

# Hydraulic Fracturing (HF) Rule by BLM Onshore Federal and Indian Minerals

BLM Outreach to Stakeholders – 2015



U. S. Department of the Interior  
Bureau of Land Management – [www.blm.gov](http://www.blm.gov)



# HF - A Game Changer for Domestic Energy

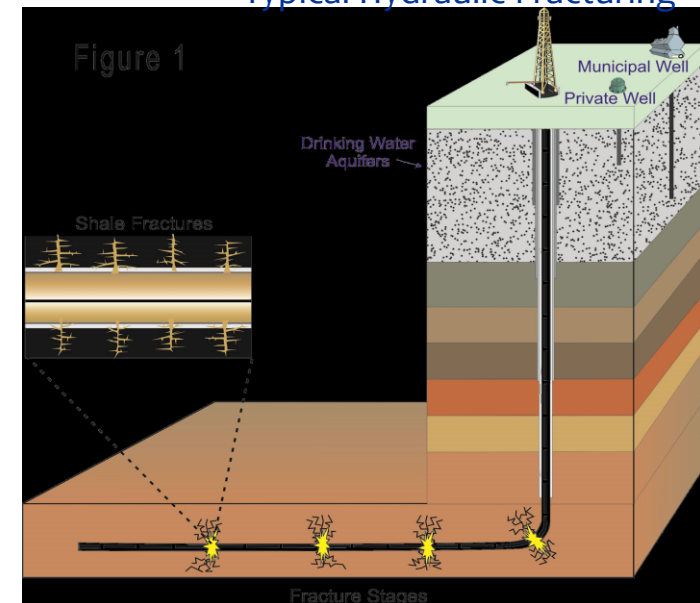
Emergence of New Technologies Involving Hydraulic Fracturing Caused Recovery of Hydrocarbons from Tight Shale Possible

- ❖ US Shale reserves now in top 3<sup>rd</sup> in World's major gas reserves
- ❖ Bakken Shale (ND) - Largest US oil discovery since Alaska at 3.6 Billion bbls

Innovations Comes with some Concerns

- Protection of groundwater, surface water
- Inter-well Communication or 'Frack Hits'
- Chemicals and additives in the fracturing fluid
- Large volumes of water needed for hydraulic fracturing
- Disposal of recovered fracturing fluid

Typical Hydraulic Fracturing



# Rule Making Goals and Objectives

## **The BLM Hydraulic Fracturing (HF) Rule requires:**

- Confirmed Wellbore Integrity (builds from Onshore Order 2)
- Public Disclosure of Chemicals used in the HF Fluid
- Safe Management of Recovered Fluid

## **The HF Rule –**

- Improves public awareness of locations where HF has occurred
- Provides public disclosure of chemical used
- Clarifies and strengthens existing rules related to well construction
- Enhances safe management of recovered fluids
- Aligns requirements for protection of usable water zones with state and tribal authorities
- Provides opportunities to coordinate standards and processes with individual states and tribes

# Wellbore Integrity

**APD**  
requirements

## The operator must:

- **Protect Usable Water**
  - Identify usable water zones for isolation and protection.
- **Prevent ‘Frack Hits’**
  - Show suspected faults or fractures within ½ mile of the wellbore trajectory.
  - Show all existing other wellbore trajectories within ½ mile of the HF well.

## Operations

- Verify proper isolation and protection using adequate cementing.
- **Notify BLM if there is problem with the cement job.**
- Use BLM approved requirement practices to isolate and protect usable water.
- Monitor, record, and report cement flow rate, density, pressure, etc.
- Conduct or perform Mechanical Integrity Tests (MIT, a pressure test)-before HF operations.

# Public Awareness and Transparency



## The BLM will:

- Continue posting APD status and availability for 30-day public review.
- Include proposed HF well locations and other information.

## Operations

- **Ensure public disclosure of chemicals used in HF Fluid by/through FracFocus (FF):**
  - Operator submits to FF within 30 days after completion of HF operations.
  - Provides description of each additive in the hydraulic fracturing fluid except proprietary additives (protected by the Trade Secret Act).
  - Provide trade name, supplier, purpose, ingredients, Chemical Abstract Service (CAS) Number, and maximum ingredient concentration in HF fluid (% by mass).
- **Require submission of affidavit(s) to the BLM if claiming trade secret.**

# Management of Recovered Fluids

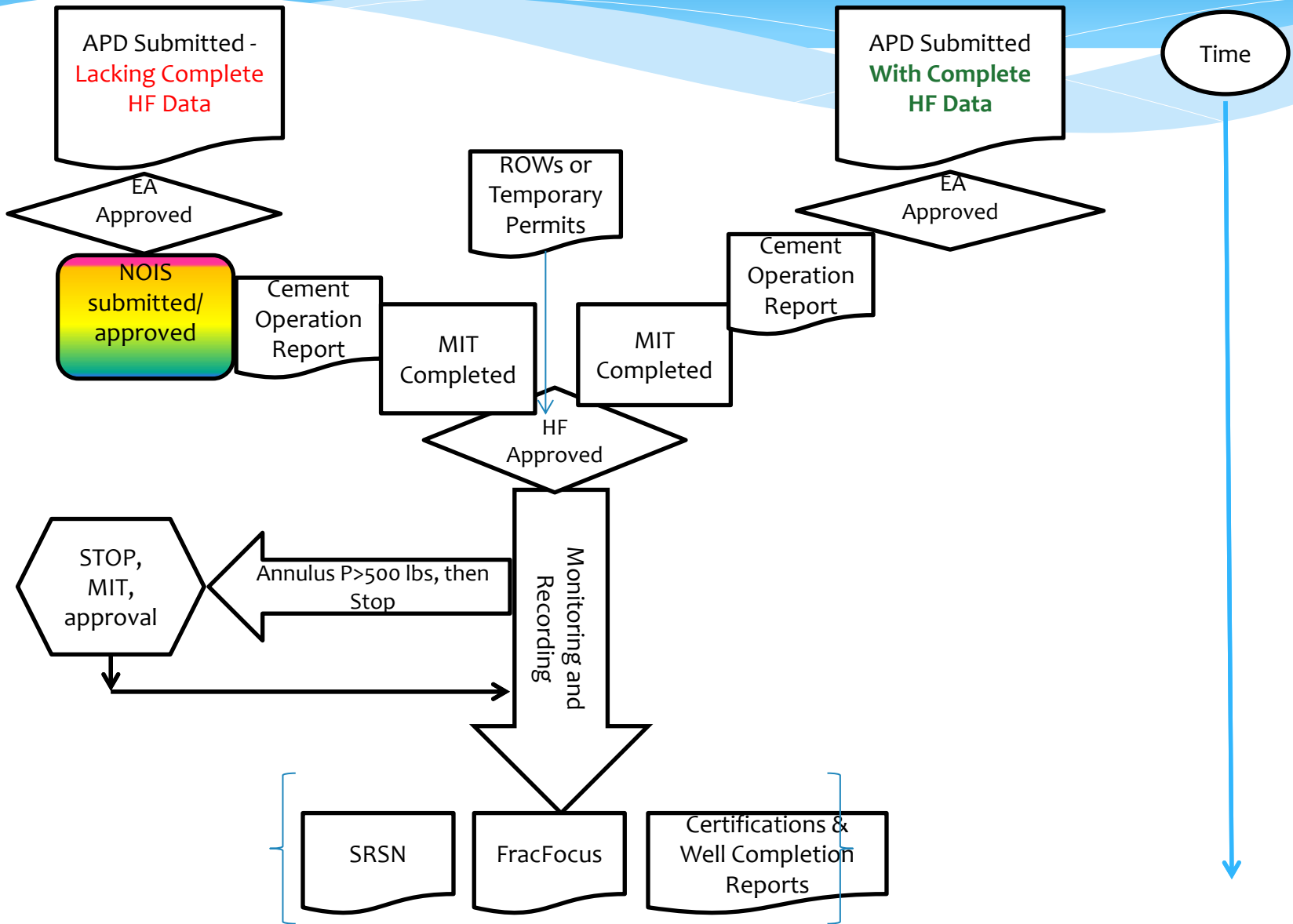
## **The Operator must:**

- Use rigid above-ground tanks for recovered fluids until BLM approves produced water disposal plan.
- Use double-lined pits only with approval under very limited conditions (leak detection system if required).
- Certify the accuracy and correctness of data.

## **The BLM will:**

- Require additional inspections.

# APD and Notice of Intent Sundry (NOI's) for Hydraulic Fracturing



# Rule Effective Date

- \* Rule effective **day pending court stay**
- \* After, new APDs and operations under APD must meet all requirements
- \* APDs approved before effective date will not require submittal of new information on HF
- \* Certain operations will be grandfathered while others must comply



# FR Publication + Correction Notice

## The **BLM Hydraulic Fracturing (HF) Rule Published:**

- **March 26, 2015**

<http://www.gpo.gov/fdsys/pkg/FR-2015-03-26/pdf/2015-06658.pdf>

[Link to the Published HF Rule](#)

- **Correction Notice Published March 30, 2015**

<http://www.gpo.gov/fdsys/pkg/FR-2015-03-30/pdf/C1-2015-06658.pdf>

- On page 16218, in § 3162.3–3 (a)(5), first column, entry “(5) Authorized drilling operations were completed after ~~September 22, 2015.~~” should read “ **December 26, 2014.**”
- On the same table in the sixth row, the entry “(6) Authorized drilling activities were completed before ~~September 22, 2015~~” should read **December 26, 2014.**”

# Usable Water

- \* 43 CFR 3162.3-3(b)

Isolation of usable water to prevent contamination. All hydraulic fracturing operations must meet the performance standard in section 3162.5-2(d) of this title.

# How to submit a request for Hydraulic Fracturing

- With an APD
- Via Sundry Notice

NOTE: Master HF Plan Can be submitted ahead of APD for NEPA evaluations/EAs of a multiple well site/area.

# Other Requirements

- Wellbore/Casing Integrity Documentation
- Chemical Reporting Requirements
- HF (Fracking) Operations Monitoring
- Recovered Fluids Disposal Containment Requirements

# Operator Requested Variances

## 43 CFR 3162.3-3(k)(1)

- Variance is submitted to the Authorized Officer (Field Manager)
- Authorized Officer can:
  - Approve
  - Approve with Conditions of Approval
  - Deny
- The decision on a variance request is not subject to administrative appeals either to the State Director or under 43 CFR part 4

# Coordination with States and Tribes

- MOU with States to facilitate O&G coordination and information sharing.
- HF rule explicitly does not preempt state regulation.
- Adopts state and tribal decisions on underground sources of usable water that do not need to be isolated and protected.
- Allows for broad variances that can apply to all wells within a state or within Indian lands.
- The BLM's decision on a variance request is not subject to administrative appeals.

# Other Considerations

**Regulations require operators to submit chemical data to FracFocus**

## **MOU with GWPC – For Operation of FracFocus Data Base**

(The Ground Water Protection Council (GWPC) runs the Chemical Disclosure Registry through FracFocus.org website)

- Notify BLM when operator uploads data.
- Provide BLM the ability to enter records, upload, download and view data in FF.
- Provide an operator's certification statement on accuracy and compliance.
- Use established records management standards in storing the disclosure data.
- Address specific issues (ex: data quality, search-ability) raised by the Secretary of Energy Advisory Board Task Force Report on FF 2.0, Mar 28, 2014.
- Include BLM as a member of their Technical Committee.