



Pennsylvania Department of Environmental Protection

321 North State Street
North Warren, PA 16365
March 5, 2010

Warren District Office

814-723-3273
Fax: 814-723-0964

CERTIFIED MAIL NO. [REDACTED]

[REDACTED]

Re: CID NO. 264898

[REDACTED]
Act 223 Section 208 Determination
Bradford Township, McKean County

Dear [REDACTED]

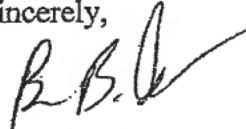
The Department has investigated, in response to your May 28, 2009 and subsequent complaints, the possible contamination of your water supply by nearby oil and gas activities.

After reviewing the results of your spring water analysis, combined with visual evidence of a milky appearance to your camp's spring water observed by Department staff on July 27, 2009 and December 3, 2009, the Department has concluded that your water supply was influenced by recent oil and gas well development conducted by U.S. Energy Development Corporation upslope of your spring. The lab analyses of the samples collected by the Department on July 27, 2009 and December 3, 2009 indicated levels of aluminum and iron that were in excess of EPA's drinking water standards. Elevated levels of these parameters are indicative of an infiltration of drill cuttings and/or cement into the shallow ground water that supplies your spring. After the December 3, 2009 occurrence of contamination, U.S. Energy Development Corporation either reclaimed or lined all drilling pits located upslope from your spring, and those measures appear to have abated any additional contamination. Additional monitoring by the Department, after significant rainfalls, has not revealed any additional turbidity issues. Sampling conducted on January 26, 2010, (one day after a significant rainfall and snowmelt event) revealed that the quality of your drinking water met the standards established by EPA and there were no turbidity issues observed. During the course of the Department's samplings, there was no detection of Total Petroleum Hydrocarbons in your spring's water. At this time, all of the oil and gas locations which have been completed upslope of your property have been restored.

March 5, 2010

Enclosed are the complete water sample analysis results and a fact sheet to help you interpret the report. If you have any questions, or if any future issues arise, please contact me at 814-723-3273.

Sincerely,



Brian B. Ayers
Water Quality Specialist
Oil & Gas Management

Enclosures

cc: NWRO
WDO

BBA:rm