

May 18, 2011

James A Martin, Chief
Office of Oil and Gas
West Virginia Department
of Environmental Protection
601 57th Street, SE
Charleston, WV 25304-2345

**Re: Permits
API well number 47-6101622 for owner well number MIP 4H
API well number 47-6101624 for owner well number MIP 6H
MUB Negotiations with Northeast Natural Energy (NNE)
Public Water Supply**

Dear Mr. Martin,

This letter is a follow up to my previous letter to you dated May 12, 2011.

In my previous letter, I described additional safeguards, beyond those already being required by the permits, that we find to be necessary to protect our public water supply. We have discussed these safeguards in detail with the driller - Northeast Natural Energy (NNE).

We have met several times with NNE to discuss NNE's response for the various additional safeguards. We are pleased to say that we have reached agreement with NNE on each item of concern.

NNE has confirmed in writing its commitment to the above referenced agreement; please see the attached letter from NNE to MUB, dated May 18, 2011. MUB hereby confirms that it accepts the safeguards described in today's letter from NNE as adequate.

We respectfully request that the additional requirements discussed in NNE's letter of today be included in the subject Permits by way of an addendum / modification to the Permits.

We respectfully request that drilling not commence until the requested addendum / modification to the Permits has been finalized and issued.

We respectfully request that because the relevant circumstances, technology, and understanding thereof are dynamic and subject to change, that the Permits (or the related addendum / modification) include a “re-opener” clause that will allow DEP to make additional changes to the Permits should the need arise.

We request that drilling not commence until the spill containment measures discussed above for the drilling operation have been fully and successfully implemented. Similarly, no other phase of work should begin until related measures discussed above have been fully and successfully implemented.

Because we have learned that drilling of the first of these wells is scheduled to begin later today, Wednesday, May 18, 2011, prompt action upon this request is urgently needed.

The fact that NNE has voluntarily committed to the additional measures described herein should preclude any concern regarding the need thereof.

We do not seek to have the subject permits revoked. We simply want to ensure that the safety of our raw water supply is protected, and that the permits adequately address this need.

Thank you for your attention to this critically important matter. We look forward to working with you to resolve our concerns.

Respectfully,

MORGANTOWN UTILITY BOARD



Timothy L. Ball
General Manager

cc: Randy Huffman – Secretary WV DEP
Scott Mandirola – Chief, Water and Waste Section, WV DEP
Barbara Taylor – Director, Envir. Health Services, WV Bureau of Public Health
Morgantown City Council
Morgantown Utility Board
Mike John – Northeast Natural Energy
Glenn Adrian - ENROUT