

Montana State Legislature

Exhibit Number:

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Testimony of Mary Fitzpatrick
SB 336 – CBM Reclamation

Mr. Chairman and Members of the Committee

I am Mary Fitzpatrick from Billings and Chair of Northern Plains Resource Council.

Northern Plains was formed by landowners in the 1970's in response to the energy boom, slated to strip mine their land and turn it into the boiler room for the nation. Neighbors banded together to defend their rights, and to push for laws to make sure development was done right, including the Montana Strip and Underground Mine Reclamation Act on the state level in 1973. Northern Plains members had seen the abandoned mines go unreclaimed, and new that if it was not a requirement, it was not going to happen.

One of founding members of Northern Plains was Ellen Pfister, of the Bull Mountains. She could not be here today, but I'm passing out her testimony. Ellen's very familiar with coal reclamation standards from working on reclamation and energy development since the 1970's.

Now, Northern Plains ^{with} ~~has come full circle~~ with coal bed methane development, and making sure it is done right, so that clean-up costs are not passed onto ^{NP wants to} ~~family farms and ranches~~ ^{with some of} ~~or the State of Montana.~~ ^{to Con} ~~the State of Montana.~~ ^{ns it} ~~the State of Montana.~~ ^{family farms and ranches}

^{reaching on the expense}

Northern Plains has been working on coal bed methane for the last six years now, and we developed six principles for how development should happen.

^{describes what we mean by doing it right}

1. Effective monitoring of coal bed methane development and active enforcement of existing laws to protect private property rights, Montana citizens, and Montana's natural resources.
2. Surface owner consent, surface use agreements and reimbursement of attorney fees to help landowners better protect their property rights.
3. Use of aquifer recharge, clustered development, mufflers for compressor stations, and other low-impact, best-available technologies to minimize impacts on underground water reserves, rivers and streams, and surface resources.
4. Collection of thorough fish, wildlife, and plant inventories before development proceeds to protect habitat, followed by phased-in development to diffuse impacts over time.
5. Meaningful public involvement in the decision-making process.
6. Complete reclamation of all disturbed areas and bonding that protects Montana taxpayers from all cleanup liability costs.

Senate Bill 336 goes a long way to make sure that methane is done right. That is why we support this bill, and why we asked Senator Larson to bring it forward. Our members decided that this was one of our groups' top priorities for the legislative session because it would make a world of difference on the land.

We don't want to see one type of economic development to be at the expense of other important economy's such as hunting and fishing, and family agriculture. Family farms and ranches have been operating in the Powder River Basin for over a hundred years. We want to make sure that they will be there for decades to come, long after development is over. ~~I am submitting news clips of these examples. Notice that the State of Wyoming is stepping up their enforcement in response to rampant environmental violations in the industry.~~

~~That is why this bill is needed.~~ It fills a key gap – addressing the liability for clean-up costs. Let's learn from our mistakes, and from what is happening in other states and get bonds and requirements in place for reclamation before it is too late.

I urge you to support SB 336.

Senate Bill No. 336
Coal Bed Methane Reclamation Bill
Comments for the Senate Natural Resources Committee
February 11, 2005
Submitted by Ellen Pfister
Shepherd, MT

In 1992, I saw coal bed methane development for the first time in the San Juan Basin of New Mexico. When I came back to Montana, no one here had even heard of it. The big push for development in Wyoming was barely getting underway. The problems with CBM in New Mexico were corrosive water and dust. At that time they were beginning to inject corrosive waste water into deep wells, which necessitated much higher rates of vehicular travel hauling water from the gas wells to the injection wells, than would have ordinarily occurred with a normal natural gas development. There were lots of dusty roads.

Each area will probably have a slightly different experience with CBM extraction, depending upon the techniques used and the problems encountered. An individual landowner dealing with a CMB proposal does not ordinarily have the wide experience to intelligently deal with the problems that can arise from CBM extraction. Montana has the chance to learn from experiences in other states and to bridge this gap for its citizens.

This bill places permitting, reclamation planning, and enforcement in the Department of Environmental Quality, which has experience in dealing with the ultimate environmental outcomes of mineral extraction. The Department of Environmental Quality also has substantial experience in calculating bonds for various types of mining disturbance, as well as in evaluating water problems in mineral extraction areas.

The level of damage which a CBM extraction operation can exert on the surface of the land depends on how long it stays in a given area. A well in operation for one year would inflict much less damage than one which stayed in operation for 5 or 10. The longer a dirt service road is in use, the worse the wind erosion becomes and the more opportunity for weed invasion along road edges and at turn around areas and other disturbed areas, not to speak of dust deposit on the adjacent grasses. These are the kinds of things that should be addressed in the permits. If they are addressed, those lands from which CBM is extracted will have a productive future after the CBM money is gone.

Extensive areas of Montana are open to damage from CBM extraction. Those areas are largely co-extensive with the coal deposits in Eastern Montana, although there has been talk of extraction in areas with deep coal beds like the Jackson Creek area out of Bozeman. It is in the best long-term interest of the whole state to make sure that areas from which the methane has been extracted are reclaimed to a productive state both for revenue and economic purposes as well as environmental. This bill is probably the best way to implement effective reclamation for CBM extraction.

Ellen Pfister