

Statement of Gwen Mason
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Before the
U.S. House of Representatives
Committee on Resources
Subcommittee on Energy & Mineral Resources
on
H.R. 2818
October 21, 1999

Madam Chairman, members of the Subcommittee, thank you for the opportunity to testify today on H.R. 2818, a bill that would prohibit oil and gas drilling at the U.S. Army Corps of Engineers (COE) Mosquito Creek Lake Project, Trumbull County, Ohio. In 1996, the Bureau of Land Management (BLM), in cooperation with the COE and the Ohio Department of Natural Resources (ODNR), initiated preparation of a detailed Planning Analysis/Environmental Assessment (PA/EA) to analyze potential impacts of proposed leasing and subsequent development of approximately 11,400 acres of federally owned oil and gas resources found at Mosquito Creek Lake. BLM chose to consider leasing at the Mosquito Creek Lake Project for three primary reasons: 1) potential drainage of federally owned resources by adjacent private wells and the subsequent loss of public revenues; 2) high development potential for oil and gas; and 3) industry interest in extracting these resources. As managers of the nation's onshore oil and gas resources, the BLM is tasked with ensuring protection of these resources and fostering their orderly and economic development. Since this bill prevents both, we must oppose the proposed legislation.

Oil and gas development is not new to this part of Ohio. Mosquito Creek Lake, which covers an area approximately 10 miles in length by 1 mile in width, lies within all or portions of the three townships of Bazetta, Mecca and Greene. Since 1975, approximately 120 wells have been drilled in Bazetta Township within one mile of the Mosquito Creek Lake project area. About 20 wells have been drilled in Mecca township and five wells drilled in Greene Township. According to the ODNR Division of Oil and Gas, there were 178 producing oil and gas wells in the three townships in 1996. Most of the hydrocarbon resources are piped out of the local communities to customers in the greater Ohio/Pennsylvania region, although some of the natural gas supplements the local distribution system during the winter months.

The BLM diligently sought to involve the public in the development of the Mosquito Creek Lake PA/EA. Publication of formal notices, public meetings, working meetings, media releases and direct mailings targeted solicitation of the views and opinions of the public. Much of the local controversy, i.e. petition drive, township resolutions, public forums, and media interest, occurred prior to the completion of the Draft PA/EA and concerns were based on unsupported claims of possible catastrophic accidents which might result from oil and gas production activities. Following release of the Draft PA/EA for public review in April 1998, the BLM Milwaukee Field Office received 15 letters. In addition to written comments, approximately 20 people made oral comments during two public meetings held in Trumbull County. Concerns focused primarily

on water quality issues, emergency response capability, risk/benefit analysis, and monitoring concerns. All of these issues were appropriately addressed in the Proposed PA/EA.

After publication of the Proposed PA/EA in October 1998, the BLM Washington Office (WO) received a total of eight protest letters during the 30-day protest period. Concerns raised in the protest letters were similar to those raised on the Draft PA/EA. The WO concluded that the Eastern States Director and the Milwaukee Field Manager followed the applicable planning procedures, laws, regulations, and policies and considered all relevant resource factors and public input in developing the Proposed PA/EA. In accordance with protest resolution procedures, the WO dismissed the protest letters and the Eastern States Associate State Director addressed individual concerns through response letters sent to the protesting parties.

Mosquito Creek Lake serves as a direct source of drinking water to the City of Warren and surrounding communities as well as a partial source of recharge to the groundwater wells serving the City of Cortland. Throughout the planning process, concerns relating to potential impacts of oil and gas leasing on surface and groundwater quality were repeatedly raised, especially as it relates to drinking water. In 1997, the US Geological Survey completed an investigation for the City of Cortland which examined the hydrogeologic framework of the bedrock aquifers in the area⁽¹⁾. This study confirmed that Mosquito Creek Lake does provide, in part, recharge to the Cortland water wellfield. The US Geological Survey completed a second study in 1998, which provides baseline water quality information and "fingerprints" the chemical nature of oil, gas and brine from the Berea, Cussewago and Clinton sandstones⁽²⁾. The study found no evidence that there has been a "measurable release of oil, gas or brine from the deeper Clinton sandstones to the shallow aquifers, Mosquito Creek Lake, or the lake's tributaries" from current oil and gas activities in the area. In addition to these findings, the PA/EA drew upon BLM's experience with Federal oil and gas development at three other COE projects which serve as either a primary or secondary source of public drinking water. At Berlin Reservoir in northeast Ohio, 83 wells (including 29 directional wells) were drilled on 55 Federal leases and/or agreements. At Rend Lake and Carlyle Lakes in southern Illinois, 20 wells (including 6 directional wells) were drilled on 7 Federal leases. To date, there have been no reports of any surface or groundwater contamination occurring at the three aforementioned COE projects.

Other issues/concerns raised during the planning process included potential impacts to fish and wildlife, aesthetics, and economics. Local emergency response capability and public health and safety were also concerns. The BLM believes PA/EA addresses all issues/concerns raised during the planning process and no additional evidence or information has been presented which would provide a basis for prohibiting oil and gas development in this area.

Two alternatives were analyzed in the Draft PA/EA. Under Alternative A, the No Action/No Lease alternative, no Federal leases would be issued. However, some Federal oil and gas could be developed by "pooling" the unleased Federal minerals with private minerals through an approved Federal agreement. It is projected that 14 private vertical wells would be drilled to develop this Federal/private mineral interest. Under Alternative B, Federal leases would be issued with a "no surface occupancy" restriction, i.e. no wells would be drilled on COE lands. In addition to the 14 private vertical wells, 27 federally permitted wells would be directionally drilled from adjacent private land into Federal oil and gas resources. The COE has consented to

and the BLM is proposing to lease Federal oil and gas at Mosquito Creek Lake as described under Alternative B. The legislation will prevent the recovery of valuable federal oil and gas resources and will reduce most incentives for private landowners to enter into agreements to share revenues from adjacent wells that drain federal oil and gas.

As cooperating agencies, both the COE and ODNR support development of the Mosquito Creek Lake Project and the BLM's assessment of potential impacts contained in the PA/EA. The COE, as evidenced by their consent decision, decided that the proposed leasing does not conflict with the intended use of Mosquito Creek Lake and concurred with the BLM's "Finding of No Significant Impact". In accordance with Alternative B, the COE's consent to drilling in this area is subject to a "no surface occupancy" (NSO) restriction on COE lands. In addition, a 200 foot NSO buffer around the COE administrative boundary has been imposed. Hence, wells drilled into Federal mineral estate would be directionally drilled from adjacent private land.

Existing controls and regulations relating to oil and gas development in the State of Ohio are outlined in the Mosquito Creek PA/EA. As a result of specific issues and concerns identified through the planning process, the BLM developed additional measures, such as timing restrictions, baseline water quality testing requirements, setbacks from special status species habitat, and noise abatement requirements, to further protect surface and subsurface resource values. These mitigation measures are designed to ensure that leasing and subsequent oil and gas development at Mosquito Creek Lake could be carried out in an environmentally sound fashion and are compatible with existing land use.

Thank you for the opportunity to testify today. I will be happy to respond to any questions.

⁽¹⁾U.S. Geological Survey 1997. Barton, Gary J., and Peter R. Wright, "Ground-Water Resources in the Vicinity of Cortland, Trumbull County, Ohio". U.S. Geological Survey Water-Resources Investigations Report 97-4130. Columbus, OH.

⁽²⁾ U.S. Geological Survey, 1998. Barton, Gary J., Robert C. Burrus, and Robert T. Ryder. "Water Quality in the Vicinity of Mosquito Creek Lake, Trumbull County, Ohio in Relation to the Chemistry of Locally Occurring Oil, Natural Gas and Brine". U.S. Geological Survey Water-Resources Investigations Report 98-4180. Columbus, OH.