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Impacts of Gas Drilling in Wetzel County

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Wetzel County is a rural county located in north central West Virginia. It is a relatively small and older county, with a population of roughly 16,000, with over 16 percent of the population over the age of 65. There is little racial diversity in Wetzel County, with the county's racial makeup 99 percent white. Wetzel County is a relatively poor. Its median household income of \$37,673 is below the state's median income of \$39,550, while its poverty rate of 15.6% is below West Virginia's rate of 17.5%.¹

Introductions

Wetzel County has been at the center of West Virginia's recent oil and natural gas development. Wetzel County had 997 natural gas producing wells in 2012, accounting for 12 percent of all natural gas production in the state.² Of those wells, 87 were drilled into the Marcellus Shale, producing 17% of West Virginia's shale gas.

To date, most of Wetzel County's drilling activity is occurring with "conventional" wells. Of the 916 active wells in Wetzel County in 2011, only 80 were unconventional wells, either vertical wells drilled into a shale formation or horizontal wells.³

While total natural gas production has increased by 237 percent in West Virginia since 2000, it has increased by more than 6,000 percent in Wetzel County. Wetzel County's natural gas production grew from a little over 900,000 mcf in 2000 to more than 63 million mcf in 2012, with much of the increase occurring in the past four years (**Figure 1**). Since 2000, Wetzel County has grown from the state's 29th biggest gas producing county, to its 2nd.

This report is a part of a larger effort to document human and social service impacts and costs associated with increased drilling. This Wetzel County case study is one performed by the Marcellus Shale Research Collaborative. It takes an in-depth look at the social costs of gas drilling on small, rural communities and is meant to help local government officials and community members understand what to expect if they anticipate a similar boom in natural gas industry development. Its main findings include:

- *A small number of landowners own the land where a significant amount of the drilling activity is taking place.* Over a quarter of the active oil and gas wells permitted since 2000 are on land owned by a handful of landowners. This concentration of landownership could be reducing the economic impact of gas royalty payments. Also, it is common for the mineral rights to have been severed from the land rights decades to hundreds of years ago.
- *Wetzel County has outperformed the state in job growth in recent years.* While there was some increase in economic activity due to the increase in the oil and gas industry activity, there are complaints that most of the drilling jobs have gone to out-of-state workers. Despite its growth, the oil and gas industry accounts for less than two percent of all jobs in Wetzel County, and the county's unemployment rate remains high.

