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Study: Fayetteville Shale Generates \$12.8 Billion in Investment

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The Fayetteville Shale natural gas play in north-central Arkansas generated more than \$12.8 billion in investment from 2008 to 2011, 29 percent more than was planned in 2008, according to a study released Tuesday by the University of Arkansas.

The study, led by economist Kathy Deck at the UA's Sam M. Walton College of Business Center for Business & Economic Research, surveyed economic activity, including spending and jobs, generated by natural gas drilling operations in the region between 2008 and 2011.

The full, [110-page Report Is Available Here](#).

The report details all aspects of the shale's economic effects on Arkansas.

For example:

- The total economic activity generated as a result of shale activities in the state from 2008 to 2011 was more than \$18.5 billion, higher than the \$14.2 billion estimated in 2008.
- Companies in the play also paid out \$1.2 billion in mineral leases and royalties during the period.
- From 2008 to 2011, employment affects grew from more than 14,500 people to more than 22,000 people, the report said.
- And from 2004 to 2011, the state received more than \$90.8 million in severance tax revenue from Fayetteville Shale activities.

"Exploration and production of natural gas in the Fayetteville Shale area generates direct effects from drilling wells and causes the need for supporting activities such as construction, transportation, storage and distribution," the study says. "Moreover, investments are made by oil and gas companies produce indirect (supply chain oriented) and induced (personal expenditure related) economic impacts."

Deck is schedule to share her report Thursday morning at a meeting for the Arkansas Economic Development Commission.

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