

Shale Industry Boosts Ohio Jobs

Field jobs averaging \$73,000 salaries, report finds

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By CASEY JUNKINS Staff Writer , The Intelligencer / Wheeling News-Register

ST. CLAIRSVILLE - Southeast Ohio saw nearly a 24 percent increase in pipelining and oil drilling jobs in just one year, with these workers earning average annual salaries of \$73,934 and some paid more than \$100,000.

"The growing oil and gas industry holds great economic potential for Ohio," said Ohio Department of Job and Family Services Director Michael Colbert in releasing a report detailing the employment impact of Utica Shale exploration in the Buckeye State. "Ohio is fortunate to have a natural gift with great potential for reinvigorating our economy: huge deposits of shale rock, beneath which sit potentially vast reserves of oil and natural gas."

As natural gas drillers such as Gulfport Energy, Antero Resources, XTO Energy, Chesapeake Energy, Hess Corp. and others dig into Ohio's shale deposits, many of the wells are proving profitable. Based on initial production numbers and the going rates for oil and natural gas, West Virginia University Marshall Miller Professor of Energy Tim Carr said the Gulfport Stuntzman well south of Barnesville could be producing as much as \$100,000 worth of revenue per day.



Photos provided

Jobs in well drilling and pipelining in southeast Ohio increased by nearly 24 percent from early 2011 to early 2012, while paying an average annual salary of \$73,934.

Because drillers have profitable wells, they need pipelines to transport the gas and oil. According to the report, counties in southeast Ohio - such as Belmont, Jefferson, Harrison, Monroe and Guernsey - saw nearly a 24 percent increase in well drilling and pipelining jobs from the first three months of 2011 to the first three months of 2012. The department classifies positions such as these as "core" industry jobs.

In jobs the department considers "ancillary" to the oil and gas industry - such as freight truck drivers and environmental consultants - southeast Ohio saw a 5.6 percent increase from early 2011 to early 2012. These workers earn an average of \$58,765 per year.

Northeast Ohio counties such as Columbiana, Mahoning, Trumbull and Stark saw 22.3 percent growth in the core gas and oil jobs from 2011 to 2012, with a 4.2 percent increase in ancillary positions.

The average annual salary for all industries in Ohio is \$43,687, the department states. The statewide increase for core gas jobs was 17 percent, while it was just 3.1 percent for ancillary. This reflects the growth in the gas industry in the eastern half of the state.

The report states that from 2011 to 2012, Ohio saw the opening of 16 oil and gas well drilling operations, six natural gas liquid extraction operations, five oil and gas pipeline construction businesses, and nine businesses offering oil and gas industry support services opened in Ohio.

A new agreement will allow MarkWest Energy to "rapidly expand" its presence in Ohio's Utica Shale field, as the company looks to spend up to \$1.9 billion in the region this year. Other companies such as M3 Midstream and Caiman Energy are also building natural gas processing facilities across Ohio.

One MarkWest facility is already operating near Cadiz, though the plant will soon increase its capacity to separate dry methane from liquid ethane, propane, butane and pentane. The company is now building a fractionator - a machine that will further process these materials into marketable items - near Hopedale, which will connect to the Cadiz plant via pipeline.

"We have a work force equipped with the skills employers need and a multitude of local training programs to keep that pipeline of skilled workers flowing," Colbert said.

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