#### III. MAJOR CONCLUSIONS ON THE APPLICATION OF THE STATE

## ENVIRONMENTAL QUALITY REVIEW ACT TO THE OIL, GAS AND SOLUTION MINING LAW A. INTRODUCTION

When the State Environmental Quality Review Act (SEQR) became a law on August 1, 1975, New York became the twenty-second state with an environmental review law. SEQR is a process that introduces the consideration of environmental factors into the early planning stages of actions that are directly undertaken, funded or approved by local, regional and state agencies. By incorporating a systematic interdisciplinary approach to environmental review in the early planning stages, projects can be modified as needed, to avoid adverse impacts on the environment.

The fundamental purpose of SEQR as expressed by the Legislature is:

"...to declare a state policy which will encourage productive and enjoyable harmony between man and his environment; to promote efforts which will prevent or eliminate damage to the environment and enhance human and community resources; and to enrich the understanding of the ecological systems, natural, human and community resources important to the people of the state."

The primary tool of the SEQR process is the Environmental Impact Statement (EIS). If it is determined that a proposed action may have a significant effect on the environment, then the Draft EIS is prepared to explore ways to minimize adverse environmental effects or to identify a potentially less damaging alternative.

SEQR is both a procedural and a substantive law. In addition to meeting procedural requirements, the law mandates that agencies act on the substantive information produced in the environmental review. This may result in project modification or project denial if the adverse environmental effects are overriding and adequate mitigation or alternatives are not available.

One of the primary purposes of this Generic Environmental Impact Statement (GEIS) is to clearly establish the basis for environmental review and approval of the DEC actions subject to the Oil, Gas and Solution Mining Law.

A Generic Environmental Impact Statement differs from the site or projectspecific Environmental Impact Statement by being more general or conceptual in nature and may be used to assess the environmental effects of:

(1) a number of separate actions in a given geographic area which, if considered singly may have minor effects, but if considered together may have significant effects;

(2) a sequence of actions, contemplated by a single agency or individual;

(3) separate actions having generic or common impacts; or

(4) an entire program or plan having wide application or restricting the range of future alternative policies or projects.

The GEIS and its findings should set forth specific conditions or criteria under which future actions will be undertaken. Site-specific impacts which have not been addressed adequately or analyzed in the statement may be subjected to additional review through the drafting of a supplemental EIS.

**B. SEQR REQUIREMENTS** 

As a result of review and recommendations in the GEIS, the permitting of standard, individual oil, gas, solution mining and gas storage wells, pursuant to the Oil, Gas and Solution Mining Law and its current regulations, in combination with casing and cementing permit guidelines or aquifer, wetland, and drinking water watershed permit conditions when applicable, is considered to be a non-significant action under the State Environmental Quality Review Act. This GEIS satisfies SEQR requirements for all these standard operations when they conform to the thresholds described in Table 3.1. However, permits for the following types of projects will continue to require detailed site-

specific environmental assessments:

- Oil and gas drilling permits in Agricultural Districts if more than two and one-half acres will be altered including the access road.
- 2. Oil and gas drilling permits in State Parklands.
- 3. Oil and gas drilling permits when other DEC permits are required.
- Oil and gas drilling permits less than 2,000 feet from a municipal water supply well.
- 5. New major waterflood or tertiary recovery projects.
- 6. New underground gas storage projects or major modifications.
- 7. New solution mining projects or major modifications.
- Any other project not conforming to the standards, criteria or thresholds required by the GEIS.

Most thresholds currently listed for Type I projects in 6 NYCRR Part 617 are not likely to be triggered by the drilling of oil and gas wells. The major thresholds that may be triggered by an application to drill are the disturbance of, or the (1) physical alteration of 10 acres or more, (2) the location of a well in an Agricultural District exceeding 25 percent of the threshold (2.5 acre), and (3) the location of a well for which the project size exceeds 25% of any threshold (2.5 acres) within or contiguous to any publicly-owned park land.

The threshold for an Agricultural District calls to question the need for further mitigating measures that may be needed beyond the current permit conditions. Erosion, sedimentation control, topsoil stockpiling, and reclamation of the site to agricultural use are currently considered in an application on agricultural lands within Agricultural Districts. The use of existing access roads, wherever possible, further limits disturbances in Agricultural Districts. Regulations for protection of groundwater resources

and setbacks are adequate irrespective of the location of a well in or outside of an Agricultural District. Therefore, the primary concerns deal with surface mitigation measures such as erosion control and the existing and longterm management of the land resources for agriculture.

In addition, where possible, the Department works with the operator and the landowner to locate the well site along existing roads and in close proximity to the access road. Such changes in drilling location are possible in most regions of the State. The objective is to restrict or minimize the disturbance of viable agricultural land for a well location. In many instances, lease conditions would allow the landowner to approve or reject a site; and though many leases were written without current landowner approval, most of these issues must be addressed in the Environmental Assessment Form submitted by the operator to DEC.

Furthermore, the location of a well in an Agricultural District or other agricultural region does not mean that the well will be located on viable farmland. Some of the acreage in Agricultural Districts is unproductive, fallow, brushland or pasture unsuitable for growing crops at the present time.

State parklands, and in particular the Allegany State Park, encompass large private holdings where oil and gas drilling has occurred for almost a century. The ownership of lands in Allegany State Park is complicated by the fact that there are totally separate public and private holdings of both the surface and mineral rights as well as the more complicated situation where these rights are split among two or more parties. Thus, some holdings of State parkland may include only the surface where another person owns the mineral rights.

The Department is currently developing a Memorandum of Understanding with

the State Office of Parks, Recreation and Historic Preservation (OPRHP) with respect to approvals of drilling permits within park boundaries. The Department has proposed that OPRHP be lead agency for SEQR for any applications for drilling permits within the park. The objective is to have the agency most knowledgeable about the parklands be the lead agency and limit the amount of disturbance in State parklands, recognizing the need for public access and safety.

Close cooperation and consultation are needed between OPRHP and DEC to carry out the respective mandates to protect the State parklands. The DEC and OPRHP have agreed to fully cooperate in the review of any and all applications within park boundaries.

#### C. PROPOSED SEQR DETERMINATIONS

Table 3.1 represents the general criteria against which each of the agency actions will be reviewed. The Table summarizes the various actions that DEC undertakes with regard to the Oil and Gas Regulatory Program and the environmental impact determination under the State Environmental Quality Review Act based on current regulation, special permit conditions and the discussions contained within the document.

#### D. FUTURE SEQR COMPLIANCE

Many of the current policies and permit conditions discussed in the GEIS are being proposed for incorporation into the rules and regulations. In general, permit conditions are added in the SEQR review process on a sitespecific basis to ensure that the drilling of a well, for example, will not be significant. As conditions become standardized, they must be promulgated as rules and regulations.

The filing of a GEIS including a SEQR findings statement can result in the Environmental Assessment Form (EAF) being eliminated. However, information being requiresed on the EAF must be incorporated into the drilling

## TABLE 3.1 PROPOSED SEQR DETERMINATION

Age	ncy Action	Environmental Impact	Explanation
a.	Standard oil, gas, and geothermal well drilling. permits (no other permits involved).	not significant	Rules and regulations and conditions are adequate to protect the environment. The GEIS satisfies SEQR for these actions.
b.	Oil and gas drilling permits in State Parklands.	may be significant	Site-specific conditions of State Parklands are not discussed in the GEIS. Further determination of significant environmental impacts is needed for State Parklands.
c.	Oil and gas drilling permits in Agricultural Districts.	may be significant	Rules and regulations and conditions are adequate to protect the environment. For most oil and gas operations in Agricultural Districts which utilize less than 2 ½ acres the GEIS satisfies SEQR. If more than 2 ½ acres are disturbed, this is a Type I action under 6NYCRR Part 617 and an additional determination of significance is required.
d.	011 and gas drilling permits in the Bass Island	not significant	Special conditions and regulations under Part 559 are adequate to protect the environment.
e.	Oil and gas drilling permit in Aquifers.	not significant	Rules and regulations and special aquifer conditions employed by DEC have been developed specifically to protect the groundwater resources of the State.
ſ.	Oil and gas drilling permits in proximity (less than 1,000 feet) from municipal water supply wells.	always significant	A supplemental EIS is required dealing with the groundwater hydrology, potential impacts and mitigation measures.
g.	Oil and gas drilling permits in proximity (between 1,000 and 2,000 feet) from municipal water supply wells.	may be significant	A supplemental EIS may be required dealing with the groundwater hydrology, potential impacts and mitigation measures. An additional site-specific assessment and SEQR determination is required.

# TABLE 3.1 (CON'T)

Age	ncy Action	Environmental Impact	Explanation
h.	Oil and gas drilling permits when other DEC permits required.	may be significant	An additional site-specific SEQR assessment and determi- nation needed based on the environmental conditions requiring additional DEC permits.
i.	Oil, gas, solution mining and gas storage well plugging permits.	not significant	Rules and regulations and special conditions discussed in the GEIS are adequate to ensure protection of the environment and groundwater resources for permanently plugged and abandoned wells.
j.	New waterflood or tertiary recovery projects.	may be significant	For major new waterfloods and new tertiary recovery projects, an additional site specific environmental assessment and SEQR determination are required. A Supplemental EIS may be required for new waterfloods to ensure integrity of the flood. Also, a supplemental EIS may be required for new tertiary recovery projects depending on the scope of operations and methods used.
k.	New Underground Gas Storage Projects or major modifications.	may be significant	An additional site-specific environmental assessment and SEQR determination is required. May require a supplemental EIS depending on the scope of the project.
1.	New Solution Mining Project or major modification.	may be significant	An additional site-specific environmental assessment and SEQR determination is required. May require a supplemental EIS depending on the scope of the project.
ω.	Spacing hearing.	not significant	Action to hold hearing is non-significant. A review and SEQR determination with respect to all other issues must be made before the hearing. Any permit issued subsequently will be reviewed on issues raised at hearing.
n.	Variance hearing.	not significant	Action to hold hearing is non-significant. A review and SEQR determination with respect to all other issues must be made before the hearing. Any permit subsequently issued will be reviewed on issues raised at hearing.

## TABLE 3.1 (CON'T)

Age	ency Action	Environmental Impact	Explanation
٥.	Compulsory Unitization Hearing	not significant	Action to hold the hearing is non-significant. A review and SEQR determination with respect to all other issues must be made before the hearing. Any permits subsequently issued will be reviewed on issues raised at hearing.
p.	Natural Gas Policy Act Pricing Recommendations.	none	Action results in only recommendations to Federal Energy Regulatory Commission; therefore action is not subject to SEQR.
q۰	Brine disposal well drill- ing or conversion permit.	may be significant	The brine disposal well permitting guidelines re- quire an extensive surface and subsurface evaluation which is in effect a supplemental EIS addressing technical issues. An additional site specific environmental assessment and SEQR determination is required.
r.	Stratigraphic well drill- ing and abandonment permit.	not significant	Permitting review and requirements are adequate to protect the environment.

application. Until the application for drilling oil, gas and solution mining wells is revised, the EAF will continue to be required along with a drilling application.

Upon final approval and filing of this generic environmental impact statement, the following will result:

- 1. No further SEQR compliance is required so long as site-specific projects subject to the Oil, Gas and Solution Mining Regulatory Program are carried out in conformance with the general conditions and thresholds for such site-specific actions in the findings statement;
- 2. An EAF must be submitted by the applicant and a negative declaration must be prepared by the Department if a proposed action is not addressed in the GEIS and the action will not result in any significant adverse environmental effects;
- 3. A supplemental environmental impact statement may have to be prepared if the proposed action is not addressed in the GEIS and if the subsequent action involves one or more significant adverse environmental impacts (items 1 through 8 on p. 3-3 would have to be reviewed in this manner), and
- 4. A supplemental findings statement must be prepared if the proposed subsequent action is adequately addressed in the GEIS but is not addressed in the findings statement for the GEIS.

#### E. PARAMETERS FOR FUTURE SEQR REVIEWS

For the purpose of future SEQR reviews that may be necessary for the oil, gas and solution mining permit applications, the following parameters are given for the description of a project, size of the project and lead agency status.

1. <u>Project</u> - Each application to drill a well is considered as an individual project. An applicant, applying for five wells, is treated the same as five applicants each applying to the Department individually because the wells may not be drilled at the same time or in the same area, or may not be drilled at all depending on the results of the first wells drilled.

The exceptions to this are proposed new or major expansions of solution mining operations, enhanced recovery or underground gas storage operations which require more than one well to be drilled. The environmental disturbance of even these multi-well projects can be mitigated by using common access roads and other measures. These multi-well projects would require further environmental assessment and/or supplemental environmental impact statement, should one be determined necessary.

The project application review for oil wells will include oil gathering lines and the adjacent tank batteries because no other agency has safety or environmental jurisdiction. The project application review for gas wells will not include gas pipelines or gathering lines because of the following:

(1) PSC has safety jurisdiction over all pipelines, even gathering lines;

(2) PSC has <u>siting</u> jurisdiction over all lines greater than 125 pounds per square inch operating pressure and greater than 1,000 feet in length;

(3) pipelines may never be built because of a dry well or lack of market;

(4) principals in well drilling and well and pipeline operation can be different;

(5) pipelines may not be built for years after a well has been drilled and completed;

(6) gathering lines often extend beyond lease lines, and local approvals may be necessary which would delay the drilling of the well for a line that may never be built;

(7) pipelines cannot be sized until the area has been fully developed;

(8) alternative production methods may be utilized for low yield wells;

(9) the Department has no jurisdiction over the siting of the pipelines unless an environmentally sensitive area such as a stream or wetland is disturbed which would require a DEC permit and the environmental impact of a pipeline could be mitigated by permit conditions in this situation. (see figure 3.1)

The above situations with respect to the uncertainties of a pipeline clearly are compelling reasons for separating the review of an application to drill from the review of possible pipelines.

2. <u>Size of Project</u> - The size of the project is defined as the acreage affected by development including the acreage disturbed for the drilling of the well, the access roads, the drill site, and any other physical alteration necessary. Ordinarily, physical disturbance for the drilling of an oil and gas well will affect a maximum of two acres, and many routine oil and gas wells encompass one acre or less.

Even though the spacing of natural gas wells is a maximum of one well to 40 acres, the actual disturbance is less than two acres, as previously mentioned. Additionally, it should be noted that the physical disturbance is temporary in nature. After the well is drilled and completed, the remaining area of disturbance for the producing well may be as small as 20 feet by 20 feet or 1/100 acre plus the access road if one is necessary for well maintenance.

3. <u>Lead Agency</u> - In 1981, the Legislature gave exclusive authority to the Department to regulate the oil, gas and solution mining industries:

"The provisions...shall supersede all local laws or ordinances relating to the regulation of the oil, gas and solution mining industries; but shall not supersede local government jurisdiction over local roads or the



FIGURE 3.1 - INTRASTATE PIPELINE JURISDICTION

FIGURE 3.1

rights of local governments under the real property tax law." (Section 23-0303(2))

Thus for the purposes of being the lead agency under SEQR, only the Department has approval or permit jurisdiction with regard to the granting of an oil and gas drilling permit with the exception of State Parklands. Therefore, DEC will be lead agency in most instances.

There could be exceptions to the lead agency determination based upon a local approval necessary for a floodplain or wetland permit, for example. However, the other criteria for lead agency specify that the lead agency should be the one that has the broadest governmental powers for investigation into the impacts and the greatest capability for the most thorough environmental assessment of the action. Therefore, these criteria would support the Department as lead Agency.

Thus, to the extent practicable, the Department shall actively seek lead agency designation, consistent with the general intent of Chapter 846 of the Laws of 1981 to establish the DEC as the primary regulator of the oil, gas and solution mining industries in New York State.

#### F. SUMMARY OF IMPACTS

A complete summary of impacts and mitigation measures to minimize the environmental impacts of the oil, gas, solution mining and underground storage activities which substantiate the SEQR recommendations in this Chapter is provided in Chapters 16 and 17. A brief summary of the environmental impacts from these activities with the regulatory program in place is summarized in Table 3.2. A summary of the potential cumulative, secondary and long term impacts of the regulatory program are provided below.

1. <u>Cumulative Impacts</u> - Cumulative impacts may be defined as two or more individual effects on the environment which, when taken together, are significant or which compound or increase other environmental effects.

## TABLE 3.2

### RESOURCE IMPACT SUMMARY

/ Environmental / Major Types of	S Cons	Site Construction		ng and etion	Ga	Prod	iuction 011		Pluggi Aband	ng and onment
Resources /Potential Impacts / / //	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term
Surface Waters siltation and turbidity brine spill oil spill	0 0 0	0 0 0	9 9 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	<b>0</b> 0	0 0 0
EXPLANATION	Some but 1 tion term curre	siltation ong term measures. impacts b nt regula	and tur siltatio An acc ut this tory and	bidity po n is unli idental : is unlik: l remedia:	ossible, ikely wit spill of ely to oc tion requ	if site the rest oil or h cur or h irement:	is adjac equired e orine cou wave long	ent to a rosion o ild have term i	surface w control r serious npacts wi	aters, eclama- short th the
Groundwater turbidity brine spill methane release oil spill	0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 • 0 0	0 0 0 0	0 0 0	0 0 0 0	• 0 0 0	0 0 0 0
EXPLANATION	Some shall would resul casin	turbidity ow ground reach th ting from g and cem	from he water su e ground inadequ lenting r	avy equip pplies. water. ( ate casi) equiremen	pment or It is un Oil, gas ng and ce nts.	drilling ilikely s or bring menting	g aurface surface s polluti program	hole po pills of ion of g is unli	>ssible i f brine o roundwate kely unde	n very r oil r r the new
KEY: 0 = None • • Minor • = serious or	major	********			****				*****	

TABLE 3.2 (CON'T)

/	S	ite	Drilli	ing and	T	Prod	luction		Pluggi	ng and
Environmental / Major Types of Resources /Potential Impacts	Cons	truction	Compl	.etion	Ga	S	0	11	Abando	onment
/	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term
//		· [		-	-		-			
Agriculture	_									
interference with agricultural operations	•	0	•	0	0	0	0	0	•	0
topsoil erosion, burial or contamination	•	0	•	0	0	0	0	0	0	0
brine or oil spill (soil, crops, livestock, water)	0	0	•	0	0	0	0	0	0	0
EXPLANATION	Minor drill Also unlik	interfer ing. Maj topsoil 1 (ley becau	ence wit or long oss or p ise of re	Th agricu. term interpollution emediatio	lture may erference could oc n require	occur o unlikel cur but ments.	luring si y with r serious	te const egulator long ter	ruction a y restria m impacta	and ctions. s are
Historical Sites										
destruction of site	0									
noise disturbance	o	0	0	0	0	ŏ	0	ŏ	•	ŏ
EXPLANATION	Some durin immed	noise dis ng site co liately ad	turbance instructi jacent t	and vis: lon, dril to a hist	ual detra ling and oric site	abandons	ould occu ment if a	r at a h well we	istoric : re permi	site tted
KEY: O = None @ = Minor @ = serious or	major									

## TABLE 3.2 (CON'T)

nvironmental / Major Types of	Site Construction		Drilling and Completion		Ga	Prod	duction		Plugging and Abandonment	
Resources /Potential Impacts	Short Long									
	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Tern
· · · · · · · · · · · · · · · · · · ·									-	
destruction of site	0	•	0	o	0	0	0	0	0	0
EXPLANATION	Destr was n	uction of ot detect	a minor ed by th	archeolo e require	gical si d survey	te is un	likely b	ut possi	lble if t	he si
Significant Habitats			<b>-</b>			 				
disturbance	•	0	0	0	0	0	0	0		0
loss of individual species	•	0	0	0	0	0	0	0	Ó	l ō
damage or loss of habitat	9	0	0	0	0	0	0	0	0	0
EXPLANATION	Distu from	rbance, 1 site cons	oss of 1 truction drilled	ndividual and heav	species y equipm	and dament is p	age to a cossible	signifi if the s	lcant hab site is n	itat ot kn
	and a	WELL 19	4131204							
Floodplate	and a					 				
Floodplains	and a									
Floodplains loss of floodway adsorption cap soil erosion	and a	0	0	0	0	0	0	0	0	0
Floodplains loss of floodway adsorption cap soil erosion brine or other chemical spills	and a 9 9 0		0	0 0 0	0	0	0	0	0	0
Floodplains loss of floodway adsorption cap soil erosion brine or other chemical spills oil spill damage	and a 9 0 0		0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0	0 0 0 0

TABLE 3.2 (CON'T)

/ Environmental / Major Types of Resources /Potential Impacts	Site Construction		Drilling and Completion		Ga	luction 0	tion 011		Plugging and Abandonment	
//////////////////////////////////////	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term	Short Term	Long Term
Freshwater Wetlands										
physical damage to vegetation and habitat	•	0	0	0	0	0	0	0	0	0
natural water flow interruption	0	0	0	0	0	0	0	0	0	0
brine spill	0	0	•	0	0	0	0	0	0	0
oil spill	0	0	•	0	0	0	0	0	0	0
increased access/overuse	Ŷ	0	•	0	•	0	0	0	0	0
	resto a reg	re or com ulated we	pensate, tland wi	there we	ould rare	ly be si gulatory	gnifican program	t enviro	onmental	damage
EXPLANATION State Lands interference with designated	and s resto a reg	re or com ulated we	pensate, tland wi	there we th the cu	ould rare urrent re	ly be si gulatory	o program	y polley t enviro		damage
EXPLANATION State Lands interference with designated uses or damage to State lands Coastal Zone	and s resto a reg	re or com ulated we 0	pensate, tland wi	there we th the co	ould rare urrent re 0	ly be si gulatory	o o o o o o o o o o o o o o	y poircy t envirc		damage
EXPLANATION State Lands interference with designated uses or damage to State lands Coastal Zone interference with more important land uses	and s resto a reg Q	re or com ulated we 0	pensate, tland wi	there we that the co	ould rare urrent re	0	o 0	0	0 avor	damage
EXPLANATION State Lands interference with designated uses or damage to State lands Coastal Zone interference with more important land uses damage to coastal resources	and s resto a reg 0 0	o 0 0 0 0	pensate, tland wi	0 0 0	ould rare urrent re 0 0	0 0 0	0 0 0	0 0 0	0 avor	damage

/	5	lite	Drilli	ng and		Proc	luction	· · · · · · · · ·	Pluggi	ng and
Environmental / Major Types of Resources /Potential Impacts	Cons	Construction		etion	Ga	Gas		011		onment
1	Short	Long	Short	Long	Short	Long	Short	Long	Short	Long
/	Term	Term	Term	Term	Term	Term	Term	Term	Term	Term
/							1			
Streams										
streambed and bank integrity		0	0	0	0	0	0	0	( •	0
siltation of aquatic habitat	•	0	0	0	0	0	0	0	•	0
brine spill in aquatic habitat	0	0	<b>e</b>	0	•	0	•	0	0	0
oil spill in aquatic habitat	0	0	0	0	0	0	•	0	0	0
	1	Į	1			]	J			1
	curren	t remedia 	tion and 	regulat	ory progr	'am. 		<b></b>		
General Habitat Loss		1								
top soil loss	0	0	0	0	0	1 0	0	0	0	0
erosion and sedimentation	0	0	0	0	Ō	0	0	0	0	0
vegetation loss		i o	Ō	o	Ō	0	0	0	0	0
							1		1	
	Some	erosion,	habitat	and vege	table los	s is in	evitable	but maj	or long	erm
EXPLANATIO	N Impac	ts are un	likely w	1th the	current f	eguiato	ry progra			
KEY: O = None 🛛 🍽 Minor 🐧 🖛 sertous o	ก ตอปอก									

## TABLE 3.2 (CON'T)

As discussed under the definition of a project, each application for an oil and gas drilling permit is normally treated as a separate project.

Most of the wells drilled are mutually exclusive from each other from an environmental point of view. This situation occurs because of spacing requirements to protect the correlative rights of landowners, spacing between wells to prevent waste of resources, and setback requirements designed to protect environmental resources and to ensure public safety. The exception to spacing occurs only in the old oil fields that have been discovered prior to 1981, because these fields have been developed to such an extent that spacing is impractical or unreasonable.

It is common practice to drill one exploratory well to ensure the economically recoverable resources before proceeding with the drilling of additional wells. Thus, an operator may apply for and receive permits for ten wells but may never drill the additional wells unless the first well is successful. However, in practice the operators usually do not apply for permits on multiple wells unless they are assured that the area is productive because of the high permit fees.

Operators cannot afford to pay for permits for wells that will not be drilled. Therefore, cumulative review is impractical and unnecessary when considering most oil and gas drilling because of the independent nature of each of the wells, i.e., no compounding of environmental significance, and the fact that the economics generally dictate a more cautioned approach of obtaining permits sequentially because of the high costs involved.

2. <u>Secondary Impacts</u> - Secondary impacts resulting from the Oil, Gas and Solution Mining Regulatory Program are few and usually minor, such as increased human activity and access to remote areas provided by the well access roads. Such a minor impact could be mitigated by placing a locked gate

public services as a result of increased employment opportunities are relevant SEQR considerations but no major changes will occur in these areas as a result of the oil and gas regulatory program.

3. Long Term Impacts - Long term impacts of <u>the Oil, Gas and</u> <u>Solution Mining Regulatory Program</u> would generally be positive when contrasted to the alternative of no regulation. The long term impacts include protection of the groundwater supplies, the availability of energy resources, the possibility of fuel-switching from coal or oil to cleaner burning natural gas, and the generation of State and local taxes, revenues to Landowners, and the multiplier effects of private investment in the State.