

COPY

IN THE COURT OF COMMON PLEAS OF  
SUSQUEHANNA COUNTY, PENNSYLVANIA  
CIVIL DIVISION

CABOT OIL & GAS CORPORATION and  
GASSEARCH DRILLING SERVICES  
CORPORATION

Plaintiffs,

v.

CHARLES F. SPEER, SPEER LAW FIRM, P.A.,  
EDWARD CIARIMBOLI, CLANCY BOYLAN,  
FELLERMAN & CIARIMBOLI and RAYMOND  
KEMBLE

Defendants.

Case Number:

2017-936 CP

VERIFIED COMPLAINT

JURY TRIAL DEMANDED

*Filed on Behalf of:*

Cabot Oil & Gas Corporation and  
GasSearch Drilling Services  
Corporation

*Counsel of Record for Plaintiffs:*

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PROTHONOTARY

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SUSQUEHANNA COUNTY

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**NOTICE TO DEFEND**

You have been sued in court. If you wish to defend against the claims set forth in the following pages, you must take action within twenty (20) days after this complaint and notice are served, by entering a written appearance personally or by attorney and filing in writing with the court your defenses or objections to the claims set forth against you. You are warned that if you fail to do so the case may proceed without you and a judgment may be entered against you by the court without further notice for any money claimed in the complaint or for any claim or relief requested by the plaintiffs. You may lose money or property or other rights important to you.

**YOU SHOULD TAKE THIS PAPER TO YOUR LAWYER AT ONCE. IF YOU DO NOT HAVE A LAWYER, GO TO OR TELEPHONE THE OFFICE SET FORTH BELOW. THIS OFFICE CAN PROVIDE YOU WITH INFORMATION ABOUT HIRING A LAWYER.**

**IF YOU CANNOT AFFORD TO HIRE A LAWYER, THIS OFFICE MAY BE ABLE TO PROVIDE YOU WITH INFORMATION ABOUT AGENCIES THAT MAY OFFER LEGAL SERVICES TO ELIGIBLE PERSONS AT A REDUCED FEE OR NO FEE.**

Susquehanna County Prothonotary's Office  
Courthouse  
P.O. Box 218  
Montrose, PA 18801  
(570) 278-4600, Ext. 120

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**VERIFIED COMPLAINT**

Plaintiffs, Cabot Oil & Gas Corporation ("Cabot") and GasSearch Drilling Services Corporation ("GDS") (collectively "Plaintiffs"), by and through their undersigned counsel, hereby file the following Verified Complaint against Charles F. Speer ("Speer"), Speer Law Firm, P.A. ("Speer Law"), Edward Ciarimboli ("Ciarimboli"), Clancy Boylan ("Boylan"), Fellerman & Ciarimboli ("F & C") (collectively the "Lawyer Defendants") and Raymond Kemble ("Kemble"), (collectively "Defendants"), seeking to recover actual damages resulting from: (i) Defendants' tortious, malicious, wrongful, and improper use of legal process by commencing frivolous litigation against Cabot and GDS for an improper purpose and for which Defendants lacked probable cause; and (ii) Kemble's breach of a settlement agreement with Cabot and GDS. Cabot and GDS also seek to recover \$5,000,000.00 in punitive damages as a result of the Defendants' tortious, malicious, wrongful, and improper use of legal process designed to harass and extort Cabot and GDS.

## **I. PRELIMINARY STATEMENT**

1. Prior to 2012, Defendant Speer, a pig farm nuisance lawyer from Missouri, routinely filed suits against those in the agricultural industry based on alleged damages from odors and other purported nuisances.

2. After Missouri enacted legislation at the end of 2011 that put an end to Speer's pig farm lawsuits, Speer set his sights on Pennsylvania and switched his focus from pigs to rigs.

3. In the process, Speer and Speer Law teamed up Ciarimboli, Boylan, and F & C to commence nuisance claim lawsuits against natural gas operators in Pennsylvania.

4. One of their new Pennsylvania clients, Kemble, had sued Cabot and GDS in 2009 and settled his claims in 2012.

5. Following the 2012 settlement agreement, Kemble spent the next five years breaching its terms.

6. Despite knowing that Kemble had settled his claims against Cabot and GDS in 2012, Speer, Speer Law, Ciarimboli, Boylan, and F & C drafted and filed a 24-page complaint against Cabot and GDS in April of 2017, in the Middle District of Pennsylvania ("2017 Complaint"), for which they had no probable cause. *See*, Ex. A, a copy of the 2017 Complaint.

7. The 2017 Complaint included irrelevant and inflammatory allegations designed to harass Cabot and GDS, attract media attention, poison the community and jury pool against Cabot and GDS, and extort payment from Cabot and GDS when no legitimate claims existed.

8. As a result of all Defendants' tortious, intentional, malicious, and wrongful use of process, and Kemble's multiple breaches of the 2012 settlement agreement, Cabot and

GDS are seeking compensatory damages and punitive damages in the amount of \$5,000,000.00.

## **II. PARTIES**

9. Cabot is a Delaware corporation with its principal place of business at 840 Gessner Road, Suite 1400, Houston, Texas 77024.

10. GDS is a West Virginia corporation with its principal place of business at 8283 State Route 29, Montrose, Pennsylvania 18801.

11. Upon information and belief, Defendant Speer is an individual residing at 4929 Glendale Road, Westwood Hills, Kansas 66205.

12. Defendant Speer Law Firm is a law firm organized as a professional association in Missouri, with its principal place of business located at 104 West 9th Street, Suite 400, Kansas City, Missouri 64105.

13. Upon information and belief, Defendant Ciarimboli is an individual residing at 300 Conyngham Drive, Shavertown, Pennsylvania 18708.

14. Upon information and belief, Defendant Boylan is an individual residing at 1516 Pine Street, Philadelphia, Pennsylvania 19102.

15. Upon information and belief, Defendant F & C is a partnership with its principal place of business located at 183 Market Street, Suite 200, Kingston, Pennsylvania 18704.

16. Upon information and belief, Kemble is an individual residing at 11081 State Route 3023, Dimock, Pennsylvania 18801.

### **III. JURISDICTION AND VENUE**

17. This action is within the subject matter jurisdiction of this Court and the amount in controversy exceeds the jurisdictional amount requiring arbitration under Susquehanna County Local Rules.

18. Personal jurisdiction is proper as to Speer and the Speer Law Firm because this action arises from their transaction of business in Pennsylvania and their tortious conduct of initiating civil proceedings in a grossly negligent manner, without probable cause, and for an improper purpose in Pennsylvania.

19. Personal jurisdiction is proper as to Ciarimboli, Boylan, and Kemble because they are residents of Pennsylvania.

20. Personal jurisdiction is proper as to F & C because it is a Pennsylvania partnership that regularly conducts business in Pennsylvania and because this action arises from its transaction of business and its tortious conduct of initiating civil proceedings in a grossly negligent manner, without probable cause, and for an improper purpose in Pennsylvania.

21. Venue is proper pursuant to Pennsylvania Rules of Civil Procedure 1006 and 2179 because Susquehanna County is where Defendant Kemble resides, where Kemble's property—the subject of his two lawsuits—is located, and where Kemble made multiple statements to third parties, including the media, in breach of the 2012 settlement agreement with Cabot and GDS.

#### **IV. FACTUAL BACKGROUND**

##### **A. The Lawyer Defendants**

22. Prior to 2012, Speer generated a lucrative income by commencing nuisance suits on behalf of landowners in Missouri who claimed to have suffered inconvenience, discomfort, and loss of use and enjoyment of their property as a result of Missouri pig farm operations.

23. On August 28, 2011, a Missouri law supplanting the Missouri common law of private nuisance went into effect.

24. As a result, Missouri landowners no longer could recover non-economic damages for items such as inconvenience, discomfort, or loss of use and enjoyment of property caused by the alleged nuisance associated with the pig farms.

25. With his pig revenue stream effectively cut off, Speer then set his sights on another industry to attack—the natural gas industry in Pennsylvania—and switched his focus from pigs to rigs.

26. Because Speer was not licensed in Pennsylvania, he had to engage local counsel to assist with filing complaints and obtaining *pro hac vice* status.

27. To that end, Speer joined up with Ciarimboli, Boylan, and their law firm F & C.

28. As part of their business campaign, in February 2012, Speer and Ciarimboli gave a presentation at a “Gas Drilling Awareness Coalition” meeting in Dallas, Pennsylvania, looking to sign up clients for nuisance actions against the natural gas industry.

29. F & C also advertised on social media on May 30, 2012, touting one of Speer’s eleven million dollar pig farm verdicts, and claiming that they were teaming up with Speer

to use a “similar tactic” against the natural gas industry. *See* Ex. B, Screenshot of Social Media post.

30. By advertising in this manner, the Lawyer Defendants were soliciting Pennsylvania landowners to commence litigation against natural gas operators by inferring that they would secure similar multi-million dollar verdicts for those landowners by using Speer’s pig farm litigation tactics.

31. These solicitation activities resulted in numerous cases being filed by Speer Law and F & C in Pennsylvania from 2013 through 2016. *See, e.g.,* *Bezjak v. Chevron Appalachia LLC*, Docket No. GD-13-011271, Allegheny County Court of Common Pleas (06/13/2013); *Lengauer v. Atlas Resources LLC*, Docket No. GD-13-016920, Allegheny County Court of Common Pleas (09/16/2013); *Borello v. CNX Gas Co. LLC*, Docket No. GD-13-018480, Allegheny County Court of Common Pleas (10/01/2013); *Chaffee v. Talisman Energy USA Inc.*, Docket No. GD-13-019642, Allegheny County Court of Common Pleas (10/16/2013); *Russell v. Chesapeake Appalachia*, Docket No. 2013-CV-11291-CV, Dauphin County Court of Common Pleas (12/27/2013); *Russell v. Chesapeake Appalachia, L.L.C.*, Docket No. 4:14-CV-00148, U.S. District Court, M.D. Pa. (1/28/2014); *Lauff v. Carter*, Docket No. GD-14-018458, Allegheny County Court of Common Pleas (10/07/2014); *Chaffee v. Central New York Oil and Gas Company LLC*, Docket No. GD-14-020318, Allegheny County Court of Common Pleas (11/5/2014); *Baumgardner v. Aurilio*, Docket No. GD-15-004224, Allegheny County Court of Common Pleas (3/19/2015); *Estate of Terry Greenwood v. CNX Gas Co.*, Docket No. GD-15-023255, Allegheny County Court of Common Pleas (12/30/2015); and *Keller-Smith v. Rice Drilling B LLC*, Washington County Court of Common Pleas, 2016-297 (1/14/2016).



32. In their rush to commence litigation against the natural gas industry, Speer and Ciarimboli obtained another client, Kemble.

33. The Lawyer Defendants agreed to represent Kemble and commence litigation against Cabot and GDS despite knowing that Kemble had sued Cabot and GDS in 2009 and settled all claims in 2012.

#### **A. Kemble's Prior Litigation**

##### **1. The 2010 Complaint**

34. In 2009, Kemble, along with other Dimock, Pennsylvania residents, commenced a suit against Cabot and GDS captioned *Fiorentino v. Cabot Oil & Gas Corporation*, 3:09-cv-02284 (M.D. Pa.) (the "First Litigation").

35. The original complaint was amended in May of 2010 ("2010 Complaint") and included, among others, claims for negligence and nuisance in connection with the alleged contamination of Kemble's water supply and destruction of his property, all of which Cabot and GDS denied. *See*, Ex. C, 2010 Complaint.

36. In the 2010 Complaint, Kemble alleged that he used his groundwater for drinking, bathing, cooking, washing, and other daily residential and business uses. Ex. C, 2010 Complaint ¶ 44.

37. Kemble based his claims of negligence and private nuisance on allegations that Cabot's and GDS's natural gas operations permanently contaminated his water supply, destroyed his property value, and interfered with the use and enjoyment of his property. Ex. C, 2010 Complaint ¶ 51 (a)-(d).

38. Kemble also made unsupported allegations that Cabot and GDS: (i) negligently caused "releases, spills, and discharges of combustible gases, hazardous chemical, and

industrial wastes;" (ii) caused "[e]levated levels of dissolved methane" to be present in his water supply; and (iii) caused "[p]ollutants and industrial and/or residential waste" to be present in the waters near his home. Ex. C, 2010 Complaint ¶¶ 45 (a), (b) and (e).

39. The 2010 Complaint referenced the Costello #1 well, along with other Cabot natural gas wells. Ex. C, 2010 Complaint, ¶ 38.

## **2. Kemble's Oil & Gas Lease with Cabot**

40. Kemble further alleged that he entered into an oil and gas lease with Cabot. Ex. C, 2010 Complaint, ¶ 115. *See also*, Ex. D, the 2006 Oil & Gas Lease between Cabot and Kemble (the "Lease").

41. Pursuant to the terms of the Lease, Kemble granted Cabot the exclusive right to conduct natural gas operations, including "drilling, and operating for and producing oil, gas, . . . laying pipelines, storing oil, building roads, tanks, power stations, telephone lines and other structures and things thereon as necessary, useful, or convenient to produce, save, take care of, treat, process, store and transport" oil and gas. Ex. D, Lease, ¶ 1.

42. The Lease, pursuant to which Kemble received royalties, permitted Cabot to drill its natural gas wells as long as those activities were conducted outside of Kemble's property and more than 200 feet from Kemble's home. Ex. D, Lease, ¶¶ 6, 18.

## **3. Kemble's 2011 Deposition Testimony Outlines the Claims and Damages Sought and Settled in the First Litigation**

43. Kemble was deposed in the First Litigation on August 23, 2011, and October 21, 2011. *See* Ex. E, Kemble's August 23, 2011, Deposition Testimony; Ex. F, Kemble's October 21, 2011, Deposition Testimony.

44. During his depositions, Kemble testified in detail about his alleged and unsupported damages: the destruction of his water supply, complete devaluation of his

property, and nuisance from dust, noise, and trucks – the same harms for which he sought to recover in his 2017 Complaint.

45. With respect to the alleged contamination and permanent destruction of his water supply, purportedly as a result of Cabot's and GDS's activities, and which Cabot and GDS disputed, Kemble testified extensively. *See*, Ex. E, 08/23/2011 Depo., at 109:9-12, 120:9-13, 190:7-192:11, 193:12-18, 198:5-15, 199:5-200:11, 203:9-21, 204:9-13, 205:4-12, 207:24-208:4, 211:15-24, 240:2-241:9, 242:8-16, 243:12-14, 249:5-19; Ex. F, 10/21/2011 Depo., at 30:22-31:1-2, 38:13-14, 41:12-21.

46. Kemble further testified to the alleged complete destruction of his property value as a result of Cabot's and GDS's activities, which Cabot and GDS denied. *See*, Ex. E, 08/23/2011 Depo., at 72:11-74:5, 109:9-12, 120:7-123:1, 126:16-127:6, 213:8-24; Ex. F, 10/21/2011 Depo., at 19:2-6, 20:5-12; 20:23-21:10.

47. Kemble testified to the alleged private nuisance and interference with the use and enjoyment of his property as a result of water contamination, property damage, truck traffic, and dust from Cabot's and GDS's activities, all of which Cabot and GDS denied. *See*, Ex. E, 08/23/2011 Depo., at 216:18-217:3; Ex. F, 10/21/2011 Depo., at 35:18-36:13.

48. Cabot and GDS denied and disputed each of Kemble's unsubstantiated and wildly-fanciful claims.

#### **B. Kemble Entered into a Settlement with Cabot and GDS**

49. Although Kemble's claims against Cabot and GDS lacked merit, Cabot and GDS entered into a confidential Settlement Agreement and Release with Kemble, who was represented by counsel, on July 20, 2012 (the "Settlement"), a redacted copy of which is filed under seal. Ex. G, July 20, 2012 Settlement Agreement and Release (Redacted).

50. In exchange for a cash payment, which included “payment for all alleged damages” (Ex. G, ¶ 2), Kemble agreed, among other things:

- (a) to dismiss the 2010 Complaint with prejudice (Ex. G, Settlement ¶ 4);
- (b) to release Cabot and GDS from any and all claims existing at the time of settlement, whether known or unknown, raised in the action or not (Ex. G, Settlement ¶ 3); and
- (c) that he would not make any statement or comment to any third party, including the media, concerning: (i) Cabot or GDS; (ii) his experiences with Cabot or GDS; (iii) alleged environmental consequences of Cabot’s or GDS’s natural gas activities; or (iv) the alleged past and present condition of his water supply and property. (Ex. G, Settlement ¶ 7).

51. The parties also agreed to indemnify each other for all damages, including legal fees and costs, arising from any breach of the Settlement. Ex. G, Settlement ¶ 6(g).

52. After Kemble signed the Settlement, the parties filed a Joint Stipulation of Dismissal and Motion for Entry of Final Judgment. *See*, Ex. H, Joint Stipulation of Dismissal and Motion for Entry of Final Judgment, dated September 12, 2012, at Doc. No. 333.

53. On September 12, 2012, the federal court issued a Rule 54(b) Final Judgment dismissing Kemble’s claims with prejudice. *See*, Ex. I, Rule 54(b) Final Judgment at Doc. No. 334.

### **C. The Lawyer Defendants’ Attempt to Recycle Stale, Settled Claims**

54. Despite the fact that Kemble publicly settled his claims against Cabot and GDS in 2012, the Lawyer Defendants began their representation of Kemble and announced, in July 2013, their intent to initiate a second litigation against Cabot and GDS.

55. The Lawyer Defendants were aware that Kemble was a party to the First Litigation with Cabot and GDS.

56. Indeed, on July 30, 2013, Speer sent a letter (“2013 Speer Letter”) to Cabot’s and GDS’s Pennsylvania counsel in the First Litigation, threatening a new lawsuit based on stale, settled allegations. *See*, Ex. J, 2013 Speer Letter.

57. At the time Speer sent the 2013 Speer Letter, on which he copied lawyers from the F & C law firm, Speer was aware that Kemble had been a plaintiff in the First Litigation and that Kemble had signed the Settlement.

58. Speer began his letter by acknowledging Kemble’s history with Cabot and GDS: “We represent Ray Kemble, a gentleman with whom you are familiar.” Ex. J, 2013 Speer Letter.

59. Speer expressed his intent to initiate new litigation against Cabot and GDS “over the activities in the region of Dimock, Pennsylvania that adversely affect our client.” Ex. J, 2013 Speer Letter.

60. Speer further threatened Cabot and GDS with “sanctions” for “intentional spoliation of evidence” if Cabot and GDS did not preserve: (i) excavated soils from the Costello #1 well pad; (ii) all operational records relating to Cabot’s and GDS’s activities on the Costello #1 well pad; and (iii) “data pertaining to the shutting in of the Costello #1 well and any subsequent activities related thereto.” Ex. J, 2013 Speer Letter.

61. To the extent that the Lawyer Defendants were unaware that Kemble had settled his claims, a simple review of the First Litigation docket would have revealed the Joint Stipulation of Dismissal and Motion for Entry of Final Judgment, and the September 12, 2012 Rule 54 (b) Final Judgment, which appeared at Doc. Nos. 333 and 334.

**D. The Defendants Filed the 2017 Complaint for an Improper Purpose and in Violation of the Settlement and Statute of Limitations**

62. Just shy of four years after Speer sent the 2013 Speer Letter, Defendants filed the 2017 Complaint, captioned *Kemble v. Cabot Oil & Gas*, 3:17-cv-00665-MEM (M.D. Pa. April 13, 2017), for an improper purpose and in violation of the Settlement. Ex. A, 2017 Complaint.

63. Speer obtained *pro hac vice* status on April 24, 2017. *See*, Ex. K, Court Order at Doc. No. 11.

64. Defendants filed the 2017 Complaint despite knowing that: (i) Kemble was a plaintiff in the First Litigation; (ii) Kemble had signed the Settlement, which barred the allegations in the 2017 Complaint; and (iii) the statute of limitations barred the allegations in the 2017 Complaint.

65. As an initial matter, the 2017 Complaint was defective on its face.

66. Although filed in federal court, the 2017 Complaint did not contain a federal question and affirmatively alleged the non-existence of diversity jurisdiction.

67. More specifically, the 2017 Complaint contained allegations that: (i) GDS has its principal place of business in Pennsylvania; and (ii) Kemble is a resident of Pennsylvania, thereby destroying diversity. Ex. A, 2017 Complaint, ¶¶ 3 and 9.

68. The 2017 Complaint asserted two causes of action against Cabot and GDS, negligence and nuisance, as a result of Cabot's and GDS's natural gas operations and activities, claims which were raised in the 2010 Complaint, subject to the Settlement, and time-barred. Ex. A, 2017 Complaint, pp. 13 and 19.

69. In support of Kemble's 2017 Complaint, Defendants refer to natural gas wells, including the Costello #1, that were drilled prior to the Settlement and were the subject of

the 2010 Complaint. *Compare* Ex. A, 2017 Complaint, ¶ 15 (a-t) *with* Ex. C, 2010 Complaint, ¶ 38.

70. Additionally, the allegations in the 2017 Complaint concerning the “History of Water Well Contamination” demonstrate on their face that any claims concerning water contamination are time-barred.

71. Moreover, during the First Litigation, Kemble provided deposition testimony on many of the allegations the Lawyer Defendants were attempting to resurrect in the 2017 Complaint.

72. More specifically, Defendants made the following time-barred and settled allegations in the 2017 Complaint:

(a) Soon after drilling began in 2008, Kemble “began noticing a change in his drinking water, including but not limited to discoloration and sediment build up.” Ex. A, 2017 Complaint, ¶¶ 16-17; *see also* Ex. E, 08/23/2011 Depo., at 242:8-9, 14-16; Ex. F, 10/21/2011 Depo., at 41:12-21;

(b) The Pennsylvania Department of Environmental Protection (“PADEP”) instigated a ground water investigation as a result of residents’ concerns and, as a result of the investigation, Cabot and the PADEP entered into a consent agreement in November 2009. Ex. A, 2017 Complaint, ¶¶ 18-20;

(c) The PADEP issued notices of violation to Cabot in 2008-2009 for alleged methane migration and surface releases. Ex. A, 2017 Complaint, ¶ 21 (a)-(h);

(d) Cabot and the PADEP entered into a modified consent order in 2010, wherein Kemble’s water supply was identified as allegedly having been impacted by Cabot’s operations. Ex. A, 2017 Complaint, ¶¶ 25-29;<sup>1</sup>

(e) In 2011, the United States Environmental Protection Agency (“EPA”) conducted an investigation and sampling, which included Kemble’s water supply, allegedly demonstrating that Kemble’s water contained “contaminants of potential concern that exceed health-based comparison values.” Ex. A, 2017 Complaint, ¶¶ 30-35;

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<sup>1</sup> The 2017 Complaint does not contain paragraphs numbered 22, 23, or 24.

(f) Cabot and PADEP entered into a second 2010 consent agreement that gave Cabot the right to hydraulically fracture additional wells in November 2012, which “further contaminated” Kemble’s water. Ex. A, 2017 Complaint, ¶¶ 36-38; and

(g) Kemble’s water remains unfit to use for any purpose. Ex. A, 2017 Complaint, ¶ 39; *see also* Ex. E, 08/23/2011 Depo., at 240:2-241:9, 243:12-14; and excerpts of video clips at ¶103, *infra*.

73. Not only are all of the allegations in paragraphs 16 through 29 and 39 of the 2017 Complaint time-barred on their face, those claims, which were raised in the First Litigation, were released pursuant to the Settlement.

74. The 2017 Complaint also contains a number of unsubstantiated allegations about the Costello #1 well pad, which was a subject of the 2010 Complaint:

(a) In 2008, Cabot contracted with GDS to drill the Costello #1 well, which is approximately 500 feet from Kemble’s property. Ex. A, 2017 Complaint, ¶¶ 40-42; *Compare with* Ex. C, 2010 Complaint, ¶¶ 38,43 (c), (f), (g), (k), and (p);

(b) Cabot and GDS allegedly used an open pit to store hazardous materials, which leached into the groundwater. Ex. A, 2017 Complaint, ¶¶ 43-45; *Compare with* Ex. E, 08/23/2011 Depo., at 191:19-193:11; Ex. C, 2010 Complaint, ¶ 45 (e);

(c) Shortly after the drilling of the Costello #1 well,<sup>2</sup> Kemble’s water turned brown and cloudy and became unfit for household purposes. Ex. A, 2017 Complaint, ¶ 46; *Compare with* Ex. E, 08/23/2011 Depo., at 120:9-19, 242:8-9, 14-16, 243:12-14; Ex. F, 10/21/2011 Depo., at 41:12-21; Ex. C, 2010 Complaint, ¶¶ 45 (a)-(b), 51(a); *see also* video excerpts at ¶¶ 103, 106;

(d) The Costello #1 well was determined by the PADEP in 2010 and 2013 to be defective and discharging methane into the groundwater. Ex. A, 2017 Complaint, ¶¶ 47-48; *Compare with* Ex. C, 2010 Complaint, ¶¶ 45 (a)-(c), (e);

(e) The Costello #1 well continues to contaminate Kemble’s well water and interfere with the use and enjoyment of his property, with respect to dust, noise and truck traffic. Ex. A, 2017 Complaint, ¶¶ 49-50 (a)-(f). *Compare with* Ex. E, 08/23/2011 Depo., at 216:18-217:3; Ex. F, 10/21/2011 Depo., at 35:18-36:13; Ex. C, 2010 Complaint, ¶ 51 (a)-(e).

75. Drilling commenced on the Costello # 1 well on or about July 28, 2008.

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<sup>2</sup> See, ¶ 74, *infra*.



76. There was no activity on the Costello #1 well pad after November 30, 2014.

77. All of the allegations related to the Costello #1 well pad are time-barred on their face and released by the Settlement.

78. To the extent new claims may have arisen in late 2012 or 2013, Defendants were on notice of those claims as early as July 20, 2013, when Speer advised of his intent to commence litigation and demanded that Cabot preserve evidence from the Costello #1 well pad. Ex. J, 2013 Speer Letter.

79. Based on the allegations in the 2010 Complaint and Kemble's testimony from 2011, it is clear that all of the claims in the 2017 Complaint were the subject of the First Litigation, are time-barred, and were settled and released by the Settlement.

80. Defendants filed the 2017 Complaint despite the fact that the claims were time-barred on their face and released by the Settlement.

81. The Lawyer Defendants filed the 2017 Complaint alleging, among other things, nuisance as a result of gas drilling activities, despite knowing that Kemble had signed the Lease with Cabot.

82. The Lease expressly contemplated that Cabot would drill natural gas wells in an effort to obtain gas from under Kemble's property. Ex. D, Lease, at ¶ 1.

83. The Lease, which is a non-surface use lease, contained a setback provision of 200 feet from Kemble's home. Ex. D, Lease, at ¶ 8.

84. Pursuant to the Lease, Kemble consented to Cabot's natural gas drilling activities as long as those activities were conducted outside of Kemble's property and more than 200 feet from Kemble's home. Ex. D, Lease, at ¶¶ 1, 8.

#### **E. Cabot and GDS File a Motion to Dismiss the 2017 Complaint**

85. As a result of Defendants' wrongful conduct in filing the 2017 Complaint, Cabot and GDS were harmed, including by incurring legal fees and expenses.

86. Cabot's and GDS's Pennsylvania counsel advised Speer that the 2017 Complaint was frivolous because the allegations were time-barred on their face and released pursuant to the Settlement.

87. Speer further was advised that the federal court did not have jurisdiction over the 2017 Complaint because the allegations affirmatively pled a lack of diversity.

88. Although Speer agreed to dismiss GDS, Speer stated that he was considering severing the two other non-diverse defendants, thus leaving the case active as to Cabot in federal court.

89. As a result, Cabot incurred legal costs in connection with the analysis of the complaint, preparing its answer, and preparing a motion for sanctions.

90. On June 5, 2017, because Cabot's and GDS's deadline for answering was approaching and Speer had not dismissed any of the non-diverse defendants, Cabot and GDS moved to dismiss the 2017 Complaint pursuant to Federal Rule of Civil Procedure 12(b)(1) for lack of subject matter jurisdiction. *See*, Ex. L, Motion to Dismiss 2017 Complaint Pursuant to Rule 12(b)(1).

91. In the face of inevitable defeat, Defendants filed a Motion to Dismiss All Defendants Pursuant to Federal Rule of Civil Procedure 41(a)(2) on June 7, 2017. *See*, Ex. M, Defendants' Motion to Dismiss Pursuant to Rule 41(a)(2).

92. Before filing their motion, Defendants sought to have Cabot and GDS waive their right to seek fees and costs associated with the 2017 Complaint.

93. Cabot and GDS refused.

94. The federal court granted Defendants' Motion on June 9, 2017. *See*, Ex. N, Court Order Granting Defendants' Motion to Dismiss Pursuant to Rule 41(a)(2).

95. Defendants have not refiled the 2017 Complaint in state court.

#### **F. Kemble's Conduct in Violation of the Settlement**

##### **1. Kemble's False and Unsubstantiated Statements to Third Parties, Including Media**

96. Immediately after he signed the Settlement, Kemble began a widespread campaign of disparaging Cabot and GDS by making false, unsubstantiated statements to third parties, including the media, about his water supply and property. *See*, ¶¶ 98-106, *infra*.

97. In the Settlement, and in exchange for compensation, Kemble agreed, among other things, to not disparage Cabot or GDS or make statements to any third parties concerning: (i) Cabot or GDS; (ii) his experience with Cabot and GDS; or (iii) the past or present condition of his water or property. Ex. G, Settlement ¶ 7.

98. By way of example only, on September 13, 2012, the day after the federal court entered the Rule 54(b) Final Judgment, Kemble appeared in a video where he addressed a "French and Quebec Delegation," arranged by the anti-natural gas drilling activist group Gas Drilling Awareness Coalition (the same group that provided a forum for Speer and Ciarimboli to sign up clients in 2012).

99. In the Gas Drilling Awareness Coalition video, Kemble holds up gallon jugs of discolored liquid claiming that the water came from his well, which Cabot and GDS dispute.

100. In violation of the Settlement, Kemble made unsupported and unsubstantiated claims that his water was fine before drilling but "after they drilled and fracked, there are 27 chemicals now in my water." *See*, Ex. V1, Ray Kemble French and Quebec Delegation, Health

Impacts of Natural Gas Development, September 13, 2012, at 1:01, <https://www.youtube.com/watch?v=PlOjuzgzjCc>.<sup>3</sup>

101. In violation of the Settlement, Kemble continued his diatribe of unsubstantiated claims to third parties, including the media, about Cabot's and GDS's activities from 2008 through 2011, and the alleged negative impacts thereof on his water supply, his property value, and his health.

102. Not only do the statements violate the terms of the Settlement, they also confirm that any alleged negative impacts on Kemble's water supply, his property value, and his health occurred well before the Settlement in 2012.

103. The following is a sample of the false, misleading, and unsubstantiated statements Kemble made about the alleged past or present condition of his water quality all in violation of the Settlement, and all of which Cabot and GDS deny:

(a) "After the drilling and the fracking, the water went bad... I didn't have anything wrong with the water prior to the drilling and fracking, and now I have a problem with the water. Gee, the gas industry did it." (Ex. V2, "Ray Kemble Interviewed by itv - TV from United Kingdom, September 11, 2013, at 37:41, <https://www.youtube.com/watch?v=Lt9chp9nuWY>);

(b) "After the fracking, the well got as contaminated as you can imagine." (Ex. V2 at 20:52);

(c) The water went bad "during the later part of '09, early part of 2010. First it was the bubbles ... it was gas ... everyone started complaining at the same time." (Ex. V2 at 24:43);

(d) After the last set of fracking Cabot did around Thanksgiving 2012, "the water was coming out a brownish color then immediately went black and foamy." (Ex. V2 at 27:25);

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<sup>3</sup> The videos will be served on the Defendants and will be available for the Court at the Court's request.

(e) “Depending on the day [his water] would come out green another day it would come out brown. It all depends on what [Cabot and GDS] were doing in the area at the time.” (Ex. V2, at 27:10);

(f) Craig Stevens made a “bad mistake one day” and “he smelled the water.” “He started losing his eyesight and everything else by smelling it.” (Ex. V2 at 8:49);

(g) The PADEP’s test results showed “over 27 different chemicals in the water: uranium, thorium, strontium, silica, magnesium, barium, arsenic, you know the list just goes on. And there’s stuff in there they won’t tell you what it is. That’s their secret that their putting in, so you don’t know what it is.” (Ex. V2 at 26:24);

(h) The water changed colors: It “was cloudy, then it started getting darker, and darker, and darker. Depending on the day, it could come out green, it could come out brown .... The water was coming out a brownish color and immediately went black and foamy.” (Ex. V2 at 26:50);

(i) “That’s all the heavy metals ... very nasty ... the arsenic level is three times over the legal limit.” (Ex. V2 at 35:40);

(j) The people who tested his water came dressed in “full hazmat gear.” (Ex. V2 at 9:23);

(k) Kemble will not hunt near Dimock because: “You look at the deer, their eyes are glassy ... they are hanging around up on the drill pads licking up the frack water.” (Ex. V2 at 41:35);

(l) His water would “shrink human skin” upon contact. (Ex. V2 at 9:40);

(m) While mentioning Cabot and showing purported PADEP test results, Kemble made wild claims that his water contained “weapons grade uranium” as a result of hydraulic fracturing. (Ex. V3, “Ray Talks About His Water and Uranium in Dimock, Pa.” taped May 12, 2013, published May 24, 2013, at 0:40, <https://www.youtube.com/watch?v=JZFcV1diWfk>);

(n) “My water is no good. We figured out if you drink my water you’d be dead in about 8 hours.” (Ex. V3 at 15:17);

(o) “Five gallons of my water would literally shut the sewage treatment plant down .... The chemicals that are in there would totally destroy the plant ... it would be like dumping raw sewage right into the river.” (Ex. V3 at 15:20);

(p) “You drink eight ounces of that water right now, just let me know where you want the body bag delivered to. Because you’re gonna be in a body bag after you drink that water.” (Ex. V4, “From the Frontlines, Dimock Water Contamination w/

Ray Kemble, Craig Stevens and Brett Jennings," published May 18, 2013, at 1:04, [https://www.youtube.com/watch?v=tHC8Pyy\\_GsA](https://www.youtube.com/watch?v=tHC8Pyy_GsA));

(q) Kemble told Brett Jennings that Kemble's water was so contaminated that "[i]f I took five gallons of that damn water [Kemble's water] and dumped it in your sewage plant, you'd be shut down." (Ex. V4, at 0:27);

(r) While showing a copy of Cabot's pre-drill testing, Kemble states "I have lab results showing what the water was prior to [Cabot's and GDS's activities] and there it is right there, there is nothing in this water. And now it's so damn contaminated, I can shut a treatment plant down in ten minutes. Now who the hell you goddamn kiddin'." (Ex. V4 at 3:38);

(s) While showing a jug of brown liquid, labeled with the date December 1, 2012, Kemble states that it is his well water and it is now undrinkable. Kemble states that it became contaminated the "later part of '09 early part of 10" as a result of gas drilling and fracking. (Ex. V5, Ray Kemble: Catskill Mountainkeeper Barnfest, Woodstock, NY 6-22-2013, at 0:26, <https://www.youtube.com/watch?v=qsSwBxMLmdE>);

(t) "Uh, Thanksgiving time, they let them come in to frack seven wells that weren't fracked, they lifted the moratorium to frack just these seven wells that weren't done, and they fracked three, and my water immediately turned again. And now it's so toxic you can't even you can't even you cannot be near it while they are doin' it. Alright?" (Ex. V6, "Petition for the EPA to finish water testing in Dimock Frack Fracking," published Aug. 12, 2013, at 0:25, <https://www.youtube.com/watch?v=yMYiiOFULfk>);

(u) "They run it outside, ten feet outside they're running it, and the smell is so bad, it burns the back of your nose, your throat, you'll actually start to vomit, and get deathly ill, just from smelling it." (Ex. V6, at 0:46);

(v) (Kemble holding a milk jug half-full with brown liquid.) "Well, this the water out of the well back in December. Now it's ten times worse 'cuz DEP and the Pennsylvania decide uh to lift the moratorium in Dimock and allow them to come in and frack seven wells that weren't fracked prior to the moratorium. They only fracked three wells and now the water is ten times worse than what it was. Uh, we called DEP and EPA and nobody wanted to come up and test the water or anything else again after the change over. Uh, we've had Duke University, Villanova University, Rochester's been there, Cornell's been there. Uh we just had Columbia with the PA uhhh Hospital for Health and they all say this is the worst well contamination they've ever seen in the years of testing of well water. (test results being shown on video - replaces video of Kemble holding the jug) There's four grades of uranium, thorium, there's three grades of thorium, strontium, silica, barium, arsenic, and half the stuff I can't even pronounce 'cuz it's, yeah, I just can't pronounce it. Uh, then the EPA, when they did come in, with their testing and they said the water was good to drink, the

water was coming out like this, smelling, and, uh, I turned and said 'well, fine,' and we poured 'em glasses of water and they refused to drink our water. And like 'why, he said the water's good to drink' and they said 'well, you've got too much bacteria and other things in your water, we're not drinking it.' 'You sat there and said it was good for me to drink.' But they refused to drink it. So they left. And they did with every house they went to in Dimock; they refused to drink the water and turned around and told everybody the water's good to drink. And I'm only talkin' about the section of Dimock where we are – Carter Road and down on the blacktop road down there, yeah. I'm not talkin' about the whole town, I'm just talking about our section where it got contaminated." (Ex. V6 at 4:06);

(w) (Kemble holding pieces of paper) "This is a pretest from Cabot Gas and Oil that pretested my water well prior to drilling or fracking 'cuz they were within 500 feet of my home, on my neighbor's property, not mine. So they had to do a pretest. This is the actual lab results . . . Showing no methane. Right down to the chain of custody that you have to have for a legal court case. After that was done, they started drilling and fracking in '08. All our neighbors and all of us saw drastic changes in the water. Turning colors. Smells. So we all started calling DEP, which took months of numerous people screaming that the water's been changing due to gas drilling and fracking in the area. (Kemble holding another set of papers) This is the test results from our state DEP, showing over 27 chemicals in the water in our wells on the 19 original houses in Dimock, Pennsylvania. I love starting on the back 'cuz it's so interesting on the back reading uranium 238, uranium 235 and 236, uranium 234, three grades of thorium, strontium, manganese. The list just goes on and on, right down to arsenic." (Ex. V7, "STFA's 'Cautionary Tales from Fracked Communities' Maryland stop," published February 9, 2014, at 5:00, <https://www.youtube.com/watch?v=Xhk6Hc5ZhPY>);

(x) (Kemble holding another set of papers) "EPA came in, first round of March 13, of '12 and gave this report after they tested the water out of nineteen homes. I looked at it real quick. Now you gotta remember, this is our federal EPA. I open it up and I have a spreadsheet. I said my five year old grandson could make that. Where are the test results? Oh, we're goin' to come back and explain it to you. Okay. Well they did. (Kemble holding another set of papers) They came back on March 20<sup>th</sup> with this one. This one's right (the second set) this one's wrong (the first set). I want this one back (the first set), here's the right one (the second one). Thank you very much. Well, we have to have the other one back. Goodbye, get off my property. So they changed the levels to bring it, to make it look right. ... the day after telling me my water was contaminated." (Ex. V7, at 7:01);

(y) (Kemble references consent agreements and mentions Cabot by name) "I still have no water." (Ex. V7 at 8:37);

(z) "Right now, comin' out of my water well, ok, you've got uranium 238, 235, 236, and uranium 234. Okay? I've even made calls to the regulatory commission, okay, for nuclear power, is why the gas lines are not bein' checked for radioactive gas

going through them. Because if we have it comin' into the water wells, it's coming into the different dehydrators on the site. Also, it's comin' off the compressor stations." (Ex. V7, at 39:10);

(aa) "After them drilling and fracking the wells down through here in Dimock, the water went bad. DEP came and got involved, and when they did testing... it's got four grades of uranium, three grades of thorium, strontium, manganese, silica, arsenic, the list just goes on... the water well's shot." (Ex. V8, "Ray Kemble Fundraiser," published August 29, 2014, at 0:30, <https://www.youtube.com/watch?v=kKhmkD39dQ>);

(bb) "Back in 2008, the industry came into Dimock, Pennsylvania and started doing their gas drilling and fracking, and that's when the water well went bad at my house. ... My property got contaminated, my water got contaminated, I got tired of everybody lying to me. (Ex. V9, "Ray Kemble talking to the Watershed Sentinel about Fracking," published Feb. 12, 2016, at 0:22, <https://www.youtube.com/watch?v=1xpP0pmwZCw>);

(cc) "We never had a problem before until Cabot came in across the street and drilled that well across from my house and they got done fracking it and my well went bad, right after they got done fracking it." (Ex. V10, "Residents of Pennsylvania's top natural gas-producing town will soon know what may be lurking in the," published July 30, 2015, at 1:30, <https://www.youtube.com/watch?v=ShDo6nQKqA4>).

104. Kemble also continued the unsubstantiated mantra that his property value was completely destroyed:

(a) "Five years ago, six years ago" appraisers valued his house at "\$400,000" but now it is worth nothing. (Ex. V2, at 32:11);

(b) "They won't even transfer the deed in town because it is contaminated property." "I can't sell the house. It's contaminated. It's contaminated property." "Basically I am stuck here, I have a mortgage. It's so bad the bank won't even foreclose on it because they don't want it. Because if they take it on a foreclosure, then they are responsible for the contamination. So they are like it's better off just letting you deal with it." (Ex. V2, 32:39; 44:46); and

(c) "The air quality is so bad, it's ridiculous. They want to put another compressor station next to my house. Right now. They just bought my neighbor's property and they want to put a compressor station there. My house is already worth zero. I can't afford any more sickness and contamination comin' through from the industry." (Ex. V7, at 39:44).



105. Kemble made numerous statements in violation of the Settlement to third parties, including the media, about the private nuisance allegedly caused by Cabot's and GDS's activities at Cabot's Costello #1 well pad, which is a primary focus of the 2017 Complaint and which Cabot and GDS deny.

106. Kemble's unsubstantiated, false statements made in violation of the Settlement, confirm that any claims arising from Cabot's Costello #1 well pad were well outside the two-year statute of limitations by 2017 and released by the Settlement:

(a) Drilling at Costello #1 well pad started in 2008. Cabot used a pit on the pad to put drilling mud, and "all the fracking crap" went right into the pit. Cabot never cleaned out the pit, threw concrete in, and covered it over. (Ex. V4 at 2:48); *see also* Ex. E, 08/23/2011 Depo., at 203:9-21;

(b) The "liner is leaking" and "the stuff is running into the groundwater," causing contamination. (Ex. V4, at 3:00); *see also* Ex. E, 08/23/2011 Depo., at 205:4-12;

(c) Chesapeake and Chief were required to use containment, but Cabot dumped "right on the ground" and PADEP "let Cabot do whatever it wants." (Ex. V4, at 6:20); *see also* Ex. E, 08/23/2011 Depo., at 205:9-13;

(d) Kemble "saw frack tanks leaking" and Cabot dumping antifreeze into frack tanks and then used that water to frack the well. The frack tanks leaked antifreeze into the ground, causing contamination. (Ex. V4, at 3:40); *see also* Ex. E, 08/23/2011 Depo., at 191:19-192:11;

(e) Venting at the Costello #1 well pad created a nuisance by fumes: "They just vented off over here [referring to the Costello #1 well pad] and they vented off at the compressor station. It was so bad, I literally got in the truck and got out of here because I could not breathe. I had to leave." (Ex. V2 at 47:10);

(f) Kemble complains in 2013 that as a result of chemical fumes near his house, he was a "prisoner inside and outside" of his home. (Ex. V2, at 47:30; 56:37);

(g) Kemble claims that as a result of exposure at the Costello #1 well pad, he has "migraine headaches," "breathing problems," and he "coughs up blood." (Ex. V5, at 3:42); and

(h) Due to remediation efforts at the Costello #1 well pad, there was "noise and clanging ... and that's not counting the truck traffic." (Ex. V4, at 6:25).

107. Kemble made all of these statements, which Cabot and GDS deny, despite the express terms of the Settlement which precluded him from making statements to any third parties regarding: (i) Cabot or GDS; or (ii) Kemble's experiences with Cabot and GDS, including any past or existing environmental consequences allegedly resulting from Cabot's and GDS's natural gas activities or any past or present physical conditions of his water or property. Ex. G, Settlement, ¶ 7.

108. In addition to violating the Settlement, Kemble's statements demonstrate that the problems about which he made allegations in the 2017 Complaint predated the Settlement or, at the latest, occurred more than two years before the 2017 Complaint was filed.

109. Kemble's unsubstantiated statements, which kept him in the media and public eye, enabled the Lawyer Defendants to use him in their subsequent attempt to extort money from Cabot and GDS by filing the meritless 2017 Complaint.

110. Accordingly, the claims in the 2017 Complaint with respect to negligence and private nuisance not only are time-barred, but were released by the Settlement.

## **2. The 2017 Complaint Violates the Settlement**

111. The Settlement contains an extremely broad release provision.

112. Pursuant to the Settlement, Kemble released all claims against Cabot and GDS that were asserted, or could have been asserted, whether known or unknown, in the First Litigation. *See*, Ex. G, Settlement, p. 1, and ¶ 3(a).

113. Kemble breached the Settlement by filing the 2017 Complaint, which is based on claims that were released by the Settlement.

**COUNT I**  
**(Against All Defendants)**  
**WRONGFUL USE OF CIVIL PROCEEDINGS 42 Pa. Cons. Stat. § 8351(a)**

114. Plaintiffs incorporate by reference the foregoing allegations of this Complaint as if fully set forth herein.

115. All Defendants took part in the procurement, initiation, or continuation of civil proceedings against Cabot and GDS by filing the 2017 Complaint in the United States District Court, Middle District of Pennsylvania. *See*, ¶¶ 6,62, *supra*.

116. By filing the 2017 Complaint, all Defendants acted in a grossly negligent manner, without probable cause, and primarily for a purpose other than securing the proper discovery or adjudication of claims set forth in the 2017 Complaint.

117. Defendants acted in a grossly negligent manner by bringing the 2017 Complaint because they acted with want of even scant care and failed to exercise even that care which a careless person would use.

118. Defendants knew about the First Litigation and the allegations contained therein.

119. Defendants knew Kemble settled the First Litigation and dismissed his claims against Cabot and GDS with prejudice.

120. Defendants knew that the claims brought in the 2017 Complaint were duplicative of the claims in the First Litigation, which were settled and dismissed, with prejudice.

121. The Lawyer Defendants further acted with want of even scant care by filing the 2017 Complaint because it was clear that the two tort claims, the only claims in the 2017 Complaint, were barred by the two-year statute of limitations.

122. It was clear on the face of the 2017 Complaint that the claims were outside the two-year statute of limitations. *See*, ¶¶ 70, 77-80, *supra*.

123. The Lawyer Defendants knew that the actions underlying the tort claims in the 2017 Complaint occurred, at the latest, in 2013, when Speer sent his letter to Cabot's Pennsylvania counsel, copying F & C, threatening a new lawsuit. *See*, ¶¶ 56-60, *supra*.

124. Kemble had been making myriad public comments about the alleged harm forming the basis of the 2017 Complaint well before April 2015, outside the two-year statute of limitations. *See*, ¶¶ 98-106, 108, 110, *supra*.

125. All drilling and/or remediation activity by Cabot or GDS at Costello #1 ceased by November 30, 2014. *See*, ¶ 76, *supra*.

126. Thus, at the time that the Lawyer Defendants filed the 2017 Complaint, it was clear to them, or at minimum it would have been clear to them had they exercised even scant care, that Kemble's claims were well outside the two-year statute of limitations.

127. Furthermore, Kemble's Lease, of which all Defendants knew, allowed Cabot to engage in the natural gas well drilling activities that formed the basis of the nuisance claim as long as those activities were not on Kemble's property or within 200 feet of Kemble's residence. *See*, ¶¶ 40-42, 82-84, *supra*.

128. The Costello #1 well pad was not on Kemble's property or within 200 feet of his residence.

129. Thus, to the extent any drilling-related activity occurred after April 2015, which it did not, Kemble consented to the very activity he claimed was a nuisance – *e.g.*, noise, dust, lights, and truck traffic. *See*, ¶¶ 74(e), 76, 80-84, *supra*.

130. The Attorney Defendants further acted without even scant care by filing the 2017 Complaint in a court that clearly, on the face of the complaint, lacked jurisdiction. *See*, ¶ 66-67, *supra*.

131. Defendants brought the 2017 Complaint without probable cause.

132. As the claims underlying the 2017 Complaint duplicated those asserted by Kemble in the First Litigation, which claims were released and dismissed with prejudice, and as those claims were based on actions occurring outside the relevant statute of limitations, Defendants did not reasonably believe that the claims, as pleaded, were valid under existing or developing law.

133. Defendants did not file the 2017 Complaint because they believed that Kemble had new, actionable claims.

134. Kemble filed the 2017 Complaint in bad faith violation of his Settlement Agreement.

135. By bringing the 2017 Complaint and re-asserting the same claims he settled, Kemble continued to act for improper purposes – to maliciously harass Cabot and GDS, to keep himself in the public spotlight, and to extort Cabot and GDS.

136. The Lawyer Defendants did not believe that the claims in the 2017 Complaint were valid because the claims clearly were barred by Kemble's Settlement, about which they knew (*see* ¶¶ 55, 57, 64, *supra*), but which they omitted from the 2017 Complaint in an attempt to avoid an early, but inevitable, dismissal of the case. *See*, ¶ 91, *supra*.

137. The Lawyer Defendants did not believe that the claims in the 2017 Complaint were valid because the nuisance and negligence claims, based on express allegations in the 2017 Complaint, were barred by the two-year statute of limitations.

138. The Lawyer Defendants did not believe that the claims in the 2017 Complaint were valid because the actions underlying the nuisance and negligence claims accrued prior to the 2013 Speer Letter– almost four years prior to the date the 2017 Complaint was filed.

139. Even if new claims arose in 2013, which they did not, the Lawyer Defendants waited four years to file suit. *See*, ¶ 62, *supra*.

140. Thus it was apparent to the Lawyer Defendants that the 2017 Complaint was time-barred.

141. Defendants acted primarily for a purpose other than securing the proper discovery or adjudication of claims in the 2017 Complaint.

142. Despite knowing that Kemble had no legitimate and viable claims against Cabot and GDS, *see, e.g.*, ¶¶ 64, 68, *supra*, and knowing there was no real chance of success, Defendants filed the 2017 Complaint for the purpose of harassing Cabot and GDS, drawing media/public attention to themselves, poisoning the community and jury pool against Cabot and GDS, and extorting money from Cabot and GDS by forcing them to pay a sum of money in order to avoid the financial and other burdens, including negative publicity, that defending the suit would put upon them.

143. Defendants' conduct was willful, malicious, and grossly negligent.

144. Additionally, as part of their joint strategy to increase their oil and gas nuisance litigation practice in Pennsylvania, the Lawyer Defendants brought this suit to harass Cabot and GDS, to use the litigation and negative publicity surrounding it to extract a nuisance value settlement from Cabot and GDS, to garner publicity for themselves to attract more business, and to profit from such oil and gas nuisance litigation cases, even though

Kemble's claims already had been settled and released and were barred by the statute of limitations.

145. The 2017 litigation terminated favorably to Cabot and GDS because Defendants dismissed their frivolous claims in the face of their imminent and inevitable defeat on Cabot's and GDS' motion. *See*, ¶¶ 90-95, *supra*.

146. Defendants have not attempted to refile Kemble's claims in state court because they know that Kemble's claims are invalid and were made in bad-faith, that Cabot and GDS will not settle with them but would prevail, and that if they were to file suit again they would expose themselves to the additional risk of sanctions.

147. Thus, Defendants are liable to Plaintiffs for wrongful use of civil proceedings under 42 Pa. Cons. Stat. § 8351(a).

**COUNT II**  
**(Against Kemble)**  
**BREACH OF CONTRACT**

148. Plaintiffs incorporate by reference the foregoing allegations of this Complaint as if fully set forth herein.

149. After bringing the First Litigation, Kemble, while represented by counsel, entered into the Settlement in July 2012, which released all claims against Cabot and GDS. *See*, ¶¶ 49-50, *supra*.

150. A Rule 54(b) Final Judgment was entered, dismissing the First Litigation as to Kemble, with prejudice on September 12, 2012. *See*, ¶53, *supra*.

151. Pursuant to the terms of the Settlement, Kemble further agreed to indemnify Defendants for any costs, including legal fees, arising from a breach of the Settlement. *See*, ¶ 51, *supra*.

152. Kemble filed the 2017 Complaint in breach of the Settlement, asserting claims that he released and were dismissed with prejudice.

153. As a result, Cabot and GDS suffered damages, including legal fees and costs incurred in response to the 2017 Complaint.

**COUNT III**  
**(Against The Lawyer Defendants)**  
**TORTIOUS INTERFERENCE WITH CONTRACT**

154. Cabot and GDS incorporate by reference the foregoing allegations of this Complaint as if fully set forth herein.

155. Kemble signed the Settlement in July 2012, in which he agreed to release all claims against Cabot and GDS and dismiss his 2010 Complaint with prejudice. *See*, ¶¶ 49-50, *supra*.

156. The Lawyer Defendants intentionally and improperly interfered with Kemble's performance of the Settlement by inducing or otherwise causing him to file the 2017 Complaint in breach of the Settlement.

157. Kemble breached the Settlement when the Lawyer Defendants filed the 2017 Complaint, which consists of claims that Kemble released pursuant to the Settlement.

158. The Lawyer Defendants were aware of the Settlement when they filed the 2017 Complaint on Kemble's behalf. *See*, ¶¶ 55-58, *supra*

159. The Lawyer Defendants did not act in good faith to protect a legally recognized interest.

160. The Lawyer Defendants intended to harm Cabot and GDS by inducing or otherwise causing Kemble to assert claims against Cabot and GDS in breach of the Settlement.



161. The Lawyer Defendants knowingly, willfully, and maliciously filed the 2017 Complaint, which contained claims that had been settled, dismissed with prejudice, and were barred by the statute of limitations, for the purpose of harassing and harming Cabot and GDS, damaging Cabot's and GDS's reputation, and extorting money from Cabot and GDS.

162. The Lawyer Defendants' intentional interference with the Settlement between and among Kemble, Cabot, and GDS, was not privileged or justified.

163. By inducing Kemble to file the 2017 Complaint the Lawyer Defendants acted maliciously, willfully, oppressively, and exhibited reckless indifference to the rights of Cabot and GDS.

164. Cabot and GDS suffered actual damages, including legal fees and costs incurred in response to the 2017 Complaint, as a result of the Lawyer Defendants' tortious interference with the Settlement.

165. Cabot and GDS are entitled to punitive damages as a result of the Lawyer Defendants' willful, malicious, and reckless conduct.

**COUNT IV**  
**(Against Kemble)**  
**BREACH OF CONTRACT (NON-DISPARAGEMENT)**

166. Plaintiffs incorporate by reference the foregoing allegations of this Complaint as if fully set forth herein.

167. Pursuant to the Settlement, Kemble agreed that he would not disparage Cabot or GDS. *See*, Ex.G, Settlement at ¶ 7.

168. Pursuant to the Settlement, Kemble also agreed that he would not make any statements or comments to any third party regarding Cabot or GDS or his experiences with

Cabot or GDS, including, without limitation, any alleged past or existing environmental consequences allegedly resulting from Cabot and GDS's natural gas drilling activities, including, but not limited to, any statements concerning the past or present physical condition of his property or water. *See*, Ex. G, Settlement at ¶ 7.

169. In breach of the Settlement, Kemble repeatedly disparaged Cabot and GDS by making statements to third parties, including the media, concerning: (i) Cabot or GDS; (ii) his experiences with Cabot or GDS; (iii) alleged environmental consequences resulting from Cabot's or GDS's activities; and (iv) the alleged past and present condition of his water supply and his property. *See*, ¶¶ 96-107, *supra*.

170. Kemble agreed to indemnify Cabot and GDS for any costs, including legal fees, arising from breach of the Settlement. *See*, ¶ Ex. G, Settlement at ¶ 6(g).

171. As a result of Kemble's breach of the Settlement, Cabot and GDS have suffered damages.

**COUNT V**  
**(Against Kemble)**  
**PERMANENT INJUNCTION**

172. Plaintiffs incorporate by reference the foregoing allegations of this Complaint as if fully set forth herein.

173. Pursuant to the terms of the Settlement, Kemble agreed not to disparage Cabot or GDS. *See*, Ex. G, Settlement ¶ 7

174. Specifically, as part of the consideration for the Settlement, Kemble agreed that he would not make any statement or comment to any third party regarding Cabot or GDS or his experience with Cabot or GDS, including without limitation: (i) comments about any past or existing environmental consequences allegedly resulting from Cabot's or GDS's

activities; and (ii) any comment about the past or present condition of his water quality or property. Ex. G, Settlement ¶ 7, *See also* ¶ 50, *supra*.

175. Kemble further agreed in the Settlement that a breach of the non-disparagement provision “shall constitute irreparable harm to the other party and that such party will have no adequate remedy available at law.” Ex. G, Settlement ¶ 7.

176. Cabot and GDS have a clear right to relief because Kemble has breached and continues to breach the Settlement by: (i) disparaging Cabot and GDS publicly; (ii) making statements to third parties about his experiences with Cabot and GDS; (iii) making statements about alleged environmental consequences of Cabot’s and GDS’s natural gas activities; and (iv) making statements about the alleged past and present condition of his water supply and property. *See*, ¶¶ 96-107, *supra*.

177. Cabot and GDS have been harmed by Kemble’s actions.

178. An injunction is necessary to avoid further injury to Cabot and GDS that cannot be compensated adequately by damages.

179. Greater injury to Cabot and GDS will result from refusing the injunction.

180. If an injunction is refused, Kemble will continue to violate the non-disparagement provision of the Settlement, continuing the harm to Cabot and GDS.

181. Kemble will not be injured by an order directing him to comply with the terms of the Settlement that he willingly signed, while represented, and pursuant to which he accepted compensation.

182. Accordingly, Cabot and GDS are entitled to a permanent injunction restraining Kemble from violating the provisions of paragraph 7 of the Settlement, including, but not limited to: (i) disparaging Cabot or GDS publicly; (ii) making statements to third parties

about his experiences with Cabot or GDS; (iii) making statements about alleged environmental consequences of Cabot's or GDS's natural gas activities; and (iv) making statements about the alleged past and present condition of his water supply and property.

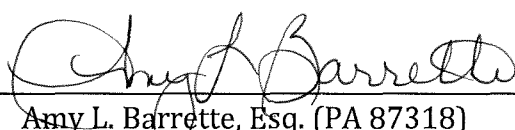
**PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs pray that the Court enter judgment in their favor and against Defendants, and award Plaintiffs:

- A. Damages in excess of \$75,000 in an amount to be proven at trial, including all costs and attorneys' fees in defending the 2017 Complaint and prosecuting this Action, and damages incurred as a result of Kemble's breaches of the Settlement's non-disparagement provision;
- B. Prejudgment interest at the maximum rate allowed by law;
- C. Punitive damages totaling \$5,000,000.00;
- D. An injunction prohibiting Kemble from further breaches of the non-disparagement provision of the Settlement; and
- E. Such other relief in law or equity as Court may deem just and appropriate in the circumstances.

Respectfully submitted,

Date: August 7, 2017

By:   
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Corporation*

**VERIFICATION**

I, George Stark, verify and say, subject to the penalties of 18 Pa. C.S.A. § 4904 relating to unsworn falsification to authorities, that the facts set forth in the foregoing Complaint are true and correct to the best of my knowledge, information and belief.

Date: August 4, 2017

By: \_\_\_\_\_

Title: Director, External Affairs