Ohio to decide Monday whether to open state parks to oil and gas drilling

By Jake Zuckerman cleveland.com

COLUMBUS, Ohio – A newly created arm of state government could decide Monday whether to open two of Ohio's state parks and two protected wildlife areas to oil and gas development.

The Oil and Gas Land Management Commission's agenda for its Monday meeting includes discussion and "possible action" on 10 applications to open Salt Fork State Park, Wolf Run State Park, Valley Run Wildlife Area, and Zepernick Wildlife Area to drilling.

The OGLMC's action on the nominations would only establish that mineral rights to a swath of state lands are up for grabs. From there, the rights go out to a public bidding process. Only once a bid is selected does state law require the commission to disclose the identity of the winning bidder.

Commissioners could take action even as their own public comment process has been overrun with dozens of pro-fracking letters that people say they didn't write or knowingly authorize. Cleveland.com and The Plain Dealer have identified about 65 such letters. Save Our Parks, a grassroots group formed to oppose fracking, said they've found more than 80 more.

Monday's potential vote traces back to 2011, when Republican lawmakers <u>first</u> <u>established</u> the state's land leasing program. However, under Govs. John Kasich and Mike DeWine, both Republicans, the commission never rolled out any administrative rules to implement the program. Late last year, Republican lawmakers passed new legislation that simultaneously force-started the land leasing process and legally redefined natural gas as "green energy." DeWine <u>signed it into law</u>.

The gas industry is keenly interested in the outcome and the stakes are high. Houston-based Encino Energy previously offered Ohio a \$115 million signing bonus and 20% royalty payments worth a projected additional \$1.8 billion by 2041 to access the gas under Salt Fork. State records show a whopping 95 lobbyists are registered to lobby the OGLMC on behalf of companies including Encino, EQT Corp., Ascent Resources, Calpine Energy Solutions, Marathon Petroleum, TC Energy, Shell, BP, Gulfport Energy Corp, the Ohio Association of Realtors, and more.

"We are as interested as others to learn what parcels will go out to bid," said Ohio Oil and Gas Association spokesman Mike Chadsey.

Others have fought to stop the drilling before it starts. The Ohio Environmental Council filed a lawsuit in April seeking to stop the new law from taking effect. The case is pending, but a Franklin County judge denied a request to halt the leasing process in the interim.

Meanwhile, Save Ohio Parks, a grassroots organization comprised of several environmental activists, has waged a public relations and letter-writing campaign seeking to stop or slow the leasing process.

"We want the commission to deny all the fracking nominations before them. They can do it and they should do it," said Roxanne Groff, Save Ohio Parks steering committee member. "Thousands of people have asked them to do so. The commission needs to listen to the people."

While the new law allows for surface interruptions on state lands, DeWine has pledged his administration would not allow as much in any state parks. At a practical level, this means that if the commission allows fracking in state parks to move forward, drilling would happen on private property around the parks. From there, drillers would drill thousands of feet underground before turning horizontally to free oil and gas through the process of hydraulic fracturing, better known as "fracking."

David Yoxtheimer, a professor at Penn State University's College of Earth and Mineral Sciences, looked over the land nominations to be decided by the commission. He said one thing that sticks out is many are small areas, or long and narrow stretches. This suggests drillers already own rights to some of the surrounding land.

The distance from well pads to these new parcels supports that idea.

"I didn't get into details of what the existing land surface conditions are for each parcel, but they shouldn't be impacted since the drilling pads are thousands of feet away in most cases," he said.

Daniel Sherwood is an editor with The Capitol Forum Upstream, which tracks and analyzes gas production in the Appalachian Basin. He noticed two geologic trends in the lease applications.

When it comes to Salt Fork, he said while Guernsey County is inundated with wells and pipelines, the park area has been left largely untouched. But with the other three sites, there's little oil and gas production around them. This suggests the interest is speculative in nature – they're not surefire moneymakers.

"This is in an area where drillers are reducing what they're doing, and reducing their exploration efforts," he said.

The potential for Ohio to ink long-term financial arrangements with gas companies comes as the effects of a warming planet bear out. July of this year was the hottest in 174 years on earth, according to the National Oceanic and Atmospheric Administration. This came as smoke from Canadian wildfires drifted across the U.S., creating hazy, sepia cityscapes. Earth is likely to cross a key threshold for global warming within the next decade, according to The New York Times' coverage of a report from the Intergovernmental Panel on Climate Change, and nations must shift away from fossil fuels to prevent the planet from overheating.

As Cleveland.com and The Plain Dealer have reported, two entities linked to the gas industry have submitted hundreds of public comments supporting land leasing. Nearly 150 of the people named on those letters, including a nine-year-old child and an older, blind woman, denied ever allowing anyone to use their name. Attorney General Dave Yost later announced an investigation and pending subpoenas following the report.

The legislation that jumpstarted the long-dormant state leasing program passed under unusual circumstances. The Ohio House originally passed House Bill 507, noncontroversial legislation dealing with the sale of poultry chicks. One Senator referred to it in a floor speech as "the chicken bill."

Senate Republicans, in some of the final days of the two-year general assembly, stuffed it with unrelated amendments. One essentially forced state agencies to lease their lands to any qualified bidders who apply until the OGLMC rolls out its rules; a second redefines natural gas (methane, a fossil fuel) as "green energy;" a third blocked cities from regulating various pesticides. From there, the legislation passed quickly on party lines.

The lawsuit seeking to block the statute alleges lawmakers skipped two constitutional rules – one limiting most legislation to a single subject, and one requiring bills be "considered" by each chamber on three occasions. State attorneys have denied as much and defended the law as constitutional.

Should the OGLMC vote to approve a nomination, it would go out to an open bid in the following calendar quarter, according to Ohio Department of Natural Resources spokesman Andy Chow. Once the OGLMC accepts the "highest and best" bid, the state agency that owns the lands must enter into the lease.

The commission is scheduled to meet at 10 a.m. Monday at the Ohio Department of Natural Resources office at 2045 Morse Road in Columbus.