

Richmond, Tom

From: Laura Strong [LAURASTRONG@CENTURYTEL.NET]
Sent: Thursday, June 23, 2011 5:28 PM
To: DNR FracComments
Subject: Protect public health, land and water

Dear Mr. Richmond

Montana needs full disclosure of the chemicals used in oil and gas drilling, particularly for hydraulic fracturing.

I urge the Board of Oil and Gas to do the right thing and modify their proposed rules to protect public health and our land and water. The BOGC has a duty to protect the citizens of Montana and these rules as currently written only protect industry.

Also, in order to hear perspectives from around the state, an additional public hearing should held in Billings.

Sincerely,

Laura Strong
Po Box 1986
Whitefish, MT 59937

Richmond, Tom

From: wwranch@3rivers.net
Sent: Thursday, June 23, 2011 10:57 PM
To: DNR FracComments
Subject: Fracking fluid transparency recommendation to Oil & Gas Board

From Citizen for Clean Energy, Inc. cce-mt.org, 3417 4th Ave. S, Great Falls, MT 59405

Montana Board of Oil and Gas Conservation 23 June 2011
2535 St. Johns Avenue
Billings, MT 59102

Dear members of the board,

On behalf of the diverse membership of Citizens for Clean Energy (CCE) - which includes farmers, ranchers, outdoor enthusiasts, homemakers, parents and other walks of life - CCE recommends the adoption of rules and procedures to protect the public and ensure clean water and environment.

The ability to assess the chemical composition of fracturing fluids should be made available at your website to promote accountability and transparency of what's being used in the 'fracking' process.

These chemicals should be disclosed in advance so landowners can initiate or further develop baseline water testing. Landowners with springs and water wells within a one mile radius should be warned and be provided written notice by the developers using these potentially toxic fluids, and the chemicals to be used should be made known. It's national news that Halliburton used DIESEL fuel in their mixtures plus other 'secret' ingredients.

If a developer claims 'trade secrets' exemption, then written justification must be made available to the public and the developer must still provide all chemicals be disclosed to the Board of Oil and Gas Conservation.

As we develop our Nation's energy resources, it must be done responsibly, and there are still too many examples of 'fracking' events gone bad, including benzene contamination, poisoned aquifers, and worse.

To developers who say 'fracking fluids' are harmless, I suggest would they allow their animals to drink it (Montana is an agriculture state, and can we jeopardize our livestock herds? As a farmer and rancher myself, this is a very serious issue) or let their families swim in it?

Thanks for your attention and oversight on this crucial issue and we hope the Public's constitutional rights to a clean and healthy environment and open records will be preserved.

Sincerely,

Richard D. Liebert
Chair, CCE, Inc.
Lt. Colonel, Retired, US Army

Cc:

Richmond, Tom

From: wwranch@3rivers.net
Sent: Thursday, June 23, 2011 11:20 PM
To: DNR FracComments
Subject: Fracking fluid transparency recommendation to Oil & Gas Board

From Citizen for Clean Energy, Inc. cce-mt.org, 3417 4th Ave. S, Great Falls, M% 59405

Montana Board of Oil and Gas Conservation 23 June 2011
2535 St. Johns Avenue
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As we developer our Nation's energy resources, it must be done responsibly, and there are still too many examples of 'fracking' events gone bad, including benzene contamination, poisoned aquifers, and worse.

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Richmond, Tom

From: Laura Strong [LAURASTRONG@CENTURYTEL.NET]
Sent: Thursday, June 23, 2011 5:28 PM
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I urge the Board of Oil and Gas to do the right thing and modify their proposed rules to protect public health and our land and water. The BOGC has a duty to protect the citizens of Montana and these rules as currently written only protect industry.

Also, in order to hear perspectives from around the state, an additional public hearing should held in Billings.

Sincerely,

Laura Strong
Po Box 1986
Whitefish, MT 59937

Richmond, Tom

From: Janet Tatz [janetlene@gmail.com]
Sent: Friday, June 24, 2011 4:56 AM
To: DNR FracComments
Subject: re: Fracking and the need for transparency and caution

Hello,

I am writing today to encourage your Board to adopt rules which provide readily available public access to the toxic chemicals used in fracking. These rules must also protect the public's health and well being as well as ensure the continuation of our pure, clean water.

To be specific:

- The chemical information for any fracturing fluids used needs to be easily accessible by the public on the Board of Oil and Gas' website.
- These chemicals need to be disclosed in advance in order for landowners in areas such as Sweet Grass County to begin baseline water testing. All landowners with water wells and springs within a 1 mile radius of the proposed well to be fracked, must receive written notification of the planned chemicals to be used.
- Companies should have to apply to the Board of Oil and Gas and provide a written justification available to the public for any trade secret exemptions. Exemptions should only be granted in extremely rare circumstances. Even if the chemical is listed as a trade secret, it still must be disclosed to the Board of Oil and Gas.

Fracking is a potentially dangerous and damaging process to the environment and our current way of Life. Before any fracking process is approved, we need to be certain that the process is safe, clean and clearly understood by all.

Sincerely,

Janet Tatz, a concerned Montana citizen

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Richmond, Tom

From: Kristen Walser [kwalser14@yahoo.com]
Sent: Friday, June 24, 2011 7:19 AM
To: Richmond, Tom; lnelson@nemont.net
Subject: Fracking Regulations

Dear Mr Richmond and Ms. Nelson,

I am deeply concerned about the chemicals used in fracking. Citizens must know about all the chemicals used, not just some. When regulating fracking, keep in mind that clean water will be more valuable than oil or gas in the future.

Let our citizens help you by allowing them the knowledge to act. Public hearings should be held within the counties affected, including Park County.

Thank you for your attention,
Kristen Walser

Richmond, Tom

From: Vicki Blakeman [vblakeman53@yahoo.com]
Sent: Friday, June 24, 2011 7:33 AM
To: Richmond, Tom; lnelson@nemont.net
Subject: Fracking Rules & Regulations

Dear Mr Richmond and Ms. Nelson,

Like many people, I have become very concerned about the extreme dangers to our precious clean water, air and communities posed by fracking. I understand that you have been given the responsibility of drafting regulations for this industry. As a citizen of Park country, I have several requests.

I request that you provide a public hearing to the citizens of Park County. This relatively new technology may have huge impacts on our air, our water, our families and our future, and we deserve to be given all relevant information. Any decision you make will affect each and every one of us, and we need to be informed. Informed citizens are the very heart of democracy. There are a number of citizens here who will work with you on arranging the public hearing, helping with publicity and other details.

I request that you draft regulations that provide the public (all of whom will be affected) with full disclosure of ALL fracking fluids used in the process. Partial disclosure will not help anyone. That would be similar to reading a label on a food package that tells you some of the ingredients. If you are, for instance, allergic to nuts, you could not be sure nuts were either in or out of the product. The industry has no right to put a mixture of chemicals in our ground water without telling us what those chemicals are. If their claim that the chemicals are safe is true, then they will be willing to disclose those chemicals.

Finally, I would like to remind you that you have in your hands a trust for future generations. We here in Montana have been given an unparalleled and unspoiled natural landscape. Ground water and air are in the commons- they are in the joint care of all, and as such, cannot be poisoned. We also have a past history with extractive industries which have left our state's natural resources devastated so we are understandably concerned.

Thank you for your thoughtful care to this issue. I hope to hear from you soon. You may respond by email or phone [\(406\) 220-7605](tel:4062207605).

Sincerely,

Vicki Blakeman
914 East Callender
Livingston, MT 59047

Richmond, Tom

From: smurf40@netzero.com
Sent: Friday, June 24, 2011 8:56 AM
To: Richmond, Tom
Subject: No Fracking

I am completely against fracking

Richmond, Tom

From: Kathy Kasic [kathy@metamorphfilms.com]
Sent: Friday, June 24, 2011 9:16 AM
To: Richmond, Tom
Subject: fracking

Dear Mr Richmond and Ms. Nelson,

Like many people, I have become very concerned about the extreme dangers to our precious clean water, air and communities posed by fracking. I understand that you have been given the responsibility of drafting regulations for this industry. As a citizen of Park country, I have several requests.

I request that you provide a public hearing to the citizens of Park County. This relatively new technology may have huge impacts on our air, our water, our families and our future, and we deserve to be given all relevant information. Any decision you make will affect each and every one of us, and we need to be informed. Informed citizens are the very heart of democracy. There are a number of citizens here who will work with you on arranging the public hearing, helping with publicity and other details.

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Finally, I would like to remind you that you have in your hands a trust for future generations. We here in Montana have been given an unparalleled and unspoiled natural landscape. Ground water and air are in the commons- they are in the joint care of all, and as such, cannot be poisoned.

Thank you for your thoughtful care to this issue. I hope to hear from you soon. You may respond by email or phone (406) 570-1744.

Sincerely,

Kathy Kasic

Metamorph Films & Web
<http://metamorphfilms.com>
406-570-1744

Richmond, Tom

From: Katherine Dunlap [ksdunlap@bresnan.net]
Sent: Friday, June 24, 2011 10:30 AM
To: Richmond, Tom; Inelson@nemont.net
Subject: Fracking

I am writing to request a public hearing in Park County and full to disclosure of the chemicals used in fracking. I certainly understand issues of trade secrets for the oil and gas companies. Isn't there a way for someone to hold the chemical formula (outside the oil and gas industry)? If water is to be tested to see if there's been an infiltration of chemicals, you have to know what you're looking for. If the frack formula is withheld, the public could be in trouble. I don't think the industry is inherently bad, I just believe that companies get blinded by profits – if profits are threatened, they'll feel the need to protect them. And that profit protection can come at the expense of individuals and their water. So please consider a public hearing in Park County – we will be facing these issues and I think we should be proactive in identifying issues and ways to manage those issues BEFORE someone is hurt.

Thank you for your consideration.

Katherine Dunlap
Livingston, MT
406-222-0814

Richmond, Tom

From: Linda Kenoyer [lindakenoyer@hotmail.com]
Sent: Friday, June 24, 2011 10:40 AM
To: Richmond, Tom; lnelson@nemont.net
Subject: Fracking Rules

Dear Mr. Richmond and Ms. Nelson:

There is a well-known saying that "Your rights end where my nose begins." This applies to the "rights" of those who own or lease mineral rights under land. Their rights end where the drinking water, crop irrigation water, and water for our river and streams begin. Having the right to extract gas does not give them the right to pollute and destroy our clean water.

They say their process is not dangerous. But we have to take their word for it because exactly which chemicals they are injecting into our water is a trade secret. I say even their right to keep their trade secrets ends where our water begins.

This is the fundamental role of government that even the most libertarian of voters agrees on - to protect our noses from each other's right to punch. It seems very clear that a land owner or the neighbors of a land owner should be able to stop toxic chemicals from being directly injected into their water sources.

This is not a case of over-regulation. If those who lease their land's mineral rights, or those who own mineral rights under land they don't live on or farm knew for certain that there were chemicals being injected into the land's ground water that would destroy its value, they would probably not have been as willing to allow the leasing.

If, on the other hand, the chemicals are truly benign, it would be a good thing to know that, and possibly more land owners would be willing to lease the rights to extract gas from their land.

Here in Park County, there is a tremendous amount of fear about the effects of the impending fracking processes on land in our area. All of our lives and livelihoods are dependent on our water. Please, before you finalize your rules, hold public hearings where the public to be affected can attend.

I have two requests: 1. Hold a public hearing IN Park County. 2. Write your rules so that anyone using the fracking process must divulge ALL of the ingredients of their fracking fluids.

Thank you for your consideration.

Linda Kenoyer
141 Tipsue Road
Livingston, MT 59047

Richmond, Tom

From: Charlotte Trolinger [ctrolinger@imt.net]
Sent: Friday, June 24, 2011 10:54 AM
To: Richmond, Tom; lnelson@nemont.net
Subject: fracking rule changes

To: Tom Richmond, Administrator, Board of Oil and Gas
Linda Nelson, Chair of the Board of Oil and Gas

Dear Mr. Richmond and Ms. Nelson,

Please accept these comments concerning the proposed changes to the rules concerning oil and gas fracking.

While the shift towards requiring partial disclosure of fracking fluids contents is laudable, the continued allowance for proprietary secrecy for the ingredients in fracking fluids ultimately leaves Montana's water supplies, ecosystems and citizens in the same danger from contamination and destruction as the old rules. The incident which occurred several years ago in Colorado wherein a nurse tending to an injured gas well worker was made gravely ill herself by exposure to the fracking fluids covering the worker would not have been alleviated by these rule changes. Nor would the contamination to the water courses which has already occurred throughout Wyoming, Colorado and Pennsylvania. We need full disclosure before an incident. We need full disclosure before any drilling occurs and then we need informed decisions made about whether or not to permit the use of these fluids.

It is suicidal and economically indefensible for Montana to permit the use of the toxic and carcinogenic materials now used in most fracking fluids, where any possibility of contamination exists for water supplies, people or the ecosystem. The economy of Montana is dependent on the health of its waters and ecosystem as is the health of its citizens. Surely the Oil and Gas Board will not want to be held responsible for allowing the destruction of the health of either Montana citizens or its waters.

Sincerely,

Charlotte Trolinger
--
92 Browns Gulch Rd.
Boulder, MT 59632
406-225-3580

ctrolinger@imt.net

Richmond, Tom

From: Margarita McLarty [margarita@wispwest.net]
Sent: Friday, June 24, 2011 11:01 AM
To: Richmond, Tom; Richmond, Tom; Inelson@nemont.net; Inelson@nemont.net
Subject: Fracking

Gentlemen,

We urge you to withhold decisions on regulations governing the process of "Fracking" in Montana until further opportunity has been created for community comment and involvement.

As resident land owners in Park County, we have questions and concerns about the process, the chemicals utilized and the aftermath of this drilling method. At the very least, we need full disclosure by the industry of all materials used, as well as sufficient indemnification for future contingencies. We are asking that the Oil and Gas Board hold hearings in areas of the state that host possible drilling sites. Encouraging an informed and participating community ultimately benefits all Montanans.

Thanks you for your consideration,

Don and Margarita McLarty

85 Chicory Road

Livingston, MT 59047

Richmond, Tom

From: Kelly Wade [kwade@wispwest.net]
Sent: Friday, June 24, 2011 11:11 AM
To: Richmond, Tom
Subject: Fracking

It is only right that corporations disclose what chemicals they're injecting into the ground that could have impacts on communities. It's truly a no-brainer. The only reason they claim trade secrets is because they know what the public outcry will be when those chemicals come to light...

My well could certainly be affected here in Park County. Please hold more hearings and mandate full disclosure.

Kelly Wade
22 Barney Creek Road
Livingston, MT 59047

Richmond, Tom

From: Gessaman [1kfalcon@gmail.com]
Sent: Friday, June 24, 2011 11:55 AM
To: DNR FracComments
Subject: Fracking fluid transparency recommendation to Oil & Gas Board

Montana Board of Oil and Gas Conservation 24 June 2011
2535 St. Johns Avenue
Billings, MT 59102

Dear Members of the Board:

We recommend the adoption of rules and procedures to protect the public and maintain our clean water and environment. The ability to assess the chemical composition of fracturing fluids should be made available at your website to promote accountability and transparency of what's being used in the 'fracking' process.

These chemicals should be disclosed in advance so landowners can develop baseline water testing so they can monitor what chemicals are being introduced into their lives. Landowners with springs and water wells within a one to ten mile radius should be warned and provided with written notice by the developers using these potentially toxic fluids; with the notice including the chemicals to be used. It's national news that Halliburton used DIESEL fuel in their mixtures plus other 'secret' ingredients.

If a developer claims 'trade secrets' exemption, then written justification must be made available to the public and the developer must still provide all chemicals be disclosed to the Board of Oil and Gas Conservation. And warn landowners within a ten mile radius of potential carcinogens. The developer must also pay for any health problems of landowners from the chemicals (known carcinogens) used by the developer.

As we develop our Nation's energy resources, it must be done responsibly - there are still too many examples of 'fracking' events gone bad, including benzene contamination, poisoned aquifers, and worse.

To developers who say 'fracking fluids' are harmless, we suggest they ask themselves if they would they allow their children to swim in the fracking fluids or let their animals drink it. Montana is an agriculture state, and we cannot afford to jeopardize our livestock herds and our productive farmland. We have farm property and consider the injection of new and potentially hazardous chemicals into our beautiful state to be a very serious issue; for once we destroy our aquifer we can NEVER purify it again.

Thank you for your attention and oversight on this crucial issue and we also respectfully request that the Public's Constitutional Rights to a clean and healthy environment and open records be preserved.

Sincerely,

Ronald, Kathleen, and Karen Gessaman
1006 36th Ave NE
Great Falls, MT 59404
406-452-7106

Richmond, Tom

From: Seninger, Steve (Dr) [Steve.Seninger@business.umt.edu]
Sent: Friday, June 24, 2011 12:22 PM
To: DNR FracComments
Subject: Gas production

Dear Board of Oil and Gas--The harmful and toxic effects from fracturing in other states in the US are well known and fully documented. Please do not allow extraction and drilling companies to hide behind their 'trade secrets' excuse for not providing full disclosure of what they will be injecting into our land and water. Two years down the road when communities are trying to figure out what the heck happened to their safe, drinkable water supply and ranchers and farmers find their water supplies contaminated, someone will be responsible and it won't be the drilling companies because they'll deny it or have already left the state.

Steve Seninger
9601 Cedar Ridge Road
Missoula, MT 59804

Richmond, Tom

From: Neil Taylor [neiltaylor@bresnan.net]
Sent: Friday, June 24, 2011 12:29 PM
To: DNR FracComments
Subject: Fracking fluid transparency recommendation to Oil & Gas Board

June 24, 2011
Montana Board of Oil and Gas Conservation
2535 St. Johns Avenue
Billings, MT 59102

Attention Honorable Board Members:

I believe it is absolutely necessary that the public and most particularly the "directly affected landowners" be made aware of the chemicals involved with the 'Fracking Processes' that take place within the vicinities of all wells, springs, creeks, rivers, streams, and drainages of our state water supplies.

These are the folks potentially at risk for their potable water and livestock supplies and will need to be able to take effective preliminary monitoring actions for baseline records. Unless this information is made publicly available there can be no adequate preliminary testing to protect these resources and our potable water supplies.

Please pass legislation requiring that these chemical 'Fracking' constituents be made public, preferably on your website to promote corporate accountability and transparency of what's being used in the 'Fracking process' chemical composition that could potentially affect our treasured water supplies.

Thank you for addressing this critical public health and environmental issue.

Neil J. Taylor
3417 4th Ave South
Great Falls, MT
59405

Richmond, Tom

From: Robin Nava [RNava@slb.com]
Sent: Friday, June 24, 2011 1:47 PM
To: DNR FracComments
Subject: Comments on Montana Administrative Register 36-22-157; New Rules 1 through V regarding Oil and Gas Well Stimulation

Mr. Richmond,

The comments marked below are submitted for consideration regarding the proposed New Rules I through V regarding oil and gas stimulation. Regarding Rule III (2), a laboratory or third party performing analysis for the board should be required to keep trade secret information confidential and its use of the information restricted to only the relevant purpose. Regarding Rule II, minor wording amendments (additions; ~~deletions~~) are proposed to clarify that additive description and disclosure of chemical information is required for the stimulation fluid overall.

NEW RULE II DISCLOSURE OF WELL STIMULATION FLUIDS

(1) The owner or operator of a well shall provide the board, on its Form No. 4 for a new well or Form No. 2 for an existing well:

- (a) a description of the interval(s) or formation treated;
- (b) the type of treatment pumped (acid, chemical, fracture stimulation); and
- (c) the amount and type(s) of material pumped and the rates and maximum pressure during treatment.

(2) For hydraulic fracturing treatments the amount and type of material used must include:

(a) a description of the additives used in the stimulation fluid ~~identified~~ by additive type (e.g. acid, biocide, breaker, brine, corrosion inhibitor, crosslinker, demulsifier, friction reducer, gel, iron control, oxygen scavenger, pH adjusting agent, proppant, scale inhibitor, surfactant); and

(b) the chemical compound name and the Chemical Abstracts Service (CAS) Registry number, as published by the Chemical Abstracts Service, a division of the American Chemical Society (www.cas.org), for each constituent of the ~~additive~~ used. The rate or concentration for each additive shall be provided in appropriate measurement units (pounds per gallon, gallons per thousand gallons, percent by weight or percent by volume, or parts per million).

(3) The owner or operator may submit the service contractor's job log, final treatment report (without any cost/pricing data), or an owner or operator representative's well treatment job log or other report providing the above required information.

(4) The administrator may waive all or a portion of (2) or (3) of this rule if:

- (a) the owner or operator demonstrates that it has provided information to the Interstate Oil and Gas Compact Commission/Groundwater Protection Council hydraulic fracturing web site; or
- (b) other Internet information repositories that can be accessed by the public.

NEW RULE III PROPRIETARY CHEMICALS AND TRADE SECRETS

(1) As provided in [82-11-117](#), MCA, where the use or composition of a chemical product is unique to the owner or operator or service contractor and would, if disclosed, reveal methods or processes entitled to protection as trade secrets such a chemical need not be disclosed to the board or staff. The owner, operator, or service contractor may identify the trade secret chemical or product by trade name, inventory name, or other unique name and the quantity of such constituent(s) used.

(2) If necessary to respond to a spill or release of a trade secret product the owner, operator, or service contractor must provide to the board or staff, upon request, a list of the chemical constituents contained in a trade secret product. The administrator may request information be provided orally or be provided directly to a laboratory or other third party performing analysis for the board, the laboratory or other third party having executed a nondisclosure agreement and being restricted to use of the information for the purpose designated by the board or staff.

(3) The owner, operator, or service contractor must also provide the chemical constituents of a trade secret product to a health professional who provides a written statement that knowledge of the chemical constituents of such product is needed for purposes of diagnosis or treatment of an individual and the individual being diagnosed or treated may have been exposed to the chemical concerned. The health professional may not use the information for purposes other than the health needs asserted in the statement of need, and may be required to execute a nondisclosure agreement.

(4) Where a health professional determines that a medical emergency exists and the chemical constituents of a trade secret product are necessary for emergency treatment, the owner, operator, or service contractor shall immediately disclose the chemical constituents of a product to that health professional upon a verbal acknowledgement by the health professional that such information shall not be used for purposes other than the health needs asserted and that the health professional shall otherwise maintain the information as confidential. The owner or operator or service contractor may request a written statement of need, and a confidentiality agreement from a health professional as soon as circumstances permit.

Thank you for the consideration. Please feel free to contact me if clarification is needed.

Robin Nava
Schlumberger Technology Corporation
300 Schlumberger Drive
Sugar Land, Texas 77498
281-285-4791
RNava@SLB.com

Richmond, Tom

From: Brenda Lindlief Hall [brenda@mmslawgroup.com]
Sent: Friday, June 24, 2011 3:58 PM
To: DNR FracComments
Subject: Fwd: Attached Tongue River Water Users' Comments
Attachments: TRWUA 6-22-11 FRACKING.pdf; ATT00001.htm

Attached are the comments of the Tongue River Water Users' Association. I was working in Missoula yesterday and sent them, but it appears they did not go through. I hope you receive them this time. I imagine the problem was the email address was case sensitive.

Thank you and Best Regards,

Brenda

Brenda Lindlief Hall
Attorney at Law
Morrison, Motl & Sherwood Law Group
401 North Last Chance Gulch
Helena, MT 59601
(406) 442-3261
(406) 443-7294 (fax)
brenda@mmslawgroup.com

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Begin forwarded message:

From: 7145@rmslaw.net
Date: June 24, 2011 8:30:47 AM MDT
To: brenda@mmslawgroup.com
Subject: Attached image data

Linda M. Deola
John M. Morrison
Jonathan R. Motl
Frederick F. Sherwood
David K. W. Wilson, Jr.



**MORRISON, MOTL
& SHERWOOD PLLP**

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Andrée Larose
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brenda@mmslawgroup.com

June 24, 2011

Mr. Tom Richmond
Montana Board of Oil and Gas Conservation
Department of Natural Resources and Conservation
2535 St. Johns Avenue
Billings, MT 59102
406-656-0040 (tele)
406-655-6015 (fax)
Fraccomments@mt.gov

Re: Tongue River Water Users' Association's Fracking Rule Comments

Dear Mr. Richmond:

Please accept this letter as the comments of the Tongue River Water Users' Association. We are please that the Board of Oil and Gas Conservation (BOGC) has undertaken rulemaking to guide well hydraulic fracturing ("fracking") in Montana. Thank you for this opportunity to comment.

NEW RULE I—STIMULATION ACTIVITIES COVERED BY DRILLING PERMIT

Section (2)(a). This section does not provide a large enough time frame for the oil and gas industry (industry) to notify BOGC. That section only provides that industry must notify BOGC in writing at least 24 hours prior to commencing fracking, acidizing, or other chemical treatment when the operator is unable to determine if fracking, acidizing or use of other chemicals will be required. Our concerns are as follows:

- How will BOGC disseminate this information to the public within 24 hours?
- What if industry notifies BOGC late on a Friday afternoon or on a Saturday, and the fracking will occur over the weekend? Will BOGC have staff available 24 hours a day, seven days a week to receive such information and post it on the internet?
- Simply put, 24 hours is not adequate notice.
- BOGC should require at least five (5) working days notice so that it can then post public notice on the internet that such activities will occur, and provide a time-frame for when the activities will occur.

- Five working days notice will allow people time to access the internet and information regarding fracking activities. Further, it will allow people additional time to access the information in the event internet service is down, and will allow people in rural areas
- without internet access the opportunity to go to a local library or otherwise check the internet to see if/when such fracking will be occurring in their vicinity.

Section (3)(c). Our concerns with this section are as follows:

- All chemicals and compounds must be disclosed, not just principle components.

NEW RULE II—DISCLOSURE OF WELL STIMULATION FLUIDS

Section (4).

- BOGC should post on its website that it has waived the requirements of Rule II (2) or (3), and should post a hyperlink to the website for the Interstate Oil and Gas Compact Commission/Groundwater Protection Council. BOGC should likewise ensure that it includes hyperlinks to other internet information and repositories on its website to ensure that the people of Montana have ready access to as much information as possible to protect their health, safety and welfare.

NEW RULE III—PROPRIETARY CHEMICALS AND TRADE SECRETS

Section (2). Industry should be required to immediately submit this information in the event of a spill or release, without such information being requested by BOGC.

Section (3). The chemicals/compounds in trade secret protected products should be available 24 hours a day, 7 days a week. Companies should be required to maintain a hotline, holidays and weekends notwithstanding, with a person available to disclose such information to health professionals, including those in the field, in the event of an emergency.

NEW RULE IV—SAFETY AND WELL CONTROL REQUIREMENTS

Section (2). This section does not include a time-frame for when pressure testing must be completed. There should be a time-frame, such as 24 hours prior to initiation of fracking. This section also does not disclose whether pressure testing for mechanical integrity must be done each time fracking will be done, or whether wells that are hydraulically fractured more than once must be checked for integrity at regular intervals. These issues should be addressed in the rule.

NEW RULE V—WORK-OVER, RECOMPLETION, WELL STIMULATION

Section (2). Why does the rule not require prior approval if less than 5,000 gallons of acids or chemical treatments and other treatments are used? It seems that 5,000 gallons of acids or other chemicals could cause a lot of contamination.

CONCLUSION

On a final note, the Tongue River Water Users' Association believes that the use of hydraulic fracturing should be prohibited in coal seams that are the source of domestic water or are that suitable for domestic water.

Again, thank you for this opportunity to comment.

Sincerely,


Brenda Lindlief Hall
Attorney for Tongue River Water Users' Ass'n

Richmond, Tom

From: marianne spitzform [mspitzform@bresnan.net]
Sent: Friday, June 24, 2011 3:58 PM
To: DNR FracComments
Subject: rules

I am writing to ask that full disclosure regarding chemicals pumped into the ground, and potentially affecting ground water, be required. This is essential if our water is to remain clean, pure and plentiful! Thank you.

Marianne Spitzform
4005 S. 7th W.
Missoula, MT 59804

Richmond, Tom

From: Frances Stewart [frances.m.stewart@gmail.com]
Sent: Friday, June 24, 2011 4:18 PM
To: Richmond, Tom
Subject: Full disclosure and transparency

Mr. Richmond,

As a former resident of south Louisiana who has been a citizen of Montana for the past 30 years, I know the damage to air and water that is done when any form of oil and gas extraction is undertaken. Please think about the future of our living conditions and beautiful environment first when you are considering fracking permits. Short term monetary gains should never trump clean water. Poison at any cost is never worth it and defies rational and compassionate thinking.

Please force fracking companies to disclose ALL chemicals and procedures used in ALL their operations.

Sincerely,

Frances Stewart
resident and property owner in Park County

Richmond, Tom

From: Martha Thayer [marthathayer@gmail.com]
Sent: Friday, June 24, 2011 6:40 PM
To: DNR FracComments
Subject: "fracking"

I am concerned about the future of the Rocky Mountain Front . Regarding your consideration of fracturing rules:

- * The chemical information for any fracturing fluids used needs to be easily accessible by the public on the Board of Oil and Gas' website.
- * These chemicals need to be disclosed in advance in order for landowners in areas such as Sweet Grass County to begin baseline water testing. All landowners with water wells and springs within a 1 mile radius of the proposed well to be fracked must receive written notification of the planned chemicals to be used.
- * Companies should have to apply to the Board of Oil and Gas and provide a written justification available to the public for any trade secret exemptions. Exemptions should only be granted in extremely rare circumstances. Even if the chemical is listed as a trade secret, it still must be disclosed to the Board of Oil and Gas.

Thanks for your time and consideration.

Sincerely,
Martha B. Thayer
120 Beverly Ave
Missoula, MT 59801

Richmond, Tom

From: Renee Evanoff [renee@rockdogart.com]
Sent: Friday, June 24, 2011 9:06 PM
To: Richmond, Tom; lnelson@nemont.net
Subject: Fracking in Montana

I am very concerned that The Oil and Gas Board are making rules for fracking, and seem to be poised to just ask for companies to disclose SOME of the fracking fluids.

I understand that fracking for natural gas is coming to Park County and we who live there should know that the toxic chemicals used to fracture rock to extract the gas are likely to end up in our groundwater, wells, and run-off to our creeks and rivers. We need to know what those chemicals are. The companies that do the gas extraction by fracking claim that the chemical combination is a trade secret that they do not want to disclose.

The only public hearing on these rules that was held on this was in Shelby, a town far from us in Park County who are facing impending impacts from the practice.

I ask for a public hearing in Park County and full disclosure of the chemicals in the fracking fluids that are going to be injected into our groundwater.

Mahalo,

Renée Evanoff
Rock Dog Art
342 Rock Creek Road
Emigrant, MT 59027

<http://www.rockdogart.com>

<http://www.ebsqart.com/Artist/Renee-Evanoff/438/>

Richmond, Tom

From: James and Evelyn Bentley [jeb2931@webtv.net]
Sent: Wednesday, June 22, 2011 7:45 AM
To: DNR FracComments
Subject: Protect public health, land and water

Dear Mr. Richmond

Montana needs full disclosure of the chemicals used in oil and gas drilling, particularly for hydraulic fracturing.

I urge the Board of Oil and Gas to do the right thing and modify their proposed rules to protect public health and our land and water. The BOGC has a duty to protect the citizens of Montana and these rules as currently written only protect industry.

Also, in order to hear perspectives from around the state, an additional public hearing should held in Billings.

Sincerely,

James and Evelyn Bentley
405E.Riggs St.Apt.C
East Helena, MT 59635

Richmond, Tom

From: Stoney Burk [stoneman@3rivers.net]
Sent: Sunday, June 26, 2011 10:08 AM
To: DNR FracComments
Subject: Comment on Fracing rules
Attachments: 11.6.24 COMMENTS TO BD OF OIL.GAS.doc

Sirs: Here is my comment on the Fracing and oil & Gas activities.

Stoney Burk

Home:
P.O. Box 1019
Choteau, MT 59422
Phone: 406-466-5490
email: stoneman@3rivers.net

June 24, 2011

Board of Oil and Gas Conservation
2535 St. Johns Avenue
Billings, MT 59102

e.mail: fraccomments@mt.gov

Sirs: I am writing to express my concerns about the possible environmental and health impacts created by exploration and drilling activities specifically along the Rocky Mountain Front west and northwest of Choteau, but also in other areas throughout Montana.

First and foremost let me assure you that I am not against exploration and drilling on private lands along the Front providing the public's health and environmental concerns are properly addressed before these activities are allowed. I am against drilling or exploration activities on those public lands set aside and on public lands in the 6 mile withdrawal of federal minerals along the Front.

With the advent of slant drilling, time and innovation will eventually allow recovery of gas or oil if any is found in the area; or, we will develop clean alternatives. The Rocky Mountain Front is a national treasure and it cannot be sacrificed to speculative, short term, activities that can damage the tremendous scenic values, the wildlife, water and national significance of these public lands.. Private landowners/mineral owners have the right to develop their minerals; however, much like a subdivision, a home site or other development, these activities need to comply with Montana law and with our Constitution. Planning and sufficient bonding needs to be in place before, and not after, damage is done.

It is my understanding that the proposed rules for hydraulic Fracing allow an oil and gas company to not disclose to the public the information under the guise of protecting Trade Secrets on what toxic or hazardous compounds or the amounts thereof they are using in their drilling compounds used in Fracing. To allow this, in my judgment, would be in violation of the rights of all Montana citizens to know what poisonous or toxic chemicals are being injected into the land and water supplies. It is not sufficient to allow this information be kept in house. The public has an absolute right to know when something this serious is being conducted. This rule doesn't pass the smell test. Full disclosure must be made to the public or no drilling.

Surely the Board will not propose that anyone can inject any amount of toxic or hazardous chemicals into the ground without disclosing to the public the name of the dangerous chemicals, the amounts used, the times, dates and location of the application. Further, the public should have immediate access to that information before injection of these harmful chemicals. I anticipate none of the Board members would allow any company to come on their property to do any kind of work and refuse to disclose which poisonous chemicals and what amounts are being inserted into your lands.

To even consider allowing a company to subject the people and animals of this State to such potential for serious damage to our water resources and risk of health is beyond comprehension under the guise of protecting a “Trade Secret” and is unacceptable.

Witness the after effects of exploration and drilling in the Poplar area. If the water resources along the Front are contaminated, it would have major economic and health impacts. Reports of contamination from Fracing are turning up all over the country; Wyoming, Texas, Ohio, New York, Pennsylvania, among many others.

The history of chemical and environmental contamination in Montana and other states is replete with records of major toxic hazards and cleanup costs imposed on our citizens long after the companies glean the profit and leave us with the cleanup and health costs. Libby, Zortman, Anaconda, Poplar, Mike Horse Creek, Milltown, to name only a few.

Our State Constitution guarantees our citizens the right to a clean and healthy environment. No company should be given the right to secrecy when dealing with such tremendously risky chemicals. The rules should provide at a minimum, the following:

1. Full disclosure of any use of toxic or hazardous substances by any company doing any exploration or drilling activities before and during any activity.
2. Require, at a minimum, an comprehensive Environmental Assessment for any use in a given area BEFORE Fracing activities or use of any hazardous substances is allowed.
3. A written, comprehensive disclosure to the DNRC and to the public of every location of any and every use of toxic or hazardous substances prior to any use.
4. A written plan for use and for potential cleanup of all hazardous chemicals used in the entire process, from exploration, through actual drilling and production or closure of any exploration or drill site.
5. The bond amounts stated in the rules appear to be extremely low. How can the Board or the State possibly justify such small bonding requirements? A sufficient Bond should be required for every site, in a amount reasonable to repair the damage caused by these activities needs to to be submitted in advance of any drilling activity, regardless of use of chemicals or not; and, such Bond needs to be submitted to and made payable to the Montana Department of Natural Resources and Conservation (DNRC) with specific terms of immediate forfeiture and use by the DNRC for cleanup and remedial activities. The current bonding requirements appear to be grossly low for the required cleanup. This needs to be changed immediately as a requirement for approval of any Fracing..
6. Regular, substantive and timely supervision by the State in every case where drilling activity is taking place to assure compliance with the rules and with the law.

This is hugely serious activity. The potential for contamination of water is abundantly clear. As I write this, the State of New York has filed suit in the US District Court of Brooklyn against the federal government over concerns about contamination caused by Fracing in the Delaware River Basin which serves millions of people.

To argue that hydraulic Fracing is not a serious risk because of deep well Fracing ignores the realities; and to overlook the potential for serious damage to critical water aquifers would be a

gross oversight. There are abundant reports of contaminated wells, dead cattle, dead wildlife and health effects.

I encourage the Department and the Board to do the right thing. The money and industrial activity can be good for the communities and the State if done properly. We are counting on you to do the required planning and implement regulations and rules that will comply with our Constitution and with the laws of this State.

Thank You,

Stoney Burk
P.O. Box 1019
Choteau, MT 59422
(406) 466-5490
stoneman@3rivers.net

Richmond, Tom

From: Bert Lindler [blindler@montana.com]
Sent: Sunday, June 26, 2011 10:23 AM
To: DNR FracComments
Subject: Public Comment by Bert Lindler (Missoula) on Hydraulic Fracturing
Attachments: fracking_public_disclosure.docx

I have attached my comments on public disclosure of proposed hydraulic fracturing activities and the chemicals used in those activities.

Thanks for the opportunity to comment.

Bert Lindler
2523 Klondike Court
Missoula, MT

2523 Klondike Court
Missoula, MT 59808
June 26, 2011

Montana Board of Oil and Gas Conservation
Helena, MT

Dear Board Member:

Montana's water quality is of the utmost importance for the state's residents, fisheries and wildlife.

While the promise of increased domestic natural gas supplies from hydraulic fracturing (fracking) is alluring, the state's residents, particularly those living closest to wells using fracking, should be fully informed about these activities.

Please assure that the chemical information for any fracturing fluids is easily accessible by the public on the Board of Oil and Gas' website.

Please provide written notice of the specific chemicals that will be used in advance to landowners with water wells and springs within a mile of a well that is proposed for fracking.

Companies should be required to provide written justification available to the public when requesting trade secret exemptions from the Board of Oil and Gas. These chemicals aren't out of sight, out of mind when they're injected into the earth. They may show up many years from now in ground water, wells or springs. We need to know what the chemicals are before they're used.

Exemptions should be granted only in the rarest of circumstances. Even if a chemical is exempted as a trade secret, it still must be disclosed to the Board of Oil and Gas.

Sincerely,

Bert Lindler

Richmond, Tom

From: jerry nicholls [jnich@montana.com]
Sent: Sunday, June 26, 2011 11:38 AM
To: DNR FracComments
Subject: fracking rule comment letter
Attachments: fracking2.doc

To:
Board of Oil and Gas Conservation
2535 St. Johns Avenue
Billings, MT 59102
Email:
fraccomments@mt.gov

From:
Montana Chapter - Sierra Club
P.O. Box 7201
Missoula, Montana 59807

Please accept the following comments on behalf of the Montana Chapter of the Sierra Club. Since 1892, the Sierra Club has worked to help people enjoy, explore and protect the planet. Sierra Club members and others are inspired by and treasure the beauty, wildlife, remoteness, and outstanding recreational opportunities of the State of Montana and are deeply concerned about the potential impacts of industrial development on its waters, fish and wildlife, and scenic beauty. Oil and gas development is increasing in Montana, and people are concerned about the adequacy of the draft rules.

Fracturing is generally accomplished by pumping millions of gallons of water, charged with various chemicals, into the well. Fracture stimulation is accomplished by pumping specially engineered fluids containing water and high strength sands or other proppant material into the potential natural gas zones to improve the flow of natural gas.

This process, known as hydrofracturing, or “fracking”, poses environmental risks at every stage.

Water withdrawal demands may dewater small streams, impact aquifers and, cumulatively, stress entire watersheds. Drillers at each well may use dozens of fracking chemicals to enhance the process. These chemicals are a small percentage of the total volume of fracking fluids but their absolute volume is large – on the order of thousands of gallons or more. Although drilling companies have agreed to a voluntary ban on diesel fuel, compounds containing carcinogenic benzene, toluene, ethylbenzene, and xylene may still be present, along with other dangerous chemicals.

Spills of these fluids at the surface can damage streams – one leak in Dimmock, Pennsylvania, killed thousands of fish. In Wyoming, the EPA has discovered chemicals used in the fracking process in the town of Pavillion, and in the town of Clark the EPA has found trace amounts of benzene in water wells.

The long-term risk of injected fluids migrating into aquifers remains unclear.

Furthermore, producing wells generally generate a large pulse of “produced water”, a mixture of fracking fluid coming back up the well with fluids previously locked in the shale. This produced water may be a thousand times saltier than seawater. The total dissolved solids in the water may also include heavy metals, benzene compounds, and radioactive material.

The Montana Board of Oil and Gas Conservation (BOGC) have now released draft rules regarding the disclosure of potentially toxic chemicals used in hydraulic fracturing. The draft rules currently exempt chemicals deemed to be trade secrets from public notice by the oil and gas industry. Under the draft rules, nothing will be published on the BOGC website. Paper records of the limited information on chemicals specific to each oil and gas well will be kept at the BOGC office in Billings.

We maintain this is wholly inadequate to inform the concerned and affected public and the draft rules need to be re-written to include the following information:

- The chemical information for any fracturing fluids used needs to be easily accessible by the public on the Board of Oil and Gas' website.
- These chemicals need to be disclosed in advance in order for landowners in areas such as Sweet Grass County to begin baseline water testing. All landowners with water wells and springs within a 1 mile radius of the proposed well to be fracked, must receive written notification of the planned chemicals to be used.
- Companies should have to apply to the Board of Oil and Gas and provide a written justification available to the public for any trade secret exemptions. Exemptions should only be granted in extremely rare circumstances. Even if the chemical is listed as a trade secret, it still must be disclosed to the Board of Oil and Gas.

The Montana Chapter - Sierra Club requests that the BOGC adopt substantive rules that will provide readily available public access to information regarding the toxic chemicals used in fracking. The future of Montana's water quality depends on it.

Sincerely,

Rod Jude
Chapter Chair

Jerry Nicholls
Conservation Committee chair

To:
Board of Oil and Gas Conservation
2535 St. Johns Avenue
Billings, MT 59102
Email:
fraccomments@mt.gov

From:
Montana Chapter - Sierra Club
P.O. Box 7201
Missoula, Montana 59807

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Sincerely,

Rod Jude
Chapter Chair

Jerry Nicholls
Conservation Committee chair

Fax Message

To: Board of Oil and Gas Conservation
Fax: +1 406 6556015
From: Susan M (Elli) Elliott
Date: 6/23/2011 10:22 PM
Pages: 1 of 1 (including this page)

Dear Members of the Board of Oil and Gas Conservation:

I am writing to indicate my support for FULL disclosure of the fluids used for hydraulic fracturing in the mining of natural gas. People in the areas near these wells deserve to be able to know in advance what is being injected so that they can, at the very least, start baseline testing of their wells. If the chemicals pose no danger, there should be no issue about disclosure.

It is also important that another hearing be held that is more accessible to other areas that will be affected by your decision on this CRUCIAL issue. One hearing in Sydney is simply insufficient for an issue of this magnitude to the citizens of Montana.

I hope you will hold at least one more hearing in Big Timber or Billings.

Thank you,

Elli Elliott
(Dr. Susan M. Elliott)
P. O. Box 1042
Red Lodge, MT 59068
(406) 425-0562
elli@visi.com

Fax Message

To: Board of Oil and Gas Conservation
Fax: +1 406 6556015
From: Susan M (Elli) Elliott
Date: 6/23/2011 10:22 PM
Pages: 1 of 1 (including this page)

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I hope you will hold at least one more hearing in Big Timber or Billings.

Thank you,

Elli Elliott
(Dr. Susan M. Elliott)
P. O. Box 1042
Red Lodge, MT 59068
(406) 425-0562
elli@visi.com

RECEIVED

JUN 24 2011

MONTANA BOARD OF OIL
& GAS CONS. BILLINGS

June 21, 2011

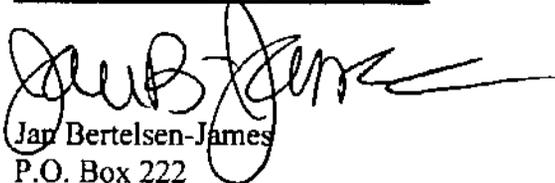
Dear Board of Oil and Gas Conservation:

I encourage the board to adopt rules that protect the public and clean water from toxic chemicals used in fracking. I would like to see the following:

- The chemical information for any fracturing fluids used ***needs to be easily accessible*** by the public on the Board of Oil and Gas' website.
- These chemicals need to be disclosed ***in advance*** in order for landowners in areas such as Sweet Grass County to begin baseline water testing. All landowners with water wells and springs within a 1 mile radius of the proposed well to be fracked, must receive written notification of the planned chemicals to be used.
- Companies should have to apply to the Board of Oil and Gas and provide a written justification available to the public for any trade secret exemptions. Exemptions should only be granted in ***extremely rare*** circumstances. Even if the chemical is listed as a trade secret, it still must be disclosed to the Board of Oil and Gas.

I am concerned about Montana, its people, and environment. We all should do everything possible to keep this state pristine for the wildlife, fauna, water, and humans for generations to come. Please take an ethical and morel stance.

Thanks you for your time,



Jan Bertelsen-James
P.O. Box 222
Eureka, MT 59917

BEFORE THE BOARD OF OIL AND GAS CONSERVATION AND
THE DEPARTMENT OF NATURAL RESOURCES
AND CONSERVATION OF THE STATE OF MONTANA

RECEIVED

JUN 24 2011

In the matter of the adoption of New)
Rules I through V regarding oil and gas)
well stimulation)

**MONTANA BOARD OF OIL
& GAS CONS. BILLINGS**

Comments of the Coal Bed Methane Protection Act Committee

I. Introduction

The 2001 Montana Legislature adopted the Coal Bed Methane Protection Act ("Act"). Sections 76-15-901 MCA through 76-15-905 MCA. The purpose of the Act is to compensate private landowners and water right holders for certain damages that are attributable to the development and/or production of coal bed methane. See § 76-15-902(5) MCA.

The Act assigns administrative authority over the Program to Conservation Districts that have coal beds within their exterior boundary, or whose water sources (ground or surface), may be adversely affected by the extraction and/or development of coal bed methane. The Coal Bed Methane Protection Act Committee ("Committee"), consisting of representatives from the Big Horn, Custer, Carbon, Carter, Powder River, Rosebud, Treasure, Wibaux, Garfield, Gallatin, Yellowstone and Prairie Conservation Districts, prepared rules and procedures pursuant to which compensation may be allowed under the Act. The rules are attached to these comments as Exhibit A and included by this reference.

The Committee submits the following comments on the Board of Oil and Gas Conservation's ("Board") proposed adoption of New Rules I through V as set forth in the May 26, 2011 publication of the Montana Administrative Register, Issue No. 10, (MAR Notice No. 36-22-157).

II. Discussion

The proposed rules establish disclosure obligations of proposed well stimulation activities (New Rule I) and well stimulation fluids to be used for hydraulic fracturing treatments (New Rule II). The rules also address disclosure of "proprietary chemicals and trade secrets" (New Rule III).

The Committee requests the Board of Oil and Gas consider the disclosure obligations contained in the proposed rules in light of the Committee's rules and procedures governing compensation to private landowners and water rights holders under § 76-15-902(5) MCA. New Rule III contains an exception under which health professionals may obtain the chemical constituents of a trade secret product (New Rule III(3)); an exception requiring disclosure to address emergency situations (New Rule III(2)); and an exception requiring disclosure to health professionals where a medical emergency exists (New Rule III(4)).

An additional exception should be included to allow disclosure to private landowners or water right holders who may be adversely affected by the extraction and/or development of coal bed methane.

Private landowners and water right holders are only eligible for compensation under the Act if they show: loss of agricultural production and income; lost land value;

lost value of improvements; or for water right holders, contamination, diminution, or interruption of surface or ground water caused by coal bed methane development.

Landowners and water right holders seeking compensation for damage to their property interests must complete the Application attached to the Rules and Procedures. The Application sets out a minimum level of evidence necessary to conclude that a claim is valid, and merits compensation.

In order for landowners and water right holders to provide adequate information to support a claim of harm, they must be able to ascertain what chemical constituents of trade secret products have been used in a way that would affect their property interests. If necessary, these landowners and water rights holders could execute a nondisclosure agreement, as is proposed for health professionals under New Rule III(3) and New Rule III(4). However, there should be an exception allowed for landowners and water right holders that enables them access to this information when necessary to complete claims for compensation pursuant to § 76-15-902(5) MCA.

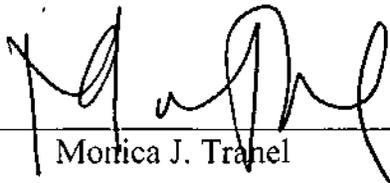
III. Conclusion

Accordingly, the Committee requests the Board include in the Rules a provision requiring disclosure of chemicals used in the fracturing process to local landowners and water right holders who are seeking compensation pursuant to § 76-15-902(5) MCA . Absent that minimum level of disclosure, adoption of New Rules I through V would create serious legal concerns, economic harm, and practical complications for these private landowners and water right holders.

3. COMMENTS OF THE CBMPAC TO MAR NOTICE NO. 36-22-157.

Respectfully submitted this 23rd day of June, 2011.

TRANEL, McCARTER & MORRIS, PLLC



Monica J. Tranel

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was served on all parties of record by depositing a true and correct copy in the US Mail, postage pre-paid on the 23rd day of June, 2011 addressed as follows:

Jerry Lunde
Big Horn Conservation District
Chair, Coal Bed Methane Protection Account Committee
HC 59 Box 19
Decker, MT 59025
badwater@rangeweb.net

Monica J. Tranel, Attorney for the CBMPAC
Tranel, McCarter & Morris, PLLC
Great Northern Town Ctr
30 West 14th St., Suite 204
Helena, MT 59601
mtranel@tranelfirm.com

Tom Richmond
Dept. of Natural Resources and Conservation
2535 St. Johns Avenue
Billings, MT 59102
FracComments@mt.gov



Monica Tranel

RULES AND PROCEDURES
For Implementing the Coal Bed Methane Protection Act
(Title 76, Chapter 15, Part 9, Montana Code Annotated)

(Effective after July 1, 2011)

Administered locally by the _____ Conservation District

Mailing Address: _____

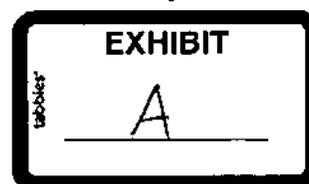
Phone: _____
Fax: _____
Contact Person: _____

1. DESCRIPTION OF THE ACT

A. Overview. The Coal Bed Methane Protection Act ("Act"), which is set forth at § 76-15-901 MCA through § 76-15-905 MCA, established the Coal Bed Methane Protection Program ("Program") for the purpose of compensating private landowners and water right holders for certain damages that are attributable to the development and/or production of coal bed methane. See § 76-15-902(5) MCA.

B. Conservation District Authority. The Act assigns administrative authority over the Program to local Conservation Districts that have coal beds within their exterior boundary or whose water sources (ground or surface), land values, or agricultural production may be adversely affected by the extraction and/or development of coal bed methane. See § 76-15-905(1), MCA. Conservation Districts meeting these criteria are directed to establish procedures for evaluating claims for compensation submitted by a private landowner or a water right holder. Conservation Districts have authority to approve or deny claims for compensation; and also to receive compensation for their administrative expenses under the Program. Compensation comes from the Coal Bed Methane Protection Account ("Account"), which is administered by the Department of Natural Resources and Conservation ("DNRC").

C. Department of Natural Resources and Conservation Authority. The Act assigns DNRC the responsibility to administer the funds in the Account for use by the Conservation Districts. See § 76-15-904(6), MCA. DNRC is also responsible for approval of Conservation District-established procedures for



evaluating claims for compensation under the Act. In the interest of encouraging a consistent approach among Conservation Districts administering the Act, the Coal Bed Methane Protection Act Committee ("Committee"), consisting of representatives from the Big Horn, Custer, Carbon, Carter, Powder River, Rosebud, Treasure, Wibaux, Garfield, Gallatin, Yellowstone and Prairie Conservation Districts, with approval by DNRC, has prepared the procedures, guidelines, and forms contained in this document. Each Conservation District may develop its local procedure. The DNRC's role is limited to approval of the Conservation District's rules and administration of funds in the Account. Other than review of the rules and procedures, the DNRC has no review authority over the Conservation District's decisions or actions implementing the Act.

2. DEFINITIONS. In these Rules and Procedures, the following terms shall be defined as follows:

A. "Agricultural Production" means the production of: (i) any growing grass, crops, or trees attached to the surface of the land; or (ii) farm animals with commercial value.

B. "Caused by Coal Bed Methane Development" means a change, impact, circumstance or effect of the type described in any relevant provision below, that has a demonstrable causal relationship to Coal Bed Methane development and/or extraction. If the involved change, impact, circumstance, or effect has a material causal relationship to something other than Coal Bed Methane development and/or extraction (such as drought, etc.), then the change, impact, circumstance, or effect shall be considered to be caused by Coal Bed Methane development and/or extraction only to the extent it can be attributed to Coal Bed Methane development and/or extraction.

C. "Claim" means an application for compensation for damages under the Program. In respect to damages that may be seasonal, cyclical, recurrent, or temporary in nature (for example, annual crop losses), a Claim encompasses all aspects of the damages for which compensation may be available under the Act.

D. "Coal Bed Methane Developer or Operator" means the person who acquires a lease for the purpose of extracting natural gas from a coal bed.

E. "Contamination, Diminution, or Interruption Of Surface Water or Ground Water" means:

- (i) the introduction of any element, compound, or other physical item to surface water or ground water which reduces or prevents in any way its ability to be beneficially used; or

- (ii) any temporary or permanent reduction in flow, hydraulic head, flux, or occurrence of surface water or ground water which reduces or prevents in any way its ability to be used beneficially.

The Minimum Filing Requirements necessary to establish the Contamination, Diminution, or Interruption of Surface Water or Ground Water are set forth in the Application Form, attached hereto.

F. "Conservation District" means the Conservation District having its offices located in the Conservation District in which the damage occurred.

G. "Improvement" means any structure placed on land used in Agricultural Production, any physical alteration made to land used in Agricultural Production, or any structure used in the appropriation and use of a water right.

H. "Loss of Agricultural Production and Income" means any reduction in the productive capacity of land involved in Agricultural Production resulting in a loss of income to a Private Landowner. The Minimum Filing Requirements necessary to establish a Loss of Agricultural Production and Income are set forth in the Application Form, attached hereto.

I. "Lost Land Value" means an objectively demonstrable reduction in the fair market value of land owned by a Private Landowner. The minimum filing requirements necessary to establish Lost Land Value are set forth in the Application Form, attached hereto.

J. "Lost Value of Improvements" means any reduction in the monetary value, capacity, effectiveness, or utility of an Improvement. The minimum filing requirements necessary to establish Lost Value of Improvements are set forth in the Application Form, attached hereto.

K. "Minimum Filing Requirements" means the specific method of filing an application and the required material that must be submitted with the application, all as set forth in the attached Application Form that is made part of these Rules and Procedures by this reference and which is adopted by the Conservation District by its inclusion with these Rules and Procedures.

L. "Private Landowner" means any individual person or entity that holds the legal title to the surface estate of land. The term shall not include:

- (i) lessees;
- (ii) the state of Montana and its political subdivisions;

- (iii) the federal government; or
- (iv) an Indian tribe to the extent the Tribe's interest in land is subject to a trust restriction on alienation.

For purposes of these Rules and Procedures, all land owned by the same person or entity, and all land owned by persons or entities that are managed jointly or subject to common control, shall be deemed to be owned by the same landowner.

M. "Water Right Holder" means a person or entity, or his duly-authorized representative, which holds a legally-recognized right to the use of water. For purposes of these Rules and Procedures, all water rights held by the same person or entity, and all water rights held by persons or entities that are managed jointly or subject to common control, shall be deemed to be held by the same Water Right Holder.

3. ELIGIBILITY REQUIREMENTS. An Applicant must satisfy the following criteria to be eligible for compensation from the Program:

A. The Applicant must be an eligible recipient for compensation as set forth in § 76-15-905(3), MCA.

B. If a Private Landowner, the Applicant must establish one or more of the following:

- (i) Loss of Agricultural Production and Income Caused by Coal Bed Methane Development;
- (ii) Lost Land Value Caused by Coal Bed Methane Development;
- (iii) Lost Value of Improvements Caused by Coal Bed Methane Development.

C. If a Water Right Holder, the Applicant must establish the Contamination, Diminution, or Interruption of Surface Water or Ground Water Caused by Coal Bed Methane Development.

D. The Applicant must demonstrate that it is unlikely that compensation will be made by Coal Bed Methane Developers or Operators for damages that are the subject of the Claim.

E. The Applicant must demonstrate that he/she does not have access to other existing sources of state funding, including state-mandated payments, to compensate for the damages that are the subject of the Claim.

F. The Applicant must agree to reimburse the Coal Bed Methane Protection Account for any future compensation received from Coal Bed Methane Developers or Operators, or from any governmental agency or authority acting under coal bed methane development regulatory authority, for damage to land, agricultural production, improvements, surface water, or ground water, that is the subject of the Claim.

G. The amount paid to each Private Landowner or Water Right Holder for each Claim may not exceed 75 percent of the cost of the damages for that Claim.

H. The amount paid to each Private Landowner or Water Right Holder, regardless of how many Claims he or she may make or in what capacity, may not exceed \$50,000 in the aggregate.

I. The Applicant must demonstrate that he or she has not already received compensation under the Act for the same Claim.

4. APPLICATION PROCESS.

A. An Applicant must submit an Application to the Administrator of the Conservation District in the County in which the damage occurred using the Application Form attached hereto. An Application will not be considered filed until it is complete. The review period for the Application shall not commence until such time as the Administrator designates the Application as complete. Incomplete Applications will not be considered for funding.

B. The Administrator will initially identify any additional information requirements or Application deficiencies and will communicate the same to the Applicant within five (5) working days of receipt of the Application. The Applicant shall provide the requested additional information within ten (10) working days. If, upon request, no additional information is provided within the ten-day period, the Application will be denied without prejudice, and may be resubmitted at a later date with the additional information. The Application will be considered filed and will be given a filing date and time upon receipt of the additional information and designation by the Administrator that the Application is complete for filing.

C. Two members of the Board of Conservation District Supervisors, and their designated technical advisors, will constitute the Application Review Team ("ART"). Technical advisors shall be non-voting, advisory members of the ART. The decision-making authority of the ART shall rest with the designated Supervisors. The ART, including its advisors, shall have the discretion to request any supplemental information from the Applicant as necessary. The ART may request the Applicant or a representative to be present at a site visit to gather further information regarding the Claim.

5. DECISION PROCESS

A. Upon receipt of a complete Application, the Conservation District Administrator will distribute copies of the Application to the Application Review Team ("ART") within ten (10) working days, and schedule an initial review meeting and/or teleconference of the ART within twenty (20) working days of receipt of the complete Application by the Administrator.

B. Within forty-five (45) working days of the receipt of a complete Application by the ART, the ART will prepare and provide to the Conservation District Board of Supervisors, and to the Applicant, a written proposed decision. The ART or the Administrator may in writing extend this time by one thirty (30) working day period. The proposed decision shall contain a statement of the reasons for the proposed decision, and shall recommend that the Application be granted or denied (in whole or in part), or granted on condition. If the ART cannot agree on a proposed decision, each voting member of the ART may present a proposed decision to the Conservation District's Board of Supervisors.

C. The Applicant may submit written exceptions to any proposed decision prepared by the ART or any member of the ART.

- (i) To be timely, the exceptions must be submitted to the Administrator of the Conservation District within ten (10) working days of the service of the proposed decision. Service is as defined in 5(F), below. A written request for additional time to file exceptions may, in the discretion the Administrator, be granted upon a showing of good cause. The ten-day period may be waived upon request of the Applicant.
- (ii) Exceptions must specifically set forth the precise portions of the proposed decision to which exception is taken, and the facts and authorities upon which the Applicant relies. In the exceptions, the Applicant may present additional information pertaining to the

Application and may request a hearing before the full Board of Supervisors.

D. Within thirty (30) working days after written exceptions are submitted, or, if a hearing is requested within sixty (60) working days after written exceptions are submitted, the Conservation District Board of Supervisors shall:

- (i) adopt the proposed decision as the Conservation District's final decision on the Application; or
- (ii) reject or modify the proposed decision; or
- (iii) hold a hearing, if requested, and after such hearing adopt the proposed decision as the final decision or reject or modify the decision; and
- (iv) serve a copy of the Conservation District's final decision upon the Applicant within five working days of the date it is issued.

E. Only information that has been presented to or determined by the ART, or which is otherwise presented through the exceptions process before the Board, may be considered by the Board in the decision-making process.

F. All notices and decisions on an Application shall be deemed to be served on the Applicant on the day they are deposited in the United States mail to the address listed on the Application.

6. APPLICATION DETERMINATION, RANKING, AND PAYMENT

A. In order to approve an Application and request disbursements of funding from DNRC the Conservation District must:

- (i) record the date and time upon which each Application was designated as complete for filing;
- (ii) find that the Applicant has demonstrated, on a "more likely than not" basis, the criteria in paragraphs 3.A. through 3.I., above;
- (iii) rank the Application based on the criteria set forth in paragraph B., below; and

- (iv) complete an agreement with DNRC containing the purpose, scope of work, budget, timeframe and (if applicable) the reimbursement procedure for the approved compensation.
- B. The Conservation District shall assign an Application Ranking Score to all approved applications according to the following criteria:
- (i) the loss or damage poses a significant threat to human health, safety, or welfare (high, medium, low); and
 - (ii) the loss or damage will result in significant financial loss to the Applicant (high, medium, low).
- C. DNRC shall disburse funds from the Coal Bed Methane Protection Account as requested by the Conservation District under the Program as follows.
- (i) Within five (5) working days of approval of the Application, the Conservation District shall notify DNRC of the approved claim, including the filing date and time, which establishes the application completion date, and the application ranking score, and shall provide the DNRC with a copy of the Application and the District's final decision.
 - (ii) In accordance with the procedures set forth herein, the Department shall disburse funds available from the Coal Bed Methane Protection Account to applicants on a first-come first-served basis, as established by the filing date of each approved Claim.
 - (iii) In the event that two or more Claims are presented for funding with the same filing date and time, the DNRC shall fund all such Applications on a proportionate basis.
 - (iv) Disbursements by DNRC shall be made directly to the Conservation District, along with the Conservation District's administration fee. On receipt of funds, the Conservation District shall make the appropriate disbursement to the Applicant. The Conservation District shall have no responsibility to provide any funds to an Applicant until it receives funds from DNRC.

Form date: 5/23/2011

Received by: _____
APPLICATION COMPLETE
Date: _____
Time: _____

APPLICATION FORM
COMPENSATION FOR LOSS OF GROUNDWATER, SURFACE WATER
OR DAMAGE TO LAND OR VALUE
(effective after July 1, 2011)

Under The:
COAL BED METHANE PROTECTION ACT
(§ 76-15-901 through § 76-15-905, MCA)
CLAIM APPLICATION AND MINIMUM FILING REQUIREMENTS

Administered by the:
_____ Conservation District

Mailing Address: _____

Phone: _____
Fax: _____
Contact Person: _____

Use this form to apply for compensation for damage to land and to water quality and availability as provided under the Coal Bed Methane Protection Act, 76-15-901 to 905, et seq, MCA. All information must be legibly printed or typed, except where signatures are required. Contact your local Conservation District for additional information and guidance in completing this process. Additional information may be requested by the reviewers.

PLEASE NOTE: AN APPLICATION WILL NOT BE GIVEN A FILING DATE, WHICH ESTABLISHES FUNDING PRIORITY, UNTIL IT IS DEEMED COMPLETE. INCOMPLETE APPLICATIONS WILL NOT BE CONSIDERED FOR FUNDING.

This Application form establishes the Minimum Filing Requirements for compensation as described in the compensation claim Rules and Procedures. Terms used in this Application have the same meaning as set out in the compensation claim Rules and Procedures and the Act. The completion of this Application and the Application process must follow the steps outlined in the Rules and Procedures (available from your Conservation District Administrator).

Fill in only those sections which apply to your impact.

A. APPLICANT INFORMATION

I am submitting this application as: ___ landowner ___ water right holder ___ both

Name: _____
Mailing Address: _____
City/State/Zip _____

Physical Address: _____
City/State/Zip _____

Contact Person (if different from above): _____
Phone: Home _____ Cell _____ Other _____
Email: _____

B. TYPE AND LOCATION OF IMPACTED RESOURCE

- Type of resource impacted:
- i. _____ Loss of Agricultural Production and Income Caused by Coal Bed Methane Development;
 - ii. _____ Lost Land Value Caused by Coal Bed Methane Development;
 - iii. _____ Lost Value of Improvements Caused by Coal Bed Methane Development;
 - iv. _____ [For Water Right claims only] Contamination, Diminution, or Interruption of Surface Water or Ground Water Caused by Coal Bed Methane Development.

Nearest Town: _____
County: _____
Location of well, spring, point of diversion, or field. (Attach additional geographic information if more than one water source or field is impacted.)
___ 1/4 ___ 1/4 ___ 1/4, Section ___, Township ___, Range ___
Latitude _____ Longitude _____ if available
GEO Code _____ if available
Common or local name of impacted resource: _____

Attach a map showing the location of the impacted resource.

C. AMOUNT OF CLAIM

Amount claimed: \$ _____

Provide documentation to substantiate your claim, such as appraisals, cost estimates, bids, or receipts.

D. DESCRIPTION OF LOSS

Provide a description of your loss of water supply or land damage, including the dates of impact or when impact was documented. Please describe what material damages have resulted from or are expected to directly result from the impact? If more space is needed, attach additional pages.

E. DOCUMENTATION OF LOSS

Provide documentation showing the change to your agricultural production or income, land value, improvements value, water quality, or water quantity. Government agencies or private consulting firms may be able to assist you in this step of the Application process. Specific examples are given but responses to this section are not limited to the approaches suggested below. At a minimum, claims must be substantiated and must be demonstrated to relate to coal bed methane activities. Discuss how coal bed methane development caused your loss. Please provide all baseline data available.

Attach a map showing coal bed methane development and demonstrate the relationship to your impacted resources.

1. Loss of Agricultural Production and Income Caused by Coal Bed Methane Development.

Loss of Agricultural Production and Income could be demonstrated by comparing production records or tax records from year to year. The change must exceed that of natural cycles affecting commodities (for example, weather) and must either be directly tied to coal bed methane activities or must be related to coal bed methane development occurrence in proximity to agricultural land.

2. Lost Land Value Caused by Coal Bed Methane Development.

Lost Land Value may best be documented by a land appraiser or other real estate professional. The amount of change must be measurable in the professional opinion of the appraiser and/or real estate professional.

3. Lost Value of Improvements Caused by Coal Bed Methane Development.

Provide the original cost of the improvement and provide professional estimates of the replacement cost or bills for construction costs if applicable. Show how the damage was caused by coal bed methane development. Where cost does not necessarily equate to value, please describe the value of the improvement and an estimated replacement cost, if applicable.

4. [For Water Right Claims Only] Contamination, Diminution, or Interruption of Surface Water or Ground Water Caused by Coal Bed Methane Development.

FOR WATER RIGHT IMPACTS, ATTACH DOCUMENTATION OF YOUR WATER RIGHT

Provide measurements of your well, spring or stream that demonstrate an impact relating to the time when coal bed methane activities occurred. For periods of drought, include historic use or monitoring information that demonstrates that the water source has previously supplied water under similar conditions.

- (i) For groundwater levels in your well that may affect water production rates: the well must fall within the area of impact generally described and mapped in the Montana Bureau of Mines and Geology Annual Coal Bed Methane Regional Groundwater Monitoring Report. Contact your local conservation district supervisor for more information on this report. Generally, a change in the depth must be documented by measurements to be claimed as an impact. Gas released from a well may occur with a change in water levels and must also be documented as a new condition that makes the well unsafe or unusable.
- (ii) For groundwater quality: the well must be in proximity to a potential impact source such as an impoundment used to store or regulate discharge water from coal bed methane wells. A change in groundwater quality must cause a change in usability of the water, which is generally defined in ARM 17.30.1006 (<http://www.deq.mt.gov/dir/legal/Chapters/CH30-10.pdf>). ARM 17.30.1006 classifies groundwater based on natural specific conductance and protects the associated beneficial uses.
- (iii) For springs: the same methods as described for groundwater apply; with the exception that spring flow is substituted for water levels in the well.

(iv) For surface water quantity: both increases and decreases in flow may be considered an impact. Flow data may be available from the United States Geological Survey or the Montana Bureau of Mines and Geology. Changes in flow must be sufficient to impact use, such as the ability to use a pump; or in the case of increased flow it must cause loss of use of crossings or damage to soil and plant communities adjacent to the channel where water has overflowed.

(v) For surface water quality: the impact must cause a change in usability which is generally defined according to categories, as listed in ARM Title 17, Chapter 30, Subchapter 6 of the state water quality rules. Laboratory water-quality data must be submitted. Surface water rules are located at <http://www.deq.mt.gov/dir/legal/Chapters/CH30-06.pdf>

F. LOSS ATTRIBUTABLE TO COAL BED METHANE DEVELOPMENT

Has your well, spring or soil been maintained in reasonably good condition? Provide a statement of inspection by a qualified water supply specialist indicating information that the loss of value is not attributable to insufficient or deteriorated facilities or operations.

G. MITIGATION PLAN

Discuss how compensation from the Coal Bed Methane Account will mitigate your loss or damage and the benefits that will be realized.

H. COAL BED METHANE DEVELOPERS / OPERATORS AND REGULATORS UNLIKELY TO PROVIDE TIMELY COMPENSATION

Was there an access/surface use agreement with a Coal Bed Methane company? If so, discuss why it is not providing relief.

What steps have you taken to establish that compensation is unlikely to be available from the Coal Bed Methane developer or operator operating in the area of the claimed damage? Provide documentation of communication with the appropriate Coal Bed Methane developer or operator and regulatory agencies stating that compensation is unlikely to be available in a timely fashion to avoid substantial damages. Attach a copy of the mitigation agreement, if any.

I. ATTACH ANY ADDITIONAL INFORMATION IN SUPPORT OF YOUR CLAIM

J. ACCESS TO EXISTING SOURCES OF STATE FUNDING

Do you have access to existing sources of state funding, including state-mandated payments that compensate for similar losses? Yes _____ No _____

If yes, please describe the funding source(s), amount(s) and purpose(s) of the funding.

I _____ (LANDOWNER/WATER RIGHT HOLDER) do hereby attest that the information provided is accurate and complete.

Signature: _____ Date: _____



Date: 6/24/2011

Pages Including This Page: 002

From: Richard Liebert

TO: Montana Board of Oil & Gas Conservation

SUBJECT: Fracking

FAX PHONE: 406-655-6015

MSU - Great Falls College of Technology
2100 16th Avenue South
Great Falls, MT 59405
TEL: [406] 771-4300 or [800] 446-2698
FAX: [406] 771-4317

SPECIAL INSTRUCTIONS:



Citizens for Clean Energy, Inc.

3417 4th Avenue South, Great Falls, MT 59405 406-453-0725

e-mail: cce-mt@bresnan.net www.cce-mt.org

WIND, WATER AND FUTURE

Montana Board of Oil and Gas Conservation
2535 St. Johns Avenue
Billings, MT 59102

23 June 2011

Dear members of the board,

On behalf of the diverse membership of Citizens for Clean Energy (CCE) – which includes farmers, ranchers, outdoor enthusiasts, homemakers, parents and other walks of life – CCE recommends the adoption of rules and procedures to protect the public and ensure clean water and environment. The ability to assess the chemical composition of fracturing fluids should be made available at your website to promote accountability and transparency of what's being Used in the 'fracking' process.

These chemicals should be disclosed in advance so landowners can initiate or further develop baseline water testing. Landowners with springs and water wells within a one mile radius should be warned and be provided written notice by the developers using these potentially toxic fluids, and the chemicals to be used should be made known. It's national news that Halliburton used DIESEL fuel in their mixtures plus other 'secret' ingredients.

If a developer claims 'trade secrets' exemption, then written justification must be made available to the public and the developer must still provide all chemicals be disclosed to the Board of Oil and Gas Conservation.

As we develop our Nation's energy resources, it must be done responsibly, and there are still too many examples of 'fracking' events gone bad, including benzene contamination, poisoned aquifers, and worse.

To developers who say 'fracking fluids' are harmless, I suggest would they allow their animals to drink it (Montana is an agriculture state, and can we jeopardize our livestock herds? As a farmer and rancher myself, this is a very serious issue) or let their families swim in it?

Thanks for your attention and oversight on this crucial issue and we hope the Public's constitutional rights to a clean and healthy environment and open records will be preserved.

Sincerely,

Richard D. Liebert

Chair, CCE, Inc.

Lt. Colonel, Retired, US Army

Cc:

Governor Schweitzer/DEQ/DNRC

RECEIVED

JUN 24 2011

MONTANA BOARD OF OIL
& GAS CONS. BILLINGS

June 21, 2011

Dear Board of Oil and Gas Conservation:

I encourage the board to adopt rules that protect the public and clean water from toxic chemicals used in fracking. I would like to see the following:

- The chemical information for any fracturing fluids used ***needs to be easily accessible*** by the public on the Board of Oil and Gas' website.
- These chemicals need to be disclosed ***in advance*** in order for landowners in areas such as Sweet Grass County to begin baseline water testing. All landowners with water wells and springs within a 1 mile radius of the proposed well to be fracked, must receive written notification of the planned chemicals to be used.
- Companies should have to apply to the Board of Oil and Gas and provide a written justification available to the public for any trade secret exemptions. Exemptions should only be granted in ***extremely rare*** circumstances. Even if the chemical is listed as a trade secret, it still must be disclosed to the Board of Oil and Gas.

I am concerned about Montana, its people, and environment. We all should do everything possible to keep this state pristine for the wildlife, fauna, water, and humans for generations to come. Please take an ethical and morel stance.

Thanks you for your time,



Jan Bertelsen-James
P.O. Box 222
Eureka, MT 59917

The Committee submits the following comments on the Board of Oil and Gas Conservation's ("Board") proposed adoption of New Rules I through V as set forth in the May 26, 2011 publication of the Montana Administrative Register, Issue No. 10, (MAR Notice No. 36-22-157).

II. Discussion

The proposed rules establish disclosure obligations of proposed well stimulation activities (New Rule I) and well stimulation fluids to be used for hydraulic fracturing treatments (New Rule II). The rules also address disclosure of "proprietary chemicals and trade secrets" (New Rule III).

The Committee requests the Board of Oil and Gas consider the disclosure obligations contained in the proposed rules in light of the Committee's rules and procedures governing compensation to private landowners and water rights holders under § 76-15-902(5) MCA. New Rule III contains an exception under which health professionals may obtain the chemical constituents of a trade secret product (New Rule III(3)); an exception requiring disclosure to address emergency situations (New Rule III(2)); and an exception requiring disclosure to health professionals where a medical emergency exists (New Rule III(4)).

An additional exception should be included to allow disclosure to private landowners or water right holders who may be adversely affected by the extraction and/or development of coal bed methane.

Private landowners and water right holders are only eligible for compensation under the Act if they show: loss of agricultural production and income; lost land value;

lost value of improvements; or for water right holders, contamination, diminution, or interruption of surface or ground water caused by coal bed methane development.

Landowners and water right holders seeking compensation for damage to their property interests must complete the Application attached to the Rules and Procedures. The Application sets out a minimum level of evidence necessary to conclude that a claim is valid, and merits compensation.

In order for landowners and water right holders to provide adequate information to support a claim of harm, they must be able to ascertain what chemical constituents of trade secret products have been used in a way that would affect their property interests. If necessary, these landowners and water rights holders could execute a nondisclosure agreement, as is proposed for health professionals under New Rule III(3) and New Rule III(4). However, there should be an exception allowed for landowners and water right holders that enables them access to this information when necessary to complete claims for compensation pursuant to § 76-15-902(5) MCA.

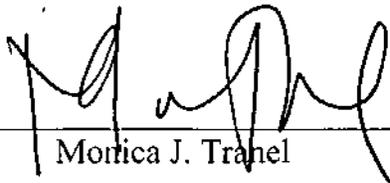
III. Conclusion

Accordingly, the Committee requests the Board include in the Rules a provision requiring disclosure of chemicals used in the fracturing process to local landowners and water right holders who are seeking compensation pursuant to § 76-15-902(5) MCA . Absent that minimum level of disclosure, adoption of New Rules I through V would create serious legal concerns, economic harm, and practical complications for these private landowners and water right holders.

3. COMMENTS OF THE CBMPAC TO MAR NOTICE NO. 36-22-157.

Respectfully submitted this 23rd day of June, 2011.

TRANEL, McCARTER & MORRIS, PLLC



Monica J. Tranel

CERTIFICATE OF SERVICE

I hereby certify that the foregoing was served on all parties of record by depositing a true and correct copy in the US Mail, postage pre-paid on the 23rd day of June, 2011 addressed as follows:

Jerry Lunde
Big Horn Conservation District
Chair, Coal Bed Methane Protection Account Committee
HC 59 Box 19
Decker, MT 59025
badwater@rangeweb.net

Monica J. Tranel, Attorney for the CBMPAC
Tranel, McCarter & Morris, PLLC
Great Northern Town Ctr
30 West 14th St., Suite 204
Helena, MT 59601
mtranel@tranelfirm.com

Tom Richmond
Dept. of Natural Resources and Conservation
2535 St. Johns Avenue
Billings, MT 59102
FracComments@mt.gov



Monica Tranel

RULES AND PROCEDURES
For Implementing the Coal Bed Methane Protection Act
(Title 76, Chapter 15, Part 9, Montana Code Annotated)

(Effective after July 1, 2011)

Administered locally by the _____ Conservation District

Mailing Address: _____

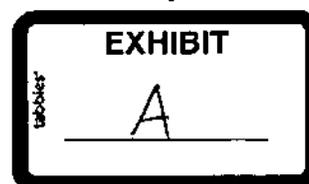
Phone: _____
Fax: _____
Contact Person: _____

1. DESCRIPTION OF THE ACT

A. Overview. The Coal Bed Methane Protection Act ("Act"), which is set forth at § 76-15-901 MCA through § 76-15-905 MCA, established the Coal Bed Methane Protection Program ("Program") for the purpose of compensating private landowners and water right holders for certain damages that are attributable to the development and/or production of coal bed methane. See § 76-15-902(5) MCA.

B. Conservation District Authority. The Act assigns administrative authority over the Program to local Conservation Districts that have coal beds within their exterior boundary or whose water sources (ground or surface), land values, or agricultural production may be adversely affected by the extraction and/or development of coal bed methane. See § 76-15-905(1), MCA. Conservation Districts meeting these criteria are directed to establish procedures for evaluating claims for compensation submitted by a private landowner or a water right holder. Conservation Districts have authority to approve or deny claims for compensation; and also to receive compensation for their administrative expenses under the Program. Compensation comes from the Coal Bed Methane Protection Account ("Account"), which is administered by the Department of Natural Resources and Conservation ("DNRC").

C. Department of Natural Resources and Conservation Authority. The Act assigns DNRC the responsibility to administer the funds in the Account for use by the Conservation Districts. See § 76-15-904(6), MCA. DNRC is also responsible for approval of Conservation District-established procedures for



evaluating claims for compensation under the Act. In the interest of encouraging a consistent approach among Conservation Districts administering the Act, the Coal Bed Methane Protection Act Committee ("Committee"), consisting of representatives from the Big Horn, Custer, Carbon, Carter, Powder River, Rosebud, Treasure, Wibaux, Garfield, Gallatin, Yellowstone and Prairie Conservation Districts, with approval by DNRC, has prepared the procedures, guidelines, and forms contained in this document. Each Conservation District may develop its local procedure. The DNRC's role is limited to approval of the Conservation District's rules and administration of funds in the Account. Other than review of the rules and procedures, the DNRC has no review authority over the Conservation District's decisions or actions implementing the Act.

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A. "Agricultural Production" means the production of: (i) any growing grass, crops, or trees attached to the surface of the land; or (ii) farm animals with commercial value.

B. "Caused by Coal Bed Methane Development" means a change, impact, circumstance or effect of the type described in any relevant provision below, that has a demonstrable causal relationship to Coal Bed Methane development and/or extraction. If the involved change, impact, circumstance, or effect has a material causal relationship to something other than Coal Bed Methane development and/or extraction (such as drought, etc.), then the change, impact, circumstance, or effect shall be considered to be caused by Coal Bed Methane development and/or extraction only to the extent it can be attributed to Coal Bed Methane development and/or extraction.

C. "Claim" means an application for compensation for damages under the Program. In respect to damages that may be seasonal, cyclical, recurrent, or temporary in nature (for example, annual crop losses), a Claim encompasses all aspects of the damages for which compensation may be available under the Act.

D. "Coal Bed Methane Developer or Operator" means the person who acquires a lease for the purpose of extracting natural gas from a coal bed.

E. "Contamination, Diminution, or Interruption Of Surface Water or Ground Water" means:

- (i) the introduction of any element, compound, or other physical item to surface water or ground water which reduces or prevents in any way its ability to be beneficially used; or

- (ii) any temporary or permanent reduction in flow, hydraulic head, flux, or occurrence of surface water or ground water which reduces or prevents in any way its ability to be used beneficially.

The Minimum Filing Requirements necessary to establish the Contamination, Diminution, or Interruption of Surface Water or Ground Water are set forth in the Application Form, attached hereto.

F. "Conservation District" means the Conservation District having its offices located in the Conservation District in which the damage occurred.

G. "Improvement" means any structure placed on land used in Agricultural Production, any physical alteration made to land used in Agricultural Production, or any structure used in the appropriation and use of a water right.

H. "Loss of Agricultural Production and Income" means any reduction in the productive capacity of land involved in Agricultural Production resulting in a loss of income to a Private Landowner. The Minimum Filing Requirements necessary to establish a Loss of Agricultural Production and Income are set forth in the Application Form, attached hereto.

I. "Lost Land Value" means an objectively demonstrable reduction in the fair market value of land owned by a Private Landowner. The minimum filing requirements necessary to establish Lost Land Value are set forth in the Application Form, attached hereto.

J. "Lost Value of Improvements" means any reduction in the monetary value, capacity, effectiveness, or utility of an Improvement. The minimum filing requirements necessary to establish Lost Value of Improvements are set forth in the Application Form, attached hereto.

K. "Minimum Filing Requirements" means the specific method of filing an application and the required material that must be submitted with the application, all as set forth in the attached Application Form that is made part of these Rules and Procedures by this reference and which is adopted by the Conservation District by its inclusion with these Rules and Procedures.

L. "Private Landowner" means any individual person or entity that holds the legal title to the surface estate of land. The term shall not include:

- (i) lessees;
- (ii) the state of Montana and its political subdivisions;

- (iii) the federal government; or
- (iv) an Indian tribe to the extent the Tribe's interest in land is subject to a trust restriction on alienation.

For purposes of these Rules and Procedures, all land owned by the same person or entity, and all land owned by persons or entities that are managed jointly or subject to common control, shall be deemed to be owned by the same landowner.

M. "Water Right Holder" means a person or entity, or his duly-authorized representative, which holds a legally-recognized right to the use of water. For purposes of these Rules and Procedures, all water rights held by the same person or entity, and all water rights held by persons or entities that are managed jointly or subject to common control, shall be deemed to be held by the same Water Right Holder.

3. ELIGIBILITY REQUIREMENTS. An Applicant must satisfy the following criteria to be eligible for compensation from the Program:

A. The Applicant must be an eligible recipient for compensation as set forth in § 76-15-905(3), MCA.

B. If a Private Landowner, the Applicant must establish one or more of the following:

- (i) Loss of Agricultural Production and Income Caused by Coal Bed Methane Development;
- (ii) Lost Land Value Caused by Coal Bed Methane Development;
- (iii) Lost Value of Improvements Caused by Coal Bed Methane Development.

C. If a Water Right Holder, the Applicant must establish the Contamination, Diminution, or Interruption of Surface Water or Ground Water Caused by Coal Bed Methane Development.

D. The Applicant must demonstrate that it is unlikely that compensation will be made by Coal Bed Methane Developers or Operators for damages that are the subject of the Claim.

E. The Applicant must demonstrate that he/she does not have access to other existing sources of state funding, including state-mandated payments, to compensate for the damages that are the subject of the Claim.

F. The Applicant must agree to reimburse the Coal Bed Methane Protection Account for any future compensation received from Coal Bed Methane Developers or Operators, or from any governmental agency or authority acting under coal bed methane development regulatory authority, for damage to land, agricultural production, improvements, surface water, or ground water, that is the subject of the Claim.

G. The amount paid to each Private Landowner or Water Right Holder for each Claim may not exceed 75 percent of the cost of the damages for that Claim.

H. The amount paid to each Private Landowner or Water Right Holder, regardless of how many Claims he or she may make or in what capacity, may not exceed \$50,000 in the aggregate.

I. The Applicant must demonstrate that he or she has not already received compensation under the Act for the same Claim.

4. APPLICATION PROCESS.

A. An Applicant must submit an Application to the Administrator of the Conservation District in the County in which the damage occurred using the Application Form attached hereto. An Application will not be considered filed until it is complete. The review period for the Application shall not commence until such time as the Administrator designates the Application as complete. Incomplete Applications will not be considered for funding.

B. The Administrator will initially identify any additional information requirements or Application deficiencies and will communicate the same to the Applicant within five (5) working days of receipt of the Application. The Applicant shall provide the requested additional information within ten (10) working days. If, upon request, no additional information is provided within the ten-day period, the Application will be denied without prejudice, and may be resubmitted at a later date with the additional information. The Application will be considered filed and will be given a filing date and time upon receipt of the additional information and designation by the Administrator that the Application is complete for filing.

C. Two members of the Board of Conservation District Supervisors, and their designated technical advisors, will constitute the Application Review Team ("ART"). Technical advisors shall be non-voting, advisory members of the ART. The decision-making authority of the ART shall rest with the designated Supervisors. The ART, including its advisors, shall have the discretion to request any supplemental information from the Applicant as necessary. The ART may request the Applicant or a representative to be present at a site visit to gather further information regarding the Claim.

5. DECISION PROCESS

A. Upon receipt of a complete Application, the Conservation District Administrator will distribute copies of the Application to the Application Review Team ("ART") within ten (10) working days, and schedule an initial review meeting and/or teleconference of the ART within twenty (20) working days of receipt of the complete Application by the Administrator.

B. Within forty-five (45) working days of the receipt of a complete Application by the ART, the ART will prepare and provide to the Conservation District Board of Supervisors, and to the Applicant, a written proposed decision. The ART or the Administrator may in writing extend this time by one thirty (30) working day period. The proposed decision shall contain a statement of the reasons for the proposed decision, and shall recommend that the Application be granted or denied (in whole or in part), or granted on condition. If the ART cannot agree on a proposed decision, each voting member of the ART may present a proposed decision to the Conservation District's Board of Supervisors.

C. The Applicant may submit written exceptions to any proposed decision prepared by the ART or any member of the ART.

- (i) To be timely, the exceptions must be submitted to the Administrator of the Conservation District within ten (10) working days of the service of the proposed decision. Service is as defined in 5(F), below. A written request for additional time to file exceptions may, in the discretion the Administrator, be granted upon a showing of good cause. The ten-day period may be waived upon request of the Applicant.
- (ii) Exceptions must specifically set forth the precise portions of the proposed decision to which exception is taken, and the facts and authorities upon which the Applicant relies. In the exceptions, the Applicant may present additional information pertaining to the

Application and may request a hearing before the full Board of Supervisors.

D. Within thirty (30) working days after written exceptions are submitted, or, if a hearing is requested within sixty (60) working days after written exceptions are submitted, the Conservation District Board of Supervisors shall:

- (i) adopt the proposed decision as the Conservation District's final decision on the Application; or
- (ii) reject or modify the proposed decision; or
- (iii) hold a hearing, if requested, and after such hearing adopt the proposed decision as the final decision or reject or modify the decision; and
- (iv) serve a copy of the Conservation District's final decision upon the Applicant within five working days of the date it is issued.

E. Only information that has been presented to or determined by the ART, or which is otherwise presented through the exceptions process before the Board, may be considered by the Board in the decision-making process.

F. All notices and decisions on an Application shall be deemed to be served on the Applicant on the day they are deposited in the United States mail to the address listed on the Application.

6. APPLICATION DETERMINATION, RANKING, AND PAYMENT

A. In order to approve an Application and request disbursements of funding from DNRC the Conservation District must:

- (i) record the date and time upon which each Application was designated as complete for filing;
- (ii) find that the Applicant has demonstrated, on a "more likely than not" basis, the criteria in paragraphs 3.A. through 3.I., above;
- (iii) rank the Application based on the criteria set forth in paragraph B., below; and

- (iv) complete an agreement with DNRC containing the purpose, scope of work, budget, timeframe and (if applicable) the reimbursement procedure for the approved compensation.
- B. The Conservation District shall assign an Application Ranking Score to all approved applications according to the following criteria:
- (i) the loss or damage poses a significant threat to human health, safety, or welfare (high, medium, low); and
 - (ii) the loss or damage will result in significant financial loss to the Applicant (high, medium, low).
- C. DNRC shall disburse funds from the Coal Bed Methane Protection Account as requested by the Conservation District under the Program as follows.
- (i) Within five (5) working days of approval of the Application, the Conservation District shall notify DNRC of the approved claim, including the filing date and time, which establishes the application completion date, and the application ranking score, and shall provide the DNRC with a copy of the Application and the District's final decision.
 - (ii) In accordance with the procedures set forth herein, the Department shall disburse funds available from the Coal Bed Methane Protection Account to applicants on a first-come first-served basis, as established by the filing date of each approved Claim.
 - (iii) In the event that two or more Claims are presented for funding with the same filing date and time, the DNRC shall fund all such Applications on a proportionate basis.
 - (iv) Disbursements by DNRC shall be made directly to the Conservation District, along with the Conservation District's administration fee. On receipt of funds, the Conservation District shall make the appropriate disbursement to the Applicant. The Conservation District shall have no responsibility to provide any funds to an Applicant until it receives funds from DNRC.

Form date: 5/23/2011

Received by: _____
APPLICATION COMPLETE
Date: _____
Time: _____

APPLICATION FORM
COMPENSATION FOR LOSS OF GROUNDWATER, SURFACE WATER
OR DAMAGE TO LAND OR VALUE
(effective after July 1, 2011)

Under The:
COAL BED METHANE PROTECTION ACT
(§ 76-15-901 through § 76-15-905, MCA)
CLAIM APPLICATION AND MINIMUM FILING REQUIREMENTS

Administered by the:
_____ Conservation District

Mailing Address: _____

Phone: _____
Fax: _____
Contact Person: _____

Use this form to apply for compensation for damage to land and to water quality and availability as provided under the Coal Bed Methane Protection Act, 76-15-901 to 905, et seq, MCA. All information must be legibly printed or typed, except where signatures are required. Contact your local Conservation District for additional information and guidance in completing this process. Additional information may be requested by the reviewers.

PLEASE NOTE: AN APPLICATION WILL NOT BE GIVEN A FILING DATE, WHICH ESTABLISHES FUNDING PRIORITY, UNTIL IT IS DEEMED COMPLETE. INCOMPLETE APPLICATIONS WILL NOT BE CONSIDERED FOR FUNDING.

This Application form establishes the Minimum Filing Requirements for compensation as described in the compensation claim Rules and Procedures. Terms used in this Application have the same meaning as set out in the compensation claim Rules and Procedures and the Act. The completion of this Application and the Application process must follow the steps outlined in the Rules and Procedures (available from your Conservation District Administrator).

Fill in only those sections which apply to your impact.

A. APPLICANT INFORMATION

I am submitting this application as: ___ landowner ___ water right holder ___ both

Name: _____
Mailing Address: _____
City/State/Zip _____

Physical Address: _____
City/State/Zip _____

Contact Person (if different from above): _____
Phone: Home _____ Cell _____ Other _____
Email: _____

B. TYPE AND LOCATION OF IMPACTED RESOURCE

- Type of resource impacted:
- i. _____ Loss of Agricultural Production and Income Caused by Coal Bed Methane Development;
 - ii. _____ Lost Land Value Caused by Coal Bed Methane Development;
 - iii. _____ Lost Value of Improvements Caused by Coal Bed Methane Development;
 - iv. _____ [For Water Right claims only] Contamination, Diminution, or Interruption of Surface Water or Ground Water Caused by Coal Bed Methane Development.

Nearest Town: _____
County: _____
Location of well, spring, point of diversion, or field. (Attach additional geographic information if more than one water source or field is impacted.)
___ 1/4 ___ 1/4 ___ 1/4, Section ___, Township ___, Range ___
Latitude _____ Longitude _____ if available
GEO Code _____ if available
Common or local name of impacted resource: _____

Attach a map showing the location of the impacted resource.

C. AMOUNT OF CLAIM

Amount claimed: \$ _____

Provide documentation to substantiate your claim, such as appraisals, cost estimates, bids, or receipts.

D. DESCRIPTION OF LOSS

Provide a description of your loss of water supply or land damage, including the dates of impact or when impact was documented. Please describe what material damages have resulted from or are expected to directly result from the impact? If more space is needed, attach additional pages.

E. DOCUMENTATION OF LOSS

Provide documentation showing the change to your agricultural production or income, land value, improvements value, water quality, or water quantity. Government agencies or private consulting firms may be able to assist you in this step of the Application process. Specific examples are given but responses to this section are not limited to the approaches suggested below. At a minimum, claims must be substantiated and must be demonstrated to relate to coal bed methane activities. Discuss how coal bed methane development caused your loss. Please provide all baseline data available.

Attach a map showing coal bed methane development and demonstrate the relationship to your impacted resources.

1. Loss of Agricultural Production and Income Caused by Coal Bed Methane Development.

Loss of Agricultural Production and Income could be demonstrated by comparing production records or tax records from year to year. The change must exceed that of natural cycles affecting commodities (for example, weather) and must either be directly tied to coal bed methane activities or must be related to coal bed methane development occurrence in proximity to agricultural land.

2. Lost Land Value Caused by Coal Bed Methane Development.

Lost Land Value may best be documented by a land appraiser or other real estate professional. The amount of change must be measurable in the professional opinion of the appraiser and/or real estate professional.

3. Lost Value of Improvements Caused by Coal Bed Methane Development.

Provide the original cost of the improvement and provide professional estimates of the replacement cost or bills for construction costs if applicable. Show how the damage was caused by coal bed methane development. Where cost does not necessarily equate to value, please describe the value of the improvement and an estimated replacement cost, if applicable.

4. [For Water Right Claims Only] Contamination, Diminution, or Interruption of Surface Water or Ground Water Caused by Coal Bed Methane Development.

FOR WATER RIGHT IMPACTS, ATTACH DOCUMENTATION OF YOUR WATER RIGHT

Provide measurements of your well, spring or stream that demonstrate an impact relating to the time when coal bed methane activities occurred. For periods of drought, include historic use or monitoring information that demonstrates that the water source has previously supplied water under similar conditions.

- (i) For groundwater levels in your well that may affect water production rates: the well must fall within the area of impact generally described and mapped in the Montana Bureau of Mines and Geology Annual Coal Bed Methane Regional Groundwater Monitoring Report. Contact your local conservation district supervisor for more information on this report. Generally, a change in the depth must be documented by measurements to be claimed as an impact. Gas released from a well may occur with a change in water levels and must also be documented as a new condition that makes the well unsafe or unusable.
- (ii) For groundwater quality: the well must be in proximity to a potential impact source such as an impoundment used to store or regulate discharge water from coal bed methane wells. A change in groundwater quality must cause a change in usability of the water, which is generally defined in ARM 17.30.1006 (<http://www.deq.mt.gov/dir/legal/Chapters/CH30-10.pdf>). ARM 17.30.1006 classifies groundwater based on natural specific conductance and protects the associated beneficial uses.
- (iii) For springs: the same methods as described for groundwater apply; with the exception that spring flow is substituted for water levels in the well.

(iv) For surface water quantity: both increases and decreases in flow may be considered an impact. Flow data may be available from the United States Geological Survey or the Montana Bureau of Mines and Geology. Changes in flow must be sufficient to impact use, such as the ability to use a pump; or in the case of increased flow it must cause loss of use of crossings or damage to soil and plant communities adjacent to the channel where water has overflowed.

(v) For surface water quality: the impact must cause a change in usability which is generally defined according to categories, as listed in ARM Title 17, Chapter 30, Subchapter 6 of the state water quality rules. Laboratory water-quality data must be submitted. Surface water rules are located at <http://www.deq.mt.gov/dir/legal/Chapters/CH30-06.pdf>

F. LOSS ATTRIBUTABLE TO COAL BED METHANE DEVELOPMENT

Has your well, spring or soil been maintained in reasonably good condition? Provide a statement of inspection by a qualified water supply specialist indicating information that the loss of value is not attributable to insufficient or deteriorated facilities or operations.

G. MITIGATION PLAN

Discuss how compensation from the Coal Bed Methane Account will mitigate your loss or damage and the benefits that will be realized.

H. COAL BED METHANE DEVELOPERS / OPERATORS AND REGULATORS UNLIKELY TO PROVIDE TIMELY COMPENSATION

Was there an access/surface use agreement with a Coal Bed Methane company? If so, discuss why it is not providing relief.

What steps have you taken to establish that compensation is unlikely to be available from the Coal Bed Methane developer or operator operating in the area of the claimed damage? Provide documentation of communication with the appropriate Coal Bed Methane developer or operator and regulatory agencies stating that compensation is unlikely to be available in a timely fashion to avoid substantial damages. Attach a copy of the mitigation agreement, if any.

I. ATTACH ANY ADDITIONAL INFORMATION IN SUPPORT OF YOUR CLAIM

J. ACCESS TO EXISTING SOURCES OF STATE FUNDING

Do you have access to existing sources of state funding, including state-mandated payments that compensate for similar losses? Yes _____ No _____

If yes, please describe the funding source(s), amount(s) and purpose(s) of the funding.

I _____ (LANDOWNER/WATER RIGHT HOLDER) do hereby attest that the information provided is accurate and complete.

Signature: _____ Date: _____



Date: 6/24/2011

Pages Including This Page: 002

From: Richard Liebert

TO: Montana Board of Oil & Gas Conservation

SUBJECT: Fracking

FAX PHONE: 406-655-6015

MSU - Great Falls College of Technology
2100 16th Avenue South
Great Falls, MT 59405
TEL: [406] 771-4300 or [800] 446-2698
FAX: [406] 771-4317

SPECIAL INSTRUCTIONS:



Citizens for Clean Energy, Inc.

3417 4th Avenue South, Great Falls, MT 59405 406-453-0725

e-mail: cce-mt@bresnan.net www.cce-mt.org

WIND, WATER AND FUTURE

Montana Board of Oil and Gas Conservation
2535 St. Johns Avenue
Billings, MT 59102

23 June 2011

Dear members of the board,

On behalf of the diverse membership of Citizens for Clean Energy (CCE) – which includes farmers, ranchers, outdoor enthusiasts, homemakers, parents and other walks of life – CCE recommends the adoption of rules and procedures to protect the public and ensure clean water and environment. The ability to assess the chemical composition of fracturing fluids should be made available at your website to promote accountability and transparency of what's being Used in the 'fracking' process.

These chemicals should be disclosed in advance so landowners can initiate or further develop baseline water testing. Landowners with springs and water wells within a one mile radius should be warned and be provided written notice by the developers using these potentially toxic fluids, and the chemicals to be used should be made known. It's national news that Halliburton used DIESEL fuel in their mixtures plus other 'secret' ingredients.

If a developer claims 'trade secrets' exemption, then written justification must be made available to the public and the developer must still provide all chemicals be disclosed to the Board of Oil and Gas Conservation.

As we develop our Nation's energy resources, it must be done responsibly, and there are still too many examples of 'fracking' events gone bad, including benzene contamination, poisoned aquifers, and worse.

To developers who say 'fracking fluids' are harmless, I suggest would they allow their animals to drink it (Montana is an agriculture state, and can we jeopardize our livestock herds? As a farmer and rancher myself, this is a very serious issue) or let their families swim in it?

Thanks for your attention and oversight on this crucial issue and we hope the Public's constitutional rights to a clean and healthy environment and open records will be preserved.

Sincerely,

Richard D. Liebert
Chair, CCE, Inc.
Lt. Colonel, Retired, US Army

Cc:
Governor Schweitzer/DEQ/DNRC