



BLM to resume Calif. leasing in wake of fracking science report

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The Bureau of Land Management will resume oil and gas leasing activity in California for the first time since December 2012 based on the results of an independent scientific review on hydraulic fracturing in the state, BLM's top official in California announced yesterday.

BLM California State Director Jim Kenna said he's certain the procedures are in place to properly regulate hydraulic fracturing, or fracking, in the wake of an independent report released yesterday by the California Council on Science and Technology (CCST) that indicates the common industry practice won't have as big an impact on the state's environment as opponents contend.

BLM last year postponed oil and gas leasing in the state until the CCST study was completed, said Martha Maciel, an agency spokeswoman in Sacramento.

The agency, Maciel said, is aiming to hold an oil and gas lease sale, probably involving parcels in the heavily drilled central part of the state, by summer 2015.

"I think [the report] does allow us to once again look at leasing in California and in Kern County," where the bulk of the state's oil

drilling and fracking activity is located, Kenna said during a conference call with reporters to discuss the CCST report, as well as a series of steps BLM announced yesterday to better regulate drilling and fracking in the state.

BLM must first begin evaluating industry-nominated parcels, obtaining public comments and conducting environmental reviews, Kenna said. "There will be a lag time out into 2015, but we do expect to resume leasing," he said.

Catherine Reheis-Boyd, president of the Western States Petroleum Association, released a statement yesterday saying the association is still reviewing the CCST report. The statement did not address Kenna's comments about resuming leasing activity on federal lands.

But environmental groups and anti-fracking activists had plenty to say about Kenna's announcement and the independent scientific review, with some arguing it's irresponsible for BLM to resume leasing based on a report that CCST officials acknowledge is incomplete due to extensive data gaps that leave some questions unanswered.

"The conclusions we reached were based on the data that were available. We recognize that the data is incomplete," Jane Long, who chaired a CCST steering committee that oversaw the independent science review, said

during the conference call. Researchers with Lawrence Berkeley National Laboratory and the Oakland, Calif.-based Pacific Institute conducted the actual research in the report.

The CCST report is limited in scope and is not detailed enough to support renewing oil and gas leasing activities on federal lands in California, Kassie Siegel, director of the Center for Biological Diversity's Climate Law Institute, said in an emailed statement.

"This report raises grave concerns about fracking pollution's threat to California's air and water, but it also highlights that government officials have never collected the data needed to determine the risks to our state," Siegel said.

Indeed, the CCST report noted several areas where gaps in available information prevented researchers from getting a clear picture of potential threats to groundwater and the chemicals used in fracking -- a process that involves injecting water, sand and chemicals underground at high pressure to create fissures in tight rock formations, allowing oil and gas to flow to the surface.

For example, the report stated that fracturing poses a risk "if usable aquifers are nearby." Yet researchers reported that they "could not determine the groundwater quality near many hydraulic fracturing operations and found that existing data was insufficient to evaluate whether contamination has occurred."

The report also found that "a few" of the chemicals used in fracking fluids in the state "are acutely toxic to mammals." Yet the report states, "No information could be found about the toxicity of about a third of the chemicals

and few of the chemicals have been evaluated to see if animals or plants would be harmed by chronic exposure."

That sparked criticism from watchdog groups.

"The slew of information gaps, most notably the complete lack of data about water contamination, should mandate that further research be conducted," said Jackie Pomeroy, a spokeswoman with Los Angeles-based CAFrackFacts, a nonprofit that works to educate the public about well-stimulation technologies. "In light of these deficiencies, it is alarming that the BLM would use this report to justify their decision to resume issuing leases for oil and gas production."

Even if the data gaps were not there, Siegel said, the CCST report is supposed to be one step in a larger environmental review process, and does not justify making a decision to resume oil and gas leasing in the state.

"How can we count on a fair and unbiased process for evaluating the decision to resume leasing when the head of California BLM has predetermined the outcome?" Siegel said. "First we get the verdict, and then we get the trial."

More details coming

BLM's decision to commission the independent scientific review came in response to a federal judge's ruling last year that BLM violated the National Environmental Policy Act by failing to include hydraulic fracturing in its analysis of two leases it approved in September 2011 covering about 2,500 acres in Monterey County.

U.S. District Judge Paul Grewal's ruling was the result of a federal lawsuit against BLM filed by the Center for Biological Diversity and the Sierra Club.

Grewal directed BLM and the environmental groups suing the agency to meet and decide what needed to be done to correct the deficiencies in the two leases, and BLM committed to commission the independent review, and other steps, to satisfy the judge's ruling.

Long said the report released yesterday is just "a starting point" for a much more in-depth study CCST and the researchers at Berkeley are conducting for the state in response to legislation -- California S.B. 4, approved last year -- that established the state's first-ever rules on "well stimulation" operations, including hydraulic fracturing. That study, which is expected to be released in parts beginning next year, will expand upon the analysis done for BLM, and among other things will include more recent chemical disclosure data from industry.

"As we get more data, we will be able to do a better job in being more accurate about what's happening," she said.

But even with its limitations, Kenna said the latest science report should help alleviate some public concerns about fracking and the government's oversight of the oil and gas industry.

"As we continue to make public lands available for oil and gas development, it's important that the public have full confidence in the process, that the right safety and environmental protection measures are in place," he said.

He added: "I think the bottom line, or the large conclusion here, is that we do have a path forward. We have a foundation. We have very high-quality, new information, including [information about] those areas where we want to pay attention to data gaps."