

**Larsen Ranch Company**

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Chairman Dennis Boal  
Environmental Quality Council  
Herschler Building, Room 1714  
122 West 25<sup>th</sup> Street  
Cheyenne, WY 82002

RE: EQC Docket ID No. 08-3101

Dear Chairman Boal:

My family owns and operates a commercial cow/calf operation near Meeteetse. Larsen Ranch is situated primarily in Park County, but also extends into Hot Springs County. We currently employ 5 full-time people, pay a significant amount of money in property taxes, and contribute in multiple ways to our local economy. The cattle we produce are our sole source of income.

Larsen Ranch has been blessed with produced water discharged from a traditional oil and gas facility for more than forty years. This water has been invaluable to us. The discharge water allows us to utilize forage that would otherwise be unavailable due to lack of water. Our cattle are healthy and we have no unusual sickness or death loss associated with the discharge water. The discharge water also benefits Larsen Ranch through irrigation. Because of the addition of the discharge water to Gooseberry Creek, we are able to irrigate our hay meadows more often and more thoroughly. Our water right is not very early, and without the additional water provided by the discharge, most years we would not be able to irrigate at all. The discharge water is extremely beneficial to a wide variety of wildlife. Deer, elk, antelope, moose, coyotes, wolves, bobcats, mountain lions, weasels, beaver, prairie dogs, eagles, ducks, sage chickens, suckers, and other aquatic life benefit from the discharge water. Gooseberry Creek has a very healthy riparian habitat due to the discharge water. The creek bottom has an abundance of desirable trees and shrubs, such as cottonwood, birch, willow, and silver leaf. This healthy riparian habitat is beneficial to the wildlife and livestock, which are able to use it as shelter and as a food source.

The increase in water discharge brought about by the coalbed natural gas development in the Powder River Basin was the impetus for developing new rules for agricultural use of discharge water. Water discharge as a result of coalbed natural gas production has suffered a steep decline in the past year, which means that new rules are not necessary. Neither the Environmental Quality Council nor the Department of Environmental Quality has ever shown that produced water discharged under existing water quality standards has actually caused harm to any soil, streambed, plant, or animal. In fact, the cessation of produced water will

actually cause harm to all of the above and most certainly will result in negative financial impact to our ranch operation.

If the EQC decides that changes are needed to Tier 2 of the irrigation standards, I would like to see the proposed rule be remanded to the Water and Waste Advisory Board for further review. I believe the study done by the New Mexico experts did not consider the ephemeral nature of many of the waterways in Wyoming that would be impacted by their recommendations. The New Mexico study also focused on alfalfa and many of the ag producers using produced water for irrigation can't grow alfalfa – for reasons other than water quality.

I would also like to see the grandfather provision continue to be included in the proposed rule. However, it is almost certain the environmental community will challenge the grandfather provision in court, and the EPA has previously expressed skepticism over the legal and scientific validity of the grandfather provision. Thus, it will be essential to include a 'non-severability' provision in the rule.

Oil and gas production and agriculture have historically been the backbone of the Wyoming economy. These proposed rule changes would adversely impact both of these vital industries. It makes sense to carefully analyze all of the impacts to the state, its people, and its wildlife before proceeding. I believe that a study to determine the socio-economic effects is necessary. The Raisbeck study was inadequate in significant areas. First, it did not identify or even consider the numerous benefits of providing produced water to livestock and wildlife. Second, Dr. Raisbeck's study is not representative of Wyoming open range conditions or the actual experience of ranchers who have used the produced water for decades. Without quantifying how much produced water may be lost due to Dr. Raisbeck's recommended standards, or what this water is currently used for in agriculture operations; there is no way to determine the true economic impacts of the proposed new rule.

Thank you for your consideration of my comments.

Sincerely,

Kelly Graham