

The Truth about NY Gas Reserves During the Moratorium

By Lou Allstadt, December 16, 2014

In the "Gas Reserves Drop During Moratorium" story in Capital New York last week, the U.S. Energy Information Administration and gas industry spokesperson Karen Moreau claimed that the gas reserves in New York were depleted during the moratorium on fracking. To the average person this is going to be confusing and misleading.

Ms. Moreau's statement that simply, "lifting of the fracking moratorium will cause the state's proved reserves to skyrocket even if their full potential is not yet known" is absurd. Lifting the moratorium alone will do absolutely nothing to change New York's gas reserves in any way. Reserves have to be proven by drilling exploratory wells. Only after successful wells are drilled can reserves be booked.

Furthermore Ms. Moreau's statement that "The companies we represent are encourage by what they're finding right on the border and we can expect to find it that here in New York," is at best misleading. The fracking sweet spot in Pennsylvania is 15 to 30 miles south of the border. The shale gets thinner and shallower as you move north from the sweet spot toward New York. Far less gas can be contained in a thinner layer and there is less pressure at shallower depths to push gas to the surface. The economic incentive to drill wells decreases rapidly under these conditions. The number of wells being drilled immediately south of the border has declined. The largest producers in Pennsylvania are focusing on the sweet spot, not the area between there and the NY border. In fact, Chesapeake, the largest gas producer in the U.S., sold off acreage along the NY border in 2013. *

This latest story is yet another attempt by oil and gas industry representatives to obfuscate the facts, confuse the public and force the Governor's hand into approving fracking, knowing full well that there isn't much gas here to begin with. New Yorkers have been well served with the moratorium on fracking. What were anecdotal indications of the danger fracking poses to human health and the environment a few years ago are now complemented by a large body of peer-reviewed studies that confirm those early concerns. That evidence is accumulating at the rate of almost one peer reviewed study a day. It was wise to delay fracking a few years ago and it makes even more sense now to extend the moratorium.

Lou Allstadt

Allstadt is a former Executive Vice President of Mobil Oil Corporation. He has been critical of the fracking process and of the regulations proposed for fracking in New York State.

*See this link for Chesapeake's "Core of the Core" in the PA sweet spot and sales of acreage along NY border:

<http://www.haynesvilleplay.com/2013/05/chesapeake-trimming-to-core-in-marcellus.html>