

Steve Harshman

Wyoming Department of Environmental Quality
Water Quality Division
200 West 17th Street 4th Floor
Cheyenne, Wyoming 82002

Re: Wy0002062 Frenchie Draw Permit #1

To Whom It May Concern,

This is a letter of support for the water discharge permit Wy0002062 Frenchie Draw Permit #1. We feel the DEQ and the energy companies who have been involved in this effort have provided sufficient evidence to prove they have considered the impacts of both approving and not approving the permit application. The potential benefit for approving this permit and allowing increased development of natural gas and oil from this proven field is significant to both the Fremont County and State of Wyoming tax base, and very important to the support industries and individuals employed by Aethon Energy as they continue to develop these resources. Natural gas is one of Wyoming's most abundant and available natural resources and has been one of the key economic drivers in the state. Natural gas prices have remained flat for the last several years requiring producers to develop more efficient ways to produce gas in order to stay profitable. Increasing the gas production volume from a known source is far more efficient than trying to discover new sources, declining the permit application for Aethon Energy would greatly restrict the volumes of gas available for production in that field. The wells in the Moneta Divide area including Frenchie Draw have surface discharged the generated production water for many years going back to the original developer Exxon, and with positive impacts because of the beneficial use to wildlife and livestock.

It has also been necessary to determine the impacts various levels of production water could have on the associated drainages downstream of the source point including Boysen Reservoir and the Wind River down stream of the Boysen Reservoir Dam. Our understanding is that both the DEQ and Aethon established at the beginning of the permitting process the need to maintain the Wind River as a Class 1 water way, which has allowed the professional consultants and agency staff to use that determination in formulating the parameters of the permit. As we understand the "load value" for Total Dissolved Solids (TDS) and the concentrations values for chlorides (mg/l) have all been adjusted with the health of Boysen Reservoir and the Wind River as the guiding criteria. It is also my understanding that production waters previously discharged into Alkali Creek and Badwater Creek have been monitored for many years and the concentration levels for chlorides historically have not impacted Badwater Creek negatively.

We think the efforts to study and evaluate the potential increased volume of production water from this source over the past several years by the DEQ, Aethon Energy and the previous operator, Encana Oil & Gas has provided solid information that enabled this permit to be drafted in its current form.

It is obvious from the multi-million-dollar investment by the energy companies in the construction and operation of the "Neptune" water treatment facility that they are committed to comply with the requirements associated with the permit and are committed to the long-term development of these resources which are a benefit to Wyoming.

