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REFILE-US Senate bill to force fracking fluid disclosure

Wed, Jul 28 2010

- * Bill would require companies disclose fracking fluids
- * Industry says measure will reduce natural gas output
- * Green groups say fracking harms drinking water (Refiling to add link to Factbox at end)

By [Ayesha Rascoe](#)

WASHINGTON, July 28 (Reuters) - The U.S. Senate energy bill is supposed to promote vehicles fueled by natural gas, but industry is crying foul over provisions they say undercut a drilling technique essential to boosting domestic gas output.

The bill proposed by Senate Democrats would force companies using the hydraulic fracturing technique to tap shale gas to disclose by 2012 the chemicals used when drilling each well.

Hydraulic fracturing, or fracking, injects a mixture of water, sand and chemicals into rock formations at high pressure to force out oil and natural gas.

Environmentalists assail drillers for keeping secret the chemicals they use in fracking, saying the mixture is toxic and may be poisoning groundwater in the drilling process.

They argue the practice should not be exempt from the federal Safe Drinking Water Act.

Many energy companies have resisted releasing what they consider proprietary information about the chemicals they use, saying fracking is safe and all the fluids used in the process are already known to regulators.

The Senate measure, while not requiring the release of the precise formulas and amounts of fracking fluids used, still poses legal problems for oil and gas operators, said Lee Fuller of Energy In Depth, a leading group formed by independent drillers to promote fracking.

"It has the potential to create a series of legal responsibilities that operators, and even service companies, might not be able to fulfill, especially under a scenario where our folks are asked to post information that doesn't even belong to them," Fuller said.

Drilling proponents argue the Senate measure will discourage companies from developing new fracking solutions and reduce natural gas output.

Halliburton (HAL.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) and Schlumberger Ltd (SLB.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) are two major producers of hydraulic fracturing fluids.

Use of fracking has dramatically increased U.S. gas production by allowing companies to drill for gas in massive shale beds across the country.

The American Petroleum Institute said it supports some disclosure of chemicals used in hydraulic fracturing operations, but opposes federal involvement in reporting requirements.

"We believe that this provision overreaches," API spokeswoman Cathy Landry said. "State regulators are providing responsible oversight for drilling operations."

The expansion of natural gas drilling across the nation has sparked outrage in some areas, with some people near drilling sites complaining their well water has become contaminated and that children and farm animals have become sick. [ID:nN28199000]

"Citizens need to be protected from the chemicals used in hydraulic fracturing," said Cathy Carlson, senior policy analyst from environmental group Earthworks. Her group applauded the inclusion of the disclosure provision in the energy legislation.

Not all companies are opposed to disclosure. Range Resources Corp (RRC.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)), a major U.S. shale gas producer, said this month it would begin disclosing more data on the fluids it uses to drill for gas in Pennsylvania to help ease environmental concerns. [ID:nN14126820]

Other major shale producers include Chesapeake Energy Corp (CHK.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)) and Anadarko Petroleum Corp (APC.N: [Quote](#), [Profile](#), [Research](#), [Stock Buzz](#)).

FACTBOX: Risks to shale gas production [ID:nN28199000] (Additional reporting by [Tom Doggett](#); Editing by Walter Bagley)

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