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**Subject:** Letter of Comment on DEP proposed changes made to the draft final versions of Chapter 78 and 78a.

Dear IRRC and other interested readers,

This is my letter of comment concerning the Pennsylvania DEPs newly proposed Oil & Gas, Chapter 78 regulations.

A summary of the problems with the proposed regulations is outlined in the following 7 bullet points:

- **There is absolutely NOTHING that the DEP proposes to “fix” through the new regulations that is not already covered by existing laws and regulations (i.e. Clean Water Act, E&S regulations, etc.).**
- **The new regulations allow for an unprecedented expansion of DEP power and oversight with no resulting improvement to environmental quality.**
- **The DEP has either not considered, or not cared about the negative economic impact that these proposed regulations will have on industry and the people and communities of the Commonwealth of Pennsylvania.**
- **The conventional oil and gas industry in Pennsylvania will be devastated by these new regulations as most new conventional drilling will become uneconomical under the new regulations.**
- **Under the proposed regulations, the company that I manage will no longer be able to justify development of new oil and gas resources in Pennsylvania.**
- **The economic carnage resulting from these regulations will be borne not only by the conventional producers, but also by the suppliers, service companies, other businesses that rely on the capital spending from the conventional industry, and royalty owners.**
- **The DEP is already abusive with the power that it has assumed by miss-applying existing legislation such as the Clean Steams Act, Act 13, and Act 2. They will follow the same pattern of abuse when applying these newly proposed regulations.**

The above bullet points above show why the proposed DEP regulations must be eliminated in their entirety.

At a recent meeting with the speaker of the PA House, the speaker was shocked to hear the PA Act 13 was being applied by DEP to conventional wells because it was the intention of the legislature that this act was only intended for unconventional wells. Comments came from other lawmakers about the DEPs misguided insistence of applying PA Act 2 regulations to conventional oil and gas production, when this was not the intention of the legislation.

It has become clear by the actions of DEP over the past 5 – 6 years that DEP has an agenda of misapplying laws passed by the legislature in order to justify growing their power base and laying traps in order to write notices of violations (NOVs). Through their actions, the DEP has proven that they are not capable of crafting regulations that pragmatically balance environmental protection with promoting a healthy, job providing conventional oil and gas industry.

If these regulations pass in any shape or form, conventional drilling operations in the company that I manage will come to an unfortunate and premature end. Over the past 8 years these drilling operations have resulted in an injection of nearly \$9,000,000 (**Nine Million Dollars**) into the local economy.

The conventional operations from the company that I manage have never resulted in environmental damage, have provided jobs for families, and have provided significant royalty income for more than 20 landowners - including a large number of retired people, and two widows.

Imagine how much better fit could be for both the environment and for the people and communities of Pennsylvania if the DEP starts working with conventional oil and gas operators as a partner instead of an adversary. Other states have environmental regulators working in harmony with industry for the common good. Unfortunately for Pennsylvania, the DEP has a different and hostile agenda.

I hope that the IRRRC makes the right decision and rejects these proposed regulations in their entirety. If they are not rejected, I fear that a very long and expensive legal battle will result. A legal battle that will consume precious capital that could be better employed to fund needed programs in Pennsylvania and to develop conventional oil and gas resources that provide much needed economic benefit to our state.

Sincerely,

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