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Media Contact: David Mashek (412) 759-3139
Community Contact: Dean Boorum (814) 598-3960

JKLM ENERGY PROJECT UPDATE, OCTOBER 5

**126 Water Samples Received to Date; No Additional Detections of Isopropanol
Two impacted Water Source Samples Now Below Detection Limits for MBAS**

WEXFORD, Pa. (Oct. 5) – JKLM Energy, LLC issued the following update to the public regarding the company’s continuing response to the release of drilling chemicals at its Sweden Township, Potter County wellpad. These updates and related information are available at a project-specific website:

www.northhollowresponse.com

As of October 5, 2015, JKLM Energy, LLC has received a total of 126 lab results (101 initial tests, 25 follow-up tests) from water sources near the Reese Hollow 118 wellpad. Updated results are summarized as follows:

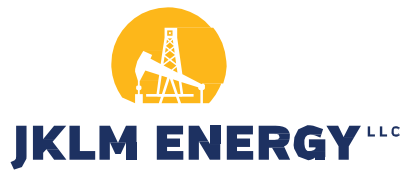
	<u>MBAS</u>	<u>IPA</u>	<u>Acetone</u>
<i>Non-Detect</i>	91	100	93
<i>Trace</i>	5	0	8
<i>At or Above Standard</i>	5	1*	0
Total	101	101	101

**One well was sampled at 15ppm for isopropanol, which is the Pennsylvania Department of Environmental Protection’s level for residential aquifer use under Act 2.*

The chart above indicates the total number of water sources sampled and analyzed to date (101), updated to reflect follow-up sampling. It includes results for the presence of methylene blue activated substances (MBAS), analyzed to determine the general presence of soap-like constituents contained in the surfactant that was placed in the wellbore; isopropanol (IPA); and acetone, a constituent expected to be found as isopropanol breaks down in the environment.

A total of five samples were found early in the investigation process with levels of MBAS above the U.S. Environmental Protection Agency’s non-health based secondary standard of 0.5 parts per million (ppm). As cited previously, a single sample was found at Pennsylvania’s Act 2 standard for isopropanol (15 ppm) for residential aquifer use during the same time period, and no samples above the state standard of 33 ppm for acetone have been identified.

Updated sampling results indicate that of five impacted water sources, two are now below detection limits for MBAS, defined as above the laboratory detection limit, but below the USEPA secondary standard. Eight sources have had trace amounts of acetone, all well below the drinking water standard.



Follow-up sampling indicates a substantial reduction in residential water source impacts, with two sources now testing below the USEPA secondary standard for MBAS and four others now testing below detectable limits for MBAS.

JKLM is continuing to work closely with local officials as well as the DEP to limit the release's impact to the community and restore the local water aquifer to pre-drilling quality. Local residents with questions or who notice a change in their water quality may contact Dean Boorum, JKLM's community liaison, at (814) 598-3960.

The JKLM Community Outreach office is open at 200 N. West St. in Coudersport and will be staffed from 9:00 AM to 7:00 PM, Monday through Friday. The public is invited to visit the office to talk with project managers, and view maps and related information about the company's response efforts.

JKLM remains committed to its partnership with local residents, as well as to open lines of communication with local and state officials and affected property owners.

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About JKLM Energy, LLC: JKLM is a privately held oil and gas producer headquartered in Wexford, Pa. The company is conducting operations at locations in Potter County.