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## NEWS ADVISORY

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### **The Independent Oil & Gas Association of New York Estimates 300 Marcellus Wells to Raise \$1.4 billion, Provide Hundreds of Jobs**

**Lake View, NY** – The Independent Oil & Gas Association of New York (IOGA of NY) estimates the positive economic impact of 300 Marcellus Shale wells to easily reach or exceed \$1.4 billion. Broken down, the wells are projected to provide \$108 million to landowners, \$19 million in real property tax relief for municipalities, \$32 million in state tax revenue, and provide hundreds of new jobs.

“The Marcellus Shale, a geological formation in New York and contiguous states, may well prove to be one of the largest deposits of natural gas in the nation’s history,” said Brad Gill, executive director of IOGA of NY and geologist by trade. “Over the past year, we have witnessed a financial meltdown of not only New York, but of the global marketplace. Now, we have a chance to pull New York – especially the Southern Tier – out of this slump and put New Yorkers back to work.”

According to a workforce needs assessment using data from energy companies currently working in the Northern Tier of Pennsylvania, the direct workforce needed to drill a single well is comprised of over 410 individuals working within nearly 150 different occupations. For example, if 100 wells are drilled per year, then the total workforce will be 1,153. These jobs are not permanent and do not compound year-after-year. However, if 100 wells were to be drilled per year for 10 consecutive years, the total workforce will remain very close to 1,153, with a slight increase for the long-term production phase jobs that are created.

The recent estimation comes on the heels of the NYS Department of Labor’s recent report citing rising unemployment numbers, which have reached the highest number in at least 33 years. New York’s unemployment rate, after a seasonal adjustment, increased from 8.2 percent in May to 8.7 percent in June 2009. In June 2008, the state’s rate was 5.3 percent. In Binghamton, the unemployment rate was 8.9 percent in June 2009, compared with 8.3 in May and 5.6 in June 2008.

“Natural gas exploration has been conducted safely and in an environmentally sound manner for decades in New York,” said Gill. “If we all work together, the possibilities for economic success are endless.”

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*IOGA of NY is a trade association founded in 1980 to protect, foster and advance the common interests of oil and gas producers, professionals and related industries in the State of New York. IOGA of NY takes great pride in its commitment to members and their local communities.*