



February 12, 2014

Members of the Environmental Quality Board,

My name is Joyce Cline. I am Corresponding Secretary and Treasurer of Pennsylvania Independent Petroleum Producers and presenting testimony tonight on PIPP's behalf.

Our organization started in 1985 after passage of the oil and gas act of the previous year. When Act 223 became law, most small producers were unaware of what was being done to them in Harrisburg. PIPP was an outcome of the anger felt and its members vowed not to let what happen to them in 1984 ever happen again.

Now, almost 30 years later, having lost about half of our membership as a result of the 1984 oil and gas act, here we are again—not blindsided this time but mislead. We were aware of new oil and gas legislation being negotiated in Harrisburg. But, our local legislators, based on information they were given by the committees and bureaucrats writing the legislation, assured us that the new law would have no effect on shallow or "conventional" wells. This new legislation was needed to address the unique circumstances of drilling to the deeper, shale strata. So, here we are again, fighting to save the legacy wells that our organization was founded to protect.

I chose to be one of the last speakers tonight because I wanted you to hear from the members of our organization who have already spoken. I wanted you to see that our members are hardworking people who love what they do and just want government to get off their backs and out of their pockets so they can continue producing a product our region and our country needs.

Most of the people here tonight would rather be out working instead of in this courtroom, begging for mercy. Many of the people you have heard from tonight have never before spoken in public, especially presenting testimony to a government panel. But they are doing it because they know what's at stake—stopping the passage of regulations that would make it impossible for them to operate their wells profitably. Remember, most of these wells produce only gallons of oil or small amounts of gas a day, leaving little or no room for the cost of yet more regulations, especially regulations that do little if anything to protect the environment, as the DEP's name implies.

PIPP members do not have staff to deal with all the requirements of these regulations. "Integrity Well Testing", for instance, is just some bureaucrats' pipedream and will bring zero compliance from PIPP members who operate marginal stripper wells. Some of our operators don't even own a computer and therefore can't even report production, let alone attempt the enormous task of reporting well integrity.

Even if these regulations are sent back to DEP and requirements for conventional and nonconventional wells are separated, as we are asking, we still face the ludicrous regulations on disposal of production water, which is one of the other battles we are fighting. If the Department doesn't work with the small producers to find a solution, there will be hundreds more scofflaws in Pennsylvania, operating outside the law not because they choose to but because they cannot afford to comply with unreasonable regulations. It's mindboggling to think that the state can spread tons of salt on the roads each year (even brine from gas wells) yet one drop of production water on the ground can bring NOV's and fines.

Our industry is unique. We can't just close up shop, load up our wells and equipment and move to another state with a more favorable business climate, or sell our wells to the highest bidder. There aren't too many people crazy enough to become involved in a business that requires a lot of hard work with uncertain rewards, where inspectors can walk onto your property uninvited, with no warning, simply because you operate out in the open instead of in a building that can be locked up and only accessed with your authorization. Haven't we learned any lessons from the way government has regulated most manufacturing businesses in our country out of business here to operate overseas?

As you are deciding how to vote on these regulations when they come before you for final passage, think of the people you have heard from tonight. Can you justify destroying their way of life and depriving them of doing the only thing most of them have ever known all their lives, many being fourth- and fifth-generation producers. If oil and gas production was destroying the environment and killing and maiming babies, as some of those who have come before you in these hearings have claimed, these producers and their families wouldn't want to live here themselves and certainly wouldn't live into their 80's and 90's, as my husband has.

Consider what forcing thousands of producers out of business will do to the economy of a region which has depended on oil production for over 150 years. How would the state benefit by forcing operators to walk away from wells that they would otherwise continue to operate and eventually plug after their useful life is over when it can't even plug the wells it is responsible for?

When will government stop trying to fix something that isn't broken? You should know by now that it usually ends up doing more harm than it does good.

Thank you for allowing me this time.