

## **New York State Office of Parks, Recreation and Historic Preservation**

### **POLICY ON THE DEVELOPMENT OF OIL AND GAS RESOURCES IN STATE PARKS AND HISTORIC SITES**

This document sets forth agency policy regarding the leasing and development of state-owned oil and gas resources on lands under the jurisdiction of the Office of Parks, Recreation and Historic Preservation (OPRHP). It also addresses privately-owned oil and gas rights located beneath state parkland.

#### Prohibition on Oil & Gas Leasing on State Parkland

The New York Parks, Recreation and Historic Preservation Law directs OPRHP to operate and maintain the State Park and Historic Site system to conserve, protect, and enhance the natural, ecological, historic, cultural, and recreational resources contained therein and to provide for the public enjoyment of and access to these resources in a manner which will protect them for future generations (PRHPL Section 3.02).

Activities associated with oil and gas extraction have the potential to cause adverse impacts to the natural, scenic, recreational, and historic resources under the agency's jurisdiction. Potential adverse impacts include clearing of natural vegetation, construction of roads, installation of wells and pipelines, use and pollution of surface and ground water, introduction of invasive species, fragmentation and degradation of plant and wildlife habitats, noise, safety concerns, and the residual impacts and potential dangers of wells that are abandoned without proper closure. OPRHP has determined that the development of state-owned oil and gas resources located beneath state parkland is incompatible with the agency's guiding principles cited above and our commitment to preserving the State Park System's unique and irreplaceable natural assets.

The development, extraction, or offer for leasing of state-owned oil and gas resources is prohibited within State Parks and State Historic Sites.

#### Exception for Existing Leases

Active leases of state-owned subsurface rights currently exist in two State Parks:

- **Allegheny State Park.** In 1964, New York State entered into a long-term lease (maximum term of 50 years) with a private entity to operate a subsurface natural gas storage field beneath approximately 9,500 acres of Allegheny State Park. The natural gas storage field is a naturally occurring and self-contained stratigraphic trap located in the Oriskany sandstone geologic formation deep beneath the surface of the park. During summer months when demand for natural gas is relatively low, the private company that holds this lease actively pumps natural

gas from a pipeline that transverses the park, through a series of existing underground distribution lines and wells, into the sandstone formation. During winter months when natural gas demand increases for home heating and other purposes, the company extracts the natural gas, returning it to the pipeline to increase its supply. This is one of largest subsurface natural gas storage areas in western New York.

- Darien Lakes State Park. In 1979, New York State entered into a lease with a private entity to install wells to develop state-owned natural gas resources in this park.

The wells and underground gas collection lines associated with these leases have been in place for 30 to 50 years. OPRHP has determined that it is acceptable to maintain and, if deemed appropriate in the future, renew these existing leases, as specific exceptions to the general prohibition on leasing of state-owned oil and gas rights established in this policy.

#### Privately-Held Oil & Gas Rights

There is at least one known situation – Allegany State Park – where oil, gas, and mineral rights are privately owned beneath portions of state parkland. These privately-held oil, gas, and mineral rights were severed or reserved by private landowners or private entities prior to the creation and acquisition of Allegany State Park starting in 1921 (in many instances, the oil and gas rights were severed in the late 19<sup>th</sup> century, decades before the park was established).

In the event that any owner of privately-held subsurface oil and gas rights approaches OPRHP to seek to develop such rights within any State Park or Historic Site, the agency has developed a permitting and environmental review protocol that includes the following:

- Any entity seeking to develop privately-owned oil or gas rights beneath lands under the jurisdiction of OPRHP must document to the agency's satisfaction that it has secured legal ownership of such oil or gas rights. OPRHP will not review any permit application nor allow any ground disturbing activities on state parkland until an applicant has demonstrated ownership of subsurface rights.
- Any private entity that has demonstrated legal ownership of subsurface oil and gas rights must complete and submit an application to OPRHP for a Permit for Commercial Use of State Parkland: Oil, Gas and Mineral Proposals.
- The entity must also apply to the New York State Department of Environmental Conservation (DEC) for a permit develop oil and/or gas resources under Article 23 of the Environmental Conservation Law. Depending on the specifics of a proposal, the entity may be required to apply for additional DEC permits as well.

- OPRHP will serve as lead agency under the State Environmental Quality Review Act for evaluating applications for oil or gas development permits on state parkland in accordance with an existing OPRHP-DEC Memorandum of Understanding.

No entity may initiate actions to develop or install any oil or gas well on state parkland unless it has received the required OPRHP and DEC permits and SEQRA approvals.

Any questions regarding implementation of this policy should be directed to the Deputy Commissioners for Natural Resources and Operations.

This policy is effective immediately.

Dated: October 16, 2009



---

Carol Ash  
Commissioner