

HINMAN, HOWARD & KATTELL, LLP

ATTORNEYS AT LAW

JAMES W. ORBAND†
LAWRENCE C. ANDERSON
JAMES S. GLEASON
JOHN C. FISH
PETER J. VIVONA
KATHERINE A. FITZGERALD
JAMES R. FRANZ†
ALBERT J. MILLUS, JR.
LILLIAN L. LEVY
WILBUR D. DAHLGREN*
KENNETH F. TOMKO
PAUL T. SHEPPARD†
HARVEY D. MERVIS
LESLIE PRECHTL GUY

THOMAS W. CUSIMANO, JR.*
JOHN E. JONES
EUGENE D. FAUGHNAN†
THOMAS A. CONLON, JR.
MICHAEL S. SINICKI
JOHN D. DENMON†
CLIFFORD S. WEBER
ROBERT H. WEDLAKE
RONALD L. GREENE†
TERENCE P. GALLAGHER
ANN B. CIANFLORE†
JON J. SARRA
ERIK EDWARD JOH*
KEVIN S. GRAHAM
DAWN J. LANQUETTE

700 SECURITY MUTUAL BUILDING
80 EXCHANGE STREET • P.O. BOX 5250
BINGHAMTON, NY 13902-5250
(607) 723-5341
TIOGA COUNTY (607) 687-7144
FAX: (607) 723-6605
WWW.HHK.COM
ROBERT H. WEDLAKE'S
DIRECT PHONE: (607) 231-6855
DIRECT FAX: (607) 723-6605

DONALD R. CAMPBELL
RICHARD S. RINGWOOD
BRIAN R. WRIGHT†
AMY SHAPIRO
FREDERICK A. GRIFFEN
DWIGHT R. BALL†
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LORI GRUMET SCHAPIRO
MARTIN J. KANE†
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CHRISTOPHER RICHMOND
LEO A. CIANGIOSI
ROBERT N. NIELSEN, JR.
SPECIAL COUNSEL

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A. EDWARD HILL
RICHARD H. PILLE
KEITH E. OSBER
COLIN T. NAYLOR, III
DARWIN R. WALES (1914-2010)
JAMES L. CHIVERS*
JAMES M. HAYES*
BERNARD I. FLATEMAN†
RESIDENT COUNSEL NYC
TINA FERNANDEZ
ERICA L. BARBER
GARY C. TYLER
MEGAN E. CURINGA
HEATHER V. MILLER
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WENDY M. SCHNEIDER††
JACQUELINE A. BAIN
JENNIFER M. DONLAN
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*** ADMITTED UNITED STATES
PATENT AND TRADEMARK OFFICE

May 11, 2010

New York State Department of Public Services
Three Empire State Plaza
Albany, NY 12223-1350

Re: Case No.: 09 T 0865
Pipeline Tie-In: Well Name: Ruger 1
API No.: 31-015-26304-00-00
Well Operator: Anschutz Exploration Corp.
Town of Horseheads, Chemung County

Dear Sir/Madam:

Please be advised that this firm represents Northeast Energy Development, LLC. For reference purposes, enclosed you will find a copy of our letter dated April 21st addressed to Millennium Pipeline Company, LLC with respect to our client's request to be an active participant in the pipeline agreements and proceedings with respect to the above referenced well and the above referenced pipelines.

It is my understanding that as a potential owner of a portion of the pipeline that my client is eligible to be afforded active party status relative to the proceedings in your agency.

I am now writing to formally request the active party status and if it is necessary for my client to make some formal application or if there are other documentation or information that you require, would you be so kind as to so advise so that we may take the appropriate steps to secure active party status relevant to the proceedings in your agency.

Thank you for your attention to this matter.

Very truly yours,

HINMAN, HOWARD & KATTELL, LLP

By

Robert H. Wedlake

RHW:sj

Enclosure

cc: Northeast Energy Development, LLC
Millennium Pipeline Company, LLC
Anschutz Exploration Corp.
Jennifer Maglienti, Esq. (Via E-Mail)
The West Firm

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PATENT AND TRADEMARK OFFICE

May 11, 2010

The West Firm
Attention: Thomas S. West, Esq.
677 Broadway, 8th Floor
Albany, NY 12207-2990

Re: Pipeline Tie-In: Well Name: Ruger 1
API No.: 31-015-26304-00-00
Well Operator: Anschutz Exploration Corp.
Town of Horseheads, Chemung County
PSC Case No.: 09 T 0865

Dear Mr. West:

Please recall that we represent Northeast Energy Development, LLC with respect to the above referenced well.

Please recall that our client has elected to be a participating owner.

By our client's e-mail dated Friday, March 12th, our client communicated with Anschutz asking for a clarification relative to how Anschutz is planning to prorate the infrastructure development costs and pipeline revenue for the Center at Horseheads and the Ruger Wells. Our client believes that Anschutz has entered into some sort of license agreement or other agreement with Millennium Pipeline Company, LLC relative to the infrastructure affecting the Ruger Well.

Our client requested an explanation describing the point where the pipeline costs would be prorated to the Ruger Well. This is because our client believes that the CAH and Ruger wells will be using different parts of the gathering system and our client believes that the production from the two wells will likely be different and therefore there will need to be some proration with respect to income and expenses.

We would like to receive from your client an outline describing how your client intends to prorate the development costs and expenses between the Ruger well and the CAH well which description would include the following: construction costs, engineering costs, legal costs, right-of-

way acquisition costs, reactivation and testing costs, FT-1 contract expense, FERC gas tariff expenses, insurance costs, taxes, rent payments and maintenance and repair expenses.

In our client's e-mail of March 12th, our client also requested a copy of the interconnection agreement(s) and a copy of the FT-1 contracts which apparently are a part of the license or sublicense agreement. Our client also requested clarification relative to Anschutz's plans for prorating pipeline revenue from any upstream wells that may be connected into this gathering and transmission system.

To date, our client has not received any response from Anschutz.

Insofar as pipeline costs are part of the compulsory integration subject matter, we believe that our client is entitled to this information and we would like to see if we can receive this information and some explanation to the end of possibly resolving some of the outstanding issues in my client's objections to the proposed compulsory integration order. We would like to make an attempt to resolve some of these issues if we can, to the end of either eliminating or at least reducing the items for adjudication at the administrative hearings or potential future litigation.

We look forward to hearing from you with respect to these matters.

Very truly yours,

HINMAN, HOWARD & KATTELL, LLP

By


Robert H. Wedlake

RHW:sj

cc: Client
Jennifer Maglienti, Esq. (Via E-Mail)
New York State Department of Public Services

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PATENT AND TRADEMARK OFFICE

April 21, 2010

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED
Millennium Pipeline Company, LLC
P.O. Box 1565
Pearl River, NY 10965

Re: Pipeline Tie-In: Well Name: Ruger 1
API No.: 31-015-26304-00-00
Well Operator: Anschutz Exploration Corp.
Town of Horseheads, Chemung County

Dear Sir/Madam:

Please be advised that this office represents Northeast Energy Development, LLC and we are writing to you on behalf of our client.

This letter is intended to constitute formal **NOTICE** to Millennium of the following:

Please be advised that it is our client's position that as a participating owner in the above referenced well that our client will also be entitled to an ownership and working interest in the gathering line or gathering gas lines for the above referenced well. We believe that the gathering system will include the A-5 Columbia line and related facilities.

As a participating owner, our client will have the opportunity to participate in the cost of the gas gathering system relative to this well. Therefore, it is our client's position that our client must be a party to any agreement, contract or assignment between the operator Anschutz Exploration Corp. and Millennium with respect to the pipeline system related to this well.

Furthermore, we understand that there may be a measurement facility on Hickory Grove Road in Horseheads, New York that will be associated with this well. To the degree that that information is accurate, our client must also be a party to any agreement that will affect our client's ownership interest in the Ruger well.

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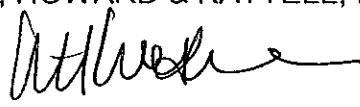
Accordingly, because our client has elected to be a participating owner in this well, we hereby respectfully request and require that Millennium include our client on any service list or mailing list with respect to the above referenced well and, as indicated above, it is our client's position that our client, as a participating owner, is entitled to receive copies of all correspondence and notices relative to the gas gathering system for this well and that our client must be a party to any such agreements.

Please let us know if you have any problems or issues with respect to our client's position in this matter.

Very truly yours,

HINMAN, HOWARD & KATTELL, LLP

By


Robert H. Wedlake

RHW:sj

cc: Anschutz Exploration Corp.
(Via Certified Mail Return Receipt Requested)
New York State Department of Public Services
(Via Certified Mail Return Receipt Requested)
Jennifer Maglienti, Esq. (Via E-Mail)