THE TRANSFORMATION OF THE ENERGY SECTOR

EARTHQUAKES:

Sierra Club asks federal judge to rein in Okla. quakes

Mike Soraghan, E&E reporter

Published: Wednesday, February 17, 2016

The Sierra Club yesterday asked a federal judge to take over the issue of man-made earthquakes linked to oil and gas activity in Oklahoma, saying the efforts of federal and state regulators have been inadequate.

The group's lawsuit was filed on the same day that oil and gas regulators at the Oklahoma Corporation Commission (OCC) detailed their biggest restrictions yet on the drilling wastewater disposal operations blamed for the shaking. For the first time, agency officials said they were trying to "get out ahead" of the seismic swarms.

But an attorney for the Sierra Club said that so far, the agency has failed to be proactive.

"What OCC is doing is following the earthquakes around," said Richard Webster of Public Justice, which filed the suit on behalf of the Sierra Club. "You can't wait for a big event and then do something."

The Sierra Club is the first national environmental group to tackle the issue of drilling-linked quakes. Some in-state activists have called for a moratorium on drilling waste injection, but the Sierra Club suit instead asks a judge to reduce waste injection "immediately and substantially."

The suit was filed in U.S. District Court in Oklahoma City against three oil companies -- Chesapeake Energy Corp., Devon Energy Corp. and New Dominion LLC. Attorneys say they expect to add SandRidge Energy Inc. in the future. Representatives of Devon and New Dominion said the companies would not comment on pending litigation. Chesapeake spokesman Gordon Pennoyer stressed that the company has been complying with OCC's efforts to address the quakes.

"We disagree with the Sierra Club's assertions and will address them in the appropriate forum," he said.

The suit says the three companies account for more than 30 percent of the 12 billion barrels of wastewater injected in 2014.

The legal action is a "citizens suit" under the authority of the Resource Conservation and Recovery Act, asserting that the quakes present an "imminent and substantial endangerment to health and the environment."

Last year, Oklahoma had 905 earthquakes of magnitude 3 or greater, a sharp increase over the 585 such quakes in 2014. Before 2009, the state averaged about two such quakes a year.

Scientists say the unprecedented swarms of earthquakes are likely the result of favorably aligned faults and production methods in Oklahoma that create uniquely large volumes of wastewater. The added fluid changes the pressure in deep faults, and they slip.

On Saturday, a magnitude-5.1 quake centered in western Oklahoma was felt as far away as Kansas City. It was the largest quake since a magnitude-5.6 event centered near Prague, Okla., that injured two people and destroyed more than a dozen homes. The Prague quake was the largest ever recorded in Oklahoma and is considered the largest ever linked to deep waste disposal.

Public Justice and the Sierra Club notified the companies, along with U.S. EPA and state officials, in late

October of the prospect of a lawsuit (*EnergyWire*, Nov. 3, 2015). The "notice of intent" demanded that the oil companies reduce disposal volumes on their own or face litigation.

Both groups tied the problem to fracking, but researchers say waste fluid from hydraulic fracturing is an "extremely small fraction" of the wastewater stream in Oklahoma (*EnergyWire*, June 18, 2015).

Injection wells are regulated under federal law, but in Oklahoma EPA has delegated its authority to state officials. EPA has been publicly silent about a request by local activists for the federal agency to take over the state program (*EnergyWire*, July 7, 2015).

Looking for a 'holistic or proactive view' of quakes

The suit states that "no government body is currently taking a holistic or proactive view" of the earthquake problem. So the Sierra Club wants a judge to create an "independent earthquake monitoring and prediction center" that would set safe injection levels for wells and track quake research.

In explaining the inadequacy of the state's response, Webster noted that OCC officials have questioned their own authority to restrict oil and gas operations to prevent earthquakes (*EnergyWire*, Oct. 9, 2015). Some agency officials have said those questions are resolved. But Webster noted the agency has never tested its authority in a formal proceeding.

OCC officials have issued "directives" to companies that are voluntary but carry an implicit threat of formal action if they're not followed. SandRidge initially resisted an OCC directive in December but reached an agreement with the agency before it could follow through on the threat to file a formal case (*EnergyWire*, Jan. 21).

The agency has issued more than 10 rounds of such directives, but officials said the one detailed yesterday was the first to take a "regional" approach to the problem.

The plan covers 245 wells in an area of 5,281 square miles roughly bounded by Enid, Medford, Woodward and the Kansas border. Combined with a smaller-scale cut in the same area last month, it is intended to cut injection by 500,000 barrels a day, roughly 40 percent.

"This plan is aimed not only at taking further action in response to past activity, but also to get out ahead of it and hopefully prevent new areas from being involved," said Tim Baker, director of OCC's Oil and Gas Conservation Division.

The plan will be phased in with four stages across two months. Baker said researchers have warned officials not to create sudden pressure changes.

Click here to see the lawsuit.

Click here to see the exhibits.

Twitter: @MikeSoraghan | Email: msoraghan@eenews.net

Advertisement

The Premier Information Source for Professionals Who Track Environmental and Energy Policy. © 1996-2016 E&E Publishing, LLC <u>Privacy Policy</u> <u>Site Map</u>