

**Teleconference on filing of the  
Oil and Gas Industry Responsibility Petition  
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I have spent most of my adult life working with a large number of oil companies in their quest for oil and gas on Federal land. I was involved with the processing of applications for permit to drill (APD) and with the subsequent compliance work. This work has been done in new oil and gas fields and in old fields containing mostly stripper wells. During this time reclamation and revegetation of disturbed lands has been my main interest.

The oil and gas exploration that has gone on over the last 100 years is totally different from the natural gas exploration that is currently ongoing. Natural gas previously was more a by product of oil exploration than a primary target. It was commonly flared to get rid of it because the gas price did not justify saving it, unless the quantity present was substantial. During the Little Thunder oil boom south of Gillette, Wyo., in the early 70's, all produced gas was flared for over a year before the Wyoming Oil & Gas commission required them to save and produce the gas. Always this gas came from well defined oil fields of very limited geographical extent. And that is the main difference with today's gas exploration of tight gas sands and coal bed methane (CBM).

Tight gas sands and CBM cover huge geographical areas of the Rocky Mountain States. In Colorado, roughly all of the northeast quarter, the north half of the southeast quarter and approximately half of Western Colorado are underlain with one or both. With tight gas sands, it is difficult to reliably fracc more than a five acre area around each well bore. This means that a 5 acre down hole spacing is pretty much a given for this formation. That translates to 64 wells per square mile over more than half of Colorado.

With CBM the coal formation has to be dewatered before any gas can be produced. Virtually all coal beds also contain abundant water. The number of wells needed to dewater and produce the gas will depend on the fracturing and porosity of the coal formation. Often it is of very poor quality. For example, produced water from the deep coal seams in Garfield County contains in the neighborhood of 20,000 TDS, or total dissolved solids. That's the equivalent of sea water. Even when the water is of better quality, it is usually high in calcium and sodium salts which over time will create alkali on the land surface which is virtually impossible to eliminate.

The sheer number of wells that will be drilled in the near future raises two huge problems with current regulations. With current statewide bonds of \$50 to \$75000, the idea of a bond forcing a company to reclaim and revegetate literally hundreds of thousands of well pads is non existent. As the gas wells near the end of their productive life and become what is called a "stripper well", the companies can give them away to anyone who wants one. The money lost from production will be much less than what the final reclamation will cost. When the proud new owners of these wells can't make a living off of them, they will get them labeled as "shut in" for as long as

possible. When they are forced to do something, the most likely scenario is bankruptcy or leaving town.

Second, the BLM has no specific requirements for when successful reclamation and revegetation has been reached. All other industries have specific standards set by the Office of Surface Mining but not the oil and gas industry. Instead a BLM staff person looks at a well pad visually and decides that is good enough and good enough can be anything. Because of the literally hundreds of thousands of wells statewide, the cost of reclamation will be astronomical. It will likely be beyond the means of even the Federal government.

The State and Federal Governments need to live up to their mission statements and manage the land for the long term best interests of the public and not just the oil and gas industry.