

Dan O. Dinges Chairman, President and Chief Executive Officer

January 26, 2012

Administrator Lisa P. Jackson Environmental Protection Agency Ariel Rios Building 1200 Pennsylvania Avenue, N.W. Washington, DC 20460

Dear Administrator Jackson:

We understand that the US Environmental Protection Agency (EPA) intends to test water wells in the area of Dimock, Pennsylvania. As developers in the area, we have been working closely with the Dimock community and with state and local regulators on concerns in the area. We are concerned that EPA's actions can be easily misinterpreted and can undermine regulatory certainty necessary for development of oil and natural gas.

President Obama in his State of the Union address strongly highlighted the importance of shale gas development as a key aspect of this country's national energy policy and economic recovery. EPA's actions in Dimock appear to undercut the President's stated commitment to this important resource, even in light of EPA's regulatory mission.

We are disappointed that EPA has undertaken a course regarding water sampling that seems inconsistent with what is known about Dimock and what was recommended by state regulators. EPA's approach has caused confusion that undermines important policy goals of the United States to ensure safe, reliable, secure and clean energy sources from domestic natural gas. Specifically:

- 1. EPA has presented no credible evidence to suggest that its new sampling initiative is a wise use of resources given the collection and analysis of over 2000 water wells that has already occurred in the area. Over ten thousand pages of this data has been provided to the EPA.
- 2. EPA's concerns are inconsistent with the findings of state regulators who have concluded after extensive investigation that Dimock drinking water meets regulatory standards. State regulators are closest to the facts, and most familiar with ground water and geological formations in the area.
- 3. EPA's initiative marks a change in position for the Agency, unsupported by any new facts. As recently as December 2011, EPA told Dimock residents that their drinking water did not present a health threat.

The President made a strong call to all Americans last night to take advantage of the new opportunities in shale gas development. To prevent uncertainty and further advance these opportunities, in our view, what is needed is an objective approach by EPA to dealing with community concerns - something missing in recent EPA actions. EPA's changing posture on sampling in Dimock is indicative of a broader problem of inconsistency with scientific process and a lack of cooperation with state and private sector parties. Cabot hopes that we can work with EPA to further review existing data and to establish a firmer basis for Agency decision making.

We would be happy to meet with you or your staff to discuss the Dimock situation. Please let us know if we can provide you with further information or ask additional questions.

Sincerely,

Dan O. Dinges

Chairman, President and Chief Executive Officer