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# Assembly
# California Legislature

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EXECUTIVE SECRETARIAT

James Watson, Director
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Department of the Interior
1849 C Street, NW
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Tommy Beaudreau, Director
Bureau of Ocean Energy Management
Department of the Interior
1849 C Street, NW
Washington, D.C. 20240

Gina McCarthy, Administrator
Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

August 6, 2013

Dear Directors Watson and Beaudreau and Administrator McCarthy,

We write today to express extreme concern regarding recent news reports of the potentially widespread use of a variety of well stimulation techniques in offshore oil and gas drilling operations. As residents of and legislators in California, we know firsthand how devastating a spill in the ocean is. While almost 40 years ago, it is not easy to forget the nation's third largest oil spill off the coast of Santa Barbara, which devastated the coastal environment and local economy for years.

Hydraulic fracturing or "fracking" is a controversial well stimulation technique. It's clear that modern fracking technology is being utilized on a more regular basis in order to boost production and satisfy the demand for domestically produced oil and natural gas. In addition to fracking, other advanced well stimulation techniques may also be currently used for offshore oil recovery. Consequently, it's critical we examine existing regulatory structures in order to ensure the protection of human and environmental health in the face of modernized well stimulation techniques and the increased use of those techniques.

As the federal regulators for offshore drilling, we have some specific concerns we hope you can address:

**Potential problems associated with well stimulation offshore**
Given that the onshore consequences of modern well stimulation technologies, including waste disposal, are still poorly known, it is imperative that regulators investigate how any problems associated with these techniques may manifest themselves for operations offshore. The potential for leaks of toxic

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fracking and other well stimulation fluids into the ocean environment is a concern. Natural seeps exist. For example, Venoco, on its web site, explains that oil has been naturally leaking through the ocean floor: "Oil seeping into the Channel and onto the beaches is sometimes blamed on oil companies. Yet, history confirms that natural seeps are the cause of this phenomenon."[1] If fracking and other well stimulation techniques are not specifically tracked, permitted, inspected and monitored, it is not clear how regulators would be able to assure the public that these fluids are not also seeping through the natural fractures already in the rocks.

Onshore leakage and spills of well stimulation fluids can be readily monitored. How is a leak detected from a failure of well or formation integrity offshore? Additionally, how is appropriate disposal of the waste well stimulation treatment fluids assured? This is especially worrisome given the proximity of these operations to sensitive marine reserves.

**Additional environmental review for well stimulation offshore**

To date, all the well stimulation techniques approved by the Bureau of Safety and Environmental Enforcement (BSEE) appear to be modifications of existing drilling permits. It seems obvious that any additional well stimulation, fracking or otherwise, changes the scope and intensity of the original permitted activity and requires additional environmental review. In the cases for those permit modifications approved within the last year, what additional review was conducted? What potential environmental impacts did the BSEE consider? Did BSEE specifically determine whether or not an Environmental Assessment (EA) or an Environmental Impact Statement (EIS) was required? If not, why? Does BSEE know definitively the current and newly developed well stimulation techniques used offshore on different geologic formations at different depths are safe without developing an EA/EIS?

**California's regulatory role**

Finally, per the Coastal Zone Management Act, upon certification of a state's coastal management program a federal agency must conduct its activities (including federal development projects, permits and licenses, and assistance to state and local governments) in a manner consistent with the state's certified program. Did the California Coastal Commission review these permit modifications for consistency? Was the use of hydraulic fracturing and other well stimulation activities brought to the California Coastal Commission's attention? If not, why?

We genuinely hope you will take the time to consider our concerns and look forward to your response.

Sincerely,

Assemblymember Das Williams, AD 37

Senator Fran Pavley, SD 27

Assemblymember Mark Stone, AD 29

Senator Hannah Beth Jackson, SD 19

[1] http://www.venocoinc.com/natural_seeps.html



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James Watson, Tommy Beaudreau, Gina McCarthy
August 6, 2013

Senator Noreen Evans, SD 02

Assemblymember Marc Levine, AD 10

Assemblymember Bob Wieckowski, AD 25

Assemblymember Richard Bloom, AD 50

Assemblymember Adrin Nazarian, AD 46

Cc: Margaret Schneider, Deputy Director, Bureau of Safety and Environmental Enforcement
Walter Cruickshank, Deputy Director, Bureau of Ocean Energy Management
Bob Perciasepe, Deputy Administrator, Environmental Protection Agency
Mary Shallenberger, Chair, California Coastal Commission
Charles Lester, Executive Director, California Coastal Commission



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