

FracFocus - A Tool for Disclosing Chemical Usage in Hydraulic Fracturing Fluids

John Veil

410-212-0950

john@veilenvironmental.com

www.veilenvironmental.com

20th IPEC San Antonio, TX November 11-14, 2013



Veil Environmental, LLC

Topics for Discussion

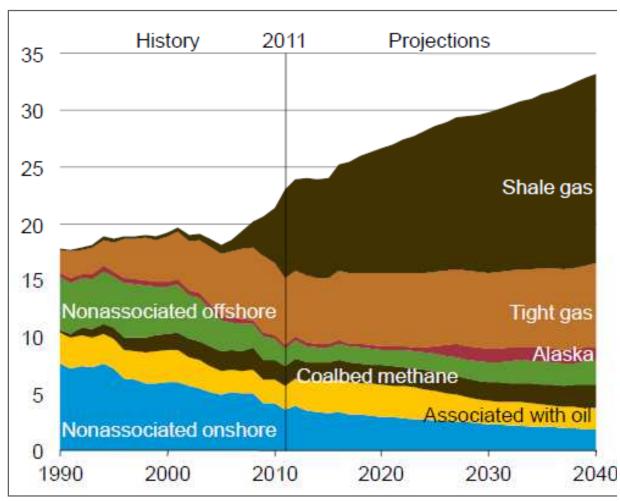
- Importance of shale gas
- Issues and concerns
- Hydraulic fracturing
- Chemical additives
- Disclosure of chemicals to the public
- FracFocus



Shale Gas -Introduction

Importance of Shale Gas to the USA

Natural gas is an important energy source for the United States. Shale formations represent a growing source of natural gas for the nation and are among the busiest oil and gas plays in the country.



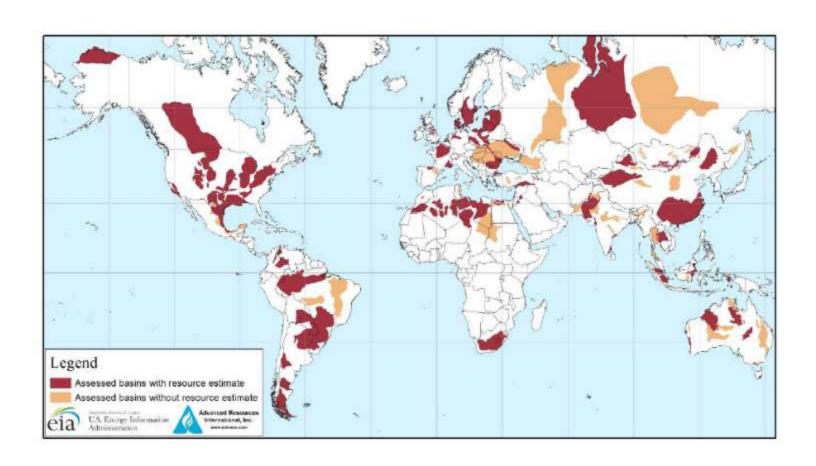
Source: DOE/EIA Annual Energy Outlook 2013

Shale Plays in Other Parts of the World

2013 Report on Global Shale Oil and Gas Reserves

- U.S. Department of Energy released a new report in June 2013 that assessed 137 shale formations in 41 countries.
 - Prepared by Advanced Resources International

http://www.eia.gov/analysis/studies/worldshalegas/



Risked Shale Gas and Oil In-Place and Technically Recoverable - by Continent

Continent	Shale Gas (Tcf)	Shale Oil (billion bbl)
North America		
(Ex. U.S.)	1,118	21.9
Australia	437	17.5
South America	1,431	59.7
Europe	883	88.6
Africa	1,361	38.1
Asia	1,403	61.1
Sub-Total	6,634	286.9
U.S.	1,161	47.7
Total	7,795	334.6

Source: Advanced Resources 2013

Estimated Technically Recoverable Shale Oil and Gas Resources - Top 10 Countries

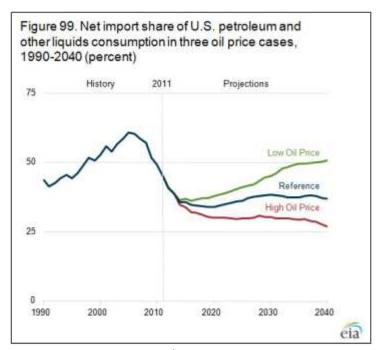
Technically Reco	Technically Recoverable					
Shale Gas Resources						
(Tcf)						
1. U.S.	1,161					
2. China	1,115					
3. Argentina	802					
4. Algeria	707					
5. Canada	573					
6. Mexico	545					
7. Australia	437					
8. South Africa	390					
9. Russia	285					
10. Brazil	245					
11. Others	1,535					
TOTAL	7,795					

Technically Rec	overable
Shale Oil Reso	ources
(Billion Barr	els)
1. Russia	75
2. U.S.	48
3. China	32
4. Argentina	27
5. Libya	26
6. Australia	18
7. Venezuela	13
8. Mexico	13
9. Pakistan	9
10. Canada	9
11. Others	65
TOTAL	335

Source: Advanced Resources 2013

Implications of Shale Oil and Gas Production for the USA

- Significantly lowered our imports (often from unsettled parts of the world)
- Less than a decade ago, the U.S. planned to open a series of LNG import terminals. Now those are no longer being planned. Instead, there are plans for LNG exports (pending political approval).
- Natural gas prices remain low for home owners and factories.
- Energy policy is shifting to rely more heavily on gas-fired power plants and vehicles.
- Jobs are brought to previously depressed areas
- Tax revenue make substantial contributions to state and local governments



Source: DOE/EIA website



Perceived Issues and Concerns Relating to Shale Oil and Gas Production

- 1. Increasing production of inexpensive oil and gas delays the transition to renewable energy sources.
- 2. Shale gas uses too much water often in arid areas
- 3. Opponents have various vested interests against additional oil and gas development
- 4. Slickly made Hollywood productions (e.g., Gasland, Promised Land) use photogenic and likeable actors to convey a message that is only partially based on facts
- 5. Shale gas wastewater (flowback and produced water) are a serious problem
- 6. Shale gas and frac jobs create too much air emissions and greenhouse gases
- 7. Increased truck traffic on rural roads
- 8. Other socioeconomic issues
- 9. Use of chemicals in drilling and fracturing

Hydraulic Fracturing (HF)



Frac Job Pumps Large Volume of Water, Sand, and Additives into the Well in Stages









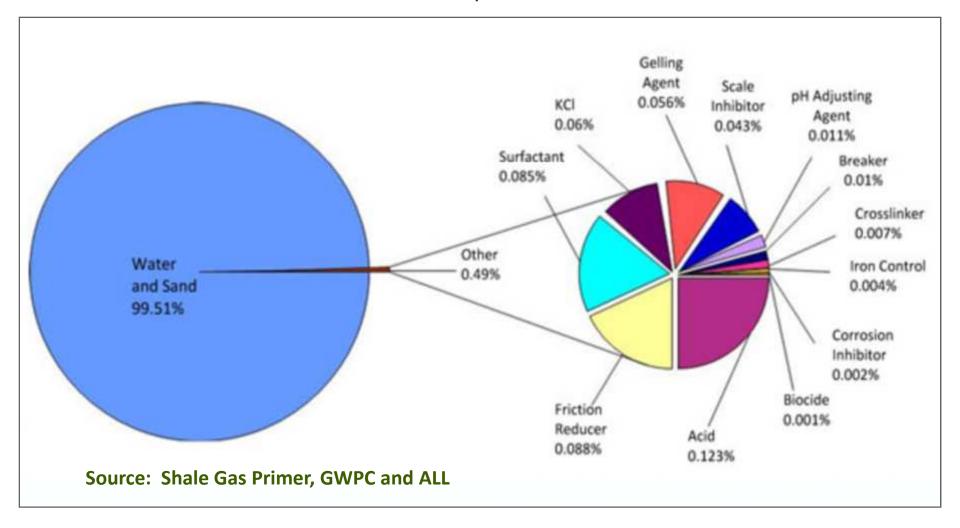
Why Is Hydraulic Fracturing Used?

- Shale rock is very dense and has low permeability
 - Hydraulic fracturing creates a network of small cracks in the rock that extend out as far as 1,000 feet laterally and vertically away from the well
- Virtually no shale gas wells in the U.S. would be developed unless hydraulic fracturing is done
- It is controversial and expensive, but is a critical element in costeffective production

Chemicals in Frac Fluids

Frac Fluid Composition

- Water makes up ~90% of volume
- Sand makes up ~10% of volume
- All other chemical additives make up ~0.5% of volume



Why Chemical Additives Are Used

Additive Type	Main Compound(s)	Purpose	Common Use of Main Compound
Diluted Acid (15%)	Hydrochloric acid or muriatic acid	Help dissolve minerals and initiate cracks in the rock	Swimming pool chemical and cleaner
Biocide	Glutaraldehyde	Eliminates bacteria in the water that produce corrosive byproducts	Disinfectant; sterilize medical and dental equipment
Breaker	Ammonium persulfate	Allows a delayed break down of the gel polymer chains	Bleaching agent in detergent and hair cosmetics, manufacture of household plastics
Corrosion Inhibitor	N,n-dimethyl formamide	Prevents the corrosion of the pipe	Used in pharmaceuticals, acrylic fibers, plastics
Crosslinker	Borate salts	Maintains fluid viscosity as temperature increases	Laundry detergents, hand soaps, and cosmetics
Friction Reducer	Polyacrylamide	Minimizes friction between the	Water treatment, soil conditioner
	Mineral oil	fluid and the pipe	Make-up remover, laxatives, and candy
Gel	Guar gum or hydroxyethyl cellulose	Thickens the water in order to suspend the sand	Cosmetics, toothpaste, sauces, baked goods, ice cream

Source: Shale Gas Primer, GWPC and ALL

Why Chemical Additives Are Used (2)

Iron Control	Citric acid	Prevents precipitation of metal oxides	Food additive, flavoring in food and beverages; Lemon Juice ~7% Citric Acid
KCl	Potassium chloride	Creates a brine carrier fluid	Low sodium table salt substitute
Oxygen Scavenger	Ammonium bisulfite	Removes oxygen from the water to protect the pipe from corrosion	Cosmetics, food and beverage processing, water treatment
pH Adjusting Agent	Sodium or potassium carbonate	Maintains the effectiveness of other components, such as crosslinkers	Washing soda, detergents, soap, water softener, glass and ceramics
Proppant	Silica, quartz sand	Allows the fractures to remain open so the gas can escape	Drinking water filtration, play sand, concrete, brick mortar
Scale Inhibitor	Ethylene glycol	Prevents scale deposits in the pipe	Automotive antifreeze, household cleansers, and de- icing agent
Surfactant	Isopropanol	Used to increase the viscosity of the fracture fluid	Glass cleaner, antiperspirant, and hair color

Source: Shale Gas Primer, GWPC and ALL

Disclosure of Chemical Additives

- One of the most contentious issues surrounding HF is that companies have not historically shared detailed information with regulators or the public on which chemicals are actually used in frac jobs
- Even if the chemicals used are not harmful, the public has concerns over the unknown and does not trust the industry to safeguard them
- Some information can be obtained from the Material Safety Data Sheets (MSDSs)

Example MSDS

 Selected sections of the MSDS for NALCO EC 6116A are shown here

9.	PHYSICAL AND CHEMICAL PROPERTIES

PHYSICAL STATE Liquid

APPEARANCE Clear Colorless Amber

ODOR Mild, Disinfectant

SPECIFIC GRAVITY 1.20 - 1.30 @ 73 °F / 23 °C

DENSITY 10.0 - 10.8 lb/αal

SOLUBILITY IN WATER Complete pH (100 %) 1.5 - 5.0

VISCOSITY 138 cps @ 68 °F / 20 °C

POUR POINT -49 °F / -45 °C FREEZING POINT -58 °F / -50 °C

BOILING POINT > 158 °F / > 70 °C Decomposes VAPOR PRESSURE < 0.1 mm Hg @ 70 °F / 21 °C

VOC CONTENT 9.85 % EPA Method 24



SAFETY DATA SHEET

PRODUCT

EC6116A

EMERGENCY TELEPHONE NUMBER(S)

(800) 424-9300 (24 Hours) CHEMTREC

1. CHEMICAL PRODUCT AND COMPANY IDENTIFICATION

PRODUCT NAME: EC6116A

APPLICATION: BIOCIDE

OMITANT IDENTIFICATION . Naico company

1601 W. Diehl Road Naperville, Illinois 60563-1198

EMERGENCY TELEPHONE NUMBER(\$): (800) 424-9300 (24 Hours) CHEMTREC

NFPA 704M/HMIS RATING

HEALTH: 3/3* FLAMMABILITY: 1/1 INSTABILITY: 1/1 OTHER:

0 = Insignificant 1 = Slight 2 = Moderate 3 = High 4 = Extreme * = Chronic Health Hazard

2. COMPOSITION/INFORMATION ON INGREDIENTS

Our hazard evaluation has identified the following chemical substance(s) as hazardous. Consult Section 15 for the nature of the hazard(s).

Hazardous Substance(s)	CAS NO	% (w/w)
Dibromoacetonitrile	3252-43-5	1.0 - 5.0
2,2-Dibromo-3-nitrilopropionamide	10222-01-2	10.0 - 30.0
Polyethylene Glycol	25322-68-3	30.0 - 60.0

Chemical Disclosure Registry

- MSDSs provide some but not necessarily all of the information that regulators and the public want or need
- In April 2011, the Ground Water Protection Council and the Interstate Oil and Gas Compact Commission opened a new online system to host information about the chemical additives used in frac fluids and their ingredients
- Any interested person can visit the website and search for data on a specific well
- As of mid-October 2013, data had been entered on more than 57,000 wells representing over 540 oil and gas companies

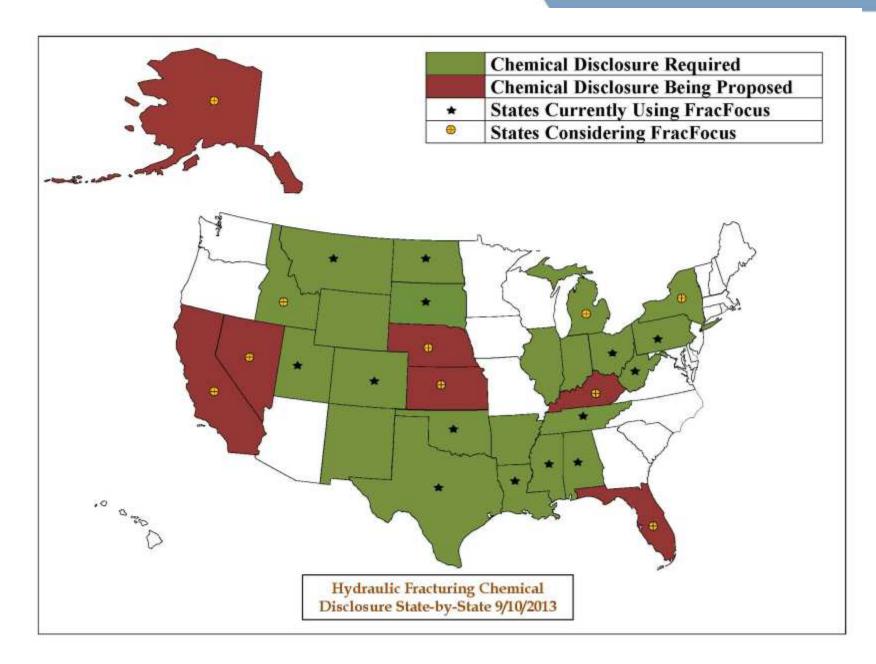
www.fracfocus.org

Frac Focus Homepage



Example of Registry Record for Well in Texas

Trade Name	Supplier	Purpose	Ingredients	Chemical Abstract Service Number (CAS#)	Maximum Ingredient Concentration in Additive (% by Mass)**	Maximum Ingredient Concentration in HF Fluid (% by Mass)**
Fresh Water		Carrier/Base Fluid				86.12803%
Sand (Proppant)		Proppant				12.83614%
Acid, 15% HCI	CUDD	Acid	Water	007732-18-5	85.00%	0.06070%
	ENERGY SERVICES		Hydrochloric Acid	007647-01-0	15.00%	0.01071%
1-22	CUDD	Corrosion Inhibitor	Formic Acid	000064-18-6	60.00%	0.00053%
	ENERGY SERVICES		Aromatic aldehyde	N/A	30.00%	0.00026%
	SERVICES		Haloalkyl heteropolycycle salt	N/A	30.00%	0.00026%
			Oxyalkylated Fatty Acid	N/A	30.00%	0.00026%
			Isopropanol	000067-63-0	5.00%	0.00004%
			Methanol	000067-56-1	5.00%	0.00004%
			Organic sulfur compound	N/A	5.00%	0.00004%
			Quaternary ammonium compound	N/A	5.00%	0.00004%
			Benzyl Chloride	000100-44-7	1.00%	0.00001%
SG-15M	CUDD	Gelling Agent	Petroleum Distillate	064742:47-8	55.00%	0.06860%
	ENERGY SERVICES		Guar Gum	009000-30-0	50.00%	0.06236%
	SERVICES		Clay	014808-60-7	2.00%	0.00249%
			Surfactant	068439-51-0	2.00%	0.00/249%
BUFFER H	CUDD	ERGY	Water	007732:-18-5	94.50%	0.02:070%
	ENERGY		Sodium Hydroxide	001310-73-2	51.50%	0.01128%
	SERVICES		Sodium Chloride	007647-14-5	5.00%	0.00110%
GB-4	CUDD	Breaker	Proprietary	N/A	100.00%	0.00120%
	ENERGY SERVICES					
CX-14G	CUDD ENERGY SERVICES	Cross Linker	Petroleum Distillate Hydrotreated Light	064742-47-8	60.00%	0.01454%
GB-2	CUDD ENERGY SERVICES	Breaker	Ammonium Persulfate	007727-54-0	100.00%	0.00083%
NE-21	CUDD	Non-Emulsifier	Methanol	000067-56-1	30.00%	0.01218%
	ENERGY SERVICES		Oxyalkylated alcohols	N/A	30.00%	0.01218%
	SERVICES		Ethoxylated Alcohols	N/A	10.00%	0.00406%
CX-14A	CUDD ENERGY SERVICES	Cross Linker	Sodium Tetraborate	001330-43-4	25.00%	0.00056%
CS-125C	CUDD ENERGY SERVICES	Clay Stabilizer	No Hazardous Components	NONE		0.00000%
FRA-4	CUDD ENERGY SERVICES	Friction Reducer	No Hazardous Components	NONE		0.00000%
MC B-8642 (WS)	MULTI-CHE	Anti-Bacterial Agent	Glutaraldehyde (Pentanediol)	000111-30-8	60.00%	0.01180%
	M GROUP		Quaternary Ammonium Compound	068424-85-1	10.00%	0.00197%
	LLC		Ethanol	000064-17-5	1.00%	0.00020%
MC S-2510T (WS)	MULTI-CHE	Scale Inhibitor	Ethylene Glycol	000107-21-1	60.00%	0.00605%
	M GROUP LLC		Sodium Hydroxide	001310-73-2	5.00%	0.00050%



Source: GWPC

FracFocus 2.0

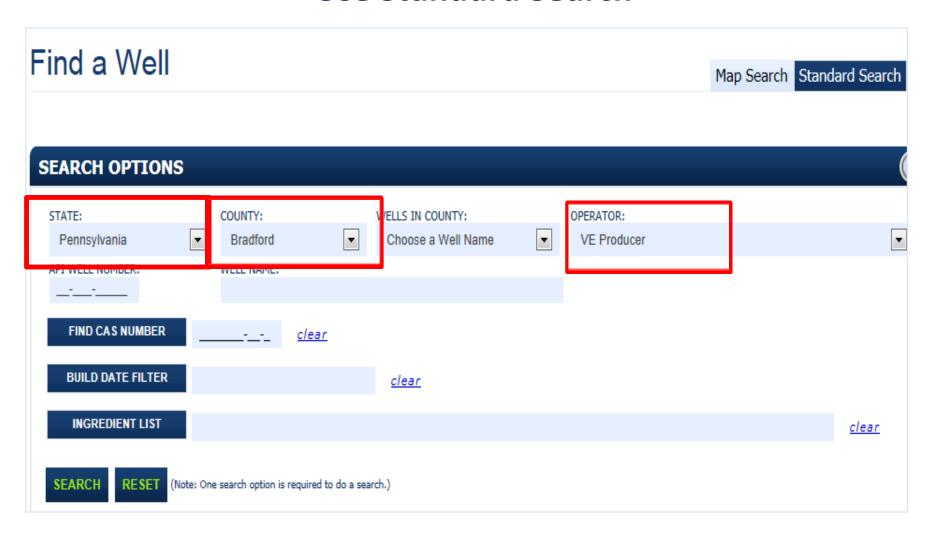
- The original FracFocus (now referred to as FracFocus 1.0) was developed to fill an important gap in public disclosure information
 - The programming and system design were done in a way that allowed
 FracFocus 1.0 to get underway quickly in early 2011
- As the volume of information entered into the system grew, industry, GWPC, and IOGCC realized that a more efficient data management system was needed
 - This led to the development of FracFocus 2.0 during 2012
- As of June 1, 2013 all data needed to be entered using the FracFocus 2.0 mechanism

Public Output of FracFocus 2.0

 External FracFocus users (the public) can search for wells using a map or a standard interface (standard is faster)



Use Standard Search



Results of Search



Click on .pdf icon

Display the **Public Disclosure** Report in .pdf **Format**

- Header information
- Additives with MSDSs
- Additives without MSDSs



Job Start Date:	12/3/2012
Job End Date	12/8/2012
State	Fernsylvania
County	Oradford
API frumber	37-015-22148
Operator Name:	VE Producer
Well Name and Number:	Test Well #1
Longitude	-76.22386600
Littlide	41,80061300
Datum	NAD2T
Federal Welt	NO
Total Bass Water Votume (gall)	6.290.902
Total Base Non Water Volume	







Hydraulic Fracturing Fluid Composition:

Trade Name	Supplier	Purpose	Ingredents	Chemical Abstract Service Number (CAS 4)	Maximum ingredient Concentration in Additive (% by mass)***	Maximum ingredient Concentration in HF Fluid (% by mass)**	Comments
water	VE Overs	samer					
	11-		H20	7732-18-6	100.00	90.59700	
sand.	VE Chem	proppant				- 1	
			crystaline silica	14008-80-7	100.00	8.48950	
15% HCI	Veil Chem	acid					
			hydrochloric acid	7847-01-8	15.00	8.13219	
FRA-405	Clearwater	Friction reducer	Secretaria de la composición dela composición de la composición de la composición dela composición dela composición dela composición dela composición de la composición dela composición del composición dela composición dela composición del composición dela composición del	Vancour and	-	- Land	
			petroleum distillates	64742-47-8	27.50	0.02385	
			sadium chlonde	7647-14-8	7.50	0.00651	
			ammonium chloride	12125-02-9	5,00	0.00434	

			alcoholo, C12-16, ethocylated	86551-12-2	5.00	0.00434
EDET16A	Nateo	Nocide				
			polyethymne glycur	25322-68-3	60.00	0,01518
			2,2-ditromo- 3ninlopropionamide	10222-01-2	30.00	0.00758
			dibromoscetoritrie	3252-43-5	5.00	6.00137
AI-250	Clearwater	acid inhibitor				-
			Inopropend	67-63-0	40.00	0.00008
			propergyt wicehol	107-19-7	40.00	0.00008
			glycol where	111.78-2	46.00	0.00008
51-115	Charwater	Scale Inhibitor				
			Phosphoric acid	22042-96-2	20.00	0.00831
			Sodium chloride	7647-14-5	5.00	0.00008

Note: For Fair Development Products (products that begin with FDP), MSDS level only information has been provided Ingredient information for shamings subject to 20 CFM 1910 (2001) and Appendin D and obtained from ougation Material Safety Data Drivers (MSDS)

Activator 2	VE Chemicals	ectivator	- HILLINGSON -	11/200			
			Diethylenetnamme	111-48-0	60.00	0.00376	
Activator 1	VE Chemicals	activator	2000				
			EDTA/copper chelate	CBI	30.00	0.00273	
Breaker 2	VE Chemicals	treaker					
			sodium persufate	7775-27-1	100.00	0.00015	
ingredients shows a	have are subject to 294	278 1910 (200g) and a	ppear on Material Safety Data 19	lereis (MSESS), ingredien	in of where the bow step \$400	MEDIS	
Composite of 18 ingredients	VE Chemicals	miscellaneous					
			Miscellaneous	144-55-8	100.00	0.54128	

Closer View of Disclosure Report

Hydraulic Fracturing Fluid Product Component Information Disclosure

Job Start Date:	12/3/2012			
Job End Date:	12/6/2012			
State:	Pennsylvania			
County:	Bradford			
API Number:	37-015-22148			
Operator Name:	VE Producer			
Well Name and Number:	Test Well #1			
Longitude:	-76.22389500			
Latitude:	41.80361300			
Datum:	NAD27			
Federal Well:	NO			
Total Base Water Volume (gal):	6,290,802			
Total Base Non Water Volume:				







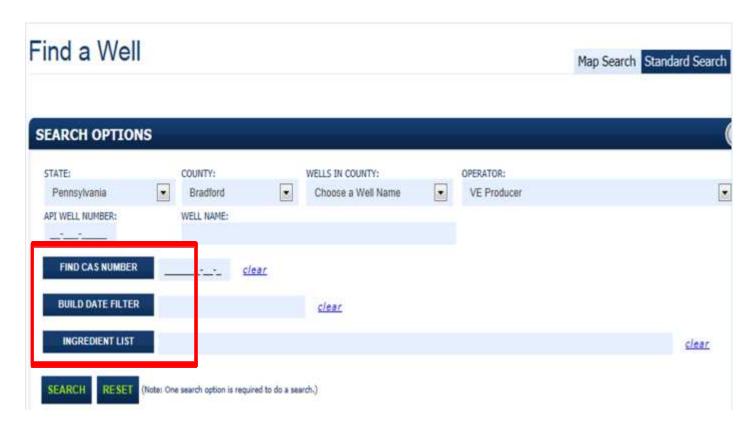
Great source of water volume data

Hydraulic Fracturing Fluid Composition:

Trade Name	Supplier	Purpose	Ingredients	Chemical Abstract Service Number (CAS #)	Maximum Ingredient Concentration in Additive (% by mass)**	Maximum Ingredient Concentration in HF Fluid (% by mass)**	Comments
water	VE Chem	carrier					
			H20	7732-18-5	100.00	90.59700	
sand	VE Chem	proppant					
			crystalline silica	14808-60-7	100.00	8.48850	
15% HCI	Veil Chem	acid					
			hydrochloric acid	7647-01-0	15.00	0.13219	

Other Ways to Search for Wells

- FracFocus 2.0 has several additional ways for users to search for wells
 - CAS number
 - Date range
 - Specific ingredients



Issues and Concerns Raised about FracFocus

- Does not give enough information to public
- Encourages more natural gas development instead of renewable energy sources
- Cannot directly compile records from multiple wells in a spreadsheet
 - Some organizations have developed algorithms to "scrape" the data
 from FracFocus and make them available in a more user-friendly format
 - SkyTruth
 - ScraperWiki
- Harvard University report April 2013
 - Companies have deadline to file disclosure reports
 - FracFocus does not allow states to determine if disclosure was timely
 - FracFocus uses a single set of forms that does not necessarily allow customized reporting for different states
 - Allows companies to claim confidential status for too many chemicals

Final Thoughts

- Hydraulic fracturing used in combination with horizontal drilling technology has been a game-changer for U.S. oil and gas production
- Hydraulic fracturing requires a lot of water and sand combined with small amounts of other chemicals
- The FracFocus website provides a very useful source of information on the names, types, and volumes of chemicals actually used in each well
- FracFocus is not perfect, but it does fill a large niche of needed information
 - Opponents of continued oil and gas development do not like FracFocus because it provides some justification for ongoing oil and gas activity

