

ExxonMobil, other producers working on fracking fluid disclosure policy

Bill Holland, Platts News Service, 12-1-10

WASHINGTON -- ExxonMobil, the US' largest natural gas producer, said Tuesday it is working with other producers to develop a framework under which companies will disclose the chemical composition of fluids used in the hydraulic fracturing process.

"Public interest in the natural gas industry has grown tremendously," said Sherri Stuewer, vice president of environmental policy and planning at ExxonMobil, adding that "Colorado and Wyoming have enacted new disclosure rules [for fracking fluids] and we are working with [the rest of the] industry to develop best practices."

In remarks at a one-day Washington forum on fracking practices on government-owned lands, Stuewer said ExxonMobil believes any guidelines, including disclosure, need to be made at the state level to account for local differences.

In opening the forum, US Interior Secretary Ken Salazar said that while the Obama administration will promote policies that support the increased use of gas in the US, it also will push producers to disclose the makeup of the fluids they use in fracking, an increasingly popular extraction technology.

Salazar said the administration "will push for disclosure of fracking fluids," adding that one of the goals of the meeting will be to begin to "move forward on fracking in a way that reassures the American public."

"Natural gas is an abundant resource here," Salazar said. "It provides the underpinnings of energy independence, it's a clean fuel [and] you will see policies that point in that direction." But "we have to get settled on [fracking] and how we will move forward."

The Department of the Interior's Bureau of Land Management oversees 250 million acres of publicly owned land in the US. Of that, 12 million acres are under lease to producers and provide 11% of the US' gas supplies.

Public concern over the potential harmful effects of fracking on water supply has increased with the boom in gas production from shale formations. In the fracking process, a mix of water, chemicals and abrasives is injected into a well at high pressure to crack the overlying geologic formation and allow gas or oil to move up through the rock.

Several producers in the Marcellus Shale in the northeastern US have begun to disclose some portions of the chemical mix they use on a well-by-well basis.

Salazar was joined at Tuesday's forum by Deputy Interior Secretary David Hays, Assistant to the President for Energy & Climate Change Carol Browner and Marcilynn Burke, deputy director at the BLM.

They will hear from two panels. The first will examine current fracking practices on BLM lands and potential impacts and the second will examine regulatory considerations associated with fracking on BLM lands.

The US Environmental Protection Agency is currently conducting a study into fracking's potential impacts on drinking water.