



Workers move equipment into place at a natural gas well near Burlington, Pa.  
ASSOCIATED PRESS

# National Fuel eyes more funds for drilling

By **David Robinson**

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National Fuel Gas Co. plans to spend about 18 percent more next year on its oil and natural gas drilling business as the Amherst-based energy company continues to ramp up its exploration program in the Marcellus Shale region in northwestern Pennsylvania.

The company said Monday it has preliminary plans to drill 115 to 140 new horizontal wells in the Marcellus Shale during the fiscal year that begins in October as part of a drilling program that is expected to cost between \$685 million and \$800 million.

About two-thirds of those wells -- between 80 and 95 of them -- will be operated directly

by National Fuel, while the remaining wells will be operated by EOG Resources, which is the company's partner in a joint venture within the Marcellus region.

National Fuel's drilling efforts within the Marcellus Shale have expanded rapidly over the last year, with daily production now topping 120 million cubic feet of gas, up eightfold from the company's output levels of a year ago.

National Fuel expects its total oil and natural gas production next year to rise to the equivalent of between 83 billion and 100 billion cubic feet of natural gas, which would be about 35 percent more than the company's anticipated production this year of between 64 billion and 71 billion cubic feet.

"We are anticipating another strong year of production growth," said Matthew D. Cabell, who runs National Fuel's oil and gas drilling business.

Most of National Fuel's drilling has been focused on wells in Tioga and Clearfield Counties in Pennsylvania, but Cabell said the company also has seen "encouraging results" from new wells it has drilled on the western portion of the 745,000 acres of land where it controls the drilling rights in the Marcellus region.

National Fuel expects its production from the Marcellus Shale to rise to between 58 billion and 71 billion cubic feet of gas next year, which would equal about 70 percent of the company's expected oil and gas output.

The expected production from the Marcellus region would be almost double the 35 billion cubic feet of gas that the company expects to produce from its northwestern Pennsylvania wells during the current fiscal year.

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## Comments

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New York should allow drilling now!. I own wooded land in the southern tier and it would help with the taxes that do nothing but increase year after year.

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**JAMES CAMPOFELICE, CHEEKTOWAGA, NY** on Wed Mar 30, 2011 at 05:38 AM

FLAG AS INAPPROPRIATE

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My condolences PA. I hope that more 'trickles' down to your quality of life than toxic chemicals, cancer, and radiation (like those jobs they promised that never materialize). It is now official, Blacklick creek has been independently tested and found to be contaminated. Full report here <http://www.ge.tt>

/#7Kkwria, the PA DEP is recommending that Benzene, Strontium, Barium, 2-butoxyethanol, are all above acceptable exposure limits. An exerpt: " Municipal water authorities downstream of this outfall should be notified of the contaminants found in effluent from the PBT- Josephine Facility, of other possible contaminants in Marcellus Shale flowback fluids and oil and gas wastewater, and that there are other treatment facilities and POTWs in the Blacklick, Conemaugh, and Kiskikiminetas drainages that accept and discharge oil and gas waste fluids into surface water. Downstream municipal water authorities should test raw unfinished intake water and finished drinking water for these contaminants that have been identified in effluent from the PBT- Josephine Facility, and other contaminants known to be present in Marcellus Shale flowback fluids and oil and gas wastewater."

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**SHEILA MILLER, ORCHARD PARK, NY** on Tue Mar 29, 2011 at 07:52 PM

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How much of that oil and gas will actually be sold in PA and NY? How much will be sold elsewhere? Inquiring minds want to know.

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**PAT WICK, AKRON, NY** on Tue Mar 29, 2011 at 05:21 PM

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