Since at least 1920, production of natural gas in the Appalachian states has fluctuated between 400 and 500 Bcf per year. Among the factors limiting expansion in drilling, recompletion of old wells, and introduction of new technology, such as that applicable to Devonian shale, has been the adverse wellhead prices paid to producers by purchases under regulations applied by the federal government under the Natural Gas Act of 1938.

After long debate and apparent deadlock, Congress passed the Natural Gas Policy Act of 1978. The provisions of the act include incentive pricing for stripper wells and for deep drilling, and the deregulation of all sales of gas from Devonian shale beginning November 9, 1979. Other aspects of the legislation, when fully implemented, should allow greater freedom to producers to bargain fairly with purchases of natural gas in most circumstances.

An analysis of the Act indicates its potential impact in spurring research efforts to commercialize natural gas production from Devonian shale and other unconventional sources, as well as accelerating exploration and development from conventional reservoir targets in the Appalachian region.

From projections comparing future prices and costs of Appalachian gas with costs of supplies from the Southwest, the Arctic, and foreign LNG, together with synthetic fuels, it is concluded that the "new economics" of Appalachian natural gas can revitalize the industry within the next decade, and can provide a regional solution to the predicted national energy supply deficit in the 1980s.

KALYONCU, R. S., J. P. BOYER, and M. J. SNY-DER

Devonian Shales—In-Depth Analysis of Well EGSP NY I with Respect to Shale Characterization, Hydrocarbon Gas Content, and Wire-Log Data

The objective of the Battelle portion of the Eastern Gas Shale Program has been to determine the relations among shale characteristics, hydrocarbon gas content, and wire-log information to establish a sound basis for defining the productive capacity of the reserve and to provide guidance for continuing research, development, and demonstration projects designed to enhance the recovery of gas from these deposits. Because the strategy for stimulation technology development and application is strongly tied to the way the gas is held and transported within the parent formation, a thorough understanding of the resource is required.

Historically, efforts to determine these interrelations have been hampered by the fact that many of the test wells are small and do not provide sufficiently large data bases for meaningful statistical interpretations. However, during the coring of the EGSP NY 1 well, more than 400 core samples were taken and over 12 wire-log runs were made. This data base has provided an outstanding foundation from which to develop correlations and draw significant conclusions using variance analysis techniques developed at Battelle.

KING, HOBART M., and JOHN J. RENTON, West Virginia Univ. and West Virginia Geol. and Econ. Survey, Morgantown, W.Va. Geologic Age Versus Major, Minor, and Trace-Element Compositions of West Virginia Coals

The abundances of 36 elements in the ashes of 29 column samples representing 15 different West Virginia coals indicate several systematic relations between the geologic age of these coals and the abundance of certain elements within their ashes. Li, Si, Al, Be, Bi, Co, Cu, La, Ni, Ph, Sn, and Va show a definite increase in abundance with increasing geologic age; Bo and Fe show a definite decrease in abundance with increasing geologic age.

In addition to the systematic relations, some local variations are evident, such as high concentrations of boron in ashes of Monongahela coals and high concentrations of tungsten in coal ashes from the Allegeheny through Monongahela Groups. This information opens speculation as to the geologic factors responsible for these relations and may be significant in coal utilization.

KLANDERMAN, DAVID S., and MICHAEL E. HOHN, West Virginia Geol. Survey, Morgantown, W.Va.

Compositional Variations in Fabric-Element-Based Lithotype Classification for Devonian Shales

The use of fabric elements to classify specific shale lithotypes tentatively permits rapid qualitative evaluation of productive potential and interpretation of general depositional environments without recourse to detailed chemical and mineralogic characterization.

To evaluate the usefulness of subjective lithotype classification, 169 samples from the Lincoln 1637 cored well, classified into the four shale lithotypes of E. B. Nuhfer and R. J. Vinopal, were examined through parametric and nonparametric statistical tests performed on petrophysical and compositional data derived from the same samples. The lithotypes consisted of: (1) sharply-banded shale, (2) thinly laminated shale, (3) lenticularly laminated shale, and (4) nonbanded shale. Analytic parameters considered were: bulk density, matrix density, porosity, log density, sonic travel time, resistivity, gamma-ray log response, silt (by thin-section point counts), quartz, illite. pyrite, and 14 angstrom clays quantified relatively by X-ray diffraction, total sulfur by rapid LECO method, organic matter by losson-ignition between 100 and 550°C, and an additional loss-on-ignition between 550 and 1,000°C. The data were first tested for normality by means of Kolmogorov-Smirnov and Shapiro-Wilkes tests and then for significant differences between lithotypes by means of both the analysis of variance and the nonparametric analog, the Kruskal-Wallis test.

The test results show that significant differences do exist between the specific lithotypes, and therefore, that classification by fabric elements does reflect real differences in rock properties. Fabric-element classification must precede more destructive physical and analytic tests so that this valuable information is not lost and so that later test results can be related back to specific rock types.

KUCUK, FIKRI, and WALTER ROSE, Science Ap-