

I. INTRODUCTION

The Department of Environmental Conservation (DEC) was created in 1970 to consolidate in a single agency New York's programs for protecting and enhancing the environment.

The Department has a vast range of responsibilities including control of air, water and land pollution, encouraging waste reduction and recycling, and managing fish, wildlife, forests, land, and mineral resources. In addition, the department administers the State Environmental Quality Review Act (SEQR), which requires that environmental impacts be considered when reviewing projects which require permits from the Department.

As part of the stewardship and management of the State's natural resources, DEC regulates the drilling, operation, and plugging and abandonment of oil, natural gas, underground gas storage, solution salt mining, brine disposal, geothermal and stratigraphic wells. The purpose of the regulatory program is to ensure that the activities related to these wells are conducted in an environmentally sound manner consistent with the legislative mandates found in Article 23 of the Environmental Conservation Law. Aside from strictly environmental concerns, DEC is responsible for preventing waste of the State's oil and gas resources and protecting correlative rights; that is, the right of any mineral owner to recover the oil and gas resources beneath his land.

New York State began regulating oil and gas activities with the passage of the first comprehensive legislation in 1963, which eventually was codified as Article 23 of the Environmental Conservation Law. Based on this law, rules and regulations were adopted under Parts 550 to 559 of Title 6 of the New York

Codes of Rules and Regulations. Thus, both legislation and rules and regulations are in place to regulate the oil, gas and solution mining industries in the state.

Since the passage of the State Environmental Quality Review Act in 1977, the Department has endeavored to establish a rational basis and consistent criteria for environmental review of DEC actions in matters of discretionary approval such as the granting of permits. The primary method of review for a broad regulatory program is the preparation of a Generic Environmental Impact Statement (GEIS) which is designed to be general and conceptual in nature. The goals of a GEIS are to assess the environmental impacts of an entire regulatory program and to suggest changes that may be necessary to strengthen the program.

The Department pursued the development of this GEIS for the State's onshore oil and gas regulatory program to show compliance of the existing regulatory program with the State Environmental Quality Review Act.

In addition, with the passage of new oil and gas legislation in 1981, the Legislature mandated that the State's authority for regulation of these industries should supercede all local regulation with the exception of taxation and local roads. Because of the supercedure issue and a need for public information, the Department has expanded this GEIS to be an information document to help the public and local governments understand the oil and gas industries in New York and how the DEC regulates these industries.

Further, because of the major overhaul of legislation in 1981, both new and amended rules and regulations are necessary. Thus, the GEIS has been expanded to include proposed regulations as well as suggested changes to existing regulations so that a full public discussion of all the issues can be accomplished in one document. It should be recognized, however, that

regulatory changes can only be promulgated through a separate process dictated by the State Administrative Procedures Act.

Many of the primary issues and areas of concern covered in this GEIS were identified by the process known as "scoping". Through this process, the affected communities, agencies, public interest groups, members of the petroleum industry, and the general public were notified by DEC about the preparation of the GEIS and their comments were solicited through mailings and public hearings. A comprehensive outline of the GEIS was distributed to facilitate their review.

The comments submitted through the scoping process have been analyzed and the following major issues were identified:

- Impacts on water quality;
- Impacts of drilling in sensitive areas, such as Agricultural Districts, areas of rugged topography, wetlands, drinking water watersheds, freshwater aquifers and other sensitive habitats;
- Impacts caused by drilling and production wastes;
- Impacts on land use;
- Socioeconomic impacts;
- Impacts on cultural resources;
- Impacts on endangered species and species of concern.

This GEIS refers only to the present and proposed onshore oil and gas regulatory program. The statement does not review oil and gas leasing of State lands either onshore or offshore, nor further drilling that may occur in the waters of this State.