



Mineral development in Ohio's national forest

ENERGY INSIGHTS | NOV 05, 2015

The Wayne National Forest, located in southeast Ohio, is the state's only national forest.

Oil and gas development in National Forests is not a new concept. In Pennsylvania, the Allegheny National Forest, which is located within the Marcellus Shale formation, currently has four producing horizontal wells and 11 unconventional well pads constructed. In November of 2014, the U.S. Forest Service announced that 177,000 acres were available for horizontal drilling and hydraulic fracturing in the George Washington and Jefferson National Forest.

In Ohio, there are currently 1,275 active vertical wells, both privately and federally owned, operating in the Wayne National Forest ("WNF"); however, there is no horizontal drilling and hydraulic fracturing taking place, even though the WNF is located within the new heart of the ever shifting Utica Shale formation (Monroe, Noble, and Washington Counties). The question then becomes why isn't there horizontal drilling and hydraulic fracturing occurring in the WNF? The Forest Plan does not prohibit hydraulic fracturing.

The process to obtain an oil and gas drilling permit in the WNF is extensive and subjective. To receive permission to drill on federally owned national forest land, an individual or industry must go through the following steps:

1. Submit to the Bureau of Land Management ("BLM") an expression of interest ("EOI") to nominate the oil and natural gas desired to be developed
2. The EOI is then reviewed in accordance with the National Environmental Policy Act ("NEPA")
3. The EOI is subject to a public comment period
4. If the EOI is approved, the BLM will prepare a bid package to be offered at sale and give required 90 day notice of the sale
5. The BLM provides an additional 30 day protest period
6. A lease sale is conducted

This process to obtain a lease can take up to 20 months. Once the lease is approved to the individual or industry, a new set of steps are required. First, an application for permit to drill must be submitted to the BLM. Second, if the lease requires surface occupancy, the lease will be subject to a full NEPA review. Finally, the Ohio Department of Natural Resources must grant permission to drill. This post lease application process can take anywhere from 2-8 months (for a non-surface occupancy lease) or 10-16 months (for a surface occupancy lease). From start to finish, an applicant is looking at around 18 months and all the way up to 36 months to receive permission to drill. In comparison, with respect to lands outside the national forest, permission to drill is issued by the ODNR between 10 and 21 calendar days.

Ultimately, the power to horizontally drill and hydraulically frack on the WNF is in the hands of the BLM. The BLM will be conducting scoping meetings later this month to gauge what the public's interest is on fracking within the WNF. Hopefully, these meetings will shed some light on the state of hydraulic fracturing. Stay tuned.