

ONE HUNDRED ELEVENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
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**MEMORANDUM**

**July 19, 2010**

**To: Members of the Subcommittee on Energy and Environment**

**Fr: Chairman Henry A. Waxman and Subcommittee Chairman Edward J. Markey**

**Re: Update on the Committee's Investigation into Hydraulic Fracturing**

On February 18, 2010, the Committee sent letters to eight oil and gas service companies engaged in hydraulic fracturing in the United States regarding the type and volume of chemicals they use in their hydraulic fracturing fluids. On May 6, we sent letters to six additional oil and gas service companies in order to assess a broader range of industry practice. Today, we are sending letters to ten oil and gas producers to obtain information the recipients of our earlier letters were unable to provide. This memorandum explains in more detail why we are taking this action.

**I. Oil and Gas Service Companies' Response to the Committee's Request**

Since February, the Committee has requested data from 14 oil and gas service companies about their hydraulic fracturing practices.<sup>1</sup> These companies informed us that they are unable to respond to two key components of our request.

The Committee asked that each recipient of our February 18 and May 6 letters provide data on whether it has performed hydraulic fracturing in or near underground sources of drinking water as defined by the Safe Drinking Water Act. The hydraulic fracturing service companies informed us that they do not track whether the wells they fracture are located in underground sources of drinking water. They said that the operators of the oil and gas wells would be more likely to maintain the requested information.

BJ Services, for example, stated that it "does not track or maintain such data because it is the responsibility of the well operator to drill in compliance with the applicable statutes and

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<sup>1</sup> The 14 letters sent on February 18 and May 6, 2010, are available on the Committee's website.

regulations concerning subsurface aquifers.”<sup>2</sup> Key Energy Services explained that “because Key is not the owner nor the operator of the wells on which it provides services, Key does not possess information about the location of drinking water, if any, around the wells.”<sup>3</sup> Superior Well Services stated that the company “does not possess complete or necessarily accurate information about the formations being fractured or their proximity to underground sources of drinking water.”<sup>4</sup> Universal Well Services wrote that “individual well operators, who are legally responsible for obtaining all applicable permits and authorizations for the wells...are likely to maintain the data requested by the Subcommittee regarding whether natural gas wells are located in, near, or below an underground source of drinking water as defined by the Safe Drinking Water Act.”<sup>5</sup> The other companies provided similar responses.

The Committee also asked each recipient of our February 18 letter to provide data on the recovery and disposal of water and other fluids that flow back to the surface of the well.<sup>6</sup> The recipients informed us that the well operators, not the service companies, are responsible for any flowback or water produced from the wells and therefore do not maintain information on the volumes or chemical contents of this waste.

BJ Services, for example, told the Committee that the company’s “personnel and equipment typically travel to a well site, perform the fracturing activities, and depart. Once the fracture has taken place, the extraction process and the disposal of flowback and produced water is entirely controlled by the well operator.”<sup>7</sup> Halliburton stated that the company “is not responsible for the recovery of fracturing fluids after those fluids are pumped downhole as part of the hydraulic fracturing process. Responsibility for the handling of those materials once they

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<sup>2</sup> Letter from Mark R. Paoletta to Henry A. Waxman, Chairman, Committee Energy and Commerce, and Edward J. Markey, Chairman, Subcommittee on Energy and Environment (March 5, 2010).

<sup>3</sup> Letter from Peter S. Spivack to Henry A. Waxman, Chairman, Committee Energy and Commerce, and Edward J. Markey, Chairman, Subcommittee on Energy and Environment (May 28, 2010).

<sup>4</sup> Letter from Mark H. Tuohey to Henry A. Waxman, Chairman, Committee Energy and Commerce, and Edward J. Markey, Chairman, Subcommittee on Energy and Environment (March 5, 2010).

<sup>5</sup> Letter from Reginald J. Brown to Henry A. Waxman, Chairman, Committee Energy and Commerce, and Edward J. Markey, Chairman, Subcommittee on Energy and Environment (March 5, 2010).

<sup>6</sup> We did not request this data in our May 6 letter to the six additional companies, as we had determined by that time that the oil and gas service companies would be unable to provide this information to the Committee.

<sup>7</sup> Letter from Mark R. Paoletta to Henry A. Waxman, Chairman, Committee Energy and Commerce, and Edward J. Markey, Chairman, Subcommittee on Energy and Environment (March 5, 2010).

are brought back to the surface rests with the well operator.”<sup>8</sup> Similarly, Sanjel told the Committee that it “is not responsible for and has no role in flowing back and recovering fluids from a well after completion of a fracturing treatment, or in measuring, managing, treating and disposing of flow back fluid.”<sup>9</sup>

## **II. Additional Request for Information**

The Committee is sending letters to ten oil and natural gas producers in the United States to obtain the information the hydraulic fracturing service companies were unable to provide. This list of companies includes some of the largest oil and gas producers onshore in the United States as well as companies with a strong regional presence. They also have hired at least one of the 14 oil and gas service companies to perform hydraulic fracturing at their well sites.

For additional information, please contact Alison Cassady or Molly Gaston of the Committee staff at (202) 226-2424.

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<sup>8</sup> Letter from Robert J. Moran, Halliburton, to Henry A. Waxman, Chairman, Committee Energy and Commerce, and Edward J. Markey, Chairman, Subcommittee on Energy and Environment (March 5, 2010).

<sup>9</sup> Letter from David R. Hill to Henry A. Waxman, Chairman, Committee Energy and Commerce, and Edward J. Markey, Chairman, Subcommittee on Energy and Environment (March 19, 2010).