

NEWS RELEASE

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CONTACT(S): Jill Morrison, Powder River Basin Resource Council, 307-672-5809 Walter Merschat, Scientific Geochemical Services, 307-266-4409 Janey Hines, Grand Valley Citizens Alliance, 970-285-9036 Sage Remington, Southern Ute Grassroots Organization, 970-563-9522 Jerry Swingle, San Juan Citizens Alliance, 970-247-5797 Gwen Lachelt, Citizens Oil & Gas Support Center, 970-259-3583

CITIZENS CAUGHT IN CROSSFIRE AS HIGH OIL PRICES SPUR DOMESTIC ALTERNATIVE FUELS PRODUCTION

Rural residents of Wyoming and Colorado today demanded that oil and gas companies stop destroying their water and land and made a plea to state and federal governments to protect families and public lands threatened by industry's relentless and, often reckless, pursuit of natural gas.

A spokesperson for the Southern Ute Grassroots Organization (SUGO) urged President Clinton and Congress to deny tax incentives aimed at spurring domestic alternative fuels production. As Americans are feeling the crunch at the pumps, SUGO members are trying to spread the word that alternative fuels, such as natural gas produced from underground coal seams (or coalbed methane), are no alternative.

"Saying alternative fuels are the solution to high oil prices is signing on to the largest environmental problem our country has ever seen," said SUGO spokesperson Sage Douglas Remington. "Coalbed methane drilling destroys water aquifers, it pollutes the air, it destroys millions of acres of wild public lands, and it destroys peoples' homes and lives," he said.

"We clearly need to dispel the industry-perpetuated myth that natural gas is clean energy," said Sage Remington. "This is filthy energy, and it's a finite fossil fuel. It may burn cleaner than other fuels, but when you consider how much land, air and water is destroyed to get it to your house, it becomes obvious that the clean fuel line is a myth designed to improve the image of the oil and gas industry," he said.

As America struggles to meet its energy demands and reduce air pollution, natural gas is being promoted by the oil and gas industry as a clean fuel. In fact, as the citizens held their news conference outside the Brown Palace Hotel, a worldwide oil and gas industry symposium on coalbed methane was taking place inside the hotel where speakers confirmed their fears of accelerated drilling for the so-called "environmentally-friendly" fuel. Coalbed methane is located wherever coal is found. Coal beds are a major source of natural gas or methane. Methane is odorless, colorless and very flammable. Methane build-up in coal mines has caused many mine explosions, killing thousands of miners worldwide. Natural gas is also found in and extracted from a variety of other underground rock and sand formations. It is used to heat homes, power electric generation plants, and is increasingly used to fuel cars that have been converted from gasoline-powered to natural gas-powered engines.

Coalbed methane drilling is considered an experimental technology largely because of the huge amounts of water that must be pumped off of the coal in order to allow the gas to migrate up the well. According to Wyoming geologist Walter Merschat, this development is risky and irresponsible. "Dewatering aquifers to get gas is irresponsible. Coalbed methane extraction represents a new experimental technology and the track record is not great," he said.

In southwestern Colorado's San Juan Basin, over 2,100 coalbed methane wells have been drilled and approximately 1,300 more gas wells are expected. Some local families there can light their tap water on fire because it's so polluted. Bureau of Land Management studies report some 800 families' drinking water wells have shown methane contamination. However, thousands of water wells have never been tested. La Plata County's oil and gas staff routinely investigate new methane seeps in fields and streams and report that toxic levels of hydrogen sulfide have forced some people from their homes. Oil and gas companies have bought out some families' homes that have become uninhabitable due to these seeps.

"Boarded up homes are now seen in our community as a result of these industry impacts," said Jerry Swingle of the Durango-based San Juan Citizens Alliance. "Pumpjacks, compressor stations, pipelines, and oil and gas roads have transformed the face of my county. As a result of pumping water from the coalbed aquifer to produce the gas, we now have underground coal fires. The ground is collapsing in one area from the fires and no one will tell us if the industry can prevent these fires from spreading," stated Swingle. His group has worked for 12 years to reform industry practices and the agencies charged with regulating the powerful oil and gas industry. "Five of the seven governor-appointed members of the Colorado Oil & Gas Conservation Commission draw their paychecks from the industry while serving on this regulatory agency," he said. "Government should not allow an industry to regulate itself."

In Wyoming's Powder River Basin, more than 3,000 coalbed methane wells have been drilled. The Bureau of Land Management estimates that up to 50,000 gas wells may be developed making the Powder River Basin in Wyoming and Montana the "biggest energy play" in the country. According to Mersch, hundreds of millions of barrels of water will be dumped into existing water drainages or stored in newly-created ponds or reservoirs. So much water is being produced that some companies are telling fourth-generation ranchers to start growing cranberries and rice.

"This is criminal," said Patricia Clark, a rancher from northeastern Wyoming whose land has been in her family for over 100 years. "We have survived blizzards, drought, depression, uranium and oil mining. These have all posed great threats to my family but the discharge of all of this water threatens the total destruction to our livelihood. Between the loss of hay and the loss of grazing land, I'm out of business," she said.

"The industry treats our land and water like they're dispensable commodities," said Robin Lorenzen, a board member of the Campbell County Conservation District in Gillette. "Irresponsible coalbed methane development in our county is a runaway train on a long downhill slope, with no one in industry or government applying the brakes. Perhaps the saddest commentary on how expendable the industry views people, property -- and the environment, are the three lives that we lost this past month in the methane fields. While industry is telling you how friendly the development is, those deaths, and our experiences, are a sad counterpoint to their claims," said Lorenzen. The recent deaths in Campbell County, Wyoming were on pipeline construction projects for the coalbed methane development. Two of the workers were electrocuted on one project and another was crushed. A fourth worker lost his arm. The deaths and accidents are under investigation by the Occupation Safety and Health Administration.

"The oil and gas industry is so powerful that it gets away with murder," said Janey Hines of Colorado's Grand Valley Citizens Alliance. "They refuse to use better drilling practices that protect the land and people and they constantly lobby our elected officials to make sure their poor drilling practices are exempt from environmental laws." Hines pointed to the fact that oil and gas wastes are not regulated under the nation's hazardous waste law, the Resource Conservation and Recovery Act. These toxic and often cancer-causing wastes are allowed to be dumped in underground disposal wells.

"Companies in my neighborhood refuse to use technology to drill four or five wells from the same well pad," said Doug DeNio of Grand Valley Citizens Alliance. "They've turned my county into an industrial zone all for short-term profits." One company in DeNio's Garfield County was recently granted state approval to triple the number of gas wells it wants to drill.

"Residents have lost their serenity and their livelihoods - - all for one, unsustainable and non-renewable resource. The sad fact is, drilling for gas is demolishing the natural value of the land in Garfield County. Will they do this everywhere gas is found?" said Hines.

"We call on the oil and gas industry to take responsibility for the mess they've made in places like Colorado and Wyoming, and we demand they search for safer, cleaner ways to provide the energy America needs to keep moving forward," said Chris Rigsby, of Powder River Basin Resource Council. "We demand a national halt to this experimental drilling until regulations and laws are in place that protect our land and water and require responsible development."

The organizations endorsing this campaign include Powder River Basin Resource Council (WY), San Juan Citizens Alliance (CO), Southern Ute Grassroots Organization (CO), Northern Plains Resource Council (MT), Grand Valley Citizens Alliance (CO), Western Colorado Congress (CO), Wyoming Outdoor Council (WY), Citizens Oil and Gas Council (Alberta, Canada), and Citizens Oil and Gas Support Center.