March 28, 2012

Re: Associated to Complaint No. 276776
   Act 223, Section 208 Determination
   Hickory Township, Forest County

Dear [Name]

In association to this complaint filed in the Yellow Hammer area, the Department has investigated the possible contamination of your water supply by oil and gas exploration activities.

After reviewing your water sample analysis results and further investigation, the Department has concluded that your water well has been affected by activities associated with Catalyst Energy Inc.’s oil and gas operation. The Department has made Catalyst aware of their responsibility to restore your water supply. In the process of remediating issues concerning the condition of their wells, and performing mechanical water well clean outs, the affect to your well has been mitigated. The Department has confirmed the restoration of your water supply.

Enclosed are your water sample results. If you have any questions, please contact Christine Miner at 814.332.6867.

Sincerely,

S. Craig Lobins
Northwest District Oil and Gas Manager
Bureau of District Oil and Gas Operations

Enclosures

cc: Douglas E. Jones, Catalyst Energy, Inc.
   John Thomas
   Chad Meyer
   Christine Miner
   File (Forest County Gas Migration/ CID 276776)

CM: trs