

Donegal Lake Water Access Agreement Fact Sheet

Donegal Lake is a roughly 80-acre lake in Donegal Township, Westmoreland County, owned by the Commonwealth of Pennsylvania and managed by the Pennsylvania Fish and Boat Commission (PFBC). The PFBC has entered into a five-year agreement with Williams Production Appalachia LLC and Williams Marcellus Gathering LLC (Williams) that allows Williams to withdraw water from Donegal Lake to be used in natural gas production. This fact sheet provides an overview of key elements of the agreement. The attached map outlines the location of the associated infrastructure. The full agreement is posted on the PFBC's website at <http://www.fishandboat.com/AboutUs/AgencyOverview/Pages/NaturalGasWaterAccessProgram.aspx>. This agreement does not grant Williams any rights to the oil, gas, and minerals underlying the lake or surrounding land managed by the PFBC.

In general, how does the agreement minimize environmental and recreational impacts?

- Allowing water withdrawals from Donegal Lake will reduce truck traffic and the resulting damage to local roads.
- The agreement places requirements on Williams to ensure that withdrawals and associated infrastructure will not adversely affect fish protection and propagation and will not restrict or inhibit the public's use of the lake for fishing and boating.
- Williams is required to comply with all applicable environmental laws and regulations.
- Implementation of an Erosion and Sedimentation Control Plan will be required for minor earth disturbance and grading (<1 acre) associated with the access road and the staging area. Department of Environmental Protection (DEP) approval will also be required for a minor road crossing and utility line crossing of an unnamed tributary.
- Williams is required to recycle at least 90%, with a goal of 100%, of the flow back water attributable to drilling operations for water withdrawn from Donegal Lake.

How much is Williams paying the PFBC?

- Williams paid \$10,000 when the agreement was executed on April 13, 2011. Williams will pay \$10,000 for year two; \$10,300 for year three; \$10,600 for year four; and \$10,900 for year five. If Williams exercises its option to extend the contract for an additional five years, the annual payments will be \$11,300 for year six; \$11,600 for year seven; \$11,950 for year eight; \$12,300 for year nine; and \$12,700 for year ten.
- Williams will also pay the PFBC \$5.00 for each 1,000 gallons of water it withdraws during the five-year agreement. If Williams exercises its extension option, it will pay the PFBC \$6.00 for each 1,000 gallons during the next five years.

When may the withdrawals take place?

- The agreement includes strict restrictions that trigger the modification or cessation of withdrawals under certain conditions.

- Due to special considerations relating to herptiles during the period, October 16 through March 14, and due to a spawning period that occurs from May 15 through June 30, Williams may only withdraw water when there is water flowing over the spillway. At other times of the year, Williams is permitted to draw the lake down to an elevation of six inches below the top of the spillway.
- Williams must adhere to the more conservative or restrictive water withdrawal rates as described in the agreement or its approved DEP Water Management Plan.
- During the first weekend of trout season (the first Saturday and Sunday after April 11 each year), Williams may not withdraw any water unless the PFBC grants written permission to do so.
- The PFBC may grant Williams written permission to withdraw water at volumes that exceed restricted amounts when it would be helpful to lower the level of the lake due to a biological need or when there is a need related to the PFBC's maintenance, repair, and operation of the dam.

How will Williams access and transport water from the property?

- Williams will maintain an access road within a 14-foot-wide corridor, a 20-foot-wide electrical corridor, and a 15-foot-wide pipeline corridor at the northeast end of the lake. See attached map for locations.
- Pipes will be placed so that there is no excavation and they do not inhibit or restrict public, wildlife, and aquatic life movement.

How will the withdrawals take place?

- Williams will maintain an approximately 45 x 45-foot staging area with an approximate 185-foot setback from the northeast edge of the lake. A temporary/portable storage building to house pump and monitoring equipment will be painted an earth tone color and minimize noise from the equipment. No more than five gallons of fuel will be stored on the staging area.
- Williams will maintain three separate areas to withdraw the water: a 30-foot-wide area along the shore, a 100-square-foot area within the lake for the water intake, and an 8-foot-wide corridor within the lake for the water pipeline.
- Shoreline disturbances will be minimal, and fencing will be installed around any equipment.
- Existing riparian buffers will be protected and encouraged to develop naturally with a minimum of disturbance.
- The water intake will consist of three submersible pumps to be placed at the bottom of the lake.
- The water intake must meet the PFBC's *Surface Water Intake Design Criteria to Reduce Aquatic Species Impacts*, thus preventing impingement and entrainment of aquatic life.
- To minimize the spread of invasive species, all equipment used on this project must be new or disinfected in accordance with the PFBC's *Biosecurity Measures for Commission Operations, Facilities, and Equipment*.
- Where the pipeline is less than four feet below the lake surface, buoys or other markers must be placed within the lake to alert boaters and anglers.

How will lake elevation and streamflow be monitored?

- Williams will maintain two monitoring areas: one for lake elevation to be located at the eastern side of the dam spillway and one for streamflow to be located at the culvert under Donegal Lake Road.
- The monitoring devices will provide for instantaneous and daily measurements.
- Williams will record total flow measurement readings at the conclusion of each day when withdrawals are occurring.
- PFBC will be able to access the flow data remotely and will be able to independently access the devices.

Will the PFBC inspect the property, and what will happen if there is a problem?

- In addition to the monitoring requirements described above, the PFBC may enter the property at any time to inspect Williams' activities and reserves the right to inspect Williams' water withdrawal records.
- If Williams exceeds the daily maximum withdrawal rates allowed under the agreement, Williams must pay a penalty of \$5,000 to the PFBC for each day that it exceeds the approved rate.
- If Williams negatively impacts access by the PFBC or the public, Williams must take immediate corrective action.
- If any action by Williams results in environmental damage, Williams must take corrective action and must immediately cease all water withdrawals until the damage is mitigated.
- In the event of public complaints concerning the aesthetics or noise of the operations, the PFBC may require Williams to install vegetative screening.
- Williams has provided a certificate of insurance naming the PFBC as an additional insured and has furnished a \$75,000 performance bond.

What happens after the agreement ends?

- Williams will remove all of its equipment from the property and restore the property to its previous condition.