



David P. Poole
Senior Vice President – General
Counsel

(817) 869-4254 direct
(817) 869-9154 fax
(817) 980-4254 cell

August 2, 2013

Mr. Peter Villari
Villari, Brandes & Giannone
161 Washington Street, Suite 400
Conshohocken, PA 19428

Re: Stephanie Hallowich

Dear Mr. Villari:

As you probably will recall, I am General Counsel of Range Resources-Appalachia, LLC and I was the person within Range primarily responsible for addressing the claims made by your clients Stephanie and Christopher Hallowich and, for Range, negotiating and approving the terms of the settlement that was reached which resulted in the parties executing the settlement agreement that resolved their claims. As a result of recent media reports I am aware, for the first time, that a question was raised at the hearing the Court conducted on the Hallowichs' application to approve the settlement on behalf of their minor children with regard to the applicability of certain terms of the settlement agreement to the children of the Hallowichs. Until I reviewed the transcript of the hearing, yesterday I was not aware that there was even a discussion of the applicability of the non-disparagement language in the settlement agreement to the Hallowich children nor was I aware that there was a question having been raised at the hearing in that regard.

As you are undoubtedly well aware, your client Stephanie Hallowich made a number of claims and statements publicly and to the media in the months leading up to the settlement that ultimately were demonstrated to be fundamentally and, in our view, knowingly false. For example, the statements made by Ms. Hallowich regarding the alleged health effects of Range's operations was demonstrably false; the statements regarding alleged water contamination were demonstrably false and the statements regarding Range's actions with regard to the Hallowich's were demonstrably false. It was in reaction to the false statements made by Mrs. Stephanie Hallowich that Range proposed (and your clients agreed) that the terms included in the settlement agreement preventing the Hallowichs from making further comment about Range, MarkWest and Williams were included in the settlement agreement.



Some examples of this behavior continue to exist even today online in a video uploaded on December 2010 by PennEnvironment on YouTube Stephanie stated that her water contained “five different volatile organic compounds,” and “toluene, ethylbenzene, tetrachloroethylene and styrene,” and that “these all cause cancer...which is really frightening with two little kids.” Yet in a letter from the DEP on August 12, 2009 the state stated that those parameters for water quality were “non-detect or within drinking water standards,” and that the state lacked “any direct evidence to prove this assertion.” In the same video which was later uploaded by the same organization in April 2011, Ms. Hallowich further indicated that “we get burning eyes, burning throats, headaches, ringing ears,” and that they found “volatile organic compounds” in their air. Yet in a November 2, 2010 report by the DEP that included natural gas facilities near Mr. and Ms. Hallowich’s home stated that “ambient air sampling initiative...did not identify concentrations of any compound that would likely trigger air-related health issues associated with Marcellus Shale drilling activities.” I presume it’s for these and the countless other reasons that your client signed an affidavit indicating that their children were healthy and not demonstrating any symptoms that were allegedly associated with industry activity. Given that their statements in the affidavit were made in consultation with you and under oath, I think it is clear which statements are true.

While I can see from the definition in the settlement agreement how you could have raised the issue of whether the children were expected by the parties to the settlement agreement to be bound by the provisions intended to prevent the continued defamatory conduct, it is unfortunate that, for reasons that are unclear to me, you apparently waited until the hearing to raise the question. While the transcript reflects the discussion, clearly none of the counsel present for Range, MarkWest or Williams had a definitive answer with regard to that question and you obviously were unsure yourself. Had you raised the question then or since that time I would have advised you that it was Range’s expectation only that the parties who signed the settlement agreement – specifically Stephanie and Christopher Hallowich – would be bound by and honor those terms.

Obviously the Hallowich’s minor children did not sign the settlement agreement; they are not even named in the settlement agreement and other provisions of the settlement agreement could not be performed by them (e.g. conveyance of the real property), even though the collective defined term “Hallowichs” is used in those provisions as well.

To be clear, while Range believes that the Hallowich children can and should tell the truth and that accordingly, they have no basis to make false statements about Range, if Range were to be aware of them making some statement that would be within the scope of the provisions that were clearly drafted and intended to preclude their mother’s continued false statements, Range has never, at any time, had the intention of seeking to hold a minor child legally accountable for a breach of that provision of the settlement agreement.

As we have all acknowledged, the proximity of the gas production facilities to the Hallowichs’ home created a situation that was not ideal for any of the parties involved and we’re pleased that we were able to facilitate with the settlement, the Hallowichs’ move to a different home. Given the agreement among the parties that there were no real health concerns, I find it puzzling and disingenuous that Christopher and Stephanie Hallowich continued to make comments about the health of their children at the hearing, when both of them as well as you had access to all of their reports, results of investigations from the Pennsylvania Department of Environmental Protection, and



reports from Range that all very clearly demonstrated that there were absolutely no adverse conditions or impacts on them or their children as a result of nearby natural gas activity. These very same facts were reflected in the affidavit of Christopher and Stephanie that you chose to include in the settlement hearing and present to the Court, where they indicated among other facts that "...the minors are healthy and have no symptoms that may allegedly be related to Defendants' business operations."

While I find it rather curious that you requested this clarification through a comment to a reporter instead of simply asking me about Range's position, I'm please to make Range's position clear. To the extent you or your clients have any other questions or concerns about the settlement agreement, please direct them to me as KL Gates' representation of Range in this matter is concluded.

Sincerely,

A handwritten signature in blue ink, appearing to read 'David P. Poole', written in a cursive style.

David P. Poole