

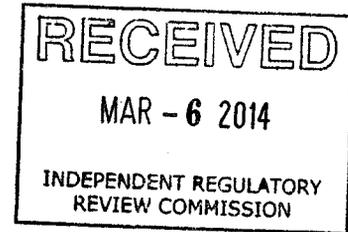
Catalyst Energy, Inc.

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February 17, 2014

Environmental Quality Board
P.O. Box 8477
Harrisburg, PA 17105-8477

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To Whom It May Concern,

As an employee of Catalyst Energy, Inc., I am providing the following comments to the proposed revisions to Chapter 78 by the PA Department of Environmental Protection. Catalyst Energy, Inc. is an operator of conventional oil & gas wells in northwest Pennsylvania.

As Vice President of Corporate Development, I wish to point out that the Frasier Institute, a non-partisan Canadian think tank, has ranked Pennsylvania nearly dead last in states with environmental regulations that promote oil & gas development. Only New York, which currently has a moratorium on fracking, ranked higher than Pennsylvania in terms of having environmental regulations that stifle oil & gas investment. This study of the current state of environmental regulations in Pennsylvania runs starkly contrary to Governor Corbett's Energy Policy released in January 2014. The economics of oil & gas development in Pennsylvania do not allow for the extremely strict regulations being proposed. The title of Corbett's Energy Plan, "Energy = Jobs" is simply lip service to the industry and means absolutely nothing in everyday terms.

I object to all proposed revisions to Chapter 78 and recommend that separate oil & gas regulations be drafted for conventional and unconventional operations. The DEP should not regulate the small footprint conventional oil & gas development has similarly to that of large, unconventional pad sites.

The history of conventional oil & gas operations in Pennsylvania goes back over 150 years. These proposed regulations in combination with recently enacted Act 13 threaten to end conventional oil & gas. My work in investor relations has become exceedingly difficult given the uncertainty and strict nature of DEP in recent years. It is evident that the DEP has not read Governor Corbett's Energy Policy. Please vote "no" to the proposed changes to Chapter 78.

Sincerely,

A handwritten signature in black ink, appearing to read "Woody Soemantoro".

Woody Soemantoro
Vice President, Corporate Development