

REGULATORY ALERT

Issue Date: December 29, 2017
Alert No. 2017-012

ISSUE:

Final Rule that rescinds the Final Rule of 2015 on Hydraulic Fracturing of Well Bores on Federal and Tribal Lands. This Final Rule is effective immediately.

SUMMARY:

On March 26, 2015, the Bureau of Land Management (BLM) published in the **Federal Register** a final rule entitled, “Oil and Gas; Hydraulic Fracturing on Federal and Indian Lands” (2015 rule). With this final rule, the BLM is rescinding the 2015 rule because we believe it imposes administrative burdens and compliance costs that are not justified. This final rule returns the affected sections of the Code of Federal Regulations (CFR) to the language that existed immediately before the published effective date of the 2015 rule (June 24, 2015), except for changes to those regulations that were made by other rules published between the date of publication of the 2015 rule and now, and the phrase “perform nonroutine fracturing jobs,” which is not restored to the list of subsequent operations requiring prior approval. None of the changes by other rules are relevant to this rulemaking. This final rule is effective on December 29, 2017

BACKGROUND RECOMMENDED ACTIONS:

This final rule is needed to prevent the unnecessarily burdensome and unjustified administrative requirements and compliance costs of the 2015 rule from encumbering oil and gas development on Federal and Indian lands.

The process known as “hydraulic fracturing” has been used by the oil and gas industry since the 1950s to stimulate production from oil and gas wells. In recent years, public awareness of the use of hydraulic fracturing practices has grown. New horizontal drilling technology has allowed increased access to oil and gas resources in tight shale formations across the country, sometimes in areas that have not previously experienced significant oil and gas development. As hydraulic fracturing has become more common, public concern increased about whether hydraulic fracturing contributes to or causes the contamination of groundwater sources, whether the chemicals used in hydraulic fracturing should be disclosed to the public, and whether there is adequate management of well integrity and of the “flowback” fluids that return to the surface during and after hydraulic fracturing operations.

On March 26, 2015, the BLM published in the **Federal Register** a final rule entitled, “Oil and Gas; Hydraulic Fracturing on Federal and Indian Lands” (80 FR 16128) (2015 rule). The 2015 rule was intended to: Ensure that wells are properly constructed to protect water supplies, make certain that the fluids that flow back to the surface as a result of hydraulic fracturing operations are managed in an environmentally responsible way, and provide public disclosure of the chemicals used in hydraulic fracturing fluids.

Operators should revert back to regulations as noted in the Code of Federal Regulations prior to the 2015 Final Rule when conducting hydraulic Fracturing operations in well bores on Federal Lands.

AGENCY:

Department of The Interior – Bureau of Land Management (BLM)

REFERENCED CITATION:

43 CFR 3160

CONTACT:

Mark Davis
 Regulatory & Compliance Director
 Shamrock Energy Solutions
 985-226-7125
 Mark.Davis@go-shamrock.com