

Judge: U.S. violated law in county oil leases

Environmental standards broken in leases

By VIRGINIA HENNESSEY
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Nearly 20,000 acres of prime Central Coast farm and ranch land may be protected at least temporarily from oil and gas "fracking" due to a federal judge's "watershed" ruling.

Environmentalists and local representatives cheered the decision by U.S. Magistrate Judge Paul Grewal, who said federal land managers violated a key environmental law when they auctioned off the rights to drill for oil and gas on public lands in Monterey County, home to one of the largest deposits of shale oil in the nation.

Grewal faulted the Bureau of Land Management for not reviewing the potential impacts caused by fracking before accepting bids for the drilling rights, in accordance with the National Environmental Policy Act.

The judge did not say whether the leases themselves would be invalidated, but said he would decide their fate after the parties meet and send him a proposal next week.

"This important decision recognizes that fracking poses new, unique risks to California's air, water, and wildlife that government agencies can't ignore," said Brendan Cummings, senior counsel at the Center for Biological Diversity, who argued the case for the plaintiffs. "This is a watershed moment — the first court opinion to find a federal lease sale invalid for failing to address the monumental dangers of fracking."

County officials and environmental groups expressed concerns two years ago about BLM's plans to auction off the drilling rights for parcels near the lush Salinas River Valley before doing a sweeping review of the impacts on water, wildlife and air quality.

While the ruling directly affects lease sales on only about 2,500 acres in South Monterey County, the lawsuit's co-plaintiffs, the Sierra Club and the Center for Biological Diversity, are poised to sue over 17,000 acres that BLM subsequently auctioned off in December 2012 while Grewal's ruling was pending. The latter sale involved land in Monterey, San Benito and Fresno counties.

"We're very excited. We're thrilled," Rita Dalessio, conservation chairwoman of the Ventana Chapter of the Sierra Club, said of Sunday's ruling. "I'm sure the champagne is flowing in (Sierra Club offices in) San Francisco."

Fracking, or hydraulic fracturing, employs huge volumes of water mixed with sand and chemicals to blast open rock formations and extract oil and gas. The oil industry maintains the practice has been safely used for decades. It has resisted identifying what chemicals are used, however. Environmentalists worry the technique can contaminate groundwater and pollute the air, as well as trigger seismic activity in the state's most earthquake-prone area.

The affected leases sold in September 2011 include scenic stretches of southern Monterey County, where cattle ranchers and wine grape growers rely on tight water supplies to irrigate their pasture lands and vineyards. The area is also part of the historic range of the endangered California condor, whose global population was recently estimated at less than 400 birds.

The lawsuit alleged the bureau relied on inadequate 2006 studies to assess the environmental risks associated with increased oil and gas development. BLM maintained the leases would not necessarily involve fracking and new reviews were not necessary until requests were filed to drill on the leased property.

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BLM spokesman David Christy said Monday afternoon he could not immediately comment on the decision as the agency had not had time to review it, but said officials planned to meet with the other parties according to the judge's direction.

Monterey County Supervisors Dave Potter and Simon Salinas were two of the local representatives who sought the delay of the 2012 lease sales that relied on the same 2006 studies. Given the challenging water issues in the Salinas Valley, and the potential for earthquake damage to the area's dams, both said Sunday's ruling was a victory.

"This puts the brakes on and forces everyone to do more environmental review," said Salinas, adding that it may provide time for passage of state legislation to ensure safety.

While he hears a lot about the number of jobs that could come, Potter said, he'd like to see environmental impact be more of a priority than "making money for oil companies."

“It's a bit like the way FEMA approaches disaster," he said. "They just wait until after the disaster and then say, 'Here's how we're going to repair it.' I'd rather know on the front end."