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ENVIR. APPEALS BOARD

RE: Windfall Oil & Gas, Inc. PERMIT #: PAS2D020BCLE PERMITTED FACILITY: Class II-D injection well, Zelman #1

November 5, 2014

Clerk of the Board U.S. Environmental Protection Agency Environmental Appeals Board 1201 Constitution Avenue, NW WJC East, Room 3334 Washington, DC 20004 PHONE NUMBER - 202-233-0122

Dear Environmental Appeals Board:

This is my petition for review (appeal) of the EPA permit for Windfall Oil & Gas for a disposal injection well in Brady Township. I have just learned that the Windfall permit was issued on October 31, 2014, and a few minor modifications were made to the newest permit. I am objecting to this latest action as a Clearfield County resident, living in DuBois, Pennsylvania.

This petition for review will provide sufficient evidence that the permit be denied for this proposed location. This issue has been followed by our entire community through the news media coverage for over three years now and our community is strongly opposed to this disposal injection well. The December 2012 public hearing had full newspaper coverage and explained in-depth most of the concerns presented by residents. These residents worked hard to review the permit application and research the local facts to present a valid case at the public hearing as it related to the underground sources of drinking water (USDWs).

This Environmental Appeals Board (EAB) appeal request is to "deny this permit" based on the following two regulations since sufficient evidence is available that the confining zone potentially has faults and fractures and the confining layers of Oriskany & above is woefully unable to protect residents' water supplies due to all the fractures from prior deep and shallow gas drilling. 40 C.F.R. §146.22 (a) All new Class II wells shall be sited

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in such a fashion that they inject into a formation which is separated from any USDW by
a confining zone that is free of known open faults or fractures within the area of review.
40 C.F.R. §146.22 (c) (2) & (d) (2) Well injection will not result in the movement of fluids
into an underground source of drinking water (USDW) so as to create a significant risk
to the health of persons.

This letter is in compliance with your word limitations. Residents researched and presented valuable evidence that is easiest to cite comments found in the binder presented on behalf of the residents by Darlene Marshall or public comments summarized by our local newspaper. We request the testimony provided in the binder at the public hearing be entered into evidence that is reviewed by the Environmental Appeals Board. Residents showed how hard they worked and felt the EPA Response Summary (EPA R. S.) was lacking in responding to comments.

So many inaccuracies were found in the days we had to respond and contact the EAB. Residents will be very disappointed if the EAB doesn't deny this permit or remand it back to the EPA.

Residents reviewed EAB cases and specifically looked at two more cases of Class II disposal injection wells that have been remanded back to the EPA. One was in Michigan and one was in Pennsylvania, these cases were remanded back to the EPA for further study. What we did find is that the confining layer must not have any chance of faults or fractures. This is what our residents have been concerned about for the last three years. Many locals have worked in the drilling industry and actually have some of the biggest concerns for our area. They provide a wealth of experiential information. These real life experiences from the actual work done on this wells speaks volumes about the concerns being demonstrated. Residents have stated old deep gas wells have affected their water wells, so casings already have been faulty in the past. Plus, old deep gas wells improperly plugged have been mentioned repeatedly with concerns for the endangerment of USDWs.

Just to summarize as briefly as possible, we have complied a list of our concerns with the EPA Response Summary & Permit:

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1 - Permit shows that the maps have 10' +/- and these figures being off could change the 1/4 mile radius of review by feet. Give or take 100 feet you would have the old deep gas wells inside the 1/4 mile area of review. Comments provided information on the Oriskany gas wells being just outside the 1/4 mile area of review & requested that the area of review be extended to take these old gas wells into consideration. They range from 60 feet to 400 feet from the 1/4 mile line based on the permit application if the map provided is found to be accurate. We would request these details be reviewed by a third party because we want another provider to verify the information, especially since we weren't given the one mile topographic map originally or even after we provided the information that it was lacking in the permit application. Residents request further study & permit be denied.

2 - Permit shows on page 2 that the effect of the permit shall not allow movement of fluid to contaminant USDWs. Concerns were raised during the public comment period numerous times that this is a very real possibility and needs further research with so many unknowns like a) faults, b) fractures, c) old deep gas wells, d) confining layer thickness, e) confining layers ability to confine disposal fluid, f) zone of endangering influence needs extended further, and g) many more concerns exist like the future of seismic activity.

The "effect of the permit" is also not to affect the property of others or invade others rights yet a real estate evaluation showed an appraisal addendum that was submitted in the binder by residents demonstrating concern of their property values. Residents request further study & permit be denied.

3 - Permit shows on page 7 the "monitoring requirements" yet it doesn't provide a comprehensive monitoring plan as residents requested & provided comment on page 12 #23 of the binder specifically requested a full monitoring plan. Residents know other area wells are able to be used to monitor the fluid in the Oriskany. It is a known fact that the increase in brine found on the monitoring gas wells would be a sign of concern.

RE: Windfall Oil & Gas, Inc. PERMIT #: PAS2D020BCLE PERMITTED FACILITY: Class II-D injection well, Zelman #1 Residents want more protections put into place if the EAB doesn't deny the permit. Residents request further study & permit be denied.

4 - Permit shows page 13 the financial responsibility and it has already been stated by residents that \$30,000 is insufficient to plug & abandon this injection well. Yet this didn't even seem to address residents concerns and ignored studies on the cost. Further research by residents finds that it would cost between \$100,000 to \$120,000 to plug abandoned gas wells, which is three to four times what the EPA is requesting. Even using their own equipment this company would have more cost to plug the well than \$30,000. Engineers think this is a ridiculously low figure. Residents request further study & permit be denied.

5 - Permit page 13 on financial responsibility ignores the concerns of residents on additional financial responsibilities & requested the EPA also protect their property & water with other means through a bond or insurance. Residents request further study & permit be denied.

6 - Response Summary page 2 #1 we realize the EPA only oversees the protection of USDWs; however, spills would have the potential to affect our USDWs so as residents commented we expect you to work to protect us from above ground spills in the future, too. Representative Gabler commented about a state law and the proximity of homes to this site, which needs further study. Residents request further study & permit be denied.

7 - Response Summary page 2 #2 demonstrates you don't supercedes state or local laws. Plans for the area to be developed continue as this will affect our property values & tax values by ruining the potential for land development. Residents raised concerns about this being a village in the planning of the township. Residents request further study & permit be denied.

8 - Response Summary page 2 #3 we realize the EPA doesn't pick the site yet the EPA permits the actual site. Residents have provided so many concerns that give doubt to the site location being feasible for this industrial operation. Residents request further study & permit be denied.

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9 - Response Summary page 4 #6 discusses casing & residents appreciate the changes in the original casing plan. Residents still have concerns that were stated due to those that have knowledge of drilling and casing procedures & actual implementation are still dissatisfied based on field knowledge of construction. Residents request further study.

10 - Response Summary page 5 #7 see our concerns from item #9 listed above because residents still feel casings will be inadequate protection in an area with so many fractures. Residents request further study & permit be denied.

11 - Response Summary page 3 #5 states a one mile map was provided. This is a false statement. After reviewing the map mentioned, it still doesn't provide the information sufficient to fulfill the EPA documentation request. Residents request further study & permit be denied.

12 - Response Summary page 6 #8 we appreciate the EPA holding a second public comment period on seismic activity. Residents provided many concerns & being a closely monitored county for seismic activity makes residents wonder how much more they will need to be concerned in the future with 9 faults located in the 1/4 mile area of review. Residents in areas with no seismic activity have experienced seismic activity due to injection wells, so all the statements provided in the Response Summary still fail to protect residents when they believe the faults would be a path to other public water sources, which includes my water source the City of DuBois. Residents request further study since fault details need to be studied more indepth & the permit be denied.

13 - Response Summary page 7 #8 mentions pore space yet if it is limited this will displace other fluids underground as disposal fluid is injected. Residents question the confining layer; they continue to believe layers above the confining zone will not be sufficient enough given all the fracturing from deep & shallow gas well drilling. Residents request further study & permit be denied.

14 - Response Summary #8 provides information on the differences in other seismic activity for other injection wells yet various sites were mentioned. Even if geology is different so many cases demonstrate concern. The only faults being addressed seem to be at an 18,000 foot depth; critical information is clearly lacking or deliberately

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15 - Response Summary page 12 #9 proves interesting since we are unable to compare other areas with our geology for seismic activities yet we can compare our area for the permit to all the other injection wells that seem to have never contaminated water wells. Yet residents presented that Pennsylvania has a very limited number of injection wells for disposal.

16 - Response Summary page 12 #10 even though Clearfield has two other injection wells doesn't mean this site should be permitted; specific data from all these sites are different and a mile away would be very different than this site. Residents presented data on fractures, faults and concerns with old deep gas wells in the same formation just outside the 1/4 mile & we continue to request the 1/4 mile area of review be enlarged to include these other deep gas wells. Residents request further study & permit be denied.

17 - Response Summary page 12 #11 shows confining layer thickness varied & applicant stated 50 feet of thickness yet nothing in the permit application shows this figure as accurate, so what else is inaccurate. It looks to residents that this confining layer varies in maximum thickness from 11 feet to 18 feet in thickness. Discrepancies such as this are unexcusable. This is a huge concern to peace of mind & knowledge that fluids would be confined, especially with fracturing of old gas wells that may have actually fractured the confining layers or all surrounding layers. Residents request further study & the permit be denied on this basis.

18 - Response Summary page 13 #12 fractures not compromised are based on pressures yet no one knows what will happen or what is below our ground here. This data is insufficient to protect residents from prior fracturing due to drilling in prior years. Residents request further study & the permit be denied.

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19 - Response Summary page 14 #13 you cite that old gas wells need to be corrected yet no further study was done of the wells we cited. The 1/4 mile needs to be extended to include the 6 Oriskany wells on the 1/4 mile line. Comments were numerous on these concerns. Residents request further study & the permit be denied.

20 - Response Summary page 15 #13 the zone of endangering influence even being 400 feet has potential to affect our area if anything happens or a fracture exists in the confining layer above the injection well, especially with a shallow well right near this site that had fracturing done. Residents request further study & the permit be denied.

21 - Response Summary page 17 #14 is based on an assumption that no penetrations exist in the 1/4 mile. Residents cited repeatedly that the other deep gas wells in the area in the same formation are right on the 1/4 mile radius line. This hypothesis or supposition is flawed & causes grave concerns. Residents request further study & the permit should be denied.

22 - Response Summary page 18 #16 makes an assumption that our area is a site that would be ideal for injection of fluids even though exempt, despite the proven toxicity of oil & gas have been known to prove toxic. Taking any risk near all these homes is irresponsible & has been stated by Representative Gabler. We realize this may be the recommended way to dispose of the waste yet the EPA has mandated responsibilities to control, to oversee and to increase the review area for the zone of endangering influence. As residents stated, the confining layer has potential to allow fluid migration & this site is almost on top of the local coal mines. This permit needs to be denied & the residents request further study.

23 - Response Summary page 17 #15 assumes that the coal mines will not be contaminated because of their depth yet we do have other deep gas wells penetrating the Oriskany able to endanger USDWs & our coal mines. Residents provided many comments & concerns. Residents request further study & the pemit be denied on the basis of all the doubt to confine the diposal fluid.

24 - Response Summary page 19 #17 needs to refer back to my item 22. This really requires further attention. Residents request further study & the permit be denied.

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25 - Response Summary page 20 #18 the construction of this injection well may deteriorate quickly. Residents presented hard facts on injection well violations, serious concerns & lack of oversight nationwide. The new Government Accountability Office report findings from June 2014 on the "EPA Program to Protect Underground Sources from Injection of Fluids Associated With Oil and Gas Production Needs Improvement leading to pollution of underground sources of drinking water (USDWs)" demonstrates our concerns. This residential area depends on private water wells and is unable to afford or accept any risk. Residents request further study & permit be denied.

26 - Response Summary page 21 #20 even if injection well technology has improved it doesn't fix the problem of fluid migration underground or through existing fractures. Residents cited many concerns & request further study that will deny the permit.

27 - Response Summary page 22 #22 self-reporting is not enough in this permit since the residents have seen that another injection well in our county has violated EPA laws three times during operation along with over pressurization. This permit site is not the same & residents need to be protected if the EAB doesn't deny the permit. Residents request further protections.

28 - Response Summary page 23 #23 understands that the EPA extended comment periods. Residents showed up at the meeting, planning to give vital testimony when the hearing ran late & they had to leave before their turn was called. Being older, they didn't feel they had the skill to write either. These procedures aren't easy for regular citizens & require extensive research to understand the process. Even the EAB procedures are discouraging to the general citizens. Residents request further consideration be given to residents concerns, especially since so many residents took the time to attend the public hearing.

29 - Response Summary page 24 #24 shows the EPA is taking some steps to improve Class II well protections for residents yet these aren't enough. Taking away peace of mind, ability to feel comfortable utilizing or drinking water sources, burdening residents with additional costs to evaluate water and much more makes this a poor decision. The burden has been wrongly placed on potential victims rather than potential perpetrators.

RE: Windfall Oil & Gas, Inc. PERMIT #: PAS2D020BCLE PERMITTED FACILITY: Class II-D injection well, Zelman #1 Residents request further study to ensure that residents have the most protection available if the EAB doesn't deny this permit.

30 - Response Summary page 24 #25 this permit in a residential area needs to have an fundamental environmental impact study. Residents requested this & request further study.

31 - Monitoring of gas wells: we note that the EPA doesn't state as much on this issue in Windfall permit in Clearfield County as they do for Seneca permit in Elk County. We requested a comprehensive monitoring plan. Residents cited many concerns & request further study that will deny the permit.

32 - The 6 gas wells in the Oriskany formation close to this disposal injection permit are right on the other side of the ¼ mile area of review yet the EPA cited they were ½ a mile away or 1 mile. Plus any of the map being off by 10' +/- affects every gas well location on the map potentially putting it inside the area of review. This is incorrect in the EPA Response Summary & residents provided this information previously. Residents request further protections & the permit be denied.

33 - The plugged wells in the Oriskany formation may need to be checked & perhaps replugged. Residents cited many concerns & request further study that will deny the permit.

34 - The permit states it is for a five year period yet it can be extended & what appeal process will happen at that time. Residents need written protection now to clarify the present & to provide guidelines for the future so that all parties know the regulations ahead of time. Residents cited many concerns & request further study that will deny the permit.

35 - Response Summary shows information on a fault block that residents find questionable & an Oriskany formation gas well may be listed incorrectly in the permit application in relation to the faults. Residents cited many concerns & request further study that will deny the permit.

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36 - The EPA ignored comments on the fractures into the ¼ mile area of review. EPA mentions other confining zones would be above the proposed confining layer yet these layers would also have fractures from all the shallow gas drilling in the area. Residents cited many concerns & request further study that will deny the permit.

37 - The two faults on the permit map would actually block the fluid towards two gas wells that are of most concern to residents plus also the coal mines. Residents cited many concerns & request further study that will deny the permit.

38 - Another inaccurate statement seems to exist based on the map information showing faults in relation to the old gas wells that mentions plugged wells not producing outside the fault block. This is an inaccurate & misleading statement. Residents cited many concerns & request further study that will deny the permit.

39 - They didn't prove a fault block exists; the faults may or may not be transmissive. With no way to prove if the faults are non-transmissive or transmissive, we request the permit be denied. Plus, if they are using the basement fault at 18,000 feet, how does that confine the fluid? Residents cited many concerns & request further study that will deny the permit.

40 - Provides no real proof that the faults are non-transmissive, although, the information we have may show it is transmissive. Residents cited many concerns & request further study that will deny the permit.

41 - Mentions 30,000 wells (Response Summary page 6 #8) & no known contamination of water wells yet we know in McKean County, water wells were contaminated by an enhanced recovery well, which is very similar to an injection well. This is why we are very concerned with all our old gas wells in the area. Any waste even coming up two miles away could affect the City of DuBois water because a study found many abandoned old gas wells needing plugged. Residents cited many concerns & request further study that will deny the permit.

42 - Doesn't address the Irvin well violations that concern our residents due to water wells being so close to this proposed disposal well. The Irvin well wasn't in a residential

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43 - Request the area of review be extended to a ½ mile radius to consider all gas wells in the area, especially since 6 gas wells exist a few feet outside the ¼ mile. The Response Summary mentions the Oriskany wells were further away locating them at least ½ mile to one mile from the proposed disposal injection well. Residents cited many concerns & request further study that will deny the permit.

44 - Local residents found permit details to be inaccurate as presented. Residents cited many concerns & request further study that will deny the permit.

45 - Five governing bodies have demonstrated earnest concerns at the public hearing & most will have made an effort to submit comments in spite of the limiting time frame of 30 days. Clearfield County Commissioners, Brady Township, Sandy Township, City of DuBois, DuBois School Board along with local State & Federal Representatives participated. Residents request this permit be denied based on inaccuracies along with fractures & faults into the ¼ mile area of review. This means that this permit would violate the previously cited regulations: 40 C.F.R. §146.22 & 40 C.F.R. §146.22.

46 - Residents need assurances of future protection like insurance & a \$1 million+ bond. This disposal injection well may fail. We ask the EAB to give us more protection & ensure potable water will be provided given the industry's indisputable tract record. A \$1 million+ bond commitment by the operator shows a "good faith" guarantee to abide by all regulations. This bond to the operator should stay in place until the plugging has been completed.

47 - The recharging zone for this area is located right where the disposal injection well is proposed. Residents cited many concerns & request further study that will deny the permit.

Thanks for your consideration of all these concerns. Though not an actual resident of the Highland Street Extension development, I live in the City of DuBois & consider this a dire matter for all area residents.

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Sincerely,

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