RANGE RESOURCES CORP
Form 424B5
February 27, 2012
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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	Maximum Aggregate Offering Price	Amount of Registration Fee
5% Senior Subordinated Notes due 2022	$600,000,000	$68,760

(1) The filing fee of $68,760 is calculated in accordance with Rule 457(r) of the Securities Act of 1933.

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Filed Pursuant to Rule 424(b)(5)
Registration No. 333-179663

PROSPECTUS SUPPLEMENT

(To prospectus dated February 24, 2012)

$600,000,000

Range Resources Corporation

5% Senior Subordinated Notes due 2022

Interest payable February 15 and August 15

We are offering $600,000,000 aggregate principal amount of our 5% Senior Subordinated Notes due 2022. The notes will mature on August 15, 2022. Interest will accrue from March 9, 2012, and the first interest payment date will be August 15, 2012.

We may redeem some or all of the notes at any time on or after February 15, 2017 at the redemption prices specified herein. Prior to February 15, 2015, we may also redeem up to 35% of the notes using all or a portion of the net proceeds of certain public sales of equity interests of our company. We may also redeem the notes prior to February 15, 2017 upon payment of the make-whole premium specified herein. Upon the occurrence of certain changes in control, we must offer to repurchase the notes.

The notes will be unsecured, and will be subordinated to all our existing and future senior debt, rank equally with all our existing and future senior subordinated debt and rank senior to all our existing and future subordinated debt. The notes will be guaranteed on a senior subordinated basis by certain of our subsidiaries.

Investing in the notes involves risks that are described in the Risk Factors section beginning on page S-9 of this prospectus supplement.

	Per Note	Total

Public offering price (1)	100.000%	$600,000,000
Underwriting discount	1.750%	$ 10,500,000
Proceeds, before expenses, to us (1)	98.250%	$589,500,000

(1) Plus accrued interest from March 9, 2012, if settlement occurs after that date

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We expect that delivery of the notes will be made to investors in book-entry form through The Depository Trust Company on March 9, 2012, the tenth trading day after the date of this prospectus supplement.

Joint book-running managers

BofA Merrill Lynch

J.P. Morgan

Wells Fargo Securities

Barclays Capital

Deutsche Bank Securities

Co-managers

Credit Suisse	**RBC Capital Markets**	**Credit Agricole CIB**	**Citigroup**
BMO Capital Markets	**SunTrust Robinson Humphrey**	**UBS Investment Bank**	**BNP PARIBAS**
BOSC, Inc.	**Capital One Southcoast**	**Comerica Securities**	**KeyBanc Capital Markets**
Lloyds Securities	**Mitsubishi UFJ Securities**	**Natixis**	**Scotiabank**
SOCIETE GENERALE			**US Bancorp**

The date of this prospectus supplement is February 24, 2012

We expect delivery of the notes will be made against payment therefor on or about March 9, 2012, which is the tenth business day following the date of pricing of the notes (such settlement being referred to a T+10). You should note that trading in the notes on the date of pricing and the succeeding seven business days may be affected by the T+10 settlement. See Underwriting beginning on page S-36 of this prospectus supplement.

We have not, and the underwriters have not, authorized any person to provide you with any information other than the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We take no responsibility for, and can provide no assurance as to the reliability of, any information that others may give you.

We are not, and the underwriters are not, making an offer to sell the notes in any jurisdiction where the offer or sale is not permitted.

You should assume that the information appearing in this prospectus supplement and the accompanying prospectus is accurate only as of the respective dates on the front cover of these documents or earlier dates specified herein or therein and that the information incorporated herein by reference is accurate only as of its date. Our business, financial condition, results of operations and prospects may have changed since those dates. It is important that you read and consider all of the information in this prospectus supplement on the one hand, and the information contained in the accompanying prospectus and any document incorporated by reference, on the other hand, in making your investment decision.

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Prospectus Supplement

Prospectus

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FORWARD-LOOKING STATEMENTS

This prospectus supplement and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements include statements relating to our plans, strategies, objectives, expectations, intentions and adequacy of resources and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. In general, all statements other than statements of historical fact are forward-looking statements. These forward-looking statements are based on management s current belief, based on currently available information, as to the outcome and timing of future events. However, management s assumptions and our future performance are subject to a wide range of business risks and uncertainties and we cannot assure you that these goals and projections can or will be met. Any number of factors could cause actual results to differ materially from those in the forward-looking statements, including, but not limited to:

- production variance from expectations;
- volatility of natural gas, natural gas liquids and oil prices;
- hedging results;
- the need to develop and replace reserves;
- the substantial capital expenditures required to fund operations;
- exploration risks;
- environmental risks;
- uncertainties about estimates of reserves;
- competition;
- litigation;
- access to capital;
- government regulation;
- political risks;

our ability to implement our business strategy;

costs and results of drilling new projects;

mechanical and other inherent risks associated with natural gas and oil production;

weather;

availability of drilling equipment;

changes of interest rates; and

other risks detailed in our filings with the Securities and Exchange Commission (the SEC).

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Reserve engineering is a process of estimating underground accumulations of natural gas and oil that cannot be measured in an exact way. The accuracy of any reserve estimate depends on the quality of available data, the interpretation of such data and price and cost assumptions made by our reserve engineers. In addition, the results of drilling, testing and production activities may justify revisions of estimates that were made previously. If significant, such revisions would change the schedule of any further production and development drilling. Accordingly, reserve estimates may differ from the quantities of natural gas, natural gas liquids and oil that are ultimately recovered.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, events, levels of activity, performance or achievements. We do not assume responsibility for the accuracy and completeness of the forward-looking statements.

Should one or more of the risks or uncertainties described in this prospectus supplement, the accompanying prospectus or the documents we incorporate by reference, or should underlying assumptions, prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

All forward-looking statements express or implied included in this prospectus supplement, the accompanying prospectus and the documents we incorporate by reference and attributable to Range Resources Corporation are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that Range or persons acting on its behalf may issue.

INFORMATION WE INCORPORATE BY REFERENCE

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. Information that we file with the SEC after we file this prospectus will automatically update and may replace information in this prospectus and information previously filed with the SEC. We do not incorporate by reference any information in any future filings deemed furnished and not filed pursuant to applicable rules.

We incorporate by reference in this prospectus the documents listed below, which we previously have filed with the SEC and any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (excluding those filings made under Item 2.02 or 7.01 of Form 8-K) after we file this prospectus until the offering of the securities terminates or we have filed with the SEC an amendment to the registration statement relating to this offering that deregisters all securities then remaining unsold:

- Annual Report on Form 10-K for the fiscal year ended December 31, 2011 filed with the SEC on February 22, 2012 as amended by the Form 10-K/A filed with the SEC on February 23, 2012; and

- Current Report on Form 8-K filed with the SEC on February 24, 2012.

You may request a copy of any of these filings (other than an exhibit to those filings unless we have specifically incorporated that exhibit by reference into the filing), at no cost, by telephoning us at the following number or writing us at the following address:

Range Resources Corporation

Attention: General Counsel

100 Throckmorton Street

Suite 1200

Fort Worth, Texas 76102

(817) 869-4254

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SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement, the accompanying prospectus or the documents incorporated by reference. It does not contain all of the information that you should consider before making an investment decision. You should read carefully the entire prospectus supplement, the accompanying prospectus, the documents incorporated by reference and the other documents to which we refer for a more complete understanding of this offering. You should read Risk Factors beginning on page S-9 of this prospectus supplement and in our Annual Report on Form 10-K for the year ended December 31, 2011 for more information about important risks that you should consider before buying the notes to be issued in connection with this offering. Unless the context requires otherwise or as otherwise indicated, Range, we, us, our or similar terms in this prospectus supplement refer to Range Resources Corporation and its subsidiarie on a consolidated basis. We include, beginning on page S-41, a glossary of some of the terms used in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference.

Business

We are a Fort Worth, Texas-based independent natural gas, natural gas liquids and oil company, engaged in the exploration, development and acquisition of natural gas and oil properties, mostly in the Appalachian and Southwestern regions of the United States. We were incorporated in 1980 under the name Lomak Petroleum, Inc. In 1998 we changed our name to Range Resources Corporation. During the past five years, we have increased our proved reserves 187% (from 1.8 Tcfe in 2006 to 5.1 Tcfe in 2011), while production has increased 110% (from 89,988 Mmcfe in 2006 to 189,077 Mmcfe in 2011). At year-end 2011, we owned 2,400,000 gross (1,800,000 net) acres of leasehold, including 290,000 acres where we also own a royalty interest. We have built a multi-year drilling inventory we estimate to contain over 8,600 proven and unproven drilling locations.

At year-end 2011, our proved reserves had the following characteristics:

- 5.1 Tcfe of proved reserves;
- 79% natural gas;
- 48% proved developed;
- 87% operated; and
- a reserve life of 22 years (based on fourth quarter 2011 production).

We maintain a significant acreage position in and are allocating the majority of our current capital spending to the promising Marcellus Shale play, located in Pennsylvania and West Virginia, given its lower operating costs. We exited the year producing approximately 410.0 Mmcfe per day in the Marcellus Shale play. We drilled 167 net wells, increasing our Marcellus Shale reserves to over 3.4 Tcfe. We continue to evaluate our Marcellus Shale leases and formulate our development plans for this area.

Our corporate offices are located at 100 Throckmorton Street, Suite 1200, Fort Worth, Texas 76102. Our telephone number is (817) 870-2601.

Business Strategy

Our objective is to build stockholder value through consistent growth in reserves and production on a cost-efficient basis. Our strategy to achieve our objective is to increase reserves and production through

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internally generated drilling projects coupled with occasional complementary acquisitions. Our strategy requires us to make significant investments in technical staff, acreage, seismic data and technology to build drilling inventory. Our strategy has the following principal elements:

Concentrate in Core Operating Areas. We currently operate in two regions: the Appalachian (which includes shale, tight gas, coal bed methane and conventional natural gas, natural gas liquids, condensate and oil production in Pennsylvania, Virginia, and West Virginia) and Southwestern (which includes the Permian Basin of West Texas and the Delaware Basin of New Mexico, the Texas Panhandle, the Ardmore Basin in Southern Oklahoma, the Nemaha Uplift in Northern Oklahoma and the Anadarko Basin of Western Oklahoma). Concentrating our drilling and producing activities in these core areas allows us to develop the regional expertise needed to interpret specific geological and operating trends and develop economies of scale. Operating in multiple core areas allows us to blend the production characteristics of each area to balance our portfolio toward our goal of consistent production and reserve growth at attractive returns.

Maintain Multi-Year Drilling Inventory. We focus on areas with multiple prospective, productive horizons and development opportunities. We use our technical expertise to build and maintain a multi-year drilling inventory. A large, multi-year inventory of drilling projects increases our ability to consistently grow production and reserves. Currently, we have over 8,600 proven and unproven drilling locations in inventory.

Focus on Cost Efficiency. We concentrate in core areas which we believe to have sizeable hydrocarbon deposits in place that will allow us to consistently increase production while controlling costs. As there is little long-term competitive sales price advantage available to a commodity producer, the costs to find, develop, and produce a commodity are important to organizational sustainability and long-term shareholder value creation. We endeavor to control costs such that our cost to find, develop and produce natural gas and oil is in the best performing quartile of our peer group.

Commitment to Environmental, Health and Safety. We implement the latest technologies and best practices to minimize potential impacts from the development of our nation s natural resources as it relates to the environment, worker health and safety, and the health and safety of the communities where we operate. Working with peer companies, regulators, nongovernmental organizations, industries not related to the natural gas industry, and other engaged stakeholders, we consistently analyze and review performance while striving for continual improvement. In July 2010, we voluntarily elected to provide, on our website, the hydraulic fracturing components for all wells operated by us and completed in the Marcellus Shale formation.

Maintain Long-Life Reserve Base. Long-life natural gas and oil reserves provide a more stable growth platform than short-life reserves. Long-life reserves reduce reinvestment risk as they lessen the amount of reinvestment capital deployed each year to replace production. Long-life natural gas and oil reserves also assist us in minimizing costs as stable production makes it easier to build and maintain operating economies of scale. We use our acquisition, divestiture, and drilling activities to assist in executing this strategy.

Maintain Flexibility. Because of the risks involved in drilling, coupled with changing commodity prices, we remain flexible and adjust our capital budget throughout the year. If certain areas generate higher than anticipated returns, we may accelerate drilling and acquisitions in those areas and decrease capital expenditures and acquisitions elsewhere. We also believe in maintaining a strong balance sheet and using commodity derivatives, which allows us to be more opportunistic in lower price environments and provides more consistent financial results.

Equity Ownership and Incentive Compensation. We want our employees to think and act like stockholders. To achieve this, we reward and encourage them through equity ownership in Range. All full-time employees receive equity grants. As of December 31, 2011, our employees owned equity securities in our benefit plans (vested and unvested) that had an aggregate market value of approximately $314.0 million.

Recent Developments

On February 21, 2012, we announced our 2011 financial results. Reported net income for 2011 was $58 million as compared to a net loss of $239 million for 2010. Net cash provided by operating activities totaled $632 million in 2011, a 23% increase over the prior year. Results were driven by a 12% increase in production, which averaged 554 Mmcfe per day including production from discontinued operations for 2011. Previously we announced proved reserves increased 14% year-over-year reaching 5.1 Tcfe.

On February 21, 2012, we announced that our 2012 capital expenditure budget is expected to be $1.6 billion. The budget includes $1.3 billion for drilling and recompletions, with approximately 70% directed toward liquids-rich and oil projects predominantly in the Marcellus Shale and horizontal Mississippian plays.

On February 14, 2012, the state legislature of Pennsylvania passed a new natural gas impact fee in Pennsylvania, where the majority of our acreage in the Marcellus Shale is located. The legislation imposes an annual fee on natural gas and oil operators for each well drilled for a period of fifteen years. The fee is on a sliding scale set by the Public Utility Commission and is based on two factors: changes in the Consumer Price Index and the average New York Mercantile Exchange s natural gas prices from the last day of each month. The estimated total fees per well based on today s current natural gas price is $240,000 over the 15 year period.

On January 26, 2012, we announced that one of our subsidiaries had signed an agreement to ship up to 20,000 barrels of ethane per day on Enterprise Products Partners L.P. s (NYSE: EPD) Appalachia-to-Texas ethane pipeline (ATEX Express). Our 20,000 barrels per day commitment gives us anchor shipper status on ATEX Express with a transportation rate of 14.5 cents per gallon. We will use our transportation arrangements on ATEX Express to deliver ethane to Mont Belvieu customers along the Gulf Coast as well as operational flow between its expected various customers at various delivery points in the future.

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The Offering

The following summary contains basic information about the notes and is not complete. For a more complete understanding of the notes, please refer to the section entitled Description of Notes in this prospectus supplement and Description of debt securities in the accompanying prospectus.

Issuer	Range Resources Corporation
Securities	$600 million aggregate principal amount of our 5% Senior Subordinated Notes due 2022
Maturity	August 15, 2022.
Interest payment dates	February 15 and August 15 of each year commencing August 15, 2012. Interest will accrue from March 9, 2012.
Optional redemption	Except as otherwise described below, the notes will not be redeemable prior to February 15, 2017. Thereafter, the notes will be subject to redemption at the option of the Company, in whole or in part, at the redemption prices set forth under the heading Description of Notes Optional Redemption, plus accrued and unpaid interest thereon to the applicable redemption date.
	In addition, prior to February 15, 2015, the Company may, at its option, on any one or more occasions, redeem up to 35% of the aggregate principal amount of the notes at a redemption price equal to 105.0% of the principal amount thereof, plus accrued and unpaid interest, if any, to the redemption date, with all or a portion of the net proceeds of public sales of certain equity interests of the Company; provided that at least 65% of the original aggregate principal amount of the notes remains outstanding immediately after the occurrence of such redemption. See Description of Notes Optional Redemption.
	We may also redeem the notes prior to February 15, 2017 upon payment of the make-whole premium specified herein. See Description of Notes Optional Redemption.
Change of control	Upon the occurrence of a change of control, the Company will generally be required to offer to repurchase all or a portion of each Holder s notes, at an offer price in cash equal to 101% of the aggregate principal amount of such notes, plus accrued and unpaid interest, if any, to the date of repurchase, and to repurchase all notes tendered pursuant to such offer. Our bank credit facility will prohibit the Company from repurchasing any notes pursuant to a change of control offer prior to the repayment in full of the senior debt under the bank credit facility. Therefore, if a change of control were to occur, there can be no assurance that we or the Subsidiary Guarantors will have the financial resources or be permitted under the terms of their indebtedness to repurchase any of the notes. See Risk Factors We may not be able to repurchase the notes herein and Description of debt securities Subordination, Repurchase at the option of holders Change of control, and Events of default and remedies in the accompanying prospectus.

Ranking	The notes will be general, unsecured obligations of the Company, will be subordinated in right of payment to our senior debt, which includes borrowings under our bank credit facility. As of December 31, 2011, we had $187 million outstanding under our bank credit facility, and we intend to use a portion of the net proceeds of this offering to repay up to $350 million of current borrowings. See Description of debt securities Subordination in the accompanying prospectus and Capitalization and Description of Other Indebtedness Bank Credit Facility herein. The notes will rank equally with our other outstanding senior subordinated notes, which totaled approximately $1.8 billion aggregate principal amount as of December 31, 2011. The notes will be structurally subordinated to any liabilities of subsidiaries that do not guarantee the notes.
Subsidiary guarantees	Our payment obligations under the notes will be jointly, severally and unconditionally guaranteed on a senior subordinated basis (the Guarantees) by our existing material domestic Restricted Subsidiaries and any future material domestic Restricted Subsidiaries. The Guarantees will be subordinated to senior debt of the Subsidiary Guarantors to the same extent and in the same manner as the notes are subordinated to senior debt. See Description of debt securities Guarantees in the accompanying prospectus and Description of Other Indebtedness Bank Credit Facility herein.
Certain covenants	The notes will be issued pursuant to an indenture (the Indenture) which contains certain covenants that, among other things, limit the ability of us and our Restricted Subsidiaries to incur additional indebtedness and issue Disqualified Stock, pay dividends, make distributions, make investments, make certain other Restricted Payments, enter into certain transactions with affiliates, dispose of certain assets, incur liens securing Indebtedness (as defined therein) of any kind (other than Permitted Liens, as defined therein) and engage in mergers and consolidations. See Description of debt securities Certain covenants in the accompanying prospectus.
Use of proceeds	The net proceeds of this offering (after deducting the underwriters discounts and estimated expenses of the offering payable by us) will be approximately $589 million. We intend to use a portion of the net proceeds to repay up to $350 million of borrowings under our bank credit facility. We intend to use any remaining net proceeds to fund our 2012 capital expenditure budget, and, pending that use, for general corporate purposes. For more information about our use of proceeds from this offering, see Use of Proceeds on page S-25 of this prospectus supplement.
Risk factors	In evaluating an investment in the notes, prospective investors should carefully consider, along with the other information in this prospectus supplement, the specific factors set forth under Risk Factors for risks involved with an investment in the notes.

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Summary Condensed Consolidated Financial Data

The following table shows selected financial information as of and for the periods indicated. We derived the information in the following table from, and that information should be read together with and is qualified in its entirety by reference to our audited consolidated financial statements and the accompanying notes included in our Annual Report on Form 10-K filed with the SEC on February 22, 2012 as amended by the Form 10-K/A filed with the SEC on February 23, 2012, which is incorporated herein by reference. This summary table should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations, included in our Annual Report on Form 10-K.

In April 2011, we sold our interests in our Barnett Shale properties and the purchaser assumed certain related hedge contracts for gross proceeds of $889.3 million. Accordingly, the financial and statistical data contained in the following discussion reflects our Barnett operations as discontinued operations.

	Year ended December 31,		
	2009	2010	2011
	(dollars in thousands, except per share data)		
Statement of operations data:			
Revenues and other income			
Natural gas, NGLs and oil sales	$ 751,749	$ 823,290	$ 1,173,266
Derivative fair value income	66,446	51,634	40,087
Gain on the sale of assets	10,413	76,642	2,260
Other	(9,442)	70	3,043
Total revenues and other income	819,166	951,636	1,218,656
Costs and expenses			
Direct operating	98,251	96,274	112,972
Transportation, gathering and compression	37,185	62,837	120,755
Production and ad valorem taxes	25,536	26,107	27,666
Exploration	44,276	60,506	81,367
Abandonment and impairment of unproved properties	36,935	49,738	79,703
General and administrative	115,319	140,571	151,191
Termination costs	2,479	8,452	
Deferred compensation plan	31,073	(10,216)	43,209
Interest expense	75,261	90,665	125,052
Loss on early extinguishment of debt		5,351	18,576
Depletion, depreciation and amortization	267,148	275,238	341,221
Impairment of proved properties	930	6,505	38,681
Total costs and expenses	734,393	812,028	1,140,393
Income from continuing operations before income taxes	84,773	139,608	78,263
Income tax provision (benefit)			
Current	(636)	(836)	637
Deferred	46,429	51,746	34,920
	45,793	50,910	35,557
Income from continuing operations	38,980	88,698	42,706
Income (loss) from discontinued operations	(92,850)	(327,954)	15,320
Net income (loss)	$ (53,870)	$ (239,256)	$ 58,026

Cash flow data:

Net cash provided from operating activities	$ 591,675	$ 513,322	$ 631,637
Net cash (used in) provided from investing activities	(473,807)	(798,858)	(547,981)
Net cash (used in) provided from financing activities	(117,854)	287,617	(86,412)

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	Year ended December 31,		
	2009	2010	2011
	(dollars in thousands, except per share data)		
Balance Sheet data:			
Current assets (1)	$ 182,810	$ 1,113,570	$ 315,263
Current liabilities (2)	321,634	443,690	511,932
Natural gas and oil properties, net	3,551,635	4,084,013	5,157,566
Total assets	5,403,411	5,511,714	5,845,470
Bank debt	324,000	274,000	187,000
Subordinated notes	1,383,833	1,686,536	1,787,967
Stockholders equity (3)	2,378,589	2,223,761	2,392,420
Weighted average dilutive shares outstanding	158,778	158,428	159,441
Cash dividends declared per common share	0.16	0.16	0.16

(1) 2011 includes $173.9 million of unrealized derivative assets compared to $123.3 million in 2010 and $21.5 million in 2009. 2010 includes $877.6 million assets of discontinued operations compared to $43.5 million in 2009.

(2) 2011 includes a $56.6 million deferred tax liability compared to $11.8 million in 2010. 2010 includes $352,000 of unrealized derivative liabilities compared to $14.5 million in 2009.

(3) Stockholders equity includes other comprehensive income of $156.6 million in 2011 compared to $67.5 million in 2010 and $6.4 million in 2009.

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Summary Production Data

The following table sets forth summary data with respect to our production and sales of natural gas and oil from continuing operations for the periods indicated. The information set forth in this table reflects the results of operations of our Barnett Shale properties of which substantially all was sold in the second quarter of 2011 as discontinued operations. For additional information on price calculations, see the information set forth in our Annual Report on Form 10-K for the year ended December 31, 2011 incorporated by reference herein.

	Year ended December 31,		
	2009	**2010**	**2011**
Average daily production:			
Natural gas (Mcf)	248,138	290,815	397,825
NGLs (Bbls)	4,343	9,864	14,664
Crude oil (Bbls)	6,912	5,300	5,369
Total (Mcfe) (1)	315,668	381,800	518,019
Average sales prices (wellhead):			
Natural gas (per Mcf)	$ 4.00	$ 4.54	$ 4.21
NGLs (per Bbl)	30.34	39.75	50.23
Crude oil (per Bbl)	54.94	69.18	86.22
Total (per Mcfe) (1)	4.76	5.44	5.55
Average realized price (including derivatives that qualify for hedge accounting):			
Natural gas (per Mcf)	$ 6.10	$ 5.15	$ 5.06
NGLs (per Bbl)	30.34	39.75	50.23
Crude oil (per Bbl)	59.69	69.19	86.22
Total (per Mcfe) (1)	6.52	5.91	6.21
Average realized price (including all derivative settlements and third party transportation costs paid by Range):			
Natural gas (per Mcf)	$ 7.65	$ 4.89	$ 4.43
NGLs (per Bbl)	30.34	39.75	50.82
Crude oil (per Bbl)	62.57	69.19	81.34
Total (per Mcfe) (1)	7.80	5.71	5.68

(1) Oil and NGLs are converted at the rate of one barrel equals six mcf based upon the approximate relative energy content of oil and natural gas, which is not indicative of the relationship of oil and natural gas prices.

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RISK FACTORS

You should carefully consider and evaluate all the information included or incorporated by reference in this prospectus supplement and the accompanying prospectus, including the risks described below, before you decide to buy our notes. Our business, financial condition and results of operations could be materially adversely affected by any of these risks. The trading price of the notes could decline, and you may lose all or part of your investment. The risks described below are not the only ones facing our company. Additional risks not presently known to us or that we currently deem immaterial individually or in the aggregate may also impair our business operations.

This prospectus supplement and documents incorporated by reference also contain forward-looking statements that involve risks and uncertainties, some of which are described in the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including the risks and uncertainties faced by us described below or incorporated by reference in this prospectus supplement and the accompanying prospectus.

Risks Related to our Business

Volatility of natural gas and oil prices significantly affects our cash flow and capital resources and could hamper our ability to produce natural gas, NGLs and oil economically

Natural gas, NGLs and oil prices are volatile, and a decline in prices adversely affects our profitability and financial condition. The oil and gas industry is typically cyclical, and prices for natural gas, NGLs and oil have been volatile. Over the past four years, the average NYMEX monthly settlement price of natural gas has been as high as $13.10 per mcf and as low as $2.84 mcf. During that same time frame, the oil settlement price was as high as $134.62 per barrel and as low as $33.87 per barrel. As of the end of January 2012, natural gas was at $2.68 per mcf and oil was at $98.46 per barrel. Natural gas prices are likely to affect us more than oil prices because approximately 79% of our December 31, 2011 proved reserves are natural gas. Natural gas prices are approaching historical lows. Historically, the industry has experienced downturns characterized by oversupply and/or weak demand. Long-term supply and demand for natural gas, NGLs and oil is uncertain and subject to a myriad of factors such as:

- the domestic and foreign supply of natural gas, NGLs and oil;
- the price, availability and demand for alternative fuels and sources of energy;
- weather conditions;
- the level of consumer demand for natural gas, NGLs and oil;
- the price and level of foreign imports;
- U.S. domestic and worldwide economic conditions;
- the availability, proximity and capacity of transportation facilities and processing facilities;
- the effect of worldwide energy conservation efforts;

political conditions in natural gas and oil producing regions; and

domestic (federal, state and local) and foreign governmental regulations and taxes.

Lower natural gas, NGL and oil prices may not only decrease our revenues on a per unit basis but also may reduce the amount of natural gas, NGL and oil that we can economically produce. A reduction in production could result in a shortfall in expected cash flows and require a reduction in capital spending or require additional borrowing. Without the ability to fund capital expenditures, we would be unable to replace reserves which would negatively affect our future rate of growth.

Producing natural gas, NGLs oil may involve unprofitable efforts. As of December 31, 2011, the relationship between the price of oil and the price of natural gas is at an unprecedented spread. Normally, natural gas liquids production is a by-product of natural gas production. Due to the current differences in prices, we and other producers may choose to sell natural gas at below cost, or otherwise dispose of natural gas to allow for the sale of only natural gas liquids.

Information concerning our reserves and future net cash flow estimates is uncertain

There are numerous uncertainties inherent in estimating quantities of proved natural gas and oil reserves and their values, including many factors beyond our control. Estimates of proved reserves are by their nature uncertain. Although we believe these estimates are reasonable, actual production, revenues and costs to develop will likely vary from estimates and these variances could be material.

Reserve estimation is a subjective process that involves estimating volumes to be recovered from underground accumulations of natural gas and oil that cannot be directly measured. As a result, different petroleum engineers, each using industry-accepted geologic and engineering practices and scientific methods, may calculate different estimates of reserves and future net cash flows based on the same available data. Because of the subjective nature of natural gas, NGLs and oil reserve estimates, each of the following items may differ materially from the amounts or other factors estimated:

- the amount and timing of natural gas, NGL and oil production;
- the revenues and costs associated with that production; and
- the amount and timing of future development expenditures.

The discounted future net cash flows from our proved reserves incorporated by reference in this prospectus supplement should not be considered as the market value of the reserves attributable to our properties. As required by generally accepted accounting principles, the estimated discounted future net revenues from our proved reserves are based on a twelve month average price (first day of the month) while cost estimates are as of the end of the year. Actual future prices and costs may be materially higher or lower. In addition, the 10 percent discount factor that is required to be used to calculate discounted future net revenues for reporting purposes under generally accepted accounting principles is not necessarily the most appropriate discount factor based on the cost of capital in effect from time to time and risks associated with our business and the oil and gas industry in general.

If natural gas, NGL and oil prices decrease or drilling efforts are unsuccessful, we may be required to record writedowns of our natural gas and oil properties

In the past we have been required to write down the carrying value of certain of our natural gas and oil properties, and there is a risk that we will be required to take additional writedowns in the future. Writedowns may occur when natural gas and oil prices are low, or if we have downward adjustments to our estimated proved reserves, increases in our estimates of operating or development costs, deterioration in our drilling results or mechanical problems with wells where the cost to redrill or repair is not supported by the expected economics.

Accounting rules require that the carrying value of natural gas and oil properties be periodically reviewed for possible impairment. Impairment is recognized for the excess of book value over fair value when

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the book value of a proven property is greater than the expected undiscounted future net cash flows from that property and on acreage when conditions indicate the carrying value is not recoverable. We may be required to write down the carrying value of a property based on natural gas and oil prices at the time of the impairment review, or as a result of continuing evaluation of drilling results, production data, economics, divestiture activity, and other factors. While an impairment charge reflects our long-term ability to recover an investment, it does not impact cash or cash flow from operating activities, but it does reduce our reported earnings and increases our leverage ratios.

Significant capital expenditures are required to replace our reserves

Our exploration, development and acquisition activities require substantial capital expenditures. Historically, we have funded our capital expenditures through a combination of cash flow from operations, our bank credit facility and debt and equity issuances. We have also engaged in asset monetization transactions. Future cash flows are subject to a number of variables, such as the level of production from existing wells, prices of natural gas, NGL and oil and our success in developing and producing new reserves. If our access to capital were limited due to numerous factors, which could include a decrease in revenues due to lower natural gas, NGLs and oil prices or decreased production or deterioration of the credit and capital markets, we would have a reduced ability to replace our reserves. We may not be able to incur additional bank debt, issue debt or equity, engage in asset monetization or access other methods of financing on an economic basis to meet our reserve replacement requirements.

The amount available for borrowing under our bank credit facility is subject to a borrowing base, which is determined by our lenders, at their discretion, taking into account our estimated proved reserves and is subject to periodic redeterminations based on pricing models determined by the lenders at such time. Declines in natural gas, NGL and oil prices adversely impact the value of our estimated proved reserves and, in turn, the market values used by our lenders to determine our borrowing base. If commodity prices (particularly natural gas prices) continue to decline, it will have similar adverse effects on our reserves and borrowing base.

Our future success depends on our ability to replace reserves that we produce

Because the rate of production from natural gas and oil properties generally declines as reserves are depleted, our future success depends upon our ability to economically find or acquire and produce additional natural gas, NGL and oil reserves. Except to the extent that we acquire additional properties containing proved reserves, conduct successful exploration and development activities or, through engineering studies, identify additional behind-pipe zones or secondary recovery reserves, our proved reserves will decline as reserves are produced. Future natural gas, NGL and oil production, therefore, is highly dependent upon our level of success in acquiring or finding additional reserves that are economically recoverable. We cannot assure you that we will be able to find or acquire and develop additional reserves at an acceptable cost.

We acquire significant amounts of unproved property to further our development efforts. Development and exploratory drilling and production activities are subject to many risks, including the risk that no commercially productive reservoirs will be discovered. We acquire both producing and unproved properties as well as lease undeveloped acreage that we believe will enhance growth potential and increase our earnings over time. However, we cannot assure you that all prospects will be economically viable or that we will not abandon our initial investments. Additionally, there can be no assurance that unproved property acquired by us or undeveloped acreage leased by us will be profitably developed, that new wells drilled by us in prospects that we pursue will be productive or that we will recover all or any portion of our investment in such unproved property or wells.

Our indebtedness could limit our ability to successfully operate our business

We are leveraged and our exploration and development program will require substantial capital resources depending on the level of drilling and the expected cost of services. Our existing operations will also

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require ongoing capital expenditures. In addition, if we decide to pursue additional acquisitions, our capital expenditures will increase, both to complete such acquisitions and to explore and develop any newly acquired properties.

The degree to which we are leveraged could have other important consequences, including the following:

- we may be required to dedicate a substantial portion of our cash flows from operations to the payment of our indebtedness, reducing the funds available for our operations;
- a portion of our borrowings are at variable rates of interest, making us vulnerable to increases in interest rates;
- we may be more highly leveraged than some of our competitors, which could place us at a competitive disadvantage;
- our degree of leverage may make us more vulnerable to a downturn in our business or the general economy;
- we are subject to numerous financial and other restrictive covenants contained in our existing credit agreements the breach of which could materially and adversely impact our financial performance;
- our debt level could limit our flexibility to grow the business and in planning for, or reacting to, changes in our business and the industry in which we operate; and
- we may have difficulties borrowing money in the future.

Despite our current levels of indebtedness, we still may be able to incur substantially more debt. This could further increase the risks described above. In addition to those risks above, we may not be able to obtain funding on acceptable terms.

Our business is subject to operating hazards that could result in substantial losses or liabilities that may not be fully covered under our insurance policies

Natural gas, NGL and oil operations are subject to many risks, including well blowouts, craterings, explosions, uncontrollable flows of oil, natural gas or well fluids, fires, formations with abnormal pressures, pipeline ruptures or spills, pollution, releases of toxic gases and other environmental hazards and risks. If any of these hazards occur, we could sustain substantial losses as a result of:

- injury or loss of life;
- severe damage to or destruction of property, natural resources and equipment;
- pollution or other environmental damage;
- clean-up responsibilities;

- regulatory investigations and penalties; or
- suspension of operations.

We maintain insurance against some, but not all, of these potential risks and losses. We may elect not to obtain insurance if we believe that the cost of available insurance is excessive relative to the risks presented. We have experienced substantial increases in premiums, especially in areas affected by hurricanes and tropical storms. Insurers have imposed revised limits affecting how much the insurers will pay on actual storm claims plus the cost to re-drill wells where substantial damage has been incurred. Insurers are also requiring us to retain larger deductibles and reducing the scope of what insurable losses will include. Even with the increase in future insurance premiums, coverage will be reduced, requiring us to bear a greater potential risk if our natural gas and oil properties are damaged. In addition, pollution and environmental risks generally are not fully insurable. If a significant accident or other event occurs that is not fully covered by insurance, it could have a material adverse affect on our financial condition and results of operations.

Additionally, we rely to a large extent on facilities owned and operated by third parties, and damage to or destruction of those third-party facilities could affect our ability to produce, transport and sell our production. We maintain business interruption insurance related to a third party processing plant in Pennsylvania where we are insured for potential losses from the interruption of production caused by loss of or damage to the processing plant.

We are subject to financing and interest rate exposure risks

Our business and operating results can be harmed by factors such as the availability, terms of and cost of capital, increases in interest rates or a reduction in our credit rating. These changes could cause our cost of doing business to increase, limit our ability to pursue acquisition opportunities, reduce cash flow used for drilling and place us at a competitive disadvantage. For example, at December 31, 2011, approximately 91% of our debt is at fixed interest rates with the remaining 9% subject to variable interest rates.

Continuing disruptions and volatility in the global finance markets may lead to a contraction in credit availability impacting our ability to finance our operations. We require continued access to capital; a significant reduction in cash flows from operations or the availability of credit could materially and adversely affect our ability to achieve our planned growth and operating results. We are exposed to some credit risk related to our bank credit facility to the extent that one or more of our lenders may be unable to provide necessary funding to us under our existing revolving line of credit if it experiences liquidity problems.

Difficult conditions in the global capital markets, the credit markets and the economy in general may materially adversely affect our business and results of operations

Access to capital is essential to our business. Global financial markets have been disrupted while volatile and economic conditions remain weak. As a result of concerns about the stability of financial markets in general and the solvency of counterparties specifically, access to credit markets has become less predictable, as many lenders and institutional investors have increased interest rates, enacted tighter lending standards and limited the amount of funding available to borrowers. As a result, we may be unable to obtain adequate funding under our current bank facility because (i) our lending counterparties may be unwilling or unable to meet their funding obligations or (ii) the amount we may borrow under our current bank facility could be reduced as a result of lower natural gas, NGLs or oil prices, declines in reserves, stricter lending requirements or regulations, or for other reasons.

Due to these factors, we cannot be certain that funding will be available on acceptable terms, or at all. If funding is not available when needed, or is available only on unfavorable terms, we may be unable to implement our business plans take advantage of business opportunities, or respond to competitive pressures, any of which could have a material adverse effect on our production, revenues and results of operations.

Hedging transactions may limit our potential gains and involve other risks

To manage our exposure to price risk, we currently and may in the future enter into derivative arrangements, utilizing commodity derivatives with respect to a portion of our future production. The goal of

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these hedges is to lock in prices so as to limit volatility and increase the predictability of cash flow. These transactions limit our potential gains if natural gas, NGL and oil prices rise above the price established by the hedge.

In addition, derivative transactions may expose us to the risk of financial loss in certain circumstances, including instances in which:

- our production is less than expected;
- the counterparties to our futures contracts fail to perform on their contract obligations; or
- an event materially impacts natural gas, NGL or oil prices or the relationship between the hedged price index and the natural gas or oil sales price.

We cannot assure you that any derivative transaction we may enter into will adequately protect us from declines in the prices of natural gas, NGLs or oil. On the other hand, where we choose not to engage in derivative transactions in the future, we may be more adversely affected by changes in natural gas, NGL or oil prices than our competitors who engage in derivative transactions.

The recent adoption of derivatives legislation by the United States Congress could have an adverse effect on our ability to use derivative instruments to reduce the effect of commodity price, interest rate and other risks associated with our business

The United States Congress adopted comprehensive financial reform legislation that establishes federal oversight and regulation of the over-the-counter derivatives market and entities, such as us, that participate in that market. The new legislation, known as the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Act), was signed into law by the President on July 21, 2010 and requires the Commodities Futures Trading Commission (the CFTC) and the SEC to promulgate rules and regulations implementing the new legislation within 360 days from the date of enactment, though final rules have yet to be issued. In its rulemaking under the Act, the CFTC has proposed regulations to set position limits for certain futures and options contracts in the major energy markets and for swaps that are their economic equivalents. Certain bona fide hedging transactions or positions would be exempt from these position limits. It is not possible at this time to predict when the CFTC will finalize these regulations. The financial reform legislation may also require us to comply with margin requirements and with certain clearing and trade-execution requirements in connection with our derivative activities, although the application of those provisions to us is uncertain at this time. The financial reform legislation may also require the counterparties to our derivative instruments to spin off some of their derivatives activities to a separate entity, which may not be as creditworthy as the current counterparty. The new legislation and any new regulations could significantly increase the cost of derivative contracts (including requirements to post collateral which could adversely affect our available liquidity), materially alter the terms of derivative contracts, reduce the availability of derivatives to protect against risks that we encounter, reduce our ability to monetize or restructure our existing derivative contracts, and increase our exposure to less creditworthy counterparties. If we reduce our use of derivatives as a result of the legislation and regulations, our results of operations may become more volatile and our cash flows may be less predictable, which could adversely affect our ability to plan for and fund capital expenditures. Our revenues could therefore be adversely affected if a consequence of the legislation and regulations is to lower commodity prices. Any of these consequences could have a material, adverse effect on us, our financial condition, and our results of operations.

Many of our current and potential competitors have greater resources than we have and we may not be able to successfully compete in acquiring, exploring and developing new properties

We face competition in every aspect of our business, including, but not limited to, acquiring reserves and leases, obtaining goods, services and employees needed to operate and manage our business and marketing

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natural gas, NGLs or oil. Competitors include multinational oil companies, independent production companies and individual producers and operators. Many of our competitors have greater financial and other resources than we do. As a result, these competitors may be able to address these competitive factors more effectively than we can or weather industry downturns more easily than we can.

The demand for field services and their ability to meet that demand may limit our ability to drill and produce our natural gas and oil properties

In a rising price environment, such as those experienced in 2007 and early 2008, well service providers and related equipment and personnel were in short supply. This caused escalating prices, the possibility of poor services coupled with potential damage to downhole reservoirs and personnel injuries. Such pressures increased the actual cost of services, extended the time to secure such services and added costs for damages due to accidents sustained from the over use of equipment and inexperienced personnel. In some cases, we are operating in areas where services and infrastructure are limited, or do not exist or in urban areas which are more restrictive.

A change in the jurisdictional characterization of some of our assets by federal, state or local regulatory agencies or a change in policy by those agencies may result in increased regulation of our assets, which may cause our revenues to decline and operating expenses to increase

Section 1(b) of the Natural Gas Act of 1938 (NGA) exempts natural gas gathering facilities from regulation by the Federal Energy Regulatory Commission (FERC) as a natural gas company under the NGA. We believe that the natural gas pipelines in our gathering systems meet the traditional tests FERC has used to establish a pipeline s status as a gatherer not subject to regulation as a natural gas company. However, the distinction between FERC-regulated transmission services and federally unregulated gathering services is the subject of ongoing litigation, so the classification and regulation of our gathering facilities are subject to change based on future determinations by FERC, the courts, or Congress.

While our natural gas gathering operations are generally exempt from FERC regulation under the NGA, our gas gathering operations may be subject to certain FERC reporting and posting requirements in a given year. FERC has issued a final rule requiring certain participants in the natural gas market, including certain gathering facilities and natural gas marketers that engage in a minimum level of natural gas sales or purchases, to submit annual reports to FERC on the aggregate volumes of natural gas purchased or sold at wholesale in the prior calendar year to the extent such transactions utilize, contribute to, or may contribute to the formation of price indices. In addition, FERC has issued a final rule requiring major non-interstate pipelines, defined as certain non-interstate pipelines delivering more than an average of 50 million MMBtu of gas over the previous three calendar years, to post daily certain information regarding the pipeline s capacity and scheduled flows for each receipt and delivery point that has design capacity equal to or greater than 15,000 MMBtu per day.

Other FERC regulations may indirectly impact our businesses and the markets for products derived from these businesses. FERC s policies and practices across the range of its natural gas regulatory activities, including, for example, its policies on open access transportation, gas quality, ratemaking, capacity release and market center promotion, may indirectly affect the intrastate natural gas market. In recent years, FERC has pursued pro-competitive policies in its regulation of interstate natural gas pipelines. However, we cannot assure you that FERC will continue this approach as it considers matters such as pipelines rates and rules and policies that may affect rights of access to transportation capacity. For more information regarding the regulation of our operations, please see Government Regulation in Items 1 and 2 of our Annual Report on Form 10-K, incorporated herein by reference.

Should we fail to comply with all applicable FERC administered statutes, rules, regulations and orders, we could be subject to substantial penalties and fines

Under the Energy Policy Act of 2005, FERC has civil penalty authority under the NGA to impose penalties for current violations of up to $1 million per day for each violation and disgorgement of profits

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associated with any violation. While our operations have not been regulated as a natural gas company by FERC under the NGA, FERC has adopted regulations that may subject certain of our otherwise non-FERC jurisdiction facilities to FERC annual reporting and daily scheduled flow and capacity posting requirements. We also must comply with the anti-market manipulation rules enforced by FERC. Additional rules and legislation pertaining to those and other matters may be considered or adopted by FERC from time to time. Failure to comply with those regulations in the future could subject Range to civil penalty liability. For more information regarding regulation of our operations, please see Government Regulation in Items 1 and 2 of our Annual Report on Form 10-K, incorporated herein by reference.

The natural gas and oil industry is subject to extensive regulation

The natural gas and oil industry is subject to various types of regulations in the United States by local, state and federal agencies. Legislation affecting the industry is under constant review for amendment or expansion, frequently increasing our regulatory burden. Numerous departments and agencies, both state and federal, are authorized by statute to issue rules and regulations binding on participants in the natural gas and oil industry. Compliance with such rules and regulations often increases our cost of doing business, delays our operations and, in turn, decreases our profitability.

Our operations are subject to numerous and increasingly strict federal, state and local laws, regulations and enforcement policies relating to the environment. We may incur significant costs and liabilities in complying with existing or future environmental laws, regulations and enforcement policies and may incur costs arising out of property or natural resource damage or injuries to employees and other persons. These costs may result from our current and former operations and even may be caused by previous owners of property we own or lease or relate to third party sites where we have taken materials for recycling or disposal. Any past, present or future failure by us to completely comply with environmental laws, regulations and enforcement policies could cause us to incur substantial fines, sanctions or liabilities from cleanup costs or other damages. Incurrence of those costs or damages could reduce or eliminate funds available for exploration, development or acquisitions or cause us to incur losses. Matters subject to regulation include:

- the amounts and types of substances and materials that may be released into the environment;
- response to unexpected releases to the environment;
- reports and permits concerning exploration, drilling, production and other operations;
- the spacing of wells;
- unitization and pooling of properties;
- calculating royalties on oil and gas produced under federal and state leases; and
- taxation.

Under these laws, we could be liable for personal injuries, property damage, oil spills, discharge of hazardous materials, remediation and clean-up costs, natural resource damages and other environmental damages. We also could be required to install expensive pollution control measures or limit or cease activities on lands located within wilderness, wetlands or other environmentally or politically sensitive areas. Failure to comply with these laws also may result in the suspension or termination of our operations and subject us to administrative, civil and criminal penalties as well as the imposition of corrective action orders.

Climate change is receiving increasing attention from scientists, legislators and governmental agencies. There is an ongoing debate as to the extent to which our climate is changing, the potential causes of this change

and its potential impacts. Some attribute global warming to increased levels of greenhouse gases, including carbon dioxide and methane, which has led to significant legislative and regulatory efforts to limit greenhouse gas emissions.

There are a number of legislative and regulatory proposals to address greenhouse gas emissions, which are in various phases of discussion or implementation. The outcome of federal and state actions to address global climate change could result in a variety of regulatory programs including potential new regulations to control or restrict emissions, taxes or other charges to deter emissions of greenhouse gases, energy efficiency requirements to reduce demand or other regulatory actions. These actions could:

- result in increased costs associated with our operations;
- increase other costs to our business;
- affect the demand for natural gas; and
- impact the prices we charge our customers.

Adoption of federal or state requirements mandating a reduction in greenhouse gas emissions could have far-reaching and significant impacts on the energy industry and the U.S. economy. We cannot predict the potential impact of such laws or regulations on our future consolidated financial condition, results of operations or cash flows.

For more information regarding the environmental regulation of our business, please see Environmental and Occupational Health and Safety Matters in Items 1 and 2 of our Annual Report on Form 10-K, incorporated herein by reference.

Certain federal income tax deductions currently available with respect to natural gas and oil exploration and development may be eliminated, and additional state taxes on natural gas extraction may be imposed, as a result of future legislation

Legislation has been proposed that would, if enacted into law, make significant changes to U.S. federal income tax laws, including the elimination of certain U.S. federal income tax benefits currently available to oil and gas exploration and production companies. Such changes include, but are not limited to, (i) the repeal of the percentage depletion allowance for oil and gas properties; (ii) the elimination of current deductions for intangible drilling and development costs; (iii) the elimination of the deduction for certain U.S. production activities; and (iv) an extension of the amortization period for certain geological and geophysical expenditures. It is unclear, however, whether any such changes will be enacted or how soon such changes could be effective. As of December 31, 2011, we had a tax basis of $1.4 billion related to prior year capitalized intangible drilling costs, which will be amortized over the next five years.

The passage of this legislation or any other similar change in U.S. federal income tax law could eliminate or postpone certain tax deductions that are currently available with respect to natural gas and oil exploration and development, and any such change could negatively affect our financial condition and results of operations.

In February 2012, the state legislature of Pennsylvania passed a new natural gas impact fee in Pennsylvania, where the majority of our acreage in the Marcellus Shale is located. The legislation imposes an annual fee on natural gas and oil operators for each well drilled for a period of fifteen years. The fee is on a sliding scale set by the Public Utility Commission and is based on two factors: changes in the Consumer Price Index and the average New York Mercantile Exchange s natural gas prices from the last day of each month. The estimated total fees per well based on today s current natural gas price is $240,000 over the 15 year period. The passage of this legislation increases the financial burden on our operations in the Marcellus Shale.

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Acquisitions are subject to the risks and uncertainties of evaluating reserves and potential liabilities and may be disruptive and difficult to integrate into our business

We could be subject to significant liabilities related to our acquisitions. It generally is not feasible to review in detail every individual property included in an acquisition. Ordinarily, a review is focused on higher valued properties. However, even a detailed review of all properties and records may not reveal existing or potential problems in all of the properties, nor will it permit us to become sufficiently familiar with the properties to assess fully their deficiencies and capabilities. We do not always inspect every well we acquire, and environmental problems, such as groundwater contamination, are not necessarily observable even when an inspection is performed.

In addition, there is intense competition for acquisition opportunities in our industry. Competition for acquisitions may increase the cost of, or cause us to refrain from, completing acquisitions. Our acquisition strategy is dependent upon, among other things, our ability to obtain debt and equity financing and, in some cases, regulatory approvals. Our ability to pursue our acquisition strategy may be hindered if we are unable to obtain financing on terms acceptable to us or regulatory approvals.

Acquisitions often pose integration risks and difficulties. In connection with recent and future acquisitions, the process of integrating acquired operations into our existing operations may result in unforeseen operating difficulties and may require significant management attention and financial resources that would otherwise be available for the ongoing development or expansion of existing operations. Future acquisitions could result in our incurring additional debt, contingent liabilities, expenses and diversion of resources, all of which could have a material adverse effect on our financial condition and operating results.

Our success depends on key members of our management and our ability to attract and retain experienced technical and other professional personnel

Our success is highly dependent on our management personnel and none of them is currently subject to an employment contract. The loss of one or more of these individuals could have a material adverse effect on our business. Furthermore, competition for experienced technical and other professional personnel remains strong. If we cannot retain our current personnel or attract additional experienced personnel, our ability to compete could be adversely affected. Also, the loss of experienced personnel could lead to a loss of technical expertise.

Drilling is an uncertain and costly activity

The cost of drilling, completing, and operating a well is often uncertain, and many factors can adversely affect the economics of a well. Our efforts will be uneconomical if we drill dry holes or wells that are productive but do not produce enough natural gas, NGLs and oil to be commercially viable after drilling, operating and other costs. Furthermore, our drilling and producing operations may be curtailed, delayed, or canceled as a result of other factors, including:

- high costs, shortages or delivery delays of drilling rigs, equipment, water for hydraulic fracturing services, labor, or other services;
- unexpected operational events and drilling conditions;
- reductions in natural gas, NGL and oil prices;
- limitations in the market for natural gas, NGLs and oil;
- adverse weather conditions;
- facility or equipment malfunctions;

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- equipment failures or accidents;
- title problems;
- pipe or cement failures;
- casing collapses;
- compliance with, or changes in environmental, tax and other governmental requirements;
- environmental hazards, such as natural gas leaks, oil spills, pipeline ruptures and discharges of toxic gases;
- lost or damaged oilfield drilling and service tools;
- unusual or unexpected geological formations;
- loss of drilling fluid circulation;
- pressure or irregularities in formations;
- fires;
- natural disasters;
- surface craterings and explosions; and
- uncontrollable flows of oil, natural gas or well fluids.

If any of these factors were to occur with respect to a particular field, we could lose all or a part of our investment in the field, or we could fail to realize the expected benefits from the field, either of which could materially and adversely affect our revenue and profitability.

New technologies may cause our current exploration and drilling methods to become obsolete

The natural gas and oil industry is subject to rapid and significant advancements in technology, including the introduction of new products and services using new technologies. As competitors use or develop new technologies, we may be placed at a competitive disadvantage, and competitive pressures may force us to implement new technologies at a substantial cost. In addition, competitors may have greater financial, technical and personnel resources that allow them to enjoy technological advantages and may in the future allow them to implement new technologies before we can. One or more of the technologies that we currently use or that we may implement in the future may become obsolete. We cannot be certain that we will be able to implement technologies on a timely basis or at a cost that is acceptable to us. If we are unable to maintain technological advancements consistent with industry standards, our operations and financial condition may be adversely affected.

New legislation and regulatory initiatives relating to hydraulic fracturing could result in increased costs and additional operating restrictions or delays

Hydraulic fracturing involves the injection of water, sand and small amounts of additives under pressure into rock formations to stimulate hydrocarbon (natural gas and oil) production. We find that the use of hydraulic fracturing is necessary to produce commercial quantities of natural gas and oil from many reservoirs, especially shale formations such as the Marcellus Shale. The process is typically regulated by state oil and gas commissions. However, the EPA, recently asserted federal regulatory authority over hydraulic fracturing involving diesel additives under the Safe Drinking Water Act s Underground Injection Control Program. While the EPA has begun the process of drafting guidance documents to enforce or implement this newly asserted regulatory authority, industry groups have filed suit challenging the EPA s recent decision. There are certain governmental reviews either underway or being proposed that focus on environmental aspects of hydraulic fracturing practices. The White House Council on Environmental Quality is coordinating an administration-wide review of hydraulic fracturing practices, and a committee of the United States House of Representatives has conducted an investigation of hydraulic fracturing practices. Furthermore, a number of federal agencies are analyzing, or have been requested to review a variety of environmental issues associated with hydraulic fracturing. The EPA has commenced a study of potential environmental effects of hydraulic fracturing on drinking water and groundwater, with initial results expected to be available by late 2012 and final results by 2014 and, more recently in October 2011, the EPA announced that it is launching a study regarding wastewater resulting from hydraulic fracturing activities and currently plans to propose standards by 2014 that such wastewater must meet before being transported to a treatment plant. Also, the U.S. Department of Energy is conducting an investigation into practices the agency could recommend to better protect the environment from drilling using hydraulic fracturing completion methods and the U.S. Department of the Interior has proposed disclosure, well testing and monitoring requirements for hydraulic fracturing on federal lands. At the same time, legislation has been introduced before Congress to provide for federal regulation of hydraulic fracturing and to require disclosure of the chemicals used in the fracturing process. In addition, some states have adopted, and other states are considering adopting, regulations that could impose more stringent permitting, disclosure and well construction requirements on hydraulic fracturing operations. For example, Texas, Pennsylvania, Colorado, West Virginia, and Wyoming have each adopted a variety of well construction, set back, or disclosure regulations limiting how fracturing can be performed and requiring various degrees of chemical disclosure. If new laws or regulations that significantly restrict hydraulic fracturing are adopted, such laws could make it more difficult or costly for us to perform fracturing to stimulate production from tight formations. In addition, if hydraulic fracturing becomes regulated at the federal level as a result of federal legislation or regulatory initiatives by the EPA, our fracturing activities could become subject to additional permitting requirements and also to attendant permitting delays and potential increases in costs.

Additionally, on December 7, 2010, the EPA issued an order to us to take certain action with regard to the existence of natural gas in two water wells located in southern Parker County, Texas that the EPA concluded resulted from two of our wells in the Barnett Shale formation, thousands of feet below the impacted aquifer. On January 18, 2011, the EPA filed an action in federal court to enforce the order and its penalty provisions of up to $16,500 per day per violation. On June 24, 2011, the court issued an order staying the enforcement action, pending a ruling on Range s challenge of the order in the United States Court of Appeals for the Fifth Circuit which Range filed in January 21, 2011, seeking to invalidate the order. While we are vigorously contesting this enforcement action and seeking relief from the order in federal appeals court, we cannot predict the outcome of either the enforcement action or appeal. However, we do not believe the ultimate resolution of this matter will have a material impact on our financial position, statement of operations or cash flows. Please see Action by the United States Environmental Protection Agency in Item 3 of our Annual Report on Form 10-K, incorporated herein by reference.

Our business depends on natural gas and oil transportation and NGL processing facilities, most of which are owned by others and our ability to contract with those parties

Our ability to sell our natural gas, NGLs and oil production depends in part on the availability, proximity and capacity of pipeline systems and processing facilities owned by third parties and our ability to contract with those third parties. The lack of available capacity on these systems and facilities could result in the shut-in of producing wells or the delay or discontinuance of development plans for properties. Although we have some contractual control over the transportation of our product, material changes in these business relationships could materially affect our operations. In some cases, we do not purchase firm transportation on third party facilities and therefore, our production transportation can be interrupted by those having firm arrangements. We have entered into long-term agreements with third parties to provide natural gas gathering and processing services in the Marcellus Shale. Federal and state regulation of natural gas and oil production and transportation, tax and energy policies, changes in supply and demand, pipeline pressures, damage to or destruction of pipelines and general economic conditions could adversely affect our ability to produce, gather and transport natural gas, NGLs and oil. If any of these third party pipelines and other facilities become partially or fully unavailable to transport or process our product, or if the natural gas quality specifications for a natural gas pipeline or facility changes so as to restrict our ability to transport natural gas on those pipelines or facilities, our revenues could be adversely affected.

The disruption of third-party facilities due to maintenance and/or weather could negatively impact our ability to market and deliver our products. In particular, the disruption of certain third-party natural gas processing facilities in the Marcellus Shale could materially affect our ability to market and deliver natural gas production in that area. We have no control over when or if such facilities are restored and generally have no control over what prices will be charged. A total shut-in of production could materially affect us due to a lack of cash flow, and if a substantial portion of the production is hedged at lower than market prices, those financial hedges would have to be paid from borrowings absent sufficient cash flow.

Currently, there is little demand, or facilities to supply the existing demand, for ethane in the Appalachian region so, for our Appalachian production volumes, ethane remains in the natural gas stream. We currently have waivers from two transmission pipelines that allow us to leave ethane in the residue natural gas. We currently believe the limits are sufficient to cover our production through 2014. We have recently announced two ethane agreements where we have contracted to either sell or transport ethane from our Marcellus Shale area, both to begin operations in late 2013 or early 2014. We cannot assure you that these facilities will become available. If we are not able to sell ethane in 2014, we may be required to curtail production which will adversely affect our revenues.

Any failure to meet our debt obligations could harm our business, financial condition and results of operations

If our cash flow and capital resources are insufficient to fund our debt obligations, we may be forced to sell assets, seek additional equity or restructure our debt. In addition, any failure to make scheduled payments of interest and principal on our outstanding indebtedness would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness on acceptable terms. Our cash flow and capital resources may be insufficient for payment of interest on and principal of our debt in the future and any such alternative measures may be unsuccessful or may not permit us to meet scheduled debt service obligations, which could cause us to default on our obligations and impair our liquidity.

We exist in a litigious environment

Any constituent could bring suit regarding our existing or planned operations or allege a violation of an existing contract. Any such action could delay when planned operations can actually commence or could cause a halt to existing production until such alleged violations are resolved by the courts. Not only could we incur significant legal and support expenses in defending our rights, but halting existing production or delaying planned operations could impact our future operations and financial condition. Such legal disputes could also distract management and other personnel from their primary responsibilities.

Our financial statements are complex

Due to United States generally accepted accounting principles and the nature of our business, our financial statements continue to be complex, particularly with reference to hedging, asset retirement obligations, equity awards, deferred taxes and the accounting for our deferred compensation plans and discontinued operations. We expect such complexity to continue and possibly increase.

Risks Related to Investment in the Notes

Your right to receive payments on these notes is subordinated to the rights of our senior indebtedness and effectively subordinated to the rights of existing and future creditors of any subsidiaries that are not guarantors on the notes

Holders of our senior indebtedness will have claims that are prior to your claims as holders of the notes. In the event of any distribution of our assets in any foreclosure, dissolution, winding-up, liquidation, reorganization, or other, bankruptcy proceeding, holders of senior indebtedness will have prior claim to all of our assets. Holders of the notes will participate ratably with all holders of our senior subordinated indebtedness that is deemed to be of the same class as the notes, based upon the respective amounts owed to each holder or creditor, in our remaining assets. In any of the foregoing events, we cannot assure you that there will be sufficient assets to pay amounts due on the notes. As a result, holders of notes may receive less, ratably, than holders of senior indebtedness.

As of December 31, 2011, we had total senior debt under our bank credit facility of approximately $187 million. Any additional indebtedness we are permitted to incur under the Indenture or the indentures may be senior to the notes.

In addition, we conduct substantially all of our operations through our subsidiaries and some of our subsidiaries do not guarantee the notes. In addition, we may be able to designate one or more subsidiaries in the future as unrestricted subsidiaries. As a result, holders of the notes will be effectively subordinated to the indebtedness and other liabilities of any such subsidiaries, including trade creditors. Therefore, in the event of the insolvency or liquidation of an unrestricted subsidiary, following payment by such subsidiary of its liabilities, such subsidiary may not have sufficient remaining assets to make payments to us as a shareholder or otherwise. In the event of a default by any such subsidiary under any credit arrangement or other indebtedness, its creditors could accelerate such debt, prior to such subsidiary distributing amounts to us that we could have used to make payments on the notes.

We may not be able to repurchase the notes

Under the terms of the Indenture, you may require us to repurchase all or a portion of your notes if we sell certain assets or in the event of a change in control. We may not have enough funds to pay the repurchase price on a purchase date (in which case, we could be required to issue common stock to pay the repurchase price). Our existing and any future credit agreements or other debt agreements to which we become a party may provide that our obligation to purchase or redeem the notes would be an event of default under such agreement. As a result, we may be restricted or prohibited from repurchasing or redeeming the notes. If we are prohibited from repurchasing or redeeming the notes, we could seek the consent of our then-existing lenders to repurchase or redeem the notes or we could attempt to refinance the borrowings that contain such prohibition. If we are unable to obtain a consent or refinance the debt, we could not repurchase or redeem the notes. Our failure to redeem tendered notes would constitute a default under the Indenture and might constitute a default under the terms of other indebtedness that we incur.

The term change in control is limited to certain specified transactions and may not include other events that might adversely affect our financial condition. Our obligation to repurchase the notes upon a change in control would not necessarily afford holders of notes protection in the event of a highly leveraged transaction, reorganization, merger or similar transaction involving us.

The notes may receive a lower rating than anticipated

If one or more rating agencies assigns the notes a rating lower than the rating expected by investors, or reduces their rating in the future, the market price of the notes would be adversely affected.

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There is no public trading market for the notes

The notes will constitute a new issue of securities for which there is no established trading market. We do not intend to list the notes on any national securities exchange or quotation system. We have been informed by the underwriters that they intend to make a market in the notes after this offering is completed. However, the underwriters are not obligated to do so and may cease their market-making activities at any time. In addition, the liquidity of the trading market in the notes, and the market price quoted for the notes, may be adversely affected by changes in the overall market for high yield securities and by changes in our financial performance or prospects or in the financial performance or prospects of companies in our industry generally. As a result, we cannot assure you that an active trading market will develop or be maintained for the notes. If an active market does not develop or is not maintained, the market price and liquidity of the notes may be adversely affected.

Federal and state fraudulent transfer laws may permit a court to void the notes and the guarantees and, if that occurs, you may not receive any payments on the notes

The issuance of the notes and the guarantees may be subject to review under federal and state fraudulent transfer and conveyance statutes. While the relevant laws may vary from state to state, under such laws the payment of consideration will be a fraudulent conveyance if (1) we paid the consideration with the intent of hindering, delaying or defrauding creditors or (2) we or any of our subsidiary guarantors, as applicable, received less than reasonably equivalent value or fair consideration in return for issuing either the notes or a guarantee and, in the case of (2) only, one of the following is also true:

- we or any of our subsidiary guarantors were or was insolvent or rendered insolvent by reason of the incurrence of the indebtedness;

- payment of the consideration left us or any of our subsidiary guarantors with an unreasonably small amount of capital to carry on the business; or

- we or any of our subsidiary guarantors intended to, or believed that we or it would, incur debts beyond our or its ability to pay as they mature.

If a court were to find that the issuance of the notes or a guarantee was a fraudulent conveyance, the court could void the payment obligations under the notes or such guarantee or subordinate the notes or such guarantee to presently existing and future indebtedness of ours or such guarantor, or require the holders of the notes to repay any amounts received with respect to the notes or such guarantee. In the event of a finding that a fraudulent conveyance occurred, you may not receive any repayment on the notes. Further, the voidance of the notes could result in an event of default with respect to our other debt and that of our subsidiaries that could result in acceleration of such debt.

Generally, an entity would be considered insolvent if at the time it incurred indebtedness:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all its assets;

- the present fair saleable value of its assets were less than the amount that would be required to pay its probable liability on its existing debts and liabilities, including contingent liabilities, as they become absolute and mature; or

- it could not pay its debts as they become due.

We cannot be certain as to the standards a court would use to determine whether or not we or the subsidiary guarantors were solvent at the relevant time, or regardless of the standard that a court uses, that the issuance of the notes and the guarantees would not be subordinated to our or any guarantor s other debt.

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If the guarantees were legally challenged, any guarantee could also be subject to the claim that, since the guarantee was incurred for our benefit, and only indirectly for the benefit of the guarantor, the obligations of the applicable guarantor were incurred for less than fair consideration. A court could thus void the obligations under the guarantees, subordinate them to the applicable guarantor s other debt or take other action detrimental to the holders of the notes.

The market price of the notes may fluctuate significantly, which may result in losses for investors

We expect the market price of the notes to be subject to fluctuations as a result of a variety of factors, including factors beyond our control. These include:

- changes in natural gas, NGL and oil prices;
- variations in quarterly drilling, recompletions, acquisitions and operating results;
- changes in governmental regulation;
- changes in financial estimates by securities analysts;
- changes in market valuations of comparable companies;
- additions or departures of key personnel; or
- future incurrence of more debt.

We may fail to meet expectations of the market or of securities analysts at some time in the future, and the market price of the notes could decline as a result.

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USE OF PROCEEDS

The net proceeds of this offering (after deducting the underwriters discounts and estimated expenses of the offering payable by us) will be approximately $589 million.

We intend to use a portion of the net proceeds to repay up to $350 million of borrowings under our bank credit facility. Our bank credit facility has a maturity date of February 18, 2016. The weighted average interest rate on our bank credit facility was 2.2% for the year ended December 31, 2011. See Description of Other Indebtedness Bank Credit Facility for a description of our bank credit facility. Certain of the underwriters or their affiliates are lenders under our bank credit facility and will receive a portion of the net proceeds from this offering used to pay down our bank credit facility. Amounts repaid under our bank credit facility may be re-borrowed, subject to the terms of our bank credit facility.

We intend to use any remaining net proceeds to fund our 2012 capital expenditure budget, and, pending that use, for general corporate purposes.

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CAPITALIZATION

The following table sets forth our consolidated cash and cash equivalents and our consolidated capitalization as of December 31, 2011 (i) on an actual basis and (ii) as adjusted to give effect to the issuance of the notes offered hereby and the application of the net proceeds therefrom in the manner described in Use of proceeds.

This table is derived from, should be read together with, and is qualified in its entirety by reference to (i) our consolidated financial statements and the accompanying notes and (ii) Management s Discussion and Analysis of Financial Condition and Results of Operations, included in our Annual Report on Form 10-K for the year ended December 31, 2011, which is incorporated herein by reference.

	As of December 31, 2011	
	Actual	As adjusted
	(dollars in thousands)	
Cash and cash equivalents	$ 92	$ 402,092
Long-term debt:		
Bank credit facility (1)	187,000	
7 1/2% senior subordinated notes due 2017	250,000	250,000
7 1/4% senior subordinated notes due 2018	250,000	250,000
8% senior subordinated notes due 2019, net of discount	287,967	287,967
6 3/4% senior subordinated notes due 2020	500,000	500,000
5 3/4% senior subordinated notes due 2021	500,000	500,000
5% senior subordinated notes due 2022		600,000
Total long-term debt	1,974,967	2,387,967
Stockholders equity:		
Common stock, $.01 par value; 475,000,000 shares authorized; 161,302,973 shares issued at December 31, 2011 (2)	1,613	1,613
Additional paid-in capital	1,866,554	1,866,554
Common stock held in treasury	(6,343)	(6,343)
Retained earnings	373,969	373,969
Other comprehensive income	156,627	156,627
Total stockholders equity	$ 2,392,420	$ 2,392,420
Total capitalization	$ 4,367,387	$ 4,780,387

(1) Outstanding under the bank credit facility on February 22, 2012 was $391.0 million.

(2) Outstanding common stock excludes stock appreciation rights and options to purchase 4,558,609 shares outstanding under our employee benefit and equity plans as of December 31, 2011.

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DESCRIPTION OF OTHER INDEBTEDNESS

Bank Credit Facility

In February 2011, we entered into an amended and restated revolving bank facility, which we refer to as our bank debt or our bank credit facility, which is secured by substantially all of our assets. The bank credit facility provides for an initial commitment equal to the lesser of the facility amount or the borrowing base. On December 31, 2011, the facility amount was $1.5 billion and the borrowing base was $2.0 billion. The bank credit facility provides for a borrowing base subject to redeterminations semi-annually and for event-driven unscheduled redeterminations. Our current bank group is comprised of twenty-six financial institutions, with no one bank holding more than 7% of the total facility. The facility amount may be increased to the borrowing base amount with twenty days notice, subject to payment of a mutually acceptable commitment fee to those banks agreeing to participate in the facility increase. As of December 31, 2011, the outstanding balance under the bank credit facility was $187.0 million as well as $28.6 million of undrawn letters of credit leaving $1.3 billion of borrowing capacity available under the facility amount. The facility matures on February 18, 2016. Borrowings under the bank facility can either be at the Alternate Base Rate (as defined) plus a spread ranging from 0.50% to 1.50% or LIBOR borrowings at the Adjusted LIBO Rate (as defined) plus a spread ranging from 1.50% to 2.50%. The applicable spread is dependent upon borrowings relative to the borrowing base. We may elect, from time to time, to convert all or any part of our LIBOR loans to base rate loans or to convert all or any of the base rate loans to LIBOR loans. The weighted average interest rate was 2.2% for the year ended December 31, 2011 compared to 2.2% for the year ended December 31, 2010 and 2.4% for the year ended December 31, 2009. A commitment fee is paid on the undrawn balance based on an annual rate of 0.375% to 0.50%. At December 31, 2011, the commitment fee was 0.375% and the interest rate margin was 1.50% on our LIBOR loans and 0.5% on our base rate loans.

Our bank credit facility contains negative covenants that limit our ability, among other things, to pay cash dividends, incur additional indebtedness, sell assets, enter into certain hedging contracts, change the nature of our business or operations, merge, consolidate, or make investments. In addition, we are required to maintain a ratio of debt to EBITDAX (as defined in the credit agreement) of no greater than 4.25 to 1.0 and a current ratio (as defined in the credit agreement) of no less than 1.0 to 1.0. We were in compliance with our covenants under the bank credit facility at December 31, 2011.

Outstanding Senior Subordinated Notes

In September 2007, we issued $250.0 million principal amount of 7 1/2% senior subordinated notes due 2017, or the 7 1/2% Notes. In May 2008, we issued $250.0 million principal amount of 7 1/4 % senior subordinated notes due 2018, or the 7 1/4% Notes. In May 2009, we issued $300.0 million aggregate principal amount of 8% senior subordinated notes due 2019, or the 8% Notes. The 8% Notes were issued at a discount which will be amortized over the life of the 8% Notes into interest expense. In August 2010, we issued $500.0 million aggregate principal amount of 6 3/4% senior subordinated notes due 2020, or the 6 3/4% Notes. In May 2011, we issued $500.0 million aggregate principal amount of 5 3/4% senior subordinated notes due 2021, or the 5 3/4% Notes. Interest on our senior subordinated notes is payable semi-annually, at varying times, and each of the notes is guaranteed by certain of our subsidiaries.

We may redeem the 7 1/2% Notes, in whole or in part, at any time on or after October 1, 2012 at redemption prices ranging from 103.75% of the principal amount as of October 1, 2012 and declining to 100% on October 1, 2015 and thereafter plus accrued and unpaid interest. We may redeem the 7 1/4% Notes, in whole or in part, at any time on or after May 1, 2013 at redemption prices ranging from 103.625% of the principal amount as of May 1, 2013 and declining to 100% on May 1, 2016 and thereafter plus accrued and unpaid interest. We may redeem the 8% Notes, in whole or in part, at any time on or after May 15, 2014 at redemption prices ranging from 104% of the principal amount as of May 15, 2014 and declining to 100% on May 15, 2017 and thereafter plus accrued and unpaid interest. Prior to May 15, 2012, we may redeem up to 35% of the original aggregate principal amount of the 8% Notes at a redemption price equal to 108% of the principal amount thereof plus accrued and unpaid interest, with the proceeds of certain equity offerings. We may redeem the 6 3/4% Notes, in whole or in part, at any time on or after August 1, 2015 at redemption prices of 103.375% of the principal amount as of August 1, 2015 declining to 100.0% on August 1, 2018 and thereafter plus accrued and unpaid interest. Before August 1, 2013, we may redeem up to 35% of the original aggregate principal amount of the 6 3/4% Notes at a redemption price equal to 106.75% of the principal amount thereof, plus accrued and unpaid interest, if any, with the proceeds of certain equity offerings. We may redeem the 5 3/4% Notes, in whole or in part, at any time on or after June 1, 2016 at redemption prices of 102.875% of the principal amount as of June 1, 2016 declining to 100.0% on June 1, 2019 and thereafter plus accrued and unpaid interest. Before June 1, 2014, we may redeem up to 35% of the original aggregate principal amount of the 5 3/4% Notes at a redemption price equal to 105.75% of the principal amount thereof, plus accrued and unpaid interest, if any, with the proceeds of certain equity offerings.

If we experience a change of control, there will be a requirement to repurchase all or a portion of all of our senior subordinated notes at 101% of the principal amount plus accrued and unpaid interest, if any. All of the senior subordinated notes and the guarantees by our subsidiary guarantors are general, unsecured obligations and are subordinated to our bank debt and will be subordinated to future senior debt that we or our subsidiary guarantors are permitted to incur under the bank credit facility and the indentures governing the senior subordinated notes.

The indentures governing our senior subordinated notes contain various restrictive covenants that are substantially similar and may limit our ability to, among other things, pay cash dividends, incur additional indebtedness, sell assets, enter into transactions with affiliates, or change the nature of our business. At December 31, 2011, we were in compliance with all of our covenants.

Guarantees

Range Resources Corporation is a holding company which owns no operating assets and has no significant operations independent of its subsidiaries. The guarantees of the 7 1/2% Notes, the 7 1/4% Notes, the 8% Notes, the 6 3/4% Notes and the 5 3/4% Notes are full and unconditional and joint and several. Any subsidiaries other than the subsidiary guarantors are minor subsidiaries.

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DESCRIPTION OF NOTES

The Company will issue the notes as an issue of securities under the indenture described more fully in the accompanying prospectus under the heading Description of debt securities, as supplemented by a supplemental indenture or board resolution dated as of the date the notes are first issued (together, the indenture). This Description of the Notes, together with the Description of debt securities included in the accompanying base prospectus, is intended to be an overview of the material provisions of the notes and the indenture and it supplements the description of the general terms and provisions of the securities set forth in the accompanying prospectus. Since this Description of Notes and the Description of Debt Securities is only a summary, you should refer to the indenture for a complete description of our obligations and your rights. You will find the definitions of certain capitalized terms used in this description under the heading Description of debt securities Certain definitions in the accompanying prospectus. Other capitalized terms have the meanings assigned to them elsewhere in this description or in the indenture. For purposes of this description, references to the Company, Range , we, our and us refer only to Range Resources Corporation and any successo obligor on the notes, and not to any of its subsidiaries.

The notes. The notes:

- will be general unsecured, senior subordinated obligations of the Company;
- will be issued in an initial aggregate principal amount of $600 million, subject to our ability to issue additional notes in accordance with the indenture;
- will mature on August 15, 2022;
- will be issued in minimum denominations of $1,000 and integral multiples of $1,000 in excess thereof;
- will be represented by one or more registered notes in global form, and, except in limited circumstances, will not be issued in definitive form;
- will be guaranteed by certain material domestic subsidiaries of the Company as provided in the Description of debt securities in the accompanying prospectus; and
- will rank junior in right of payment to any existing and future Senior Indebtedness of the Company and will rank equally with the Company s outstanding 7 1/2% Senior Subordinated Notes due 2017, 7 1/4% Senior Subordinated Notes due 2018, 8% Senior Subordinated Notes due 2019, 6 3/4% Senior Subordinated Notes due 2020 and 5 3/4% Senior Subordinated Notes due 2021, all as described in the Description of debt securities in the accompanying prospectus.

Interest. Interest on the new notes will compound semi-annually and:

- accrue at the rate of 5% per annum;
- accrue from March 9, 2012 or, if interest has already been paid, from the most recent interest payment date;
- be payable in cash semi-annually in arrears on each February 15 and August 15, commencing on August 15, 2012;

be payable to the holders of record on the February 1 and August 1 immediately preceding the related interest payment dates; and

be computed on the basis of a 360-day year comprised of twelve 30-day months.

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Optional Redemption

Except as otherwise described below, the notes will not be redeemable at the Company s option prior to February 15, 2017. Thereafter, the notes will be subject to redemption at the option of the Company, in whole or in part, upon not less than 30 nor more than 60 days notice, at the redemption prices (expressed as percentages of principal amount) set forth below plus accrued and unpaid interest thereon to the applicable redemption date, if redeemed during the twelve-month period beginning on February 15 of the years indicated below:

Year	**% of principal amount**
2017	102.500%
2018	101.667%
2019	100.833%
2020 and thereafter	100.000%

Prior to February 15, 2015, the Company may, at its option, on any one or more occasions, redeem up to 35% of the original aggregate principal amount of the notes at a redemption price equal to 105.000% of the principal amount thereof, plus accrued and unpaid interest, if any, thereon to the redemption date, with all or a portion of the net proceeds of public sales of Equity Interests of the Company; provided that at least 65% of the original aggregate principal amount of the notes remains outstanding immediately after the occurrence of such redemption; and provided, further, that such redemption shall occur within 60 days of the date of the closing of the related sale of such Equity Interests.

In addition, before February 15, 2017, the Company may redeem all or, from time to time, any part of the notes upon not less than 30 nor more than 60 days notice, at a redemption price equal to 100% of the principal amount thereof plus the Make-Whole Premium plus accrued and unpaid interest, if any, to the redemption date (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Make-Whole Premium means, with respect to a note at any redemption date, the excess of (A) the present value at such time of (1) the redemption price, excluding accrued interest, of such note at February 15, 2017, (as set forth in the table above) plus (2) all required interest payments, excluding accrued interest, due on such note through February 15, 2017, computed using a discount rate equal to the Treasury Rate plus 50 basis points, over (B) the principal amount of such note.

Treasury Rate means the yield to maturity at the time of computation of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) which has become publicly available at least two business days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source or similar market data)) most nearly equal to the period from the redemption date to February 15, 2017; provided, however, that if the period from the redemption date to February 15, 2017 is not equal to the constant maturity of a United States Treasury security for which a weekly average yield is given, the Treasury Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of United States Treasury securities for which such yields are given, except that if the period from the redemption date to February 15, 2017 is less than one year, the weekly average yield on actively traded United States Treasury securities adjusted to a constant maturity of one year shall be used.

If the optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest, if any, will be paid to the person in whose name the note is registered at the close of business, on such record date, and no additional interest will be payable to holders whose notes will be subject to redemption by the Company.

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CERTAIN UNITED STATES FEDERAL INCOME AND ESTATE TAX CONSIDERATIONS

The following discussion summarizes certain U.S. federal income tax considerations, and in the case of a non-U.S. holder (as defined below), estate tax considerations, that may be relevant to the acquisition, ownership and disposition of the notes. This discussion is based upon the provisions of the Internal Revenue Code of 1986, as amended (the Code), applicable U.S. Treasury Regulations promulgated thereunder, judicial authority and administrative interpretations, as of the date of this prospectus supplement, all of which are subject to change, possibly with retroactive effect, or are subject to different interpretations. We cannot assure you that the Internal Revenue Service, or IRS, will not challenge one or more of the tax consequences described in this discussion.

This discussion is limited to holders who purchase the notes in this offering for a price equal to the issue price of the notes (i.e., the first price at which a substantial amount of the notes is sold other than to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) and who hold the notes as capital assets (generally, property held for investment). This discussion does not address the tax considerations arising under the laws of any foreign, state, local or other jurisdiction. In addition, this discussion does not address all tax considerations that may be important to a particular holder in light of the holder s circumstances, or to certain categories of investors that may be subject to special rules, such as:

- dealers in securities or currencies;
- traders in securities that have elected the mark-to-market method of accounting for their securities;
- U.S. holders (as defined below) whose functional currency is not the U.S. dollar;
- persons holding notes as part of a straddle or other synthetic security or integrated transaction;
- certain U.S. expatriates;
- financial institutions;
- insurance companies;
- regulated investment companies;
- real estate investment trusts;
- persons subject to the alternative minimum tax;
- entities that are tax-exempt for U.S. federal income tax purposes; and
- persons holding notes through partnerships and other pass-through entities.

If a partnership (including an entity treated as a partnership for U.S. federal income tax purposes) holds notes, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. If you are a partner of a partnership acquiring the notes, you are urged to consult your own tax advisor about the U.S. federal income tax consequences of acquiring, holding and disposing of the notes.

Investors considering the purchase of notes are urged to consult their own tax advisors regarding the application of the U.S. federal income tax laws to their particular situations as well as any tax consequences of the purchase, ownership or disposition of the notes under U.S. federal gift tax laws or under the laws of any state, local or foreign jurisdiction or under any applicable tax treaty.

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In certain circumstances (see Description of Notes Optional Redemption and Description of Debt Securities Change of Control), we may elect or be obligated to pay amounts on the notes that are in excess of stated interest or principal on the notes. We do not intend to treat the possibility of paying such additional amounts as causing the notes to be treated as contingent payment debt instruments within the meaning of U.S. Treasury regulations. However, additional income will be recognized if any such additional payment is made. Our determination that the notes are not contingent payment debt instruments is binding on you unless you disclose your contrary position to the IRS in the manner that is required by applicable U.S. Treasury Regulations. Our determination, however, is not binding on the IRS, and it is possible that the IRS may take a different position, in which case you might be required to accrue interest income at a higher rate than the stated interest rate and to treat as ordinary interest income any gain realized on the taxable disposition of the note. The remainder of this discussion assumes that the notes will not be treated as contingent payment debt instruments.

Tax Consequences to U.S. Holders

You are a U.S. holder for purposes of this discussion if you are a beneficial owner of a note and you are for U.S. federal income tax purposes:

- an individual who is a U.S. citizen or U.S. resident alien;
- a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, that was created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust, or that has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

Interest on the Notes

Interest on the notes generally will be taxable to you as ordinary income at the time it is received or accrued in accordance with your regular method of accounting for U.S. federal income tax purposes.

Disposition of the Notes

You will generally recognize capital gain or loss on the sale, redemption, exchange, retirement or other taxable disposition of a note. This gain or loss will equal the difference between your adjusted tax basis in the note and the proceeds you receive (excluding any proceeds attributable to accrued but unpaid interest, which will be recognized as ordinary interest income to the extent you have not previously included such amounts in income). The proceeds you receive will include the amount of any cash and the fair market value of any other property received for the note. Your adjusted tax basis in the note will generally equal the amount you paid for the note. The gain or loss will be long-term capital gain or loss if you held the note for more than one year at the time of the sale, redemption, exchange, retirement or other disposition. Long-term capital gains of individuals, estates and trusts generally are subject to a reduced rate of U.S. federal income tax. The deductibility of capital losses may be subject to limitation.

Information Reporting and Backup Withholding

Information reporting generally will apply to payments of principal and interest on, and the proceeds of the sale or other disposition of (including a redemption or retirement), notes held by you, and backup withholding may apply to such payments unless you provide the appropriate intermediary with your taxpayer identification number, certified under penalties of perjury, as well as certain other information, or otherwise establish an exemption from backup withholding. Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules is allowable as a credit against your U.S. federal income tax liability, if any, and a refund may be obtained if the amounts withheld exceed your actual U.S. federal income tax liability and you timely provide the required information or appropriate claim form to the IRS.

Tax Consequences to Non-U.S. Holders

You are a non-U.S. holder for purposes of this discussion if you are a beneficial owner of notes and for U.S. federal income tax purposes you are an individual, corporation, estate or trust that is not a U.S. holder.

Interest on the Notes

Payments to you of interest on the notes generally will be exempt from withholding of U.S. federal income tax under the portfolio interest exemption if you properly certify as to your foreign status as described below, and:

- you do not own, actually or constructively, 10% or more of the total combined voting power of all classes of our stock entitled to vote;
- you are not a controlled foreign corporation that is related to us (actually or constructively) through sufficient stock ownership;
- you are not a bank whose receipt of interest on the notes is in connection with an extension of credit made pursuant to a loan agreement entered into in the ordinary course of your trade or business; and
- interest on the notes is not effectively connected with your conduct of a U.S. trade or business (or is effectively connected with your conduct of a U.S. trade or business but is not includable in gross income under an applicable tax treaty because it is not attributable to a permanent establishment maintained by you in the United States).

The portfolio interest exemption generally applies only if you appropriately certify as to your foreign status. You can generally meet this certification requirement by providing a properly executed IRS Form W-8BEN or appropriate substitute form to us, or our paying agent. If you hold the notes through a financial institution or other agent acting on your behalf, you may be required to provide appropriate certifications to the agent. Your agent will then generally be required to provide appropriate certifications to us or our paying agent, either directly or through other intermediaries. Special rules apply to foreign partnerships, estates and trusts, and in certain circumstances certifications as to foreign status of partners, trust owners or beneficiaries may have to be provided to us or our paying agent. In addition, special rules apply to qualified intermediaries that enter into withholding agreements with the IRS.

If you cannot satisfy the requirements described above, payments of interest made to you will be subject to U.S. federal withholding tax at a 30% rate, unless you provide us or our paying agent with a properly executed IRS Form W-8BEN (or successor form) claiming an exemption from (or a reduction of) withholding under the benefit of a tax treaty, or the payments of interest are effectively connected with your conduct of a trade or business in the United States and you meet the certification requirements described below. (see Tax Consequences to Non-U.S. Holders Income or Gain Effectively Connected with a U.S. Trade or Business.)

Disposition of Notes

You generally will not be subject to U.S. federal income tax on any gain realized on the sale, redemption, exchange, retirement or other taxable disposition of a note unless:

- the gain is effectively connected with the conduct by you of a U.S. trade or business (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by you in the United States); or

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- you are an individual who has been present in the United States for 183 days or more in the taxable year of disposition and certain other requirements are met.

If you are a non-U.S. holder described in the first bullet point above, you generally will be subject to U.S. federal income tax in the same manner as a U.S. holder (see Tax Consequences to Non-U.S. Holders Income or Gain Effectively Connected with a U.S. Trade or Business). If you are a non-U.S. holder described in the second bullet point above, you will be subject to a flat 30% U.S. federal income tax on the gain derived from the sale or other disposition, which may be offset by U.S.-source capital losses.

Income or Gain Effectively Connected with a U.S. Trade or Business

If any interest on the notes or gain from the sale, exchange or other taxable disposition of the notes is effectively connected with a U.S. trade or business conducted by you (and, if required by an applicable income tax treaty, is attributable to a permanent establishment maintained by you in the United States), then the income or gain will be subject to U.S. federal income tax at regular graduated income tax rates but will not be subject to U.S. withholding tax if certain certification requirements are satisfied. You can generally meet the certification requirements by providing to us or our paying agent a properly executed IRS Form W-8ECI (or successor form). If you are a corporation, that portion of your earnings and profits that is effectively connected with your U.S. trade or business may also be subject to a branch profits tax at a 30% rate, although an applicable income tax treaty may provide for a lower rate.

U.S. Federal Estate Tax

If you are an individual and are not a resident of the United States (as specially defined for U.S. federal estate tax purposes) at the time of your death, the notes generally will not be included in your estate for U.S. federal estate tax purposes unless, at the time of your death, interest on the notes does not qualify for the portfolio interest exemption under the rules described above (without regard to the certification requirement).

Information Reporting and Backup Withholding

Payments to you of interest on a note, and amounts withheld from such payments, if any, generally will be required to be reported to the IRS and to you.

United States backup withholding generally will not apply to payments to you of interest or principal on a note if the certification requirements described in Tax Consequences to Non-U.S. Holders Interest on the Notes are met or you otherwise establish an exemption, provided that we do not have actual knowledge or reason to know that you are a United States person.

Payment of the proceeds of a disposition of a note effected by the U.S. office of a U.S. or foreign broker will be subject to information reporting requirements and backup withholding unless you properly certify under penalties of perjury as to your foreign status and certain other conditions are met or you otherwise establish an exemption. Information reporting requirements and backup withholding generally will not apply to any payment of the proceeds of the disposition of a note effected outside the United States by a foreign office of a broker. However, unless such a broker has documentary evidence in its records that you are a non-U.S. holder and certain other conditions are met, or you otherwise establish an exemption, information reporting will apply to a payment of the proceeds of the disposition of a note effected outside the United States by such a broker if it:

- is a United States person;
- derives 50% or more of its gross income for certain periods from the conduct of a trade or business in the United States;
- is a controlled foreign corporation for U.S. federal income tax purposes; or

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is a foreign partnership that, at any time during its taxable year, has more than 50% of its income or capital interests owned by United States persons or is engaged in the conduct of a U.S. trade or business.

Backup withholding is not an additional tax. Any amount withheld under the backup withholding rules is allowable as a credit against your U.S. federal income tax liability, if any, and a refund may be obtained if the amounts withheld exceed your actual U.S. federal income tax liability and you timely provide the required information or appropriate claim form to the IRS.

Additional Tax Relating to Net Investment Income

For tax years beginning after December 31, 2012, an additional 3.8% tax will be imposed on the net investment income of certain United States citizens and resident aliens, and on the undistributed net investment income of certain estates and trusts. Among other items, net investment income will generally include gross income from interest, and net gain from the disposition of property, such as the notes, less certain deductions. Prospective investors should consult their tax advisors with respect to the imposition of this additional tax.

WE URGE EACH PROSPECTIVE INVESTOR TO CONSULT ITS OWN TAX ADVISOR REGARDING THE PARTICULAR FEDERAL, STATE, LOCAL AND FOREIGN TAX CONSEQUENCES OF PURCHASING, HOLDING AND DISPOSING OF OUR NOTES, INCLUDING THE CONSEQUENCES OF ANY PROPOSED CHANGE IN APPLICABLE LAWS.

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UNDERWRITING

Subject to the terms and conditions set forth in the underwriting agreement dated the date of this prospectus supplement, we have agreed to sell to each underwriter, and each underwriter has severally agreed to purchase from us, the principal amount of the notes that appears opposite its name in the table below:

Underwriter	Principal Amount of Notes
Merrill Lynch, Pierce, Fenner & Smith Incorporated	$ 150,000,000
J.P. Morgan Securities LLC	75,000,000
Wells Fargo Securities, LLC	66,000,000
Barclays Capital Inc.	36,000,000
Deutsche Bank Securities Inc.	36,000,000
Credit Suisse Securities (USA) LLC	36,000,000
RBC Capital Markets, LLC	36,000,000
Credit Agricole Securities (USA) Inc.	30,000,000
Citigroup Global Markets Inc.	24,000,000
BMO Capital Markets Corp.	21,000,000
SunTrust Robinson Humphrey, Inc.	12,000,000
UBS Securities LLC	12,000,000
BNP Paribas Securities Corp.	6,000,000
BOSC, Inc.	6,000,000
Capital One Southcoast, Inc.	6,000,000
Comerica Securities, Inc.	6,000,000
KeyBanc Capital Markets Inc.	6,000,000
Lloyds Securities Inc.	6,000,000
Mitsubishi UFJ Securities (USA), Inc.	6,000,000
Natixis Securities Americas LLC	6,000,000
Scotia Capital (USA) Inc.	6,000,000
SG Americas Securities, LLC	6,000,000
U.S. Bancorp Investments, Inc.	6,000,000
Total	$ 600,000,000

The obligations of the underwriters under the underwriting agreement, including their agreement to purchase notes from us, are several and not joint. Those obligations are also subject to various conditions in the underwriting agreement being satisfied. The underwriters have agreed to purchase all of the notes if any of them are purchased.

The underwriters initially propose to offer the notes to the public at the public offering price that appears on the cover of this prospectus supplement. After the initial offering, the underwriters may change the public offering price and any other selling terms.

In the underwriting agreement, we have agreed that:

We will not offer or sell any of our debt securities having a term of more than one year (other than the notes) for a period of 60 days after the date of this prospectus supplement without the prior consent of Merrill Lynch, Pierce, Fenner & Smith Incorporated.

We will pay our own expenses related to the offering, which we estimate will be $500,000.

We will indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, or contribute payments that the underwriters may be required to make in respect of those liabilities.

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The notes are new issues of securities with no established trading market. We do not intend to apply for the notes to be listed on any securities exchange or to arrange for the notes to be quoted on any quotation system. The underwriters have advised us that they intend to make a market in the notes. However, they are not obligated to do so and they may discontinue any market making at any time in their sole discretion. Therefore, we cannot assure you that a liquid trading market will develop for the notes, that you will be able to sell your notes at a particular time or that the prices that you receive when you sell will be favorable.

In connection with the offering, the underwriters may engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which creates a short position for the underwriters. Stabilizing transactions involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate covering transactions may cause the price of the notes to be higher than it would otherwise be in the absence of those transactions. If the underwriters engage in stabilizing or syndicate covering transactions, they may discontinue them at any time.

The underwriters or their affiliates have from time to time provided investment banking, commercial banking and financial advisory services to us and our affiliates, for which they have received customary compensation. The underwriters and their affiliates may provide similar services in the future. In particular, certain of the underwriters or their affiliates are lenders under our bank credit facility and will receive a portion of the net proceeds from this offering used to repay our bank credit facility.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the underwriters or their respective affiliates have a lending relationship with us, and as a result certain of these underwriters or their respective affiliates routinely hedge, and certain of those underwriters or their respective affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, these underwriters and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the notes offered hereby. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

We expect that delivery of the notes will be made against payment therefor on or about the closing date specified on the cover page of this prospectus supplement, which will be the tenth business day following the date of pricing of the notes (this settlement cycle being referred to as T+10). Under Rule 15c6-1 of the U.S. Securities and Exchange Commission under the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to that trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes on the date of pricing or the succeeding seven business days will be required, by virtue of the fact that the notes initially will settle in T+10, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisor.

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Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a Relevant Member State), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the Relevant Implementation Date) no offer of notes may be made to the public in that Relevant Member State other than:

A. to any legal entity which is a qualified investor as defined in the Prospectus Directive;

B. to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the representative; or

C. in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of notes shall require the Company or the representative to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

This prospectus has been prepared on the basis that any offer of notes in any Relevant Member State will be made pursuant to an exemption under the Prospectus Directive from the requirement to publish a prospectus for offers of notes. Accordingly any person making or intending to make an offer in that Relevant Member State of notes which are the subject of the offering contemplated in this prospectus may only do so in circumstances in which no obligation arises for the Company or any of the underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive in relation to such offer. Neither the Company nor the underwriters have authorized, nor do they authorize, the making of any offer of notes in circumstances in which an obligation arises for the Company or the underwriters to publish a prospectus for such offer.

For the purpose of the above provisions, the expression an offer to the public in relation to any notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression Prospectus Directive means Directive 2003/71/EC (including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member States) and includes any relevant implementing measure in the Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

Notice to Prospective Investors in the United Kingdom

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are qualified investors (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the Order) and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as relevant persons). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Notice to Prospective Investors in Switzerland

This prospectus supplement does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations and the notes will not be listed on the SIX Swiss Exchange. Therefore, this prospectus supplement may not comply with the disclosure standards of the listing rules (including any

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additional listing rules or prospectus schemes) of the SIX Swiss Exchange. Accordingly, the notes may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors who do not subscribe to the notes with a view to distribution. Any such investors will be individually approached by the underwriters from time to time.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus supplement relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority (DFSA). This prospectus supplement is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for the prospectus supplement. The notes to which this prospectus supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the notes offered should conduct their own due diligence on the notes. If you do not understand the contents of this prospectus supplement you should consult an authorized financial advisor.

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LEGAL MATTERS

Our legal counsel, Vinson & Elkins L.L.P., Houston, Texas, will pass upon certain legal matters in connection with the offered securities. The underwriters will be represented by Davis Polk & Wardwell LLP, New York, New York.

EXPERTS

The consolidated financial statements of Range Resources Corporation appearing in the Annual Report on Form 10-K for the year ended December 31, 2011, and the effectiveness of Range Resources Corporation s internal control over financial reporting as of December 31, 2011, have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their reports thereon, included therein, and incorporated herein by reference. Such consolidated financial statements are incorporated herein by reference in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

RESERVE ENGINEERS

Certain information presented and incorporated by reference in this prospectus supplement and in the accompanying prospectus regarding estimated quantities of oil and natural gas reserves occurred by us, the future net revenues from those reserves and their present value is based on estimates of the reserves and present values prepared by or derived from estimates prepared by DeGolyer and MacNaughton and Wright & Company, Inc. The reserve information is presented and incorporated by reference herein in reliance upon the authority of said firms as experts with respect to such reports.

GLOSSARY OF CERTAIN OIL AND GAS TERMS

In this prospectus supplement, the following terms have the meanings specified below.

Bbl One stock tank barrel, or 42 U.S. gallons liquid volume, used herein in reference to crude oil or other liquid hydrocarbons.

Bcf One billion cubic feet of gas.

Bcfe One billion cubic feet of natural gas equivalents, based on a ratio of 6 Mcf for each barrel of oil or NGLs, which reflects the relative energy content.

dry hole A well found to be incapable of producing oil or natural gas in sufficient economic quantities.

LIBOR London Interbank Offer Rate, the rate of interest at which banks offer to lend to one another in the wholesale money markets in the City of London. This rate is a yardstick for lenders involved in many high value transactions.

Mbbl One thousand barrels of crude oil or other liquid hydrocarbons. Mcf One thousand cubic feet of gas.

Mcfe One thousand cubic feet of natural gas equivalents, based on a ratio of 6 Mcf for each barrel of oil or NGL, which reflects relative energy content.

Mmbbl One million barrels of crude oil or other liquid hydrocarbons.

Mmbtu One million British thermal units. A British thermal unit is the heat required to raise the temperature of one-pound of water from 58.5 to 59.5 degrees Fahrenheit.

Mmcf One million cubic feet of gas.

Mmcfe One million cubic feet of gas equivalents.

Mmcf per day One million cubic feet of gas per day.

NGLs Natural gas liquids.

Present value (PV) The present value, discounted at 10%, of future net cash flows from estimated proved reserves, using constant prices and costs in effect on the date of the report (unless such prices or costs are subject to change pursuant to contractual provisions).

Proved reserves The estimated quantities of crude oil, natural gas and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions.

Recompletion The completion for production of another formation in an existing well bore in another formation from that in which the well has been previously completed.

Reserve life index Proved reserves at a point in time divided by the then production rate (annual or quarterly).

Royalty interest An interest in an oil and gas property entitling the owner to a share of oil and natural gas production free of costs of production.

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Standardized measure The present value, discounted at 10%, of future net cash flows from estimated proved reserves after income taxes, calculated holding prices and costs constant at amounts in effect on the date of the report (unless such prices or costs are subject to change pursuant to contractual provisions) and otherwise in accordance with the SEC s rules for inclusion of oil and natural gas reserve information in financial statements filed with the SEC.

Tcfe One trillion cubic feet of natural gas equivalent, computed on an approximate energy equivalent basis that one Bbl equals six Mcf.

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PROSPECTUS

Range Resources Corporation

Debt Securities

Guarantees of Debt Securities

We may offer and sell securities from time to time in amounts, at prices and on terms that we will determine at the times of the offerings. This prospectus also covers guarantees of our obligations under any debt securities, which may be given from time to time by one or more of our direct or indirect domestic subsidiaries, on terms to be determined at the time of the offering.

We will provide the specific terms of the securities in one or more supplements to this prospectus. You should read this prospectus and the related prospectus supplements carefully before you invest in our securities. This prospectus may not be used to offer and sell our securities unless accompanied by a prospectus supplement describing the method and terms of the offering of those offered securities. We may sell the securities directly, or we may distribute them through underwriters or dealers.

You should read this prospectus and any supplement carefully before you invest.

AN INVESTMENT IN OUR SECURITIES INVOLVES RISKS. PLEASE READ THE RISK FACTORS DESCRIBED IN ANY ACCOMPANYING PROSPECTUS SUPPLEMENT, IN OUR ANNUAL REPORT ON FORM 10-K AND IN ANY OF THE DOCUMENTS WE INCORPORATE BY REFERENCE.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is February 24, 2012

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We have not authorized any dealer, salesman or other person to give any information or to make any representation other than those contained or incorporated by reference in this prospectus and the accompanying prospectus supplement. We take no responsibility for, and can provide no assurances as to the reliability of, any information that others may give you. This prospectus and the accompanying prospectus supplement are not an offer to sell or the solicitation of an offer to buy any securities other than the registered securities to which they relate. This prospectus and the accompanying prospectus supplement are not an offer to sell or the solicitation of an offer to buy securities in any jurisdiction to any person to whom it is unlawful to make an offer or solicitation in that jurisdiction. The information contained in this prospectus and the accompanying prospectus supplement is accurate as of the dates on their covers. When we deliver this prospectus or an accompanying prospectus supplement or make a sale pursuant to this prospectus, we are not implying that the information is current as of the date of the delivery or sale.

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About this prospectus

This prospectus is part of a registration statement on Form S-3 that we filed with the Securities and Exchange Commission (SEC) using a shelf registration process. Under this shelf registration process, we may sell the securities described in this prospectus in one or more offerings. This prospectus provides you with a general description of the securities we may offer. Each time we sell securities, we will provide a prospectus supplement that will contain specific information about the terms of the offering and the securities to be sold. This prospectus does not contain all of the information included in the registration statement. The prospectus supplement may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement together with the additional information under the heading Where You Can Find More Information.

Unless otherwise noted herein, as used in this prospectus, Range, Range Resources, we, our, ours, us and the Company refer to Range Corporation and its consolidated subsidiaries, except where the context otherwise requires or as otherwise indicated.

Where you can find more information

This prospectus does not contain all of the information included in the registration statement and all of the exhibits and schedules thereto. For further information about the registrants, you should refer to the registration statement. Summaries of agreements or other documents in this prospectus are not necessarily complete. Please refer to the exhibits to the registration statement for complete copies of such documents.

We file annual, quarterly and other periodic reports, proxy statements and other information with the SEC. Our SEC filings are available over the Internet at the SEC s web site at http://www.sec.gov. You may also read and copy any document we file with the SEC at the SEC s public reference room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for more information on the public reference room and its copy charges. Our common stock is listed on the New York Stock Exchange under the symbol RRC. You may also inspect our SEC reports and other information at the New York Stock Exchange, 20 Broad Street, New York, New York 10005, or at our website at *http://www.rangeresources.com*. Information on our website or any other website is not incorporated by reference herein and does not constitute a part of this prospectus.

Information we incorporate by reference

The SEC allows us to incorporate by reference the information we file with them, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus. Information that we file with the SEC after we file this prospectus will automatically update and may replace information in this prospectus and information previously filed with the SEC.

We incorporate by reference in this prospectus the documents listed below which we previously have filed with the SEC and any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 (excluding those filings made under Item 2.02 or 7.01 of Form 8-K) after we file this prospectus until the offering of the securities terminates or we have filed with the SEC an amendment to the registration statement relating to this offering that deregisters all securities then remaining unsold:

- Annual Report on Form 10-K for the fiscal year ended December 31, 2011 filed with the SEC on February 22, 2012, as amended by the Form 10-K/A filed with the SEC on February 23, 2012; and

- Current Report on Form 8-K filed with the SEC on February 24, 2012.

You may request a copy of any of these filings (other than an exhibit to those filings unless we have specifically incorporated that exhibit by reference into the filing), at no cost, by telephoning us at the following number or writing us at the following address:

Range Resources Corporation

Attention: General Counsel

100 Throckmorton Street

Suite 1200

Fort Worth, Texas 76102

(817) 869-4254

Forward-looking statements

This prospectus and the documents incorporated by reference in this prospectus contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements include statements relating to our plans, strategies, objectives, expectations, intentions and adequacy of resources and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. In general, all statements other than statements of historical fact are forward-looking statements. These forward-looking statements are based on management s current belief, based on currently available information, as to the outcome and timing of future events. However, management s assumptions and our future performance are subject to a wide range of business risks and uncertainties and we cannot assure you that these goals and projections can or will be met. Any number of factors could cause actual results to differ materially from those in the forward-looking statements, including, but not limited to:

- production variance from expectations;
- volatility of natural gas, natural gas liquids and oil prices;
- hedging results;
- the need to develop and replace reserves;
- the substantial capital expenditures required to fund operations;
- exploration risks;
- environmental risks;
- uncertainties about estimates of reserves;

competition;

litigation;

access to capital;

government regulation;

political risks;

our ability to implement our business strategy;

costs and results of drilling new projects;

mechanical and other inherent risks associated with natural gas and oil production;

weather;

availability of drilling equipment;

changes of interest rates; and

other risks detailed in our filings with the SEC.

Reserve engineering is a process of estimating underground accumulations of natural gas and oil that cannot be measured in an exact way. The accuracy of any reserve estimate depends on the quality of available data, the interpretation of such data and price and cost assumptions made by our reserve engineers. In addition, the results of drilling, testing and production activities may justify revisions of estimates that were made previously. If significant, such revisions would change the schedule of any further production and development drilling. Accordingly, reserve estimates may differ from the quantities of natural gas and oil that are ultimately recovered.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, events, levels of activity, performance or achievements. We do not assume responsibility for the accuracy and completeness of the forward-looking statements.

Should one or more of the risks or uncertainties described in this prospectus or the documents we incorporate by reference, or should underlying assumptions prove incorrect, our actual results and plans could differ materially from those expressed in any forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

All forward-looking statements express or implied, included in this prospectus and the documents we incorporate by reference and attributable to Range are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that Range or persons acting on its behalf may issue.

Ratio of earnings to fixed charges

	Year Ended December 31,				
	2007	**2008**	**2009**	**2010**	**2011**
Ratio of earnings to fixed charges	3.7x	5.9x	1.8x	2.0x	1.7x

For purposes of calculating the ratio of earnings to fixed charges:

- *fixed charges* represent interest expense, amortization of debt costs and the portion of rental expense representing the interest factor, and

- *earnings* represent the aggregate of fixed charges and pre-tax income from continuing operations adjusted for undistributed income or loss from equity method investments.

Use of proceeds

Unless we inform you otherwise in a prospectus supplement, we expect to use the net proceeds from the sale of the securities covered by this prospectus for general corporate purposes, which may include but are not limited to reduction or refinancing of debt or other corporate obligations, repurchasing or redeeming our securities, the financing of capital expenditures, acquisitions and additions to our working capital. We may temporarily use the net proceeds received from any offering of securities to repay our senior credit facility or other debt until we can use such net proceeds for the stated purpose.

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Description of debt securities

In this Description of Debt Securities, Range or the Company refers only to Range Resources Corporation, and any successor obligor on the securities, and not to any of its subsidiaries. You can find the definitions of certain terms used in this description under Certain definitions.

The Company may from time to time issue such securities (referred to herein as the notes) under an Indenture (the Indenture) to be entered into among the Company, the Subsidiary Guarantors and The Bank of New York Mellon Trust Company, N.A., as may be supplemented or amended. The terms of the notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as amended.

The notes may be issued from time to time as provided in this prospectus. When notes are offered, a prospectus supplement will explain the particular terms of the notes to the extent they are not set forth in or vary from the terms set forth in this prospectus, and in particular will include the following information about the notes offered:

- the initial principal amount of notes offered;
- the interest rate borne by the notes;
- the interest payment dates and related record date;
- the maturity date;
- the prices and other terms, if any, upon which the notes may be redeemed prior to maturity;
- any changes in the terms related to the notes described herein, including changes in covenants, events of default or any other provision described herein; and
- any other information relevant to the terms of the notes so offered.

The following is a summary of the material provisions of the Indenture. Because this is a summary, it may not contain all the information that is important to you. We have filed the form of Indenture as an exhibit to the registration statement of which this prospectus is part. You should read the Indenture in its entirety.

Basic terms of notes

The notes:

- will be unsecured senior subordinated obligations of Range, subordinated in right of payment to all existing and future Senior Debt of Range in accordance with the subordination provisions of the Indenture;
- will be jointly, severally and unconditionally guaranteed on a senior subordinated basis by certain of the material domestic Restricted Subsidiaries of the Company and any future material domestic Restricted Subsidiary of the Company. The obligations of the Subsidiary Guarantors under the Guarantees will be general unsecured obligations of each of the Subsidiary Guarantors and will be

subordinated in right of payment to all obligations of the Subsidiary Guarantors in respect of Senior Debt; and

will rank equally with all of our senior subordinated unsecured debt, including $500.0 million in aggregate principal amount of our outstanding 5 $^{3}/4$% Senior Subordinated Notes due 2021, $500.0 million in aggregate principal amount of our outstanding 6 $^{3}/4$% Senior Subordinated Notes due 2020, $300.0 million in aggregate principal amount of our outstanding 8% Senior Subordinated Notes due 2019, $250.0 million in aggregate principal amount of our outstanding 7 $^{1}/4$% Senior Subordinated Notes due 2018 and $250.0 million in aggregate principal amount of our outstanding 7 $^{1}/2$% Senior Subordinated Notes due 2017.

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Additional notes

Subject to the covenants described below, following the initial issuance of notes under the Indenture, we may issue additional notes under the Indenture having the same terms as the initial notes; provided, however, that if the additional notes are not fungible with the initial notes for U.S. federal income tax purposes, the additional notes will have a separate CUSIP number. The initial notes and any such additional notes would be treated as a single class for all purposes under the Indenture and will vote together as one class on all matters with respect to the notes.

Optional redemption

We will be permitted to redeem the notes prior to maturity on the terms and at the prices set forth in the prospectus supplement relating to the issuance of the notes.

No mandatory redemption or sinking fund

Except as set forth below under Repurchase at the option of holders, we will not be required to make mandatory redemption or sinking fund payments with respect to the notes.

Guarantees

The Company s payment obligations under the notes will be jointly, severally and unconditionally guaranteed (the Guarantees) initially by the Company s material domestic Restricted Subsidiaries and by any future material domestic Restricted Subsidiaries of the Company. The initial Subsidiary Guarantors shall be American Energy Systems, LLC; Energy Assets Operating Company, LLC; Range Energy Services Company, LLC; Range Operating New Mexico, LLC; Range Production Company; Range Resources Appalachia, LLC; Range Resources Midcontinent, LLC; Range Resources Pine Mountain, Inc. and Range Texas Production, LLC. The Guarantees will be subordinated to Indebtedness of the Subsidiary Guarantors to the same extent and in the same manner as the notes are subordinated to the Senior Debt. Each Guarantee by a Subsidiary Guarantor will be limited in an amount not to exceed the maximum amount that can be guaranteed by the applicable Subsidiary Guarantor without rendering such Guarantee, as it relates to such Subsidiary Guarantor, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer or similar laws affecting rights of creditors generally.

The Indenture provides that no Subsidiary Guarantor may consolidate with or merge with or into (whether or not such Subsidiary Guarantor is the surviving Person), another Person whether or not affiliated with such Subsidiary Guarantor, unless (i) subject to the provisions of the following paragraph, the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) assumes all the obligations of such Subsidiary Guarantor pursuant to a supplemental Indenture in form and substance reasonably satisfactory to the Trustee in respect of the notes, the Indenture and the Guarantees; (ii) immediately after giving effect to such transaction, no Default or Event of Default exists; and (iii) such transaction does not violate any of the covenants described under the heading Certain covenants.

The Indenture provides that in the event of a sale or other disposition of all or substantially all of the assets of a Subsidiary Guarantor to a third party or an Unrestricted Subsidiary in a transaction that does not violate any of the covenants in the Indenture, by way of merger, consolidation or otherwise, or a sale or other disposition of all of the capital stock of a Subsidiary Guarantor, then such Subsidiary Guarantor (in the event of a sale or other disposition, by way of such a merger, consolidation or otherwise, of all of the capital stock of such Subsidiary Guarantor) or the Person acquiring the property (in the event of a sale or other disposition of all or substantially all of the assets of such Subsidiary Guarantor) will be released from and relieved of any obligations under its Guarantee.

Any Subsidiary Guarantor that is designated an Unrestricted Subsidiary in accordance with the terms of the Indenture shall be released and relieved of its obligations under its Guarantee.

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Subordination

The payment of principal, premium, if any, and interest on the notes and any other payment obligations of the Company in respect of the notes (including any obligation to repurchase the notes) will be subordinated in certain circumstances in right of payment, as set forth in the Indenture, to the prior payment in full in cash of all Senior Debt, whether outstanding on the date of the Indenture or thereafter incurred.

Upon any payment or distribution of property or securities to creditors of the Company in a liquidation or dissolution of the Company or in a bankruptcy, reorganization, insolvency, receivership or similar proceeding relating to the Company or its property, or in an assignment for the benefit of creditors or any marshalling of the Company s assets and liabilities, the holders of Senior Debt will be entitled to receive payment in full of all Obligations due in respect of such Senior Debt (including interest after the commencement of any such proceeding at the rate specified in the applicable Senior Debt, whether or not a claim for such interest would be allowed in such proceeding) before the Holders of notes will be entitled to receive any payment with respect to the notes, and until all Obligations with respect to Senior Debt are paid in full, any distribution to which the Holders of notes would be entitled shall be made to the holders of Senior Debt (except in each case that Holders of notes may receive securities that are subordinated at least to the same extent as the notes are subordinated to Senior Debt and any securities issued in exchange for Senior Debt and payments made from the trust described under Legal defeasance and covenant defeasance).

The Company may not make any payment (whether by redemption, purchase, retirement, defeasance or otherwise) upon or in respect of the notes (except in such subordinated securities or from the trust described under Legal defeasance and covenant defeasance) if (i) a default in the payment of the principal of, premium, if any, or interest on Designated Senior Debt occurs or (ii) any other default occurs and is continuing with respect to Designated Senior Debt that permits, or with the giving of notice or passage of time or both (unless cured or waived) will permit, holders of the Designated Senior Debt as to which such default relates to accelerate its maturity and the Trustee receives a notice of such default (a Payment Blockage Notice) from the Company or the holders of any Designated Senior Debt. Cash payments on the notes shall be resumed (a) in the case of a payment default, upon the date on which such default is cured or waived and (b) in case of a nonpayment default, the earliest of the date on which such nonpayment default is cured or waived, the date on which the applicable Payment Blockage Notice is retracted by written notice to the Trustee or 90 days after the date on which the applicable Payment Blockage Notice is received, unless the maturity of any Designated Senior Debt has been accelerated or a default of the type described in clause (ix) under the caption Events of Default has occurred and is continuing. No new period of payment blockage may be commenced unless and until 360 days have elapsed since the date of commencement of the payment blockage period resulting from the immediately prior Payment Blockage Notice. No nonpayment default in respect of Designated Senior Debt that existed or was continuing on the date of delivery of any Payment Blockage Notice to the Trustee shall be, or be made, the basis for a subsequent Payment Blockage Notice.

The Indenture further requires that the Company promptly notify holders of Senior Debt if payment of the notes is accelerated because of an Event of Default.

As a result of the subordination provisions described above, in the event of a liquidation or insolvency of the Company, Holders of notes may recover less ratably than creditors of the Company who are holders of Senior Debt. The Indenture will limit, subject to certain financial tests, the amount of additional Indebtedness, including Senior Debt, that the Company and its Subsidiaries can incur. See Certain covenants Incurrence of indebtedness and issuance of disqualified stock.

Repurchase at the option of holders

Change of control

Upon the occurrence of a Change of Control, each Holder of notes will have the right to require the Company to repurchase all or any part (equal to $1,000 or an integral multiple thereof) of such Holder s notes pursuant to the offer described below (the Change of Control Offer) at an offer price in cash equal to 101% of the aggregate principal amount of the notes *plus* accrued and unpaid interest, if any, thereon to the date of purchase (the Change of Control Payment). Within 30 days following any Change of Control, unless a notice of redemption has been given with respect to the notes, the Company will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offer to repurchase the notes pursuant to the procedures required by the Indenture and described in such notice. The Change of Control Payment shall be made on a business day not less than 30 days nor more than 60 days after such notice is mailed (the Change of Control Payment Date). The Company will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control.

On the Change of Control Payment Date, the Company will, to the extent lawful, (i) accept for payment all the notes or portions thereof properly tendered pursuant to the Change of Control Offer, (ii) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all the notes or portions thereof so tendered and (iii) deliver or cause to be delivered to the Trustee the notes so accepted together with an Officers Certificate stating the aggregate principal amount of such notes or portions thereof being purchased by the Company. The Paying Agent will promptly mail to each Holder of notes so tendered the Change of Control Payment for such notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book entry) to each Holder a new note equal in principal amount to any unpurchased portion of the notes surrendered, if any; provided that each such new note will be in a principal amount of $1,000 or an integral multiple thereof. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date. Except as described above with respect to a Change of Control, the Indenture will not contain provisions that permit the Holders of notes to require that the Company repurchase or redeem the notes in the event of a takeover, recapitalization or similar transaction.

The Company will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Company and purchases all notes (or portions thereof) validly tendered and not withdrawn under such Change of Control Offer.

The Credit Agreement will prohibit the Company from repurchasing any notes pursuant to a Change of Control Offer prior to the repayment in full of the Senior Debt under the Credit Agreement. Moreover, the occurrence of certain change of control events identified in the Credit Agreement will constitute a default under the Credit Agreement. Any future Credit Facilities or other agreements relating to the Senior Debt to which the Company becomes a party may contain similar restrictions and provisions. If a Change of Control were to occur, the Company may not have sufficient available funds to pay the Change of Control Payment for all notes that might be delivered by Holders of notes seeking to accept the Change of Control Offer after first satisfying its obligations under the Credit Agreement or other agreements relating to Senior Debt, if accelerated. The failure of the Company to make or consummate the Change of Control Offer or pay the Change of Control Payment when due will constitute a Default under the Indenture and will otherwise give the Trustee and the Holders of notes the rights described under Events of default and remedies.

The definition of Change of Control includes a phrase relating to the sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of the Company and its Subsidiaries taken as a whole. Although there is a developing body of case law interpreting the phrase substantially all, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a Holder of notes to require the Company to repurchase such notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of the assets of the Company and its Subsidiaries taken as a whole to another Person or group may be uncertain.

Asset sales

The Indenture provides that the Company will not, and will not permit any of its Restricted Subsidiaries to, engage in an Asset Sale unless (i) the Company or the Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the fair market value (as determined in good faith by a resolution of the Board of Directors set forth in an Officers Certificate delivered to the Trustee, which determination shall be conclusive evidence of compliance with this provision) of the assets or Equity Interests issued or sold or otherwise disposed of and (ii) at least 85% of the consideration therefor received by the Company or such Restricted Subsidiary in such Asset Sale, *plus* all other Asset Sales since the date of the Indenture, on a cumulative basis, is in the form of cash or Cash Equivalents; provided that the amount of any liabilities (as shown on the Company s or such Restricted Subsidiary s most recent balance sheet) of the Company or any Restricted Subsidiary (other than contingent liabilities and liabilities that are by their terms subordinated to the notes or any guarantee thereof) that are assumed by the transferee of any such assets pursuant to a customary novation agreement that releases the Company or such Restricted Subsidiary from further liability shall be treated as cash for the foregoing purposes.

Within 360 days after the receipt of any Net Proceeds from an Asset Sale, the Company may apply such Net Proceeds, at its option, (a) to reduce Senior Debt, (b) to acquire a controlling interest in another Oil and Gas Business, (c) to make capital expenditures in respect of the Company s or its Restricted Subsidiaries Oil and Gas Business, (d) to purchase long-term assets that are used or useful in such Oil and Gas Business or (e) to repurchase any notes. Pending the final application of any such Net Proceeds, the Company may temporarily reduce Senior Debt that is revolving debt or otherwise invest such Net Proceeds in any manner that is not prohibited by the Indenture. Any Net Proceeds from Asset Sales that are not applied as provided in the first sentence of this paragraph will (after the expiration of the periods specified in this paragraph) be deemed to constitute Excess Proceeds.

When the aggregate amount of Excess Proceeds exceeds $10.0 million, the Company will be required to make an offer to all Holders of notes and, to the extent required by the terms thereof, to all holders or lenders of *pari passu* Indebtedness (an Asset Sale Offer) to purchase the maximum principal amount of the notes and any such *pari passu* Indebtedness to which the Asset Sale Offer applies that may be purchased out of the Excess Proceeds, at an offer price in cash in an amount equal to, in the case of the notes, 100% of the principal amount thereof *plus* accrued and unpaid interest thereon to the date of purchase, or, in the case of any other *pari passu* Indebtedness, 100% of the principal amount thereof (or with respect to discount *pari passu* Indebtedness, the accreted value thereof) on the date of purchase, in each case in accordance with the procedures set forth in the Indenture or the agreements governing the *pari passu* Indebtedness, as applicable. To the extent that the aggregate principal amount (or accreted value, as the case may be) of the notes and *pari passu* Indebtedness tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Company may use any remaining Excess Proceeds for general corporate purposes. If the sum of the aggregate principal amount of the notes surrendered by Holders thereof and the aggregate principal amount or accreted value, as the case may be, of other *pari passu* Indebtedness surrendered by holders or lenders thereof exceeds the amount of Excess Proceeds, the Trustee and the trustee or other lender representatives for the *pari passu* Indebtedness shall select the notes and other *pari passu* Indebtedness to be purchased on a pro rata basis, based on the aggregate principal amount (or accreted value, as applicable) thereof surrendered in such Asset Sale Offer. Upon completion of such Asset Sale Offer, the amount of Excess Proceeds shall be reset at zero.

The Credit Agreement will prohibit the Company from purchasing any notes from the Net Proceeds of Asset Sales. Any future credit agreements or other agreements relating to Senior Debt to which the Company becomes a party may contain similar restrictions and provisions. In the event an Asset Sale Offer occurs at a time when the Company is prohibited from purchasing the notes, the Company could seek the consent of its lenders to the purchase or could attempt to refinance the Senior Debt that contain such prohibition. If the Company does not obtain such a consent or repay such Senior Debt, the Company may remain prohibited from purchasing the notes. In such case, the Company s failure to purchase tendered notes would constitute an Event of Default under the

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Indenture which would, in turn, constitute a default under the Credit Agreement and possibly a default under other agreements relating to Senior Debt. In such circumstances, the subordination provisions in the Indenture would likely restrict payments to the Holders of the notes.

Certain covenants

The Indenture provides that the Company may, in certain circumstances, designate one or more of its Subsidiaries as Unrestricted Subsidiaries, which generally are not subject to the restricted covenants of the Indenture. As of the date of the Indenture, the Company currently does not have any subsidiaries designated as Unrestricted Subsidiaries.

The Indenture contains covenants including, among others, the following:

Restricted payments

The Indenture provides that the Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly: (i) declare or pay any dividend or make any other payment or distribution on account of the Company s Equity Interests (including, without limitation, any payment to holders of the Company s Equity Interests in connection with any merger or consolidation involving the Company) or to the direct or indirect holders of the Company s Equity Interests in their capacity as such (other than dividends or distributions payable in Equity Interests (other than Disqualified Stock) of the Company); (ii) purchase, redeem or otherwise acquire or retire for value any Equity Interests of the Company; (iii) make any principal payment on, or purchase, redeem, defease or otherwise acquire or retire for value any Indebtedness that is subordinated to the notes, except at final maturity; or (iv) make any Restricted Investment (all such payments and other actions set forth in clauses (i) through (iv) above being collectively referred to as Restricted Payments), unless, at the time of and after giving effect to such Restricted Payment:

(a) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof; and

(b) the Company would, at the time of such Restricted Payment and after giving pro forma effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in the first paragraph of the covenant described below under the caption Incurrence of indebtedness and issuance of disqualified stock ; and

(c) such Restricted Payment, together with the aggregate of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the date of the Indenture (excluding Restricted Payments permitted by clauses (2), (3), (5) and (6) of the next succeeding paragraph), is less than the sum of (i) the dollar amount calculated as of the date of the Indenture under Section 4.07(c) of that certain Indenture dated July 21, 2003 among the Company, the Subsidiary Guarantors and The Bank of New York Mellon Trust Company, N.A. as successor trustee to Bank One, National Association, *plus* (ii) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) from the beginning of the first fiscal quarter commencing prior to the date of the Indenture to the end of the Company s most recently ended fiscal quarter for which internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit), *plus* (iii) 100% of the aggregate net cash proceeds received by the Company from the issue and sale since the date of the Indenture of Equity Interests of the Company or of debt securities of the Company that have been converted into or exchanged for such Equity Interests (other than Equity Interests (or convertible debt securities) sold to a Subsidiary of the Company and other than Disqualified Stock or debt securities that have been converted into Disqualified Stock), *plus* (iv) 100% of the amount of net cash proceeds received by the Company or a Restricted Subsidiary from the sale within 12 months of the related acquisition of any of the following that are acquired after the date of the Indenture in

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exchange for Equity Interests of the Company (other than Disqualified Stock and other than Capital Stock issued to a Subsidiary of the Company): (A) any property or assets (other than Indebtedness and Capital Stock); (B) the Capital Stock of a Person that becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Company or another Restricted Subsidiary; or (C) Capital Stock constituting a minority interest in any Person that at such time is a Restricted Subsidiary, *plus* (v) to the extent that any Restricted Investment that was made after the date of the Indenture is sold for cash or otherwise liquidated or repaid for cash, the lesser of (A) the net proceeds of such sale, liquidation or repayment and (B) the initial amount of such Restricted Investment.

The foregoing provisions will not prohibit: (1) the payment of any dividend within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of the Indenture; (2) the redemption, repurchase, retirement or other acquisition of any Equity Interests of the Company in exchange for, or out of the proceeds of, the substantially concurrent sale (other than to a Subsidiary of the Company) of other Equity Interests of the Company (other than any Disqualified Stock); *provided* that the amount of any such net cash proceeds that are utilized for any such redemption, repurchase, retirement or other acquisition shall be excluded from clause (c)(iii) or (c)(iv) of the preceding paragraph; (3) the defeasance, redemption or repurchase of Subordinated Indebtedness with the net cash proceeds from an incurrence of Permitted Refinancing Debt or the substantially concurrent sale (other than to a Subsidiary of the Company) of Equity Interests of the Company (other than Disqualified Stock); *provided* that the amount of any such net cash proceeds that are utilized for any such redemption, repurchase, retirement or other acquisition shall be excluded from clause (c)(iii) or (c)(iv) of the preceding paragraph; (4) the repurchase, redemption or other acquisition or retirement for value of any Equity Interests of the Company or any Subsidiary of the Company held by any of the Company s (or any of its Subsidiaries) employees pursuant to any equity subscription agreement or stock option agreement in effect as of the date of the Indenture; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Equity Interests shall not exceed $2.0 million in any twelve-month period; and provided further that no Default or Event of Default shall have occurred and be continuing immediately after such transaction; (5) repurchases of Equity Interests deemed to occur upon exercise of stock options if such Equity Interests represent a portion of the exercise price of such options; and (6) cash payments made by the Company for the repurchase, redemption or other acquisition or retirement of the Company s 7 1/2% Senior Subordinated Notes due 2017, 7 1/4% Senior Subordinated Notes due 2018, 8% Senior Subordinated Notes due 2019, 6 3/4% Senior Subordinated Notes due 2020 or 5 3/4% Senior Subordinated Notes due 2021.

The amount of all Restricted Payments (other than cash) shall be the fair market value (as determined in good faith by a resolution of the Board of Directors set forth in an Officers Certificate delivered to the Trustee, which determination shall be conclusive evidence of compliance with this provision) on the date of the Restricted Payment of the asset(s) proposed to be transferred by the Company or the applicable Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment. Not later than five days after the date of making any Restricted Payment, the Company shall deliver to the Trustee an Officers Certificate stating that such Restricted Payment is permitted and setting forth the basis upon which the calculations required by the covenant Restricted Payments were computed.

Designation of unrestricted subsidiaries

The Board of Directors of the Company may designate any Restricted Subsidiary to be an Unrestricted Subsidiary if such designation would not cause a Default. For purposes of making such determination, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid in cash) in the Subsidiary so designated will be deemed to be a Restricted Investment or, if applicable, a Permitted Investment at the time of such designation and must comply with the covenant Restricted payments. All such outstanding Investments will be deemed to constitute Investments in an amount equal to the greater of the fair market value or the book value of such Investments at the time of such designation. Such designation will only be permitted if such Restricted Payment would be permitted at such time and if such Restricted Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

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Incurrence of indebtedness and issuance of disqualified stock

The Indenture provides that the Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, incur) any Indebtedness (including Acquired Debt) and that the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of preferred stock; provided, however, that the Company may incur Indebtedness (including Acquired Debt) or issue shares of Disqualified Stock if:

(i) the Fixed Charge Coverage Ratio for the Company s most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is incurred or such Disqualified Stock is issued would have been at least 2.5 to 1, determined on a pro forma basis as set forth in the definition of Fixed Charge Coverage Ratio; and

(ii) no Default or Event of Default shall have occurred and be continuing at the time such additional Indebtedness is incurred or such Disqualified Stock is issued or would occur as a consequence of the incurrence of the additional Indebtedness or the issuance of the Disqualified Stock.

Notwithstanding the foregoing, the Indenture will not prohibit any of the following (collectively, Permitted Indebtedness): (a) the Indebtedness evidenced by the notes initially issued under the Indenture; (b) the Indebtedness evidenced by the Company s 7 1/2% Senior Subordinated Notes due 2017, 7