

January 29, 2007

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

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Terri A. Lorenzon, Director
Environmental Quality Council

Dear Council:

I am a degreed petroleum engineer that has been employed in the Wyoming oil and gas business for over 30 years. Currently I am involved in the coalbed natural gas industry in Gillette. I am concerned about the affect of the petition by PRBRC which will further reduce the coalbed water discharge. Companies I have worked for have provided discharge water to many areas of Wyoming's dry rangeland including the Big Horn Basin, Wind River Basin/Casper Arch, and Powder River Basin. Water was not available for watering grazing animals, nor wildlife prior to these discharges though some have occurred for 50 to 60 years. There is a large portion of the state that uses water from these discharges, and if discharge is limited these users will suffer as a result. Gillette is now home to several flocks of geese. Having moved between Casper and Gillette twice I insist that geese have not always flocked in this part of the state. Water must be the reason. There was not enough water near Gillette prior to coalbed operations to accommodate geese. Many other animals are benefiting from the water as well. Ranchers have been using the coalbed water for a hundred years for drinking and watering purposes. That in itself could be in the reasoning of the petitioners; to preserve it for themselves even though it is property of the State of Wyoming and available for appropriation as is done for coalbed operations.

Most of the discharged water was of much poorer quality than the coalbed water currently being debated for restrictive rules. Most of these discharges were permitted under the EPA's guidelines for the National Pollutant Discharge Elimination System (NPDES) for which Wyoming has primacy and is now referred to as the WYPDES. Oil and grease are permitted for discharge up to a quantity of 10 ppm regardless of the volume. Coalbed water contains no oil or grease and is fit for human and animal consumption. Regulations are already in effect to limit water that does not meet the standards. Coalbed water is restricted in many instances to 20% of the drinking water standard and further restriction is unwarranted. It is also unwarranted to reduce limits on one particular industry's water (coalbed) while permitting another industry's water (coal and oil and gas) to have poorer quality. Limiting coalbed water to a small percentage of the drinking water standard will effectively eliminate that discharge. Eliminating that discharge will limit the industry's ability to produce the wells. I have observed articles in the news media stating the Governor and Attorney General have declared the rulemaking is without basis. Wyoming's DEQ has also recommended against action on the petition to reduce standards as proposed by PRBRC.

Eliminating coalbed well production will reduce the State of Wyoming's surplus budget and send it back to the shortfall situation of only a few years ago. Many cities including Gillette count heavily on the tax burden of industry to pay for their city and county facilities. Gillette is funding many new projects based upon projections of incoming tax-based revenues. Among them are county fire facilities, an all events center, and recreation center which will cost millions of dollars. Wyoming enjoys generous wages afforded by industry such as the coalbed natural gas industry. Many of these citizens are able to remain in Wyoming due to the jobs available to them from industry.

Thanks for the opportunity to comment on the petition for rulemaking by PRBRC. I urge you to consider the petition of PRBRC as unfounded and unnecessary.

Sincerely,



**Stan Smith
2901 Knollwood Drive
Gillette, WY 82718**