

# Governor questions Halliburton on fracking chemicals as Wyoming considers new oil-gas rules

Mead Gruver, Associated Press, 4-14-10

CASPER, WYO. — Wyoming needs to strike a balance in requiring the energy industry to disclose the mix of chemicals it uses to boost the productivity of oil and gas fields, Gov. Dave Freudenthal said Tuesday.

Presiding over a Wyoming Oil and Gas Conservation Commission public hearing, Freudenthal closely questioned an attorney for Halliburton Co. about where the oilfield services company stands on disclosing chemicals used in the increasingly prevalent technique of hydraulic fracturing, or "fracking."

The governor, who is the commission's chairman, pointed out that an attorney for the Wyoming Outdoor Council advocated full disclosure of all fracking chemicals used. The Halliburton attorney proposed no more disclosure than laws currently require.

"Somewhere in between, there is an adequate amount of information for us to know, frankly, what's going on," Freudenthal said.

The commission is considering a number of new state rules for oil and gas development. Industry and environmentalists are watching closely to see if the changes will result in significantly more regulation of hydraulic fracturing in Wyoming.

Fracking involves pumping pressurized water, sand and chemicals below ground to open up cracks in underground formations to improve the flow of gas or oil. Environmentalists say the practice has polluted groundwater. Industry officials say studies have shown no conclusive evidence of that.

Draft rules would require companies to disclose fracking chemicals down to "specific and/or proprietary chemical component detail." The commission didn't vote on the rules, deciding instead to take additional public comments on the document.

Energy companies closely guard their fracking chemical formulas. Only a small number of Halliburton employees have access to this proprietary information within the company, Halliburton attorney Thomas Jackson said during the public hearing.

Wyoming Outdoor Council attorney Steve Jones suggested that companies could list the constituent fracking chemicals much like Coca-Cola lists the ingredients in Coke without disclosing the secret Coke formula.

Even that could put a company's competitive advantage at risk, Jackson said.

"When you talk about a complete list of ingredients, you're getting fairly deep into the proprietary formula itself," Jackson said.

Halliburton doesn't advocate more disclosure, he said, than what companies already release on material safety data sheets, a sort of chemistry ingredient list.

"Help me understand your position," Freudenthal said. "You don't want to disclose the chemicals but they're generally available, anyway?"

Jackson suggested that companies shouldn't have to disclose chemicals in very small quantities. He pointed out that fracking chemicals, once they're put into service within well bores, are heavily diluted by water and sand.

Freudenthal said he has told people that the energy industry doesn't use certain chemicals, such as diesel, in fracking. He said wants more than just industry reassurance that is correct.

"I want to know that what I'm saying to the public is true," he said.

The U.S. Environmental Protection Agency announced last month that it would study the potential human health and water quality effects of fracking. Already the EPA has been looking at whether fracking caused groundwater contamination in the Pavillion area in central Wyoming. A final report from the Wyoming study is expected next month.

Other speakers at the hearing included John Fenton, chairman of the group Pavillion Area Concerned Citizens, who said contamination of his water well has caused the value of his property to decline by half.

"I feel that we've sacrificed," Fenton said. "We'll probably continue to sacrifice. I think this needs to be considered as much as the cost to industry."

Fracking has been used extensively in western Wyoming's gas fields, which are among the nation's most productive. Fracking also has opened up new oil reserves in North Dakota and raised the possibility of extensive gas drilling in Eastern states.