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JAN 2 9 2007 Terri A. Lorenzon, Director

Environmental Quality Council

Re: Petition to Amend Wyoming Water Quality Rule, Chapter 2, Appendix H

To the Wyoming Environment Quality Council:

The following information is Western Land Services' position statement of opposition regarding the "Petition to Amend Wyoming Water Quality Rule, Chapter 2, Appendix H". Western Land Scrvices — Western Division is an established environmental consulting firm in the Powder River Basin of Wyoming. The following points outline why the proposed petition is unnecessary and why accepting it would be detrimental to the State of Wyoming.

The extraction of coalbed methane and the associated "produced water" has developed over the past ten years in Wyoming. As the industry has grown, so too has the regulatory capacity of the Wyoming Department of Environmental Quality (WDEQ). The surface discharge of produced water is currently regulated under the Wyoming Pollution Discharge Elimination System (WYPDES). Operators and their consultants have vigorously maintained compliance with the evolving regulations. The WDEQ has recently added staff to ensure compliance. Additionally, water management specialists have become more involved in the planning stages of methane development. The ongoing coalbed methane development in the Powder River Basin is in compliance with the WYPDES program and is constantly striving to adhere to the law, as well as, the spirit of the law.

Section 35-11-301 (a) states that the discharge of pollution is allowed only if authorized by a permit

Section 35-11-302 (a) (ii) establishes effluent standards and limitations specifying maximum amounts of pollution

Section 35-11-302 (a) (vi) states that the WDEQ consider "facts and circumstances bearing upon reasonableness of the pollution"

- The fact that the petition to amend Chapter 2 of the WQD singles out the CBM industry and seeks to hold it to a higher standard is known as "selective enforcement." This would most certainly deviate from the United States' and Wyoming Constitutions.
- WYPDES approved CBM effluent, since its inception, can be considered a
  "beneficial use" for a number of different reasons: instream flow volumes,
  irrigation, stock watering, wildlife watering, dust control, recreation, esthetic
  value, and drought relief. These uses are not only beneficial to human society,
  such as landowners, but as well as additional biosphere members: waterfowl, big
  game animals, fisheries, livestock, riparian vegetation, macro-invertebrates, birds
  of prey, and gallinaceous birds.
- Another issue that should be carefully examined is the toll that these changes to Chapter 2 of the WQD would take on local, state and regional economies. These changes could displace tens of thousands of employees, which would cause a ripple effect on every municipality in Wyoming.
- Finally, and most importantly, these changes would adversely affect domestic energy production. This is an issue of self reliance, as well as, a national security issue. In these times of uncertain global energy supply, it is paramount that domestic energy production expands rather than contracts. Thus, every available energy source should be developed. This energy development should be pursued while remaining diligent to the preservation of our natural resources. This preservation is accomplished through environmental legislation and its' enforcement. The WYPDES program does just that.

Western Land Services is confident in the ability of the Wyoming Environmental Quality Council to determine the correct course of action regarding this petition. The council's consideration of the negative impacts to the State of Wyoming should out-way the biased and over-stringent environmental policies proposed by this petition.

Sincerely

Donald L. Asserson Chief Operating Officer Western Land Services