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Testimony on "Challenges facing Domestic Oil and Gas Development: Review of Bureau of Land Management/U.S. Forest Service Ban on Horizontal Drilling on Federal Lands"

July 7, 2011

Thank you for the opportunity to comment. It is an honor to be here this morning.

My name is Kate Giese Wofford and I serve as executive director of the Shenandoah Valley Network of citizens groups in the Valley's six northern counties. I work with residents and their elected officials to preserve rural lands and communities, and to strengthen the Valley's rural economy. The Network is a non-profit group and I am the only staff member.

I am here today to provide the Valley's unique perspective on natural gas drilling; particularly the strong support among elected officials and area residents in Rockingham, Shenandoah and Augusta Counties and the cities of Harrisonburg and Staunton for a ban on horizontal drilling in the George Washington National Forest.

I'd like to cover several points:

- The northern Shenandoah Valley is conservative, cautious and, at times, skeptical. I find that residents and local elected officials take their time and do their homework before they come to a decision or embrace anything new.
- The George Washington National Forest represents 29 percent of all the land in Augusta County and 24 percent in Rockingham and Shenandoah County and provides public drinking water to 260,000 residents in and around the Shenandoah Valley. Therefore the Forest Management Plan will have a major impact on local land use and water supplies for at least 15 years.
- Since 2007, long before natural gas drilling emerged as a possibility, the Valley's elected officials and
 residents started asking forest planners to formally identify and protect the public drinking water
 sources on the George Washington National Forest. In total, 40 local governments and civic
 organizations adopted formal resolutions urging the Forest Service to specifically manage public
 drinking water quality and supply. Supervisors in seven Shenandoah Valley counties and council
 members in four town and two cities, representing over 340,000 citizens, submitted such
 resolutions. These requests were heard, and drinking water resource identification and some new
 protections are included in the draft forest plan.
- The northern Shenandoah Valley has not sought to embrace and has no history of intensive energy development on its rural lands. In fact, local governments have long-supported rural economic development based on productive working farm and forest lands and robust tourism and recreation sectors.

- Last fall, elected officials in the three northern Shenandoah Valley counties and on the two city councils specifically asked the U.S. Forest Service to ban or place a moratorium on horizontal natural gas drilling to protect both public drinking water and/or rural lands. This spring, Rockingham County Farm Bureau adopted a resolution supporting natural gas development, but opposing high volume hydraulic fracturing until its impacts on agriculture are well understood. Many local citizens groups and conservation organizations have expressed similar concerns.
- The draft George Washington National Forest Management Plan, with the ban on horizontal natural gas drilling, reflects both the careful analysis conducted by the forest and the policies and priorities of local governments and residents in these counties. It is not a precedent for other parts of our nation.

The Shenandoah Valley has a strong base of traditional rural businesses like farming, timber, tourism and recreation. Small-scale natural gas production has been minimal, with conventional vertical wells that had little impact on local farms or forests.

Therefore, in 2010, when the Valley was faced with its first proposal for a Marcellus Shale natural gas well, the local officials took a thoughtful and cautious approach. Rockingham County officials drove five hours each way to visit Wetzel County, WVA where this type of gas drilling is in full swing. They took along one of the citizen leaders I work with, Kim Sandum.

In Wetzel County, they saw farm land bulldozed for wastewater holding ponds and drilling pads, narrow rural roads chewed up by heavy truck traffic, extensive pipeline development on farm and forest land, compressors that run all night and mountain streams sucked dry to provide millions of gallons of water used for drilling.

Rockingham officials talked to landowners and emergency response crews. Not one person on the trip came back from to Rockingham County and said "This is an industry we'd like to develop in the Shenandoah Valley." Later, when the possibility for shale gas drilling on public lands came up, local officials remained skeptical.

I've brought with me the letters sent to the U.S. Forest Service last fall, requesting a moratorium or ban on horizontal drilling by the three counties and two cities. To quote from a Sept, 16, 2010 letter from the county:

"Rockingham County is supportive of the development of alternative energy resources located at a site that is appropriate for its use, with appropriate levels of regulation and oversight, and on private lands. The Board does not support the commercialization of natural resources in the National Forest or National Park lands, other than the limited timber sales program, through mining, extraction and other industrial means."

As I said earlier, the Valley's local governments and private sector have been investing for generations in traditional rural land uses based on its extraordinary natural, historic and cultural resources: farming, forestry, tourism and recreation. They have no history of, or strategy for, economic development based on heavy energy development on rural lands.

In fact, local governments and the farm community have concerns that horizontal drilling is incompatible with the investments made in our region's traditional rural sectors and could actually do more harm than good. The Rockingham County Farm Bureau adopted a resolution in the spring supporting natural gas development, but opposing high-volume hydraulic fracturing. Our tourism folks are looking to fill local restaurants and hotels with visitors enjoying the national forest, Shenandoah National Park and our world-famous rivers and Civil War battlefields.

Thankfully, the Forest planners carefully studied the issue and responded with a proposal that respects local concerns—a prohibition on horizontal drilling on federal lands oil and gas leases. This restriction is viewed in the Valley as a middle-of-the-road proposal.

It does not impact the potential for vertical gas drilling on almost 1 million acres of the Forest, nor does it affect the potential for natural gas drilling on private lands or privately held mineral rights on the forest. And the ban would not be permanent. It's part of a 10-15 year management plan. Forest planners have made it very clear that if gas drilling on private land demonstrates that our local natural gas resource is developable and can be done without impact to water quality, the Forest would reconsider the issue.

We have a landowner at the hearing this morning, Mr. Everett May, Jr. from Rockingham County, whose family has farmed land next to the George Washington National Forest in Virginia and West Virginia for several generations. Mr. May signed a lease for Marcellus shale gas drilling in 2006, thinking it would be a simple vertical well. Then he learned about impacts of this industry in other communities. He told me that he would give that lease back if he could. But he can't. So he, and many of his neighbors, asked the County Supervisors to see that a conservative approach is taken on private lands and asked the Forest Service to make sure that this kind of gas drilling didn't happen on public lands.

From a personal perspective, I got to know the Shenandoah Valley well when I went to college at Washington & Lee University in Lexington. Before returning to the Valley three years ago, my family and I lived in Idaho for 5 years. I worked with coalitions of landowners, ranchers, and government officials on public lands policies. Out west, I saw first hand the frustration among local people and elected officials over public land managers' lack of responsiveness to the priorities of local communities.

In this plan from the George Washington National Forest, the Forest Service listened and, in large part, followed the requests of nearby localities. There are new provisions to identify and monitor source areas for public water supply, a high priority for Valley communities and a topic that was not addressed in the 1993 Plan. And, of course, the ban on horizontal drilling is also consistent with citizen concerns about a new industry.

I believe that the local governments and landowner messages from the Valley on horizontal drilling were not intended to be political statements on oil and gas production on public lands elsewhere. They were directed to the George Washington National Forest and ought to be taken at face value. Citizens in the Shenandoah Valley have observed the impacts of Marcellus shale gas development in other communities and have decided that a cautious approach is warranted. Again, thank you for the opportunity to provide a perspective from the Shenandoah Valley.

Attachments for the record, submitted by email: Rockingham County letter to Ms. Hyzer Augusta County letter to Ms. Hyzer Shenandoah County resolution City of Harrisonburg letter to Ms. Hyzer City of Staunton resolution Rockingham County Farm Bureau resolution