

From: jtrallos@epix.net
Sent: Monday, August 09, 2010 12:49 PM
To: Hanger, John
Cc: Jankura, Bruce; Means, Jennifer; Ryder, John; Bob Casey; Chris Carney; Garth Everett; Tina Pickett; Gene Yaw; EP, RegComments
Subject: Gas Industry concerns
Importance: High

DEP Secretary Hanger, et al,



Before I go on, please allow me to qualify myself.

I was born and raised in Philadelphia and I now live in Sullivan County, PA. and have for the past eight years. I have three college degrees, as well as teaching certificates in two states. In other words... I'm 'street wise' and 'book smart'. Being raised in a tough middle class neighborhood in South Philadelphia, I learned early on how to 'read' people and get them to talk to me.

To be honest, I was one who was in favor of gas drilling in PA at first. That is not my position now. It wasn't any environmental propaganda, or the Gasland documentary that turned my thinking around. It was a series of encounters with those in the industry that opened my eyes. First, it was the 'landmen' who came calling and offering to lease our property. We own a very small parcel of land, .8 of an acre, that our home sits on. They gave us the standard speech: "We're probably not going to be drilling anywhere near your property, or this town, and if we do you won't even know we're here. It'll be like a fire hydrant in a field that you won't even see. There are no environmental concerns either. The process we use is just water and sand. Just sign here and consider it 'easy money' for now." I said: "That sounds good to me. I'll just take this contract home, read it over, have my attorney look it over, and get back to you." It was then that I was told that this 'deal' was good for today only, and if I didn't sign now I'd be left out. I'm street wise enough to know if someone offers you a 'deal' that's only good today... walk away.

Then, as the construction workers and pipe welders began to move in to our town, I made it my business to 'buddy-up' to them and see what I could learn. It's amazing how these guys open up over a cup of coffee or a cold beer. That's when I started hearing things like... "Better have your water checked before they start drilling because it's going to go bad once they get started. The water always goes bad, and they know it, but they won't admit it. The way it works is like this, the gas companies try to get a lock on leases in a certain area, then they want to get as many producing wells going before the people 'get educated' and realize they're screwed."

That was when I began looking into the hydraulic fracturing process and the effects it has had in other states, as well as the track record of the industry. In further conversations

with these guys, I learned that everyone involved is an 'independent contractor' and every company is an LLC -Limited Liability Corporation. That's how they insulate themselves from being held liable when something goes wrong.

Soon, we were literally being hounded by an outfit called Tidelands Geophysical, LLC to do seismic testing on our property. Four letters in the mail, numerous phone calls, and five visits to our home. Each time, I informed them that I was not interested and had no intention of having any testing done on our property. I have a shallow well, and didn't want to risk compromising our drinking water. Each 'visit' from TG got more aggressive, and I got more resistant. The fifth TG representative got downright nasty with me because I refused to sign. He told me that -whether I lease our land, or not, they're going to get the gas. He also began to tell me that the gas companies don't care about me, my family, my property, or my water. They're only interested in the gas. He went on to tell me that no matter what I do, in two years, if this town is still here, it's going to be a ghost town and your property won't be worth a dime. I asked him to leave, or I would call the police and file a complaint against TG. He laughed and said: "Go ahead. Nothings going to happen. Your state won't protect you. They don't care about you. This state is already in business with the gas companies -bought and paid for, and we're going to do whatever we want. Just wait until we start running pipelines through your little town. We're getting forced pooling, eminent domain, right-of-way... anything we want from this dumb ass state. Go ahead a sue. Haha! You won't win. And if anyone tries to protest or give us any trouble... well, we got guns, too." -(*This exchange took place outside our home on June 3, 2010 at 11:15am and was reported to the PA State Police in Laporte, PA. and was witnessed and heard by my neighbors. I have a copy of the report.)

Initially, I didn't want to believe what I had heard. So, I began making calls to Chief Oil and Gas at their corporate office in Texas. I told them I supported what they were doing up here, and was interested in a job with Chief. (I lied.) I told them there were some people who didn't want to see gas wells up here, and were calling state legislators, environmental groups, and lawyers to try to stop them, and I don't want to leave my present job not knowing if there's a future with the gas industry in PA. The Chief representative assured me that I had -"nothing to be concerned about because they've got all the money in the world and have 'political influence', and that the gas industry has the best PR people in the business. We're going to be drilling in PA for the next fifty years. Hell, it's going to be just like Texas!"

On another occasion, I saw a young man walking around with a mini satellite transponder. I asked him why he was mapping out the town. He began to tell me that the gas companies were eventually going to have wells with a 20 acre spacing throughout Sullivan County. I remarked: "This sounds like they're planning to industrialize all of NEPA." He said: "That's the plan. Did anyone tell you people?"

After seeing how things are beginning to unfold here in PA, I now believe what I've been told.

I recently saw your interview on Action News on the Philadelphia ABC affiliate station. You seem like an amiable fellow, and I'm certain you're under a great deal of pressure to see

that gas drilling is done right in Pennsylvania. I'm also quite sure that you're under even greater pressure to see that nothing interferes with the natural gas industry's advancement in PA. My question is, can gas drilling be done right? By 'done right' I mean without seriously compromising our environment, our health, our property values, and our chosen way of life? From what I've seen in my travels to different counties, I, as well as a growing number of Pennsylvanians are not convinced that it can. 1866 inspections w/565 violations + 207 improper, inferior, or substandard well casings between January 2010 and June 2010 tend to confirm our fears.

Every time I hear concerns expressed by the good citizens of NEPA, or reports of violations on the part of the gas companies, it's followed with the same bureaucratic rhetoric: 'This is not acceptable... we have to do better... we will do better... we're looking into it... we're going to get this right... we're making advancements in protecting the environment... etc.'. All of that sounds great, but what the people of Pennsylvania need, and deserve, are real answers, and real solutions. Preventive action instead of damage control reaction.

I've heard the same tired analogies from proponents of gas drilling: 'no system is perfect, accidents will happen, and we're doing our best'. I understand that, and I get that. Two of my favorites are: 'Airplanes crash, but they don't stop flying.' and 'People die in car accidents everyday, but they still make cars.' The difference is, Mr. Hanger, when someone gets on an airplane, or in a car, they know the risks and it's their decision to take those risks. They also take out insurance policies that protect them, their families, and all parties involved. What 'insurance' do we have from the state, or the gas companies? With gas drilling, we've become unwilling guinea pigs in their 'learning process' while the state of PA apologizes for them.

What I don't hear are solutions. When an accident occurs, and ground water is contaminated compromising people's health, property values are diminished, simply saying 'that's unfortunate, and we're going to look into it and do our best not to let that happen again' doesn't solve the problem or restore the water, health and property of those who have been victimized.

I've also heard you say that 'some sacrifices will have to be made', but you fall short of saying who is going to be making those sacrifices, or what the economic cost will be. If sacrifices are going to be made, and accidents are going to happen, why are the citizens who have no say in the matter the ones that have to make the sacrifice?

Then, whenever something does go wrong, as it has in Dimock, Clearfield, Hickory, Lehman Twp, Lycoming Twp. Towanda, etc., we're told we have to 'prove it'.

I cringe every time I hear this is going to 'create jobs, boost our economy, and help get us off foreign oil'. Anyone with half a brain and an ounce of common sense knows that's not true. Remember the Alaskan Pipeline that was going to 'save us from foreign oil' in the 70's that was paid for with taxpayer money? We're selling that oil to Japan! Sure, it will create some jobs, but it will also eliminate many jobs in NEPA in agriculture, logging, farming, and the

tourist and recreation trade. Who is going to want to vacation in an industrial zone? Who is going to take their family camping, swimming, boating, fishing, hunting, etc. next to a well pad, a frack pond, a dried-up creek, a polluted stream, or a compressor station? Who is even going to want to live here?

Fact: Should our ground water become contaminated we will lose our homeowners insurance.

Fact: Without homeowners insurance, our mortgage company will demand the balance of our mortgage be paid in full immediately or they will foreclose.

Fact: We couldn't even sell our property if we wanted to once it's contaminated, and neither could our neighbors.

Fact: No mortgage company or bank would make a mortgage loan on a contaminated property, or one that is in close proximity to a contaminated property or water supply.

*I ask you, Secretary Hanger... who is going to be financially responsible to property owners when/if this happens? A heartfelt public apology by the DEP and a solemn promise to 'do better' just isn't going to cut it.

Fact: Under the PaPUC code, a privately owned pipeline company installing 'gathering lines' does not qualify as a 'public utility'. So, call it 'right-of-way', 'right-of-convenience', 'forced pooling', or 'forced grouping', 'eminent domain' -it's a corporate land grab that will have an adverse affect on the property values across NEPA and remove any negotiating power by the property owner to get fair market compensation for the use of their land.

Fact: Once an aquifer is polluted, there is no technology to restore it. Ask any geologist who is not being funded by the oil and gas industry.

Fact: In every state that hydraulic fracturing has been implemented, property values have dropped and property taxes have increased to cover the damage to the infrastructure

(*I've done the research. The statistics are public record in each state.)

Fact: Once an aquifer is compromised and/or ground/well water becomes undrinkable, the gas companies will only replace your water supply if you sign a non-disclosure agreement and hold them 'harmless'. One has to ask... Why would they require a binding non-disclosure agreement if they weren't at fault and have nothing to hide?

Fact: A significant number of out-of-state drillers/pipeline workers have criminal records and many are registered sex offenders. (*That can also be verified through public records and under 'Megan's Law'.)

Fact: DUI violations, domestic violence, alcoholism, and drug abuse seem to follow the path of gas drilling. (*Again, check public records.)

Fact: OSHA is never involved in work related accidents because the gas industry 'takes care of it's own' and would rather settle privately than have any recorded workman's compensation cases on file.

Fact: The majority of 'jobs' they offer to local residents are minimum wage, or near minimum wage pay scale, and most of those jobs are only temporary.

Fact: They are known to cut corners. The 'fines' they incur when there is a violation are already factored into their operating cost, and it's still cheaper for them to pay the fines -if, and when they're caught, then it is for them to adhere to all the safety and environmental codes and guidelines. That in addition to the 'bonuses' they get through corporate 'incentives' to complete a job ahead of schedule and under budget outweigh the cost of the 'fines'. *That's another bit of information that one of the crew leaders shared with me over a beer.

Yet, the DEP, our state legislators, and the gas companies continue to ask us to have faith, and trust that things will eventually get better. I say to you all, 'prove it.'

It's absolutely amazing to me, that the leadership in Pennsylvania has gone out of their way to protect and accommodate an industry that has no regard for the environment, health, private property, family farms and family owned businesses that will ultimately be ruined as the gas industry takes over Pennsylvania.

Wyoming and Texas have passed the FRAC Act, unfortunately after a great deal of damage has been done, and New York has called for a moratorium. Too bad that the powers that be in Pennsylvania don't have the political will, or the courage to protect the interests of it's citizens they're supposed to represent. You marginalize, and try to ignore or discredit the Cornell Study on Fracturing by Dr. Ingrafea, Phd., and the Chemical Research Study on the endocrin disruptors found in fracking fluid by Dr. Theo Colborn, Phd., and the independent water studies by PA Geologist George Tuner, while you hide behind the tainted, and misleading PSU study by Prof. Engelder (who coincidentally is heavily invested personally in natural gas developement), that was funded entirely by the gas and oil industry. -Incredible!

One more thing. Regarding your response to NY criticizing PA for not having the courage, or the political will to hold a moratorium and do further studies on the environmental impact before deciding to allow drilling. Do you seriously believe that the people of Pennsylvania begrudge NY for calling a moratorium on gas drilling? On the contrary... we applaud them, and wish that the leadership in Pennsylvania had the intestinal fortitude to protect the people and the environment before bending over backwards for the oil and gas industry. (Besides, NY won't be buying PA gas unless they buy it from China, Norway, or Canada.) I guess \$2.8 million in 'campaign contributions' and 'cash gifts' to certain 'key businessmen' goes a long, long way. Shame on you.

As per the proposed regulatory changes proposed by The Environmental Quality Board (EQB) of the PA Dept of Environmental Protection (DEP) Chapter 78 regulations governing drilling in PA's Marcellus shale, we need to go further:

#1 - Cement.

Compared to PA law, Texas requires a 72-hour compressive strength standard for cement of at least 1,200 psi where the well bore passes through aquifers and drinking water. By comparison, PA DEP's definition for cement sets a 24-hour compressive strength standard of at least 500 psi. Texas has found that standard insufficient to prevent vertical migration of fluids or gas behind pipe. The Harvey report suggests that PA adopt the stricter standards enforced in Texas.

#2- Protection of Water Supplies.

The EQB has not made any revisions to set a timeframe for acting upon a complaint filed for pollution of a water supply as a result of drilling or operating a gas well. Experience tells us that folks without water are often ignored for weeks, as gas-drilling companies deny responsibility for polluting drinking water supplies and tie things up in court. The Harvey recommendations demand a response within 24 hours.

#3 - Blowout Preventer.

We need only look to the BP disaster in the Gulf and the recent gas well blowout in Clearfield to know the grave danger of well blowouts. Injury, fire, explosion, spills, gas venting, equipment damage, water pollution, and other environmental destruction and are possible. The Harvey report suggests that ALL wells should be drilled with a Blow-Out Preventer. No exceptions.

Now, if I'm wrong, or the information I've come upon is inaccurate, please 'prove it' to me so that when I sit in at township meetings, give testimony at public hearings, speak at public gas drilling forums, or suggest county zoning ordinances, I'll be able to share that 'proof' with other concerned citizens who, by the way... vote.

I look forward to your response, though I doubt I'll get one. However, should you choose to respond, please feel free to call me at: (570) 482-3503, or via this email address.

Thank you for listening to my concerns.

Sincerely,

John A. Trallo, Sr.

47 Main Street

Sonestown, PA

PS: Out of the 68 new inspectors recently hired by the DEP, how many of them are replacements for the inspectors that left to accept jobs with the gas companies? I'm just asking...