

Interior may force drillers to disclose chemicals

Matthew Daly, Associated Press, 12-2-10

WASHINGTON -- The Obama administration may require companies drilling for natural gas on public lands to disclose the chemicals being used in a technique called hydraulic fracturing.

Officials are weighing the policy, Interior Secretary Ken Salazar said, calling hydraulic fracturing "a hot and very difficult issue" on public and private lands. Also known as "fracking," the process involves pumping millions of gallons of water mixed with sand and chemicals underground to force open channels so natural gas will flow.

"As the nation's largest land manager, the Department of the Interior has a responsibility to ensure that natural gas is developed in a safe and environmentally sustainable manner and protects the other valuable resources on those lands, including preventing harm to the air, water and species that call these lands home," Salazar said Tuesday at a forum he hosted on the issue.

He said officials have yet to settle on a policy. Onshore gas wells on Interior-managed lands account for 11 percent of the nation's natural gas supply.

President Barack Obama has expressed support for increasing the use of natural gas in an effort to reduce dependence on foreign oil and encourage cleaner fuels.

Federal regulators are taking a new look at fracking as gas drillers swarm to the lucrative Marcellus Shale beneath Pennsylvania, New York, West Virginia and Ohio and blast into other shale formations around the country.

Fracking on private land is exempt from federal regulation. The process is touted as the key to unlocking huge reserves of clean-burning natural gas and supporters say it is safe, noting that it the practice occurs thousands of feet below ground and much deeper than most water sources. They also point out that authorities have yet to link fracking to contaminated drinking water.

The New York Assembly approved a temporary ban on fracking early Tuesday. Gov. David Paterson is expected to sign the ban, which extends until May 15. The moratorium is meant to allow more time for the state Department of Environmental Conservation to finish a review and issue new guidelines for drilling in the Marcellus and Utica shale formations.

The U.S. Environmental Protection Agency is studying whether the drilling practice affects drinking water and the public health. The EPA has subpoenaed energy giant Halliburton, seeking disclosure of chemicals used in their fracking fluids. Eight other drilling companies have provided that information to the EPA or promised to do so.

Drilling companies have resisted attempts to disclose publicly the chemicals in their fracking fluids, claiming proprietary information.

The forum hosted by Salazar included panel discussions among federal officials, energy companies and environmental groups.

The American Petroleum Institute, which represents the oil and gas industry, held a similar forum earlier Tuesday. The group said in a statement that hydraulic fracturing is crucial for the United States to gain access to huge supplies of natural gas that were impossible to obtain just a few years ago.

Increased production of domestic natural gas will generate billions of dollars in federal and state revenue and reduce greenhouse gas emissions, said Sara Banaszak, a senior API economist. API said the New York moratorium was wrong and that state regulations have proven effective in the safe use of hydraulic fracturing for more than 60 years and in over a million wells.