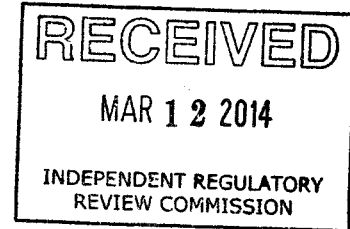


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February 12, 2014

Harvey H. Stone, P.E., Testimony before the Environmental Quality Board, Warren, PA

Subject: Comments on Environmental Protection Performance Standards at Oil and Gas Well Sites 25 *Pa Code* Chapter 78, Subchapter C

Dear Board Members:

My name is Harvey H. Stone and I reside at 24 Crescent Park in Warren, PA. I am a licensed professional engineer and a partner in BJS, LLC, a small conventional oil well company that currently operates 5 wells in the City of Warren. All our wells are at 1,000 feet or less in depth.

We lease land for oil and gas development; we hire drilling, fracking and other associated companies to drill our wells, pay engineers and operators to permit and operate them and receive payments for production from conventional oil and gas wells.

In the last three years we have spent more than a half million dollars on contracting and equipment to drill and operate our wells. We have used 36 local companies for various supplies and services. We have paid the Commonwealth of PA more than \$5,000 in fees, and considerably more in taxes.

The Department of Environmental Protection (DEP) has proposed changes in regulations affecting the oil and gas business. **We are very concerned that there is not enough distinction being made in the new regulations between conventional and non-conventional wells.**

It is our concern that these new and modified regulations will unnecessarily increase costs for conventional oil and gas companies. They will also significantly increase the amount of time required to complete and submit well permits. While the regulations will significantly increase costs, the regulations will not result in significant environmental benefits in the conventional oil and gas industry.

One area of concern is the revised regulations in 78.61 and 78.62. Under conventional well current practice, drill cuttings (from both above and below the casing seat) are disposed of on site without any special notification requirements. Under the new regulations, the conventional operator is required to ascertain the ground water table (using a geologist or soil scientist) and provide 3 business days notice to DEP before disposing of cuttings. This means that the entire site will pretty much have to shut down and wait for the soil scientist to assess the ground water elevation and then wait three business days before completing the well. The regulations were proposed without addressing the additional cost to the operator for the soil scientist or for waiting the

As we have reviewed these new regulations, in the context of a conventional well operator, we can find no environmental justification for them that justifies the added costs and time delays imposed on the conventional well operators. There is no analysis completed by DEP to show the affect these proposed regulations will have on the conventional well operators who are almost all small businesses.

For these reasons these new regulations should not be passed in their current form. Please vote "NO" to the current regulations until they are altered to account for the differences between conventional and non-conventional well drilling and they have met the requirements of the Regulatory Review Act.

Thank you.