



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION
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KIM GUADAGNO
Lt. Governor

BOB MARTIN
Commissioner

December 7, 2010

Ms. Carol Collier
Executive Director
Delaware River Basin Commission
25 State Police drive
West Trenton, New Jersey 08628

RE: Regulation of Natural Gas Extraction

Dear Ms. Collier:

As the DRBC prepares to release draft regulations to establish operating standards for development of natural gas wells and management of fracking wastewater, New Jersey wishes to reiterate its position on drilling in the shale. We will continue to be actively engaged and vigilant as the regulations are promulgated to ensure that New Jersey's concerns about drinking water supply, drinking water quality, watershed protection and wastewater management are adequately addressed.

The substantial deposits of natural gas concealed deep beneath the Marcellus Shale may be significant enough to supply the entire United States for decades, but we must not allow the promise of one significant resource to threaten the security of another, especially drinking water.

New Jersey remains concerned that fracking in the Marcellus Shale could negatively impact the Delaware River, which supplies approximately 25 percent of our state's drinking water. As you know, while none of the shale formation itself is within New Jersey, it underlies more than a third of the Delaware River Basin. The cumulative effect of an estimated 10,000 wells to be drilled in the Basin could have significant potential consequences for New Jersey residents who rely on the Delaware for drinking water.

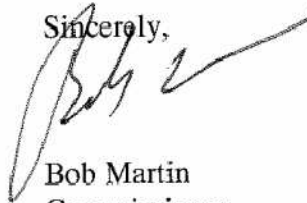
New Jersey continues to oppose any drilling of fracking wells in the Delaware River Basin until appropriate regulations and standards are in place. Strong safeguards to protect public drinking water supplies and ensure that the wastes generated are properly managed and treated must be established before drilling. We reiterate that without those safeguards, drilling in the Marcellus

Shale is unacceptable to New Jersey—as we believe it is to the DRBC, indicated by last spring's vote to postpone additional approvals of extraction wells.

New Jersey will continue to support firm DRBC regulations to protect the Delaware River until Pennsylvania and New York put regulations in place. New Jersey does not aim to unnecessarily delay another state's development; we want only to ensure that any drilling proceeds in an environmentally safe manner. When individual member states provide adequate safeguards to protect the Delaware River, the DRBC's regulatory floor will be obviated by the "home rule" of the member states' more stringent regulations.

While we will aggressively protect our interests and insist that natural gas extraction activities result in no adverse impact on New Jersey's drinking water, we also aim to work cooperatively to establish standards that enable safe natural gas extraction in the Delaware River Basin. Marcellus Shale's natural gas resources have enormous economic potential, but developing a new resource of this magnitude requires the joint and cooperative interaction of all interested parties. The water supply, ecology and recreational opportunities provided by the Delaware River Basin are crucial to New Jersey's own economy and quality of life, and we are committed to protecting these resources, but we believe that by working closely together, our common interests may be met.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Martin", with a long, sweeping horizontal stroke extending to the right.

Bob Martin
Commissioner