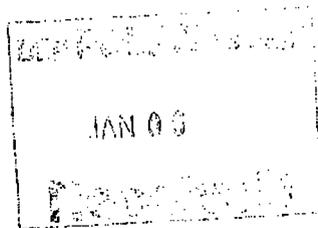
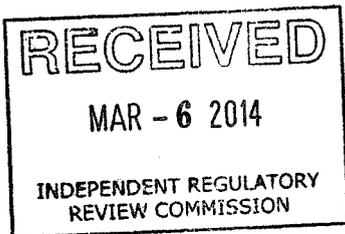




3047



January 6, 2014

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

Re: Proposed rulemaking on 25 PA Code Ch. 78, Subpart C – Environmental Protection Performance Standards at Oil and Gas Well Sites

Dear Board Members:

We are writing in opposition to the Environmental Quality Board (EQB) adopting the revisions proposed by the Pennsylvania Department of Environmental Protection (PADEP) to 25 Pa Code Chapter 78 "Oil and Gas Wells." As a Producer, our company and its thirty five Pennsylvania employees have firsthand experience with the extraordinary efforts made by Pennsylvania's oil and gas industry to be good stewards to the environment and good neighbors to the communities where we live and work. Based upon those experiences, we find the proposed revisions to lack sufficient justification, to have costs far in excess of any benefits and to provide very little in actual, real-world environmental protections. In fact, we believe the proposed rule will diminish the recent prosperity created by Pennsylvania's oil and gas industry and will cost our communities revenue while increasing their social burdens. We urge you to vote against finalization of this rulemaking in its current form.

Among our many concerns with this proposal, we would like to highlight several which pose a particular burden on our business:

- 1) Intermittent Distinctions Referencing Unconventional Wells - Throughout the proposed changes are references of applicability to a particular well-type know as unconventional such as found in 78.19, 78.52 (g), 78.55 (c), 78.56 (a), (5,7,11,16), 78.57 (c), 78.59a, 78.59c, 78.63 (1), 78.64a, 78.69 (a) and 78.121]. In our opinion, the operational and regulatory differences between conventional and unconventional well types warrant separate consideration at a minimum. The lines of applicability are too open to interpretation which results in confusion and a lack of clear standards.
- 2) Control and Disposal Planning (PPC Plans) - The regulatory language regarding the PPC plans lacks clarity and consistency. If the Department may or may not be requiring a plan per 91.34 (b), and since 78.55 is specific to unconventional operators, how can conventional operators be guaranteed non-interruption of the drilling and completion operations if interpretational discretion exists. We believe conventional operators should be allowed to continue with a general PPC template which is an effective current regulatory measure as opposed to a site specific plan that is mandated for the unconventional operators.
- 3) Pits and Liners - Section 78.56 is not clear as to its applicability to conventional versus unconventional operators. The requirement for a 30 mil minimum standard referenced in 78.56, 9 (ii) is an inappropriate standard and expense where operators intend to land farm cuttings and where pits are open only a fraction of time when compared to long-term pits on multi-well unconventional pads. Section 78.56 requirements should also be limited to the drilling and completion phase of a well and not to the production phase because it would be unreasonable to expect such a standard in work over situations for a conventional well. In addition, a 2 to 1 horizontal to vertical slope on the interior side of a conventional well will result in a negative environmental impact (an unreasonably large footprint of disturbed area for a conventional well).



As a conventional operator in Pennsylvania, overall our main concern is that the Chapter 78, Subpart C proposed rulemaking affects both conventional and unconventional wells when the intent of Act 13 was to address new horizontal shale drilling, production and gathering. Therefore, we urge the EQB to exclude conventional drilling, production and gathering from the proposed regulations. Given the low impact to the environment, history of effective conventional regulations in place and marginal rates of return for these type wells, additional regulations will have an adverse effect on this portion of the oil and gas sector.

In closing we urge the Environmental Quality Board to reject this rulemaking as proposed. Unless the proposal is substantially revised based on full consideration of the costs and benefits, it will cause harm to the prosperity of our communities, and will cause harm to the people who will lose their jobs. To the extent that portions of this rulemaking are mandated by state law, the EQB should insist that DEP propose revisions only to fulfill those obligations, with simple rules written in plain language.

Sincerely,

A handwritten signature in black ink, appearing to read "James B. Pritt".

James B. Pritt, Regulatory Manager

Cc: Senator Scott E. Hutchinson, Senator Robert D. Robbins, Senator Joseph B. Scarnati III, Representative R. Lee James, Representative Brad Roae, Representative Michele Brooks, Representative Gregory S. Lucas, Representative Kathy L. Rapp, Representative Richard R. Stevenson, Representative Mark Longiotti, PIOGA