

SUSQUEHANNA RIVER BASIN COMMISSION
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**SRBC STREAMLINES REVIEW OF NATURAL GAS WELL
DEVELOPMENT APPLICATIONS, PROTECTS WATER RESOURCES**

BEL AIR, Md. – At its quarterly meeting in Bel Air, Md., the Susquehanna River Basin Commission (SRBC) today approved regulatory changes streamlining the review of consumptive water uses by the natural gas industry and further protecting the basin’s water resources. The regulatory amendments will go into effect January 1, 2009, or when they have been published as final in appropriate federal and state registers, whichever comes later.

“The Commission acted quickly and decisively to address the unanticipated and pressing demand for water in 2008 from the natural gas industry,” said SRBC Executive Director Paul Swartz. “These regulatory amendments, along with other actions we had already taken, allow us to respond in an orderly fashion as we fulfill our dual mission to protect the basin’s vital water resources and support economic development opportunities.”

Among the streamlining provisions in the amended regulations, all requests for consumptive water use by the natural gas industry will now be handled through SRBC’s simplified approval-by-rule process (commonly known as a general permit). To make this change possible, SRBC likewise expanded the sources of water that applicants can consider for their consumptive water use, including public water supplies, discharges from wastewater treatment facilities and other reclaimed waters, and withdrawals from other sources approved separately by SRBC.

Water is considered consumptively used when it is withdrawn from the Susquehanna River Basin but not returned to the basin. Drilling wells for natural gas development in the Marcellus shale and other formations in the Susquehanna basin involves large volumes of water being injected underground, making it not reasonably available for future use.

Other key changes in SRBC’s regulations include:

- Regulating projects on a drilling-pad basis.
- Requiring project sponsors to certify compliance with state and/or federal laws for the treatment and disposal of flowback fluids or produced brines.
- Incorporating the August 14, 2008 determination by the SRBC Executive Director (which went into effect on October 15, 2008) that all quantities of water withdrawn or used for natural gas well development be reviewed.
- Limiting SRBC’s approval to five years versus the standard approval of 15 years for other types of projects.

Swartz said, “The Commission’s decision this summer to regulate all quantities of water withdrawals and uses by the natural gas industry has had multiple benefits. It not only enhanced

water resource protection; we believe it actually bolstered industry compliance by eliminating any uncertainties as to what amount of water would be regulated in the Susquehanna basin.”

More than 72 percent of the tri-state Susquehanna watershed, covering portions of New York, Pennsylvania and Maryland, are underlain by the Marcellus and other organic-rich shale formations. Advancements in technology for capturing natural gas in those shale formations require operators to inject large amounts of water under pressure several thousand feet underground to fracture the formation to stimulate the flow of gas. For more information on SRBC’s regulation of natural gas well development projects, go to SRBC’s web site at www.srbc.net/programs/projreviewmarcellus.htm.

SRBC (www.srbc.net) is the governing agency established under a 100-year compact signed on December 24, 1970 by the federal government and the states of New York, Pennsylvania and Maryland to protect and wisely manage the water resources of the Susquehanna River Basin. The Susquehanna River starts in Cooperstown, New York, and flows 444 miles to Havre de Grace, Maryland, where the river meets the Chesapeake Bay.

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