



The state's natural gas and crude oil industry provides over 14,400 jobs for Ohioans, plus the energy for heat and electricity for millions of homes, schools and businesses.

Ohio's rich natural gas and crude oil reserves provide many opportunities to help the state grow and prosper.

Considering the economic impact, it's important to keep in mind that most of Ohio's reserves originate in marginal wells – wells that produce less than 60 thousand cubic feet of natural gas per day or less than 10 barrels of crude oil per day. Across the country, marginal wells account for 10% of all natural gas and 29% of crude oil produced in the United States.

The economic value of Ohio's natural gas and crude oil has a positive impact on the state in seven key areas:

1. Jobs

The industry's 4,000 direct jobs and another 10,400 indirect jobs support a total of 14,400 Ohio jobs.

2. Personal Income

The industry, via its multipliers, is responsible for \$730 million per year in Personal Income in the state of Ohio.

3. Consumer Impact

Ohio keeps \$1 billion per year in the state when buying locally produced natural gas and crude oil.

Ohio consumers save \$60 million per year in avoided interstate pipeline transportation costs, and another \$5 million per year due to the price reducing impact of having local natural gas supplies compared to other parts of the country.

Ohio's dependence on local natural gas and crude oil is not as volatile as those energy sources that can be cut off by hurricane, war or weather conditions.

4. Reinvestment of Revenues

Last year, the industry reinvested approximately \$281 million on exploration and development. This helped account for \$707 million per year in gross state product.

5. Tax Revenues

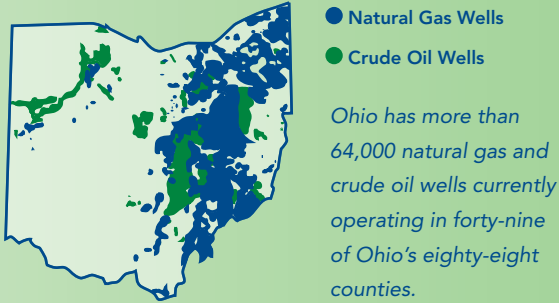
Ohio natural gas and crude oil producers pay \$57.5 million per year in federal, state and local taxes:

Type of Tax	Annual Amount
Severance	\$ 2.6 million
Property	\$ 2.1 million
Commercial Activity	\$ 2.8 million
Income (Federal)	\$40.0 million
Income (State & Local)	\$10.0 million
Sum	\$57.50 million

6. Gross State Product

The industry generates approximately \$1.5 billion in Gross State Product and a statewide output or sales of \$3.1 billion per year.

Current Ohio Production



7. Royalties

Ohio natural gas and crude oil producers pay over \$202 million annually in royalty payments to Ohio landowners, businesses, schools, and local, state and federal land mineral interest owners. These owners were also provided with an additional \$84 million per year in "free natural gas" directly from wells located on their property.

Economic Benefits

