



pennsylvania

DEPARTMENT OF ENVIRONMENTAL PROTECTION

SECRETARY

October 19, 2010

To Whom It May Concern:

The Department of Environmental Protection (DEP) recently announced a permanent solution to the drinking water problems in Dimock caused by gas migration from Cabot Oil & Gas Corporation wells. DEP was forced to take action since Cabot continues to deny responsibility for the contamination, despite overwhelming evidence of its responsibility. Since that announcement was made, Cabot has launched a public relations campaign and much misinformation has been brought forth concerning who will be party to that solution and who will end up paying for it.

Cabot is responsible for the gas migration that has caused families to be without a permanent water supply for nearly 2 years and the Commonwealth of Pennsylvania will seek court orders to make Cabot pay for all costs. But we cannot wait for Cabot to fix the problems it caused and to do the right thing. In the interim PENNVEST, an agency that finances water and sewer infrastructure projects, will be asked to provide funds to pay the estimated \$11.8 million cost for Pennsylvania American Water Company to construct a new, 5.5-mile water main from its Lake Montrose treatment plant to provide water service to the residents of Dimock. Again, the Commonwealth of Pennsylvania will then aggressively seek to recover the cost of the project from Cabot.

No one in Dimock or Susquehanna County will pay for it and local taxes will not be increased as the result of it. Residents along Rt. 29 will have the option to tap into the line if they so choose. No one will be forced to hook up to the new public water supply. The new water line will also boost the value of homes and businesses near it.

This action is being taken based on overwhelming evidence that proves the Cabot wells are the source of the contamination. DEP has collected ample evidence tying methane found in private water supplies to Cabot's wells. We have witnessed and chronicled bubbling gas and high pressure readings from a number of wells that prove poor well construction, and taken readings that show excessive gas levels that could only exist in wells that are leaking. Sophisticated testing has "fingerprinted" gas samples and matched the gas found in five homes to the gas leaking from the nearby Cabot wells. Additionally, the gas wells in many cases are less than a thousand feet from the homes where, by law, it is presumed gas drilling caused any pollution of water wells that may result.

The residents of Dimock have already paid a high price for Cabot's unwillingness to accept responsibility and provide a satisfactory solution. Cabot will be the one paying the final bill. Perhaps next time Cabot will do the job right the first time and avoid expensive repairs.

Sincerely,

A handwritten signature in black ink that reads "John Hanger".

John Hanger
Secretary