

FRACK FACTS

TRUTH, LIES & ANSWERS ON NATURAL GAS DRILLING

Q: Will gas drilling lower my energy costs?

A: Yes, lower gas prices already saved Pennsylvania residential gas heating customers an average of \$800 in 2011.

Q: How many jobs are being created?

A: Dozens of drilling companies are investing in Pennsylvania and boosting the economy by creating high-paying, permanent jobs for locals. As of 2011, the natural gas industry supports over 300,000 jobs in the state with an average annual wage of \$74,000.

Q: How do local businesses benefit?

A: In Bradford County, local hotels reported a 100 percent increase in sales during 2010, and ripple effects are felt in financial, construction, and transportation industries as well as those that serve them.

Q: Who pays for wear on our roads?

A: State law requires drilling companies to repair roads damaged by their equipment. In 2010 alone, the drilling industry spent \$200 million on road repairs.

Q: What happens to the water used in fracking?

A: Fracking waste water can be recycled and reused in drilling, it can be trucked to a facility and treated to meet drinking water standards, or it can be transported to a region like Ohio whose geology allows for safe underground storage.

Q: What happens if there is an accident?

A: The company involved is required by law to pay for any damages to the environment and to make whole any person or property harmed. For example, a fluid spill in Clearfield County resulted in the driller paying fines eight times greater than the cost of investigation and cleanup. No lasting damages resulted from the accident.

Q: Can fracking make my water flammable?

A: Naturally occurring methane—a colorless and odorless gas that is non-toxic to humans but is flammable—can migrate into drinking water if drinking wells are improperly sealed. Many Marcellus regions had methane in water wells prior to natural gas extraction. However, where there has been demonstrated methane migration caused by drilling, the company responsible has installed safer, higher-quality drinking wells free of charge.

Q: Can fracking cause earthquakes?

A: Fracking does not contribute to earthquakes. Minor tremors have been associated with underground storage of wastewater in poorly placed deep injection wells, but this process is distinct from fracking. Injection wells are regulated by the Environmental Protection Agency. It is extremely rare that they result in tremors and none of the eight active injection wells in PA have been blamed for noticeable seismic activity.

DRILL FOR MORE TRUTH AT WWW.COMMONWEALTHFOUNDATION.ORG

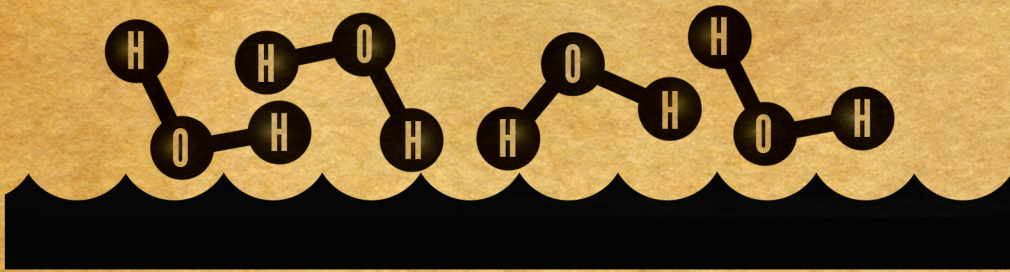
MYTHS & FACTS

FRACKING IS A NEW UNTESTED PROCEDURE WITH UNKNOWN CONSEQUENCES.



Hydraulic fracturing has been closely studied since its development in the 1940s. Both the U.S. Environmental Protection Agency and the former head of the Pennsylvania Department of Environmental Protection have stated there is no known case of direct groundwater contamination caused by fracking. More than 1 million wells have been “fracked” nationally, and nearly every well in Pennsylvania has used this technology for the last 30 years.

GROUNDWATER IS AT RISK OF CONTAMINATION DURING FRACKING.



While spills could happen above ground, there is no danger of aquifers being polluted by the fracking process. Hydraulic fracturing occurs thousands of feet below the water table and the Appalachian Basin’s geology creates a natural barrier preventing fluids from migrating into aquifers.

Natural gas drilling is unregulated.



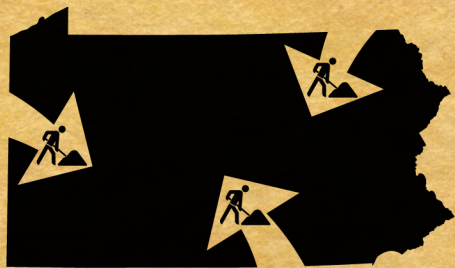
Pennsylvania strictly monitors drilling and has one of the strongest enforcement programs in the nation. Natural gas activities must comply with nearly 20 state and federal acts or laws, and is held to higher standard than other industries in the state. For example, water used during drilling must be treated to drinking water standards before it can be released back into waterways.

The chemicals used in fracking are so dangerous they are kept secret.



A complete list of the chemicals and concentrations used at each well is maintained by the DEP. Pennsylvanians can use FracFocus.org to easily look up chemicals used in Marcellus wells. Most of the chemicals used can be found in common household cleaning supplies.

DRILLING COMPANIES BRING IN THEIR OWN WORKERS FROM OUT OF STATE RATHER THAN HIRING PENNSYLVANIANS.

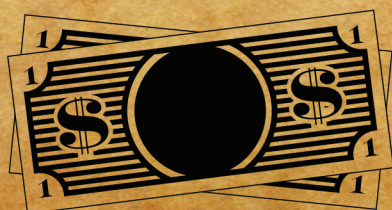


In 2011, 74 percent of new drilling industry hires were Pennsylvanian natives. Bradford County, the center of Marcellus activity, now has the second lowest unemployment rate in Pennsylvania thanks to jobs created by the drilling industry.

DRILLING COMPANIES DON'T PAY TAXES.

Drilling companies pay every tax common to other industries in PA, which are among the highest in the U.S. Since 2006, drillers have contributed more than \$1.3 billion in state and local taxes.

IT DOESN'T PAY TO LEASE YOUR LAND TO A DRILLING COMPANY.



To date, royalty payments from natural gas drillers to PA landowners are estimated at more than \$5 billion. That’s nearly \$400 for every man, woman, and child in the state.