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VIA FACSIMILE

January 27, 2007

Mr. Mark Gordon, Chairman Wyoming Environmental Quality Council 122 W. 25th St. Herschler Bldg., Room 1714 Cheyenne, WY 82002 Fax - 307-777-6134

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Terri A. Lorenzon, Director Environmental Quality Council

RE: Citizen Petition for Rulemaking-Powder River Basin Resource Council et al -Revised Version - WQD Chapter 2

Dear Mr. Gordon,

I am a Professional Engineer for Pennaco Energy/Marathon Oil in Gillette. I moved to my favorite place on earth (Wyoming) in 1994 and served the State for five years in the Department of Environmental Quality Air Quality Division before accepting a position with Holly Sugar in Worland. Hard times in the sugar industry forced me to seek employment outside Wyoming in 2002. My family and I were thrilled to return to Wyoming in 2005, the great State where my wife was born and raised, and my only son was born. This opportunity to "come home" was provided by the coal bed methane (CBM) industry.

I oppose the Citizen Petition for Rulemaking – Powder River Basin Resource Council et al – WQD chapter 2. Please allow me to explain why:

- I oppose any rulemaking that reduces or eliminates the ability for coal bed produced water to be discharged and thus beneficially used.
- Water must be continuously available to ranchers, livestock and wildlife if it is to be beneficially used.
- If this rule is passed, in any form, it will be devastating to landowners who want and use the water, operators who produce the water, consultants and service providers who support the operators, and all citizens of Wyoming who enjoy not having to pay state income tax. For me and my family, it will likely require us to leave Wyoming again to seek employment, as engineering positions here are "few and far between". This would be particularly painful for my wife whose disabled son lives nearby in Rapid City, SD.
- John Wagner, Administrator of the DEQ's Water Quality Division, wrote the EQC with his understanding of the effects of the proposed rule. Mr. Wagner stated the rule will have the effect of prohibiting most, if not all CBM produced water discharges.
- I oppose any rule that would set stricter standards for Powder River CBM produced water than the existing standards for conventional oil and gas operations, or any other discharges for that matter. The Attorney General's office

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has repeatedly cautioned the EQC against this petition and the rule it proposes. This rule is bound to be struck down as arbitrary and capricious upon appeal.

• It is well understood by the Pennaco and other CBM operators in the Powder River Basin that problems with CBM water on some individuals' properties might exist. Changing water quality rules is not a fix for those issues. There are options for resolution available that are not being pursued by the petitioners.

Thank you for the opportunity to comment on this petition. Please note my opposition to making this a rule or policy. I can be reached at 307-660-2102 should you have questions regarding this letter. My wife and I would like to remain in Wyoming, something that might not be possible if this petition becomes rule, so our son can continue to benefit from the excellent schools, so we can continue to contribute and be responsible citizens of our community, and so we can continue to enjoy the State we love so much.

Sincerely,

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David T. Hill, P.E. 508 South 4-J Road Gillette, WY 82716