



After Scott Ely and his father talked with salesmen from an energy company about signing the lease allowing gas drilling on their land in northeastern Pennsylvania, he said he felt certain it required the company to leave the property as good as new.

So Mr. Ely said he was surprised several years later when the drilling company, Cabot Oil and Gas, informed them that rather than draining and hauling away the toxic drilling sludge stored in large waste ponds on the property, it would leave the waste, cover it with dirt and seed the area with grass. He knew that waste pond liners can leak, seeping contaminated waste.

“I guess our terms should have been clearer” about requiring the company to remove the waste pits after drilling, said Mr. Ely, of Dimock, Pa., who sued Cabot after his drinking water from a separate property was contaminated. “We learned that the hard way.”

Americans have signed millions of leases allowing companies to drill for oil and natural gas on their land in recent years. But some of these landowners — often in rural areas, and eager for quick payouts — are finding out too late what is, and what is not, in the fine print.

Energy company officials say that standard leases include language that protects landowners. But a review of more than 111,000 leases, addenda and related documents by The New York Times suggests otherwise:

¶ Fewer than half the leases require companies to compensate landowners for water contamination after drilling begins. And only about half the documents have language that lawyers suggest should be included to require payment for damages to livestock or crops.

TVNL Comment: An important layman's guide to lease terms can be found [here](#).

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