



LUMEN GROUP

Suite 101
4226 Yarmouth Drive
Allison Park, PA 15101

Telephone 412.487.9708
E-mail JLCrist@aol.com

December 3, 2025

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

RE: HERMAN OIL & GAS LLC AFFILIATE AGREEMENT

Dear Secretary Homsher:

Enclosed you will find the executed revised Affiliate Agreement between Herman Oil & Gas LLC and SME Well Services LLC. This Agreement provides additional clarification regarding the filed revised Affiliate Agreement between Herman Oil & Gas LLC and SME Well Services LLC (G-2015-2469175).

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Regards,

James L. Crist, P.E.

Affiliate Supply Agreement

Between Herman Oil & Gas, LLC and SME Well Services, LLC.

This Affiliate Supply Agreement (Agreement) is entered into this 3rd day of December 2025, to become effective upon approval of the Pennsylvania Public Utility Commission (PUC), between Herman Oil and Gas Company, LLC, (Herman) a Pennsylvania Public Utility, with offices at 137 Harris Rd., Butler, PA 16002 and SME Well Services, LLC. (SME) with offices at 137 Harris Rd., Butler, PA 16002, (collectively the Parties).

WHEREAS, Herman Oil and Gas Company, LLC. (Herman) is a PUC tariffed natural gas distribution company operating in Butler County and serving approximately 425 residential/commercial customers. Herman is owned and operated by Mr. Andrew E. Smith, President. In addition to Mr. Smith Herman has five full-time or contract employees; and

WHEREAS, SME Well Services, LLC. (SME) is a natural gas production company that produces and sells gas in Butler County to Herman, among others. SME is owned and operated by Mr. Andrew E. Smith, President; and

WHEREAS, Herman purchases approximately 95% of the natural gas required to meet customer demand from SME; and approximately 5% from an unaffiliated main supplier (Main Supplier), presently Peoples Natural Gas (Peoples). The majority of gas is purchased under rate MGS-Commercial. Peoples' service is provided under its tariff approved by the PA PUC. Peoples is the local utility connected to the Herman system; and

WHEREAS, Herman and SME are affiliated through common ownership and operation. Andrew E. Smith is both the sole shareholder and President of both Herman and SME; and

WHEREAS, Herman desires to purchase from SME and SME desires to sell to Herman natural gas under the terms set forth in this Agreement.

The Parties agree as follows:

1. **Sale.** SME shall sell natural gas to Herman.
2. **Purchase.** Herman Shall purchase natural gas from SME.
3. **Price.** Herman shall pay SME a rate no greater than 97% of the monthly tariff rate, currently Rate MGS, including all base rate charges, applicable riders, and gas costs invoiced for natural gas that Herman purchases from Peoples.
4. **Quantity.** Herman's monthly purchased quantity of natural gas from SME is the difference between Herman's monthly customer usage, per MCF (1,000 cubic feet) as determined by Herman, and the monthly invoiced quantities from Herman's Main Supplier and any other supplier(s).

5. **Term.** The initial term of the Agreement is one year, beginning on the date of PUC approval. The Agreement will renew on a year-to-year basis, and Herman may, in its sole discretion, amend the Agreement subject to amendment provisions in the Agreement.
6. **Amendment.** The Agreement may be amended in writing. No amendment shall be effective until approved by the PUC.



Andrew E. Smith, President
Herman Oil and Gas Company, LLC.



Andrew E. Smith, President
SME Well Services, Inc.