

## Oil Well Sentry, Inc

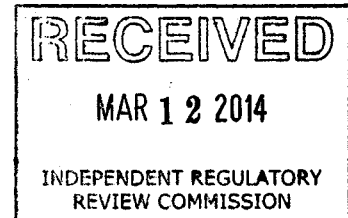
203 West 4<sup>th</sup> Street

Oil City, PA

Topic: Comments on Proposed Oil and Gas Regulations

Meeting Feb. 12, 2014

Speaker: Thomas A. Karg—President, Oil Well Sentry, Inc



Ladies and Gentlemen

150 years ago there was a problem: A need for alternatives to Whale Oil, used for lighting. Whale oil was getting difficult to get, and a rumor that a substance called "rock oil" may solve the problem. Thus, the beginning of the crude oil era was launched, and the whales were spared.

We have a situation today with the EQB that changes the way Crude oil has been produced by the small Producer in shallow wells that appears to have a "one hat fits all" approach, but that is far from the Truth. It is like imposing the same rules on a rowboat as there are for a Carnival Cruise ship.

First, a trip back in Time.

The substance we know as Pennsylvania Crude Oil was used and traded by the American Indians. Crude oil was skimmed or gathered using blankets, as it floated down the Alleghany River and Oil Creek. It was *a natural occurrence*, to have crude oil on our waterways! Crude oil is also thought to have come from pits dug in various locations by the Indians, to be traded with other commodities to other tribes throughout at least one area known as the "New England States". *One personal example of the uses:* When we had our first child, one of the gifts we received from an elderly lady was a small bottle containing crude oil..... For when and if our child got the Croup, give her ½ teaspoon of crude oil!

We have a responsibility to protect our natural resources given to us by God, and use them for the betterment of man. For 150 plus years, a group of dedicated men and women have sweated, labored, bled, and even died, to preserve this natural resource while make a living for their family.

Pennsylvania crude oil is a remarkable substance. The paraffin base makes it quite unique. It is used in many medicines, a base for lipstick and cosmetics, "Johnsons baby oil", Vaseline, ultra fine lubricating oil, and maybe a 147 different uses including the sealing wax my wife uses for making strawberry jam!

One problem with the new additional purposed regulations: It is about the value of INFORMATION required, why, and by whom, for whom, and what's the value and purpose? If it has not been needed for the past 100 years, why is it needed now? Redundancy is not needed. Has anyone on the rules committee ever "walked in the shoes" of the small family producers?

My suggestion -An independent **"Value Engineering Study** by a **Certified Value Specialist** should be executed to study the regulations. **Certified Value Specialist** are required on many Federal and Pennsylvania State Government Projects, especially on PARTNERING ACCORD- STUDIES.

**Mother Nature** has been very effective in cleaning up what we do to contaminate the Environment. Take this year. **Millions** of gallons of 23% brine solution have been dumped on the roads and bridges with **tons and tons** of rock salt and other chemicals are poured on Public highways, without any problems that DEP is aware of, or *even cares* about. Yet, out in the woods, if 1 gallon is accidentally spilled on **private property**, fines are handed out for **thousands** of dollars. Other chemicals like **Grass killing chemicals** are routinely applied to roadsides that eventually winds up in the streams and water supplies.....no problem with the DEP! The "Valley that changed the world" was cleaned up by Mother Nature in a **natural process**. **Brine and crude oil in small lots are great fertilizers!** (Look at the site of old wooden tanks. The biggest trees grow out of and around the tanks,) If nature does not mind a little brine and crude oil in the wild, than why should you be so critical against one small group, and so blind with the real world, the real

facts? There MUST be a better way. Maybe the old ways of dispersing brine at each well site are best.

My Son, my wife and I manufacture **The Oil Well Sentry**, a Pump-off control that is **"Self- Managing"**. It operates on the shallow wells to monitor the fluid level in Working Barrel, and then **automatically shuts the Production Cycle "off"** when the fluid level pumps low, and records the time of production. The **Sentry eliminates unproductive time and activity, saves wear & tear** on equipment, lets Producers **work more effectively**, and make **better use of their time**. It also **increases production, decreases energy requirements, make more money**, and **give them information about each well that is not possible any other way**. I pray my business will continue if not forced out with useless regulations designed for completely different Industries and methods.

I'm asking the DEP and the EQB to join *me*, in making the life of our Independent Producers better. Streamline all the "paperwork" required, and be one of the "good guys", in helping solve problems, not constantly searching for a fault and fining them. They are doing what producers do in operating and producing our precious natural resource: Pennsylvania Crude Oil, not filling out worthless forms and test. After all, it is THEIR LAND, THEIR WELLS, THEIR Crude oil which they will give to their kids for generations to come. Do not end this family connection!

Thank you