

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

\* \* \* \* \*

IN RE: PROPOSED REGULATIONS FOR OIL AND GAS SURFACE  
ACTIVITIES

\* \* \* \* \*

BEFORE: BURT WAITE, CHAIR

SCOTT PERRY, Member

HALEY BOOK, Member

LAURA EDINGER, Member

HEARING: Wednesday, January 15, 2010

6:00 p.m.

LOCATION: Meadville Area Senior High School

930 North Street

Meadville, PA 16335

WITNESSES: Bonita McManus, Laurie Barr, Joy M. Ruff,

James E. Erb, Mark Cline, John Stewart,

Carrie Hahn, Robert Trevail, Margaret

Henry, Ray Stiglitz, Lisa DeSantis, Jan

Hendryx, Sister Claire Marie Surmik, Luigi

DeFrancesco, David Weinkauff, Daniel

Soltesz, Marlene Bertke, Thomas A. Miller,

Reporter: Shannon C. Fortsch

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WITNESSES: William Granche, Karen Granche, Shane  
Flannery, Michael Brown, David C. Dean,  
Kenneth C. Kane, Gregg Buchanan, Glenn  
Weaver, Mac Sawyer, Randy Reimold,  
Christina Sporer, Mike Genz, Diane Sipe,  
Karen Fletch, Allen Larson, John Lindberg,  
Becky Kolodowski, Joe Stiglitz

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## P R O C E E D I N G S

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MR. WAITE:

Good evening. I want to welcome you to the Environmental Quality Board public hearing on the environmental effect and performance standards of oil and gas drill sites proposed rulemaking. My name is Burt Waite. I'm the representative of the Pennsylvania Environmental Quality Board. Joining me tonight on my left is Scott Perry from DEP's Office of Oil and Gas Management, Haley Book, on my right, Laura Edinger, further to my right, with DEP's Policy Office. And Gary Clark, in the front row, Community Relations Coordinator for Northeast Regional Office of DEP here in Meadville.

I officially call this meeting in order at 6:01 p.m. In the event of an emergency, there are exit doors to the rear of the building. And if they are blocked, there are exit doors on both sides of the stage. I ask that you turn off your cell phones or put it on vibrate so they don't interrupt the speakers and they're not making any noise.

The purpose of this hearing is to formally accept testimony on the proposed regulations and Environmental Protection's performance standards

1 to the oil and gas drill sites.

2 In addition to this hearing, the EQB  
3 will hold additional hearings on the proposed  
4 regulations in Mechanicsburg tomorrow night, in  
5 Washington, PA on January 22nd, in Indiana,  
6 Pennsylvania on January 23, and Tunkhannock on January  
7 27th. And there are discussions if additional  
8 hearings may be added or not. That is not finalized  
9 at this point. Information about the specific  
10 locations of these hearings is available on the DEP  
11 webpage at [www.dep.state.pa.us](http://www.dep.state.pa.us).

12 There are also copies available at the  
13 front desk of the Citizen's Guide to DEP Regulations.  
14 Inside this pamphlet or this document, you will find  
15 descriptions of the environmental regulations process  
16 in Pennsylvania. You will find the Quality Board  
17 role, how to submit comments and tips for submitting  
18 effective comments.

19 The proposed rulemaking, which was  
20 adopted by DEP on August the 27th, 2013, would amend  
21 25 Pa. Code Chapter 78 to update the requirements  
22 related to surface activities associated with the  
23 development of oil and gas wells. The EQB, the  
24 Environmental Quality Board, has not adopted the  
25 proposed rulemaking with a recommendation for a 60 day

1 comment period and at least six public hearings across  
2 the state. This represents a heightened level of  
3 public participation as there is usually only a 30 day  
4 comment period held for the typical Department only.  
5 Additionally, the public hearings are held on the  
6 basis of public interest. And for some regulations,  
7 there are a few or even none, but are held if there is  
8 no request for hearings.

9               Due to the increased public interest in  
10 this ruling, the EQB has scheduled seven public  
11 hearings to allow ample opportunity for public comment  
12 on its proposed rulemaking. And that may be expanded.  
13 The proposed regulatory amendments, which would  
14 address recent statutory changes in Act 13 of 2012 and  
15 codify existing practices, this rulemaking would allow  
16 the implementation of key provisions of Act 13,  
17 including further consideration of impacts of public  
18 resources, such as parks and wildlife areas, the  
19 prevention of spills, the management of waste, and the  
20 restoration of well sites after drilling.

21               The proposal may also include standards  
22 affecting construction of gas lines and temporary  
23 pipelines, and includes provisions for identifying and  
24 monitoring named wells close to proposed well drilling  
25 sites. In order to give everyone an equal opportunity



1 to comment on this proposal, I would like to establish  
2 the following ground rules for this evening. I will  
3 first call on the witnesses who have pre-registered to  
4 testify at this hearing. After hearing those  
5 witnesses, I will invite any other interested parties  
6 for the opportunity to testify as time allows.

7           Testimony is limited to five minutes for  
8 each witness. Organizations are requested to  
9 designate one witness to present testimony on its  
10 behalf. Each witness is asked to submit three written  
11 copies of his or her testimony to aid in transcribing  
12 the hearing. Please hand me two copies, including one  
13 copy for our stenographer at the table to my right,  
14 prior to presenting your testimony. Please state your  
15 name, address, and affiliation for the record prior to  
16 presenting your testimony.

17           The EQB will appreciate your help in  
18 spelling names and terms that may not be generally  
19 familiar, so that the transcript can be as accurate as  
20 possible. Because the purpose of a hearing is to  
21 receive comments on the proposal, the EQB or the  
22 Environmental Staff cannot answer questions about the  
23 rule-making hearing this date at the hearing today.  
24 But you may address any questions after the conclusion  
25 of the hearing.

1           While you are giving testimony, I will  
2 give you a one-minute warning that your time is going  
3 to expire. And at five minutes, I will ask you to  
4 conclude your comments. All written comments must be  
5 received by the EQB on or before February 12th, 2014.  
6 Comments should be addressed to the Environmental  
7 Quality Board, P.O. Box 8477, Harrisburg, PA 17105.  
8 Comments may also be emailed to RegCommitees@.pa.gov.  
9 To submit it online to the EQB's regulatory comments  
10 system, access it on DEP's webpage.

11           All comments received at this hearing,  
12 as well as written comments received by February 12th,  
13 will be admitted as part of the formal record and  
14 considered by the EQB and will be included in a  
15 comments response document, which will be prepared by  
16 the Department and reviewed by the EQB prior to the  
17 Board taking one or more actions on the certainty of  
18 this regulation. Anyone interested in receiving a  
19 copy of the transcript of today's hearing may contact  
20 the EQB at (717) 737-4526 for appropriate information.  
21 I would now like to call the first commenter, Bonita  
22 McManus.

23                     MS. MCMANUS:

24                     Good evening.

25 OFF RECORD DISCUSSION

1                   MS. MCMANUS:

2                   Good evening. My name is Bonnie  
3 McManus. I live at 546 Conneaut Lake Road ---.

4 BRIEF INTERRUPTION

5                   MS. MCMANUS:

6                   Okay. My name is Bonnie McManus. I  
7 live at 546 Conneaut Lake Road, Adamsville, PA.  
8 That's Mercer County. I'm a leader in the League of  
9 Women Voters of Pennsylvania, on behalf --- on whose  
10 behalf I'm speaking. We appreciate this opportunity  
11 to provide input in these proposed regulations that  
12 will shape our future as individuals and communities  
13 across the Commonwealth.

14                   The League advocates based on our  
15 Constitutional rights to clean air, pure water and the  
16 preservation of our natural resources. Our position,  
17 based on statewide study and consensus, supports  
18 requiring the use of best practices, comprehensive  
19 regulation and adequate staffing across government  
20 agencies to provide the maximum protection of public  
21 health and the environment in all natural gas  
22 operations.

23                   We speak this evening on Section C ---  
24 I'm sorry.

25 BRIEF INTERRUPTION

1                   MS. MCMANUS:

2                   Oh, yeah. Okay. All right. I'm sorry.  
3 We are speaking this evening on Section C,  
4 Environmental Protection and Performance Standards.  
5 Centralized impoundments should be replaced by  
6 enclosed tanks because of the nature of hazardous  
7 substances stored within them. Proposed regulations  
8 are inadequate to prevent catastrophic risks to public  
9 health and the environment.

10                  Oversight of liner installation by  
11 manufacturers rather than Department inspectors is not  
12 appropriate. Even the most sophisticated detection  
13 systems, sump pumps, monitoring wells, and  
14 requirements to fill out forms to monitor leakage  
15 cannot prevent irreparable damages from impoundment  
16 releases. Water testing parameters need to be  
17 expanded throughout the document to include petroleum  
18 distillates, heavy metals, and radiation levels.

19                  This is particularly true when  
20 provisions provide for allowable leaks through the  
21 primary liners that are --- that, in some instances,  
22 are dealt with case by case. Such language is not the  
23 intent of the League's recommendation for site-  
24 specific plans. To promote strict compliance,  
25 certified statements vouching for the testing,

1 instruction and integrity must be tied to personal as  
2 well as corporate accountability with direct liability  
3 for any contamination. Pictures and drawings  
4 submitted by operators can be deceptive.

5               When it comes to restoration,  
6 centralized impoundments should be treated as  
7 superfund sites. The possible two year restoration  
8 between --- beyond the 90 day timeline is acceptable  
9 --- unacceptable, I'm sorry, and fails to promote ---  
10 let me start. The possible two-year restoration  
11 period beyond the 90-day timeline is unacceptable and  
12 fails to remove public risk in a timely manner.

13               To meet citizen expectation, words such  
14 as approximate and to the extent practical must be  
15 eliminated in regard to restoration. Further, the  
16 abilities of operators to ask for deviations from  
17 these requirements is asking for trouble. Best  
18 practices in restoration must be the standard.

19               In examining discharge requirements and  
20 other sections of the proposal, The League requests  
21 that references to other related Pennsylvania codes by  
22 number be excerpted and placed as footnotes to promote  
23 understanding. Land application of any residual waste  
24 substance, fill, or dredge must be prohibited. In  
25 most cases, the composition of these wastes and their

1 risks are unknown. We cannot afford to poison our  
2 land.

3 MR. WAITE:

4 One minute.

5 MS. MCMANUS:

6 It's the potential --- it's the source  
7 of our leading industry, agriculture. Bonds must be  
8 set higher to cover potential costs of consequences  
9 over a minimum of 100 years. The three business day  
10 notification period to DEP should be extended to ten  
11 to allow for appropriate monitoring of any disposal  
12 process.

13 Finally, restoration to lands where  
14 residual wastes have been applied should go beyond re-  
15 vegetation to best practice. While the regulations  
16 include compliance for chemical analyses based on  
17 documentation by the operator, consistent, boots-on-  
18 the-ground monitoring and enforcement promotes greater  
19 public trust. Regulations for containment around oil  
20 and condensate tanks must be strengthened, based on  
21 the recent experiences in West Virginia.

22 The League recognizes the need to  
23 regulate unconventional wells differently and more  
24 stringently than conventional wells. All pits and  
25 centralized impoundments should be prohibited. Only



1 closed tanks should be closed for all polluttional  
2 materials, including fuel and non-regulated wastes of  
3 unknown composition.

4 League comments concerning containment  
5 and practices for conventional wells are also  
6 applicable to unconventional wells. Greater  
7 expectations are placed on operators to provide  
8 written standards ---.

9 MR. WAITE:

10 Bonnie, time's up. We'll have to read  
11 the rest in the transcript.

12 MS. MCMANUS:

13 Thank you.

14 MR. WAITE:

15 Thanks again. I'm sorry. Laurie Barr?

16 MS. BARR:

17 Hi. My name is Laurie Barr, and I'm  
18 here from Save Our Springs, PA. I'm from Potter  
19 County. I have some suggestions for the abandoned and  
20 orphaned well identification. In addition to the  
21 United States farm lines map that you're asking the  
22 operators to consult with, the Department of  
23 Conservation and Natural Resources have been  
24 digitizing their files recently. And they're putting  
25 them online.

1 More and more are available online,  
2 like, all the time. And they have topomaps. A lot of  
3 ---. They have maps that operators had made over the  
4 years, also, and special reports. They have the deep  
5 well summaries done of the deep wells in Pennsylvania.  
6 So they have a lot of reports and maps that they've  
7 been digitizing. In addition to consulting those,  
8 during an appointment with the geologists in Meadville  
9 at the DEP, he provided us with a farm line map that  
10 wasn't reconciled with the DEP's database.

11 So including --- I mean, in addition to  
12 consulting with the maps that are available online,  
13 they should consult with the geologists at the DEP  
14 Office. As far as the STRONGER review that was  
15 brought up in other people's comments in past public  
16 comment hearings, in 2010, STRONGER finished a review  
17 of Pennsylvania's oil and gas regulations. And I copy  
18 and pasted this out of the STRONGER recommendations.

19 The review team recommends that DEP  
20 consider whether there are areas or situations in  
21 which wells, active and abandoned, in the vicinity of  
22 hydraulic fracturing operations provide pathways for  
23 fluid movement into groundwater. In such areas or  
24 situations, DEP should require operators to identify  
25 and eliminate the potential pathways for fluid



1 movement into ground before conducting hydraulic  
2 fracturing operations. So it says eliminate the  
3 potential pathways.

4                   And I copied that page of the STRONGER  
5 recommendations and I attached it to this statement.  
6 The proposal to identify and monitor the wells within  
7 a thousand feet, it simply ignores the STRONGER  
8 recommendations. It doesn't comport with them. And  
9 it does nothing to prevent fluid movement between  
10 formations.

11                   As far as asking people to --- passing  
12 out questionnaires and asking people to survey their  
13 property, the Thomases in Duke Center have been  
14 searching for their wells and hiking around their  
15 property for 20 years. And they just found the 32nd  
16 well a couple weeks ago. A survey of a piece of  
17 property, if it's big, is difficult, especially if  
18 it's vegetated. And over the years, some of the  
19 operators removed all of the equipment and  
20 infrastructure.

21                   So when it's vegetated, it's really  
22 difficult sometimes to just find a hole in the ground.  
23 And sometimes formation pressure changes underground  
24 with the seasons. And sometimes, oil comes out of it.  
25 And then it just doesn't. So that's something that

1 has to be considered. Shell hired professionals to  
2 search for Maggy Henry's wells on her farm in Lawrence  
3 County.

4                   Maggy's here tonight. She has 27 wells  
5 identified on a farm line map. And they looked for  
6 those wells. And they weren't able to find any of  
7 them. They gave up. They weren't able to. And those  
8 were from people that had equipment and training to  
9 look for abandoned wells. So expecting homeowners and  
10 property owners to even be able to identify them is  
11 unrealistic.

12                   Surface owners should be provided with  
13 funding to conduct these surveys, and a reasonable  
14 amount of time to search their property. I suggest 30  
15 days per acre. I don't know what a reasonable amount  
16 of time is. That's just --- I threw that out there.  
17 Because we've got to start somewhere. We can't just  
18 hand them a questionnaire and expect them to be able  
19 to search. I mean, if they have 50 acres, you can't  
20 search that overnight. So you have to give them a  
21 reasonable amount of time to search.

22                   MR. WAITE:

23                   Laurie, the time is up and we'll read  
24 the rest of ---.

25                   MS. BARR:

1                   Okay, thank you.

2                   MR. WAITE:

3                   Thank you.   James Erb.

4 OFF RECORD DISCUSSION

5                   MR. ERB:

6                   Good evening.   My name is James Erb.   I  
7 am speaking on behalf of the Associated Petroleum  
8 Industries of Pennsylvania, API-PA.   API-PA is a  
9 division of the American Petroleum Institution, or  
10 API, a national trade association that represents all  
11 segments of America's oil and natural gas industry.  
12 Its more than 580 members provide most of the nation's  
13 energy.   API is also a standard setting organization.

14                   For 89 years, API has lead the  
15 development of petroleum and petrochemical equipment  
16 and operating standards.   These standards represent  
17 the industry's collective wisdom on everything from  
18 drill bits to environmental protection.   API maintains  
19 more than 650 standards and recommended practices.  
20 Many of these are incorporated into state and federal  
21 regulations.

22                   API-PA strongly supports environmental  
23 safeguards and stewardship, and commends DEP on their  
24 regulatory oversight programs.   However, we do have  
25 concerns with several provisions contained in the

1 proposed rulemaking that we plan to outline in detail  
2 in formal, written comments. In the interest of time,  
3 I will highlight some general comments that we have,  
4 and provide comments on provisions that address  
5 disposal of drill cuttings, containment systems, and  
6 practices at unconventional well sites and site  
7 restoration.

8           In general, we suggest that suggest that  
9 language be added to clarify the effective date of the  
10 new requirements, and that wells constructed prior to  
11 that date are grandfathered. There are a number of  
12 definitions and sections of text that refer the reader  
13 to other statutes or regulations. This causes the  
14 reader to search elsewhere to find that other statute  
15 or regulation and review it before being able to  
16 understand Chapter 78. This is not user-friendly and  
17 does not facilitate regulatory understanding or  
18 compliance.

19           And it would be better to state, as  
20 defined in Pa. Code, whatever the number is, and  
21 repeat the definition or section. Also, a number of  
22 sections are very detailed and prescriptive. We  
23 suggest that these sections be given some flexibility  
24 to allow for the use of alternate methods as approved  
25 by the Department.

1                   Disposal of Drill Cuttings. Section  
2 78.61 (a) talks about drill cuttings from above the  
3 casing seat. Since all casings have a casing seat, it  
4 is suggested that this be clarified to read drill  
5 cuttings from above the surface casing seat. Section  
6 78.61 (b) is similar, so the same comment applies.

7                   Containment Systems and Practices at  
8 Unconventional Sites. Section 78.64 (a) --- (e)(3)  
9 requires the liner compatibility to satisfy ASTM  
10 Method 5747 Compatibility Test for Wastes and Membrane  
11 Liners. Section 78.62 (a)(12) requires liners to  
12 satisfy EPA Method 9090, Compatibility Test for Wastes  
13 and Membrane Liners. Either method would be  
14 applicable to either section. So either both methods  
15 should be referenced in both sections, or one should  
16 be selected as the standard. Section 78.64a sub K  
17 should be revised to state that records should be  
18 maintained and made available upon request to the  
19 Department.

20                   Site Restoration. Section 78.65 (d),  
21 it's suggested that the sentence, drilling supplies  
22 and equipment not needed for production may be stored  
23 on the well site if express written consent of the  
24 surface owner is obtained, and the supplies or  
25 equipment are maintained in accordance with 78.64a.

1 That this be deleted, since land use is an issue  
2 between the landowner and the operator.

3           Additionally, it's suggested that this  
4 section be revised to reflect that, when multiple  
5 wells are being drilled on a pad, the site restoration  
6 should occur within nine months after hydraulic  
7 fracturing of the last well. A well permit is an  
8 arbitrary means of demonstrating the operator's  
9 intention to engage in future development activities.  
10 DEP should not require the operator to obtain a well-  
11 drilling permit simply to extend the timeline for site  
12 restoration.

13           78.65 (d)(3)(iv) requires the  
14 stabilization of the well site to include best  
15 management practices from Chapter 102. Yet,  
16 subsection (d) requires, quote, other measures to be  
17 employed to minimize E&S. It's recommended that  
18 either other measures be defined or deleted. Thank  
19 you for the opportunity to testify this evening. API  
20 and its member companies stand ready to continue to  
21 work with the Department to strike a balance between  
22 environmental protection and sustained development.

23           MR. WAITE:

24           Joy M. Ruff.

25           MS. RUFF:



1 Joy Ruff from Marcellus Shale Coalition,  
2 24 Summit Park Drive, Pittsburgh, Pennsylvania 15275.  
3 Marcellus Shale Coalition is a trade association  
4 working with our regional partners since 2008. We  
5 operate under a set of Guiding Principles, which  
6 includes participating in public dialogue and fact-  
7 based education. We've been working with our regional  
8 partners, including those in Northwestern  
9 Pennsylvania, quite actively to help them respond to  
10 shale development.

11 As the birthplace of oil, Northwestern  
12 Pennsylvania is particularly well-position to  
13 capitalize on shale development. With our partners,  
14 we are working to support this benefit, again, to the  
15 local communities. Organizations such as the  
16 Northwest Commission, Titusville Redevelopment  
17 Authority, the Economic Progress Alliance of Crawford  
18 County, they've all been working together to dedicate  
19 resources or technical support to help our local  
20 businesses expand and meet the needs of the industry.

21 And we also work with elected officials  
22 to help them understand and plan for shale  
23 development. We need to understand that this effort  
24 is vitally important, because Pennsylvania is  
25 fragmented, with over 2,500 municipalities. And this

1 has caused ratings to identify our decentralization of  
2 regulations as an impediment to revenue growth for  
3 municipal budgets.

4               Natural gas development will ensure the  
5 ongoing vibrancy of other industry sectors that are  
6 the backbone of the regional economy here in  
7 Northwestern Pennsylvania. Crawford County, with 18  
8 percent of its workforce employed in the manufacturing  
9 sector, that stands in particular to capitalize on the  
10 availability and --- of a reliable and affordable  
11 energy supply that is reviving manufacturing across  
12 our nation. We must ensure that Pennsylvania's  
13 regulatory process is predictable.

14               Our uncertain fiscal climate and our  
15 complex regulatory environment has placed us behind  
16 other states and countries in attracting capital  
17 investments. The Fraser Institute recently found that  
18 --- our regulatory and tax policies to be a major  
19 deterrent for attracting oil and gas investment. We  
20 of Pennsylvania, we're recognized as having some of  
21 the nation's strongest regulations for oil and gas.

22               We do not need onerous rules. But,  
23 rather, we must continue to invest in a highly-trained  
24 and competent workforce. And we encourage and commend  
25 DEP for working with the industry to support technical



1 training. The MSC is concerned that some of the  
2 proposed regulatory changes to Chapter 8 provide  
3 little to no additional benefit to our natural  
4 environment, and will weaken Pennsylvania's  
5 competitive edge.

6 Special concern species. Federal and  
7 state-listed threatened and endangered species are  
8 protected in the Commonwealth. We support that. The  
9 proposed rule, however, creates uncertainty about an  
10 applicant's obligation, and does not provide the clear  
11 guidance we seek. There is no rationale to create a  
12 new, vague term, no legislative or regulatory  
13 definition for such. How do you create it? How would  
14 you determine impact? And how would you mitigate?

15 Abandoned wells. The MSC supports the  
16 rule that requires reasonable diligence to identify  
17 nearby active, inactive, plugged, abandoned, and  
18 orphaned wells prior to hydraulic fracturing.  
19 However, as written, this proposal would lead to open-  
20 ended obligations for identifying such wells, which is  
21 unfair and, again, creates uncertainty.

22 Better than standard. Pennsylvania has  
23 no construction standards for private water wells.  
24 And we agree with the Technical Advisory Board that it  
25 is unreasonable to require the oil and gas industry to

1 upgrade private water supplies beyond that which  
2 existed to pre-drilling. Such a double standard  
3 applying only to the oil and gas industry is unjust  
4 and punitive.

5 We urge the DEP to continue working with  
6 the industry and other stakeholders across the  
7 Commonwealth to ensure that we provide a reasonable,  
8 competitive path forward for long-term, responsible  
9 shale development. Thank you.

10 MR. WAITE:

11 Mark Cline.

12 MR. CLINE:

13 Good evening. My name is Mark Cline,  
14 and I am a fourth generation oilman. We in the  
15 conventional industry should not be regulated the same  
16 as the unconventional industry. So I am asking the  
17 Environmental Quality Board to not pass these  
18 regulations the way they are now written. After being  
19 at the EQB hearing in Williamsport on Monday and  
20 hearing how harmful our oil and gas is according to  
21 the environmentalists who were there, I thought I  
22 would tell you about how everyone's day was probably  
23 like.

24 This morning, as every morning probably  
25 is, we all picked our heads up off of our pillows when

1 the alarm clock went off. We then swung our feet to  
2 the side of the bed and put our slippers on, and  
3 headed to the kitchen to eat breakfast. We take a  
4 plastic bowl out of the cupboard and pour in our  
5 cereal, then pour ourselves a glass of milk or juice.  
6 After eating and reading the morning newspaper, we go  
7 brush our teeth and jump into the shower.

8                   After enjoying the hot water, we shampoo  
9 our hair. Then we open the shower curtain and get  
10 out. Next, most people blow dry their hair and comb  
11 it. Some women use hair curlers. Men put on shaving  
12 cream to shave. Then the women start with their  
13 makeup, lipstick, deodorant, nail polish, and  
14 perfumes. If they are older, they use denture  
15 adhesive, then, perhaps, put on their glasses to see  
16 what they are doing.

17                   Some people wear soft contacts ---  
18 contact lenses instead of glasses. Now, people are  
19 taking their clothes off of the hanger and getting  
20 dressed. Women put on either pantyhose or nylons.  
21 Then comes the shoes. Now, everyone is ready to go  
22 jump into their car and drive to work.

23                   I could go on and on with this story.  
24 But, hopefully, I will have gone far enough to have  
25 made my point. The point is that the pillows, alarm

1 clock, slippers, plastic bowls, milk or juice  
2 container, the newspaper and how it got there,  
3 toothpaste and toothbrush, the hot water heated by  
4 gas, shampoo, the shower curtain, blow dryer, the  
5 comb, hair curlers, makeup, lipstick, deodorant, nail  
6 polish, perfumes, shaving cream, razors, the denture  
7 adhesive, glasses, soft contact lenses, the clothes  
8 hanger, panty hose or nylons, shoes ---. Next, comes  
9 from every part of the car and its fuel. Every one of  
10 these items I have mentioned come from paraffin-based  
11 crude oil, which is what Penn Grade Crude Oil is.

12               From the way you people describe it, I  
13 think it's a miracle we are all still alive. Crude  
14 oil is in every part of our lives everyday. Most of  
15 the environmentalists were calling for no drilling and  
16 no fracking in PA. And I'm sure you don't want it  
17 anywhere in the United States.

18               In 2012, there were 124,092 automobile  
19 accidents in Pennsylvania. 87,846 people were  
20 injured. 1,310 were killed. 168 pedestrians were  
21 killed. 4,548 were injured in car accidents in 2012.  
22 210 motorcyclists were killed, and 3,919 were injured.  
23 Sixteen (16) bicyclists died, and 1,377 were injured.

24               I could not find one death directly  
25 connected to health issues from oil and gas. If you

1 people want to save the world, find a way to reduce  
2 automobile accidents in the state and leave us to do  
3 our job and help this country to become less reliant  
4 on foreign oil. Are you willing to send your sons and  
5 daughters to the Middle East to keep peace and fight a  
6 war so we can have a supply of oil?

7                   At Monday's meeting, you talked about  
8 how you are doing this for your children. Let me tell  
9 you this secret. We in the oil and gas industry have  
10 children also. Do you really think that we would harm  
11 our own children? The people of the United States  
12 need to start working together to become energy  
13 independent. The attitude of not in my backyard is  
14 destroying our county.

15                   Energy can be produced in an  
16 environmentally safe way. It would help this country  
17 if you spent time trying to find new forms of energy,  
18 instead of trying to destroy the only sources of  
19 energy that actually works. We are proud oil and gas  
20 people, but we are also proud to be environmentalists.  
21 We try our best every day to protect the Earth and  
22 still do our job. We want a healthy world for our  
23 kids also. Thank you.

24                   MR. WAITE:

25                   Arthur Stewart, followed by Carrie Hahn.

1                   MR. STEWART:

2                   Good evening. My father, Arthur,  
3 couldn't be here tonight. My name is John Stewart. I  
4 live at 17 Branch Street in Warren, Pennsylvania  
5 16365. I'm a member of the Pennsylvania Grade Crude  
6 Oil Coalition, PGCC. PGCC was formed last year by  
7 producers and refiners of conventional oil and gas.  
8 By conventional, I refer to shallow, vertical oil and  
9 gas wells of the type first drilled by Colonel Drake  
10 in Titusville, some 150 years ago.

11                  Conventional wells are different in many  
12 respects from the unconventional shale wells. It is  
13 fair to say that Act 13 and the proposed regulations  
14 are a direct product of the advent of unconventional  
15 wells. In that discussion, however, there's been  
16 little note taken of the differences between  
17 unconventional and conventional wells. As a result,  
18 the proposed regulations contain consequences that, at  
19 best, are inappropriate for conventional wells, and at  
20 worst, will put many small businesses out of business.

21                  Conventional well sites are 35 times  
22 smaller and require far fewer truck trips than  
23 unconventional operations. A conventional well is  
24 drilled through a few feet of oil and gas-bearing  
25 strata. A horizontal unconventional well is drilled



1 through thousands of feet. An unconventional well, in  
2 one day of production, can produce more natural gas  
3 than a hundred conventional wells can produce in a  
4 year.

5 I am not pointing out these differences  
6 to say that conventional wells are safe and that  
7 unconventional wells are not. To the contrary, it is  
8 the PGCC's position that both industries can operate  
9 safely and responsibly. But I point out the  
10 differences to underscore that the regulations that  
11 govern the two industries must be thought about  
12 differently. Nevertheless, the proposed regulations  
13 overlook many costly impacts to the conventional  
14 industry.

15 For example, in discussing the cost of  
16 installing locking valves and lids on tanks, the DEP's  
17 regulatory analysis fails to consider the cost of  
18 converting the tens of thousands of tanks already  
19 existing in the conventional industry. One cannot  
20 weld or drill on these existing tanks without the risk  
21 of explosion. Thus, each of the tanks will have to be  
22 emptied and filled with water or inert gas in order to  
23 make the required conversions. The cost of this  
24 overlooked conversion exceeds \$300 million.

25 The cost of the regulations must be

1 balanced with the benefits to be gained. The  
2 conventional industry stores small amounts of fluids.  
3 And these fluids are different in composition than  
4 fluids used in the unconventional industry. The 150  
5 year history of conventional oil and gas does not  
6 support the need for this sweeping new regulation,  
7 especially at such extraordinarily crushing cost.

8 Another requirement of the proposed  
9 regulations is that all pits be constructed with a two  
10 to one horizontal to vertical slope. Again, the use  
11 of pits is very different between conventional and  
12 unconventional wells. A conventional pit is used to  
13 store only a small amount of fluid, usually 50 to 100  
14 barrels, and is in use for just one or two days.  
15 Conventional pits are constructed with vertical walls,  
16 thus helping maintain a small site of operations.

17 The new requirement would expand the pit  
18 size by 10 times on a level area, and up to 100 times  
19 where the slope is 40 percent. There is no  
20 environmental benefit to be gained. In fact, the  
21 increased pit size increases the area which must be  
22 covered by a plastic liner, this increasing the  
23 chances of puncture and failure.

24 There are many more examples that  
25 demonstrate the proposed regulations are out of



1 balance with the environmental requirements and the  
2 economic realities of the conventional oil and gas  
3 industry. Those economics are significant. The  
4 conventional industry directly contributes three  
5 quarters of a billion dollars to Pennsylvania's  
6 economy.

7 I work in that conventional industry as  
8 a roustabout. And, my job and the jobs of the 21  
9 other people I work with in my company are all put in  
10 jeopardy by the extraordinary cost of the proposed  
11 regulations. Working in that industry every day, I  
12 can testify to you that conventional operations have a  
13 small impact on the environment. Every day, we work  
14 beside high quality trout streams and some of the  
15 finest timber and hunting areas in the state. What we  
16 are doing is working.

17 The proposed regulations are far out of  
18 context with what is necessary. The DEP's analysis of  
19 those regulations does not properly describe or  
20 analyze the harmful impact to our conventional  
21 industry. And even though required to by law, the new  
22 regulations do not consider alternatives for small  
23 businesses.

24 To address this, PGCC submitted a white  
25 paper during the Technical Advisory Board hearings

1 held in the summer of 2013, which white paper outlined  
2 numerous problem areas not properly analyzed. PGCC  
3 and its members will also submit additional written  
4 comments and economic analyses in this process  
5 concerning the impact to the conventional oil and gas  
6 industry. Thank you.

7 MR. WAITE:

8 Carrie Hahn is up, and Robert Trevail  
9 will follow.

10 MS. HAHN:

11 So I have to state my name and address  
12 at the hearing. Carrie Hahn, 994 Indian Run Road,  
13 Volant, PA 16156.

14 From the Pennsylvania Constitution,  
15 Declaration of Rights, Article 1, Section 27, the  
16 people have a right to clean air, pure water, and to  
17 the preservation of the natural, scenic, historic, and  
18 aesthetic values of the environment. Pennsylvania's  
19 public natural resources are the common property of  
20 all the people, including generations yet to come. As  
21 trustees of these resources, the Commonwealth shall  
22 conserve and maintain them for the benefit of all the  
23 people.

24 The Environmental Rights Amendment was  
25 ratified in 1971 by Pennsylvania voters by a four to

1 one margin. For more than 200 years, citizens of this  
2 state paid the ultimate environmental price after  
3 industrial interests stripped our forests bare and  
4 extracted our iron, coal, gas, and oil. It was not  
5 until the advent of the television that we became  
6 painfully aware of the damage inflicted upon our  
7 environment by the unregulated and under-regulated use  
8 of natural resources.

9               We realized that the trustees of our  
10 Commonwealth had been exploiting our natural resources  
11 and the environment in which we live, for economic  
12 prosperity. And we demanded that our state  
13 government, the trustees appointed by us to act on our  
14 behalf, no longer stand as accessories to the  
15 exploitation of our natural resources. People across  
16 the state will be weighing in on your new proposed  
17 regulations for oil and gas.

18               They will recommend additional  
19 provisions, setbacks, definitions, et cetera. I hope  
20 and pray that you heed their suggestions. But it is  
21 my belief that regulations, in general, simply give  
22 the industry permission to pollute. It's just a  
23 matter of how much they're allowed to poison our  
24 environment and exploit our natural resources.

25               New regulations will not change the fact

1 that the PA DEP is woefully and purposefully  
2 understaffed and underfunded. You have failed to  
3 perform your duties and even --- even with the current  
4 regulations. You are not doing your job. And the  
5 people of the Commonwealth lost faith in you.

6 In Lawrence County, where I live, four  
7 private water wells were affected soon after drilling  
8 for a non-conventional well in Pulaski Township, in  
9 May of 2012. Two of the landowners contacted DEP when  
10 they began to see changes in the quality of their  
11 water. The other two contacted Hilcorp Energy, who  
12 subsequently failed to report the incident within 24  
13 hours. Correspondence records show that the DEP began  
14 investigating the possible contamination of all four  
15 wells, and water tests were taken on numerous  
16 occasions.

17 On August 1st of 2013, the DEP sent a  
18 letter to Hilcorp Energy requesting information  
19 regarding the investigation of the four affected water  
20 supplies. The last time any of these wells had been  
21 tested was in November of 2012. An inter-office memo  
22 dated September 25th, 2013, again, reiterated that  
23 four private water wells had been affected.

24 And on October 1st, the DEP finally went  
25 back to test those wells. But they didn't test all

1 four wells. They only tested two wells, those whose  
2 original complaint had been filed directly with the  
3 DEP. Based on the water tests taken in October, the  
4 DEP determined, with determination letters, that  
5 nearby drilling had affected their private water  
6 wells. And these two landowners were sent the results  
7 of their findings in early November of 2013.

8           The DEP never went back to re-test the  
9 water supplies for the two landowners who first  
10 contacted Hilcorp Energy when they noticed changes in  
11 their water. They also received letters from the DEP  
12 around the same time as the first two determination  
13 letters were sent out. But their wells were only  
14 found to be temporarily affected. Their results were  
15 based on water tests taken a year earlier on November  
16 8th, 2012. And according to the DEP letter, their  
17 investigation is now closed.

18           Why in the world would the DEP not  
19 retest all four water wells? It makes absolutely no  
20 sense to me. You did not protect these landowners,  
21 and you wasted taxpayer dollars. You're not doing  
22 your job. From my perspective, this is a clear  
23 example of government allowing the exploitation of our  
24 resources at the expense of its citizens.

25           According to DEP's geologist, Christine

1 Minor, no one was complaining --- that's her quote ---  
2 in regard to water contamination at the latter two  
3 locations. Do people in your administration really  
4 believe that Hilcorp Energy is going to continue  
5 complaining on behalf of the landowner regarding the  
6 impact that their gas well has had on the landowner's  
7 private water well, for which they might be liable?  
8 Why does the DEP allow the industry to run their own  
9 investigations into such issues by hiring their own  
10 water testing companies? You're putting the fox in  
11 charge of the henhouse.

12 MR. WAITE:

13 We'll have to read the rest in the  
14 transcript. Bob? It's going to be Bob Trevail. And  
15 Bob is followed by Margaret Henry.

16 MR. TREVAIL:

17 My name's Bob Trevail, 168 Wolf Run  
18 Road, Freedom, PA 15042. I work for Dallas Energy,  
19 which is a small oil and gas producer based in  
20 Bradford, PA, and is one of a group of companies owned  
21 and operated by the Morris family of Bradford, which  
22 has been involved in the oil and gas industry for over  
23 90 years.

24 In addition to Dallas Energy, the family  
25 operates a drilling and well service company, an



1 oilfield trucking company, and a company which  
2 provides pumping services for well completions. The  
3 family prides itself on its long-lasting presence in  
4 the industry, the ongoing involvement in the fourth  
5 generation of family members in the organization, and  
6 its commitment to be leaders in the environmental and  
7 safety issues.

8                   Many of Dallas Energy's concerns with  
9 the proposed new Chapter 78 regulations regarding the  
10 surface activities related to oil and gas well  
11 development have been addressed in the report titled  
12 The Impact of Pennsylvania's Regulatory Framework on  
13 Conventional Oil and Gas Operations released last  
14 September by the Pennsylvania Grade Crude Oil  
15 Coalition.

16                   That report describes in detail how the  
17 implementation of many of the proposed new regulations  
18 will impact operators of conventional shallow oil and  
19 gas wells through increased drilling, completion, and  
20 production operating costs, as well as paperwork  
21 filing requirements. Rather than provide a rehash of  
22 the PGCC report, I would like to provide three  
23 examples of how the regulations do and would impact  
24 Dallas Energy's operations.

25                   With respect to temporary storage pits,

1 currently, Dallas Energy well site consists of an area  
2 of 60 by 100 feet, or 6,000 square feet. The pit used  
3 to contain fluids and sand that flow back during the  
4 well stimulation and completion process is  
5 approximately 8 feet wide by 40 feet long and 8 feet  
6 deep, disturbing an area of approximately 320 feet.  
7 And this particular style of pit has vertical sides.

8               This size pit fits within the confines  
9 of our typical well site. It can be constructed using  
10 one excavator in a few hours, depending on the soil  
11 conditions encountered. This type of pit is used for  
12 a short period of time, and is usually filled in  
13 shortly after the well is completed.

14               Implementation of 78.56(a)(10), which  
15 requires the interior slopes of the pit must have a  
16 slope no steeper than two horizontal to one vertical,  
17 would require a pit with a top of 40 feet wide by 72  
18 feet long to have a bottom of 8 feet wide by 40 feet  
19 long, similar to our currently used pit. And it would  
20 disturb an area of approximately nine times greater  
21 than our currently implemented pit.

22               Construction of this style of pit would  
23 require use of both an excavator and bulldozer, take a  
24 minimum of eight hours or more to construct depending  
25 on the soil conditions encountered on the well site,



1 and result in a cost of three to four times that of a  
2 pit with vertical sides and require an increase in the  
3 size of the well site to accommodate the larger pit  
4 size.

5 Control, storage and disposal of  
6 production fluids. Dallas Energy's lease production  
7 system consists of a number of wells producing oil,  
8 water, and gas into gathering lines that are tied into  
9 a tank battery, which typically includes two 210  
10 barrel aboveground oil storage tanks, one buried or  
11 bunkered 200 barrel brine storage tank, a gas  
12 separator and a gas meter all contained within an area  
13 surrounded by a berm or dike two and a half to three  
14 feet in height.

15 Brine produced into the oil storage  
16 tanks is transferred into the brine storage tank by  
17 gravity drainage. Because it's at a lower level than  
18 the oil tanks themselves. A Spill Prevention Control  
19 and Countermeasure Plan certified by a professional  
20 engineer is prepared and implemented for each lease.  
21 The plan includes recommendations for periodic  
22 inspections of all production equipment, including  
23 storage tanks, to ensure that there are no fluids or  
24 leaks.

25 Proposed regulation states that

1 underground or partially buried storage tanks may not  
2 be used to store brine or other fluids during the  
3 operation of the well, unless approved by the  
4 Department. And the existing underground or partially  
5 buried storage tanks shall be removed within three  
6 years of the effective date of this new subsection.  
7 To date, Dallas Energy has not experienced any leaks  
8 from its buried brine storage tanks, and believes that  
9 the periodic inspections it carries out ensures the  
10 brine storage tanks are well maintained.

11 We recently prepared an estimate to  
12 remove the buried brine storage tanks and replace them  
13 with an alternate brine-oil separation system, which  
14 would comply with the applicable corrosion control  
15 requirements. The low end of this estimate is  
16 \$12,000, which works out to 130 barrels of oil at  
17 today's oil price of \$90. This, in turn, works out to  
18 over four months of production from one of our one  
19 barrel per day oil wells. And it's going to be even  
20 longer if we took into account the operating costs.  
21 Thank you for the opportunity to present the testimony  
22 to you today. Thank you.

23 MR. WAITE:

24 Margaret Henry is up, followed by Ray  
25 Stiglitz.

1                   MS. HENRY:

2                   My name's Margaret Henry. I live at 606  
3   Columbiana Road, Wellsboro, Pennsylvania, in Morris  
4   County. As much as would love to get into it with you  
5   today about regulations, I'm here to tell my story. I  
6   live on an 88 acre farm smack dab in the middle of a  
7   six mile wide square radius historical oil field. I  
8   was actually given a farm line map at ADP with over a  
9   thousand holes numbered and listed on it that was  
10  published in 1915, I do believe. Don't hold me to the  
11  dates.

12                  You have that in your packet; okay?  
13  It's actually a map of the New Castle quadrangle. I'm  
14  circled on it, too; okay? The location of my farm. I  
15  have at least 27 deep wells on my farm. I had not had  
16  any issues to date when I found out that they had  
17  permitted a Marcellus Shale well just about, just  
18  4,100 feet from my property; okay? So I filed an  
19  objection to DEP permitting this well.

20                  And I mean, you know, the rest is  
21  historical literature on the Environmental Hearing  
22  Board website. The fact of the matter is, no one  
23  bothered to look for these wells. Not DEP, not one of  
24  these wells is listed on the DEP spreadsheet. Not one  
25  of them. There's a thousand of them on this map, and

1 not one of them is up on the DEP lost and abandoned  
2 spreadsheet; okay?

3           Then I just got into research. I found  
4 historical records published after this map, to an  
5 additional 1,500 wells being drilled in the Wellsboro  
6 oil field. And it actually said that they have to  
7 stage production of oil up that year from decreasing  
8 over other years. Now, I'm up to 2,500 wells in this  
9 6 square mile radius. But not one of them is on DEP's  
10 map.

11           There is a spreadsheet that I gave you  
12 of some 16 wells on --- in that general area that have  
13 been put on the spreadsheet. But, honestly, 16 minus  
14 200 and --- 2,500 hundred minus 16 is not a very happy  
15 figure in my book; okay? From all of this interaction  
16 that I had with the DEP and Shell and all the  
17 environmental hearings, and working with two other  
18 agencies, I've come to the opinion that you all don't  
19 give a rat's ass about the citizens of Pennsylvania.  
20 You don't care who poisons me.

21           You don't care who puts me out of  
22 business. Frankly, if you had a meal today, you need  
23 to thank a farmer. I'm so tired of Pennsylvania's  
24 number one industry being blown off by oil and gas  
25 simply because oil and gas has money to file and

1 legislate over tax rules that totally and completely  
2 favor them, Act 13. And then we actually have a  
3 Republican legislator that voted in this bill. I'm  
4 going to vote these jerks out. Because I'd like to  
5 bitch-slap him, to tell you the truth. He comes here  
6 and bitch about something that he voted for.  
7 Politicians drive me nuts; okay?

8               Now, you could easily stop all of the  
9 pollution and everything by merely requiring every  
10 company to add nanotechnology markers into their frac  
11 fluid. Then we would know whose frac was in my well,  
12 or anybody else's well.

13              In your packet, which you have, there is  
14 two listings from the Wellsboro Gazette and another  
15 newspaper of Shell blowing up the Butter's Well and  
16 shooting frac fluid into the air, evacuated the  
17 Ralston Hunting Club and other housing around there.  
18 I don't care to see this happen on my farm. I don't  
19 care to see it happen in my neighborhood.

20              You all permitted Shell when they were  
21 in the process of doing that. You should relinquish  
22 the permit for the Kephart well immediately. Why do  
23 you keep letting them do this to us? And, you know,  
24 the sad part of all this, the really sad part of all  
25 this, is they've been treating people like this in

1 third-world countries forever. And all of the sudden,  
2 they started to do it to Americans, middle-class  
3 Americans, highly educated Americans, and we don't  
4 like it very much.

5 And you want to know something else? We  
6 ain't those third-world people that can't stand up for  
7 themselves the way that we can. I know what the real  
8 question for you tonight is.

9 MR. WAITE:

10 All right. Ray Stiglitz is up, followed  
11 by Lisa DeSantis.

12 MR. STIGLITZ:

13 Ray Stiglitz, 896 Victory Church Road,  
14 Franklin, Pennsylvania. Good evening, and thank you  
15 for accepting my comments. I'm here this evening  
16 representing the Pennsylvania Independent Petroleum  
17 Producers. PIPP is an organization which represents  
18 the interests of approximately 300 members, most of  
19 whom are small, family-run business. Many of our  
20 members have only a handful of wells on their  
21 properties, which they operate as a sideline to their  
22 regular day jobs or to supplement retirement income.

23 Other members may be companies who drill  
24 and operate shallow, conventional wells on a little  
25 larger scale. One thing that all PIPP members have in



1 common, though, is the fact that they are all small  
2 businesses struggling to remain viable in the face of  
3 the Marcellus and Utica industry juggernaut. Act 13  
4 and its proposed regulations have caught up the  
5 traditional shallow well operators in many of the same  
6 requirements that were implemented to regulate the  
7 shale gas operators.

8               One of my biggest objections to the  
9 proposed regulations is the increased burdens  
10 concerning notification requirements. For example, on  
11 wells that I drilled on my property in Venango County  
12 last year, it was necessary for me to notify the  
13 surface landowner, the local municipality, and no less  
14 than an additional eight adjacent municipalities.  
15 What possible environmental benefit can come from me  
16 notifying these eight additional municipalities of my  
17 intention to drill four shallow 900 foot deep oil  
18 wells?

19               Municipality notification is just a  
20 start. You're then faced with spud notifications,  
21 casing cement notifications, frac notifications, well  
22 reports after drilling, completion reports after  
23 fracking, well site restoration reports, and last but  
24 not least, annual production reports, and probably a  
25 few that I can't bring to mind. Forget to do any of

1 them, and you're faced with a Notice --- a possible  
2 Notice of Violation.

3                   Additionally, DEP's proposed Mechanical  
4 Integrity Assessment Program will allow another  
5 crushing layer of operator reporting requirements,  
6 with very little environmental benefit to show for it.  
7 The proposed Section 78.66 regarding crude oil and/or  
8 production water spills is, potentially, the most  
9 frightening aspect of these new regs, if Act 2  
10 standards are applied to the cleanup. A less  
11 intrusive and cheaper solution to the cleanup of small  
12 crude oil spills should be the adoption of  
13 bioremediation practices, which, by the way, are  
14 recognized as successful by the federal EPA.

15                   My family and I operate a small well  
16 drilling and servicing company based in Venango  
17 County. We also operate a number of shallow stripper  
18 oil wells in Venango and Clarion counties. We produce  
19 crude oil from wells that date from the late 1890s to  
20 some that were drilled within the last few years. My  
21 son is actively involved with the business, as is my  
22 wife, who assumes business management duties. We  
23 currently employ six other workers on a full time  
24 basis.

25                   The daily output of our wells and the

1 wells of our well service customers are, by and large,  
2 measured in gallons of oil per day, not barrels per  
3 day. The two refiners of Pennsylvania crude oil and  
4 all of their employees rely on the efforts of many  
5 small independent producers like us to supply them  
6 with a needed and valuable commodity, a commodity that  
7 touches each of us in our daily lives in more consumer  
8 products than we can count.

9           It seems to me that the environmental  
10 health of Pennsylvania and the good of its citizens  
11 are best served by promoting and encouraging  
12 responsible development of our oil and gas resources,  
13 rather than regulating small businesses such as ours  
14 out of existence. I hope and pray that you will fully  
15 consider all of the ramifications of these proposed  
16 regulations before making a final decision. Thank  
17 you.

18           MR. WAITE:

19           Lisa DeSantis is up, followed by Jan  
20 Hendryx.

21           MS. DESANTIS:

22           Hello, my name is Lisa DeSantis, and I'm  
23 from New Castle, PA, 2316 Pennsylvania Avenue,  
24 Lawrence County. And one of the main reasons I'm here  
25 is because Lawrence County is giving away water. The

1 state DEP is giving away. They will give away ---.  
2 And they keep passing permits for water withdrawal.  
3 And we're giving it away for free.

4                   And another thing. I'm a thousand  
5 generation mother. Every mother before me has  
6 protected their children, has breastfed them, has  
7 nourished them, has cherished them, and protected them  
8 from everything. And this I've got to protect my  
9 children from. This is Butler County. This is the  
10 school, with the well. They cleared this well the  
11 Monday after school started, while kids were playing  
12 in the playground.

13                   There's something wrong. We don't want  
14 these in schools. The mother bears are getting angry.  
15 We're waking up. We're showing up. We gathering for  
16 meetings, and we're meeting with people all around the  
17 world to push back this industry to bring natural  
18 resources and other things that could be produced from  
19 oil or other options, where our scientists and our  
20 geologists --- where our scientists can develop other  
21 energy sources.

22                   And a few questions I do have, is why is  
23 flow-back waste considered residual waste and not  
24 hazardous waste? Make sure you write that down,  
25 because I want that answered, why it's not hazardous

1 waste. I'd also like to know how many families in  
2 Pennsylvania are living with water buffalos, and the  
3 proximity of those water wells to fracking wells. I'd  
4 also like to know where all these water trucks are  
5 going, because I can't seem to find that out online.  
6 They just seem to be going up and down the highways  
7 over and over.

8                   And the beneficial use that was written  
9 into some kind of stuff, where fracking waste is  
10 beneficial use? I'd like to see that totally revoked.  
11 I do not feel that there's any beneficial use for  
12 fracking waste. And the charade of this industry, of  
13 an industry that hasn't caused harm, an industry  
14 that's created all these jobs and energy independence,  
15 the number one big thing? Then why is the cracker  
16 (phonetic) plant being put in? Why is the pipeline  
17 going to Louisiana?

18                   Why is all this trying to get out on the  
19 L&G line? Why, if it's such energy independence at  
20 the expense of our rivers? And nobody's mentioned  
21 West Virginia. Why don't you ask them if they'd like  
22 to see this 12 million gallons of water that's pulled  
23 a day out of their rivers --- out of our rivers, see  
24 if they go flowing down the river?

25                   I also spoke with Vanessa Kline

1 (phonetic), who's an English fractivist of mine, who  
2 sent word over from the island. Because they're  
3 fighting. They're fighting hard. She volunteered to  
4 reinstatement for her. It's a gross human arrogance  
5 to even begin to think that we can legislate for the  
6 fair use of subterranean geology. The problems and  
7 havoc that have been already been brought by the  
8 inherently un-regulatable insanity of high volume sick  
9 water hydraulic fraction should already have been  
10 called for an absolute halt anywhere.

11 This is not happening, and it causing  
12 exponentially growing numbers of people worldwide to  
13 ask very serious questions about whose interests the  
14 government are acting on, both sanctioning and  
15 pretending to be able to regulate it. Vanessa Kline,  
16 BIFFS, Britain Island Fracturing and Fracturing  
17 Substance. We stand in solidarity with people around  
18 the world, who are putting this off in California and  
19 in Indiana. I keep educated every day. I educate  
20 myself. And I'm a guardian of water. And, someday,  
21 you're going to have to fight for water before you  
22 have to fight for water. Thank you.

23 MR. WAITE:

24 Jan Hendryx is up, followed by Claire M.  
25 Surmik.



1                   DR. HENDRYX:

2                   Good evening. My name's Jan Hendryx,  
3 address 4409 Ellsworth Avenue, Erie, PA 16509. I'm a  
4 physician, and I'm extremely concerned about the  
5 public health and environmental issues resulting from  
6 unconventional shale oil and gas development. I  
7 submit this verbal comment on behalf of myself and all  
8 citizens who may be directly, indirectly, or  
9 potentially affected adversely, health-wise.

10                  The proposed new oil and gas regulations  
11 state the purpose of this update is fourfold. In my  
12 opinion, number one, ensuring protection of public  
13 health, safety, and the environment is the first and  
14 foremost duty of the DEP, EQB, legislators, Governor,  
15 and the gas companies. In order to accomplish this,  
16 all parties must ensure that potential or real  
17 exposures of toxic substances are minimized or removed  
18 completely.

19                  Land, air, and water all need to be  
20 monitored appropriately and consistently, and reported  
21 on regularly, something that the new regulations do  
22 not address or mandate. Potential exposures of the  
23 general public and the oil and gas workers to various  
24 pollutants occur in most phases of gas well  
25 development. Toxic substances can cause morbidity and

1 mortality to people located at, next to, or even some  
2 difference from the well pad, compressor stations,  
3 flaring towers, condensate tanks, impoundments, et  
4 cetera.

5                   In addition, light and noise pollutions  
6 need to be addressed and mitigated effectively.  
7 Possible routes of contamination, exposures, and  
8 drilling and gas-related dangers include, but are not  
9 limited to, the following. Drilling mud chemicals.  
10 Casing and cementing failures resulting in methane  
11 migration. Chemical migration. Spills and  
12 discharges. Impoundment leakage. Drill cutting  
13 contamination and disposal. Land-spreading of  
14 residual waste at the site, or anywhere. Residual  
15 waste disposal. Well blowouts. Venting and flaring.

16                   Compressor stations, explosions and  
17 fires. Diesel, ozone, and particle pollution.  
18 Hydrogen sulfide emissions that can cause death within  
19 a few minutes of exposure. BTEX chemicals.  
20 Radioactivity, radon, radium 226 and 228. Proprietary  
21 chemicals. Shale formation chemicals. Frac sand.  
22 Noise pollution/vibration from 24/7 activity. Erosion  
23 and sedimentation/stormwater failures.

24                   Property damage from seismic testing,  
25 and potential earthquakes from fracking/deep well

1 injection of waste water. Increased sensitivity of  
2 children and older individuals to toxic air, water,  
3 and contact exposures. Stress-related illnesses from  
4 fear of water/land/air contamination, intimidation,  
5 loss of property values and way of life.

6           One of the first considerations before  
7 the drilling and fracking should be, how can we safely  
8 dispose of the massive amounts of waste generated?  
9 Our governor, legislators, regulatory agencies, and  
10 industry need to answer these questions practically  
11 and deal with it appropriately before any further  
12 unconventional shale development occurs. They also  
13 need to perform long-term health impact studies in  
14 concert with public health experts and toxicologists  
15 to determine what damage has been done so far to  
16 citizens and what one can expect in the future.

17           There have been no appointees from the  
18 public healthcare arena or environmental biology on  
19 either the Oil and Gas Technical Advisory Board nor  
20 the Marcellus Shale Advisory Committee. In my  
21 opinion, unconventional shale development in  
22 Pennsylvania is one of the biggest threats to public  
23 health facing us all. Therefore, ban unconventional  
24 shale well development, period, until protections for  
25 both citizens and oil and gas workers can be

1 guaranteed. We should follow after our intelligent  
2 New York neighbors.

3           According to the new regs, solutions to  
4 wastewater storage and disposal actually contaminate  
5 Pennsylvania landscapes and cause more harm, rather  
6 than protect health and the environment. DEP appears  
7 to be talking out of both sides of its mouth. On one  
8 hand, it issues violations, occasionally fines oil and  
9 gas companies and waste haulers for spills and  
10 discharges. And then permits the same material to be  
11 dumped in rivers at brine treatment facilities and  
12 POTWs, on land and in the form of land spreading, road  
13 spreading and de-icing, or buried.

14           The term land spreading needs to be  
15 defined in the document. Land spreading and waterway  
16 dilution needs to be abolished from any consideration  
17 as appropriate oil and gas waste disposal methods.  
18 Similarly, drill cuttings from deep shale layers are  
19 radioactive, are contaminated from drilling mud  
20 chemicals, and should not be buried at the site. How  
21 many thousands of tons of drill cuttings are produced  
22 from a ten well unconventional well pad? Apparently,  
23 obtaining landowner consent for burying waste has been  
24 dropped from initial discussions by DEP.

25           I strongly advocate the following. Ban

1 all dumping of frac waste in our rivers, streams, and  
2 our lands. All wastewater trucks should be equipped  
3 with a GPS device and monitored from a central, non-  
4 governmental computer location to ensure that they are  
5 not dumping illegally into the streams in the middle  
6 of the night or at POTWs. Drillers should be mandated  
7 to use individualized non-toxic tracers in their  
8 drilling solutions, frac fluids, and water --- mine  
9 drainage, treated sewage effluent, or freshwater ---  
10 so there is no doubt who and where the pollution is  
11 originating from.

12 Air monitoring should be performed at  
13 all sites and inside homes for 2.5 and 10 micron  
14 particles, at least. Setbacks, from homes, schools,  
15 and universities, should be at least one mile from the  
16 well site pad, impoundments, and lateral well  
17 trajectories.

18 MR. WAITE:

19 Thank you. We'll have to read the rest  
20 in the transcript.

21 DR. HENDRYX:

22 Okay.

23 MR. WAITE:

24 Claire Surmik is up, follow by Luigi  
25 DeFrancesco.

1                    SISTER SURMIK:

2                    My name is Sister Claire Marie Surmik,  
3                    and I'm from Mount Saint Benedict's in Erie,  
4                    Pennsylvania. Former Prime Minister Margaret Thatcher  
5                    surprised people in 1988 when, in a lecture to the  
6                    Royal Society, she said, for generations, we have  
7                    assumed that the efforts of mankind would leave the  
8                    fundamental equilibrium of the world's systems and  
9                    atmosphere stable. Unwittingly, she said, we have  
10                   begun a massive experiment with the system of the  
11                   planet itself, end quote.

12                   I believe if Margaret Thatcher were  
13                   alive today in 2014, she would change the word  
14                   unwittingly to knowingly. I'd like to read a few  
15                   excerpts from the guest voice of Matt Walker in the  
16                   July 18th edition of Erie Times News. Fracking and  
17                   all of shale gas equipment and facilities that come  
18                   along with it release a significant amount of harmful  
19                   pollution into the air, water, land, and can have  
20                   serious impacts on residents who live nearby.

21                   Shale gas, Mark says, is also touted by  
22                   the gas industry and elected officials as a solution  
23                   to climate change. Methane, or natural gas, is 105  
24                   times more potent at warming our planet than carbon  
25                   dioxide from coal. The gas industry leaks anywhere



1 from 3 and a half to 9 percent of the gas it produces.  
2 End of excerpt from Matt Walker.

3 In this week's Erie Times News, we read  
4 that, since 2008, Pennsylvania has signed several  
5 major new sale gas leases of almost 139,000 acres of  
6 public land. So far, these have generated \$413  
7 million for the state. How many times in recent  
8 conversations have you said or heard someone say, it's  
9 all about the money?

10 I would like to say a lot more about  
11 jobs and the economy. But just let me say that I  
12 believe that if we stopped putting our money on fossil  
13 fuels and started seriously spending it on renewable  
14 energy, we would have jobs a-plenty. And we would be  
15 healthier, happier, and, yes, holier people. We would  
16 be seriously taking care of our planet Earth and all  
17 of God's creation for future generations.

18 As we all know, the DEP is required by  
19 the Pennsylvania Constitution to protect the people's  
20 rights to a clean environment. With that said, I am  
21 concerned about several of the EQB's proposed oil and  
22 gas regulations. One, all fluids related to oil and  
23 gas development should be contained in engineered  
24 facilities, not in natural depressions.

25 The DEP should not allow the storage of

1 wastewater in open pits or impoundments. At issue  
2 here is the protection from drilling operations  
3 related to fracking. Our streams and groundwater  
4 should be secure. Proper disposal of waste materials  
5 at well sites is of great concern to me. We should  
6 not even suggest that Pennsylvania will allow fluids  
7 related to fracking in the oil and gas business to be  
8 managed in natural depressions.

9               Second, the definition of seasonal high  
10 ground table should be returned --- be retained in the  
11 proposed regulations. Because the term continues to  
12 play a key role in the regulation of oil and gas  
13 activities. Third, the collection and analysis of  
14 chemical samples of waste that the operator intends to  
15 dispose of on site should not be discretionary. The  
16 regulations should be clear that it is a mandatory  
17 obligation.

18               The DEP's proposed revisions to Chapter  
19 78 should require meaningful standards for the final  
20 restoration of well sites and impoundment sites, as  
21 well as for the interim post-drilling restoration  
22 period. The DEP's proposed regulations for the road-  
23 spreading of brine pose unacceptable threats to  
24 Pennsylvania's water resources. And it would be  
25 unlawful. Currently, the DEP's ---.

1                   MR. WAITE:

2                   Claire, we'll have to read the rest in  
3 the transcript. Luigi DeFrancesco is up, followed by  
4 David Weinkauf.

5                   MR. DEFRANCESCO:

6                   Good evening. My name is Luigi  
7 DeFrancesco. I reside at 27502 Highway 77, in  
8 Richmond Township, Crawford County. Mr. Chairman,  
9 once again it appears that Pennsylvania will come to  
10 the rescue of the residents and the whole nation by  
11 working towards an energy independence that we have  
12 --- hoping to achieve all these past years. We, as  
13 Pennsylvanians, should consider ourselves lucky to  
14 have a Governor in Tom Corbett, with a vision and the  
15 desire to achieve the goal of energy independence,  
16 and, at the same time, bring economic prosperity to  
17 our Commonwealth.

18                   I would also like to acknowledge the  
19 intensive work that the Department of Environmental  
20 Protection has applied to the permitting process and  
21 field oversight. The Department mission statement  
22 said it all. The Department of Environmental  
23 Protection's mission is to protect Pennsylvania's air,  
24 land, and water from pollution, and to provide for the  
25 health and safety --- please, remember the health and

1 safety --- of its citizens through a cleaner  
2 environment.

3                   We reside in a state that values  
4 individual and property rights. And stopping the  
5 exploration of minerals and other natural resources,  
6 such as natural gas, is not an easy task, if  
7 impossible. However, due to the fact that the  
8 Pennsylvania Constitution guarantees the people the  
9 right to clean air, pure water, then it's imperative  
10 that regulations are enacted to ensure the mission of  
11 DEP becomes a reality. To this extent, I'd like to  
12 emphasize four points on the safety of --- the health  
13 and safety of the citizens.

14                   Because, usually, we always talk about  
15 the operation of drilling these wells. But we also  
16 should be concerned about what happens after the  
17 drilling is done. Therefore, what I'm proposing is,  
18 number one, setbacks from a road right-of-way should  
19 be established. Neither equipment nor storage  
20 facilities related to a gas well shall be built within  
21 300 feet of a municipal road. This would include, but  
22 not limited to, storage tanks, compressors, water  
23 separators, above-ground sections of high-pressure  
24 lines.

25                   Number two, high pressure compressors.

1 High pressure compressors should be located in  
2 underground vaults in order to attenuate noise and  
3 vibrations. Also, the casing standards should be  
4 evaluated. The standards for casing should include,  
5 also, a standard that casing materials are capable to  
6 withstand temperatures that are consistently found in  
7 10,000 feet below the surface.

8                   And, four, in line valves, there should  
9 be a standard establishing an amount of valves that  
10 should be installed along the transmission lines and  
11 how far apart. The purpose? To allow a quick  
12 response in case of leaks and accidental line damage.  
13 Now, the reason why I don't particularly like to have  
14 any equipment too close to the road is because during  
15 the mineral exploration in this country, too many gas  
16 companies build their storage tanks and lines too  
17 close to the road.

18                   In fact, there's one in Richmond  
19 Township right next to the roadway, and 30 feet away  
20 from my house. And there's been leaks before.  
21 There's been leaks before, and there's no protection  
22 against any uncontrollable vehicles that might do  
23 damage. As a matter of fact, an accident did happen  
24 on the --- in the --- up the four ways in a road in  
25 Crawford County. So in other words, you know, the

1 Board should consider protection after the drilling is  
2 done, for the safety and health of the individuals in  
3 our state. Thank you.

4 MR. WAITE:

5 David Weinkauff is up, followed by Daniel  
6 Soltesz.

7 MR. WEINKAUF:

8 Dave Weinkauff from Conneautville,  
9 Pennsylvania. Forgive me for repeating this quote,  
10 but our State Constitution says, and I quote, people  
11 have the right to clean air, pure water, and the  
12 preservation of the natural, scenic, historic, and  
13 aesthetic values of the environment, end quote. While  
14 these new DEP proposed regulations we're discussing  
15 today are a step forward in protecting that  
16 Constitutional provision, there still need to be  
17 improvements to those regulations.

18 First, on the issues related to health,  
19 the DEP needs to bypass the so-called Haliburton  
20 loophole and force this industry to adhere to both  
21 state and federal environmental and endangered species  
22 laws. Second, there should be complete transparency  
23 in DEP's dealing with the public and drilling  
24 operations. For example, the reference to trade  
25 secrets in Section 78.122 should be eliminated. And,



1 instead, the industry must be required to list all  
2 chemicals to be used in the drilling process prior to  
3 drilling, and keep inventories of names and amounts of  
4 chemicals used during drilling and extraction.

5               Next, very extensive independent air and  
6 water quality tests related to proposed chemicals and  
7 other byproducts to be used in the drilling process  
8 should be conducted prior to drilling for all  
9 residents near drilling sites and above all proposed  
10 horizontal pipelines connected to the well heads on  
11 those sites. On the subject of pipe, DEP regulations  
12 should require that all pipe must be API standard to  
13 avoid the substandard pipe now being imported, used,  
14 and prone to failure. Since compressor stations are  
15 part of gas operations, rules governing these stations  
16 must be written and included in these new regulations.

17               Under Section 78.51, I would suggest  
18 that Tier 3 quality water be required for water  
19 replacement. On that same subject, it's well known  
20 that there is widespread damage caused by the gas  
21 industry to water supplies in Pennsylvania. At least  
22 161 such incidents have already been identified. And  
23 the reason there isn't more information about this  
24 problem is because of the industry's common practice  
25 of forcing residents to sign non-disclosure agreements

1 before reparations are made.

2           It's also known that industry and the  
3 DEP have taken away water replacements without the  
4 consent of affected residents. These practices must  
5 stop. The new regulations must require industry to  
6 replace water supplies in perpetuity, or end  
7 replacements only with the consent of the affected  
8 residents.

9           Likewise, industry must be held  
10 responsible for all damage to water supplies,  
11 property, air, and health. DEP must clearly state  
12 that fines must be equal to the cost to the  
13 environment. Not only must fees be levied, but in  
14 every instance, the violation for which those fines  
15 are issued must be stopped immediately. Continued  
16 violations by operators should be severely punished as  
17 well. I suggest, for example, a three strike and  
18 you're out rule be added to the regulations.

19           Inspections to drilling sites must be  
20 done at least once a year by well-trained inspectors  
21 without the prior knowledge of the industry operators.  
22 It's obvious that, with the increase in drilling, a  
23 burden will be placed on DEP to increase its numbers  
24 and inspectors. I suggest the DEP and its allies push  
25 legislative bodies to properly fund inspectors through

1 the taxation of gas produced at the well head, as  
2 other states do, fees to operators, and/or through  
3 increased fines for violations.

4           These, then, are my suggestions for  
5 tightening up what might be a good set of regulations  
6 for this new industry, and something that could  
7 address DEP's stated mission, quote, to protect  
8 Pennsylvania's air, land, and water from pollution,  
9 and to provide for the health and safety of its  
10 citizens though a cleaner environment, end quote.

11           I hate to say this, but it's the  
12 impression of many of us, including me, that DEP is  
13 not carrying out its stated mission. We believe that,  
14 instead of doing the job assigned to it, DEP is  
15 protecting the industry it is charged with regulating.  
16 One has only to look at DEP documents related to  
17 incidents described and contained in the film Triple  
18 Divide such as the Atgas blowout, the Birch Run  
19 Exceptional Watershed, and Big Nelson Run incidents,  
20 among so many others, to know why I and many others  
21 have lost their trust in DEP. Because of this, these  
22 new regulations are absolutely meaningless unless DEP  
23 changes the way it does business.

24           Is it any wonder why we citizens no  
25 longer trust the DEP to protect us and the

1 environment? Having said that, I offer this bit of  
2 advice to DEP. Put your feet on the ground, and use  
3 state and federal laws, along with your own rules and  
4 regulations, to properly regulate this industry in  
5 order to carry out your mission and protect the  
6 provisions of our state's Constitution. Perhaps then,  
7 and only then, you might regain our trust.

8 MR. WAITE:

9 Daniel Soltesz is up, followed by  
10 Marlene Bertke.

11 MR. SOLTESZ:

12 My name is Dan Soltesz. Address is 389  
13 Sabbath Drive, in Pleasant Hills, Pennsylvania. Good  
14 evening, everyone. I'd like to thank you for allowing  
15 me the opportunity too address you this evening  
16 regarding the oil and natural gas drilling right here  
17 in Pennsylvania. One thing I'd like to point out is  
18 some of the benefits Pennsylvanians have been able to  
19 see since we have begun to develop the Marcellus and  
20 Utica shales, as well as the benefits we've seen from  
21 the conventional drilling.

22 In Pennsylvania alone, we have seen the  
23 creation of thousands of jobs, both within the  
24 industry itself and outside of the industry in areas  
25 you may have never imagined. We have seen new jobs

1 provided by the energy companies that are establishing  
2 themselves here, along with more directly related  
3 industries such as water recycling, trucking, and the  
4 steel and pipe manufacturing, just to name a few.  
5 We'll also see countless more as the industry  
6 continues to grow and develop, and as new plants are  
7 created, such as the proposed cracker plant in Beaver  
8 County.

9           There will also be jobs in areas that  
10 many of us never would have even considered. One  
11 time, I had the pleasure of meeting a woman that owns  
12 a small diner in Washington County. And she told me  
13 that her diner did well. But then a few years ago,  
14 the Marcellus Shale started to be developed. Her  
15 small business was really able to take off. She now  
16 provides food on numerous drilling sites to the  
17 workers. And because of this, she has had to greatly  
18 increase the number of people she employs.

19           I would also like to take a moment to  
20 point out that, in the last census, we saw growth in  
21 many of the counties where there is drilling activity.  
22 The fact is, over the past few decades, we have seen  
23 thousands of Pennsylvanians leave our state for other  
24 states that have greater job opportunities and more  
25 robust economies. The oil and natural gas industries

1 provided us with one of the best solutions to that  
2 problem and one that we have --- excuse me one of the  
3 best solutions to this problem that we have seen, our  
4 population decline --- since we've seen it begin. It  
5 is not only bringing new people into Pennsylvania, but  
6 it's keeping Pennsylvanians here by providing them  
7 with good, solid jobs especially in rural areas, where  
8 the number of jobs was already limited.

9               We must also look at an issue that is  
10 not only important to Pennsylvania, but important to  
11 Americans and even the entire world. Much of the  
12 energy produced on Earth is not produced by nations  
13 that always had our interests or the interests of our  
14 allies at heart, but, rather, their own. These  
15 nations raise and lower energy production to best  
16 serve their own political and economic interests.

17               With Pennsylvania and other states, like  
18 West Virginia and North Dakota, seeing such a great  
19 increase in energy production, we are able to sell our  
20 own oil and natural gas in the United States and to  
21 other countries. With continued development, energy  
22 independence is a true reality for our nation. And  
23 the ability to buy energy from allies becomes a more  
24 realistic option for countless others.

25               I've listed several of the benefits that



1 the energy industry has provided Pennsylvania and  
2 others tonight through the development in the  
3 Marcellus and Utica shales, as well as other  
4 conventional oil. We are seeing new jobs, new people,  
5 and a more secure Pennsylvania. We've seen nearly \$2  
6 billion in tax revenues since these developments  
7 began. We will continue to see more as the industry  
8 continues.

9           This tax money is helping to develop our  
10 communities, to fix our roads, and even fund our  
11 schools. We are seeing low energy costs that greatly  
12 benefit every Pennsylvanian, especially during our  
13 cold winters. I would also like to say that none of  
14 us are here --- that are here wants to see the  
15 industry be allowed to operate unchecked by lawmakers  
16 and regulatory agencies.

17           We all support proper rules and  
18 regulations that will ensure the safety of  
19 Pennsylvanians --- Pennsylvania and its environment.  
20 But I will ask that we also work to allow this  
21 industry to grow without any unneeded or unnecessary  
22 restrictions. That allows all Pennsylvanians to  
23 continue to benefit. Thank you all for allowing me to  
24 speak tonight regarding this important issue. Thank  
25 you.

1                   MR. WAITE:

2                   Marlene Bertke, followed by Thomas  
3 Miller.

4                   MS. BERTKE:

5                   Marlene Bertke, 6101 East Saint Road,  
6 Erie, Pennsylvania. My fear about the regulations is  
7 that they do not adequately address my fear of what  
8 fracking is doing to our water supply. Water is our  
9 most valuable and scarce resource. We've heard a lot  
10 lately about peak oil. Have we reached the point  
11 where we have produced all the oil that we possibly  
12 can? My worry is about peak water. Are we reaching a  
13 point where we have produced all the available water?  
14 There is much water, but sustainable, managed water is  
15 becoming extremely scarce.

16                   Fracking a single well can require up to  
17 five million gallons of water. This depletes local  
18 groundwater and can dry up nearby creeks. In 2012,  
19 Pennsylvania used about 15 millions gallons of water a  
20 day for fracking. That's about eight percent of the  
21 total water use in the state. Roughly 65 percent of  
22 that water comes from our rivers, creeks and lakes.  
23 The other 35 percent is purchased from the  
24 municipalities by drilling companies.

25                   This is water that is lost to us,

1 because of the chemicals that are put into those five  
2 million gallons of water being forced down the well.  
3 It becomes wastewater. The chemicals are put there to  
4 dissolve minerals, kill bacteria that might plug up  
5 the well and insert sand to prop open the fractures in  
6 the shale. The fracking industry produced two billion  
7 gallons of toxic wastewater a day in 2012, water that  
8 is no longer available for us to use.

9           The Marcellus Shale formation under PA  
10 is naturally high in radioactive material. So the  
11 wastewater picks up radioactive material as well as  
12 barium, magnesium and various other organic compounds.  
13 Because of this, no suitable treatment for making the  
14 wastewater safe for human or animal consumption has  
15 been found, so the industry has become increasingly  
16 dependent on underground injection wells, forcing the  
17 fluid deep underground and permanently taking the  
18 water out of its natural cycle. Usually the water we  
19 use is returned to its source to be used over again.  
20 Not so with fracking wastewater.

21           About half of the wastewater returns to  
22 the surface and the other half stays underground. No  
23 one is entirely sure what happens to that half of the  
24 toxin-laced water that remains underground. But there  
25 are strong indications that at least some of this

1 toxic cocktail makes its way back into the water  
2 supply.

3               This happens in several ways. If the  
4 well casing that penetrates the aquifer is not well-  
5 sealed, chemicals fill into the aquifer and make the  
6 water not fit for us to use. And, overtime, most well  
7 casings fail. When fracking fluids seep from them to  
8 connect with underground fissures, previously  
9 abandoned wells and natural faults and fractures, the  
10 contaminants can readily migrate over a long distance  
11 into underground waterways and fresh drinking water  
12 sources. There goes more of our usable water.

13              Trucking and storage accidents have  
14 spilled fracking fluids and brine, leading to  
15 contamination of water in the soils. Accidental  
16 spills, explosion and improper disposal of wastewater  
17 have polluted streams and rivers. There is one bit of  
18 good news, however. Since 2011, Pennsylvania  
19 companies are using some of wastewater that came back  
20 to the surface to frac more shale.

21              Most water treatment plants cannot  
22 remove enough of the radioactive material to meet  
23 Federal drinking water standards, before discharging  
24 the wastewater into rivers, sometimes just miles  
25 upstream from drinking water intake plants. As I

1 mentioned, in addition to the chemicals used in  
2 fracking, the wastewater that is a byproduct of the  
3 drilling process picks up salts, naturally occurring  
4 radioactive materials, barium, magnesium and other  
5 various volatile organic compounds, which are also  
6 carcinogenic.

7                   It has been definitely concluded that  
8 the wastewater contains radioactivity and other toxic  
9 materials at levels that are frequently much higher  
10 than the level that Federal regulators say is safe for  
11 wastewater treatment plants even to handle.

12                   MR. WAITE:

13                   All right. We'll have to read the rest  
14 in the transcript.

15                   MS. BERTKE:

16                   Thank you.

17                   MR. WAITE:

18                   Thank you. Thomas Miller, followed by  
19 Bill Granche.

20                   MR. MILLER:

21                   My name is Thomas Miller. And I live at  
22 560 Route 16 South, Olean, New York. Yes, I am from  
23 New York. But the Pennsylvania water field extends  
24 into New York, and if the Pennsylvania oil field goes  
25 down, so does the support industries. So our industry

1 is down, too.

2                   The 153-year-old Pennsylvania shallow-  
3 well oil production industry is located in some of the  
4 most beautiful country in the world. This includes  
5 the historic Oil Creek Valley, where there was once a  
6 forest of derricks in the infancy of the industry.  
7 This is a fact. If you don't believe me, go visit Oil  
8 Creek State Park and see for yourself.

9                   The oil produced by this industry, Penn.  
10 Grade Crude, is found only in Pennsylvania, New York,  
11 West Virginia and Ohio, is the most environmentally-  
12 friendly crude oil in the world, being the source for  
13 many specialties, including personal care products and  
14 even food additives.

15                  Besides being the direct employment for  
16 thousands in western Pennsylvania, the industry is a  
17 very significant economic driver for the whole region.  
18 It is responsible for the employment of thousands who  
19 work in other businesses that are providers of  
20 services and supplies. This is in addition to the tax  
21 based provided by the industry. The elimination of  
22 the oil industry would devastate the entire region,  
23 but the effects would be felt all over the State and  
24 into other states as well.

25                  Why shouldn't this industry be made



1 extinct by inclusion in a new set of rules designed  
2 for a brand new industry, shale gas, that has very  
3 little in common with the shallow-well industry, other  
4 than the fact that it produces a resource from the  
5 earth? The need for many of these rules, even for the  
6 shale industry, is suspect.

7               Many of the rules are actually  
8 environmentally counterproductive. For example, why  
9 is it necessary to carve a highway into a well  
10 location when not much more than a cow path is needed?  
11 The enforcers appear to be driven more by the desire  
12 to issue citations and show who is boss, than anything  
13 to do with an actual environmental benefit. They will  
14 say they are just doing their job, which is just what  
15 the Nazi soldiers said as they marched good people  
16 into the concentration camps.

17               The purpose of the DEP should be to help  
18 the industry to operate in an environmentally sound,  
19 efficient and productive manner, not to harass it to  
20 death. I understand that this is all being driven by  
21 so-called environmentalists, who get their technical  
22 advice from celebrities and media bias, and scoff at  
23 those who have devoted their entire lives to acquiring  
24 genuine expertise. One has to really question the  
25 actual motive behind these people. Why should state

1 government give them more credibility than the  
2 hardworking people who are doing their best to make a  
3 living and provide necessary and valuable resources  
4 that have made life better for all?

5               When the big corporations, who are no  
6 longer in the picture, had large secondary recovery  
7 projects in operation, they had single point  
8 discharges of thousands of barrels a day of produced  
9 water. Some of them actually kept the streams flowing  
10 in dry weather and some of the streams are renowned  
11 for their trout fishing. The government didn't have a  
12 problem with that, but now, hardworking little guy  
13 trying to make a living is a felon for discharging  
14 gallons of produced water, which is often beneficial  
15 to the vegetation by providing traces of nutrients.

16              In spite of this, it is deemed right and  
17 proper for the State itself to annually dump hundreds  
18 of thousands of tons of pure salt on the highways.  
19 You don't see or hear the so-called environmental  
20 groups up in arms about this, but it doesn't bother  
21 them to constantly cite untruths, half-truths,  
22 misrepresentations and non-disasters to further their  
23 goal. Isn't there something wrong in this picture?

24              If the Penn Grade Crude production  
25 industry is destroyed not only will it mean the loss

1 of employment and prosperity to many, but a tremendous  
2 source of valuable resources will be lost that may  
3 never regained. To the members of the Environmental  
4 Quality Board, I ask that you base your decisions on  
5 truth and justice and not on narrow-minded opinion.  
6 Thank you.

7 MR. WAITE:

8 Bill Granche is up, followed by Karen  
9 Granche.

10 MR. GRANCHE:

11 My name is Bill Granche and I live in  
12 Ridgeway, PA, 24 Lincoln Street. And this is the  
13 second time that I've attended something like this.  
14 The first one was, we did it at a fire hall. It was a  
15 little bit different. It was a different format, much  
16 less formal. So I've made some adjustments to what I  
17 originally wanted to say. Since you've sat through  
18 enough of these to have heard all of the arguments  
19 before, I'm sure, I just wanted to remind you that the  
20 DEP statutes about --- should not compromise its  
21 obligation to protect the environment by balancing  
22 citizens' constitutionally guaranteed right against  
23 private interests in oil and gas.

24 Now I know it's in the best interest of  
25 the gas and oil industry to do their best. That just

1 makes sense. I wouldn't go around and deliberately  
2 destroy somebody's house. I'm a retired teacher.  
3 I've witnessed --- you know, for 37 years, and so I  
4 have a lot of anecdotal evidence and stories that I  
5 can share. But I've witnessed gas and oil companies  
6 involved in unconventional drilling habits that have  
7 --- where there have been lies and citizens were  
8 bullied. I had one person told that I don't need your  
9 permission to drill on your property, that kind of  
10 bullying. And government officials shirk their  
11 duties.

12                   It's evidence. I have friends and  
13 students who have been made ill by working on the  
14 sites and I have heard a kid coming to me. I told him  
15 just to get out of it. But he said he was scared for  
16 his mom and dad. So what I'm going to do is just say  
17 that since Act 13 was found unconstitutional, I  
18 question why the DEP, the Department of Environmental  
19 Protection, would want to appeal that decision. I  
20 don't understand why people have to prove safety ---  
21 why they have to prove safety rather than to prove  
22 error. People who get drugs --- before you get those  
23 drugs, they've been tested. This isn't what has been  
24 happening in the industry. No.

25                   There must be sweeping changes in

1 staffing, regulations, enforcement in order to protect  
2 Pennsylvania citizens from future harmful effects of  
3 unconventional drilling. I agree with the former DEP  
4 head John Hanger, who has written that proposed  
5 regulations are not adequate and will not strongly  
6 protect resources and people. Just the idea of  
7 residual waste being mentioned earlier, residual waste  
8 is now accompanying municipal waste at the same time  
9 and so that's a misnomer. That's a kind of propaganda  
10 that enables people to think that what's happening is  
11 okay. You know, it's just like throwing out a tin  
12 can.

13                   Anyhow, he has recommended that to  
14 protect us, strong rules must be enforced and like DEP  
15 staff that is big enough to do its job. Something  
16 that's needed is more jobs. Today the DEP staff  
17 regulating the gas industry is at least 105 positions  
18 too small, according to a person who has been in  
19 charge. Instead of subsidizing a multi-billion dollar  
20 profitable industry, the money should be used to  
21 enforce the rules and regulations that are needed to  
22 protect people and the natural gas industry here on  
23 out.

24                   I've had people from the DCNR tell me  
25 that they cannot enforce certain things, because it

1 would be --- well, they don't have money to have  
2 prosecute. So even though they've had confessions,  
3 they couldn't get a conviction.

4 MR. WAITE:

5 Karen Granche, followed by Shane  
6 Flannery.

7 MS. GRANCHE:

8 Thank you for having this today. I'm  
9 not here because somebody paid me to come and I'm not  
10 here to protect my income and my investments, but I'm  
11 here because clean water and clean air are very high  
12 on my priority list.

13 As of today, tens of thousands of people  
14 in West Virginia still don't have water, because of  
15 the coal chemical spill that happened last Thursday,  
16 January 9th. Now, today even, officials in Ohio and  
17 Kentucky are preparing for the 60-mile long chemical  
18 plume, as it flows downstream, fouling the air and  
19 water.

20 According to an NPR News report, there  
21 are around 2,000 leaks every year of above-ground  
22 storage tanks. In 2001, more than one million gallons  
23 of sulfuric acid spilled from an above-ground storage  
24 tank in Delaware. In 2008, two-millions gallons of  
25 fertilizer spilled in West Virginia. And another



1 accident involving an above-ground storage plant at a  
2 Bayer pesticide plant, two workers were killed.

3               Now, the Chemical Safety Board, which  
4 has been investigating chemical spills and accidents,  
5 has concluded that there are just too many gaps in the  
6 rules and regulations governing the storage of  
7 chemicals. After thousands of incidents, no one has  
8 made any effort to close this gap, so the leaks  
9 continue. Public health specialists and some  
10 government officials say the consequences for  
11 violating existing rules and regulations for above  
12 ground storage tanks amounts to almost nothing.

13               This sounds all-too familiar with regard  
14 to leaks and spills stemming from natural gas  
15 activities. In 2012, according to a report delivered  
16 to New York State regulators by Cornell engineering  
17 professor, Anthony Ingraffea, inspection data from the  
18 State indicated that over 150 Marcellus shale wells in  
19 Pennsylvania had severe flaws that have led to some  
20 large leaks, and yet, the operators of those wells  
21 were never issued violations by regulators for these  
22 breaches of State law.

23               In light of this, I wish to address two  
24 major concerns. The first one concerns the standards  
25 for frac pits and impoundments. Prohibit operators

1 from using open pits for storages of regulated  
2 substances, including waste water, drillings, drill  
3 cuttings and substances like gels and cements that  
4 return to the surface after fracking. Many spills,  
5 leaks and other problems involving pits have occurred  
6 State-wide to contaminate water, soil and air. Waste  
7 should be stored only in closed systems.

8 Prohibit onsite processing of shale  
9 drill cuttings, which often contain hazardous  
10 substances and radioactive materials and require  
11 thorough analysis and special handling.

12 Define fresh water that is used in oil  
13 and gas operations. Water left over for fracking and  
14 contaminated fluids being recycled for fracking, such  
15 as from mining or sewage, is often mixed with clean  
16 water for additional operations. The lack of a clear  
17 definition allows operators to avoid regulations on  
18 the use and disposal of polluted substances.

19 Section 78.59c, of the current draft  
20 regulations, prohibit well operators from building  
21 centralized impoundments for wastewater within 100  
22 feet of any solid blue line stream identified by the  
23 U.S. Geological Survey. Having a fluid storage area  
24 as close as 100 feet of any stream, whether it's the  
25 Allegheny River or an intermittent seasonal stream is

1 way too close. If there is a leak, the 100-foot  
2 buffer could be completely inadequate to assure that  
3 the leakage dos not enter the stream.

4 Even if it's a dry creek, 364 days a  
5 year, once leaked frac fluid gets into it, it becomes  
6 a stream and that frac fluid will flow downhill,  
7 eventually to a solid blue line stream. Any dry creek  
8 bed is a channel to the water system and the frac  
9 fluid must be kept out of it. Even 1,000 feet is too  
10 close to if the impoundments are at a higher elevation  
11 than freshwater resources.

12 Second concern is disposal of brine,  
13 drill cuttings and residual waste. Pennsylvania  
14 should apply the U.S. Resource Recovery and  
15 Conversation Act standards to regulate all aspects of  
16 storage, transport and use of hazardous materials  
17 contained in pits, centralized impoundments and tanks.

18 And additionally, DEP should prohibit  
19 the burial of land application of drill cuttings,  
20 which can contain polluting and radioactive  
21 substances. DEP proposes different conditions for  
22 disposal of drill cuttings from above and below well  
23 casings, but neither makes the practice safe.

24 MR. WAITE:

25 Karen, we'll have to read the rest in

1 the transcript.

2 MS. GRANCHE:

3 Okay.

4 MR. WAITE:

5 Thank you. Shane Flannery is up,  
6 followed by Michael Brown.

7 MR. FLANNERY:

8 Good evening. Thank you for the  
9 opportunity to speak this evening. My name is Sean  
10 Flannery and I'm the General Manager for Drake  
11 Manufacturing and Drake Machining. We're located in  
12 Sheffield, Pennsylvania in Warren County, an active  
13 area for conventional oil and gas wells. Drake  
14 manufactures series 10, 16 and 25 pump jacks that are  
15 sold through distribution locally and in other parts  
16 of the country. We also have a machine shop that  
17 supports our pump jack manufacturing as well as direct  
18 work for many local companies, many of which are oil-  
19 and gas-related. Drake employs about 20 people.

20 I'm here today to voice my opinion that  
21 the proposed changes to Chapter 78 of Act 13 will have  
22 a dramatic negative impact on small businesses, like  
23 Drake. The DEP has developed, proposed and finalized  
24 a variety of policies permits and forms within the  
25 last 12 months that have hampered and will continue to

1 hamper the conventional oil and gas industry, often  
2 with unclear environmental benefit.

3 Regulations developed for unconventional  
4 oil and gas operations are often inappropriate for  
5 conventional operations and impose a disproportionate  
6 regulatory and financial burden on small businesses.  
7 In oil and gas regulations, one size does not fit all.  
8 Here are some of the recommendations to ensure  
9 viability of the conventional oil and gas industry in  
10 Pennsylvania.

11 DEP should restructure Chapter 78 to  
12 separate those regulations that apply exclusively to  
13 unconventional operations. Given the stark  
14 differences in the nature of conventional shallow oil  
15 and gas activities and operations compared with  
16 unconventional oil and gas development, DEP should  
17 structure Chapter 78 in a manner that clearly  
18 identifies and separates the provisions that apply  
19 only to unconventional operations and activities.

20 Many of the new provisions of Act 13  
21 focus on operations and impacts of unconventional well  
22 development. For example, Act 13 provides specific  
23 requirements for unconventional wells related to  
24 permit application, notification requirements, comment  
25 opportunities, notifications to DEP, water management

1 plans, site location setbacks, presumptions of impacts  
2 to groundwater, containment requirements and  
3 unconventional well sites, recordkeeping requirements  
4 for flow back and air emissions, inspections and  
5 penalties. These provisions cannot apply to  
6 conventional operations and any Chapter 78 rules that  
7 implement these new provisions could easily be placed  
8 into a separate subsection for unconventional wells.

9               The current effort to revise Chapter 78  
10 for the implementation of these provisions creates the  
11 ideal opportunity to segregate these rules and apply  
12 only to unconventional operations. If not done in the  
13 current rule revision, the task will be much more  
14 difficult in the future.

15               DEP's PNDI Policy and proposed changes  
16 to Chapter 78 for the consideration of well permit  
17 conditions to mitigate impacts to public resources  
18 ignore the status of the oil and gas mineral owner as  
19 the holder of the dominant estate.

20               The public resources provision in Act 13  
21 was already adopted by legislature in the Oil and Gas  
22 Act of 1984 at the time of the PA Supreme Court  
23 decisions in Belden and Blake Corp. versus DCNR in  
24 2009. In that case, the Pennsylvania Supreme Court  
25 affirmed the concept that any reconciliation a surface



1 owner disputes, whether a private person or public  
2 entity, is through negotiation. Belden and Blake  
3 makes clear that a public surface owner cannot  
4 unilaterally impose conditions on oil and gas  
5 operators.

6               This proposal defies all principles of  
7 administrative law and rulemaking protections that are  
8 beyond DEP's statutory authorization under Act 13.  
9 DEP's proposed Mechanical Integrity Assessment  
10 guidance for reviewing casings and cementing standards  
11 ignores fundamental differences in the way  
12 conventional wells operate versus unconventional  
13 wells. There is not a compelling need to impose  
14 significant new casing, cementing and inspection  
15 standards in the view of the reported .02 percent  
16 failure rate of well integrity problems with  
17 conventional wells. The impact of the new MIA form  
18 will be significant financially to small businesses.  
19 Using DEP's formula, it appears that at least one  
20 additional employee may be required for every 500  
21 wells. Conventional production should be allowed to  
22 comply with Section 78.88, as it is written and  
23 categorically excluded from the new MIA program for  
24 all the reasons stated above.

25               In summary, now is the appropriate time

1 to restructure Chapter 78 to separate regulations and  
2 policy for conventional and unconventional oil and gas  
3 wells. It is vitally important to not impose undue  
4 financial and regulatory burdens on the conventional  
5 operators. This will allow these small independent  
6 companies to prosper in turn and allow companies like  
7 Drake to grow and prosper. Thank you.

8 MR. WAITE:

9 Mike Brown is up, followed by David  
10 Dean.

11 MR. BROWN:

12 Hi, my name is Michael Brown, and I live  
13 at 7764 East Wayne Road, Guys Mills, Pennsylvania. I  
14 would like to thank you for the opportunity to speak  
15 at this hearing. I work with my brother and father at  
16 Clint Brown and Sons, an excavating company that does  
17 all kind of work related to the oil and gas companies,  
18 and has done so for many years.

19 At our business, we build well pads,  
20 roads, install pipelines and tank batteries and  
21 install oil and gas pipelines, as well as other work  
22 for those companies. We employ six other people that  
23 we work with on a daily basis. Much of our business  
24 comes from conventional oil and gas industry. And for  
25 this reason, I am ready to express my concern about

1 the proposed changes in the regulations affecting the  
2 oil and gas business.

3           The proposed regulations will result in  
4 an increased cost for oil and gas companies. The  
5 conventional oil and gas companies I work with will  
6 suffer significantly from these new regulations. The  
7 profit margins in conventional oil and gas wells is  
8 low. The difficult economics are reflected in the  
9 shrinking oil and gas production. New conventional  
10 well completions have dropped from nearly 5,000 wells  
11 six years ago to less than 1,000 this past year. The  
12 conventional oil and gas industry is already in  
13 difficulty.

14           As conventional oil and gas activity  
15 shrinks, my business is hurt. In turn, the costs of  
16 the proposed regulations will further hurt my  
17 business. The State has not done an adequate job of  
18 analyzing this harmful economic impact. Sadly, this  
19 harmful impact is being proposed even though the  
20 conventional oil and gas industry has had a very small  
21 impact on the environment. The proposed regulations  
22 do not take into account the small footprint, minimal  
23 truck traffic and small volumes of fluid involved in  
24 the conventional oil and gas industry. The cost of  
25 the proposed regulations is not justified.

1           Everyday, I see how important the oil  
2 and gas is to our local economy. This includes the  
3 restaurants that we eat in at the various towns that  
4 we work, our fuel supplier for our equipment and  
5 trucks, the gas stations that we use in different  
6 towns that we work, the parts and filter suppliers  
7 that we use to keep our business operating, and all of  
8 the other places that our employees and ourselves  
9 spend our income. The proposed regulations are going  
10 to unnecessarily hurt our local economy. It is  
11 important that these new regulations not be passed  
12 until their harmful economic impact is properly  
13 analyzed and until the regulations are altered to  
14 support the economic well-being of the Commonwealth of  
15 Pennsylvania.

16           Thank you again for this opportunity to  
17 address this hearing.

18           MR. WAITE:

19           David Dean followed by Gary Fronz  
20 (phonetic).

21           MR. DEAN:

22           Good evening and thank you for this  
23 opportunity. My name is David Dean. I'm from Corry,  
24 Pennsylvania, in Erie County. I'm a registered  
25 Republican, and I love to hunt and fish. I like to be

1 outdoors and I own 80 acres north of Corry. I'm a  
2 teacher.

3                   Liberty lies in the hearts and minds of  
4 the citizens of Pennsylvania. Our inalienable rights  
5 to life, liberty and the pursuit of happiness is the  
6 bedrock of our Commonwealth. The Citizen's  
7 Commonwealth. Responsible, representative government  
8 for the people's best interest was born here in  
9 Pennsylvania. Our forefathers' blood spilled and our  
10 veterans' sacrifice have made this liberty and  
11 government of popular consent a reality.

12                   Penn's Woods was founded as a refuge for  
13 settlers seeking the sacred right to ownership of  
14 private property, which is pursuing happiness. This  
15 is our understanding. These are our constitutionally  
16 guaranteed rights. Owning a home, raising a family  
17 and enjoying one's property free from contamination or  
18 nuisance is our dream. This is the true economy that  
19 builds this Commonwealth and will see it well into the  
20 future.

21                   Today, the actions of our assembly and  
22 Governor have denied us these rights. Public Health,  
23 private property rights and the right for families to  
24 enjoy the resources of the Allegheny Rivers, Tamarack  
25 Swamp, Edinboro Lake, the farms and woodlands and

1 streams of all of Pennsylvania are being summarily  
2 pushed aside. As a Republican, I stand in disbelief  
3 over Act 13 and the acts that force the pooling of  
4 private property, which decades have old leases on  
5 them for unconventional drilling units, bills that  
6 permit the use of coal mine waste run-off across the  
7 State to further degrade our water, a bill to remove  
8 the power and the expertise of the Fish and Game  
9 Commission from listing animals as endangered. As a  
10 hunter, it ticks me off. This is not compassionate  
11 conservatism at all. It is rampant crony capitalism.

12 Chief Justice Castille, a Marine and a  
13 Vietnam vet, got it right. Act 13 is  
14 unconstitutional. The blatant removal of local self-  
15 governance, removal of zoning, permitting waivers of  
16 environmental laws and property boundaries, and the  
17 removal of physicians' rights to serve public health  
18 is unconstitutional. We should never handcuff our  
19 doctors. Ever.

20 Article One of Section 27 of the  
21 Pennsylvania Constitution says the people have a right  
22 to clean air, pure water, the preservation of the  
23 natural, scenic, historic, esthetic values of the  
24 environment. As trustee, the Commonwealth should  
25 preserve these for the benefit of all the people. All



1 the people. This is our rule of law. Stop wasting  
2 our time and our future and start to enforce.

3               Since unconventional drilling began, Ron  
4 Gulla, Crystal Stroud, Jared McMicken, Joe Giovaninni  
5 and Jim Harkins have been forced to flee their homes.  
6 Farmers Terry Greenwood, Carol French, Don Johnson,  
7 Wayne Smith have had cattle poisoned. Twelve (12)  
8 families in Dimock, 50 in Connoquenessing, 4 in  
9 Pulaski Township, Lawrence County; families south of  
10 Warren have had their rights to clean air and pure  
11 water denied. You have obviously not protected the  
12 people and families.

13               Registered Nurse Stacy Haney should  
14 never have had her children poisoned. She signed a  
15 lease, so she was for this and now she's suing the  
16 very agency, the DEP, meant to protect her from harm.  
17 Chris and Stephanie Hallowich should not have lost  
18 three homes. David and Linda Headely should not have  
19 to worry about their children's health and future.  
20 The DEP has failed all of these families and more.  
21 Our fisheries, dairy cattle, milk and aquifers deserve  
22 better protection.

23               The citizens need the following changes:  
24 Unconventional wells should never be permitted under  
25 one mile from any school. Flaring of wells should not

1 be permitted, as this pollutes the air and wasters the  
2 resource. Releasing contents of holding tanks in the  
3 atmosphere should be outlawed, permitting operation of  
4 unconventional drilling between 9:00 p.m. and 7:00  
5 a.m. should not take place, as it puts too much stress  
6 upon families who can't sleep. Tier-three testing of  
7 water wells and streams on private property must be  
8 done before, during and after production.

9 Compressor stations for unconventional  
10 gas should not be permitted less than one mile radius  
11 from family homes or farms. The use of pits, ponds  
12 for storage of fracturing fluid or waste needs to end,  
13 s these leak and can flood, when it rains, into the  
14 water table. Burying of frac waste on-site or of  
15 drill cuttings should end and carry a fine of no less  
16 than \$500,000.

17 Illegal dumping of frac waste into any  
18 waterway should carry a mandatory fine of \$2 million.  
19 The use of lab error, naturally occurring migration  
20 from preexisting salt or coal mines or vertical wells  
21 by the DEP in their findings must be followed. To  
22 end, I'd just like ---.

23 MR. WAITE:

24 Okay. We'll have to read the rest of  
25 it. Thank you.

1                   MR. DEAN:

2                   To end, I'd just like to say we demand  
3 that you follow your mission and adhere to Article  
4 One, Section 27, and follow the sacred words from  
5 Leviticus enshrined on the Liberty Bell, Proclaim  
6 liberty unto the land to all, all the inhabitants, all  
7 the inhabitants thereof.

8                   MR. WAITE:

9                   Gary Fronz followed by Kenneth Kane. I  
10 understand Gary may not be here tonight. Kenneth Kane  
11 is up followed by Greg Buchanan.

12 OFF RECORD DISCUSSION

13                   MR. KANE:

14                   Good evening. My name is Kenneth Kane.  
15 I'm the President of Generations Forestry, located in  
16 Kane, Pennsylvania, Post Office Box 319 ---.

17 OFF RECORD DISCUSSION

18                   MR. KANE:

19                   Didn't know I was that light-spoken.  
20 Excuse me. Thank you for the opportunity to be here.  
21 Again, my name is Kenneth Kane. I'm President of  
22 Generations Forestry, Post Office Box 319, Kane,  
23 Pennsylvania, 16735.

24                   Generations Forestry is a consulting  
25 forestry company located in McKean County,

1 Pennsylvania. Generations Forestry is involved in the  
2 forest management of approximately 250,000 acres of  
3 forestland, mostly located in Northern Pennsylvania.

4 I was born and raised in Kane,  
5 Pennsylvania and chose to move back to Kane shortly  
6 after graduating from Penn State. The area I live and  
7 work has been providing natural resources to society  
8 since the time of settlement.

9 In practicing forestry in this resource-  
10 rich region for over 30 years, I've worked with many  
11 conventional oil and gas producers. Though, I have  
12 not gotten along with all of them all of the time, I  
13 can honestly say that I never felt that one of them  
14 got out of bed in the morning with the intent of  
15 harming the environment. They all want to produce a  
16 product that's in demand and desired by our society.

17 I have worked diligently with oil and  
18 gas producers throughout my career in reducing the  
19 impact of resource extraction on the environment  
20 through smaller strategically placed well locations,  
21 pipelines and access roads. I am concerned that if  
22 the proposed rules are implemented, the landscape will  
23 experience more disturbance. I believe the rule  
24 implementation will require a larger footprint on the  
25 landscape, causing a larger and longer overall impact

1 that has been historically experienced.

2 I urge you to reconsider implementing  
3 the proposed rules. I also urge you to separate the  
4 regulation on conventional drilling from the  
5 regulations of unconventional drilling.  
6 Unfortunately, time does not allow for more detail on  
7 all of this matter. However, I would make myself  
8 available at the Committee's request for more  
9 discussion. Thank you for your time.

10 MR. WAITE:

11 Greg Buchanan, followed by Glenn Weaver.

12 MR. BUCHANAN:

13 Greg Buchanan, 370 Wasser Bridge Road in  
14 Greeneville, Mercer County. My testimony is  
15 concerning possible wellbore damage caused by natural  
16 occurrences like earthquakes and unnatural occurrences  
17 caused by inferior products used in the wellbore and  
18 human error that can lead to oil and gas leaks below  
19 the surface.

20 We are all-too familiar with the BP Gulf  
21 disaster undersea and the damage that leaking wellbore  
22 caused. At least that leak was able to be cleaned up.  
23 If we experience something of that magnitude  
24 underground, we may be looking at something that we  
25 can never clean up for obvious reasons. And it may

1 affect whole communities not just wildlife.

2 I'm asking that this Board give lots of  
3 consideration to requiring blowout preventers, or  
4 BOPs, also be operational in the wellbore under the  
5 surface in the construction of the wellbore, if  
6 aquifers or/and water sources are nearby. A BOP is  
7 already required at the wellhead under certain  
8 conditions, as written in Pa Code Title 25, Chapter  
9 78, Section 72. I provided that as an attachment.

10 Oil and gas blowout preventers or BOPs  
11 should be required in the wellbore and checked  
12 regularly for good operational state to prevent  
13 disasters from happening later down the road should a  
14 leak occur, when normal means of controlling a leak  
15 underground would not be sufficient. This BOP should  
16 be placed in the wellbore below known water levels and  
17 left as long as the well exists.

18 The oil industry developed this kind of  
19 safeguard after the BP Gulf disaster and now we have a  
20 chance to prevent this kind of disaster in  
21 Pennsylvania. This should be added to the Code. I've  
22 attached a documented underground leak that occurred  
23 just days ago, last Friday, in Canada. And thank God,  
24 there was no aquifers in the area of that leak.

25 I finish with a quote from former



1 General Norman Schwarzkopf, you can't help but with  
2 20/20 hindsight, go back and say, look, had we done  
3 something different, we probably wouldn't be facing  
4 that what we are facing today. Thank you.

5 MR. WAITE:

6 Glenn Weaver, followed by Malcolm  
7 Sawyer.

8 MR. WEAVER:

9 Good evening. My name is Glenn Weaver.  
10 My address, 823 Congress Hill Road, Franklin, PA,  
11 16323. I am a fourth-generation oil producer. My  
12 son, who just turned 50, is in business with me and is  
13 a fifth-generation.

14 Like the farmer's son who had to work on  
15 the farm when he was growing up, I had to work in the  
16 oil field. I said I will never work at this greasy,  
17 hard-living work. But here I am, 55 years later and I  
18 love it. But I would like it better with less  
19 ridiculous regulation, such as Act 13 and these  
20 regulations we are here to discuss tonight.

21 Some of these are, two years ago, an  
22 application for a permit to drill a well was two  
23 pages. Now that same application is 17 pages. Thanks  
24 to Act 13, we now have to make contact with any  
25 township or municipality bordering the township or

1 municipality in which we are applying for a permit to  
2 drill on.

3 I understand the reason for this, for an  
4 unconventional well, because of the amount of truck  
5 traffic on an unconventional. For instance, moving  
6 the rig in is 40 loads of equipment, the pipe is five  
7 or six loads, then several hundred truckloads of water  
8 and frac sand to do the fracking. Then 20 or more  
9 pump trucks to frac and many loads of water out for  
10 treatment.

11 Our shallow wells take three truckloads  
12 to move the rig, one small load of pipe, then one to  
13 cement and three to frac for four or five hours and  
14 maybe three loads of water out for treatment. The  
15 size of our locations are 50 by 100 feet or, at most,  
16 100 by 100 feet. And unconventional site is five  
17 acres and twice as wide a road for regress.

18 The cost of an average shallow well in  
19 PA is one percent of the cost of the Marcellus or  
20 Utica Well. An issue we recently dealt with is silly  
21 before Act 13. When we broke ground on our well  
22 sites, we were required to post onsite our E and S  
23 plan. Now they want our E and S plan, the drilling  
24 permit, the casing cement plan. In the past, we did  
25 not post the last two 'til we began to drill. From

1 location building to drilling can vary from days to  
2 months. We just got a fine for not having the cement  
3 plan on locations when I know it was right there in  
4 the mailbox. We're in complete chaos.

5           The unconventional companies have lots  
6 of fulltime people to do all the paperwork, but we  
7 don't. We would like to be legal, but all this goes  
8 beyond reason. If we do not see change, there will be  
9 no small operators like myself within a couple of  
10 years.

11           When I was a boy growing up, my father  
12 had five refineries to sell his paraffin-base crude,  
13 to. We now have two. How long will they be around  
14 when we lose the small operators to an overkill of  
15 regulation? At the price of oil, the oil patch should  
16 be booming, but it's losing.

17           Thank you for the opportunity to express  
18 our concerns.

19           MR. WAITE:

20           Malcolm Sawyer, followed by Randy  
21 Reimold.

22           MR. SAWYER:

23           Yeah, hi. My name's Mac Sawyer. I know  
24 there's a lot of pro-gas guys here tonight. And  
25 nobody was more pro-gas than I was when I worked for

1 the industry. But I got to tell you --- first of all,  
2 thanks for letting me come to speak to your guys.

3 I just want to talk about the proposed  
4 regulations related to my experiences of being on the  
5 pads. When I started in the industry, I was a truck  
6 driver. Then I got into environmental cleanup and  
7 then promoted to environmental supervisor over many  
8 sites. But for me, and countless others discarded by  
9 this industry, you know, life goes on and the gas  
10 continues.

11 There's a lot of people who are sick  
12 from this industry. I didn't believe it, either. But  
13 we start seeing these people, these people are sick.  
14 Their lives are ruined, their lands are ruined, their  
15 water's bad. And they're actually holding their ass  
16 over this. You had a guy here earlier that mentioned  
17 Joe Giovaninni. Joe Giovaninni is a friend of mine.  
18 I help relocate people now out of the gas fields, to  
19 try to get them into cleaner water and cleaner air.

20 You know, the gas industry --- go to  
21 Towanda, go to Dimock, go to Washington, go to Butler,  
22 go to places where these guys are at and they've  
23 destroyed it. You know, we're told the industry can  
24 do unconventional drilling safely. It can't. It's a  
25 farce. It's just no way it can be done safe.

1           Like I said, I started working as a  
2 truck driver and I graduated, got into the rigs,  
3 working on the rigs. But none of these regulations  
4 are being enforced. If you get a spill and it doesn't  
5 come to the light of day, nobody knows about it,  
6 that's it. It's covered up, it's just washed under  
7 the rug. So, you know, for you to give these guys the  
8 authority to police themselves, it's ludicrous.  
9 You're inviting trouble.

10           Corruption is widespread in this  
11 industry, just by the sheer money involved. You know,  
12 I mean, we made up our own rules on the pads. You  
13 know, we weren't subject to any enforcement  
14 whatsoever. If there was inspection coming, we were  
15 told about it, we got everything done and the  
16 inspection went through. No problem.

17           Like I said, you know, you just need to  
18 get legislation that is going to be independently  
19 monitored. You know, it just can't be done safe. We  
20 were drilling out in Wyalusing, right down from  
21 Towanda. A couple of the guys fell asleep on the pad.  
22 The water went over the containments and flowed for  
23 hours into the Wyalusing Creek. The next morning,  
24 when I come in, there was all kinds of stuff, man,  
25 going on. They fired the guys. I don't know how much

1 water went into the creek, but there was a lot of  
2 problems over this.

3                   When I started seeing that and I started  
4 seeing what this company was or what the industry is,  
5 there's a lot of people who get sick. I suffer from  
6 health issues from exposure to the sand, to the  
7 chemicals. We were never given respirators. We were  
8 never given nothing. You know, I mean, I really loved  
9 this industry. I really did. And it was just so hard  
10 to see what these guys do. You know, ram and cram,  
11 baby, that's just it. Get the gas. Do it as safe as  
12 you can, but get the gas.

13                   You know, like I said, if you guys want  
14 to really see what this going to do, go to Dimmy, go  
15 to these places, you know. I know there's a lot of  
16 pro-gas guys here. But I'm not lying, man. I've  
17 worked them. You guys know. But I'm telling you the  
18 truth. This stuff cannot be done safe. And they're  
19 out of their minds, man. You just can't do it.

20                   Fifty-two (52) guys I worked with,  
21 probably 18 of them, right now, have health issues. I  
22 can't get treated, because the doctors won't tell me  
23 what's wrong with me. Randy Moyer can't get treated.  
24 Guys I worked with. They can't get treated, because  
25 nobody can tell us what's wrong. I was okay before I



1 started there, that's all I'm saying, you know.

2 I don't know, man. I'm just telling  
3 you, you know, these regulations are really good, you  
4 know, that you guys are trying to do. But just, you  
5 know, just don't give the key to the store to these  
6 guys. That's all I got to say. Thanks.

7 MR. WAITE:

8 Randy Reimold, followed by Christina  
9 Sporer.

10 MR. REIMOLD:

11 Good evening. My name is Randy Reimold.  
12 I'm from Greenville, Pennsylvania, here in Mercer  
13 County. I am the Environmental Supervisor for WPX  
14 Energy. Wait a second here. Sorry about that. With  
15 WPX Energy in the Marcellus Basin. I've been a  
16 resident of Pennsylvania my entire life and many years  
17 have been spent doing environmental work in the oil  
18 and gas field.

19 WPX Energy is one of the largest natural  
20 gas producers in the United States and is active in  
21 many of our nation's basins. We have been in the  
22 Marcellus shale since 2010 and, to date, have drilled  
23 over 100 wells --- unconventional wells in the  
24 Commonwealth. Many of our employees have over 30  
25 years of experience in the natural gas industry. WPX

1 was founded on a set of stringent values, and we want  
2 to be the difference makers in our communities and in  
3 the natural gas industry. Building relationships with  
4 a variety of stakeholders while establishing and  
5 obtaining trust is very important to us.

6 Our team of experts has been involved  
7 actively from the beginning of the public review of  
8 the Chapter 78 regulations. Along with our trade  
9 association, we have engaged with the DEP, DCNR, TAB  
10 and all of the environmental groups working and  
11 involved with the labor-intensive process. We respect  
12 and appreciate all those who have given their time,  
13 energy and effort in vetting the proposed regulations.

14 I will only speak a few moments this  
15 evening and WPX will submit a technical paper to the  
16 Board before the deadline. Recognizing the voluminous  
17 nature of the Chapter 78 regulations, I will only take  
18 a few --- make a few comments on items we believe to  
19 be of the utmost importance.

20 Initially, Section 3215(e) of Act 13  
21 requires the Department to develop regulatory criteria  
22 to protect public resources while ensuring optimal oil  
23 and gas resource development and respecting oil and  
24 gas owners' property rights. However, the proposed  
25 regulations in Chapter 78, Section 15, do not

1 adequately implement or address these requirements.  
2 The regulatory criteria for conditioning a permit has  
3 not been provided and the draft regulations only frame  
4 the Department's authority to implement the  
5 conditions. If industry is required to avoid or  
6 mitigate potential impacts to these resources, the  
7 criteria used to assess impacts must be established  
8 and provided.

9                   In addition, potentially requiring  
10 industry to gain clearance for species of special  
11 concern may significantly limit our development  
12 opportunities and/or create costly litigation  
13 solutions, which would be in conflict with Section  
14 3215(e), as it pertains to ensuring oil gas  
15 development and property-owner rights. If the  
16 Department goal is to protect the Commonwealth  
17 Resources as they specifically relate to threatened,  
18 endangered or species of special concern, then the  
19 industry has the right to know the locations of such  
20 resources in order to avoid or litigate any potential  
21 impacts.

22                   Another significant issue is water  
23 replacement. The main concern is the DEP proposal  
24 (sic) the industry replace a water supply to Safe  
25 Drinking Water Act Standards or better, even when the

1 results of pre-drill testing of a water supply show  
2 the water did not meet these standards in the first  
3 place.

4                   There are many challenges in the  
5 Commonwealth in regards to private water wells,  
6 especially the lack of construction standards. Our  
7 experience with pre-drill testing and several studies  
8 independent of the natural gas development  
9 demonstration (sic) that there a large number of  
10 private water wells, are poorly constructed and many  
11 contained iron, manganese, coliform --- fecal coliform  
12 and methane above standards. And many do not meet  
13 these criteria of the Safe Drinking Water Act. Until  
14 Pennsylvania legislature passes legislation to require  
15 property owners to properly construct private water  
16 wells and ensure they meet the Safe Drinking Water  
17 Act, it is unreasonable for the DEP to require the  
18 industry to restore a private water supply to better  
19 standards then originally existed. We are requesting  
20 that if the operator impacts a water supply, the DEP  
21 requires replacing the water supply to the pre-drill  
22 water test results.

23                   Regarding waste and water management at  
24 a well site, the natural gas industry has been  
25 recycling and reusing water and minimizing fresh water

1 use for quite some time now. And, unfortunately, the  
2 new regulations are forcing operators to rethink this  
3 option. In order to increase the amount of water  
4 being recycled and reused in the Commonwealth, the  
5 regulations need to provide an avenue for the  
6 operator, either through permits or DEP approvals, to  
7 document, move or reuse water from one site to  
8 another.

9 MR. WAITE:

10 We'll read the rest.

11 MR. REIMOLD:

12 Thanks for your time.

13 MR. WAITE:

14 Okay. Christina Sporer, followed by  
15 Diane Sipe.

16 MS. SPORER:

17 My name is Christina Sporer. I am the  
18 City Engineer for the City of Oil City, Venango  
19 County. The City of Oil City owns and operates a  
20 public drinking water system, which serves all  
21 residents of Oil City, as well as parts of neighboring  
22 Cranberry and Cornplanter Townships. The source of  
23 our drinking water is a well field, and the City is  
24 fortunate that it owns over 300 acres of the watershed  
25 which, at one time, was thought to protect the source



1 water from contamination. However, the area that  
2 actually needs protecting is now known to extend  
3 beyond the City's ownership onto privately-owned land.

4 In 2010, the City participated in the  
5 Source Water Protection Technical Assistance Program,  
6 sponsored by the Pennsylvania Department of  
7 Environmental Protection, or DEP. DEP hired and paid  
8 a consultant, SSM Group of Reading, PA, to develop a  
9 Source Water Protection Plan for the City's well  
10 field. Part of that plan was to determine the area  
11 from which the wells withdraw water. This is a  
12 challenging task, since water flows through the ground  
13 in complex ways.

14 SSM Group developed a computer model  
15 using the Groundwater Modeling System developed by the  
16 United States Department of Defense. This model is  
17 well accepted among geologists and hydrogeologists and  
18 is commonly used to help manage groundwater resources.  
19 The model required significant information about the  
20 study area, topography, geology, slopes, soils,  
21 infiltration rates and water table elevations. SSM  
22 Group collected the necessary data for the model to  
23 estimate the recharge areas of the wells, and how long  
24 it takes water to travel through the subsurface to the  
25 wells. The model was then used to delineate



1 protection Zones I, II and III.

2               Zone I is the smallest of the three  
3 zones, encompassing a 400-foot radius around each  
4 well. Zone II is defined as the land that contributes  
5 groundwater to the wells in a ten-year time of travel  
6 and is an area of 105 acres. It is irregular-shaped,  
7 not just a radius around each well, and it goes onto  
8 privately owned land not under the City's control.  
9 Zone III is the remaining land that can contribute  
10 water to Zone II and ultimately reach the groundwater  
11 level in more than ten-years' time of travel. Zone  
12 III for Oil City's wells occupies an area of 1.45  
13 square miles and is also irregular-shaped.

14               The State's oil and gas regulations do  
15 not protect our drinking water sources. The  
16 regulations call for unconventional developers to  
17 simply notify water purveyors when a proposed well is  
18 within 1,000 feet from a public water source. That's  
19 it. We can comment and then DEP will make a decision.  
20 Why would the Commonwealth of Pennsylvania not use the  
21 information developed by source water protection plans  
22 throughout the State to limit oil and gas well  
23 development? Allowing oil and gas wells within  
24 delineated drinking water protection zones doesn't  
25 make sense.

1           I have been told that private property  
2 owners have rights. Do they have the right to  
3 threaten contamination of a drinking water supply in  
4 existence since 1897 serving 15,000 people? How about  
5 setting up a State fund using impact fees for water  
6 suppliers to purchase mineral rights within our water  
7 protection zones?

8           I have been told that well drilling is  
9 very safe and the threat of contamination is very  
10 small. I say to you, is it worth the risk? According  
11 to DEP, Clean, Safe and Reliable Drinking Water is  
12 fundamental to the viability of any community. And as  
13 advanced as today's treatment technologies are, they  
14 are not perfect. Not all contaminants can be removed  
15 or treated, and it is often far more costly to treat  
16 contaminated water than to prevent contamination from  
17 occurring in the first place. The oil and gas  
18 regulations completely contradict what DEP already  
19 knows.

20           Information from the State puts all the  
21 responsibility for source water protection on the  
22 water supplier. They tell us to perform baseline  
23 monitoring for contaminants, stay abreast of oil and  
24 gas development in the area, and have a collaborative  
25 dialogue with resource extraction companies. The

1 regulations tell us what we do after our water becomes  
2 polluted. All of this is a mockery to those of us who  
3 take the quality of our drinking water seriously. It  
4 is time for the Commonwealth of Pennsylvania to take a  
5 stand and be proactive in protecting our drinking  
6 water instead of passing the buck.

7                   And, finally, I want you all to know  
8 that I am not against oil and gas development.  
9 Indeed, the new shale gas extraction methods offer a  
10 shining ray of hope in our dismal regional economy.  
11 Rather, I support the intelligent development of oil  
12 and gas resources while protecting existing resources  
13 that provide our citizens a good quality of life and  
14 that includes our drinking water. Thank you.

15                   MR. WAITE:

16                   Thank you. Diane Sipe, followed by  
17 Karen Fletch.

18                   MS. SIPE:

19                   Hello, my name is Diane Sipe. I'm here  
20 tonight representing Marcellus Outreach Butler. We're  
21 a group of concerned citizens about the natural gas  
22 development in our county, Butler and beyond. I want  
23 to thank you for having this hearing and giving a  
24 chance to speak. But I would like to request that  
25 there be further hearings at more convenient

1 locations. This is a long way from Butler County and  
2 I know other counties in this DEP region are far  
3 afield and people are not able to make this night at  
4 6:00 p.m. So I would also like you to extend the  
5 comment period. It did occur during the holidays and  
6 many people just were not paying attention.

7           Marcellus Outreach Butler, MOB, is also  
8 a partner in the Protect Our Children Coalition that  
9 was formed in reaction to the alarming proliferation  
10 of gas activity being conducted near schools. Though  
11 our group is opposed to drilling until it can be  
12 proven safe, we nonetheless join this coalition  
13 because it is the ethical and moral thing to do to  
14 protect our most valuable resource, our children.

15           Children are especially vulnerable to  
16 the hazardous effects of toxins transmitted in water  
17 and air pollution from natural gas activity for the  
18 following reasons. Their respiratory, immune and  
19 nervous systems are still developing. They have less  
20 ability to detoxify dangerous chemicals compared to  
21 adults and they spend greater amounts outdoors and  
22 are, therefore, exposed to sustained, low levels of  
23 chemicals for long periods of time.

24           We do not fully know the ramifications  
25 of such exposure, especially how they effect in

1 combination with one another. We currently have a  
2 well site being prepared in the Connoquenessing  
3 Borough of our county, that is 1,900 feet from  
4 Connoquenessing Elementary School, as well as the  
5 nearby municipal park.

6 Maps contained with the Geological  
7 Survey Bulletin 873, of the United States Department  
8 of Interior, published in 1936 demonstrate that  
9 numerous wells were drilled in the Little Creek field  
10 where the school is and those wells would be located.  
11 The Survey notes the many hundred abandoned wells, all  
12 trace of which have disappeared, and yet no more  
13 concern is accorded to the fact that the proposed  
14 wells will occur in a known pin cushion that surrounds  
15 an elementary school with a student population in  
16 kindergarten through grade six of over 270. There is  
17 no difference whether the structure is a school or  
18 whether it's a tool shed.

19 And Connoquenessing Elementary School is  
20 not the only school in Butler with children --- that  
21 it will be putting children at risk. We had a well  
22 flare 900 feet, which I believe you saw a photo of  
23 earlier, this summer at the Summit Elementary School.  
24 Another well was proposed to be replaced very close to  
25 the Moraine Elementary School in Prospect, PA. In



1 Jackson Township, my township, the MarkWest Bluestone  
2 Processing Plant is operating 1.2 miles from the  
3 Seneca Valley Secondary School Campus, with  
4 approximately 4,000 students in three school  
5 buildings. They're building another adjacent plant  
6 and another one is planned next year. All within the  
7 same distance from this school campus.

8               These plants are not aggregated for  
9 purposes of EPA air quality standards. So we need to  
10 look to the DEP to protect our children. We request  
11 that DEP, therefore, include in its regulations that  
12 no drilling or gas-related activity occur within a  
13 one-mile district of any school.

14               With respect to your regulations, I have  
15 the following general comments, though, in addition to  
16 this comment about schools. The public are excluded  
17 from your permitting process. Only people with water  
18 supplies within 1,000 feet are notified that there's  
19 even going to be drilling. People wake up and find  
20 out there is a drill pad coming next to their house,  
21 unbeknownst to them beforehand. You need to elicit  
22 the comments of the public. And, of course, they have  
23 to be notified in order to comment.

24               We are happy that you are looking at  
25 abandoned well issues, but it is not sufficient.



1 Thank you.

2 MR. WAITE:

3 Thank you, ma'am. Karen Fletch,  
4 followed by Mike Genz.

5 MS. FLETCH:

6 Hi, my name is Karen Fletch. I live at  
7 214 First Street, Butler, PA, Butler County. With  
8 respect to the specific proposed regulations, I have  
9 the following comment. Pre-drill water testing should  
10 be mandated for a comprehensive and consistent list of  
11 substances, and the test results should be publicly  
12 available. Drillers should not be able to decide  
13 when, where and how to conduct the pre-drill water  
14 test. Open pit storage of regulated substances should  
15 be prohibited as should onsite processing drill  
16 cuttings. Fresh water should be defined in  
17 regulations, prohibit the burial or land applications  
18 of drill cuttings, topical water, pit water, fill or  
19 dredged material. Prohibit the use of brine from  
20 shale gas oils for dust suppression, de-icing and road  
21 stabilization and identify orphan and abandoned wells.  
22 There are estimated to be 200,000 abandoned wells  
23 statewide. There are many more than these that are  
24 unknown. Prohibit drilling in known areas where many  
25 of these are known or suspected to occur.

1           And I just want to add that protect our  
2 children. I have two grandchildren that are affected  
3 by this. They have nosebleeds and rashes and  
4 stomachaches. And it's time. You know, you used to  
5 put industrialized operations in parks, not next to  
6 their school. So you need to think about that. Thank  
7 you.

8           MR. WAITE:

9           Mike Genz, followed by Allen Larson.

10          MR. GENZ:

11          Thank you for the opportunity. I'm Mike  
12 Genz. I live in Edinboro, Pennsylvania, 214 Fairway  
13 Drive, 16412.

14          I'm a professor at Edinboro University  
15 of Pennsylvania and a member of the Association of  
16 Pennsylvania State College and University Faculties,  
17 ASPSCUF, the professional organization representing  
18 over 6,000 faculty and coaches at the State's 14  
19 publicly owned universities.

20          On Friday, September 20th, 2013, at the  
21 legislative assembly in Harrisburg, a resolution that  
22 initiated was voted and approved against drilling on  
23 all of the 14 State university campuses throughout the  
24 State of Pennsylvania. We took this action because we  
25 believe that unconventional drilling is dangerous and

1 harmful to people and the environment. We felt it had  
2 no place on university campuses. I come here tonight  
3 to address my key concerns about unconventional  
4 drilling as they relate to these new regulations. I  
5 first want to say that the DEP needs to have greater  
6 accountability and implement regular intervals in the  
7 monitoring of groundwater, air and land in all areas  
8 being affected by drilling.

9               There needs to be public access to the  
10 data for all the violations committed by the gas and  
11 oil industry. There needs to be complete transparency  
12 on the specifics of those violations and the amount  
13 being fined. The funds then could be used to hire  
14 more staff to locate and identify abandoned wells so  
15 they can be permanently sealed to the highest standard  
16 to prevent future leakage.

17               As a public employee, it is my concern  
18 and duty to ensure that the protection and safety of  
19 120,000 students who are currently enrolled in the 14  
20 State system universities have the constitutional  
21 right to pure water, air and land. Thank you.

22               MR. WAITE:

23               Allen Larson, followed by John Lindberg  
24 (phonetic).

25               MR. LARSON:

1           My name's Allen Larson. I have a farm  
2 outside of Grove City in Mercer County. In an e-mail,  
3 I received entitled Why Regulations Won't Work, I'd  
4 like to read a couple of those reasons why. No  
5 regulation can prevent the extraordinary squandering  
6 of fresh water, five-and-a-half million gallons  
7 average per well, 100 percent of which is  
8 contaminated, permanently, and removed from the  
9 natural water cycle. Multiply that with the tens of  
10 thousands that are proposed. No regulations can  
11 prevent the salts, heavy metals and radioactive  
12 substances loosened by the fracking process from  
13 coming out with the fracking fluids.

14           No regulation can stop up to 65 percent  
15 to 90 percent of the toxic fracking chemicals from  
16 remaining on the ground. No regulation can prevent  
17 these chemicals, salts, heavy metals and radioactive  
18 substances now loosened and mixed by the fracking  
19 process from becoming a toxic underground fluid that  
20 can wangle its way into existing fissures as well as  
21 into new fractures, created by the drilling.

22           No regulation can predict or control the  
23 underground migration of these toxic plumes. No  
24 regulation can predict or control the time frame,  
25 years, decades, millenniums, over which such plumes

1 can migrate. No regulation can prevent the  
2 deterioration of the steel and cement casings intended  
3 to protect drinking water over the decades and  
4 centuries ahead. No regulation can create a safe  
5 manner or safe location for permanent storage of  
6 waste. Even toxic waste still must be put somewhere.

7           No regulation can provide the risk from  
8 a high-pressure disposal in injection wells for  
9 potential leakage and aquifer contamination or  
10 earthquakes. No regulation can guarantee enforcement,  
11 without 24/7 oversight. Drillers will not obey the  
12 grossly inadequate rules now in place to safeguard the  
13 safety and health of people or other living beings or  
14 the environment.

15           Only a national policy, enthusiastic  
16 support for efficiency, conservation and renewables  
17 will set this country on the path to a sustainable,  
18 post-coven society. Regulations might make  
19 hydrofracking less unsafe, but it can never make it  
20 safe. Is it rational to accept any form of highly  
21 destructive drilling in agricultural areas and  
22 watersheds that produce the food and drinking water of  
23 millions.

24           There's only one way to render this  
25 practice safe. Ban it. Unequivocally, forever. This

1 is not extreme. It is extremely rational. Anything  
2 less dooms us.

3 MR. WAITE:

4 Thank you. John Lindberg, followed by  
5 Jack Lynch.

6 MR. LINDBERG:

7 My name is John Lindberg. I'm from 4573  
8 Camp Coffman Road in Cranberry, Pennsylvania, ZIP Code  
9 16319. And I'm the owner of a conventional oil and  
10 gas well drilling company located in Venango County.  
11 We drill wells in most of Western Pennsylvania. And  
12 I'm very proud to have a good staff and good  
13 employees. And most of the work that we do do I hire  
14 out as a contract. And I'll use anywhere between 30  
15 to 40 different companies in the drilling of a  
16 conventional oil well, that hires as many 100  
17 different men all doing very specialized and very  
18 serious at what they do. Like myself, most of them  
19 have had many generations before them. And I'm the  
20 third generation oil producer and I'm very proud to do  
21 so.

22 And I guess the question was asked,  
23 because not only am a geologist, but when I graduated  
24 from Allegheny College, right here in Meadville, many  
25 years ago, I also got a degree in biology. So on the



1 one hand, I'm a geologist who drills wells, but on the  
2 other hand, I'm also a farmer who's a hunter, who's  
3 very proud of being an environmentalist.

4                   And I don't know if many of you at all  
5 can accept the fact that you can do both, but with the  
6 proper balance and the proper regulations, we can all  
7 come to a point where we have achievement without to  
8 the detriment of others. In that case, the work that  
9 you want to do right now, as well as all the input  
10 from everybody here. And I'd like to say that I  
11 believe you're acting very respectful to everybody's  
12 opinion and everybody's opinion is very important to  
13 this.

14                   I, for one, would wager that the DEP is  
15 doing a good job and an adequate job of regulating my  
16 industry, which is conventional. And I would  
17 emphasize that the most important thing of that is  
18 safety, that you understand the difference between the  
19 new arrivals of the unconventional drilling, which  
20 you've heard is a much larger and potentially a more  
21 dangerous industry, which needs to follow regulation,  
22 but not at the detriment to overregulate an industry  
23 that has been here for 150 years, that employs many,  
24 many people, and one that's also been in a somewhat  
25 depressed area of Western Pennsylvania.

1           To illustrate what I mean, DEP is doing  
2 a pretty adequate job as far as regulating this, and I  
3 brought with me a two-page document from the 1980s  
4 that was --- all that was required to permit and  
5 drilling the conventional oil wells, two pages. And  
6 it worked back then. Well, it's been replaced now.  
7 And, of course, you know, we have to update as  
8 technology becomes better to do a better job. But now  
9 a single well permit, and this is an actual well  
10 permit, is 32-pages long. It has soil maps, it has  
11 water maps. It has slopes, it has GPS coordinates, it  
12 has casing points. It has all the engineering that  
13 we're going to be doing, so we're just not out there  
14 running wildly in the woods drilling wells.

15           We have water quality specialists who  
16 come on a daily or a weekly basis to see what we  
17 doing. We also have engineer specialists in the  
18 department, and I'm one who fully believes that when I  
19 need help with a problem, the DEP is there to help me  
20 and they do it on very much of a daily basis. In  
21 fact, I spent about two hours this morning with a  
22 Department water quality specialist that was able to  
23 give me good advice to do a proper job.

24           In addition to a 32-page document that  
25 we did for just the permit, I'm also obligated to

1 prepare, and these don't come cheap, an  
2 environmentally competent erosion sedimentation  
3 beforehand, which exceeds all indications. It also  
4 soil maps, slopes, every culvert that we're going to  
5 replace in, every blade of grass that we're going to  
6 replace when we drill. And in addition to that, this  
7 particular lease required a 60-page document that is  
8 known as a remediation report, so that we do not  
9 burden any environmentally sensitive plants or  
10 wildlife, in addition to also having to watch out that  
11 we don't have any endangered species.

12                   So I'd like to thank the Board for  
13 having me tonight and I'd please like you to remember  
14 that our industry has been here for a long time. A  
15 spec on your skin and a tumor in your lung can both be  
16 cancer, but they require much different treatments.  
17 And I'd like you not to involve one with the other.  
18 Thank you.

19                   MR. WAITE:

20                   Jack Lynch, followed by Becky Kolodowski  
21 (phonetic). Is Becky here? Becky?

22                   MS. KOLODOWSKI:

23                   I apologize, not knowing the protocol to  
24 bring extra copies. I'll speak slow. Thank you to  
25 the representatives of the people's Department of

1 Environmental Protection for our great State of  
2 Pennsylvania, for holding this event. Your mission  
3 statement has been quoted tonight, so I won't do it  
4 again.

5 Our DEP oversees what we call brown  
6 fields and those are contaminated grounds from past  
7 industrial abuses. And what we're basically talking  
8 here today is the continued industrial abuse on  
9 natural resources. It is the unconventional fields  
10 that I'm interested discussing, an abuse that is  
11 depleting our water supply at a great deal  
12 unimaginable and an abuse that may not be repairable.  
13 Most of our plants and natural aquifers are already  
14 gone. But in Pennsylvania, we are blessed with  
15 freshwater assets. However every day millions of  
16 gallons of fresh Pennsylvania water are laced with  
17 deadly chemicals forced into the ground where our  
18 drinking water resides.

19 The industry we're discussing gives lip  
20 service to protecting our water as the assault on our  
21 resources continues unabated and unregulated. A  
22 family that once lived in Mount Pleasant,  
23 Pennsylvania, only 45 minutes southeast of Pittsburgh,  
24 is a case in point. In 2011, the industry paid the  
25 Hallowich family three-quarters of a million dollars

1 for ruining their ten-acre family farm, its land, its  
2 water and their health. How much damage was done that  
3 an amount of that magnitude was required to  
4 compensate? Was the environment of that farm ever  
5 restored to its natural state?

6           Added to the killing of a family farm  
7 and causing extreme illness to its owners, the  
8 industry supported settlement included a gag order on  
9 the family's seven- and ten-year-old children. They  
10 are never to discuss fracking for the rest of their  
11 lives. Imagine that? Through our courts, the  
12 corporation was granted free rein to --- as the  
13 original Patriots define it, to tread on us, as long  
14 as they hand out some cash and as long as we stay  
15 silent about the abuse.

16           Our DEP has sworn to regulate this  
17 industry for the people. But what happened in the  
18 Hallowich case? Where was the protection of the  
19 Commonwealth's natural resources and its environment?  
20 That was two years ago. How many other families and  
21 interests have been destroyed since? What complaints  
22 about water, air and land quality continue to be  
23 answered with fabulous and monetary handouts? And  
24 will our DEP take heed of these capacities with open  
25 palms, whether they be filled with corporate funds,

1 taking them or radioactive and deadly chemicals that  
2 have been flowed into the natural world killing it.

3           There should be no open pits of toxic  
4 waste anywhere, ever. And any debris through these  
5 operations must be stored with the same seriousness we  
6 store other nuclear waste. Every step of this process  
7 should be tightened and regulated. The DEP alone,  
8 with the people's government of the State, are charged  
9 with that duty.

10           The Creator made us a lush, green,  
11 reusable and renewable world and we are killing it as  
12 we allow dangerous and deadly events to occur in our  
13 search for energy. Energy the Creator gave us at the  
14 beginning of time in the forms of soil, wind and  
15 water. Our limited supply of fresh water should not  
16 be used at millions of gallons at a time, so that  
17 private industry can gain unchecked power over our  
18 very existence.

19           Look at pictures of that tar sands in  
20 Canada and you'll see how well we have been stewards  
21 of this great planet, how we are simply killing the  
22 very world that sustains us. The DEP by its own  
23 mission statements must not let the industry police  
24 itself or allow the industry to determine what is  
25 satisfactory to the people's Commonwealth.



1 Water must be drinkable. The water  
2 supply on this plant is a closed system. There is no  
3 new water. So what we do to our water table today is  
4 forever. It is up to our DEP to carry forward,  
5 complete its mission statement to the letter. To do  
6 otherwise is to allow corporations to commit treason  
7 upon people's environment and their continuity of  
8 life, liberty and the pursuit of happiness.

9 Canada's current government has begun to  
10 destroy all of the water data ever collected there.  
11 Centuries of data. They are shutting down our  
12 facilities. People need to be aware, our planet is  
13 under assault.

14 MR. WAITE:

15 This completes the portion of the  
16 hearing tonight for those testifiers, who were  
17 previously registered. And we are going to keep the  
18 record open for few more minutes, in case someone's in  
19 the audience that would like to come down and register  
20 and also make a statement.

21 MR. STIGLITZ:

22 My name is Joe Stiglitz and I'm from  
23 Pleasantville.

24 MR. WAITE:

25 Could you spell your last name, please?

1                   MR. STIGLITZ:

2                   S-T-I-G-L-I-T-Z. I'm a victim of the  
3 oil business. We fracked a well two weeks ago and it  
4 took a week for my skin to grow back. Then when I  
5 finally got back on my feet, I went to my drilling rig  
6 and the drill cuttings made my hair fall out. Some of  
7 its coming back. We've got two different groups here.  
8 You know that, I know that. I don't need BOPS in my  
9 wells. There's no pressure on them. You know that, I  
10 know that.

11                   I don't frac with millions of gallons of  
12 water. I frac with thousands of gallons, 10,000 on  
13 average. I need help here and you've got to help us.  
14 You're doing a good job. I have a nine-month-old  
15 daughter. And her mother cares for her and loves her,  
16 just as much as I do. And I would not do anything to  
17 put her in danger.

18                   MR. WAITE:

19                   Anyone else? Going once, going twice.  
20 This meeting --- this hearing is adjourned and it's  
21 precisely 9:00 p.m. Thank you.

22                   \* \* \* \* \*

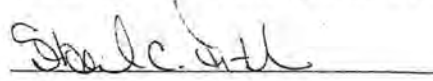
23                   HEARING CONCLUDED AT 9:00 P.M.

24                   \* \* \* \* \*

25

## 1 CERTIFICATE

2 I hereby certify that the foregoing proceedings,  
3 hearing held before Chair Waite was reported by me on  
4 1/15/2014 and that I Shannon C. Fortsch read this  
5 transcript and that I attest that this transcript is a  
6 true and accurate record of the proceeding.

7   
8 Court Reporter