

The Costs of Drilling

Elmira forum addresses environmental and economic issues

by Sue Smith-Heavenrich

Broader View Weekly, November 25, 2010

When Ron Gulla leased his land he thought he'd be getting free gas to help power his farm. He thought the wells would be shallow, like previous wells drilled in the area. He thought the well pad, once reclaimed, would be about the size of a two-car garage.

Instead, he ended up with pastures turned into an industrial site, polluted water and fenced-off security areas. Neighboring farmers have had cattle born with deformities, and lost livestock and pets that drank contaminated water.

"Do not believe what the industry is selling," Gulla warned. He and his Hickory, PA neighbors have learned the hard way that communities have to educate themselves and stick together. Otherwise, Gulla said, the industry will come in, divide you and conquer you.

Now Gulla is suing Range Resources, the company that ruined his land for farming. But he's having a hard time financing his lawsuit because his bank won't give him a second mortgage. At one time this property was worth half a million dollars, Gulla said. But now, because of the drilling, the bank told him that his property is pretty much worthless.

Gulla was one of half a dozen speakers at the "Real Impacts of Gas Drilling" forum held Tuesday, November 16 at Trinity Episcopal Church in Elmira. About 240 people crowded into the parish hall to hear stories from those living in the gas fields.

"Safer Drilling"

Louis Allstadt, who worked in the oil and gas industry for more than 30 years, talked about what "safer drilling" might look like. First, he said, the companies would need to use safer drilling fluids that were not composed of toxic chemicals and carcinogens.

"And there would be no exemptions," Allstadt said, referring to the exemptions from Safe Drinking Water Act, Clean Water Act and other environmental laws that the oil and gas industry currently enjoy.

Allstadt would like to see companies use some kind of marker – either colored fluid or an isotope that would tag their fracking fluid. That's one way to hold companies accountable for any leaks or spills they cause. He also stressed the importance of conducting a seismic review of the well before fracturing. That would help drillers identify cracks and fissures that might provide pathways for toxins to migrate to aquifers.

"We need better casing standards," Allstadt said. Casing integrity is vital to protecting groundwater from drilling contamination. Allstadt pointed out that in addition to improving the quality of cement, casings must be checked prior to fracking. "If there is any question about cement integrity, then don't frack," he said.

Drillers need contingency plans, too. Allstadt noted that at a recent blow-out in PA, the blow-out preventer didn't work. Whether it is drilling a relief well or flaring gas, workers need to have a strategy in place for releasing pressure if it builds up too high, he said.

Other recommendations included the use of tanks to hold fracking and flowback fluids, better treatment of returned drilling fluids and recycling. Allstadt also noted the need for greater setbacks. Currently wells may be drilled 150 feet from a drinking water well.

“That’s too close,” Allstadt said. “We need to protect drinking water sources.” While Allstadt doesn’t believe drilling can be made as safe as airline travel – there’s just too little regulatory oversight for that – he does think we can make it safer. “But you’ll have to push much harder for protective regulations,” he told the audience.

Towns: Boom or Bust?

The gas industry touts economic benefits of drilling for local communities, so former Broome County Legislator Chris Burger addressed those issues. He compared the economic health of the top ten gas-producing counties in NY to five neighboring counties. All gas producing counties were worse off in three key indicators: the percentage of families below the poverty level; median household income; and percentage of workforce unemployed.

One of the issues facing areas depending on extraction industries is the boom-bust cycle. Another is how subsidies and lack of strong regulations end up pushing some of the production costs onto taxpayers.

“Regulations are designed to hold companies accountable for any damage,” Burger said. “When you give them exemptions, someone else has to pick up the cost.”

The forum was organized by People for a Healthy Environment, the Coalition to Protect New York, the Committee to Preserve the Finger Lakes, and Pax Christi Upstate New York. The environmental groups plan to host future educational forums.