Cleveland Metropolitan Bar Association
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Jim Samuel
Principal, Capitol Integrity Group
Some Basic Geology/Geography

Lower 48 states shale plays

Source: Energy Information Administration based on data from various published studies. Updated: May 9, 2011
Why is this so different?

Ohio Shale Activity

Horizontal Shale Wells drilled as of Sept. 2, 2012:

- 133 Utica Wells (367 Permits issued)
- 7 Marcellus Wells (16 Permits issued)

OH is about where PA was in 2005-’06

*Ohio DNR’s Division of Oil & Gas Resources Management (Permits issued since December 2009)*
Economic Impact on Ohio

The “Boom-to-Bust” Cycle or “Boom-to-Boom”?

- Real or perceived? It’s about timing and location.
- As drilling becomes production, jobs and economics change.
- Regional goal to create sustainable economic impact up and down the supply chain and industry stream.
Ohio regions are poised to prosper:

- **Tax Structure for Manufacturing**: No tax on capital investment in machinery & equipment, no tax on inventory, no corporate profits tax

- **Infrastructure**: Roads, communities, people…

- **Regional Industry Strengths & History**: Steel, polymers, chemicals, compressors, engines …
Major Announcements

- V&M Star, $650M
- Timken, $225M
- US Steel, $240M
- Haliburton, $150M, 300 jobs
- Schlumberger, $150 M, 236 jobs
- NiSource (NGT&S) $300M
- Chesapeake/M3 Midstream/EnerVest, $900M
- MarkWest, $500M, 700 jobs
- Exterran, $13M, 100 jobs
- Select Energy $10M, 185 jobs
THANK YOU

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NEIenergy.org
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