

Mr. Taylor G. Abbott  
Monroe County Treasurer  
101 N. Main St. Room 21  
Woodsfield, OH 43793

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### **Testimony to the Ohio House Energy and Natural Resources Committee**

Chairman Stephens, Vice Chairman Stewart, Ranking Member Weinstein, and members of the Ohio House Energy and Natural Resources Committee:

I want to take this opportunity to thank you for allowing me to provide testimony in opposition of House Bill 152.

I testify today not only as an elected official but also as a land and mineral owner in Southeastern Ohio. Over the past decade, Monroe County has seen firsthand the positive impacts natural gas development continues to have here. Tax revenues alone have increased by the tens of millions. In just six years Monroe County has realized over \$200 million in property tax revenues. And of that total, our local school district Switzerland of Ohio Local Schools has received over \$145 million. To those outside of this area, \$200 million may not sound like a lot but to a small Southeastern Ohio county of less than 14,000, it has meant all the difference in the world.

So, where does that money come from? It comes from hardworking families who have lived here for generations, from farmers who have spent their entire lives working to keep the farm their ancestor started 150 years ago, from men and women who, despite many challenges, remain here while their children leave the area for better opportunities. Together they form the backbone of our county.

When oil and natural gas development first came, those same residents found many landmen and women on their doorsteps and in their living rooms. Contracts were discussed, negotiations were had, amendments were made, and leases were executed. Residents who once faced poverty now found financial security and the ability to enjoy retirement, build new homes and barns, or finally get the farm equipment they have needed thanks to bonus payments and eventual royalties produced from their properties. Churches, charities, schools, and other civic organizations have benefitted greatly from the generosity of not only local benefactors but also from gas companies who have made significant grants and contributions.

While some individuals had the financial means to hire lawyers to negotiate leases on their behalf, others could not. In many cases it was those individuals who had small amounts of property that were unable to afford the assurance of legal counsel, thus subjecting them to a contract that was stacked against them from the onset.

Personally, and as treasurer, I have spoken with many landowners in Monroe County who fall into the latter category among those who were offered less favorable terms and payments than those landowners who had larger amounts of land. The situation thus creates one in which the smaller landowner is faced with a “take it or leave it” situation lest they be forced-pooled.

Under the current language in the bill, oil and gas companies would be permitted to force pool mineral owners once the company has acquired just 65% of the amount of land needed for the unit regardless of the unit’s size. We already know that gas companies go for larger pieces of land first and typically give those mineral owners better terms and payments before pursuing the leasing of smaller mineral owners needed to complete the unit. That begs the question: What incentive is there for the company to then negotiate fairly and reasonably with those smaller mineral owners who fall into the 35% category? Which begs a further question: What would prevent a company from threatening larger mineral owners with forced pooling unless they accept the terms the company seeks rather than negotiating for a fairer lease?

However, the bill is not just unfavorable to mineral owners from a contractual and legal standpoint. It is also highly restrictive and burdensome by virtue of its requirement that mineral owners wishing to participate in a unit hearing must do so via electronic or virtual means only. I currently serve on State Treasurer Sprague’s Regional Advisory Committee and one of the foremost issues we face is the lack of internet accessibility throughout the entire Southeastern Ohio region. Across the board, our residents face limited access to reliable and affordable high-speed internet. Once again, our region is left in the dark and at a disadvantage.

**Simply put, House Bill 152 does not serve the underserved. It gives the already advantaged an even greater ability to take advantage of the already disadvantaged.**

For generations, Southeastern Ohio has been taken advantage of by outside interests empowered by a statehouse who has ignored the interests of the people here. Land and mineral owners are not customers, we are partners with oil and gas companies. **We elect our state officials to serve and protect our interests while ensuring our laws and regulations are not overly burdensome and restrictive to businesses and business development.**

On behalf of the land and mineral owners of Monroe County and Southeastern Ohio, I ask you to scrap this bill in its entirety and work with us and other interested parties to craft a better, fairer bill that protects our people while ensuring our oil and gas development continues to grow.

Respectfully submitted,

Taylor G. Abbott  
Monroe County Treasurer