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## Plan to sell water moves ahead

### Shell Oil to pay PP legal fees

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**PAINTED POST |** Painted Post officials have taken a critical step in the ongoing negotiations to sell village water for use in Pennsylvania natural gas drilling operations.

Shell Oil – the parent company of several drilling companies who would receive the water in Pennsylvania – has agreed to pay the village's legal contract negotiation fees.

The village has hired Harris Beach Attorneys At Law, of Rochester, to

negotiate with Shell Oil and the Wellsboro/Corning Railroad, which would transport the water.

The railroad company plans to build a depot and filling station at the former Ingersoll-Rand foundry site.

Mayor Roz Crozier said Shell Oil and Harris Beach Attorneys at Law, will meet sometime next week to outline a potential agreement.

"I would like to see the parties to move forward and reach a long-term agreement," Crozier said. "We are taking one step at a time. It's a very complicated project."

The village has permis-

sion from the Susquehanna River Basin Commission to withdraw up to a million gallons of water a day from the Painted Post municipal water system.

The village could make an estimated \$2.6 million annually in water sales.

The village's entire budget for the 2011-12 fiscal year is \$1.7 million and it has been struggling

financially for years.

Larry Smith, superintendent of the village's Department of Public Works, said the village can produce enough water to supply drilling companies.

The system, fed by an aquifer, is capable of producing more than 2 million gallons daily, according to Smith.