

Members of this subcommittee, thank you for the opportunity to testify on this issue of great importance to our State and region. My name is Craig Meis and I am currently the chairman of the Board of County Commissioners in Mesa County, Colorado. Those of you that may not be familiar with Mesa County, we are situated on the Utah-Colorado border. Our county seat is Grand Junction and we are the most populous county between Denver and Salt Lake City. We also happen to be in the heart of the Piceance Basin, were back in the late '90s when hydraulic fracturing or fracing was beginning to be employed regularly to develop the tight gas sands of the Williams Fork Formation in the Piceance Basin, we then where fully immersed in the fracing hysteria. To make a long story short, our community educated ourselves on this technology in cooperation with industry and State regulators on how and why it was being employed and became much more comfortable with its use with the safeguards in place and recognized that without this technology this resource simply could not be developed. Obviously those that profit from this hysteria being propogated then begin to discredit anyone that does not share their belief.

Little did I know at the time that as new oil and natural gas basins of our Nation began to develop as a result of fracing technology that we would once again be brought back to this issue. Around 2002, when development of Coal Bed Methane (CBM) in the Powder River Basin of Wyoming and other similar resource plays of the mid-west began attracting attention the same hysteria was raised and subsequently addressed again through education. An EPA study (attached Exhibit A) was conducted and completed in 2004 to determine if underground sources of drinking water (USDWs) were impacted from the injection of hydraulic fracturing fluids into coalbed methane wells. The EPA concluded at the time "...injection of hydraulic fracturing fluids into CBM wells poses little or no threat to USDWs and does not justify additional study at this time." The Interstate Oil and Gas Compact Commission (IOGCC), which represents the Governors of 37 States that produce virtually all the domestic oil and natural gas in the United States sent out a survey to its member States in 2002 to determine how widespread fracing technology was being deployed, if any impact related to fracing had been identified and whether state regulatory framework was in place to address this technique. The IOGCC survey determined that fracing "...has been in widespread, common use for nearly 60 years...". "Approximately 35,000 wells are hydraulically fractured annually in this country with close to one million wells having been hydraulically fractured in the United States since the technique's inception with no documented harm to groundwater." "Hydraulic fracturing has been regulated by the states since its inception...is a process that is well understood and well regulated by the petroleum producing states." (attached Exhibit B)

Fast forward to where we sit today back to the same dance now as a result of this technology being deployed in the newly developed shale oil and gas basins of the Bakken, Barnett, Marcellus, our own DJ and Piceance Basins and others. We should have guessed that the hysteria would hit a new high water mark due to the development and the deployment of fracing in the Marcellus Basin with its location in the Northeast portion of our Nation and near our most populous and politically influential States. In an attempt to locally address this issue once again several predominant industry operators in Colorado began to voluntarily disclose the chemicals used in their fracing operations via the Frac Focus website ([www.fracfocus.org](http://www.fracfocus.org)) managed by the Ground Water Protection Council and the IOGCC. The State of Colorado took it to another level in December of last year with passage by the Colorado Oil and Gas

Conservation Commission (COGCC) of Order No. 1R-114 or the Hydraulic Fracturing Disclosure Regulations (attached Exhibit C). Colorado now has the dubious honor of being the most regulated State in the US when it comes to hydraulic fracturing and when you consider the 2008 COGCC rulemaking and the various other State and local government regulations, we may very well be the most regulated State for the oil and gas industry. This is not necessarily a good thing when you're County like ours has been hovering around 10% unemployment for the past three years, foreclosures are at record highs and over a 1/3 of your county population is on some form of government assistance. Property tax assessments on the oil and gas industry in NW Colorado can top 80% of a Counties total taxable assessed value which shows you how volatile local government finance can be and how significant a role the industry plays in the financial wellbeing of resource rich communities of Colorado.

As I'm now in my last year of elected office having served two four year terms, I've learned that engineers like me don't necessarily make good politicians. We tend to be very analytical and technical in our assessments and decisions regardless of party affiliation. I've always tried to do what is right rather than what is politically expedient or popular since I don't consider politics to be a career path but rather community service. With this said, I've concluded that energy development in general and fracking specifically is an industry and issue that will be exploited for many years to come by the so called "environmental" organizations as their greatest fund raising efforts to date. Prior to energy development in our community these organizations tried with little success to attack the agricultural industry, with everything from land splits to pesticide use to burning, which got little traction or attention till energy development came to town. Christine Hansen – Executive Director of the IOGCC in a letter response to a Denver Post article in 2003 (attached Exhibit D) said it best, "...outrageous statements are effective in scaring people into writing big checks for phantom or overstated causes" and "Propagating the lie that hydraulic fracturing is a serious threat to drinking water are those individuals interested in the ever-expanding role for the federal government in massive environmental overregulation." I'm not sure when we are going to wake up to the fact that these organizations have become big business and are making lots of money by scaring people that are depending on leaders such as yourselves to separate the fact from the fiction. When a very technical industry like oil and gas is hiring more governmental affairs, public relations and environmental compliance staff then they are engineers and scientists, we should probably be asking ourselves what are the real cost/benefits to the rules and regulations already on the books rather than figuring out new ways to create additional ones.

With this in mind I want to share with you as I conclude an initiative started by Colorado Counties call REAL (attached Exhibit E) which stands for Responsive, Efficient, Accountable services delivered through Local-State partnership. Contained in this are key questions I hope you will ask yourselves as you consider this item or any future legislation, rule or regulation. I believe once you do you'll quickly see that hydraulic fracturing is an item which States are dealing with very effectively and given the many different technical aspects in all basins, the one size fits all approach of the Federal Government is a recipe for epic failure.

Thank you for your time and willingness to hear a local government perspective on this issue.