UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

AUG 2 0 2012

THE ADMINISTRATOR

The Honorable James M. Inhofe
Ranking Member
Committee on Environment and Public Works
United States Senate
Washington, DC 20510

Dear Senator Inhofe:

Thank you for your letter dated April 25, 2012, regarding the imminent and substantial endangerment order issued by the Environmental Protection Agency ("EPA") in December 2010 to Range Resources Corporation and Range Production Company (collectively, "Range"). The order was issued to address methane and other volatile organic compound contamination in two Parker County, Texas, private drinking water wells. I appreciate your interest in this matter and welcome the opportunity to explain how the EPA addresses public health threats posed by the natural gas exploration and production sector.

The EPA's decisions to issue the Range emergency order and, ultimately, to withdraw it were both made after careful consideration of the facts presented and the applicable legal authorities. Withdrawal of the order and resolution of the related federal court litigation has allowed the agency to shift its focus in this particular case towards a joint effort on the science and safety of energy extraction. The EPA is pleased that Range has committed to share its scientific data and to conduct further well monitoring in the area, as well as to provide useful information and access to the EPA in support of the Congressionally-mandated scientific inquiry into the potential impacts of hydraulic fracturing on the nation's water resources.

The EPA's governing statutes provide authority for the agency to conduct investigations, inspect facilities, request information, perform monitoring and take other actions necessary to ensure that our citizens are protected from unlawful pollution. Under the Safe Drinking Water Act, the EPA retains "emergency powers" to take action "it 'deem[s] necessary' to protect 'the health of persons who are or may be users of [an underground source of drinking water],' if 'appropriate State and local authorities have not acted to protect the health of such persons.'" *Trinity American Corp. v. EPA*, 150 F.3d 389, 397 (4th Cir. 1998) (citing 42 U.S.C.A. § 300i(a)).

The actions which the Administrator may take "include (but shall not be limited to) (1) issuing such order as may be necessary to protect the health of persons who are or may be users of such [underground source of drinking water], including orders requiring the provision of alternative water supplies by persons who caused or contributed to the endangerment, and (2) commencing a civil action for appropriate relief, including a restraining order or permanent or temporary injunction." 42 U.S.C. § 300i(a). Furthermore, when issuing an imminent and substantial endangerment order under the Safe Drinking Water Act, EPA is required to show only that state action has not been "sufficiently effective

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to protect the public health" – not that the state has taken *no action whatsoever. Trinity American Corp.*, 150 F.3d at 398.

In short, the EPA's actions in the Range matter are consistent with the intent of Congress in enacting the Safe Drinking Water Act provision enabling the EPA to take "action . . . as necessary in order to protect the health of . . . persons" *whenever the EPA is in receipt of information indicating that drinking water contaminants may* present an imminent and substantial endangerment to human health. Accounts suggesting we acted on any other basis are incorrect.

The EPA had information fully supporting the emergency action we took to address the threats to public health identified in Parker County. In 2010, two residents there complained to the Agency about gas contamination in private drinking water wells where previously there had been none.

The first resident had water samples tested for the presence of methane and other dissolved gases in August 2010. Subsequent EPA samples from October 2010 revealed methane contamination at potentially explosive levels.

Meanwhile, samples of the second resident's drinking water showed a methane increase of approximately 5,750% in just two months. In addition, both wells contained benzene, a known human carcinogen, and toluene, a neurotoxin, at significant levels.

EPA also reviewed records from the Texas Railroad Commission regarding recent gas drilling activities in the area, and legacy or orphaned wells, to determine the potential causes of the contamination. That review identified the Range Butler and Teal wells that went into production in August 2009 and that these were the only two natural gas wells within 2,000 feet of the contaminated private water wells. The EPA did not find any documented legacy or orphaned wells that may have been the source of contamination in the contaminated water wells.

Based on the totality of the circumstances – including the precipitous rise in methane that began shortly after Range's production commenced, isotopic and compositional analysis indicating a match between methane in the first resident's drinking water and the gas in the Range wells, and the potential for explosion due to vapor intrusion into homes – EPA determined that swift action was necessary to protect the health of the homeowners and their families.

As the administrative record in the matter demonstrates, before issuing the order, the EPA invited Range to meet to discuss the sampling results and other information in EPA's possession, but Range declined the offer. EPA also consulted extensively with the relevant state and local authorities, including the Texas Railroad Commission, beforehand.

I believe the EPA's efforts in the Range, Pavillion and Dimock matters demonstrate our commitment to transparency and scientific integrity in the protection of human health and the environment. At the direction of Congress, the EPA's national study on the potential impacts of hydraulic fracturing on drinking water resources is ongoing, and the Agency will not hesitate in the meantime to take commonsense actions to reduce harmful pollution while encouraging the development of our domestic energy resources.

In closing, let me assure you that the EPA is committed to strong, fair and effective enforcement of the environmental laws passed by Congress to protect public health and the environment and to ensure that all companies, regardless of industry, are playing by the same rules. Our enforcement record in the

Range matter and the energy sector more broadly – with its emphasis on violations that are causing air and water impacts that threaten public health – demonstrates the EPA's measured and equitable approach to overseeing the safety of this rapidly growing industrial activity.

If you have additional questions, please contact me or your staff may call Arvin Ganesan, Associate Administrator for Intergovernmental Relations, at (202) 564-4741.

Sincerely,

Lisa P. Jackson

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