

The Oil and Gas Industry in the Empire State: Past, Present and Future

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New York has supplied many firsts for the oil and gas industry: the first natural gas well, the first natural gas company, the first geological survey and the first state-chartered energy R&D organization. The paper will review the historical context of resource development in New York State, the current state of the industry and the direction it is likely headed in the future.

Natural gas and oil seeps have been documented for thousands of years. In the “new world,” the first documented seeps occurred in what is now New York with written records of oil and gas seeps in the state dating back to 1627. It was at one of these seeps that in 1821, William A. Hart drilled a 27 foot deep natural gas well. This was the first successful well that was intentionally drilled to obtain natural gas. Records show that this was his second attempt, giving him credit for the first dry hole as well.

Early industry activity followed the typical boom-bust cycles. Peak oil production reaches 6.7 million barrels of oil in 1882 and stands as New York’s record year. Natural gas, however, has gone through a number of cycles as new targets were discovered and exploited. Technology has always played a role and both secondary oil recovery and natural gas storage were pioneered in the oil and gas fields of New York in the early 20th century.

Currently, natural gas production in New York is resurgent. Technology and favorable market forces have caused a three-fold increase in natural gas production in the 21st century. And shale, which started it all in 1821, is now the rage. Opportunity has once again focused the industry’s attention on New York.