

## Fortuna in the Community

Fortuna staff enjoyed participating in the Troy Fair the week of July 27 - August 1. At the 4H auction, staff members Bill Needham (shown at right) and Janice Lobdell joined in the fun by purchasing four animals, two of which were donated to the local food bank and two that were donated back to the 4H. Thanks to everyone who stopped by our booth and took the time to meet our staff!



## Visit us on the Web

Please check our website regularly for updates on our events and community involvement as well as more information regarding the Good Neighbor Program and Fortuna's operations.



[www.fortunaenergy.com](http://www.fortunaenergy.com)

## Thank You!

Fortuna's continued success is directly linked to the success of the communities in which we operate. Our work together will fuel progress in the Twin Tiers and provide energy for us to live by, now and in the future.

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# Landowner Update

Summer 2009

## What's New at Fortuna?

With encouraging results from our fall 2008 pilot program in the Pennsylvania Marcellus Shale, Fortuna Energy is excited to be increasing our operations throughout 2009. It has been a busy summer! With this increase in activity, we are even more aware of the need to reduce our environmental footprint and are including steps to do so in our operational plan. In addition to operating two drilling rigs in Bradford County and one rig in Tioga County, we are utilizing a pre-set rig in each area. This smaller rig drills with air rather than with drilling fluids as we set the conductor and surface casing, which provide protection as we drill through groundwater aquifers.

Two big impacts of the industry are water and road use. In order to reduce these two aspects of our operations, we have started using fresh water pits for water storage and pipelines to transport water from well site to well site. These practices greatly reduce the volume of truck traffic, in turn reducing pollution and CO2 emissions, and minimize the disturbance not only to the roads but also to the public. We are recycling as much water as possible by diluting the returned flowback with freshwater and using it for subsequent frac operations, as opposed to taking the flowback



Shown are fresh water pits now used for water storage at drilling sites. The water pits greatly reduce truck traffic, reduce pollution and CO2 emissions and minimize disturbance to the public.

to treatment facilities. This practice lessens the quantity of fresh water needed as well as minimizes the treatment of flowback and reduces our trucking needs. Our engineers are always looking for the best way to complete our operations while having the least impact on the environment and will continue to look for opportunities to do so as we continue through the year.

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## In the News

### GEIS update:

On July 23, 2008 New York Governor David Paterson signed into law legislation allowing for spacing units in the Marcellus Shale formation to be up to 640 sq. acres. At the same time, the governor issued a directive which called for the New York State Department of Environmental Conservation (DEC) to immediately undertake a lengthy review and update of the State's Generic Environmental Impact Statement (GEIS). So far, the primary impact of the GEIS update process has been the stoppage on the issuance of Marcellus Shale drilling permits as otherwise allowed under Sec. 23-0501 of the New York Environmental Conservation Law. Earlier this year, the DEC forecast the release of its draft GEIS for public comment before June 20, 2009. On May 28, 2009 the DEC stated that the release of the draft final GEIS will be delayed. No further information has been made available by the DEC as to the exact date when the GEIS will be completed or the time when drilling permits can be issued.

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## Community Corner: Who is Beverly Frost?

Born and raised in the town of Kanona in the Southern Tier of NY, Beverly graduated from Haverling High School. She worked at Cornell University in Ithaca, where she met her future husband, and later at Dresser-Rand near Corning. When she and her husband started their family she became a stay-at-home mom, spending time with her children while also volunteering with Meals on Wheels. Fortuna staff have had a longstanding relationship with Bev and are grateful for the opportunity to share her story with you.



Beverly Frost maintains a 7 acre farm and enjoys landscaping the grounds, which include this waterfall she built.

Beverly Frost is a woman who believes that what you do for others, you get back in return. She will tell you that she has been given a lot: after the hardship of losing her husband 10 years ago, she nearly lost their family farm, her home, before the production of a natural gas well on her property provided the necessary income to keep the land. She has a close family, good friends, and a serene home from which she enjoys the view of her farm.

But as much as she has been given, Bev gives back tenfold. An active member of the community, her days are spent dividing her time between the various groups for whom she volunteers. Every Monday she does a 50-mile drive for Meals on Wheels, delivering food to those in need. She volunteers with the Rockwell Museum as well as the Corning Area Women's Club, helping with Ronald McDonald houses and supporting victims of domestic violence. Bev is on the board of directors of Steuben Senior Services Fund, helping to identify the needs of senior citizens in the area. She recently became a Certified First Responder through the Savona Fire Department, because she "wants to know what to do to help" when someone is experiencing a crisis.

Outside of these organizations, Beverly takes a special interest in women who have been recently widowed.

She seeks out those who are suffering to provide comfort and companionship as well as guidance in handling the estates of lost loved ones. She explains that, after losing her own husband, what she "didn't know when it happened to me, now I can pass along to others." It is that wisdom and generosity of spirit that draws people to her even as they are struggling through a hardship.

Fortuna's own drilling crew experienced her generosity firsthand as Bev and her family brought them her now-famous homemade cookies several times a week throughout the operations. She even provided Thanksgiving dinner to those who could not celebrate the holiday with their own families.

Bev's community involvement lends itself to government as well, as she served for several years on the Town of Orange board. Her service was not for her own personal gain; she explains: "You don't do it for yourself. You do it for other people." The theme of "do for others" is a common thread throughout the many facets of Bev's life.

Despite the significant time commitment she makes to others, Bev still finds time to enjoy her home, family, and loved ones. She personally maintains 7 acres of her farm and made it a haven for herself by planting gardens, hanging bird feeders and building a beautiful waterfall. Bev spends her winters visiting with family in Florida and enjoys the company of grandchildren in the summer.

Beverly Frost lives her life to the fullest, giving to others every day and enjoying the blessings she receives. She offers a glimpse into the wisdom that guides her life with the following advice:

"If you have anything you want to do, do it. Don't wait, enjoy your life."

Creating gardens and planting flowers are two of Beverly's passtime pleasures.



## Environmental Practices

It is no secret that the Twin Tiers is one of the most beautiful parts of the country. The rolling hills, the scenic highways, the flowing rivers, the picturesque farmlands and the dipping valleys all combine to make up the area we are so proud to call home. With the recent influx of natural gas exploration and development, there is a heightened awareness of the need to keep these qualities intact. Understanding the importance of retaining and preserving our beautiful landscape and natural resources is therefore critical in our operational plans.

From the beginning of any proposed pipeline or site construction project, minimizing the environmental footprint is at the forefront of considerations.

When a location is proposed for operations, the first step taken is for our environmental specialists to walk the area to assess the potential impact on the location. The factors that are considered include landowner agreement, stream crossings, wetland status, and the existence of any threatened or endangered species. Fortuna's staff work together with a wetland biologist as well as the Fish and Game Commission and the Department of Conservation and Natural Resources (DCNR) to ensure that our operations have the least impact possible. If necessary, plans are placed on hold or altered altogether to avoid disruption of sensitive areas.

Throughout the construction of a well site, Fortuna standards as well as Pennsylvania's Department of Environmental Protection (DEP) regulations require the implementation of best management practices. Our Erosion and Sedimentation Plan ensures that these practices, including the use of silt fences, hay bales and rock construction entrances, are



Reclaimed pipeline right of way.

adhered to. By doing so, we make certain that not only is the site clean and well-laid out, but that at the end of the operation the area may be returned to the same condition it was in before operations began.



Pipeline right of way under construction.

When a well site is constructed, the soil is stripped and stockpiled with a silt fence installed down slope to safeguard against erosion. We use cut and fill practices where the soil is embanked to provide a barrier at the edge of the site – one benefit of this is that the barrier blocks the noise of operations for nearby residences. Once the final well has been drilled and operations are complete on a well pad, the site is reclaimed down to 1/2 of its original size. This is done by returning the soil in the order that it was removed, and then taking care to restore the surface to the condition it was in beforehand.

The same consideration is taken when laying a pipeline. During construction the soil is separated, with the subsoil placed on one side of the trench and topsoil place on the other side. Once the pipeline is installed, the subsoil is placed back over the trench and then the topsoil is spread over it. The right of way is then seeded, mulched, fertilized and limed in order to promote healthy vegetative growth.

As members of the communities where we operate as well as Fortuna employees, we take great pride in the work we do to protect the environment as we work. Positive feedback from state regulators and local conservation districts affirms that we are in fact succeeding in our efforts. At the end of the day, it is just as important to us as it is to our landowners that we respect the landscape and do our part to keep the Twin Tiers a beautiful place to live.

## Adopt-A-Highway

Fortuna staff participated in our first highway clean-up on Saturday, May 16. Fortuna has adopted a two mile stretch of Route 352 in Big Flats, NY and will be providing quarterly highway clean-ups.



[www.nysdot.gov/programs/adopt-highway](http://www.nysdot.gov/programs/adopt-highway)