

Important Notice – Twin Tiers Landowners Coalition Members in PA

Dear TTLC Member,

We are sending this notice to all of our members including NY to keep everyone informed of our progress.

Because of our collective efforts (TTLC and our landowners), we now have almost 6,000 acres of unleased land ready for the first lease sale in Tioga County, PA. We believe that this number is substantial in light of the exploration and development activity in the County. Congratulations to our landowners who sought out their neighbors and friends to join the Coalition, thereby enhancing the value of their own land.

Because of our successes in enrollment and recent events in the industry, we have extended the signup deadline to July 15 for landowners in Tioga County, PA to join the Coalition for the following reasons:

1. The recent purchase of East Resources by Shell may change the approach to unleased acreage in Tioga County. We believe that Shell will view our unleased parcels as important to their overall control strategy in Tioga where East has developed the majority of the parcels. We want to give Shell every opportunity to assess our land and what we offer to them.
2. The recent purchase of acreage (including acreage in Tioga County) by Penn Virginia may also increase the competition for our acreage, and we want to give Penn Virginia an opportunity to assess what we offer.
3. As you know, we monitor events in PA and NY and have various contacts throughout government and industry. In the last few months, we have become aware of industry members in PA working on necessary legislation concerning spacing and compulsory integration, and we expect that the legislation will be in place next year. Although controversial and certainly not unanimous within the industry, the legislation is needed to efficiently develop the natural gas resources of the state. What this means to our landowners is that the industry will not be able to recover gas from unleased parcels, and there will be a more uniform and efficient system of natural gas recovery. In short, our scattered parcels will have more value in the future.
4. Finally, and most importantly, we are having good success with your help in recruiting new members, but we are also finding out that there are many more unleased parcels where the landowners do not know of our existence. We believe that the momentum we have built, along with additional local meetings during the extension period, will increase our acreage and thereby increase our leverage.

Please understand that we will not extend the deadline again. We will move forward with a lease sale some time after the July 15 date.

In the meantime, you can expect to receive increased offers because of the events listed above and the fact that TTLC is having an impact. Companies want to sign you before we go to lease. Remember that these are the same companies that didn't give you what you deemed as a fair offer until TTLC was involved. In part, we are the reason why offers are getting better.

As you know, we have our own resources and significant time invested in putting together the Coalition. We are working on a very comprehensive and protective lease that will be acceptable to the natural gas companies. All we ask is that you stay with the Coalition until the sale. There is no obligation to accept our offer and no cost to you. But we believe that our lease sale approach will lead to a better offer than you will receive on your own. We hope that you will continue to give us a chance and we sincerely appreciate the confidence that you have shown in us. We want landowners to succeed!

Best regards,

Mike White, Phil Knapp, Adam Schultz, Greg Sovas
Twin Tiers Landowners Coalition

Sent 6-6-10