



MISSISSIPPI

Managing and Mitigating Energy Development Risks in Mississippi

Rachael Carter, Mississippi State Extension Service, rachaelc@ext.msstate.edu

Project Introduction

Expended Amount: \$41,363

This project educated farmers, landowners and others responsible for decision-making connected with farmland and rural communities and energy development in Mississippi. The program covered the risk management education subjects of financial risk and legal risk management by addressing contracts, leases and environmental regulations pertaining to mineral rights as well as state regulations on oil and natural gas drilling in Mississippi. At the end of the project, participants had a better understanding of legal and financial risk management associated with energy development; improved decision-making skills regarding mineral rights; leasing and contracts; and environmental regulations and current low-impact drilling methods implemented in Mississippi and other regions of the country. Individuals responsible for over 72,000 acres of land were educated in the workshops and indicated their knowledge about legal, financial, economic and environmental risk management improved on average by 25 percent.

Project Participants

Project participants were forestry landowners and farmers from Mississippi who are members of Mississippi's forestry associations, Cattlemen's Association, Mississippi Farm Bureau, Mississippi's Young Farmers and Ranchers and/or Mississippi Women for Agriculture. We also had farmers and

absentee landowners from the states of Texas, Louisiana, Pennsylvania and Illinois. Other participants included attorneys representing farmers in Mississippi who were very eager to participate in order to better assist their clients. We also had attendees who were members of the American Association of Professional Landmen desiring to be more informed on legal aspects of oil and gas leasing. In addition, the workshops had attendance from elected officials who came because of the immediate need for decision-making regarding updating oil and gas management policies in the state. Elected officials have been faced with rapid increases in activity and have been required to make many decisions based on limited knowledge. An unexpected group of participants were from groups such as emergency managers and water operators because they are responsible for managing environmental risks to water and farmland, as well as communities in general.

Project Area

The delivery focus area was Southwest Mississippi. However, due to requests for information and willingness of participants to travel to attend the program, we were able to serve the entire state and participants from Pennsylvania, Louisiana, Texas and Illinois. We also received requests for more information from law offices from New York and engineering organizations from Texas. We had requests for additional workshops that were delivered to Mississippi's Women for Agriculture in Yazoo County and over the MSU-ES Distance

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Education System. We were also asked to conduct a workshop in Oktibbeha County for the Agriculture Club. The Mississippi Water and Pollution Control Operators' Association and the Mississippi Emergency Management Agency, both responsible for environmental risk management for the state's farmers, requested programming on ways to minimize environmental risk.

Project Outcomes

The knowledge level of economic, financial, legal and environmental risk management improved on average 25 percent with each program. There were 479 participants responsible for over 72,000 acres of land. Participants stated that their level of fear of the technology decreased after the programs. One of the greatest outcomes was that MSU-CES became a recognized source for information regarding energy development. Our office received requests for five more workshops than had been planned for and was then able to implement them. We also received requests for information from across the country (New York, Pennsylvania, Louisiana and Texas) rather than just in Mississippi. The programs were certified by the Mississippi Bar Association and the American Association of Professional Landmen for continuing education credits. Another unexpected outcome was that members of the oil and gas industry began to realize the importance of farmers, landowners and the general public being informed about the industry's regulations, technology and legal aspects. A request to address the National Society of Petroleum Engineers and the American Association of Professional Landmen about this outreach effort and the concerns that farmers, and the general public, have about the industry's practices has also occurred. The local community college is hosting more events that bring together stakeholder groups and help close the communication gap after our example workshop in Natchez that brought together farmers, attorneys, scientists, educators, regulators and industry. (The communication gap was brought up during the workshops as being a key issue regarding managing development.)

Quotes

"This was very helpful information for people trying to work out leases for oil and gas."

Farmer, Wilkinson County

"We need to know more about the highest standards and the best practices for protecting the environment."

Forest landowner

"I feel better about the fracking technology now."

Mississippi farmer

"I have read all the information and I have used the information. The legal information was the most helpful."

Forest landowner

Project Success Story

The most significant success of the project was that it opened the doors of communication regarding oil and gas development on farmland. Stakeholder groups are now seeking more information by requesting additional workshops and trainings. Farmers have verified they are now meeting with attorneys to make sure they manage their legal risk. Decision-makers in the state are evaluating policies regarding leasing practices. Industry leaders are requesting more information on how they can better inform farmers and the public about their technology and what concerns other groups such as farmers and small town leaders have about their industry. Emergency managers have stated they do have less fear of new technology and are now more prepared to take steps to prevent environmental risks. State agencies are now requesting to work together on plans to minimize risks and apply best management practices. An elected official indicated that the trainings were important because they allowed farmers and citizens in their local community to know what to expect with increases in oil and gas development so they could make more informed decisions.

***Sandra Martini, H. L. Goodwin** and **Ronald L. Rainey**, Grant Coordinator and Co-Directors, respectively, of the Southern Risk Management Education Center, serve as editors of this report series. To learn more about risk management education programs and resources, visit the Southern Center website (<http://srmec.uark.edu>) or the Extension Risk Management Education Program link (www.extensionrme.org).

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