

Gas Exploration Edges Into Tompkins County
by Sue Smith-Heavenrich
Tompkins Weekly Aug 11, 2008

Last year it was the Trenton-Black River; now it's the Marcellus Shale that's brought landmen knocking on doors across this part of Upstate New York. The landmen represent energy exploration companies with deep pockets and an unquenched thirst for natural gas. In some parts of the Southern Tier they have offered landowners anywhere from \$2,000 to \$2500 per acre for the rights to drill on their land.

According to geologists, Marcellus Shale is a Middle Devonian-age black, low density, carbonaceous shale that underlies much of Ohio, West Virginia, Pennsylvania and New York. Because it lies about a mile or more below the surface, extracting gas from the Marcellus Formation is an expensive proposition. However, new horizontal drilling and hydraulic fracturing technologies make the Marcellus Shale more economically viable for energy companies. The new drilling technology has essentially opened a "gas rush" as companies vie for mineral leases.

"Landmen have approached us a number of times," Michael Ludgate told *Tompkins Weekly*. Ludgate manages the family-owned market Ludgate Farms at 1552 Hanshaw Road in Ithaca, but lives in the town of Caroline near Hammond Hill State Park. Tired of being pestered, Ludgate told the landmen to stop bothering him.

"And they have," Ludgate said. He hasn't been asked for a lease for the past few weeks. But other people in the area have.

"They've been going around offering leases to the large landowners in town," said Caroline town supervisor Donald Barber. Some landmen have approached the town government, encouraging them to apply for donations that could be used to purchase equipment for the local fire department or town public works.

"No wells have been drilled yet," Barber said, "but land owners have signed leases. We've also seen seismic activity on the roads." Barber listed a number of issues the town will face as the energy companies begin drilling.

"When a well is drilled, the royalties go to the landowners but nothing is directed to the local government," Barber said. Given the potential wear and tear on roads and other infrastructure he thinks the energy companies ought to direct some of the wealth gained from wells back to the community.

"These wells require a huge volume of water," Barber said. This means trucking water in by tankers. In addition to the heavy water tankers, the weight of the drilling rigs and trucks will put tremendous strain on the roads and bridges. Barber does not want to see energy companies enriched at the expense of local taxpayers left with the repair bills.

Barber, who is running for a state senate seat in the 51st district, said that oil and gas exploration is “the hot topic” on the campaign trail. Just recently the village trustees for Cooperstown rejected a request by Covalent Energy Corp. to buy close to 300,000 gallons of water needed to drill three test wells for natural gas.

The amount of water required for drilling a well in the Marcellus shale would run from 1 to 3 million gallons for each well. The Susquehanna River Basin Commission (SRBC), the agency responsible for issuing permits in the watershed that drains to the Chesapeake, has issued permits for drilling companies to take 101,000 gallons of water per day from Catatonk Creek, a decision that has many local residents concerned about both water availability and quality.

Not only is water use a big concern, but also the treatment of wastewater. “At this point there is no treatment facility designed for this [drilling] wastewater,” Barber said.

Lisa Wright, who lives in Cayuga Heights in Ithaca doesn’t own land – yet. But she is concerned enough to drive to Spencer for the monthly community forums hosted by Citizens Energy Alliance. Her top concern is the rush to get landowners to sign leases.

“The pace is unnecessarily frantic,” Wright said. “I think it’s wrongheaded to immediately rush into a full blown flurry of hydraulic fracturing type drilling since the amount of gas to be extracted is finite, and certainly isn’t going anywhere. Expanded drilling in upstate New York is something that needs prudent deliberation and thoughtfulness.”

Wright would like to see people take a break to learn more about the drilling process and the potential effects on the communities before hoping on the gas rush bandwagon. “Public works, water treatment plants, environmental groups, legislators, and communities need to get up to speed,” Wright explained. “They need to understand not just how much quick money they can get, but what the all-over scenario will be five years down the road. There are very real concerns about environmental damage that could occur if drilling proceeds without a lot more protections in force than currently exist. If communities in other states like PA are having problems with well water and air quality due to drilling, it seems likely we may, too.”

A number of community groups are springing up throughout the Southern Tier as people join forces to negotiate group leases and to explore environmental issues with natural gas drilling. Linda Adams, who serves on the Caroline town board, said there is a loosely organized group of about 10 landowners in her town.

“It helped our group to get together to share information on lease proposals,” Adams said. “One person might be offered \$85/acre and another will be offered \$250. And the landsman will tell each of them that lease is the best he can offer.”

As a town board member, Adams wants to protect her community’s assets. She is concerned about the extensive water use required by the drilling.

“Caroline is unusual in that our town straddles two watersheds,” Adams said. Part of the town’s creeks and streams drain into the Susquehanna River Basin. The other part drains into the Saint Lawrence River Basin and into the Great Lakes.

Adams is also concerned about road infrastructure. She is actively researching laws from other towns regarding road use.

“I would like to see the gas brought to market,” Adams said, “but I do not want that to happen at the expense of our water and land.”

Town supervisor Barber expressed similar sentiments. “The gas is a great and valuable resource,” he said, “but we don’t have to be in a rush to extract it. I would like to see them extract the gas in a way that will protect the environment.”

Natural gas burns cleaner than oil or coal, and Barber believes it is important to bring it to market. “It would be an economic asset to this area,” he said.

To Learn More:

Citizens Energy Alliance, send a blank e-mail to citizensenergyalliance-subscribe@yahoogroups.com. For more information call 607-589-7887.

Tioga County Landowners Group, <http://www.tiogagaslease.org>.

CCE Natural Gas Leasing website, <http://gasleasing.cce.cornell.edu/>

Oil and Gas Accountability Project, http://www.earthworksaction.org/oil_and_gas.cfm