

# The BLM: a Wholly-Owned Subsidiary of ExxonMobil

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The massive Permian Basin in west Texas and eastern New Mexico, at more than 75,000 square miles, is among the world's largest deposits of sedimentary rock from the Permian geologic period. It is also a major oil and gas field that has produced nearly 30 billion barrels of oil and 75 trillion cubic feet of gas since 1921.

And it's just getting started. Oil and gas production numbers have nearly doubled in the past ten years, and each year the basin sets new records for drilling permits issued and total oil recovered. Today Permian Basin oil production accounts for nearly 15 percent of total annual U.S. oil production.

Despite this sustained spike, there's no end in sight. Production numbers continue to rise each year right along with recoverable reserve estimates. Geologists now think that current recoverable reserves in the basin exceed the total production numbers of the last 100 years. The growth in recoverable reserves is a function of what the oil and gas industry euphemistically calls its new "enhanced-recovery practices." In other words: fracking. As prices have risen and new drilling practices have been developed, gas once trapped in sedimentary rock is now recoverable. What was once a commodity-in-waiting, forever stranded from the capitalist market by geochemistry and technology, is now the most profitable game in town.

And the industry is going all in. The Railroad Commission of Texas, the state agency that regulates (accommodates might be a better word) the oil and gas industry, lists 22,000 of the nearly 135,000 total wells in the Permian Basin as currently engaged in fracking practices with 80,000 more in active production after relying on fracking to open up reserves.

A Texas-sized bonanza! Extracting oil and gas from the Permian Basin, indeed, is now like wringing a sponge, only the sponge never seems to go dry. Residents of Barnhart, for example, a tiny Texas town southwest of San Angelo along the northern edge of the arid Edwards Plateau, have witnessed the fracking boom from their own front porches. Views once full of mesquite and acacia trees are now dominated by oil derricks and the infrastructure of fracking: massive water and fracking fluid tanks, huge pumps and trucks filling the roads and ferrying materials and chemicals. But it's not just the views that have changed. Over the past year, residents have begun to notice weak water pressure, increased sand accumulation in toilets and sinks and, most recently, wells going dry everywhere. In an arid climate and in the middle of a historic drought, they're trading water for oil.

And it's not just in Barnhart. The Texas Commission on Environmental Quality, whose website is now littered with links on drought and fracking emissions concerns, estimates that dozens of Texas towns may soon suffer the same fate.

So add the total exhaustion of groundwater to the growing list of likely environmental consequences of fracking and realize that even if the toxic fracking fluid slurry somehow doesn't poison your groundwater, the growing number of rigs and pumps will surely use it all up. Will the realities of a changing climate finally throw a monkey wrench into the works and help grind to a halt the spreading environmental ruin of fracking? Not if the Bureau of Land Management (BLM) has anything to do with it.

The BLM, an agency of the U.S. Department of the Interior, administers nearly 250 million acres of federally owned land. It issues permits for everything from birding and boating to hang gliding and mountain biking. But by far its most important activity is the permitting of oil and gas extraction for its more than 700 million acres of subsurface mining reserves. And it's largely that activity—the permitting of mineral extraction—that allows the BLM to translate its \$1 billion budget into annual revenues greater than \$6 billion.

Just two years ago the BLM launched a review of existing policies regarding the permitting of fracking and tar sands exploration in three western states, noting at the time that the "nascent character of technology" meant that fracking was not "economically viable" and thus perhaps should not be permitted on certain federal lands. Since that time, towns in Texas have

begun to go dry from the growth and extension of fracking methods while toxic slurry has begun to poison wells in Pennsylvania. The growing anxiety around fracking has led at least one New Mexico county to ban the extraction of hydrocarbons entirely, while the arrival of fracking in the UK has led to an explosion in direct action, with masked activists in West Sussex blockading Cuadrilla, an energy firm run by former BP executives, from accessing oil and gas fields.

Despite these growing concerns about the environmental costs of fracking, the BLM changed its tune in May of this year. Innovations in science and technology, and industry interest in expanding fracking on federal lands, make formerly unrecoverable reserves on federal and Indian land now recoverable. So the BLM, always a friend to industry, stands poised to make available hundreds of millions of acres for new fracking operations.

In a draft of a new rule governing hydraulic fracturing on all federal and Indian lands published in the Federal Register (43 CFR Part 3160), the BLM acknowledges that “the rapid expansion of [fracking] has caused public concern,” and concludes that the increased adoption of hydraulic fracturing demands a careful scrutiny by the federal government regarding whether or not it should be allowed on public lands. But this language is nothing more than a smokescreen to disguise the real purpose of the new rule. After all, 90 percent of all wells drilled on federal and Indian land, and administered by the BLM, already use fracking methods. And so the new rule sets out to find a “consistent, predictable regulatory framework” for future fracking. In other words, the BLM is not out to force changes to existing practices, not interested in banning the use of toxic chemicals, and, most importantly, not even inclined to admit there’s a problem at all. The proposed rule is not about protecting the groundwater we drink, it is about protecting the investment-backed expectations of oil and gas firms and their continued and unfettered access to federal and Indian land.

In the rule the BLM takes pains to define fracking as inherently safe: fracking, is according to the rule, “a common and accepted practice, and has been in oil and gas production for decades.” Moreover, as with nearly all federal regulations regarding resource extraction, it is written in the interests of industry (if not actually written by industry lawyers and lobbyist). Indeed the new rule is, admits its authors, “generally consistent with the American Petroleum Institute’s (API) guidelines.” The API is an oil and gas trade association with an average annual lobbying budget of nearly \$10 million. It has spent millions of dollars spreading lies in support of the Keystone XL pipeline and, apparently, its employees moonlight as rule writers for the BLM.

Despite the fact that the BLM last updated its regulations regarding fracking in the late 1980s—before hydraulic fracturing existed as a commercially viable practice—it today “seeks to create less of an administrative burden” for industry with its new rule.

And so there’s little in the rule that actually transforms fracking practices in any meaningful way, nothing that limits the overuse of local water reserves, no ban on toxic chemicals, no independent monitoring or third-party oversight, and of course it goes without saying that no mention is made of the implications of the new rule for climate change. Indeed, the BLM is careful to ignore altogether the terminal absurdity of increasing the rate of hydrocarbon extraction on hundreds of millions of acres of federal land. Global greenhouse gas emissions have nearly doubled since 1990, and the U.S. has been the largest contributor to this increase. The proposed BLM rule, if made permanent, guarantees that the bonanza of fracking will mean a dramatic increase in the rate of greenhouse gas emissions. Don’t bother looking for any discussion of these issues in the proposed rule.

But it is only a proposed rule. What are the chances that an overwhelming public outcry in opposition to this industry-written rule could scuttle the plan? It’s unlikely. The BLM refuses to admit that fracking poisons groundwater, and thus is content to consider as equally legitimate comments for and against fracking.

A clue regarding what the final rule will look like is found under a section in the proposed rule that discusses comments the BLM has already been received. In it the BLM crudely summarizes negative comments in the most general and toothless way, and is careful to ignore any references to scientific studies of the proven environmental problems inherent to fracking. Instead negative comments are reframed as in fact actually supportive—negative commentors, according to the BLM, are actually supportive of BLM regulations as the best way to “protect groundwater.” In contrast the BLM gives the comments of industry-paid lobbyists the imprimatur of science: “BLM regulation of hydraulic fracturing is unnecessary and... no scientific basis exists that hydraulic fracturing causes groundwater contamination and... it is a low-risk operation.”

So the BLM just bides its time, waiting for the comment period to end, so it can get back to its real work—developing new industry-friendly regulation that won't "[introduce] unnecessary new procedures or delays in the process of developing oil and gas resources on public and Indian lands."

BLM's motto has long been "These lands are your lands," but this surely needs revision now. Perhaps, "No Trespassing: these poisoned, waterless wastelands belong to ExxonMobil" might better reflect the real mission of the agency.