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Dear Senators,

Our farm has been in our family since 1965. Like most Pennsylvania landowners, the surface owners sold our farm coal rights to mining companies many decades ago during the early era of industrialization of Pennsylvania. When these rights were sold nobody on either side of these transactions thought they were buying a resource called Coal Bed Methane Gas. The buyers of coal paid no extra compensation to the surface owner for which neither party considered a resource. Coal Bed Methane was considered a dangerous nuisance to be vented to the atmosphere in the process of underground mining. Pennsylvania law did not even determine ownership of this form of natural gas until the Hoge decision in 1983 when the ownership of gas in coal was awarded by the state court to the owners of the coal. This decision is in direct opposition to the United States Supreme Court who in 1999 in a resoundingly clear 8-1 decision stated the owners of coal on Federal lands do not own the gas in coal. The U.S. Supreme court held that at the time of these sales "coal is a solid rock substance."

My coal rights were clearly sold for the purpose of mining coal only. The language is typical for most coal indentures of this period. As follows here is the language for the sale of 114 acres of my farms coal dated 1899 which states: "Together with free and uninterrupted right of way into upon and under said land at such points and in such a manner as may be proper and necessary for the purpose of digging and mining and carrying away said coal hereby waving all damages arising there from". My other coal indenture dated 1906 states "All the coal in and underlying the premises, together with the free and uninterrupted right of way into, upon and under said land at such points in such a manner as may be proper and necessary for the purpose of digging, mining, draining and ventilating and carrying away said coal, etc., with a waiver of all surface damages or damages of any sort arising from the removal of all said coal ." No one could rationally interpret from the above language that the surface owner was selling the right to surface gas wells, roads and the infrastructure that accompanies CBM gas development. Hoge is bad law. It has created a great loophole where the owners of coal rights can exploit the surface owner's property and not be responsible for damages. In CBM development, 10% of a surface owner's farm or more will be taken out of farm production without compensation for as long as 30 years. How will Pennsylvania's farmers grow crops for ethanol and other bio fuels on gravel access roads and well pads? The surface owner does not see his real estate taxes reduced even as the surface owners land is expropriated for CBM development. Typical oil and gas royalties pay a 1/8 royalty to the landowner. Hoge gives CBM gas to big energy for free. The CBM industry will thus be allowed to pull over 100 billion dollars of gas out of Pennsylvania without compensating landowners. This means instead of a share of Pennsylvania's energy wealth staying in Pennsylvania paying state income taxes and driving the local economy it will be sucked out of our state only benefiting the stockholders and management of giant energy corporations. Pennsylvanians will then be left with an environmental disaster created by unfettered CBM development. The Senators only have to look at the Western States such as Colorado, Montana and Wyoming to see the tremendous environmental havoc created by CBM extraction. Pennsylvania landowners and citizens are looking to you, our legislature, to protect surface owners' rights. Do not let us down.