

## News

# Some Sullivan farmers hope fracking's in their future Pro-drilling landowners say it'll help sustain livelihoods

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Times Herald-Record

Published: 2:00 AM - 01/03/11

While New York state delays gas drilling until at least this summer, the pro-drillers wait — and worry. When will they finally be able

to cash in on the treasure of natural gas beneath the fields, farms and forests of Sullivan County?

Dairy farmer Bill Graby of Callicoon waits to see if he can hang on to his 200-acre farm in the hills of western Sullivan.

Without the few thousand dollars an acre that leasing his land can bring — and with prices for supplies like feed up 20 to 30 percent — he might have to quit farming.

"If this doesn't happen in a few months, I can't sustain it anymore," says Graby, who helps lead a coalition of landowners with some 70,000 acres to lease for drilling in Sullivan and Delaware counties.

He's referring to the state's moratorium until July on the controversial horizontal drilling method of fracking.

A few miles east, in the Town of Bethel, another dairy farmer, Harold Russell, waits on his farm with the signature red barn. Russell, in another group looking to lease thousands of acres of their land — the Bethel Landowners Coalition — waits to learn whether all this waiting is worth it.

Is the gas beneath his 111 acres as valuable as the gas sparking a gas rush — and claims of polluted drinking water — across the Delaware in Pennsylvania?

"Financially, it's created a disaster," says Russell, who says he lost some \$50,000 last year.

He points to owners of fields that he farms who can't sell their land in a depressed market. They also can't lease it for drilling, but still must pay taxes.

The head of the economic development arm of Sullivan County also waits — for the jobs and spinoff development that drilling one of the richest deposits of natural gas in the country would bring.

"It's like having gold in the ground and not having a gold rush," says Josh Sommers, chairman of the board of the Sullivan County Partnership for Economic Development and a Times Herald-Record columnist. He stresses that his organization only supports drilling in the county where "times have never been tougher" "if it's safe."

But while farmers and business people wait, the most important players aren't waiting.

Natural gas companies are pouring resources into other states like Pennsylvania, where drilling is already underway, says John Holko, secretary of the Independent Oil and Gas Association of New York.

The companies aim to get the most bang for their investment buck, and that means spending money where they're already drilling.

"The companies focus on where they get the best return," says Holko. "We have to focus where the business climate makes us comfortable."

That's not to say the industry won't drill on New York's portion of the Marcellus shale.

"Is the gas going anywhere? Probably not," says Holko. "Will it be good for our grandchildren? Sure. But once the paperwork gets finished, then we'll figure out if New York fits into our plan."

Meanwhile, pro-drillers wait — confident that gas companies can't pass up what Holko says is "billions."

"At this point, the companies are frozen, and I can't blame them," says Noel Van Swol, co-leader with Graby of the Sullivan-Delaware Property Owners Association. "No company in their right mind would risk all that money until they get clarification from the state."

But Van Swol and Graby claim that test wells in nearby Pennsylvania prove the gas beneath Sullivan is "as good, or better, than on the other side of the river."

So, as they wait, their anger and frustration grow.

Their target is the anti-drillers, who convinced then-Gov. David Paterson and the Legislature to make New York the first state to enact a moratorium on "fracking" while the Department of Environmental Conservation studies its safety and devises drilling regulations.

Those anti-drillers are "elitists" who use "scare tactics" and "pseudo science," Van Swol says. As for incidents of water pollution in places like Dimock, Pa.? "Exaggerations" and "exceptions," Graby says.

"They want no industry," Graby says. "All they want is their 20-30 acres apiece."

But as the pro-drillers wait, they also bank on a need as desperate as some farmers — a state that's \$9 billion in the hole and losing record numbers of jobs.

Or, as Van Swol puts it:

"Albany is broke. That's the ace in the whole. Eventually this insanity will have to stop."

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## WHERE DRILLING CURRENTLY STANDS

While the Department of Environmental Conservation has been readying its regulations for the horizontal drilling method of hydraulic fracturing or "fracking" in the gas-rich Marcellus shale, the Legislature and former Gov. David Paterson both approved some form of a moratorium on drilling.

The state Senate and Assembly overwhelmingly voted to delay issuing permits for drilling until May 15 - just about when the DEC said those regulations would be ready. But when it came time for Paterson to sign the bill into law, the governor - who had expressed doubts about the safety of fracking - vetoed the bill because it would have included the more conventional vertical form of drilling, which has been practiced in New York for decades. He then issued an executive order for a moratorium on fracking for nearly two months beyond the original date, until July 1.

That executive order requires the DEC to issue those regulations "on or about June 1." It also requires the state to then schedule a public comment period of not less than 30 days, which may include public hearings. Gov. Andrew Cuomo, who has said he supports drilling "only if it's safe," could rescind that order. His spokesman did not respond to a question about that last week.

Since it has taken months for the depleted staff of the DEC to review the comments on the draft regulations and devise new rules, it's safe to say the state will not be ready to issue drilling permits July 1, if the order holds.

--Steve Israel