CONCORD PARK

ENERGY DEVELOPMENT, LLC

OIL AND GAS EXPLORATION

Steven L. Grose

12845 Cleveland Ave. NW Uniontown, OH 44685

phone: (330) 961-7202 cell: (330) 495-1490 fax: (330) 437-0083 sgrose144@gmail.com

www.concordparkenergydevelopment.com

Date: June 23, 2011

To: Mark Swiger

Conservation Administrator Muskingum Watershed Conservancy District

1319 Third St. NW, PO Box 349 New Philadelphia, Ohio 44663

Re: Clendening Lake – Potential Utica Well Locations – see Exhibit "B"

I have reviewed the above referenced map of potential Utica locations on the MWCD Clendening Lake property. There are 9 possible sites cited on the Exhibit "B". One of these sites shown as the "A" is estimated to be in excess of 4,000 ft. from the dam for the Clendening Lake. The due diligence question that has been presented; "is there is any reason to be concerned for interference or damage resulting from a well site and/or drilling operations conducted on the "A" site as it relates to the dam and its functions."

As a petroleum engineer with over 40 years of experience with well drilling and completion operations, including large scale horizontal wells and fracturing processes in the Marcellus Shale play in Pennsylvania, it is my opinion that it is not possible for a well or wells vertical or horizontal being drilled, completed and producing at the "A" site to interfere with the operation of or cause damage to the Clendening Lake dam or its operations.

This opinion is based on these and other basic factors:

- 1) The distance from the well site to the dam is over ¾ of a mile, well beyond the sphere of influence of activities being conducted there.
- 2) A horizontal well bore from the "A" site would be in excess of 6,000 ft. below the elevation of the dam and at least several hundred feet horizontally distant from the dam. This is over a mile below where drilling an 8" horizontal hole and fracturing treatments will be conducted.

- 3) Hydraulic fracturing of the horizontal well bore would be confined to an area several hundred feet from the well bore; thus well below (more than a mile) the dam at the surface.
- 4) There has never been a known case in over 60 years of hydraulic fracturing operations where fluid has communicated back to the surface or into surface waters.
- 5) After the fracturing process is completed the reservoir and well bore will be produced resulting in de-pressurization of the reservoir rock over time.
- 6) The area of the Clendening Lake is a geologically quiet area with very little seismic or quake activity.
- 7) No significant known faults exist in the vicinity of the Lake.

APRUBIL

Steven L. Grose