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Terri A. Lorenzon, Director Environmental Quality Council

Wyoming Environmental Quality Council 122 W. 25th St. Herschler Bldg., Room 1714 Cheyenne, WY. 82002

Dear Councilman,

January 26, 2007

My name is Saunda Phillips and I live fifteen miles West of Gillette, Wyoming. My husband and I were transferred here with his job in the Energy industry seventeen years ago. We came to Gillette under the premise that we would only be here for three to five years. Much time has passed and on three different occasions when other advancement opportunities to relocate other places came up we always made the decision to stay in Gillette. We laugh about it occasionally when the wind is blowing 35 miles per hour and it is 5 degrees below zero but the cold hard fact remains that we love it here and obviously wouldn't change locations for anything.

In 2000 the CBM industry was knocking on or door. We were told our little slice of heaven was about to become home to a CBM development. Imagine the rage, the fear, the intimidation, of dealing with development that was unknown to our part of country and truly much unregulated at that time. As landowners my husband and I were at odds. He, being loyal to his calling in the Energy field, told me to relax and get along and sign a document giving some strangers the right of ingress and egress on our private surface. I was angry and on the fight for weeks. I insisted that the Operator put in our Surface Use Agreement very strong language about monitoring both our domestic well and the methane discharge water. After much discussion with the Operator as well as water and soil specialists we came to an agreement. The Operator came on the surface to drill the wells and put in the infrastructure. I sulked in the background still licking my wounds and waiting for the first hint of something to go wrong. Nothing went wrong!!! They came in, did the work they needed to do and left. The Operator and the subcontractors were very respectful and conscientious of our property and our livestock. We are not fee mineral owners, we are not land barons, and we are not even compensated all that well for our surface in comparison to today's normal surface damage payments but WE HAVE. WATER !! Water has probably even added appraisal value to our little slice of heaven.

I have recently been made aware of the Petition to Amend Wyoming Water Quality Rule, Chapter 2, Appendix H. I am sympathetic to the Powder Basin Resource Council led by nineteen individuals who feel like they have been put upon by the CBM Industry. However, I am not willing to stand by and watch as nineteen individuals ruin the

cconomic lives of thousands of people. Many people in Campbell County and the Powder River Basin have lived thru the "booms and busts" of this fragile economy. The stakes have been raised now. As I read the petition I have to laugh and ery in the same minute. The water provided by the City of Gillette to its inhabitants would be considered "polluted" water by the PRBRC standards. Most livestock and wildlife should have already expired if in fact barium, sulfates, and total dissolved solids play that much into the "polluted" water standards. Having an animal husbandry background and a very thorough knowledge of most of the livestock producers in the area, I can safely say that the water quality has not endangered herd health. In fact it is the drought conditions the last six years that has been oppressive to livestock producers. In fact those livestock producers that did not have the luxury of "beneficial use" of CBM water in various locations so that they could manage their pastures in this time of drought were some of the first to have to make drastic cuts to their livestock herds.

It is refreshing to find that the PRBRC has some solutions to the CBM discharge water quandary but the alternatives fall short of real world application. Reinjection may have worked in the San Juan Basin in Colorado and New Mexico but Wyoming geology is far different and so is the water. Water treatment as a solution still demands a discharge permit, if the PRBRC wants to regulate the quantity of water that moves down the drainage also how is the Operator ever rewarded for treating the water? Soil treatment has also been tried by a number of Operators in the Basin with very limited success. In fact soil conditioning treatments have just proven to us that we do not have soil in Wyoming, just plain old dirt.

In conclusion I beg of you, as an impartial, responsible Councilman to find the **Petition to Amend Wyoming Water Quality Rule, Chapter 2, Appendix H** unacceptable. The economic impact would be devastating not only to the area but also to the State. Literally thousands of lives would be affected. I believe most Operators in the region are doing the best they can managing CBM water discharges. Operators are facing rule changes and regulatory pressures from half a dozen government agencies everyday. I believe the petition is rigid and unforgiving somewhat like the individuals that are willing to burden thousands of people with inflated claims of land and livestock damage while in the same minute they are hypocritical enough to take those CBM surface damage payments to the bank and cash them.

Thank you for your time and attention to this very important matter.

Respectfully,

Saunda Phillips