

Mr. Chairman, Members of the committee:

For the record, my name is Clint McRae. My family and I ranch along Rosebud Creek south of Colstrip. I am the President of the Rosebud Protective Association, an affiliate of the Northern Plains Resource Council. Our members are ranchers, farmers, coal miners, and power plant employees that live in and around Colstrip. I live in Rosebud County, one of the 3 counties slated for Coal Bed Methane (CBM) development.

According to the statewide Environmental Impact Statement, there will be approximately 18,000 CBM wells in the 3 county area. There will be between 9,000 and 27,000 miles of new roads, 28,000 to 83,000 miles of water and methane pipelines, 4,000 wastewater impoundments, and 1,463,680 acres disturbed. This is a staggering amount of disturbed land and the reclamation of these lands needs to be dealt with now rather than later.

Recently in Wyoming, reclamation of 12 methane wells cost \$800,000.00. This equals \$40,000 per acre to reclaim. Currently, the methane companies are required to post a one-time blanket bond of \$50,000. Clearly, this is not nearly adequate to cover the costs of reclamation. Unfortunately, landowners and Montana taxpayers would be again left footing the reclamation bill. It is conceivable that one bankrupt company could cost all of us millions of dollars. Reclamation bonding for CBM impacts needs to be enough to cover the true costs of reclamation. These bonds need to be produced by the industry to ensure that the Montana taxpayer is not left to cover clean up costs.

I have seen first hand the success of reclamation with the coal mines in the Colstrip area. When the reclamation laws were debated in the early '70's, the companies claimed that reclamation costs would be too great for a company to survive. They claimed that it would deter companies from coming to the state, it would cost jobs, the mines would close and there would eventually be people out of work. I am sure we will hear those same claims today from the methane industry. Time, however, has proven that we were right. Reclamation near Colstrip has created jobs, has created tax-base and revenue, and time has proven that reclamation is a prime example of corporate responsibility. The mines in the Colstrip area are proud of their accomplishments and are eager to show the public their success.

Again, with 18,000 wells impacting 1.4 million acres concentrated in three counties, the Legislature needs to enact protections to ensure the methane industry does not pass the costs of production on to landowners and the taxpayer. Coal bed methane reclamation is needed, should be a requirement that is adequately funded, and like other extractive industries in the state, should be a litmus test for corporate responsibility. I urge you to vote for SB 336.

Thank you,



Clint McRae