



COMMONWEALTH OF PENNSYLVANIA
OFFICE OF THE GOVERNOR
HARRISBURG

THE GOVERNOR

February 14, 2014

Doug McLinko, Chairman
Bradford County Board of Commissioners
301 Main Street
Towanda, Pennsylvania 18848

Commissioner McLinko:

As you know, I have grown increasingly concerned about the treatment of Pennsylvania leaseholders with respect to the deduction of post-production costs from their royalty statements.

Many landowners believe they are not being treated fairly and in accordance with the lease agreements they negotiated. Our efforts to receive straightforward answers have led to even more confusion, and unnecessarily sown the seeds of distrust of an industry that has helped to rejuvenate countless communities across the Commonwealth.

I have repeatedly expressed my frustrations directly with senior leadership at Chesapeake Energy. However, the concerns of my constituents persist. Yesterday, I sent the enclosed letter to Doug Lawler, CEO of Chesapeake Energy, to apprise him again of the current state of affairs in Pennsylvania. I have also reached out to Attorney General Kane and urged her office to utilize its consumer protection authority to ensure that Pennsylvania leaseholders are being treated fairly.

I also look forward to working with members of the General Assembly to advance legislation which protects the royalty rights of leaseholders. As elected officials, it is our responsibility to make sure our laws protect Pennsylvanians. I am committed to doing so.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Corbett".

TOM CORBETT
Governor

Enclosure