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IOGA of NY Addresses NYS Assembly EnCon Committee

Concerns over excessive regulation raised; SGEIS places NY at a competitive disadvantage.

Lake View, NY – The Independent Oil and Gas Association (IOGA of NY) today presented the industry’s scientific and objective perspective on the prospect of expanded natural gas exploration in New York to the state Assembly Committee on Environmental Conservation in Albany.

Prompted by the state Department of Environmental Conservation’s Sept. 30 release of a revised environmental impact statement (SGEIS), which proposes a series of regulatory standards designed to protect the environment, the Assembly committee held a public hearing to solicit public input on the SGEIS.

IOGA of NY expressed disappointment with the lengthy SGEIS process and with those spreading false information in an attempt to block the expansion of natural gas exploration in New York.

“Our members welcome a high environmental bar. After all, the original impact statement provided one of the most stringent regulatory regimes in the country relating to oil and gas exploration,” said Brad Gill, executive director of IOGA of NY and a certified petroleum geologist. “However, I fear that the SGEIS goes too far and places New York at a distinct competitive disadvantage with other states such as Pennsylvania. While we understand and respect the DEC’s efforts in producing the SGEIS, many of our members have grown frustrated and have moved their exploration investments out of state.”

Currently, individual IOGA member companies are reviewing the SGEIS to understand its operational, regulatory, environmental and commercial impacts.

“Before the “Marcellus” became a household word, most people were barely aware that our industry even existed in New York,” said Gill. “Most didn’t know because we’ve been operating for years in a safe and environmentally conscientious manner. So much so that any environmental incidents making news are from other states, like New Mexico and Colorado – states that have been far less diligent in their regulatory efforts than New York. This is a critical distinction.

“There is a world of difference between those circumstances and ours here in New York,” said Gill. “To ignore these differences is a disservice. There are typically thousands of feet of sediment and vastly differing lithologies contrasting those states and terrains with ours here in New York. A host

of other factors, such as reservoir porosities and perms, fracturing, pressures, drilling and completion techniques – are being ignored when making these unfair comparisons.

“This is a rare moment for our state,” said Gill. “New York can embrace this opportunity, or instead let other states nearby capitalized on our hesitancy. Our membership truly believes that the interests of environmental protection can be balanced with an ability to safely foster and support this effort toward energy self-sufficiency in New York.”

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. For additional information on natural gas exploration, as well as a copy of today's testimony, please visit IOGA of NY's informational blog: www.marcellusfacts.com.