

Conservative Column by James T. Farrell
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This week, Congress has been busy trying to pass some sort of health care legislation. It would seem that every politician has his or her own idea of what should be in the package. The final legislation will undoubtedly be far more costly than the President's simple desire to extend coverage to any one previously denied insurance. Whatever he ends up signing, there is no funding for it, and the next administration will have to come up with the money to sustain it. The current plan includes a long, intentional delay before any new system is available to the public. Therefore, if you were postponing necessary care until next year in contemplation of a "change," you had better come up with a plan B.

Beside health care worries, many in WV who work in the coal industry see dark clouds hanging over the issue of coal production in WV and are concerned. Even Sen. Byrd (D-WV), a longtime supporter of coal, has recently made some negative and confusing statements regarding the future of the industry. One thing is for certain, natural gas is the growth industry in northern WV.

Many people move to, or remain in, WV for the natural beauty of the land. I moved to WV to escape the pollution of a metropolitan area, among other reasons. Unfortunately, these days, when I walk across my property, I often smell the by-product odors of gas extraction, and hearing the non-stop noise from the nearby drilling rigs is a constant annoyance. Every month, someone in the natural gas business is knocking on our door to test this or explore that or to purchase a right of way. This has made me wonder, what is the chance that a super-size well could end up in our best pasture?

Upshur County is located over the Marcellus Shale formation and is currently the hottest investment play in gas well development from WV to NY. A Marcellus well is very different from the more common shallow gas wells that are familiar to most residents. For the surface owner, a Marcellus well will use more of your surface space than the drilling of a traditional well would.

Most gas companies are reluctant to pre-release any of their plans as to exactly where these wells will be located before obtaining a state drilling permit. The gas developers plan well in advance when they want to move in on your land. Unfortunately, the first formal notice a surface owner receives is a short 15-day period that starts with the granting of the drilling permit.

Efficient Marcellus sites sink multiple wells at one location. They drill down and then out horizontally to collect gas. The probability of drilling on your property is figured by which gas company owns your mineral rights and the rights on the adjoining property. Because these wells can collect gas beneath the surface area of a one-mile radius they need contiguous leases. The closer you are to the center of those leases, the more likely it is that you could be the site of the next well. Probability also changes based on your proximity or distance from existing Marcellus wells, roads and sources of water.

A traditional method of recovering the sole domination of your land has been to purchase a controlling portion of the mineral rights. Currently, there is high demand for gas and oil rights, and if gas developers have already leased the rights, you probably have no chance of regaining sole control of your land. (The mineral rights are superior to those of the surface owner.) However, in the case of a horizontal Marcellus well, you might be able to gain some limited protection if a share of the mineral rights to an adjoining piece of property is for sale. This long-shot scheme reduces the potential efficiency of the use of a Marcellus well on your land, and forces developers to consider other options.

If you are fortunate to own the oil, gas and coal rights beneath your land, do not sign anything proffered by a landsman. The minerals have been there for a million years and can wait a few more weeks while you seek the advice of a professional appraiser and legal counsel. Merry Christmas.

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