

Pennsylvania Oil & Gas Association

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Economic Impacts of the Oil & Gas Industry in Warren, McKean, Forest & Elk Counties

from data compiled by L&I and DEP with analysis based on the work of Penn State's Workforce Education and Development Initiative, the Allegheny Conference and the Pennsylvania Economy League

In 2008, the oil and gas extraction industry:

- directly supported approximately 1,100 full time jobs with an average wage of \$51,650 for a total of \$56.6 million in compensation to residents in the four counties
- drilled 956 wells, reflecting a capital investment in the region of at least \$143 million
- provided support for an additional 1,743 jobs related to oil and gas well drilling, adding another \$65.8 million in compensation to the regional economy
- generated \$887,000 in property taxes in support of local government

Remarks on the Proposed Settlement between the US Forest Service & the Sierra Club

The recent actions of the US Forest Service to impose what is an extra-legal regulatory framework on oil and gas development throughout the region fundamentally threatens all of these jobs, income and capital investments.

Our industry has had an excellent working relationship with the US Forest Service for decades, almost a century. That relationship is now being put to the test, and it may be destroyed by the arrogance of a few local US Forest Service employees and their counterparts in Milwaukee and Washington who are trying to use the federal courts to cut a deal with their friends in the Sierra Club and the Allegheny Defense Project and assume power that no federal or state law gives them.

These Forest Service employees are accomplished bureaucrats, well skilled in the passive aggressive arts of public administration. They are proud of what they are doing, and they may very well accomplish their cynical finesse of the law.

We don't know how the court will rule on their proposed settlement, but if they are successful, it will be an historic event. And the US Forest Service will fundamentally and substantially damage the fragile economic base of much of Warren, McKean, Forest and Elk counties forever.

Submitted by:

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