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Gen. Stanley McChrystal speaks to reporters May 10 at the White House.

Sources: General to quit

Obama criticizes war commander's judgment after comments to Rolling Stone.

BY ANNE GEARAN AND JENNIFER LOVEN
ASSOCIATED PRESS

WASHINGTON — President Barack Obama rebuked his Afghanistan war commander for “poor judgment” Tuesday and considered whether to fire him in the most extraordinary airing of military-civilian tensions since Harry Truman stripped Gen. Douglas MacArthur of his command a half-century ago.

Gen. Stanley McChrystal is prepared to submit his resignation at a meeting with Mr. Obama today at the White House, two military officials said, speaking on condition of anonymity because they were not authorized to speak publicly.

Mr. Obama summoned Gen. McChrystal to explain disparaging comments about his commander in chief and Mr. Obama's top aides. The meeting was a last-ditch moment for the general once considered the war's brightest hope.

If not insubordination, the remarks in a forthcoming Rolling Stone magazine article were at least an indirect challenge to management of the war by its top military commander.

“I think it's clear that the article in which he and his team appeared showed a poor — showed poor judgment.”

Please see **GENERAL**, Page A8

INSIDE

France sent home; U.S. faces Algeria

France was sent home winless Tuesday, the laughingstock of the soccer world after being eliminated from the World Cup in the first round with a 2-1 loss to South Africa. Meanwhile, the Americans' performance against Algeria could propel them to the second round — or send the coach packing. Sports, **B1**

Good morning

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Weather, **B10**

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FUTURE MURKY



BUTCH COMEGYS / STAFF PHOTOGRAPHER



LAURA LEGERE / STAFF PHOTO

ABOVE: Virginia Smitsky of Mount Pleasant Twp. holds a bottle of dirty water she drew from her kitchen faucet in November. “This is what it looked like when DEP told us to drink it,” she said. TOP: The moon shines over a natural gas drilling rig in Dimock Twp., Susquehanna County.

Drilling sites offer lessons for NEPA

BY LAURA LEGERE
STAFF WRITER

MOUNT PLEASANT

Most of the industrial accessories used to get Marcellus Shale natural gas to market — large water storage pits, tanks to hold gas byproducts, compressor stations, gas processing plants, pipelines, access roads, pumps to infuse the gas with its distinctive odor — have been built within 500 yards of the Hollowich family's new yellow house in the country.

Stephanie Hollowich, a 38-year-old mother of two, stood on the top of a steep rise at a Washington County Bible camp in January and pointed out her house below in the heart of rolling hills, bordered on one side by a shelterbelt and on another by a gravel road traveled by 18-wheel trucks at all hours of the day.

“This is what comes with it,” said Ron Gulla, a

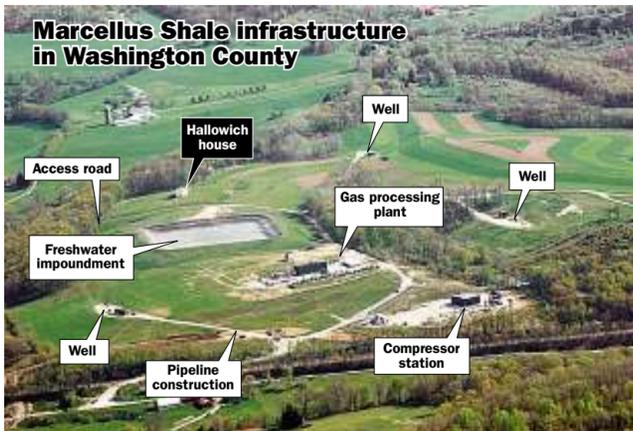


PHOTO COURTESY OF MARCELLUS-SHALE.US

Mount Pleasant resident who has been an outspoken critic of the industry. “People don't understand: the more wells they drill, the more compressors they need. Everything gets bigger. Everything you see there will grow in time.”

The story that Mrs. Hollowich said she heard

Continued on Page A6

TODAY
Drilling pumping cash into local economy, businesses. **A7**
Local business leaders discuss impact of drilling. Business, **D1**

ONLINE
For a searchable database of leases in Lackawanna and Luzerne counties, a DEP violations database, and past stories, visit: thetimes-tribune.com/gas

White House, judge facing off over Gulf drilling moratorium

ASSOCIATED PRESS

NEW ORLEANS — A federal judge struck down the Obama administration's six-month ban on deep water oil drilling in the Gulf of Mexico as rash and heavy-handed Tuesday, saying the government simply assumed that because one rig exploded, the others pose an imminent danger, too.

The White House promised an immediate appeal. Interior Secretary Ken Salazar said in a statement that within the next few days he will issue a new order imposing a moratorium that will eliminate any doubt it is needed and appropriate.

The Interior Department had imposed the moratorium last month in the wake of the BP disaster, halting approval of any new permits

for deep water projects and suspending drilling on 33 exploratory wells.

Several companies that ferry people and supplies and provide other services to offshore rigs argued that the moratorium was arbitrarily imposed after the April 20 explosion that killed 11 workers and blew out a well 5,000 feet underwater. It has spewed

anywhere from 67 million to 127 million gallons of oil.

U.S. District Judge Martin Feldman, who was appointed by President Ronald Reagan and has owned stock in a number of petroleum-related companies, sided with the plaintiffs. Judge Feldman's ruling prohibits federal officials from enforcing the moratorium until a trial is held.

On Tuesday

- BP claims director Darryl Willis visited a claims center in Bayou La Batre, Ala., and said the company has already cut 37,000 checks for \$118 million. Claims totaling \$600 million have been filed so far. **A5**
- Adm. Thad W. Allen of the Coast Guard said Tuesday the federal government and BP were looking into whether pipelines could be extended from the leaking well to platforms elsewhere in the Gulf where oil could be captured. **A5**
- U.S. Rep. Chris Carney visits the Gulf, plans special hearing of his Homeland Security subcommittee. **A5**
- Editorial: Lifting moratorium a leap of faith. **A10**

Sexting dispute settled

Wyoming County to pay \$140G to ACLU over fees.

BY MICHAEL J. RUDOLF
STAFF WRITER

TUNKHANNOCK — The Wyoming County commissioners agreed Tuesday to a \$140,000 settlement with the American Civil Liberties Union over legal fees the organization incurred in a sexting case, county solicitor James Davis confirmed.

The dispute over legal fees began after the commissioners' decision in April not to appeal a March U.S. Circuit Court ruling that blocked felony charges against a teenage girl for possessing what then-District Attorney George Skumanick Jr. claimed was a sexually explicit photograph of herself on her cell phone.

“None of us are real happy over this,” Mr. Davis said.

Because the ACLU was the prevailing party in a civil

Please see **SEXTING**, Page A8

Mellow Senate records sought

BY BORYS KRAWCZENIUK, ROBERT SWIFT AND JOE McDONALD
STAFF WRITERS

Federal investigators have asked the state Senate to turn over documents and financial records related to the rental of retiring Senate Democratic Leader Robert J. Mellow's Peckville office, Senate sources said Tuesday.



MELLOW

The specifics of the request could not be confirmed, and Senate Clerk W. Russell Faber refused to discuss it.

The sources, who agreed to speak only if they were not identified because of the sensitivity of the investigation, said the Senate has either complied with the request or will comply soon.

The sources spoke four days after FBI and Internal Revenue Service agents raided Mr. Mellow's Senate office

Please see **MELLOW**, Page A7

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'WE ARE NOT THE SECOND COMING OF THE COAL INDUSTRY'

MATT PITZARELLA, Range Resources spokesman, saying the gas drilling industry needs to focus on customer service to ease residents' fears

FROM PAGE A1

from the gas companies when they began to drill their wells has also been told to landowners throughout the state where drillers seek to lease land rich with gas: The interruptions are temporary; the land will be reclaimed; only a pipe or a tank will be left behind.

That assurance reached residents in Northeast Pennsylvania, too. At a February township meeting that turned into a debate about the future of gas drilling in Greenfield Twp. — the municipality where the first Lackawanna County gas well was drilled — Supervisor Bruce Evans said gas drilling is going to bring “some inconveniences for a few years” but he likened the impact to that of the interstate Tennessee Gas Pipeline that runs underground through the area.

Ask someone visiting the township where the pipeline is, and “they can’t tell you because you can’t see it,” he said. “End result, that’s what this gas drilling is going to be like.”

Industry representatives say the proliferation of infrastructure around the Hallowich property is unusual and not a model for what build-out will look like as gas drilling expands across the state.

But in Washington County — one of the first areas of the state to see full-scale production from the Marcellus Shale — the industry’s imprint is ubiquitous and lasting.

Challenges and fears spurred by the industry in those changed communities in the opposite corner of the commonwealth might offer lessons to Lackawanna, Luzerne, Wayne and Wyoming counties, where gas development is poised to expand.

In terms of economic impact, the effect on Washington County has been largely positive. Landowners have benefited from royalties and businesses from new clients. A local state representative joked to a Pittsburgh-area television station that soon “Pittsburgh is going to be a suburb of Canonsburg” — the Washington County borough where many gas drillers and affiliated companies have set up offices.

For residents who have lived with the downsides of drilling over the last six years, though, the industry’s growth has meant an unwelcome change to the character of the countryside and, some fear, to the quality of the water they drink and the air they breathe.

‘I don’t know where to go’

I have them there; I have them there; I have them



LAURA LEGERE / STAFF PHOTO

Stephanie Hallowich's Mount Pleasant Twp. home is surrounded by a water impoundment facility, a gas liquefaction plant and a compressor station. The facilities were built within 500 yards of the Hallowich home.

there,” said Virginia Smitsky, pointing in the directions of the natural gas wells that have been drilled around the Mount Pleasant house she has rented for 42 years.

“I’ve thought about moving, but I don’t know where to go because they’re traveling everywhere behind me.”

Mrs. Smitsky, a 64-year-old widow who works in a school cafeteria, sat at her kitchen table and flipped through printouts from drinking water tests she keeps in a folder decorated with chickadees.

She lifted a half-gallon milk jug full of brown, silty water that she drew from her kitchen sink in November.

“This is what it looked like when DEP told us to drink it,” she said, referring to the Department of Environmental Protection, the environmental agency that regulates drilling in the state. DEP has not found that drilling impacted her drinking water.

The water leaves an oily film on her bathtub and dries out her skin and hair. Unofficial water tests performed by a person with access to a laboratory found manmade chemicals that do not occur naturally in drinking water. The results scared her enough that she would not host her family for Christmas.

Matt Pitzarella, a spokesman for Range Resources, the company that drilled the wells around Mrs. Smitsky’s home, said drilling could not have impacted her water because the nearest gas well to her home was drilled years ago and through a different aquifer than the one her water well taps into.

Instead, he said, DEP found that her drinking water well had been improperly constructed, like many in Pennsylvania.

“I would classify Mrs. Smitsky as probably getting too much bad information

from some of her neighbors,” he said.

Wells in the hills

The first Marcellus Shale well in Pennsylvania was completed in 2004 in Mount Pleasant.

Since then, more than 250 Marcellus wells have been drilled in the county.

The region is largely agricultural, but it is also relatively affluent, with a poverty rate below the state and federal averages. Large country homes share the grassy hills with working farms and orchards. The infrastructure of gas drilling is visible everywhere.

The Marcellus Shale in southwestern Pennsylvania produces a “wet” gas and the fields there are dotted with green tanks that collect condensate — the natural gas liquid composed of marketable byproducts like butane and propane. The roads are busy with tankers that collect the condensate for processing at massive plants, like the one Mark West Liberty Midstream built in 2008 on 184 acres off Route 519 in neighboring Houston.

Municipal officials in Mount Pleasant are trying to exercise some control over the mushrooming development.

The gas processing plant behind the Hallowich home was built in violation of the township’s zoning ordinance, and an application by the plant’s current owner for a zoning variance inspired the township to try to draft a comprehensive drilling ordinance.

In May, the township’s zoning board rejected requests by Mark West to expand two compressors in the town, including the one behind the Hallowich property, as well as a request by Range Resources to erect temporary

worker housing on its drilling sites, including one adjacent to a school.

Range sent a letter to township residents in May saying the supervisors did not respond to the company’s offer to help them draft an ordinance that would be “agreeable to all parties.”

It warned, “While we plan to continue drilling in Mount Pleasant, each additional obstacle to our progress is an added expense that could, over time, affect the level of our activities there. In short, if we don’t drill the wells, no gas is produced. And no gas means no royalties.”

‘There’s our proof’

Gas extraction is not new in southwestern Pennsylvania — in fields not far from those topped with towering Marcellus Shale rigs, pumpjacks still pull gas from shallower wells.

But the spotlight on the Marcellus Shale has illuminated the entire gas industry, and questions being asked now about the impacts of the deeper wells are revealing little discussed problems with the shallower ones.

In Daisytown, about an hour from Mount Pleasant, Dominion Exploration and Production drilled two shallow wells on Terry Greenwood’s cattle farm in late 2007 and early 2008 on a lease tied to the property since 1921.

It was a farm Mr. Greenwood bought in 1988 for its plentiful water: two natural springs, a water well and a pond for his 35 beef cattle.

After the company hydraulically fractured the wells, the water in Mr. Greenwood’s kitchen turned brown and salty and showed elevated levels of manganese. Dominion installed a filtration system in a shed, but the well did not produce enough

water to operate the system, said Dan Donovan, a Dominion spokesman.

DEP found that Dominion’s activities impacted the family’s water and in March 2008, it ordered the company to replace the Greenwoods’ supplies.

The year of the drilling, the family lost 10 of the 18 calves that were born in a nine-month stretch; four were born with pure white eyes, another with a cleft palate. Some were stillborn; some stood for a day or two before collapsing. Others bled from the nose.

Mr. Greenwood suspects contamination in the pond where the calves’ mothers watered, which collected runoff from the uphill gas site and turned brown during the drilling.

DEP told the couple the rash of deaths was “the luck of the farmer,” Mr. Greenwood’s wife, Kathryn, said. The agency attributed the deaths to *E. coli* bacteria in the pond from fecal matter, which can cause ocular problems in fetal cows.

“I said, ‘Them cows have been drinking out of that pond for 18 years and I never had this problem before,’” Mr. Greenwood said.

He is a dedicated chronicler of the drilling: the dining room in the family’s farmhouse is cluttered with bins of photographs stacked on the rough-hewn floors. He has filled notebooks detailing his interactions with the gas company and state regulators; he stores 6-gallon jugs with samples of the tainted water that came from his tap; and in a deep freezer in the barn, he keeps the carcass of a milky-eyed calf.

“We can’t get rid of it because there’s our proof,” Mrs. Greenwood said.

Mr. Donovan, whose company sold its natural gas

assets, including the Greenwoods’ wells, to Consol Energy this year, said there was no merit to Mr. Greenwood’s claims that gas drilling affected his pond or his cows.

“We did everything he wanted, and he always had water, right from the beginning of his complaint,” Mr. Donovan said. “We think we treated him well.”

‘We’re not like that’

Mr. Pitzarella, the Range Resources spokesman, said the industry’s main problem is a lack of a customer service focus that would help it patiently explain away people’s fears.

The engineers who run the industry “can come off as being dismissive” when residents claim that hydraulic fracturing has impacted their water supplies, he said — an impact he said is essentially impossible.

“We have to demonstrate to people we are not the second coming of the coal industry from 100 years ago,” he said.

“That’s the only frame of reference that you have in Pennsylvania. We’re just not like that.”

But Mr. Pitzarella is quick to try to discredit persistent critics, like Mrs. Hallowich and her husband, whom he said forced the purchase of their new property so they could benefit from royalties produced by the four Range Marcellus Shale wells drilled nearby.

The wells, the water impoundment, “all that stuff is already there,” he said, when the Hallowiches filed suit to force the sale.

The newness of the Hallowich home also explains the unique proliferation of infrastructure around it, he said, because “a lot of those locations were selected because no one lived there.”

But court and property records reveal a different timeline than the one Mr. Pitzarella explained.

The Hallowiches did file suit to acquire the property, but they did so in March 2006, a year before permits were issued for any of the Range gas wells and nearly two years before the adjacent property owner signed leases to allow the compressor station and processing plant to be built.

Mrs. Hallowich said the royalties she receives from the gas wells are not enough to cover the cost of the water she buys for her family to use for bathing and drinking. She has gone back to work five days a week to pay for it.

“You start up the driveway, and it’s a gut-wrenching feeling,” she said. “You don’t even want to come home.”

Contact the writer: lilegere@timeshamrock.com

OPPORTUNITY FUELED BY WATER, NOT GAS

Wyoming County man gambling on drillers’ use of Bowmans Creek in fracking the Marcellus Shale

BY ELIZABETH SKRAPITS
STAFF WRITER

EATON TWP. — Randy Wiernusz has lived by Bowmans Creek all his life.

He has fished in the creek, swum in it, watched the wildlife on its banks. He can point out the spot where he saw an eagle take a fish.

And now Mr. Wiernusz has found a way to profit from the creek he loves through the natural gas drilling boom coming to the region.

“It’s a great stream, a great stream,” he said. “But it’s also a resource that’s usable, if it’s done right.”

Mr. Wiernusz has invested tens of thousands of dollars on permits and equipment to draw up to 249,000 gallons a day from Bowmans Creek and truck it to natural gas drilling sites, including that of Luzerne County’s first

exploratory well.

The companies need water for hydraulic fracturing or “fracking,” which involves blasting millions of gallons of water mixed with sand and chemicals thousands of feet underground to break up the shale and release the gas.

Mr. Wiernusz is one of the first private individuals in the region to take advantage of natural gas companies’ thirst for fresh water.

“I’m a contractor, and I’ve been into trucking a lot of my life, and this was just an avenue I thought I could get into the gas industry with,” the 57-year-old said.

In theory, anyone who lives near a natural water source could get a permit to supply water from it, but in practice, it isn’t easy.

A landowner must apply to the Susquehanna River Basin

Commission, which regulates and monitors all large water withdrawals from the Susquehanna River watershed.

Water providers need letters of agreement from natural gas companies showing they have a “foreseeable need” for the water, commission spokeswoman Susan Obleski said. Every proposed water withdrawal site is studied by the commission to determine how much water can be taken and how often.

Approved providers are required to meter, monitor and report daily.

Mr. Wiernusz said it took more than a year to get the permit, which allows him to withdraw up to 249,000 gallons per day from Bowmans Creek, under the right conditions.

Technically, Mr. Wiernusz doesn’t sell the water. The Susquehanna River Basin

Commission bills gas companies 21 cents per 1,000 gallons removed.

However, Mr. Wiernusz charges gas companies “so much per thousand gallons for the rental of the property and equipment, labor costs.”

He’s hoping he will get a return on his investment. It isn’t cheap to set up operations as a water supplier.

The Susquehanna River Basin Commission charges permit fees based on quantity. They range from \$4,400 to \$28,650, and if the amount of water is over 10 million gallons per day, an additional \$4,875 per million gallons, Ms. Obleski said.

Besides the \$2,220 the river basin commission charged for his permit, Mr. Wiernusz had to buy the technology the commission requires to monitor the water withdrawal and collect data.

The other expenses added up, too, such as the \$6,000 screen he had to buy for the

hose to prevent anything but water from getting in.

A 20,000-gallon water storage tank custom-made by Prebola Products in West Wyoming cost \$30,000, Mr. Wiernusz said. He’s looking to buy another one with double the capacity.

Mr. Wiernusz believes he would be a better steward to Bowmans Creek than out-of-town gas companies.

Mr. Wiernusz said his investment is an opportunity to create local jobs. His truck drivers live within a 5-mile radius of the site. He currently has one truck and three drivers who work different shifts, but he plans to buy more trucks and employ a maximum of three to five drivers per shift.

“That’s one of the main reasons I did it, to keep my employees and the people that I’ve worked with in business,” he said.

Although he has not yet started providing water, Mr.

Wiernusz’s facility has been providing trucking for natural gas companies and is making arrangements. So far, he has had talks with five companies.

Encana Oil & Gas USA Inc. has contracted Mr. Wiernusz on an as-needed basis, and he said he has also been speaking with Chief Oil & Gas.

“Certainly nothing is etched in stone with any of these gas companies. They could decide to use somebody else at any time because of cost or distance to the site,” Mr. Wiernusz said. “So it’s a gamble. It has been from day one.”

Even though there is a chance he won’t get a return on his investment, he is optimistic.

“We’re ahead of the curve here because Wyoming County really hasn’t been drilled, to speak of, yet,” Mr. Wiernusz said. “It’s a good place to be, though.”

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