



VIEW*S* & VISIONS

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Striving to be the Paradigm of the Shale Generation

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Erik Fargo serves as senior counsel – operations for Rice Energy Inc., a natural gas and oil exploration, production and midstream company based in Canonsburg, Pennsylvania. His responsibilities focus on legal matters relating to Rice's operations in the Appalachian Basin. In addition, he also manages the company's litigation matters.

Fargo joined Rice full time in 2013 after completing his law degree at Duquesne University School of Law in Pittsburgh. Prior to law school, he attended Washington and Jefferson College in Washington, Pennsylvania, where he earned a bachelor's degree in chemistry.

For young professionals like myself, the shale revolution in the oil and gas industry has presented a unique, challenging and exciting opportunity, particularly in the Appalachian Basin. As shale natural gas development in the region only began in earnest over the past eight years, the playing field has been somewhat leveled. This has allowed innovative, hard-working and young talent to overcome, in large measure, the experience gap historically presented in the oil and gas industry. Rice Energy has recognized and embraced this opportunity and, through its culture, values and people, is positioning itself to achieve its mission of becoming the paradigm of the shale generation.

Founded by three brothers in their 20s in 2007, Rice Energy has always been synonymous with youth. Today, the management team of Rice Energy (including the Rice brothers) are all in their 30s, something relatively unheard of in the oil and gas industry of the past. As opposed to viewing relative inexperience as a liability, the Rice brothers opted to leverage the skills of a data-driven generation to foster a culture best suited for a new approach to shale gas development.

My story with Rice Energy began as an intern during my third year of law school in 2012, when the company consisted of around 50 employees and held approximately 20,000 net Marcellus acres in Washington and Greene Counties in Pennsylvania. Fast forward to year-end 2016, Rice Energy has approximately 450 employees, controls more than 230,000 net acres in the cores of the Marcellus and Utica Shales, and is listed on the New York Stock Exchange with an enterprise value of more than \$6 billion. During this time, Rice Energy achieved a production milestone of one Bcf/day from just 180 wells, less than



one-quarter of the wells needed to achieve this milestone by its closest peer, doing so with fewer employees.

In my opinion, Rice Energy achieved these successes (despite a historically challenging commodity price environment) largely due to the core values it espouses: innovation, teamwork, seeking excellence and stewardship. I believe these values are tailored to a young, talented and ambitious workforce, and I am hopeful that the outputs of this approach will demonstrate to our neighbors, partners and peers the value we present by providing a new way of achieving our country's vital energy needs. My



The Zorro location in Scenery Hill (Washington County), Pennsylvania



The Thunderstruck location in Belmont (Belmont County), Ohio

responsibilities with Rice Energy, both in their progression and their alignment with our core values, illustrate the dedication held by the company to fostering a culture that will allow it to achieve its mission.

When I started at Rice Energy, my responsibilities focused on leasing oil and gas rights in Washington County, Pennsylvania, and progressed to handling curative efforts to legal matters for the land department. As the company's legal needs increased, I was given the opportunity to advance in responsibility. Currently, as senior counsel, I manage our operationally-focused legal team and advise on matters relating to the upstream and midstream operations, environmental matters and litigation. While I accept that I lack the experience of many of my counterparts at other companies, I believe the increase in my responsibility reflects the manner in which Rice Energy values the contributions of its employees. I consistently seek the advice and guidance of outside advisors to fast-track the growth of my expertise, and I pride myself in

executing on each of the tasks presented to me. Furthermore, as a millennial in a tech-savvy company, I seek opportunities to leverage various platforms to improve internal transparency, thereby facilitating the heavily data-driven approach that Rice Energy takes to its operations and decision-making processes.

In addition to my day-to-day responsibilities, I am also proud to act on my duty to better our community through participation in the company's employee-driven Blue Crew volunteer initiatives. These events range from large annual events such as Marcellus Mania, a local festival that has raised more than \$1.7 million to date for local first responders, to serving meals at local shelters and assisting with Habitat for Humanity. For myself and the rest of our employee base, these volunteer events reinforce the pride that comes with being a member of a company dedicated to giving back to the community.

Rice Energy has provided me and many other young professionals with

the opportunity to tackle tasks that, in some organizations, would not present themselves for many years. In doing so, it has taken a new approach to our generation's involvement in the industry.

To me, Rice Energy has proven that, in order to unlock the value of young professionals, the onus is on both the company, to foster a culture consistent with obtaining this value, and the young professionals, to recognize and accept their strengths and weaknesses alike. I am excited about the opportunities this approach will have for many more young professionals in the future. ▾