Michael A. Gruin

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T: (717) 255-7365

F: (610) 988-0852

michael.gruin@stevenslee.com

From: Vera Scroggins <veraduerga@gmail.com>
Sent: Sunday, January 7, 2024 5:30 PM
To: Gruin, Michael A. <michael.gruin@stevenslee.com>
Subject: Question about testing the aquifer for the water wells in Dimock by PAWC?

hi, Michael:

Please send what PAWC will test for before drilling water wells for

public use in Dimock?

What will PAWC test for in the aquifer where the Water Wells will be situated?

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Vera Scroggins

607-237-9685

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Vera Scroggins <veraduerga@gmail.com>

Pennsylvania American Water Company

2 messages

Gruin, Michael A. <michael.gruin@stevenslee.com>
To: Vera Scroggins <veraduerga@gmail.com>

Mon, Dec 11, 2023 at 12:55 PM

Hello Ms. Scroggins

As you recall, I am the attorney for Pennsylvania American Water Company ("PAWC") in connection with your PUC complaint against PAWC.

You had recently sent some questions to PAWC about water quality testing. As your PUC complaint case against PAWC is still active, please be sure to direct all communications regarding PAWC to me.

I believe all of the information you are seeking is available from the PA DEP website, and if you have questions about that site and how the reports are organized, you can reach out to the DEP. There are instructions on the DEP website for how to request information and there are also direct numbers for the various DEP regional offices.

Thanks very much

Michael A. Gruin

Stevens & Lee

17 N. 2nd Street, 16th Fl.

Harrisburg, PA 17101

T: (717) 255-7365

F: (610) 988-0852

michael.gruin@stevenslee.com

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Vera Scroggins <veraduerga@gmail.com>
To: "Gruin, Michael A." <michael.gruin@stevenslee.com>

Mon, Dec 11, 2023 at 2:04 PM

Dear Mr. Gruin:

I have attached my recent list of questions for PAWC reps.
I have contacted DEP and cannot get the answers so far to these questions.
It would be quicker and more efficient to have PAWC reps answer these questions.

Can you find out some answers to my questions like how to get copies of Water Quality Reports for the Montrose, Pa. Plant from 2014 to 2019 which are not on the PAWC website?
and I would like to know when the last testing for radiation, radiums, uranium , gross alpha was done and the results, since I don't have copies of such.
And why are not all the test results that are done annually on the water quality reports?

thanks for your help with this,

Vera Scroggins
607-237-9685

[Quoted text hidden]

----- Forwarded message -----

From: Vera Scroggins <veraduerga@gmail.com>
To: justin.ladner@amwater.com, Susan.Turcmanovich@amwater.com
Cc:
Bcc: Craig Stevens <clsraigstevens@gmail.com>
Date: Thu, 7 Dec 2023 10:01:02 -0500
Subject: hi, need info on water ? at the Montrose Treatment Plant.
hi, Justin:

I am looking at water quality reports for the Montrose, Pa. water system.
I only see three years on your website.
How to get copies of previous years?
I would like to see six previous years reports.
can you help me with this?

also, when the water report says, "Collected at the Treatment Plant", does this mean collected at "point of entry" before treatment?

what are results after treatment? are these reported and public?

and a number of things are tested for annually and I don't see all of those in the reports. why?

and I would like to see the radiation results, radiums and uraniums and gross alpha? I see they are tested for every nine years?
is this the EPA and DEP requirements of every nine years?

when were the radiation results last tested at the Montrose Treatment Plant?

is there someone else I can talk to also about these questions connected with Montrose Treatment Plant?

thank you for your help with this,

Vera Scroggins
PAWC Customer Account Number: 1024-210033850897
Susquehanna County, Pa.
Montrose, Pa.
607-237-9685