

Rice Energy Inc.
Form S-1/A
August 11, 2014
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As filed with the Securities and Exchange Commission on August 11, 2014

Registration No. 333-197266

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Amendment No. 1
to
Form S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

RICE ENERGY INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

1311
(Primary Standard Industrial
Classification Code Number)
400 Woodcliff Drive

46-3785773
(IRS Employer
Identification Number)

Canonsburg, Pennsylvania 15317

(724) 746-6720

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Daniel J. Rice IV

Chief Executive Officer

400 Woodcliff Drive

Canonsburg, Pennsylvania 15317

(724) 746-6720

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Douglas E. McWilliams

Matthew R. Pacey

Vinson & Elkins L.L.P.

1001 Fannin, Suite 2500

Houston, Texas 77002

(713) 758-2222

Gerald M. Spedale

Jason A. Rocha

Baker Botts L.L.P.

One Shell Plaza

910 Louisiana Street

Houston, Texas 77002

(713) 229-1234

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer " Accelerated filer "
 Non-accelerated filer x (Do not check if a smaller reporting company) Smaller reporting company "

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common stock, \$.01 per share	11,500,000	\$26.465	\$304,347,500	\$39,200

(1) Includes shares of common stock that may be sold to cover the exercise of an option to purchase additional shares granted to the underwriters.

(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act of 1933, as amended, and based on a price of \$26.465, which is the average of the high and low trading prices per share as reported by the New York Stock Exchange on August 8, 2014.

(3) The registrant previously paid \$89,489 for the registration of \$694,786,951 of proposed maximum aggregate offering price in the filing of the Registration Statement on July 7, 2014 (File No. 333-197266).

The registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as

amended, or until this registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state or jurisdiction where the offer or sale is not permitted.

PROSPECTUS Subject to Completion, dated August 11, 2014
10,000,000 Shares

Rice Energy Inc.

Common Stock

We are offering 7,500,000 shares and the selling stockholders identified in the prospectus are offering 2,500,000 shares of our common stock. We will not receive any proceeds from the sale of shares held by the selling stockholders. We are an emerging growth company and are eligible for reduced reporting requirements. Please see Prospectus Summary Emerging Growth Company Status.

Our common stock is listed on the New York Stock Exchange under the symbol RICE. The last reported sales price of our common stock on the New York Stock Exchange on August 8, 2014 was \$26.77 per share.

Investing in our common stock involves risks. See Risk Factors beginning on page 17 of this prospectus.

	Per Share	Total
Price to the public	\$	\$
Underwriting discounts and commissions(1)	\$	\$
Proceeds to us (before expenses)	\$	\$
Proceeds to the selling stockholders	\$	\$

(1) Please read Underwriting for a description of all underwriting compensation payable in connection with this offering.

The selling stockholders identified in this prospectus have granted the underwriters the option to purchase up to 1,500,000 additional shares of common stock on the same terms and conditions set forth above within 30 days from the date of this prospectus. We will not receive any of the proceeds from the sale of shares by the selling stockholders if the underwriters exercise their option to purchase 1,500,000 additional shares of common stock.

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

The underwriters expect to deliver the shares on or about _____, 2014.

Goldman, Sachs & Co.

Barclays

Citigroup

Wells Fargo Securities

BMO Capital Markets

Capital One Securities

RBC Capital Markets

Tudor, Pickering, Holt & Co.

Comerica Securities

Scotia Bank / Howard Weil

Sterne Agee

SunTrust Robinson Humphrey

U.S. Capital Advisors

Prospectus dated _____, 2014

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You should rely only on the information contained in this prospectus and any free writing prospectus prepared by us or on behalf of us or to the information which we have referred you. Neither we, the selling stockholders nor the underwriters have authorized anyone to provide you with information different from that contained in this prospectus and any free writing prospectus. We, the selling stockholders and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We, the selling stockholders and the underwriters are offering to sell shares of common stock and seeking offers to buy shares of common stock only in jurisdictions where offers and sales are permitted. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the common stock. Our business, financial condition, results of operations and prospects may have changed since that date.

This prospectus contains forward-looking statements that are subject to a number of risks and uncertainties, many of which are beyond our control. See Risk Factors and Cautionary Statement Regarding Forward-Looking Statements.

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Commonly Used Defined Terms

As used in this prospectus, unless the context indicates or otherwise requires, the following terms have the following meanings:

Rice Energy, the Company, we, our, us or like terms refer to Rice Energy Inc. and its consolidated subsidiaries;

Rice Drilling B refers to Rice Drilling B LLC, a wholly-owned subsidiary of Rice Energy;

Rice Partners refers to Rice Energy Family Holdings, LP (formerly known as Rice Energy Limited Partners), an entity affiliated with members of the Rice family;

Rice Holdings refers to Rice Energy Holdings LLC;

Rice Owners refers to Rice Holdings, Rice Partners and Daniel J. Rice III;

Rice Appalachia refers to Rice Energy Appalachia, LLC, the parent company of Rice Drilling B prior to our corporate reorganization;

Alpha Holdings refers to Foundation PA Coal Company, LLC, a wholly owned indirect subsidiary of Alpha Natural Resources, Inc.;

Marcellus joint venture refers collectively to Alpha Shale Resources, LP and its general partner, Alpha Shale Holdings, LLC;

Countrywide Energy Services refers to Countrywide Energy Services, LLC;

Natural Gas Partners refers to a family of private equity investment funds organized to make direct equity investments in the energy industry, including the funds invested in us; and

NGP Holdings refers to NGP Rice Holdings, LLC.

Industry and Market Data

The market data and certain other statistical information used throughout this prospectus are based on independent industry publications, government publications and other published independent sources. Some data is also based on our good faith estimates. Although we believe these third-party sources are reliable as of their respective dates, neither

we, the selling stockholders nor the underwriters have independently verified the accuracy or completeness of this information. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section entitled Risk Factors. These and other factors could cause results to differ materially from those expressed in these publications.

Trademarks and Trade Names

We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business. This prospectus may also contain trademarks, service marks and trade names of third parties, which are the property of their respective owners. Our use or display of third parties' trademarks, service marks, trade names or products in this prospectus is not intended to, and does not imply a relationship with, or endorsement or sponsorship by us. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus may appear without the ®, TM or SM symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the right of the applicable licensor to these trademarks, service marks and trade names.

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Pro Forma Presentation

Unless otherwise noted, information presented in this prospectus on a pro forma basis gives effect to (i) our initial public offering completed in January 2014 and the use of proceeds thereof and (ii) the consummation of our acquisition of Alpha Holdings' 50% interest in our Marcellus joint venture (the Marcellus JV Buy-In) in January 2014, each as described under Prospectus Summary Initial Public Offering, Corporate Reorganization and Related Transactions. Unless otherwise noted, information concerning the number of wells drilled and completed by us during historical periods is presented on a pro forma basis giving effect to the Marcellus JV Buy-In.

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PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus. You should read the entire prospectus carefully before making an investment decision, including the information under the headings Risk Factors, Cautionary Statement Regarding Forward-Looking Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations and the historical consolidated and unaudited pro forma financial statements and the related notes thereto appearing elsewhere in this prospectus. The estimated proved reserve information for the properties of each of us and our Marcellus joint venture contained in this prospectus are based on reserve reports relating thereto prepared by the independent petroleum engineers of Netherland, Sewell & Associates, Inc. (NSAI). We refer to these reports collectively as our reserve reports. We have provided definitions for some of the oil and natural gas industry terms used in this prospectus in the Glossary in Appendix A to this prospectus.

Our Company

We are an independent natural gas and oil company engaged in the acquisition, exploration and development of natural gas and oil properties in the Appalachian Basin. We are focused on creating shareholder value by identifying and assembling a portfolio of low-risk assets with attractive economic profiles and leveraging our technical and managerial expertise to deliver industry-leading results. We strive to be an early entrant into the core of a shale play by identifying what we believe to be the core of the play and aggressively executing our acquisition strategy to establish a largely contiguous acreage position. We believe we were an early identifier of the core of both the Marcellus Shale in southwestern Pennsylvania and the Utica Shale in southeastern Ohio.

All of our current and planned development is located in what we believe to be the core of the Marcellus and Utica Shales. The Marcellus Shale is one of the most prolific unconventional resource plays in the United States, and we believe the Utica Shale, based on initial drilling results, is a premier North American shale play. Together, these resource plays offer what we believe to be among the highest rate of return wells in North America. As of June 30, 2014, we held approximately 53,834 net acres in the southwestern core of the Marcellus Shale, primarily in Washington County, Pennsylvania. We established our Marcellus Shale acreage position through a combination of largely contiguous acreage acquisitions in 2009 and 2010 and through numerous bolt-on acreage acquisitions. In 2012, we acquired approximately 33,499 of our 50,772 net acres in the southeastern core of the Utica Shale, primarily in Belmont County, Ohio. We believe this area to be the core of the Utica Shale based on publicly available drilling results. We operate all of our acreage in the Marcellus Shale and a majority of our acreage in the Utica Shale.

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Since completing our first horizontal well in the fourth quarter of 2010, our pro forma average net daily production has grown approximately 120 times to 241 MMcf/d for the second quarter of 2014. Substantially all of our production through the second quarter of 2014 has been dry gas attributable to our operations in the Marcellus Shale. Prior to the second quarter of 2013, we ran a two-rig drilling program focused on delineating and defining the boundaries of our Marcellus Shale acreage position. In the second quarter of 2013, we shifted our operational focus from exploration to development, commencing a four-rig drilling program consisting of two rigs specifically for drilling the tophole sections of our horizontal wells and two rigs specifically for drilling the curve and lateral sections of our horizontal wells. In the first quarter of 2014, we increased to a six-rig drilling program (consisting of three tophole rigs and three horizontal rigs). In the second quarter of 2014, we averaged three horizontal rigs. We expect to continue to operate a six-rig drilling program through the remainder of 2014. The following chart shows our pro forma average net daily production for each quarter since completing our first horizontal well in the Marcellus Shale.

As of June 30, 2014, we had drilled and completed 51 horizontal Marcellus wells with lateral lengths ranging from 2,444 feet to 9,648 feet and averaging 6,291 feet. Our estimated ultimate recoveries (EUR) from our 37 producing wells at December 31, 2013, as estimated by our independent reserve engineer, NSAI, and normalized for each 1,000 feet of horizontal lateral, range from 1.2 Bcf per 1,000 feet to 3.0 Bcf per 1,000 feet, with an average of 1.9 Bcf per 1,000 feet. As of June 30, 2014, we had 403 gross (374 net) risked drilling locations in the Marcellus Shale. For a description of our risked drilling locations, please see [Business Our Operations Reserve Data Determination of Drilling Locations](#). Additionally, we have drilled and completed three Upper Devonian horizontal wells on our Marcellus Shale acreage. Based on our Upper Devonian wells and those of other operators in the vicinity of our acreage as well as other geologic data, we estimate that substantially all of our Marcellus Shale acreage in Southwestern Pennsylvania is prospective for the slightly shallower Upper Devonian Shale. As of June 30, 2014, we had 211 gross (194 net) risked drilling locations in the Upper Devonian Shale.

For the Utica Shale, we applied the same shale analysis and acquisition strategy that we developed and employed in the Marcellus Shale to acquire our acreage. In June 2014 we completed our first Utica well, the Bigfoot 9H, which tested at a stabilized rate of 41.7 MMcf/d. Please see [Recent Developments Utica](#)

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Update. Our delineation operations are being conducted with a two-rig drilling program (one tophole rig and one horizontal rig). We intend to maintain this two-rig drilling program in the Utica Shale through 2014. In 2015, we intend to transition to a primarily development-focused strategy in the Utica Shale. As of June 30, 2014, we had 775 gross (246 net) risked drilling locations in the Utica Shale.

As of December 31, 2013, our pro forma estimated proved reserves were 602 Bcf, all of which were in southwestern Pennsylvania, with 42% proved developed and 100% natural gas. In 2014, we plan to invest \$1,230.0 million in our operations (excluding acquisitions) as follows:

\$430.0 million for drilling and completion in the Marcellus Shale;

\$150.0 million for drilling and completion in the Utica Shale;

\$385.0 million for leasehold acquisitions; and

\$265.0 million for midstream infrastructure development.

This represents a 96% increase over our \$629.0 million pro forma 2013 capital expenditures. Please see Management's Discussion and Analysis of Financial Condition and Results of Operations Capital Resources and Liquidity. The following table provides a summary of our net acreage, average working interest, producing wells, risked drilling locations and projected 2014 net wells online as of June 30, 2014:

	Net Acreage	Average Working Interest	Producing Wells		Risked Drilling Locations(1)		2014 Projected Net Wells Online
			Gross	Net	Gross	Net	
Marcellus Shale(2)	53,834	95%	51	47	403	374	36
Utica Shale(3)	50,772	96%			775	246	5(4)
Upper Devonian Shale(5)			3	3	211	194	
Total(5)	104,606		54	50	1,389	814	41

- (1) Based on our reserve reports as of December 31, 2013, we had 44 gross (39 net) locations in the Marcellus Shale associated with proved undeveloped reserves and 13 gross (12 net) locations in the Marcellus Shale associated with proved developed not producing reserves. Please see Business Our Operations Reserve Data Determination of Drilling Locations for more information regarding the process and criteria through which these drilling locations were identified. The drilling locations on which we actually drill will depend on the availability of capital, regulatory approval, commodity prices, costs, actual drilling results and other factors. Please see Risk Factors Risks Related to Our Business Our gross risked drilling locations are scheduled out over many years, making them susceptible to uncertainties that could materially alter the occurrence or timing of their drilling. In

addition, we may not be able to raise the substantial amount of capital that would be necessary to drill our drilling locations.

- (2) Excludes non-strategic properties consisting of 548 net acres in Fayette and Tioga Counties, Pennsylvania. Includes 1,338 net acres that were included as a leasehold payable on our balance sheet as of June 30, 2014.
- (3) Utica Shale risked drilling locations gives effect to our projected 31% working interest in the Utica Shale after applying unitization and participating interest assumptions described under [Business Our Operations Reserve Data Determination of Drilling Locations](#).
- (4) Includes wells to be drilled by Gulfport Energy Corporation. Please see [Business Utica Shale Development Agreement and Area of Mutual Interest Agreement](#).
- (5) Approximately 39,020 gross (36,932 net) acres in the Marcellus Shale is also prospective for the Upper Devonian Shale. The Upper Devonian and the Marcellus Shale are stacked formations within the same geographic footprint.

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Our objective is to create shareholder value by identifying and assembling a portfolio of low-risk assets with attractive economic profiles and leveraging our technical and managerial expertise to deliver industry-leading results. We seek to achieve this objective by executing the following strategies:

Pursue High-Graded Core Shale Acreage as an Early Entrant. Our acreage acquisition strategy has been predicated on our belief that core acreage provides superior production, ultimate recoveries and returns on investment. We leverage our technical expertise and analyze third-party data to be an early entrant into the core of a shale play. We develop an internally generated geologic model and then study publicly available third-party data, including well results and drilling and completion reports, to confirm our geologic model and define the core acreage position of a play. Once we believe that we have identified the core location, we aggressively execute on our acquisition strategy to establish a largely contiguous acreage position. By virtue of this strategy, we eliminate the need for large exploration programs requiring significant time and capital, and instead pursue areas that have been substantially de-risked, or high-graded, by our competitors. We have applied the expertise and approach that we employed in the Marcellus Shale to the Utica Shale, and we believe we will be able to achieve similar results.

Target Contiguous Acreage Positions in Prolific Unconventional Resource Plays. We will seek to continue to expand on our success in targeting contiguous acreage positions within the core of the Marcellus and Utica Shales. We believe a concentrated acreage position requires fewer wells and inherently less capital to define the geologic properties across the play and allows us to optimize our wellbore economics. As of June 30, 2014, we had drilled and completed 51 horizontal Marcellus wells, several of which have tested the outer boundaries of our Marcellus acreage position. Additionally, as a result of optimizing our wellbore design with a limited number of wells, we believe our ability to transition from exploration drilling to development drilling in the Marcellus Shale was accomplished with less capital invested than our peers. We intend to replicate this strategy in the Utica Shale.

Aggressively Develop Leasehold Positions to Economically Grow Production, Cash Flow and Reserves. We intend to continue to aggressively drill and develop our portfolio of 1,389 gross (814 net) pro forma risked drilling locations as of June 30, 2014 with a goal of growing production, cash flow and reserves in an economically-efficient manner. In the first quarter of 2014, we increased to a six-rig drilling program (consisting of three top-hole rigs and three horizontal rigs). In the second quarter of 2014, we averaged three horizontal rigs. We expect to continue to operate a six-rig drilling program through the remainder of 2014. In executing our development strategy, we intend to leverage our operational control and the expertise of our technical team to deliver attractive production and cash flow growth. As the operator of a substantial majority of our acreage in the Marcellus and Utica Shales, we are able to manage (i) the timing and level of our capital spending, (ii) our exploration and development drilling strategies and (iii) our operating costs. We will seek to optimize our wellbore economics through a meticulous focus on rig efficiency, wellbore accuracy and completion design and execution. We believe that the combination of our operational control and technical expertise will allow us to build on our track record of superior production, cash flow and reserve growth.

Maximize Pipeline Takeaway Capacity to Facilitate Production Growth. We maintain a strong commitment to construct, acquire and control the midstream infrastructure necessary to meet our production growth. We will also

continue to enter into long-term firm transportation arrangements with third party midstream operators to ensure our access to market. We believe our commitment to midstream infrastructure allows us to commercialize our production more quickly and provides us with a competitive advantage in acquiring bolt-on acreage.

Table of Contents**Competitive Strengths**

We possess a number of competitive strengths that we believe will allow us to successfully execute our business strategies:

Large, Contiguous Positions Concentrated in the Core of the Marcellus and Utica Shales. We own extensive and contiguous acreage positions in the core of two of the premier North American shale plays. We believe we were an early identifier of both the Marcellus Shale core in southwestern Pennsylvania and the Utica Shale core, primarily in Belmont County, Ohio, which allowed us to acquire concentrated acreage positions. Our core position and contiguous acreage in the Marcellus Shale have allowed us to delineate our position as well as produce industry-leading well results, as our wells have some of the highest initial production rates and EURs in the Marcellus Shale. Through a consolidated approach, we are able to increase rig efficiency, turning wells into sales faster, and de-risk our acreage position more efficiently. Additionally, to service our concentrated acreage positions, we construct and acquire water and midstream infrastructure, which enable us to reduce reliance on third party operators, minimize costs and increase our returns. This has been a strength in the Marcellus Shale and we believe our position in the Utica Shale will allow us to achieve similar results.

Multi-Year, Low-Risk Development Drilling Inventory. Our drilling inventory as of June 30, 2014 consisted of 1,389 gross (814 net) risked drilling locations, with 403 gross (374 net), 775 gross (246 net) and 211 gross (194 net) risked drilling locations in the Marcellus Shale, Utica Shale and Upper Devonian Shale, respectively. We believe that we and other operators in the area have substantially delineated and de-risked our contiguous acreage position in the southwestern core of the Marcellus Shale. As of June 30, 2014, we have drilled and completed 51 wells on our Marcellus Shale acreage with a 100% success rate. In June 2014 we completed our first Utica well, the Bigfoot 9H, which tested at a stabilized rate of 41.7 MMcf/d. Please see [Recent Developments](#) [Utica Update](#).

Expertise in Unconventional Resource Plays and Technology. We have assembled a strong technical staff of shale petroleum engineers and shale geologists that have extensive experience in horizontal drilling, operating multi-rig development programs and using advanced drilling technology. We have been early adopters of new oilfield services and techniques for drilling (including rotary steerable tools) and completions (including reduced-length frac stages). In the Marcellus Shale as of June 30, 2014, we have completed 51 gross horizontal wells totaling approximately 320,000 lateral feet. We have realized improvements in our drilling efficiency over time and we are now drilling lateral sections approximately 50% longer in approximately half the time as it has taken us historically. Our average horizontal lateral drilled in 2011 was 4,733 feet and took 13.0 days to drill from kickoff to total depth. Our average horizontal lateral drilled in 2013 was 7,700 feet and took 5.8 days to drill from kickoff to total depth. Our operating proficiency has also led to increased wellbore accuracy, completion design efficiencies and has yielded top tier production results as reflected in the fact that out of approximately 550 producing horizontal Marcellus Shale wells in Washington County, Pennsylvania, we drilled and completed the top two and four of the top six wells in terms of cumulative production through June 30, 2013, as reported by Pennsylvania's oil and gas department. Further, we are able to enhance our wellbore economics through multi-well pad drilling (one to nine wells per rig move) and long laterals targeting 6,000 to 10,000 feet.

Successful Infill Leasing Program. We have increased our acreage position in the core of the Marcellus Shale through bolt-on leases in the same targeted area. This strategy has allowed us to acquire acreage that provides

additional drilling locations and/or adds horizontal feet to future wells. By implementing this strategy, we have grown our Marcellus Shale acreage position in Washington County from our initial acquisition of 642 net acres in 2009 to 53,834 net acres as of June 30, 2014. We have replicated this strategy successfully in the Utica Shale in Belmont County as well, leasing an additional 17,273 net acres as of June 30, 2014 since our initial acquisition of approximately 33,499 net acres in November 2012. We intend to continue to focus our near-term leasing program on Greene and Washington Counties in Pennsylvania

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and on Belmont County in Ohio, with the strategy of using bolt-on leases to acquire acreage that immediately increases our drilling locations and/or drillable horizontal feet.

Access to Committed Takeaway Capacity. Our gas gathering pipeline system is currently designed to handle up to approximately 2 Bcf/d in the aggregate and, as of June 30, 2014, has an operating capacity of approximately 1 Bcf/d in the aggregate. This system connects our producing wells to multiple interstate transmission and other third-party pipelines. We plan to continue to build out our Pennsylvania gathering system congruent with our future development plans. We plan to replicate our strategy of constructing and controlling our own midstream system in Ohio and expect to have our gathering system in Belmont County substantially complete by the second quarter of 2015. We believe our commitment to constructing and controlling midstream assets allows us to efficiently bring wells online, mitigates the risk of unplanned shut-ins and creates pricing and transportation optionality by connecting to multiple interstate pipelines. To further ensure the deliverability of our Utica Shale production, we have entered into a precedent agreement for 175,000 dth/d firm transportation on the Rockies Express Pipeline beginning in June 2015 for a term of 20 years, which will provide us with greater access to Gulf Coast and Midwest markets. With this capacity, our firm transportation and firm sales portfolio will cover approximately 810,000 MMBtu/d in 2015 and 920,000 MMBtu/d in 2016. By securing firm transportation and firm sales contracts, we are better able to accommodate our growing production and manage basis differentials.

Significant Liquidity and Active Hedging Program. As of June 30, 2014, we had cash on hand of approximately \$471.5 million, of which we used approximately \$329 million to fund the purchase price of our recently completed Greene County Acquisition described under Recent Developments, and as of August 1, 2014, we had availability under our revolving credit facility of approximately \$313.4 million. We believe this liquidity, along with our cash flow from operations and the proceeds of this offering, is sufficient to execute our current capital program. Additionally, our hedging program mitigates commodity price volatility and protects our future cash flows. We review our hedge position on an ongoing basis, taking into account our current and forecasted production volumes and commodity prices. As of August 11, 2014, we had entered into hedging contracts covering approximately 41 Bcf (224 MMcf/d) of natural gas production for June 2014 through December 2014 at a weighted average index floor price of \$4.06 per MMBtu. Furthermore, as of August 11, 2014, we had entered into hedging contracts covering approximately 84 Bcf (231 MMcf/d) of natural gas production for 2015 at a weighted average index floor price of \$4.04 per MMBtu.

Proven and Stockholder-Aligned Management Team. Our management team possesses extensive oil and natural gas acquisition, exploration and development expertise in shale plays. For a discussion of our management's experience, please read Management. Our Chief Executive Officer, Chief Operating Officer, Vice President of Exploration & Geology and Vice President of Drilling have worked for us since we drilled our first horizontal Marcellus well. Our management team includes certain members of the Rice family (the founders of Rice Partners) who, along with other members of the management team, are also highly aligned with stockholders through a 31.3% economic interest in us after giving effect to this offering. In addition, our management team has a significant indirect economic interest in us through their ownership of incentive units in the form of interests in Rice Holdings and NGP Holdings. The value of these incentive units may increase over time, without diluting public investors, if our stock price appreciates in the future. For additional information regarding our incentive units, please read Executive Compensation Narrative Description to the Summary Compensation Table for the 2013 Fiscal Year Long-Term Incentive Compensation. We believe that our management team's direct and indirect ownership interest in us will provide significant incentives to grow the value of our business.

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Initial Public Offering, Corporate Reorganization and Related Transactions

Initial Public Offering

On January 29, 2014, we completed our initial public offering (IPO) of 50,000,000 shares of our common stock, which included 30,000,000 shares sold by us and 20,000,000 shares sold by NGP Holdings.

The net proceeds of our IPO, based on the public offering price of \$21.00 per share, were approximately \$993.5 million, which resulted in net proceeds to us of \$593.6 million after deducting expenses and underwriting discounts and commissions of approximately \$36.4 million and net proceeds to the selling stockholder of approximately \$399.0 million after deducting underwriting discounts of approximately \$21.0 million. We did not receive any proceeds from the sale of the shares by the selling stockholder. A portion of the net proceeds from our IPO were used to repay all outstanding borrowings under the revolving credit facility of our Marcellus joint venture, to make a \$100.0 million payment to Alpha Holdings in partial consideration for the Marcellus JV Buy-In and to repay all outstanding borrowings under our revolving credit facility. The remainder of the net proceeds from our IPO are being used to fund a portion of our capital expenditure plan.

Corporate Reorganization

A corporate reorganization occurred concurrently with the completion of our IPO on January 29, 2014. As a part of this corporate reorganization, we acquired all of the outstanding membership interests in Rice Appalachia in exchange for shares of our common stock. Our business continues to be conducted through Rice Drilling B, as a wholly owned subsidiary. As of January 29, 2014, upon (a) the completion of the IPO, (b) the issuance of (i) 43,452,550 shares of common stock to NGP Holdings, (ii) 20,300,923 shares of common stock to Rice Holdings, (iii) 2,356,844 shares of common stock to Daniel J. Rice III, (iv) 20,000,000 shares of common stock to Rice Partners, (v) 160,831 shares of common stock to the persons holding incentive units representing interests in Rice Appalachia and (vi) 1,728,852 shares of common stock to the members of Rice Drilling B (other than Rice Appalachia), each of which were issued by us in connection with the closing of the IPO, and (c) the issuance of 9,523,810 shares of common stock to Alpha Holdings in connection with the completion of the Marcellus JV Buy-In described below under Marcellus JV Buy-In, we had 127,523,810 shares of common stock outstanding.

Marcellus JV Buy-In

On January 29, 2014, in connection with the closing of the IPO and pursuant to the Transaction Agreement between us and Alpha Holdings dated as of December 6, 2013 (the Transaction Agreement), we completed our acquisition of Alpha Holdings' 50% interest in our Marcellus joint venture in exchange for total consideration of \$322 million, consisting of \$100 million of cash and our issuance to Alpha Holdings of 9,523,810 shares of our common stock.

Recent Developments

Western Greene County Acquisition

On August 1, 2014, we completed our previously announced acquisition of approximately 22,000 net acres and 12 developed Marcellus wells in western Greene County, Pennsylvania from Chesapeake Appalachia, L.L.C. and Statoil USA Onshore Properties Inc. for approximately \$329 million (the Greene County Acquisition), with an effective date of February 1, 2014. We funded the purchase price of the Greene County Acquisition with cash on hand.

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The acquired properties:

represent a 21% increase in our aggregate net acreage position and a 41% increase in our net acreage position in the core of the Marcellus Shale in southwestern Pennsylvania, each as of June 30, 2014;

add approximately 152 risked (190 unrisked) net drilling locations with an assumed 7,000 foot average lateral length, representing a 41% increase to our Marcellus inventory of 374 net of June 30, 2014;

are 100% operated (average 95% working interest) with anticipated production being 1,080-1,100 Btu gas; and

add 20 MMcf/d current net production from seven producing wells, with five additional wells in progress.

The acquired acreage will be dedicated to Access Midstream Partners. While the terms of the gas gathering agreement remain subject to negotiation, we expect the service fees will remain in line with historical rates of \$0.45 per MMBtu for gathering and \$0.12 per MMBtu for compression.

See Risk Factors Risks Related to Acquisitions, including the Greene County Acquisition.

Utica Update

On June 2, 2014, we announced the production test results of our first operated Utica Shale well, the Bigfoot 9H. After five days of flowback, the Bigfoot 9H stabilized at a rate of 41.7 MMcf/d of gas on a 33/64 choke with flowing casing pressures of 5,850 psi. Based upon a gas composition analysis, the heat content is 1,086 Btu and therefore will not require processing. We own an approximate 93% working interest in the well, which has an effective lateral length of 6,957 feet and was completed with 40 frac stages. First production from the Bigfoot 9H well was delivered into sales in late June 2014. As of July 10, 2014, since it began producing into sales, production from the Bigfoot 9H has averaged 14 MMcf/d and flowing casehole pressure has decreased by approximately 13 psi/d from its peak pressure of 6,276 psi. In addition, in June 2014, we drilled and cased our second and third Utica Shale wells, the Blue Thunder 10H and 12H. We are in the process of completing both of these wells, each with lateral lengths of approximately 9,000 feet.

Risk Factors

Investing in our common stock involves risks that include the speculative nature of oil and natural gas exploration, competition, volatile oil and natural gas prices and other material factors. For a discussion of these risks and other considerations that could negatively affect us, including risks related to this offering and our common stock, see Risk Factors and Cautionary Statement Regarding Forward-Looking Statements.

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Organizational Structure

The chart below depicts our organization and ownership structure, after giving effect to this offering (excluding any exercise of the underwriters' option to purchase additional shares).

Our Principal Stockholders

Rice Drilling B was formed as a Delaware limited liability company on February 12, 2008 by members of the Rice family through Rice Partners. Natural Gas Partners, which was founded in 1988, is a family of private equity investment funds with aggregate committed capital under management since inception of \$10 billion and was organized to make direct equity investments in the energy industry. Alpha Holdings is a wholly owned indirect subsidiary of Alpha Natural Resources, Inc., one of America's premier coal suppliers operating in Northern and Central Appalachia and the Powder River Basin.

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Emerging Growth Company Status

We are an emerging growth company as defined in the Jumpstart Our Business Startups Act, or the JOBS Act. For as long as we are an emerging growth company, unlike other public companies that are not emerging growth companies under the JOBS Act, we are not required to:

provide an auditor's attestation report on management's assessment of the effectiveness of our system of internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002;

comply with any new requirements adopted by the Public Company Accounting Oversight Board, or the PCAOB, requiring mandatory audit firm rotation or a supplement to the auditor's report in which the auditor would be required to provide additional information about the audit and the financial statements of the issuer;

provide certain disclosure regarding executive compensation required of larger public companies or hold shareholder advisory votes on executive compensation required by the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act); or

obtain shareholder approval of any golden parachute payments not previously approved.

We will cease to be an emerging growth company upon the earliest of:

the last day of the fiscal year in which we have \$1.0 billion or more in annual revenues;

the date on which we become a large accelerated filer;

the date on which we issue more than \$1.0 billion of non-convertible debt over a three-year period; or

the last day of the fiscal year following the fifth anniversary of our IPO.

In addition, Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act of 1933, as amended, or the Securities Act, for complying with new or revised accounting standards, but we have irrevocably opted out of the extended transition period and, as a result, we will adopt new or revised accounting standards on the relevant dates in which adoption of such standards is required for other public companies.

Corporate Information

Our principal executive offices are located at 400 Woodcliff Drive, Canonsburg, Pennsylvania 15317, and our telephone number is (724) 746-6720. Our website is www.riceenergy.com. Information contained on our website or any other website is not incorporated by reference herein and does not constitute a part of this prospectus.

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The Offering

Shares of common stock offered by us	7,500,000 shares.
Shares of common stock offered by the selling stockholders	2,500,000 shares (or 4,000,000 shares, if the underwriters exercise in full their option to purchase additional shares).
Shares of common stock to be outstanding after the offering	136,266,038 shares.
Option to purchase additional shares	The selling stockholders have granted the underwriters a 30-day option to purchase up to an aggregate of 1,500,000 additional shares of our common stock.
Use of proceeds	<p>We expect to receive approximately \$192.5 million of net proceeds from the sale of the common stock offered by us after deducting underwriting discounts and commissions and estimated offering expenses payable by us, based on an assumed price of \$26.77 per share, which was the closing price of our common stock on the New York Stock Exchange (NYSE) on August 8, 2014.</p> <p>We intend to use the net proceeds from this offering to fund a portion of our 2014 capital budget. Please read Use of Proceeds.</p> <p>We will not receive any proceeds from the sale of shares of common stock by the selling stockholders. The selling stockholders are deemed under federal securities laws to be underwriters with respect to the common stock they may sell in connection with this offering.</p>
Dividend policy	We do not anticipate paying any cash dividends on our common stock. In addition, certain of our debt instruments place restrictions on our ability to pay cash dividends. See Dividend Policy.
Risk factors	You should carefully read and consider the information set forth under the heading Risk Factors and all other information set forth in this prospectus before deciding to invest in our common stock.

Listing and trading symbol

Our common stock is listed in the NYSE under the symbol RICE.

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SUMMARY UNAUDITED PRO FORMA FINANCIAL DATA

The following table shows summary unaudited pro forma financial data for the periods and as of the dates indicated. Our historical results are not necessarily indicative of future operating results. The summary financial data presented below are qualified in their entirety by reference to, and should be read in conjunction with, Capitalization, Management's Discussion and Analysis of Financial Condition and Results of Operations, Selected Historical Consolidated and Unaudited Pro Forma Financial Data and our consolidated historical and pro forma financial statements and related notes included elsewhere herein.

The summary unaudited pro forma consolidated statement of operations data for