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COMMONWEALTH OF PENNSYLVANIA
Department of Environmental Protection
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**DEP ORDERS U.S. ENERGY TO CEASE DRILLING
OPERATIONS THROUGHOUT PENNSYLVANIA**
*Gas and Oil Corporation Based in New York State Causing Environmental Impairments in
McKean and Warren Counties*

MEADVILLE -- The Department of Environmental Protection has issued a cease and desist order to U.S. Energy Development Corp. of Getzville, N.Y., for persistent and repeated violations of environmental laws and regulations. The order prohibits the company from conducting all earth disturbance, drilling and hydro-fracturing operations throughout Pennsylvania.

The 302 violations that serve as the basis for the order were documented over a period of two years, beginning in August 2007. About one-third of the violations have been resolved, but 197 violations remain uncorrected.

“U.S. Energy has demonstrated a pattern of behavior that displays disregard for environmental regulations and laws, the consequences being the contamination of water and soil in Warren and McKean counties,” said DEP Regional Director Kelly Burch. “This order stops U.S. Energy from building new sites and gives the company 30 days to fix those sites that already have been built. Other companies are meeting Pennsylvania’s environmental standards; U.S. Energy must also comply with our laws and regulations.”

DEP issued the cease and desist order on July 10 because of continued and numerous violations of the Oil and Gas Act, the Clean Streams Law, and the Solid Waste Management Act.

The violations include failure to implement measures to prevent accelerated erosion, unpermitted discharges, failure to restore well sites, encroachments into streams and wetlands without obtaining required permits, and failure to plug abandoned wells.

The order allows U.S. Energy to continue producing at existing wells.

Some of the U.S. Energy well sites that were cited are on the Allegheny National Forest and property owned by Bradford Water Authority.

Oil and gas permitting, exploration and development is regulated in Pennsylvania under the Oil and Gas Act of 1984, which is administered by the DEP Bureau of Oil and Gas Management.

For more information on oil and gas wells, visit www.depweb.state.pa.us, Keyword: “Oil and Gas.”

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