



To Frack or Not To Frack

A Report on the Implications of Hydraulic Fracturing Operations

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Abstract

Ongoing discussion about hydraulic fracturing has shown multiple views towards the values of hydraulic fracturing in modern society. These views question whether or not the possible future economic benefits and independence of energy outweigh the potential environmental risks and the public's safety. In order to provide insight upon the subject, research was conducted about the overall procedure of hydraulic fracturing, the economic benefits and the environmental impacts. Furthermore, the laws that regulate hydraulic fracturing were assessed, along with the concerns of the public, and the alternative methods for hydraulic fracturing. With the accumulated research from these topics, it was concluded that with proper regulation, the economic benefits outweigh the environmental risks with regards to hydraulic fracturing.

Acknowledgement

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Background

The origin of hydraulic fracturing can be traced back to the 1860s. Nitroglycerin was used to for oil well stimulation.^[1] It was used to break-up shallow oil-bearing formation in many states of the US in order to increase oil recovery. This is the principle on which hydraulic fracturing was founded.

In the 1930s, the oil industry started exploring the idea of using acid injection into the ground for well stimulation.^[2] It was observed that this method created fractures that would not close.^[2] These fractures acted as flow channels, which increased productivity.

Although preliminary results of using fluid injection for well stimulation were positive, it was not until an in-depth study by Floyd Farris that the relationship between well performance and treatment pressures that formation fractures during fluid injection became better understood.^[2] As a result of this study, Farris conceived the idea of hydraulically fracturing oil-bearing formations in order to increase oil and gas production in wells.

In 1949, Halliburton Oil Well Cementing Company was given exclusive license to perform hydraulic fracturing. Halliburton performed the first two commercial hydraulic fracturing treatments in Oklahoma and Texas.^{[2][3]} In the first year, more than 300 hydraulic fracturing treatments were performed.^[3] The average increase of well productivity in that year was 75%.^[3]

In the first few years, there was much advancement in hydraulic fracturing. The industry moved away from using gelled crude oil as fracturing fluid to kerosene. In the latter part of 1952, refined and crude oil became the fluid of choice for fracturing due to their relatively cheaper price and lower viscosities, which exhibits less friction.^[2] In 1953, an advancement in the field

allowed water to be used as a fracturing fluid.^[2] However, in order for water to be used effectively as fracturing fluid, gelling agents needed to be developed for purposes such as minimizing emulsion with the formation fluid and effect on water-sensitive formation.^[2] Over the years, many additives were developed to enhance the water-based fracturing fluid. The modern fracturing fluid is commonly a solution of brines, water and acid.

Proppants used in hydraulic fracturing have remained relatively unchanged. Most hydraulic fracturing treatments still used sand as proppants. However, the lower viscosities of fracturing fluids and more powerful pumps have allowed for higher concentrations of proppants in the fluids.

In its infancy, hydraulic fracturing treatments of oil wells were performed using a few treatments now use approximately 60,000 gallons of fluid.^[2] Large-scale treatments can use as much as 8 million gallons of fluid.^[3]



Figure 1 - Example of Hydraulic Fracturing Site in Michigan^[77]

Modern hydraulic fracturing results are no longer random. Scientists and engineers now use advanced finite-element software to study and predict fracture geometries and flow properties in three dimensions ^[2].

Oil and Gas Exploration and Production Process Overview

Oil and gas exploration and production is a long and complex process. The entire process, from the start to finish, can take many years to complete. The process can be broken down into the following stages ^[4]:

1. Due diligence – Oil companies carry out assessments of potential health, safety, social, political and environmental impacts
2. Prequalification – Necessary documents must be submitted to authorities in order to receive an exploration license.
3. Seismic exploration – seismic surveys are carried out to identify the subsurface geological structures and the likelihood of hydrocarbons being present.
4. Site survey – surveys are carried out to acquire more details about the area where a well may be drilled.
5. Exploration drilling – wells are drilled in order to more accurately determine the presence of oil or gas in the subsurface formation.
6. Appraisal drilling – if data acquired from exploration drilling is promising, appraisal wells are drilled to assess characteristics of the proven hydrocarbon reservoir.
7. Development – If appraisal wells demonstrate technically and commercially viable quantities of hydrocarbons, production wells are drilled and well completions such as perforation and hydraulic fracturing are carried out.

8. Production – the well is finally ready for production.
9. Decommission – the well is sealed and the well site undergoes reclamation process.

The entire process can take anywhere between 10-30 years. Most of the time is spent on obtaining the necessary licenses and well development and production.

Reason for Hydraulic Fracturing

Hydrocarbons exist in underground formations. Sometimes these vast reserves of oil and gas are trapped in low-porosity, low-permeability shale and other rock formations. These tight formations make it highly uneconomical for oil wells to go into production. In the United States, tight gas (gas in tight shale) is defined as gas in shale with less than 10% porosity and 0.1 millidarcy permeability.^[5]

Hydraulic fracturing allows fissures to be created in the formation that holds the hydrocarbons. This creates pathways for the trapped hydrocarbons to flow from the formation and into the production tubing of the well. Without hydraulic fracturing, the United States net natural gas imports would be significantly higher than the current amount.^[6]

The Process

After the well has been perforated and stimulation by hydraulic fracturing is deemed necessary, aqueous solution consisting of water, chemicals and proppants are injected into the well at high pressure. The fracturing solution is injected at a pressure greater than the pressure of the formation. The solution then fills the newly created fissures in the shale and rock formation. Once the predetermined parameter of the hydraulic fracturing treatment has been reached (i.e. pressure and duration of treatment), the fluid is circulated back to the surface, leaving proppants in the fissures. The proppants, which are solids, prevent the fissures from closing.

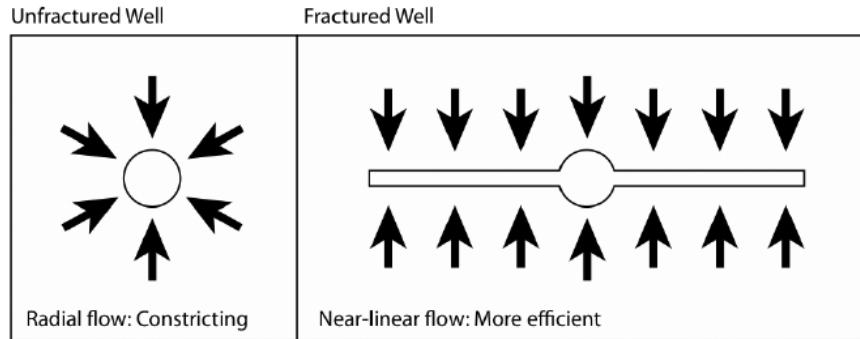


Figure 2 - Mechanics of production increase by hydraulic fracturing^[76]

The treatment pressure and injection rate is determined before arriving to the work site. The wellhead pressure can be calculated using the following equation:

$$P_{wellhead} = P_{bottomhole} + P_{pipe} + P_{perforation} + P_{fluid}$$

Where $P_{bottomhole}$ is the actual fracturing pressure at the bottom of the well, P_{pipe} is the pressure due to the friction cause by the well casing, $P_{perforation}$ is the pressure drop across perforated zones in the casing, P_{fluid} is the hydrostatic pressure of the fluid. $P_{bottomhole}$ is the pressure at which the rock can be fractured.^[7] It is calculated using the fracture gradient of the formation,

depth and the excess pressure, which is the pressure required to extends the fractures further into the oil-bearing formation. Figure 2 shows the mechanics of hydraulic fracturing.

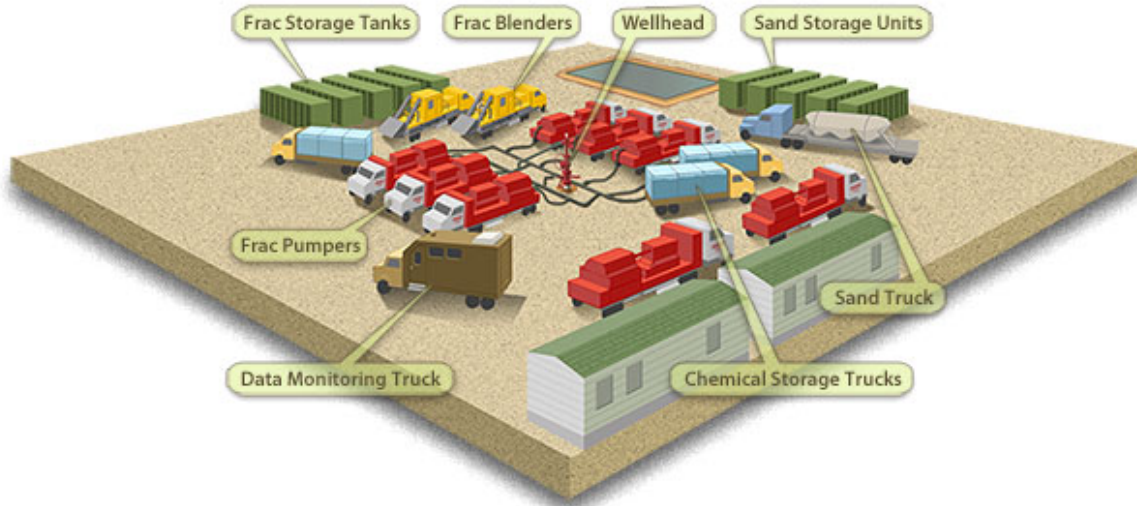


Figure 3 - Equipment required to perform hydraulic fracturing operations^[69]

After preliminary calculations are completed, the site is set up for treatment. Due to the specialized and scale of modern day hydraulic fracturing operations, bespoke equipment such as pumping units and storage tanks are required. Figure 3 shows the basic equipment needed for hydraulic fracturing operations. Hydraulic fracturing operations typically consists of:

- Storage for fluid (mostly water), chemical additives and proppants.
- A specialized blender to combine chemicals additives, base fluid and proppants in specific concentrations according to preliminary calculations.
- Fracturing pumps are required. The exact number depends on the treatment pressure required to fracture the well.
- Transport trucks to transport all the materials and equipment.
- Components that connect the pumps, storage units and wellhead together.

- A van/truck equipped with computers to monitor, control and record data of the treatment.

Hydraulic fracturing can be broken down into three main stages:

1. Pad – Fracturing treatment is initiated. Fluid is pumped into the targeted formation at high pressure. At this stage, fractures are created and propagate into the formation. Typically, this stage is performed without any proppant. However, in some special cases, it may be necessary to mix in small amount of sand. Taking into account fluid leak-off into the formations, the pad process pumps enough fluid into the well to complete the entire hydraulic fracturing process.
2. Proppant Stage – The second stage of the treatment is pumping proppants into the formation. Depending on the formations and other parameters, the concentrations of proppant vary from one operation to another. Most common proppant used in hydraulic fracturing is ordinary sand. Fracturing companies employ the use of large sieves in order to ensure that the sand used in this process meets the size specification. Other specialized proppants are also used in some cases.
3. Displacement/Flush - After the proppant stages, there may be sand left in the pipe. To get rid of the sand, the well is flushed with more fluid in order to move the proppants into the formation. The fluid used in this stage is typically water without any additives. The same fluid that was used in the previous stages may also be used.

In wells with multiple production zones, hydraulic fracturing treatments may be done in multiple stages, starting from bottom to the top, in order to better control and monitor the process.^[8]

Fluids and Proppants

Hydraulic fracturing fluids contain many chemical additives and proppants. Each treatment requires specific chemical additives to be used in specific concentration.

Approximately 99% of the hydraulic fracturing fluid is water.^[9] The chemicals used in hydraulic fracturing treatments can be categorized into the following categories^[10]:

1. Acid – acid dissolves minerals and help initiate crack propagation in the rock formation. The reactions between the acid and the rock formation create salts, water and carbon dioxide.
2. Biocide – biocide eliminates any microorganisms in the water that can potentially cause corrosive byproducts.
3. Breaker – inside the formation, breakers react with crosslinkers and gel to enable fluid to easily flow to the borehole. This reaction produces ammonia and sulfate salts. These byproducts are returned in produced water.
4. Clay Stabilizer – Clay stabilizers react with clays in the formation in order to keep the shale structure intact. The byproduct of this reaction is sodium chloride.
5. Corrosion Inhibitor – Corrosion inhibitors protect the production casing from corrosion by forming bonds to metal surfaces.
6. Crosslinker – maintains viscosity as temperature increases by combining with breakers in the formation. This process creates salts.
7. Friction Reducer – the friction reducer decreases the friction between the base water and the pipe. Only a small amount returns with the produced water. The rest remains in the formation and is broken down by exposure to temperature and breaker.

8. Gelling Agent – gel thickens the fluid in order to suspend proppants.
9. Iron Control – this chemical prevents precipitation of metal oxides.
10. Non-Emulsifier – non-emulsifier separate oil/water mixtures.
11. pH Adjusting Agent – this chemical reacts with the acid agents in the treatment fluid in order to maintain neutral pH so that all the other chemicals function properly.
12. Scale Inhibitor – this chemical prevents scale formation in pipes. The majority of the by-products from the chemical reaction are returned with the produced water while the microorganisms in the formation break down the remaining.
13. Surfactant – reduces surface tension of the treatment fluid. This improves fluid recovery from the well after the treatment is complete.

Well Classifications

The Environmental Protection Agency's (EPA) Underground Injection Control Program (UIC) defines an injection well as "a bored, drilled, or driven shaft, or a dug hole that is deeper than it is wide, or an improved sinkhole, or a subsurface fluid distribution system". There are 5 classes of injection wells.^[11]

Class I (Figure 4) – injection wells for hazardous and non-hazardous wastes. These wastes are injected deep into isolated rock formations, usually thousands of feet below that lowermost underground sources of drinking water (USDW) as defined by the EPA. Class I wells are mainly used by the petroleum refining, commercial disposal, municipal wastewater treatment, chemical, metal, pharmaceutical and food production. Class I hazardous injection wells have some of the most stringent regulations.^[11]

Class II (Figure 4) – injection wells associated with oil and natural gas production. There are three types of Class II injection wells; enhanced recovery wells, disposal wells and hydrocarbon storage wells. Enhanced recovery wells inject fluids into the formation in order to increase the amount of recoverable oil and natural gas. Disposal wells are wells where the brine and water used during the oil and natural gas recovery process are separated and injected back into the formations. Hydrocarbon storage wells are injection wells in which hydrocarbons are injected into underground formations for the purpose of storage as part of the U.S. Strategic Petroleum Reserve.^[11]

Class III (Figure 4)– Injection wells used to mine uranium, salt, copper and sulfur. In order to prevent contamination of water aquifers, more fluid is extracted than is injected in order to prevent harmful fluids from migrating through underground formations.^[11]

Class IV – Injection wells used only as part of an EPA- or state-authorized ground water cleanup action. These wells are shallow wells used to inject hazardous waste into or above a formation that contains a USDW.^[11]

Class V (Figure 5) – injection wells similar to Class IV wells but can only be used to inject non-hazardous fluids underground.^[11]

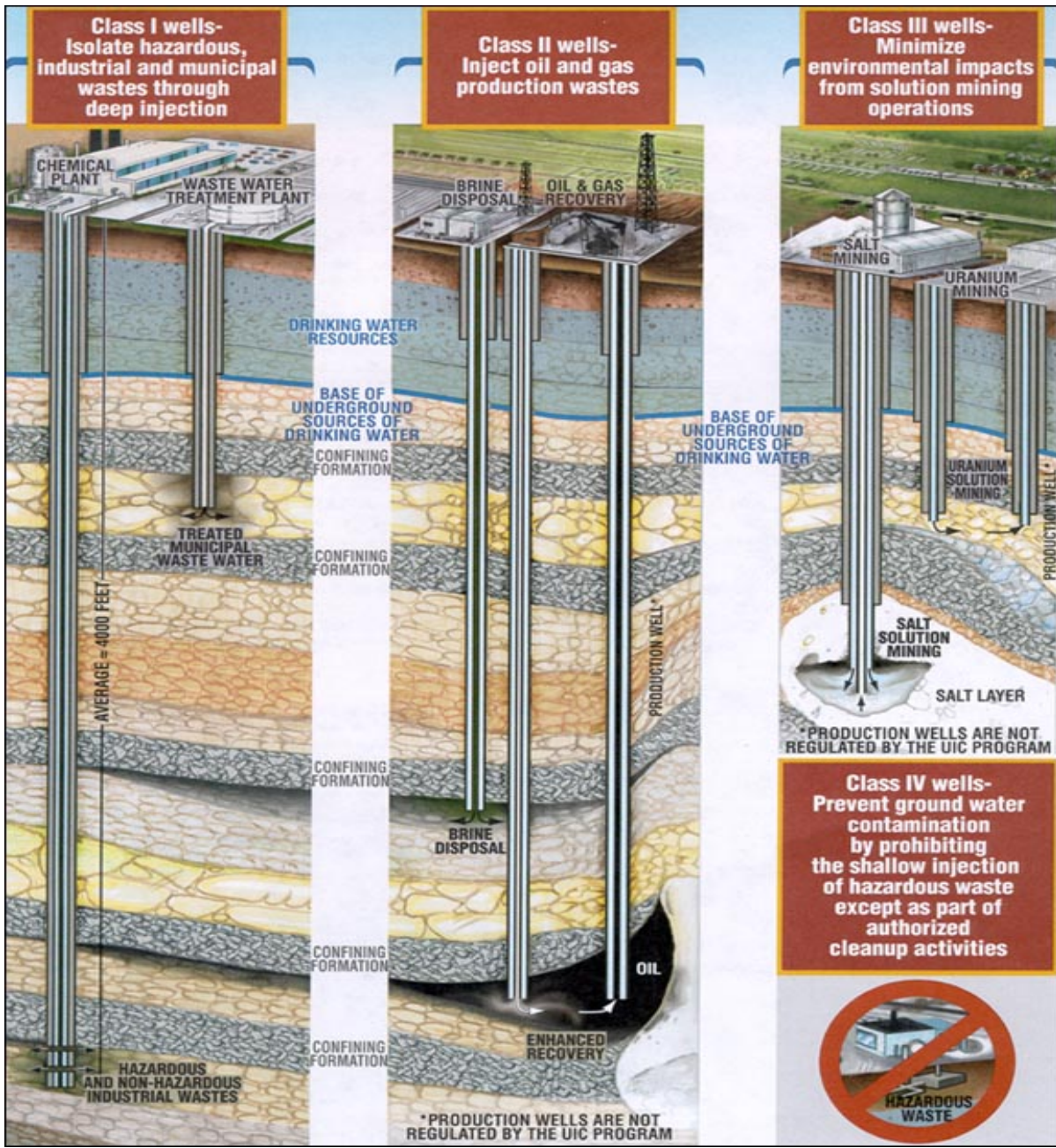


Figure 4 - Class I, II, and III Injection Wells^[70]

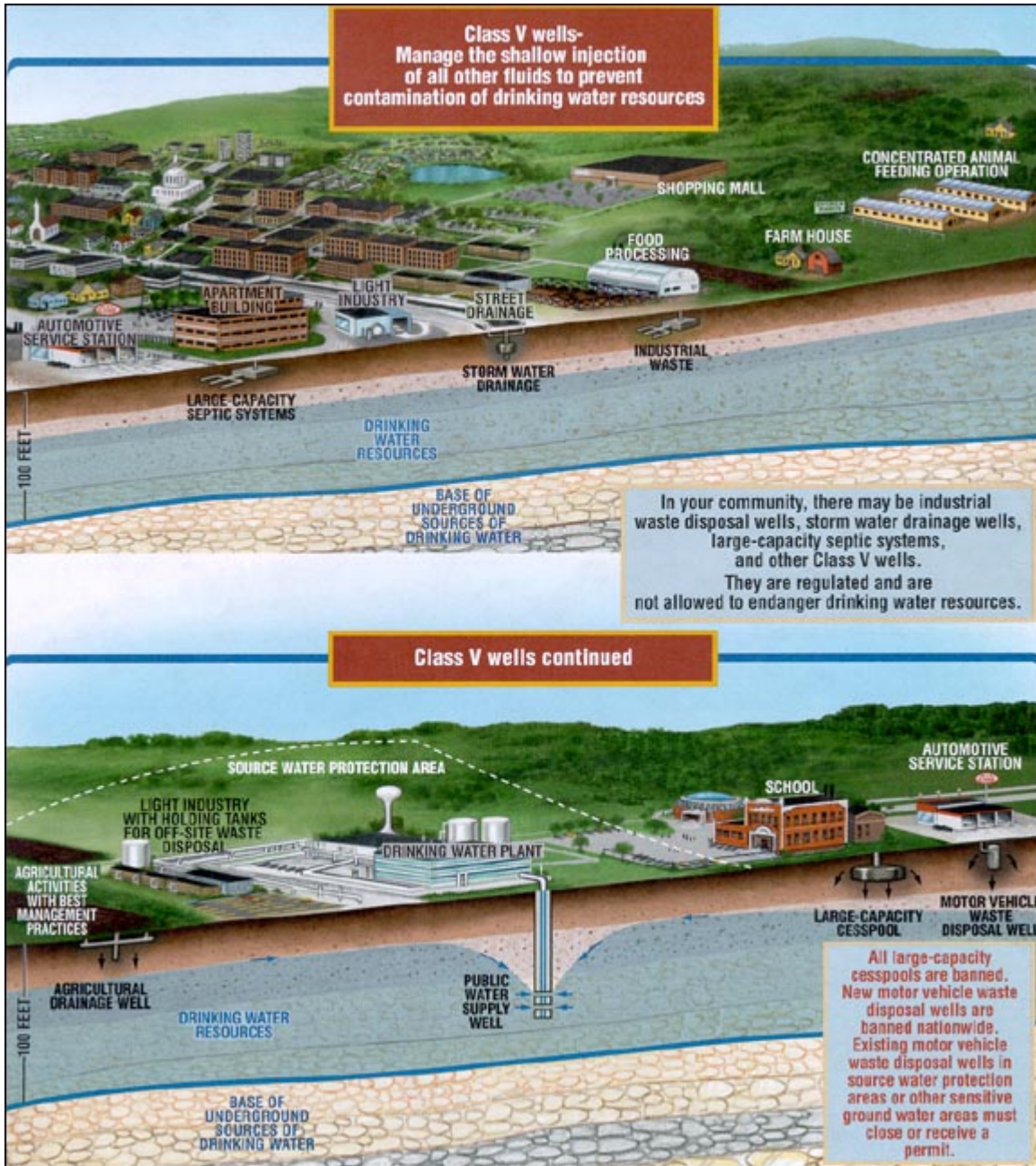


Figure 5 - Class V Injection Well^[70]

Effects of Hydraulic Fracturing

Hydraulic fracturing has been proven to increase oil and natural gas recovery. Since its conception, this method has been the primary well stimulation technique in the United States. It has helped United States, one of the world's biggest consumers of natural gas, decrease its dependency on natural gas import and create a more stable and secure economy through the growth of tax revenues and the establishment of numerous jobs. However, there are few concerns regarding the impacts of hydraulic fracturing. These concerns consist mainly of potential health and environmental effects. Most common environmental impacts include groundwater contamination, soil and air pollution, and fracturing-induced earthquakes. These issues are mainly being associated with the methods and chemicals used during the fracturing process. Furthermore, controversial research have found that the chemicals used in the fracturing fluid could affect sensory organs, as well as respiratory, gastrointestinal, nervous, immune, cardiovascular, and endocrine systems.^[11]

Economic Benefits

United States territories contain major reserves of natural gas trapped in dense rock formations that are sufficient to supply the country for more than 100 years according to studies published by the American Petroleum Institute ^[6]. They are largely found in the East Coast in units of marine sedimentary rock such as Marcellus shale. As the formation of this shale is very dense and hardly penetrable, hydraulic fracturing is required to unlock these resources. This process in combination with new technology such as advance instruments to allow horizontal drilling is considered a technological breakthrough in the oil and gas industry. The global economic turndown of the 21st century had its toll on United States economy as well. The collapse of many financial institutions dating from 2007 to 2009, let alone big financial corporations, affected severely oil and gas prices, employment rates, federal debt and much more. Although this recession was declared ceased, its aftereffects are still to a certain extent visible up to this day. The implementation of hydraulic fracturing technology promises valuable economic growth and can be a key factor in helping the community with greater employment opportunities and improved national economic security.

Economic growth due to Employment

Since the first successful hydraulic fracturing application in the mid years of the last century, the positive effects of such application in the economic sphere of the United States have become even more visible. The 35 states that currently hold shale gas have the potential to increase the number of employment opportunities within the producing states, non-producing ones, and subsequently upsurge tax revenue.

The job market has widened noticeably as hydraulic fracturing application has expanded over the years and it further anticipates an even more cost-effective future. The producing states, the ones that are experiencing the most hydraulic fracturing job boom, are providing a variety of job opportunities starting from positions directly related to the industry such as engineers, technicians, machinery operators, and field supervisors, to office positions such as clerks, office managers, accountants, and financiers. Although the employees whose duties are directly related to the fracturing industry have to be on or near the site, other positions are offered and can be occupied out of the producing states. In late September of 2014, a new study conducted by IHS Cambridge Energy Research Associates (IHS CERA), was able to relate the growth of employment to the unconventional oil and gas production. This study showed that the supply chain industries, responsible for gas extraction from tight shales, created a total of 524,000 jobs in 2012 and it expects to reach 757,000 jobs in 2025, an increase of 45 percent in producing states^[11]. Non-producing states are also expected to be affected by job creations due to supply chain activity. In 2012, 460,000 jobs were related to the construction and support contribution of the non-producing states. A potential of 630,000 jobs in 2025 are expected for creation^[12].

The data shown in Appendix II is extracted from the Bureau of Labor databases. It indicates employment demographics for positions related to the oil and gas extraction industry during 2012, the projections for 2022, as well as the employment change during this time frame. As seen, although a few occupations are not projected to experience major changes over the next decade due to probable technological advancement, the most relevant ones, which also hold the highest numbers in employment, are expected to do so.

In addition to the increase of the employment rates, the national budget is expected to experience a positive increment due to tax revenues. Currently there are 35 states that are exploring hydraulic fracturing, from which 23 of those have severance taxes. Severance taxes are imposed on the removal of nonrenewable resources such as crude oil, condensate and natural gas, coalbed methane and carbon dioxide.^[13] These severance taxes, also known as gross production taxes, charged to producers, or anyone with a working or royalty interest, in oil or gas operations in imposing the states and help not only ensure the longevity and adequate consumption of the natural resources, but also the overall federal revenue. The IHS Cambridge Energy Research Associates (IHS CERA) study findings additionally indicates that government revenues will be affected with more than \$16 billion in 2015 (up from \$13 billion in 2012) and rise to about \$23 billion in 2025^[12].

While these taxes are applicable for most of the producing states, their value based on the type of natural resource varies. Based on the National Conference of State Legislatures (NCSL) 2012 databases, taxes related to oil and gas production and consumption fluctuate between 1 to 9 percent of the gross value^[14].

National Economic Security: Production Rates and Foreign Dependency

While these numbers denote a promising future for the American professionals and laborers involved with the fracturing industry in addition to the U.S. government revenues, the expanded application of hydraulic fracturing has also provided the country with less dependency from foreign suppliers and more financial security. Throughout its history, the United States has been heavily depended on foreign importations of energy resources. Because over the years, the U.S. was only able to produce an insufficient amount of energy compared to the total demand,

the national economy has always been a hostage of overseas resources and external affairs' agreements.

With the start of hydraulic fracturing and the popularity in application it gained in the last decade, the United States production rates have increased significantly. According to the CIA World Factbook, in 1990, the country produced around 70 quadrillion Btu of energy, a number which remained fairly steady through 2006, with a total production of 69.443 quadrillion Btu. From 2006 to 2011, the total domestic production of natural gas increased with a difference of almost 10 quadrillion Btu. As hydraulic fracturing became more popular, the production rates increased to an additional 19 quadrillion Btu per year in the beginning of 2007 and kept increasing with a production reaching an additional 23.608 quadrillion Btu in 2011, making USA the second largest natural gas producer in 2011, just behind Russia ^[15].

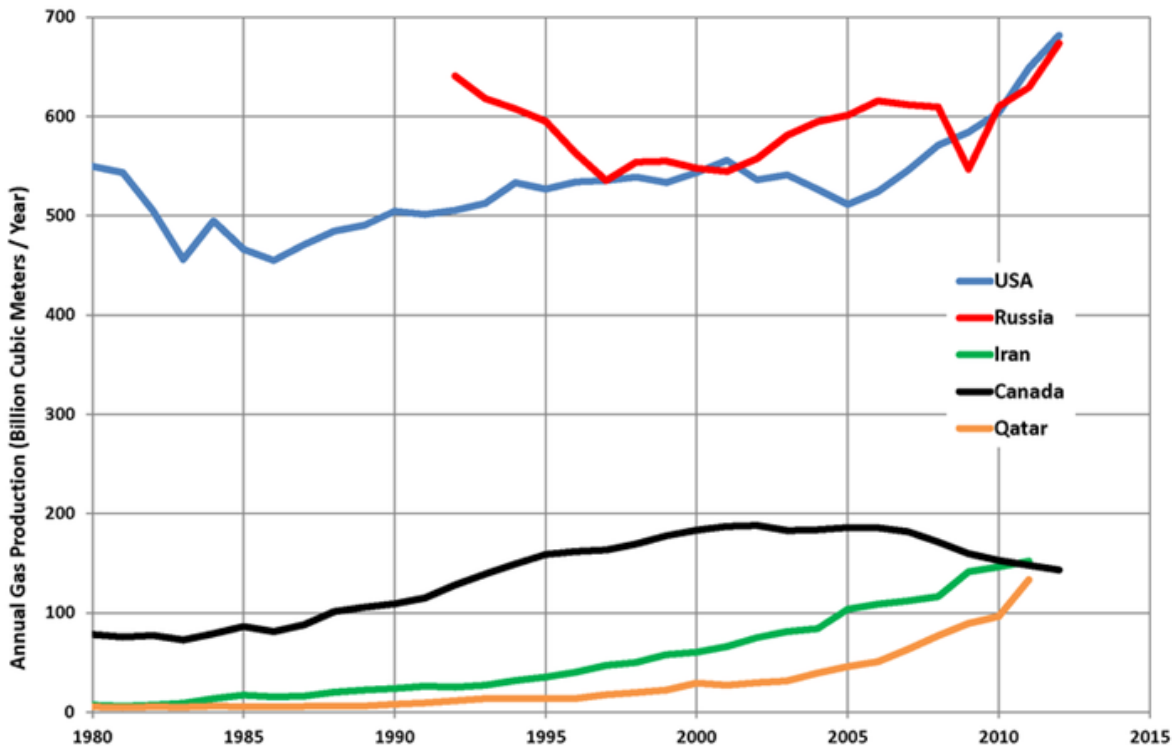
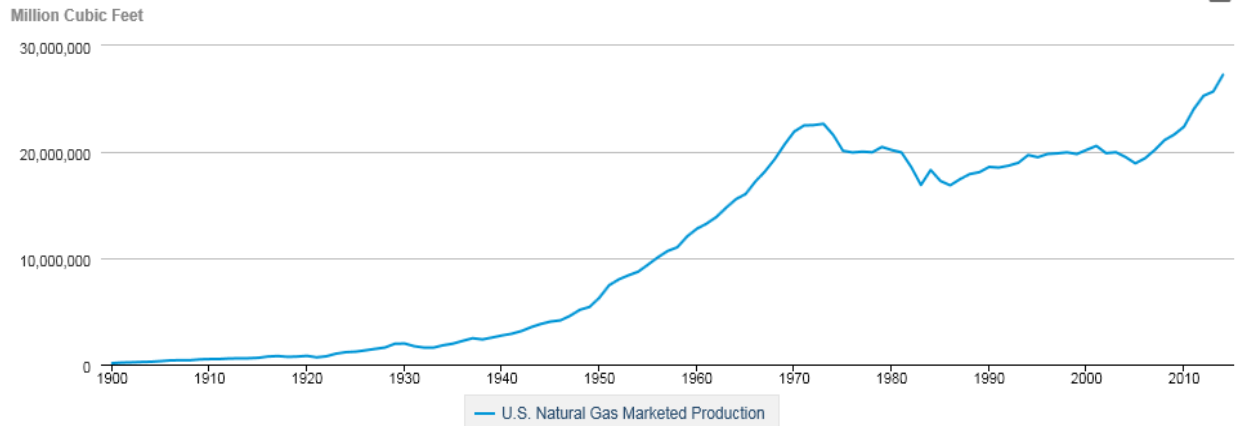


Figure 6 - Annual Gas Production of Major Producers^[74]

As for 2013, United States was able to become the world's largest natural gas producer with an additional production of 24.7 quadrillion Btu according to U.S. Energy Information Administration ^[16].

U.S. Natural Gas Marketed Production

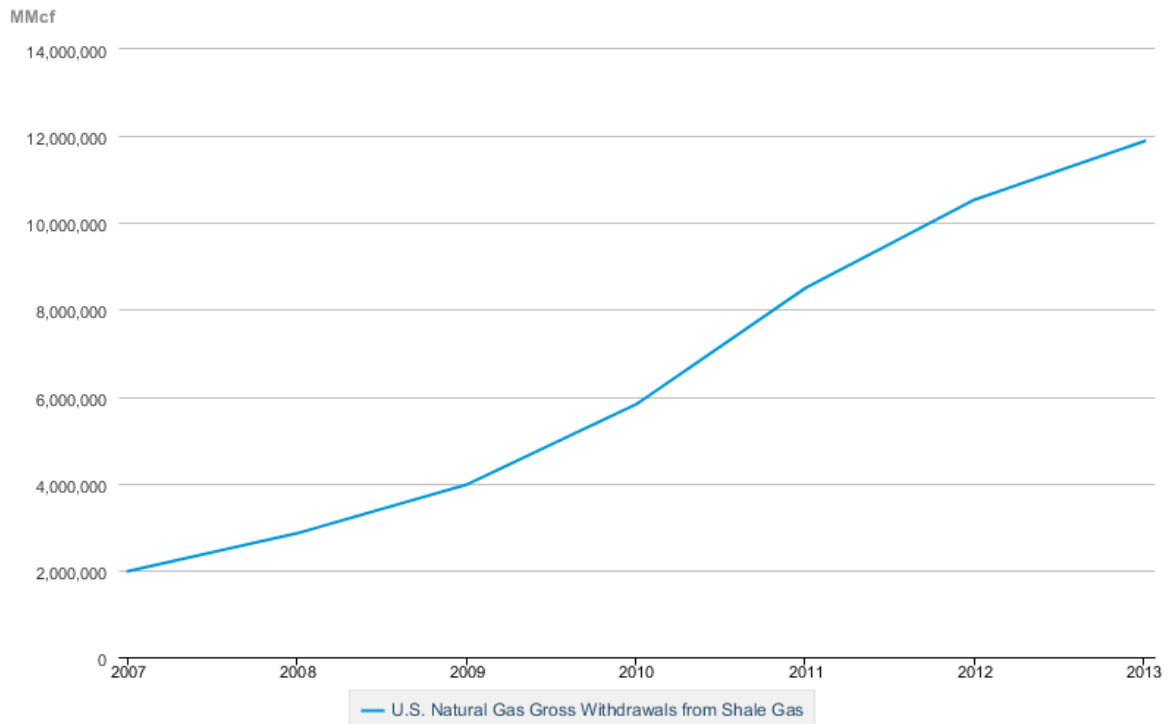


eia Source: U.S. Energy Information Administration

Figure 7 - U.S. Natural Gas Marketed Production^[74]

As it can be seen from the graph above in Figure 7, beginning of 2005-2006, starting years of the hydraulic fracturing boom, the natural gas production rates have increased almost exponentially.

Natural Gas Summary




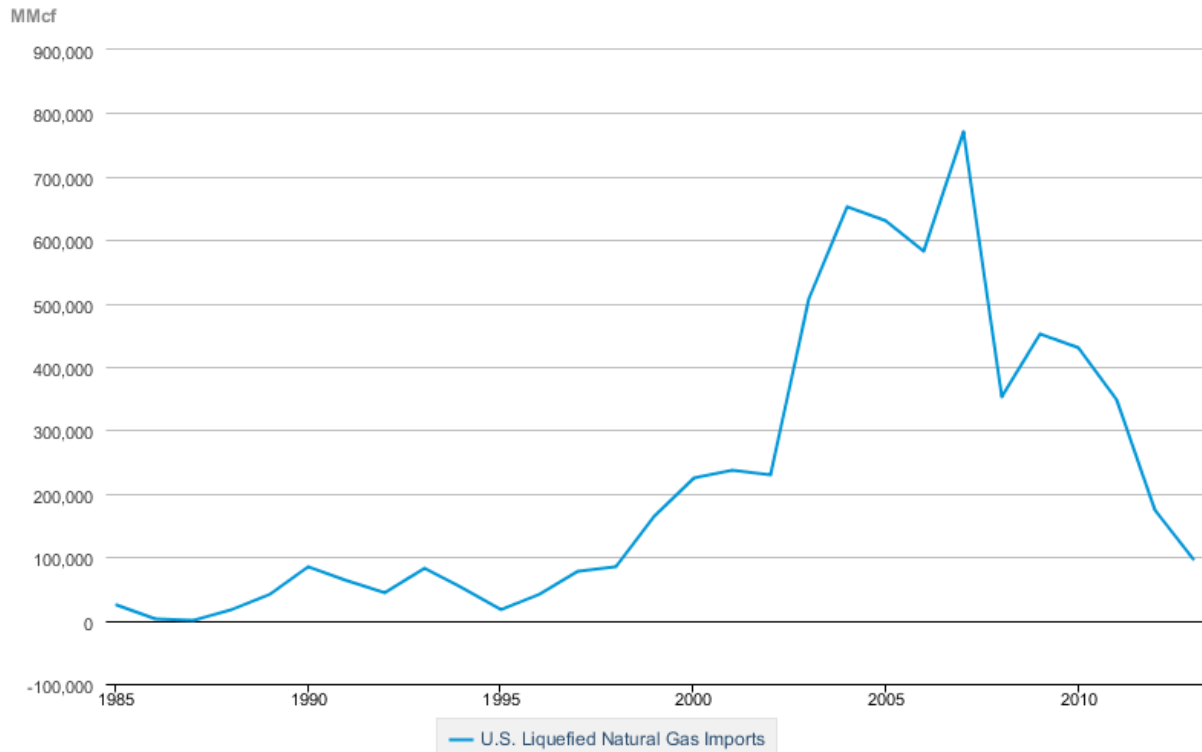
 Source: U.S. Energy Information Administration

Figure 8 - U.S. Natural Gas Gross Withdrawals from Shale Gas^[74]

As for the natural gas withdrawals from shale gas starting from 2007, displayed in Figure 8 above, the production rates indicate a pretty steady increase but with a substantial progressive slope.

The high production of energy over the past years due to natural gas extraction, previously thought inaccessible, has provided the country with more financial security and independence. From the Figure 9 below, this is clearly visible, as the energy import rates have highly decreased starting in 2007.

Natural Gas Summary

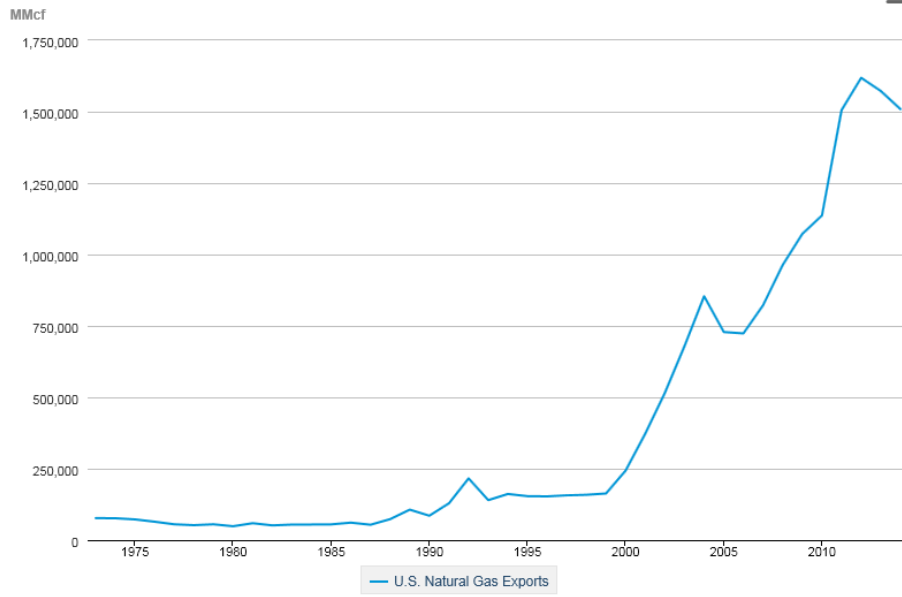


 Source: U.S. Energy Information Administration

Figure 9 - U.S. Liquefied Natural Gas Imports^[74]

Not only have the imports decreased, but the natural gas exports starting after 2000 have increased almost exponentially. This is illustrated in Figure 10.

U.S. Natural Gas Exports and Re-Exports by Country



eia Source: U.S. Energy Information Administration

Figure 10 - U.S. Natural Gas Exports^[74]

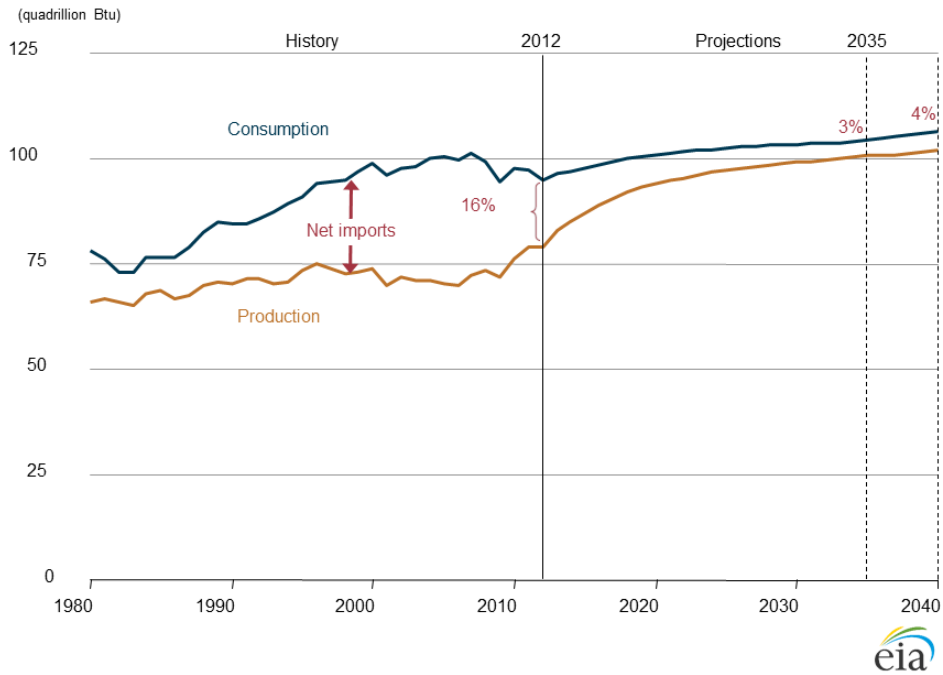


Figure 11 - Total Energy Production and Consumption^[74]

It should be noted that the overall amount exported over the last years couldn't compensate for the large amounts imported throughout the years. However, the production level seems to be catching up to the total consumption in the forthcoming decades. These promptly increasing rates, as displayed in Figure 11 above, not only guarantee a healthier federal budget, but also a future less contingent on external imports.

Environmental Impacts

Hydraulic fracturing certainly has some economic benefits. However, it is not benign. Hydraulic fracturing operations are large-scale operations where substantial amount of water and chemicals are used in order to create fissures in the formations to recover trapped oil and gas. Injecting water and chemicals into oil wells is not without risks. There are potentials for contaminations of water aquifers and air quality. Water usage and waste management are huge concerns because improper handling can lead to extremely damaging to the environment.

Water

Water is the primary component of hydraulic fracturing fluids. It is the component that carries all chemicals and proppants into the formations. Water makes up approximately 95%-99% of the total mixture. ^[9] The demand for water is extremely high in areas where oil and gas production is high.

Water Usage Regulations

In many states, before carrying out hydraulic fracturing operations, operators must apply for permits in order to use large quantity of water. Although, federal regulations exempt hydraulic fracturing operations from the Safe Drinking Water Act, state authorities are taking necessary actions to make sure that their water resources are protected. For example, in July 2012, the Susquehanna River Basin Commission suspended approximately 64 water withdrawal permits due to concerns that water resources would be depleted as record heat waves hit Pennsylvania. ^[17] Table 1 below shows the locations and operating companies that had their water withdrawal permits suspended. This action demonstrates that state authorities take necessary steps to ensure that their water resources are protected when necessary.

Company & Withdrawal	Location
SWEPI LP: Chemung River at Big Flats	Chemung, NY
Talisman Energy USA Inc.: Chemung River at Chemung	Chemung NY
Smith Transport Warehouse: Bald Eagle Creek	Blair, PA
Chesapeake Appalachia: Sugar Creek, Chemung River at Barrett	Bradford, PA
Healthy Properties: Sugar Creek	Bradford, PA
Southwestern Energy Production Company: Wyalusing Creek	Bradford, PA
Talisman Energy: Fall Brook at Bense, Seeley Creek at Jones, Susquehanna River at Welles, Towanda Creek from Franklin Twp. Volunteer Fire Department, unnamed tributary of North Branch Sugar Creek at Besley, Wappasening Creek at Adriance, Wyalusing Creek	Bradford, PA
Tennessee Gas Pipeline Company: Towanda Creek (Loop 317)	Bradford, PA
Towanda Country Club	Bradford, PA
Carrizo: Mosquito Creek	Clearfield, PA
Chevron Appalachia: Clearfield Creek	Clearfield, PA
KMI: West Branch Susquehanna River	Clearfield, PA
XTO Energy: West Branch Susquehanna River	Clinton, PA
Linde Corporation: Lackawanna River	Lackawanna, PA

Pine Meadows Golf Complex	Lebanon, PA
Cedar Rock Materials Corp.: Bower Quarry	Luzerne, PA
Eagle Rock Community Association / Eagle Rock Resort: Quarry	Luzerne, PA
EXCO Resources: Muncy Creek at McClintock, West Branch Susquehanna River at Johnson	Lycoming, PA
Hughesville-Wolf Township JMA: wastewater	Lycoming, PA
Keystone Clearwater Solutions: Lycoming Creek-2	Lycoming, PA
Pennsylvania General Energy Company: Pine Creek at Poust	Lycoming, PA
XTO Energy: Lick Run, Little Muncy Creek	Lycoming, PA
Ultra Resources: Pine Creek	Potter, PA
Buck Ridge Stone: Salt Lick Creek	Susquehanna, PA
Cabot Oil & Gas: Susquehanna River - 2 (Susquehanna Depot Boro.), Susquehanna River - 3 (Great Bend Twp.)	Susquehanna, PA
Carrizo: East Branch Wyalusing Creek, unnamed tributary to Middle Branch Wyalusing Creek	Susquehanna, PA
Chesapeake Appalachia: Elk Lake Stream	Susquehanna, PA
Leonard and Jean Marie Azaravich: Meshoppen Creek	Susquehanna, PA
Southwestern Energy Production Company: Tunkhannock Creek at Lenox	Susquehanna, PA
Stone Energy Corporation: Wyalusing Creek	Susquehanna, PA
Tennessee Gas Pipeline Company: Meshoppen Creek (Loop 319), White Creek (Loop 319)	Susquehanna, PA

WPX Energy Appalachia: Snake Creek	Susquehanna, PA
Keystone Clearwater Solutions: Babb Creek	Tioga, PA
LDG Innovation: Lawrenceville	Tioga, PA
SWEPI LP: Cowanesque River at Egleston; Cowanesque River at Westfield, Tioga River at Tioga Junction	Tioga, PA
Tennessee Gas Pipeline Company: Tioga River (Loop 315), unnamed tributary to North Elk Run (Loop 315)	Tioga, PA
Ultra Resources: Cowanesque River	Tioga, PA
Sugar Hollow Trout Park and Hatchery: hatchery water	Wyoming, PA
Carrizo: Meshoppen Creek	Wyoming, PA
Chesapeake Appalachia: Susquehanna River at Salsman	Wyoming, PA
Mountain Energy Services: Tunkhannock Creek	Wyoming, PA
Randy M. Wiernusz: Bowman Creek	Wyoming, PA
Shadow Ranch Resort: Tunkhannock Creek at Shadowbrook Resort	Wyoming, PA
Sugar Hollow Water Services: Susquehanna River at Chellis	Wyoming, PA
Susquehanna Gas Field Services: Meshoppen Creek	Wyoming, PA
KBK-HR Associates LLC / Honey Run Golf Club	York, PA

Table 1 - List of Companies and Their Approved Withdrawal Sources Suspended in July, 2012^[17]

Water Regulations in Pennsylvania

Pennsylvania State sits on top of the Marcellus Shale, which is one of the highest producing shale formations in the United States.^[18] Naturally, water usage is a concern as unregulated usage can lead to devastating consequences. Therefore, in Pennsylvania, strict water usage regulations are imposed on oil and gas producers. Prior to drilling an oil and gas well, the operator must submit an application for a permit. The application includes a map, showing locations of nearby water supplies. These are required to be at least 200 feet from any drinking water supplies.^[19] However, water supply owner can waive this requirement. Section 208 of the Pennsylvania Oil and Gas Act states that well operators must restore or replace any polluted water supply.^[19] Pollution of any water supply is determined by the Pennsylvania Department of Environmental Protection (DEP). Well operators are presumed to be responsible for water supplies pollution if it occurs within six months after completion or alterations of the well unless they use one of the following defenses^[19]:

- The water supply is more than 1,000 feet from the oil/gas well.
- The water supply was already polluted prior to drilling operations.
- The landowner refused to allow operator to conduct pre-drilling water quality test.
- The pollution is not the result of gas well drilling
- The pollution occurred more than six months after the operation.

Due to these possible defenses, most operators hire independent state-certified laboratories to conduct pre-drilling water quality tests.

Freshwater

Since the water used in the hydraulic fracturing operations is always mixed with other chemicals, water with high purity is desired. Freshwater is therefore the ideal candidate to use as the base liquid. Although these operations use several millions gallons of water per day, the total amount is approximately 1% of the total water usage in the United States according to statistics from the United States Geological Survey study on water usage in 2010.^[20] According to the same study, approximately 42.8% of the total water withdrawal for mining, oil and gas in 2010 is freshwater.^[20]

Brine

Brine is a solution of salt in water. Brine is sometimes used as the base fluid in hydraulic fracturing. Brine the most common base fracturing fluid because sometimes hydraulic fracturing companies would reuse flowback water; water recovered after a fracturing operation, which is essentially brine.^[21] Brine requires more chemicals to make it the appropriate viscosity for fracturing operations than water.

Water Contamination

In 2010, the U.S. Congress directed the U.S. Environmental Protection Agency (EPA) to conduct a study regarding the potential impacts on the drinking water resources near the fracturing regions. This study plans to research the full lifespan of water in hydraulic fracturing^[22]. While no contamination cases caused by hydraulic fracturing are disclosed by EPA and the final report is yet to be published, a review directed by the Associated Press showed that a substantial number of complaints alleging oil and natural gas drilling polluted or affected private water wells have been filed among the residents of the affected areas. These areas include

Pennsylvania with 106 water-well contamination cases; Ohio with 377 complaints in 2010 and no confirmed cases of water contaminations, 54 complaints in 2011 and two confirmed cases of contamination, 59 complaints in 2012 and two confirmed contaminations, 40 complaints in 2013 and two confirmed contaminations; West Virginia with 122 complaints; Texas with more than 2,000 complaints and 62 alleged possible well-water contaminations from oil and gas activity^[23]. Although a number of those complaints have been confirmed by state officials to be unrelated to hydraulic fracturing. However, many remain unsolved. No specific and detailed information was published of what the contaminants were.

Methane Contamination

A viral video of a man lighting his faucet on fire has raised concerns that hydraulic fracturing operations are causing methane to be released into the water aquifers. This video is featured in an anti-hydraulic fracturing film called “Gasland”. In the film, homeowner Mike Markham is shown lighting his faucet on fire. This film attracted wide attention. Soon after the film’s release, the Colorado Oil and Gas Conservation Commission (COGCC) launched an investigation regarding the claim that hydraulic fracturing is contaminating public drinking water.^[24] The COGCC determined that the methane found in Mr. Markham’s drinking water well is of a biogenic nature, which means that the methane is produced by either bacteria or by geologic processes, not from oil and gas operations.^[24] The COGCC has officially marked the complaint as resolved.

Waste Management

It is estimated that the flowback recovery of hydraulic fracturing fluid can vary from as low as 25 percent to as high as 75 percent.^[25] The rest of the fluid is permanently removed from

the hydrologic cycle. The flowback from these oil wells need to be handled with care as they contain the original fracturing fluids as well as fluids and minerals that were in the fractured formations. Once the flowback has been recovered, operators have the options to either reuse the flowback or to discard it. If the flowback is to be reused, it is usually stored on-site and undergoes filtration in order to separate the liquid from the minerals and other solids in the mixture.^[26] The filtered brine is then mixed with either more brine or freshwater in order to reach the required volume of liquid necessary for the next operation. If the operators choose to discard the flowback then it is transported to a nearby water treatment facility in order to be treated according to strict state and federal regulations. Once the water is deemed to be treated and safe, it is released into a designated water source. Treated water could also be disposed of in Class II Injection wells.^[11]

Chemical Hazards

One of the major environmental concerns of hydraulic fracturing is the hazardous substance used in the process to further increase the efficiency of the fluid. Even with regulations to minimize the exposure of the environment to these chemicals, there is potential for accidents. If they were to occur, the residents nearby would specifically suffer from the exposure of abnormal amounts of natural gas and possibly groundwater contamination in the case of hydraulic fracturing.

The danger of the chemicals used in hydraulic fracturing can be measured with the provided Material Safety Data Sheet (MSDS) with ratings in either the Hazardous Materials Identification System (HMIS) or the National Fire Protection Association (NFPA). These two identification systems both use a range from 0 to 4 for the categories of health, flammability and

reactivity, 0 being the least hazardous and 4 being the most hazardous. Unlike the HMIS, the NFPA identification system assumes there is a fire in the premises, therefore the rating for each category can be different for the exact same chemical.

The rating in the health category for the HMIS identification system are as follows:

4. Life-threatening, major or permanent damage may result from single or repeated overexposures.
3. Major injury likely unless prompt action is taken and medical treatment is given.
2. Temporary or minor injury may occur.
1. Irritation or minor reversible injury possible.
0. No significant risk to health.

The rating in the health category for the NFPA identification system are as follows:

4. Material that on very short exposure could cause death or major residual injury.
3. Material that on short exposure could cause serious temporary or residual injury.
2. Material that on intense or continued but not chronic exposure could cause temporary incapacitation or possible residual injury.
1. Material that on exposure would cause irritation but only minor residual injury.
0. Material that on exposure under fire conditions would offer no hazard beyond that of ordinary combustible material.

In the case of analyzing data, the HMIS seems more appropriate for gauging the danger posed by the chemicals as there is no fire present, and if there is no information for HMIS, the NFPA will be used instead.

As hydraulic fracturing has been performed more than one million times in the United States^[27], gathering statistical information for all the chemicals of each individual well would be overwhelming. However, this report includes statistical data obtained from 3 wells from each of the three major shale formations known as Barnett, Marcellus and Bakken.

The Barnett Shale is a geological formation in the Bend Arch-Fort Worth Basin, Texas. The formation spans over 5,000 mi² throughout at least 17 counties, and is believed to hold 2.5 trillion cubic feet of recoverable natural gas, and with a total of 30 trillion cubic feet of natural gas.^[28] However, the natural gas is only recoverable through hydraulic fracturing because the ground surrounding the natural gas is impermeable. Without advancements in technology in regards to hydraulic fracturing, the extraction of the natural gas was virtually impossible. The shale in 2014 produced on average 4.9 billion cubic feet of natural gas per day.^[29]

The Marcellus Shale is another geological formation that extends throughout the Appalachian Coast, which covers 104,000 mi² across Pennsylvania and West Virginia, also inclusive of southeast Ohio and upstate New York. This geological formation has been theorized to hold 50 trillion cubic feet of recoverable natural gas, to a total of 500 trillion cubic feet of natural gas, also with impermeable conditions.^[30] As of 2014, the shale produced on average 14 billion cubic feet of natural gas per day.^[31]

The Bakken Shale, the last of the geological formations to be discussed, is located below the Williston Basin. The basin covers 200,000 mi² and belongs to parts of Montana, North Dakota, Saskatchewan and Manitoba, and is more known for oil production than for natural gas production. In 2013, the US Geological Survey estimated the recovery of 7.4 billion barrels of recoverable oil, with a total of up to 24 billion barrels of oil due to the low permeability of the formation.^[32] As of the end of 2010, the formation has produced on average of 458,000 barrels of

oil per day.^[33] Hydraulic fracturing, based on the statistical information obtained from the three major shale formations have used hazardous chemicals in their formula (refer to Figures 12, 13, and 14 below, compiled by us). The figures represent the count of the different levels of hazardous chemicals used in each wells of the major shale, Barnett, Marcellus and Bakken. The initial three figures have been labeled by the title with the major shale, the horizontal axis with the randomly chosen wells from the shale, the vertical axis with the count of each hazardous chemical, and the color coding to describe the hazard rating, elaborated upon in the above section. The representation of N/A is used to describe chemicals that do not have any representation, either by MSDS or chemical secrecy. Chemical secrecy is state dependent, displayed below the shale figures.

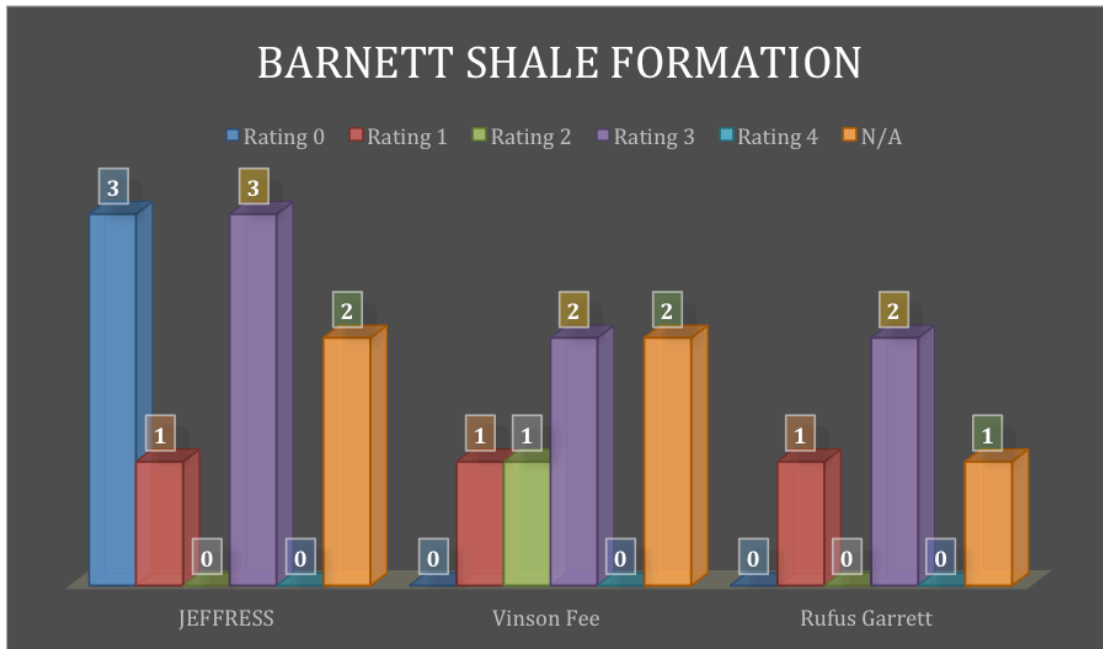


Figure 12 - Histogram of Chemical Hazard Ratings from 3 Randomly Selected Wells in the Barnett Shale

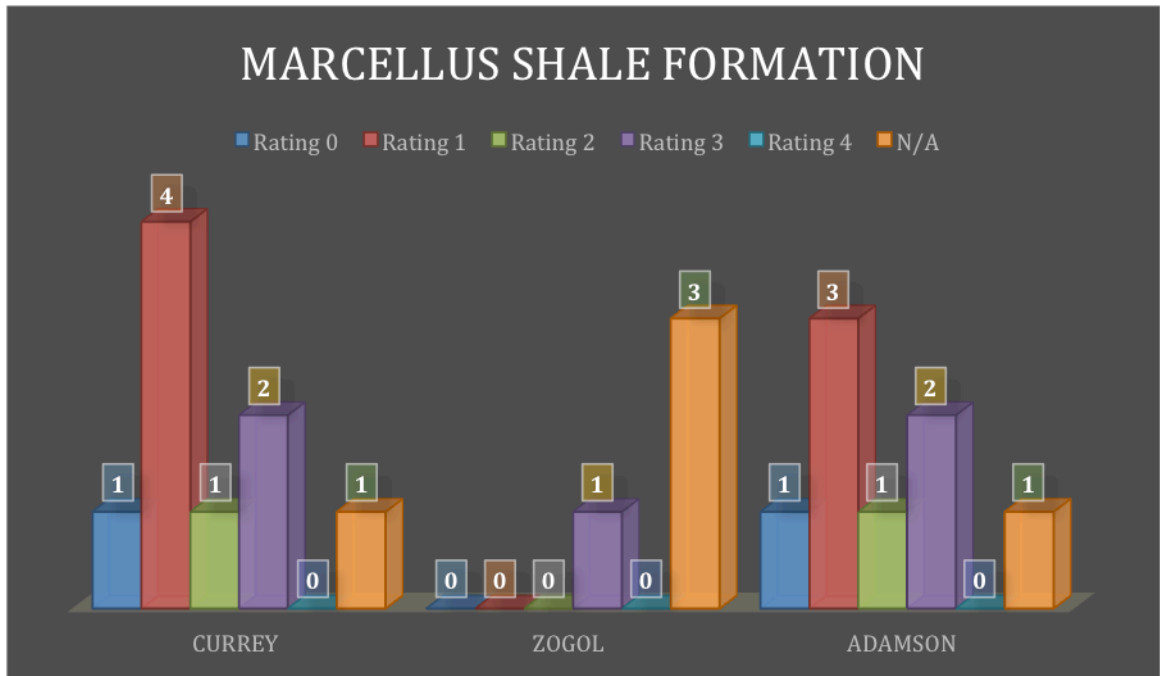


Figure 13 - Histogram of Chemical Hazard Ratings from 3 Randomly Selected Wells in the Marcellus Shale

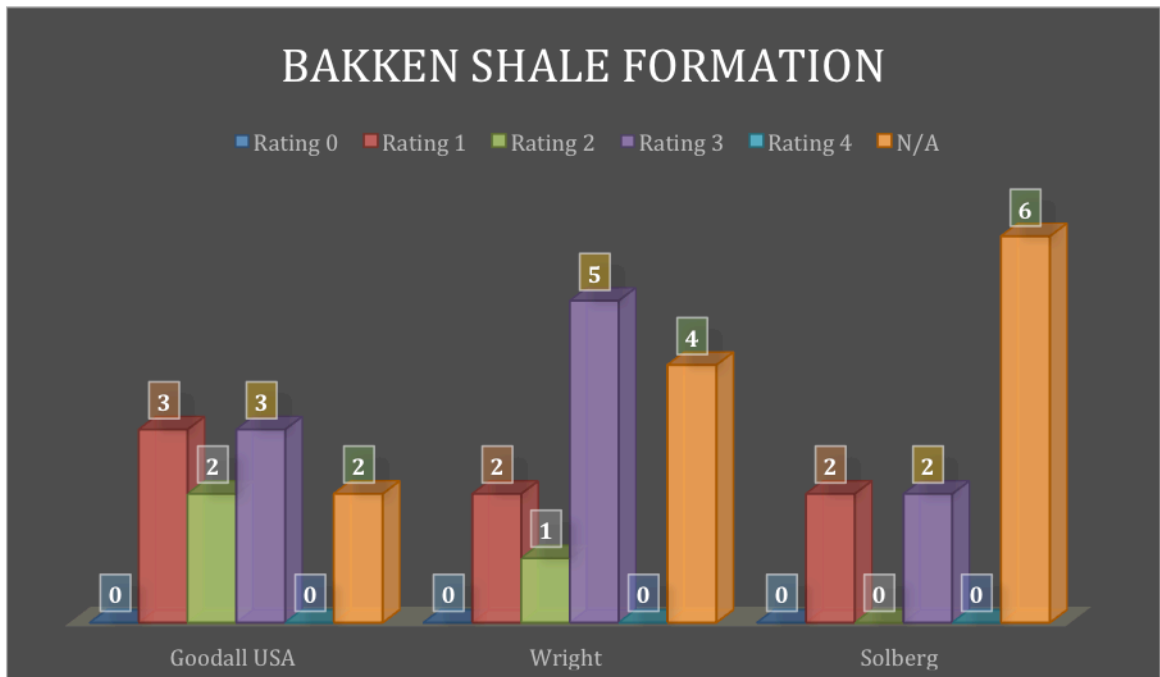


Figure 14 - Histogram of Chemical Hazard Ratings from 3 Randomly Selected Wells in the Bakken Shale

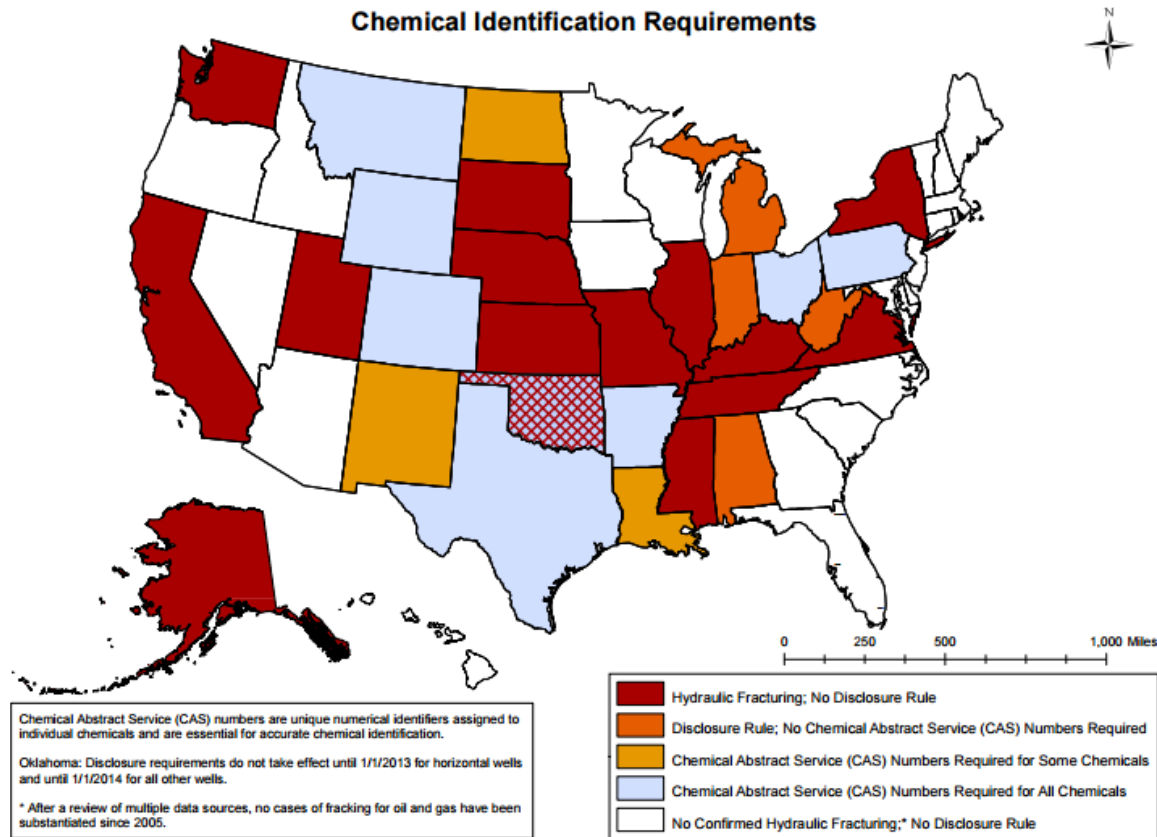


Figure 15 - Chemical Identification Requirements by State^[73]

With the figures represented above from the information given through fracfocus.org, the randomly selected wells did not contain any chemicals that pertain to the hazard rating of 4, chemicals that would cause major or permanent damage from single or multiple exposures. Furthermore, the MSDS for each chemical used in the hydraulic fracturing fluid contains methods of exposure, which could be used to determine the potential threat.

The circumstances to which hydraulic fracturing fluids can be harmful to the human population can be determined through three stages. The first stage is that the hydraulic fracturing fluid must leak through the well casing regulated by each specific state requirements.^[34] Second being that the hydraulic fracturing fluid is close enough in proximity to contaminate groundwater

despite the set regulations by the state. Lastly, the person must be exposed to the chemical by a certain method that pertain dangers.

United States Laws

Following the concerns of the public, the United States has implemented laws to strengthen the regulations to limit the possible exposure of chemicals to the public. The laws limiting hydraulic fracturing are actually those of each individual state, rather than the federal laws, which have loopholes in which the regulations of fracturing can be worked around.

Additionally, with the discussion of laws regarding the processes of hydraulic fracturing, there are two key concepts that will provide clarity. These key concepts are that the federal laws that are explained here are specifically asserted for hydraulic fracturing, and that the federal laws can overrule the state laws.

Since hydraulic fracturing is the topic of interest, the laws that pertain to general processes used by oil and gas industries that lead up to hydraulic fracturing is not interpreted. The reason behind not considering these general processes is because they are sufficient enough to extract oil and/or gas without introducing methods such as hydraulic fracturing, which means these processes are independent of hydraulic fracturing. Furthermore, there are many techniques other than just hydraulic fracturing that oil and gas companies can use to further extract resources. This means that these laws do not apply explicitly to hydraulic fracturing, and that there are plenty of loopholes in laws with regards to oil and gas industry while not being explicitly beneficial to hydraulic fracturing.^[35]

Another useful concept is located in the provision known as the Supremacy Clause in Article Six, Clause 2 of the United States Constitution known as the doctrine of preemption.^[35] The doctrine states that with a conflict between federal law and state law, the federal law always prevails. A case of the federal law prevailing can be observed in the Arizona immigration law.

When Arizona passed a strict immigration law, it has international implications which provoked the federal government into action, overriding the state law implemented.^{[36][37][38]} Despite the federal government's authority, the feds do not always intervene when state laws and federal laws contradict. An example of such conflict between the federal law and the state law can be witnessed with the legalization of prostitution in certain counties of Nevada^[39], which is illegal according to the federal laws as a form of human trafficking.

Hydraulic Fracturing: Loopholes in Federal Laws

As previously mentioned, federal laws have loopholes, which allow hydraulic fracturing companies to work around, and below are examples of such.

Safe Drinking Water Act

The Safe Drinking Water Act (SDWA) was enacted in 1974 to preserve America's groundwater resources. This law encompasses both water that is used and water that may be used for drinking purposes, whether they are above or below ground. Due to the nature of hydraulic fracturing and its injection of a variety of substances at high pressures into the ground, it is considered as a threat to the groundwater resources. Regardless, the SDWA was amended by the Energy Policy Act in 2005 to provide more flexibility to which the oil and gas companies can operate.^[40] The amendment defined "underground injection" to exclude any fluids or proppant agents other than diesel fuel, which means anything other than diesel fuel can be used with hydraulic fracturing operations without having to adhere to the provisions of the SDWA. The amendment was based upon the research of the Congressional Research Service, which considered hydraulic fracturing to not be a potential danger to underground drinking water sources.^[41]

Emergency Community Right to Know Act

The Emergency Community Right to Know Act (EPCRA) of 1986 is designed to protect public health and the environment from chemical hazards. The EPCRA acts to document and report information to the public on the chemicals stored, used, released, or disposed. The Toxic Release Inventory (TRI) created by the EPCRA uses guidelines to select industries to report their significant use of toxic substances to the EPA. The report is then assorted into a public database that contains information on toxic releases and waste management activities reported facilities under the guidelines.^[42] However, the list that the EPA issues of the industries that must report releases for the database is not inclusive of the oil and gas industry. This is not an exemption in the law, rather it is a decision by the EPA that this industry is not a high priority for reporting under the TRI. Moreover, the chemicals used in hydraulic fracturing is protected by the concept of Trade Secrets under the EPCRA.^[43] This section has permitted chemical manufacturers to deem that the hydraulic fracturing fluids used are proprietary, without the need to disclose information.^[44] However, the lack of disclosure must meet a set criteria to determine whether the identity of the chemical is of crucial essence to be kept secret for business' competitive position. Furthermore, the trade secrets can be disclosed in certain circumstances for health requests stated in the EPCRA.^[45]

Resource Conservation and Recovery Act

The Resource Conservation and Recovery Act (RCRA), passed in 1976, is a regulatory foundation in managing solid waste, including hazardous waste. This regulation takes on a “cradle to grave” approach, ensuring that these wastes are handled from their point of creation, through their transportation, and towards their storage and/or disposal. However, due to the Solid

Waste Disposal Act (SWDA) of 1980, oil and gas exploration and production wastes were exempted from regulation for at least two years, to which was announced that the EPA would conduct studies to determine whether such wastes should be regulated as hazardous waste under the RCRA.^[46] In 1988, the EPA then formally stated that the regulation of oil and gas exploration and production wastes under the RCRA Subtitle C is unnecessary due to the fact that each states have their own circumstances.^[47] Given these conditions, wastes from hydraulic fracturing are not regulated by federal law because of the inadequate flexibility obtained by passing one general law over fifty states. As a result, the federal government passed the responsibility of regulation to the state government, determining that oil, gas and geothermal production was already in regulation by each state.^{[48][49]}

Comprehensive Environmental Response, Compensation, and Liability Act (Superfund Program)

The Superfund program was established by the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) in 1980 to ensure that parties responsible for the release of hazardous substances into the environment are held accountable. Despite these efforts, the oil and gas companies are exempt for being liable for their cleanup under the CERCLA if any hazardous materials are contained within petroleum, including crude oil, natural gas liquids, liquefied natural gas and mixtures of natural gas and synthetic gas.^[50] The exemption is due to the basis that these chemicals are used for natural gas production.^[51] The result of exemption leads to little incentive to clean up hazardous waste and minimize leaks and spills which could be witnessed from the incident at Campbell Country in 2006.^{[52][53]} The incidents were reported to consist five spills, and leakages from a valve left open on the storage tank. Furthermore, the Superfund trust fund that is acquired from the taxes imposed on oil and chemical industries is

used to pay for cleanup when no responsible party can be identified. The fund falls short of supplying project goals due the abolishment of taxes by the Congress and is funded by the general tax revenue.^[53]

Hydraulic Fracturing: State Regulations

These regulations of the state abide by the concerns of the public, enforcing stricter regulations to contain the possible exposure from hydraulic fracturing.

Pennsylvania

As of July 2013, Pennsylvania has stated several regulations towards hydraulic fracturing.^{[54][55]}

1. **Drilling permits** – To drill anywhere in the state of Pennsylvania, oil and gas companies must obtain a drilling permit which would require a submission of environmental risk analysis to Pennsylvania’s Department of Environmental Protection (DEP). Furthermore, all surface water supply owners within 1,000 feet of the drill site must be notified, and operators must submit a deposit or bond to the state as security against the violation of environmental regulations and restrictions.
2. **Drilling distances** – Pennsylvania’s environmental regulation states that gas drilling must not occur within 200 feet of drinking water supplies, within 100 feet of any surface water, or within 100 feet of any wetland greater than one acre in size.
3. **Water testing and drinking water replacement** – Operators are responsible to replace or resolve any loss of drinking water due to contamination from drilling operations under the Oil and Gas Act, when it occurs within 1,000 feet from the well in question and within 6 months after well completion.

4. **Water quantity** – Operators are also responsible for the water supply used as fluids in hydraulic fracturing. Landowners who experience diminished water quality due to hydraulic fracturing may request an investigation from the Pennsylvania Department of Environmental Protection (DEP). Furthermore, under the Oil and Gas Act, companies are required to restore or replace drinking water supplies used by gas drilling activities.
5. **Groundwater contamination** – The state has implemented regulations controlling construction and standards for well casings to reduce leakages.
6. **Well closing** – The integrity of well’s casing protecting groundwater must be maintained and verified before the well is further processed with well closing.
7. **Act 13** – Operators are required to disclose hydraulic fracturing chemicals to the DEP and publications of these disclosures on FracFocus.org. Furthermore the act also states an agreement that state regulations will trump municipal laws.

Texas

Along with Pennsylvania, Texas has also presented regulations for hydraulic fracturing operations.^{[56][57][58]}

1. **Drilling permit** – In the state of Texas, any operator that wishes to operate on an oil and gas well must apply for a permit which states that the operators may not pollute surface water or groundwater in the state.
2. **Well integrity** – The Railroad Commission of Texas (RRC) enacted rules to enforce higher standards for oil and gas well construction. The law explains and updates requirements concerning cementing, well casing, steel piping and specifications for hydraulic fracturing.

3. **Chemical disclosure** – The RRC passed a law requiring operators to disclose information about the chemicals used in hydraulic fracturing. The rule requires the Texas oil and gas operators to disclose information on FracFocus.org, regarding chemical ingredients used and the volume of water used in hydraulic fracturing treatments.^[59]
4. **Well closing** – All wells must be plugged back to avoid contamination or harm.

New York

The state of New York is a special case, as it has recently banned hydraulic fracturing on December 17, 2014. This ban, based on the potential environmental impacts associated with hydraulic fracturing has convinced the Governor Andrew M. Cuomo that hydraulic fracturing does impose health risks to the state. He agreed with the fact that he would not live in a community that allows hydraulic fracturing and would not want his children to be around such a place.^[60]

Public Concerns

The public concerns associated with hydraulic fracturing are primarily fixed on the potential dangers towards the health and safety of the people in the proximity of fracturing wells. The main dangers suggested with hydraulic fracturing are groundwater contamination and seismic activity. These concerns have led to disputes about the possible tradeoffs of hydraulic fracturing, and multiple studies to review the plausibility of these concerns.

Does hydraulic fracturing expose groundwater to further contamination?

There are two main types of groundwater contamination concerned with hydraulic fracturing. The first concern is addressed to the fear of increased concentrations of methane in the air leaking from the water valves, and the second unease is of contamination of drinking water from the chemicals used for hydraulic fracturing.

There has been no proven correlation that hydraulic fracturing has unconditionally increased the concentration levels of methane in groundwater when regulatory measures have been set. Rather, each of the individual shales in the U.S. have been accredited for their reduction in methane emissions.

Methane Emissions Decline in Top Oil and Gas Basins

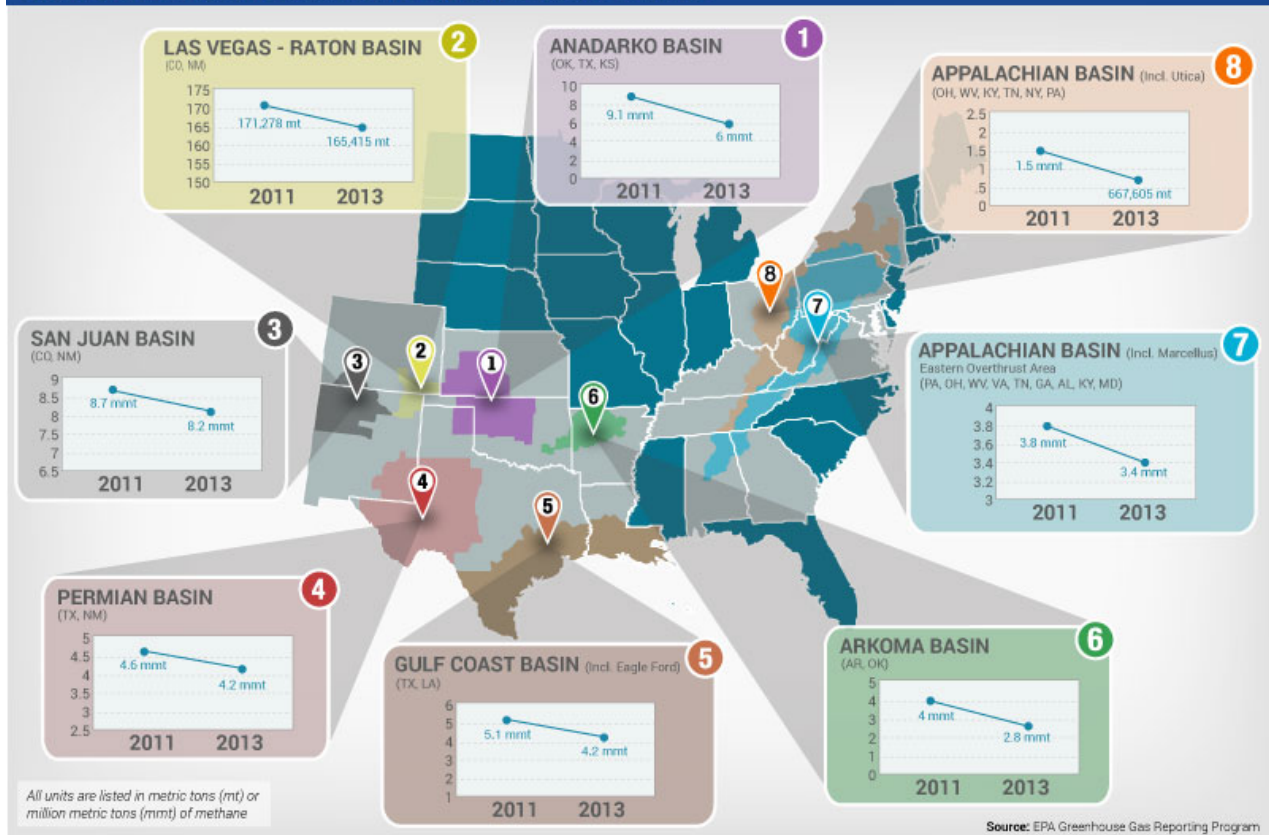


Figure 16 - Methane Emissions from Basins Experiencing Hydraulic Fracturing^[75]

Furthermore, according to the Environmental Protection Agency's (EPA) recent Greenhouse Gas inventory^[61], methane emissions from natural gas productions have generally fallen by 35 percent since 2007. This decrease in emissions is happening in concurrence with the 400 percent increase in the U.S. shale gas production within a similar timeline. These reduction in emissions, noted by the EPA, are through the cause of voluntary actions by producers implementing modern technology.

The fear of increased concentrations of methane is through the appliance of high pressures in hydraulic fracturing, theoretically inducing possible leakages of methane. During the

early usage of hydraulic fracturing, the possibility of methane leaking into the underground sources of drinking water (USDW) had people concerned for their well-being. The fear is stemmed by the lack of proper reference for the baseline water chemistry, there was no possible way to establish the fact that hydraulic fracturing had not contaminated the USDW with increased the levels of methane emissions. An example of such would be in Pennsylvania, where there has been a history of methane with the usage of water through methane migration. However, when intensified drilling in 2008 seemingly produced a heightened amount of methane in groundwater, there were no records to compare the actual changes in the methane levels.^[62] Additionally, this lack of reference is also attributed to the fear of chemical contamination in groundwater.

In June 2014, a study by Public Health England examined the potential public health issues from exposures to chemical and radioactive pollutants from shale gas extraction from existing data from countries that have used hydraulic fracturing, it was concluded that the potential risks of exposure to emissions from shale gas extraction is minimal if the operations are properly run and regulated.^[63] Furthermore, evidence from the study proposes that contamination of groundwater does not occur in the process of hydraulic fracturing, but rather through the leakage of the vertical borehole. The indicated risks of leakage have been generally reported as a consequence of a poor regulations.

Can hydraulic fracturing be associated with the increased seismic events?

The nature of hydraulic fracturing is injecting liquids at high pressures to create fractures for the gas or oil to seep through. This process does induce seismic activity, but it is important to distinguish that these are minor seismic events that cannot be felt, and would not cause damage

at the surface.^[64] Hydraulic fracturing does not appear to be associated with the increased rate of earthquakes with magnitudes of 3 or higher, based upon an analysis of the U.S. Geological Survey database for earthquakes by a team of scientists led by Bill Ellsworth.^[65] Nor can hydraulic fracturing be directly associated with land subsidence, but may occur through production of oil, natural gas or groundwater.^[78] It is important to note that the seismic activity of magnitude 3 earthquake is similar to the passing of a truck. However, the trend of increased earthquakes do coincide with the injection of wastewater into underground wastewater disposal wells.^[65] Even when the association of seismic activity is related to wastewater disposal wells, the Environmental Protection Agency (EPA) states that very few of the disposal wells have produced significant seismic events with magnitudes greater than 4. As an example, the EPA declares that approximately 2,700 active disposal wells in Louisiana have no recent significant seismic events occurring as a result of the activities.^[66]

Why does the federal government not regulate hydraulic fracturing activities?

As mentioned in more detail in the laws and regulations section, the federal law supersedes the state law if actively enforced. If the federal laws are enforced, the hydraulic fracturing activities could be monitored and regulated by the federal government. However, each state has its own circumstances to which enforcing the regulations would be more efficient if the laws were state dependent. Upon this belief, the federal government has allowed the states to regulate hydraulic fracturing activities.

Alternative Methods

Allowing for all the attention that controversial debates have poured on the impacts of hydraulic fracturing on the environment and overall society, many companies everyday more are showing interest in finding more efficient and environment-friendly methods of extracting shale resources. Although this report focuses on the process of extracting shale gas through hydraulic fracturing, taking in consideration the increased need for energy, an innovative technique for extracting fossil energy in shale level will be discussed.

Raytheon, a major American defense company with headquarters in Waltham of Massachusetts, in partnership with CF Technologies, a company focused in the Critical Fluid Processes with headquarters in Hyde Park of Massachusetts, have developed a new technology that combines radio frequency waves with supercritical fluids in order to process the oil trapped deep in shale formation^[68]. This technology was later acquired from Schlumberger; the world's largest oilfield services company with headquarters in Houston, Texas.

Process of Radio Frequency (RF) Heating of Oil Shale (RF-CF technique)

The innovative microwave heating technology implements radio frequency heating for shale oil processing. These radio frequency waves are transmitted into the core molecule of oil shale and changed to heat energy. Using only RF transmission and no direct heat conduction, all the molecules are heated in the same from inwards as well as outwards. Microwave absorbing materials are added in order to increase oil's the absorbance of the electromagnetic waves. Such materials help the bituminous matter of the oil shale to reach a thermal degradation state that is necessary for it to be fractured into gas and oil. The oil and gas produced is then retrieved through wells up to the surface.^[67]

The material used in this case, differently from earlier shale oil heating techniques, is a fluid in its critical state. These critical fluids, also known as supercritical fluids (SCF), are liquids or gases that are forced to pass their critical point (both critical temperature and critical pressure). Once they enter this state, they have properties of both gases and fluids. They are similar to gases in viscosity, diffusivity, compressibility, and no surface tension and similar to fluids in density and solvency. Having such physical characteristics they are able to penetrate the sedimentary rock formation and help the RF heating dissolve the kerogen^[68].

Conclusions

After a thorough analysis of the procedure, economic benefits, potential environmental risks, public concerns and regulations, it was concluded that through proper regulations, the benefits of growth of employment and higher energy independency resulting from increased oil and natural gas production in the U.S. outweigh the potential concerns of water contamination, seismic activity, waste management, and water usage. Although this was the consensus of the paper, the resulting effect on the future of hydraulic fracturing depends on the opinions of multiple groups.

Industry Opinion

Hydraulic fracturing has been a popular well stimulation technique. It is a way to greatly enhance oil and gas recovery from otherwise unrecoverable oil and gas deposits. Hydraulic fracturing operations have impacted not only new oil wells but old wells too. Oil deposits that have previously been deemed uneconomical to recover have been re-evaluated and extracted because of hydraulic fracturing. According to information on the benefits of hydraulic fracturing, it is clear that the industry will continue to grow. There are many benefits that come from hydraulic fracturing. These benefits include higher employment rates within the industry, lower energy price due to the decrease of gas and oil imports, lower dependency on foreign energy and politics, as well as a considerable improvement of the national budget. The benefits are evident and show no sign of diminishing.

Public Opinion

The future of hydraulic fracturing depends heavily on public opinions. Anti-hydraulic fracturing movement in New York is a good example of how negative opinions towards

hydraulic fracturing can impact the industry. Although advantages of hydraulic fracturing seem to outweigh disadvantages, companies involved in the hydraulic fracturing business must ensure the public that everything that can be done to reduce the risks that are presented with these operations is being implemented out in the field. Companies must gain the trust and confidence of the public if they are to survive.

Regulations

Despite the general public's opinion that hydraulic fracturing companies are free to do as they wish, current regulations provide adequate oversight on hydraulic fracturing operations. New regulations have been introduced in recent years to promote transparency and remove loopholes. Analysis of both federal and state regulations demonstrates that state regulations, in general, are far stricter than federal regulations and they hold hydraulic fracturing companies accountable for their actions. Each state has its own regulatory committee that oversees all hydraulic fracturing operations and they are pro-active in addressing the issues of transparency in chemical usage. Companies are required to disclose all chemicals used in these operations while the criteria for claiming chemicals as confidential business information are becoming more demanding.

Media

It is true with any industry that one of the biggest contributors to their image is the media. The future of hydraulic fracturing depends on how the media portrays the advantages and disadvantages of hydraulic fracturing. It is the media's responsibility to provide accurate and unbiased opinion. Throughout the process of writing this paper, it's been clear that there are many media sources that only cover damaging stories about hydraulic fracturing, because they

attract more interest. It is more difficult to find out about the benefits of hydraulic fracturing.
People are led to believe that there are only disadvantages from hydraulic fracturing.

Appendix I – Example of Chemicals Used in Hydraulic Fracturing^[72]

Bakken Shale

Well name: Goodall USA #11-29H

Fracture Date		1/14/2011				
State:		ND				
County:		McKenzie				
API Number:		33-053-03192				
Operator Name:		Marathon				
Well Name and Number:		Goodall USA #11-29H				
Longitude:		-102.620567				
Latitude:		47.964419				
Long/Lat Projection:		NAD83				
Production Type:		Oil				
True Vertical Depth (TVD):		10,632				
Total Water Volume (gal)*:		1,066,939				
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)**
Water	Operator	Carrier	Water	7732-18-5	100.00	74.96029
Frac Sand (All Meshes)	BHI	Proppant	Crystalline Silica (Quartz)	14808-60-7	100.00	24.23972

CWT						
GBW-5	BHI	Breaker	Ammonium Persulfate	7727-54-0	100.00	0.00025
Enzyme G-I	BHI	Breaker	Hemicellulase Enzyme Concentrate	9025-56-3	3.00	0.00050
			Water	7732-18-5	97.00	0.01610
GBW-23L	BHI	Breaker	White Mineral Oil	8042-47-5	91.00	0.05283
			Magnesium Hydroxide	1309-42-8	5.00	0.00290
			Magnesium Peroxide	14452-57-4	3.00	0.00174
			Magnesium Oxide	1309-48-4	2.00	0.00116
Alpha 452	BHI	Biocide	Tetrakis(hydroxymethyl) Phosphonium Sulfate	55566-30-8	40.00	0.00940
GW-3LDF	BHI	Gellant	Petroleum Distillate Blend	CBI	70.00	0.34405
			Guar Gum	9000-30-0	40.00	0.19660
Scalesorb 3	BHI	Scale Inhibitor	Calcined Diatomaceous Earth	91053-39-3	100.00	0.02792
			Amino Tri (Methylene Phosphonic Acid)	6419-19-8	30.00	0.00838

			Phosphonic Acid	13598-36-2	1.00	0.00028
			Crystalline Silica Quartz	14808-60-7	1.00	0.00028
XLW-30AG	BHI	Crosslinker	Hydrotreated Light Distillate	64742-47-8	70.00	0.04303
Inflo 250W	BHI	Surfactant	Surfactants	CBI	80.00	0.03003
			2-Butoxyethanol	111-76-2	20.00	0.00751
			Methanol	67-56-1	30.00	0.01126
NE-900	BHI	Non-emulsifier	Methanol	67-56-1	30.00	0.01124
			Nonyl Phenyl Polyethylene Glycol Ether	9016-45-9	10.00	0.00375
XLW-32	BHI	Crosslinker	Boric Oxide	1303-86-2	90.00	0.00986
			Methanol	67-56-1	20.00	0.00219
BF-9L	BHI	Buffer	Potassium Hydroxide	1310-58-3	15.00	0.01873

* Total Water Volume sources may include fresh water, produced water, and/or recycled water

** Information is based on the maximum potential for concentration and thus the total may be over 100

All component information listed was obtained from the supplier's Material Safety Data Sheets (MSDS). As such, the Operator is not responsible for inaccurate and/or incomplete information. Any questions regarding the content of the MSDS should be directed to the supplier who provided it. The Occupational Safety and Health Administration's (OSHA) regulations govern the criteria for the disclosure of this information. Please note that Federal Law protects "proprietary", "trade secret", and "confidential business information" and the criteria for how this information is reported on an MSDS is subject to 29 CFR 1910.1200(i) and Appendix D.

Well name: Solberg 31-2WH

Job Start Date:	12/12/2014
Job End Date:	12/22/2014
State:	North Dakota
County:	Williams
API Number:	33-105-03371-00-00
Operator Name:	Whiting Petroleum
Well Name and Number:	Solberg 31-2WH
Longitude:	-103.11858380
Latitude:	48.37161780
Datum:	NAD83
Federal/Tribal Well:	NO
True Vertical Depth:	10,131
Total Base Water Volume (gal):	1,795,962
Total Base Non Water Volume:	0

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	Operator	Carrier Fluid				
			Water	7732-18-5	100.00000	86.81289
Proppant (Sand)	RockPile Energy	Propping Agent				
			Crystalline Silica, quartz	14808-60-7	100.00000	7.35244
Proppant (LWC)	RockPile Energy	Propping Agent				
			Mullite	1302-93-8	60.00000	2.68209
Proppant (LWC)	RockPile Energy	Propping Agent				

			Cristobalite	14464-46-1	30.00000	1.34105
Proppant (LWC)	RockPile Energy	Propping Agent				
			Amorphous Silica	7631-86-9	15.00000	0.67052
15% HCl	RockPile Energy	Acid				
			Water	7732-18-5	85.00000	0.62377
Ecopol-2000LMS	RockPile Energy	Water Gelling Agent				
			Petroleum Distillates (Mineral Oil)	64742-47-8	55.00000	0.16646
Ecopol-2000LMS	RockPile Energy	Water Gelling Agent				
			Guar Gum	9000-30-0	50.00000	0.15133
15% HCl	RockPile Energy	Acid				
			Hydrochloric Acid	7647-01-0	15.00000	0.11008
Ecopol DBXL-90	RockPile Energy	Crosslinker				
			Petroleum Distillates (Mineral Oil)	64742-47-8	55.00000	0.06109
Ecopol-NE601	RockPile Energy	Non-emulsifying Agent				
			Methanol	64-17-5	50.00000	0.05947
Ecopol DBXL-90	RockPile Energy	Crosslinker				
			Ulexite	1319-33-1	50.00000	0.05554
Ecopol-NE601	RockPile Energy	Non-emulsifying Agent				
			Water	7732-18-5	30.00000	0.03568
Ecopol-NE601	RockPile	Non-emulsifying				

	Energy	Agent				
			Coconut Diethanolamide	68603-42-9	25.00000	0.02974
Ecopol-EC101	RockPile Energy	Crosslinker				
			Ethylene Glycol	107-21-1	55.00000	0.01927
Econo-CS35	RockPile Energy	Activator				
			Water	7732-18-5	80.00000	0.01925
Ecopol-NE601	RockPile Energy	Non-emulsifying Agent				
			Triethylene Glycol	112-27-6	15.00000	0.01784
Ecopol-EC101	RockPile Energy	Crosslinker				
			Water	7732-18-5	30.00000	0.01051
Ecopol-2000LMS	RockPile Energy	Water Gelling Agent				
			Organophilic Clay	68953-58-2	3.00000	0.00908
Econo-FR400	RockPile Energy	Friction Reducer				
			Water	7732-18-5	40.00000	0.00896
Ecopol-EC101	RockPile Energy	Crosslinker				
			Potassium Metaborate	13709-94-9	25.00000	0.00876
Econo-CS35	RockPile Energy	Activator				
			Sodium Hydroxide	1310-73-2	35.00000	0.00842
Econo-FR400	RockPile Energy	Friction Reducer				
			Acrylamide and Acrylic Acid	25987-30-8	30.00000	0.00672
			Copolymer			
Econo-FR400	RockPile	Friction Reducer				

	Energy					
			Mineral Oil	64742-47-8	25.00000	0.00560
AC-100	RockPile Energy	Corrosion inhibitor				
			Water	7732-18-5	75.00000	0.00522
EconoCap-HP	RockPile Energy	Breaker				
			Ammonium Persulfate	7727-54-0	75.00000	0.00375
Ecopol-EC101	RockPile Energy	Crosslinker				
			Potassium Hydroxide	1310-58-3	10.00000	0.00350
Ecopol-EC101	RockPile Energy	Crosslinker				
			Sodium Hydroxide	1310-73-2	10.00000	0.00350
Ecopol DBXL-90	RockPile Energy	Crosslinker				
			Organophilic Clay	68953-58-2	3.00000	0.00333
Ecopol DBXL-90	RockPile Energy	Crosslinker				
			Ethoxylated Alcohol	9043-30-5	3.00000	0.00333
SI-202F	RockPile Energy	Iron control				
			Water	7732-18-5	50.00000	0.00227
SI-202F	RockPile Energy	Iron control				
			Citric Acid	77-92-9	50.00000	0.00227
Ecopol-2000LMS	RockPile Energy	Water Gelling Agent				
			Ethoxylated Alcohol	9043-30-5	0.50000	0.00151
AC-100	RockPile Energy	Corrosion inhibitor				
			Propargyl Alcohol	107-19-7	15.00000	0.00104
EconoCap-HP	RockPile	Breaker				

	Energy					
			Resin Compound	9002-85-1	15.00000	0.00075
AC-100	RockPile Energy	Corrosion inhibitor				
			Methanol	67-56-1	10.00000	0.00070
EconoCap-HP	RockPile Energy	Breaker				
			Crystalline Silica	14808-60-7	10.00000	0.00050
Econo-FR400	RockPile Energy	Friction Reducer				
			Ammonium Chloride	12125-02-9	2.00000	0.00045
Econo-FR400	RockPile Energy	Friction Reducer				
			Phosphate Esters of Alcohol Ethoxylate	68585-36-4	2.00000	0.00045
Econo-FR400	RockPile Energy	Friction Reducer				
			Sorbitan Monooleate	1338-43-8	2.00000	0.00045
AC-100	RockPile Energy	Corrosion inhibitor				
			Isopropanol	67-63-0	1.00000	0.00007

Ingredients shown above are subject to 29 CFR 1910.1200(i) and appear on Material Safety Data Sheets (MSDS). Ingredients shown below are Non-MSDS.

* Total Water Volume sources may include fresh water, produced water, and/or recycled water

** Information is based on the maximum potential for concentration and thus the total may be over 100%

Note: For Field Development Products (products that begin with FDP), MSDS level only information has been provided.

Ingredient information for chemicals subject to 29 CFR 1910.1200(i) and Appendix D are obtained from suppliers Material Safety Data Sheets (MSDS)

Well name: Wright 4-33 #1H

Fracture Date	8/4/2010
State:	North Dakota
County:	Mountrail
API Number:	3306101278
Operator Name:	BRIGHAM
Well Name and Number:	OIL & GAS
Longitude:	LP
Latitude:	Wright 4-33
Long/Lat Projection:	#1H
Production Type:	-102.645184
	48.270213
	NAD83
	Oil
True Vertical Depth (TVD):	10,220
Total Water Volume (gal)*:	3,360,995

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	Operator				100.00	87.43572
CERAMIC PROP	Halliburton	Proppant	Crystalline silica, cristobalite	14464-46-1	30.00	2.23159
			Mullite	1302-93-8	100.00	7.43864
			Silica, amorphous - fumed	7631-86-9	30.00	2.23159
SAND - PREMIUM WHITE	Halliburton	Proppant	Crystalline silica, quartz	14808-60-7	100.00	4.89155
CL-22 UC	Halliburton	Crosslinker	Potassium formate	590-29-4	60.00	0.01636

CL-31 CROSSLINKER	Halliburton	Crosslinker	Potassium hydroxide	1310-58-3	5.00	0.00045
			Potassium metaborate	13709-94-9	60.00	0.00542
MO-67	Halliburton	Buffer	Sodium hydroxide	1310-73-2	30.00	0.00768
LoSurf-300D	Halliburton	Surfactant	1,2,4 Trimethylbenzene	95-63-6	1.00	0.00077
			Ethanol	64-17-5	60.00	0.04638
			Heavy aromatic petroleum naphtha	64742-94-5	30.00	0.02319
			Naphthalene	91-20-3	5.00	0.00386
			Poly(oxy-1,2-ethanediyl),alpha-(4-nonylp henyl)-omega-hydroxy-, branched	127087-87-0	5.00	0.00386
FR-66	Halliburton	Friction Reducer	Hydrotreated light petroleum distillate	64742-47-8	30.00	0.00668
OPTIFLO-III DELAYED RELEASE BREAKER	Halliburton	Breaker	Ammonium persulfate	7727-54-0	100.00	0.00650
			Crystalline silica, quartz	14808-60-7	30.00	0.00195
OptiKleen- WF™	Halliburton	Surfactant	Sodium perborate tetrahydrate	10486-00-7	100.00	0.00291
WG-36 GELLING AGENT	Halliburton	Gelling Agent	Guar gum	9000-30-0	100.00	0.06321
Biocide 5000	JACAM	Antibacterial	Glutaraldehyde	111-30-8	50.00	0.00277
			Water	7732-18-5	50.00	0.00277
			Methanol	67-56-1	0.50	0.00003
WSI 3607	JACAM	Scale Inhibitor	Proprietary Component	Proprietary Component	100.00	0.06840
			Ethylene Glycol	107-21-1	100.00	0.06840
			Methanol	67-56-1	100.00	0.06840

WOS 1N	JACAM	Oxygen Scavenger	Proprietary Component	Proprietary Component	100.00	0.00205
			Ethylene Glycol	107-21-1	100.00	0.00205

* Total Water Volume sources may include fresh water, produced water, and/or recycled water

** Information is based on the maximum potential for concentration and thus the total may be over 100

Ingredient information for chemicals subject to 29 CFR 1910.1200(i) and Appendix D are obtained from suppliers Material Safety Data Sheets (MSDS)

Barnett Shale

Well name: Vinson Fee F5

Job Start Date:	4/27/2013
Job End Date:	4/27/2013
State:	Texas
County:	Wise
API Number:	42-497-35271-00-00
Operator Name:	XTO Energy/ExxonMobil
Well Name and Number:	Vinson Fee F5
Longitude:	-97.47309700
Latitude:	32.99932500
Datum:	NAD27
Federal/Tribal Well:	NO
Total Base Water Volume (gal):	644,574
Total Base Non Water Volume:	

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)**
Sand	GoFrac	Proppant				
			Crystalline Silica	14808-60-7	100.00000	5.73484
HCL 35%	Formosa Plastics	Hydrochloric Acid				
			Water	7732-18-5	65.00000	0.21962
			Hydrogen Chloride	7647-01-0	35.00000	0.11825
Antimicrobial 220	Frac-Chem	Biocide				

			Glutaraldehyde	111-30-8	14.00000	0.00212
			Didecyl Dimethyl Ammonium Chloride	7173-51-5	3.00000	0.00045
			Alkyl Dimethyl Benzyl Ammonium Chloride	68424-85-1	3.00000	0.00045
			Ethanol	64-17-5	3.00000	0.00045
Plexaid 673	Chemplex	Scale Inhibitor				
			Methyl Alcohol	67-56-1	25.00000	0.00252
Ferriplex 66	Chemplex	Iron Control				
			Acetic Acid	64-19-7	50.00000	0.00052
Plexhib 256	Chemplex	Corrosion Inhibitor for HCL				
			Methyl Alcohol	67-56-1	40.00000	0.00030
			Propargyl Alcohol	107-19-7	8.00000	0.00006
Plexbreak 145	Chemplex	Non-Emulsifier				
			Methyl Alcohol	67-56-1	15.00000	0.00004
Ingredients shown above are subject to 29 CFR 1910.1200(i) and appear on Material Safety Data Sheets (MSDS). Ingredients shown below are Non-MSDS.						
		Other Chemicals				
			Water	7732-18-5	100.00000	93.87153
			Emulsion Polymer	Proprietary	100.00000	0.02288
			Petroleum Hydrotreated Light Distillate	64742-47-8	99.00000	0.00554
			Alcohol Ehoxylate Surfactants	Proprietary	1.00000	0.00056

			Citric Acid	77-92-9	30.00000	0.00031
			Organic Phosphonic Acid Salts	Proprietary		

* Total Water Volume sources may include fresh water, produced water, and/or recycled water

** Information is based on the maximum potential for concentration and thus the total may be over 100%

Note: For Field Development Products (products that begin with FDP), MSDS level only information has been provided.

Ingredient information for chemicals subject to 29 CFR 1910.1200(i) and Appendix D are obtained from suppliers Material Safety Data Sheets (MSDS)

Well name: Jeffress 3H

Fracture Date:	3/25/2011
State:	TEXAS
County:	JOHNSON
API Number:	4225134020
Operator Name:	CHESAPEAKE
Well Name and Number:	JEFFRESS 3H
Longitude:	-97.316894
Latitude:	32.502513
Long/Lat Projection:	NAD27
Production Type:	GAS
True Vertical Depth (TVD):	7,531
Total Water Volume (gal)*:	1,374,492

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				87.82624
Recycled Produced Water		Carrier/Base Fluid				1.70877
Sand (Proppant)		Proppant				9.34561
Acid, Hydrochloric 15pct	SCHLUMBERGER TECHNOLOGY	Acid	Water	007732-18-5	85.00	0.83576
			Hydrogen Chloride	007647-01-0	15.00	0.14749
L058	SCHLUMBERGER TECHNOLOGY	Iron Control Agent	Sodium Erythorbate	006381-77-7	100.00	0.00874

A264	SCHLUMBERGER TECHNOLOGY	Corrosion Inhibitor	Methanol (Methyl Alcohol)	000067-56-1	40.00	0.00116
			Aliphatic acid	N/A	30.00	0.00087
			Aliphatic alcohols, ethoxylated # 1	N/A	30.00	0.00087
			Propargyl Alcohol (2- Propynol)	000107-19-7	10.00	0.00029
Bactron K-87 Microbiocide	CHAMPION TECHNOLOGIES INC	Anti-Bacterial Agent	Glutaraldehy de (Pentenediol)	000111-30-8	30.00	0.00666
			Alkyl dimethyl ethylbenzyl ammonium chloride (68C12, 32C14)	085409-23-0	10.00	0.00222
			Quaternary Ammonium Compounds, benzyl-C12- 18- alkyldimethy l, chlorides	068391-01-5	10.00	0.00222
			Ethanol	000064-17-5	1.00	0.00022
Gyptron T- 390	CHAMPION TECHNOLO	Scale Inhibitor	Methanol (Methyl Alcohol)	000067-56-1	10.00	0.00058

	GIES INC					
MC B 8642 WS	MULTI-CHE M GROUP LLC	Anti-Bacterial Agent	Glutaraldehyde (Pentanediol)	000111-30-8	60.00	0.00721
			Quaternary Ammonium Compound	068424-85-1	10.00	0.00120
			Ethanol	000064-17-5	1.00	0.00012
MC S-2510T (WS)	MULTI-CHE M GROUP LLC	Scale Inhibitor	Ethylene Glycol	000107-21-1	60.00	0.00581
			Sodium Hydroxide	001310-73-2	5.00	0.00048
J580	SCHLUMBERGER TECHNOLOGY	Gelling Agent	Carbohydrate polymer	N/A	100.00	0.05827
B315	SCHLUMBERGER TECHNOLOGY	Friction Reducer	Petroleum Distillate Hydrotreated Light	064742-47-8	30.00	0.02142
			Aliphatic alcohol polyglycol ether	N/A	1.50	0.00107
J218	SCHLUMBERGER TECHNOLOGY	Breaker	Ammonium Persulfate	007727-54-0	100.00	0.00858
J532	SCHLUMBERGER TECHNOLOGY	Cross Linker	Aliphatic polyol	N/A	40.00	0.00029
			Sodium Tetraborate (Sodium	001303-96-4	30.00	0.00021

			Tetraborate Decahydrate)			
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* Total Water Volume sources may include fresh water, produced water, and/or recycled water

** Information is based on the maximum potential for concentration and thus the total may be over 100

All component information listed was obtained from the supplier's Material Safety Data Sheets (MSDS). As such, the Operator is not responsible for inaccurate and/or incomplete information.

Any questions regarding the content of the MSDS should be directed to the supplier who provided it. The Occupational Safety and Health Administration's (OSHA) regulations govern the criteria for the disclosure of this information. Please note that Federal Law protects "proprietary", "trade secret", and "confidential business information" and the criteria for how this information is reported on an MSDS is subject to 29 CFR 1910.1200(i) and Appendix D.

Well name: Rufus Garrett A3

Fracture Date State: County: API Number: Operator Name: Well Name and Number: Longitude: Latitude: Long/Lat Projection: Production Type:		6/17/2011				
		Texas				
		Denton				
		42-121-				
		30774				
		Devon				
		Energy				
		Rufus				
		Garrett A3				
		-97.38491				
		33.03117				
NAD27						
Gas						
True Vertical Depth (TVD): Total Water Volume (gal)*:		7,256				
		1,384,950				
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)**
Water	Operator	Carrier	Water	7732-18-5	100.00	94.65449
Frac Sand (All Meshes) CWT	BHI	Proppant	Crystalline Silica (Quartz)	14808-60-7	100.00	5.30553
FRW-15A	BHI	Friction Reducer	Copolymer of Acrylamide and Sodium Acrylate	25987-30-8	40.00	0.01257

			Hydrotreated Light Distillate	64742-47-8	30.00	0.00943
			Nonyl Phenol Ethoxylate	127087-87-0	5.00	0.00157
			Sorbitan Monooleate	1338-43-8	5.00	0.00157
SCW5277	BHI	Scale Inhibitor	Phosphonate Salt	CBI	5.00	0.00026
X-Cide 150	BHI	Biocide	Glutaraldehyde	111-30-8	60.00	0.00839
			Quaternary Ammonium Compound	68424-85-1	10.00	0.00140
X-Cide 370	BHI	Biocide	Oxydiethylene Bis(Alkyl* Dimethyl Ammonium Chloride)	68607-28-3	60.00	0.00240
			Methanol	67-56-1	60.00	0.00240

* Total Water Volume sources may include fresh water, produced water, and/or recycled water

** Information is based on the maximum potential for concentration and thus the total may be over 100

All component information listed was obtained from the supplier's Material Safety Data Sheets (MSDS). As such, the Operator is not responsible for inaccurate and/or incomplete information. Any questions regarding the content of the MSDS should be directed to the supplier who provided it. The Occupational Safety and Health Administration's (OSHA) regulations govern the criteria

Marcellus Shale

Well name: Adamson B

Fracture Date	4/27/2012
State:	Pennsylvania
County:	Greene
API Number:	37-059-25643
Operator Name:	EQT
Well Name and Number:	PRODUCTION
Longitude:	ADAMSON B
Latitude:	-80.118167
Long/Lat Projection:	39.968917
Production Type:	NAD83
	Gas
True Vertical Depth (TVD):	7,996
Total Water Volume (gal)*:	8,659,014

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)**
HCl	Halliburton	15 HCl Acid	Hydrochloric Acid	7647-01-0	28	0.0300
HCl HCl	Halliburton	Corrosion Inhibitor	Propargyl Alcohol	107-19-7	10	0.0000
	Halliburton	Corrosion Inhibitor	Methanol	67-56-1	60	0.0003
FR-66	Halliburton	Friction Reducer	Hydrotreated light petroleum	64742-47-8	30	0.0335

			distillate			
BE-9	Halliburton	Biocide	Tributyl tetradecyl phosphonium chloride	81741-28-8	10	0.0047
LP-65	Halliburton	Scale Inhibitor	Ammonium chloride	12125-02-9	10	0.0030
LGC-36	Halliburton	Gelling Agent	Guar Gum	9000-30-0	30	0.0022
LGC-36	Halliburton	Gelling Agent	Naptha, hydrotreated heavy	64742-48-9	30	0.0022
SP Breaker	Halliburton	Oxidizing Breaker	Sodium Persulfate	7775-27-1	100	0.0001
GBW-30	Halliburton	Enzyme Breaker	Hemicellulase Enzyme	9012-54-8	15	0.00000
BA-40L	Halliburton	Buffer	Potassium carbonate	584-08-7	60	0.01255

* Total Water Volume sources may include fresh water, produced water, and/or recycled water

** Information is based on the maximum potential for concentration and thus the total may be over 100

Ingredient information for chemicals subject to 29 CFR 1910.1200(i) and Appendix D are obtained from suppliers Material Safety Data Sheets (MSDS)

Well name: Currey 1H

Fracture Date	4/15/2010
State:	WV
County:	Taylor
API Number:	47-091-01188
Operator Name:	Triana
Well Name and Number:	Currey 1H
Longitude:	-80.14093
Latitude:	39.35
Long/Lat Projection:	NAD83
Production Type:	Gas
True Vertical Depth (TVD):	7,500
Total Water Volume (gal)*:	4,661,580

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)**
Water	Seneca	Carrier / Base Fluid			100	89.721704
Sand (Proppant)	Halliburton Energy Services	Proppant	Crystalline silica, quartz	14808-60-7	100.00	9.55112
7.5 HCl Acid***	Halliburton Energy Services	Solvent	Hydrochloric Acid	7647-01-0	15.00	0.08076
HAI-OS	Halliburton Energy Services	Corrosion Inhibitor	Propargyl alcohol	107-19-7	10.00	0.00005
			Methanol	67-56-1	60.00	0.00028
GBW-30	Halliburton Energy Services	Gel Breaker	Carbohydrates		95.00	0.00001

			Hemicellulase enzyme	9012-54-8	15.00	0.00000
SP	Halliburton Energy Services	Gel Breaker	Sodium persulfate	7775-27-1	100.00	0.00000
LGC-36 UC	Halliburton Energy Services	Liquid Gel Concentrate	Guar gum	9000-30-0	60.00	0.00120
			Naptha, hydrotreated heavy	64742-48-9	60.00	0.00120
LP-65	Halliburton Energy Services	Scale Inhibitor	Ammonium chloride	12125-02-9	10.00	0.00490
BE-9M	Halliburton Energy Services	Biocide	Tributyl tetradecyl phosphonium chloride	81741-28-8	10.00	0.00490
			Methanol	67-56-1	30.00	0.01277
FR-66	Halliburton Energy Services	Friction Reducer	Hydrotreated light petroleum distillate	64742-47-8	30.00	0.02839
	Services					
WG-36	Halliburton Energy Services	Gelling Agent	Guar gum	900-30-0	100.00	0.00014

* Total Water Volume sources may include fresh water, produced water, and/or recycled water

** Information is based on the maximum potential for concentration and thus the total may be over 100

Ingredient information for chemicals subject to 29 CFR 1910.1200(i) and Appendix D are obtained from suppliers Material Safety Data Sheets (MSDS)

Well name: Zogal 2H

Fracture Date		5/16/2011				
State:		WV				
County:		Marion				
API Number:		47-049-02146				
Operator Name:		XTO Energy				
Well Name and Number:		Zogal 2H				
Longitude:		-80.34837				
Latitude:		39.48734				
Long/Lat Projection:		NAD27				
Production Type:		Gas				
True Vertical Depth (TVD):		7,465				
Total Water Volume (gal)*:		3,706,034				
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)**
Water				7732-18-5	100.00	88.746
Sand		Proppant	Crystalline Silica	14808-60-7	100.00	10.691
Biocide EC 6116A	Universal	Biocide				
			Dibromoacetonitrile	3252-43-5	5.00	0.002
			2,2-Dibromo-3-nitrilopropionamide	10222-01-2	30.00	0.010
			Polyethylene Glycol	25322-	60.00	0.020

			68-3		
			Other - unspecified	5.00	0.002
Unislik ST 50	Universal	Friction Reducer			
			Hydrotreated light distillates	64742- 47-8	30.00
			Polyacrylamide powder and other		70.00
EC 6486A	Universal	Scale Inhibitor			
			Ethylene glycol	107-21-1	30.00
			Other - unspecified		70.00
7.5 HCl Acid	Universal	Cleaning			
			Hydrogen Chloride	7647-01- 0	7.50
			Water	7732-18- 5	92.50

* Total Water Volume sources may include fresh water, produced water, and/or recycled water

** Information is based on the maximum potential for concentration and thus the total may be over 100

All component information listed was obtained from the supplier's Material Safety Data Sheets (MSDS). As such, the Operator is not responsible for inaccurate and/or incomplete information. Any questions regarding the content of the MSDS should be directed to the supplier who provided it. The Occupational Safety and Health Administration's (OSHA) regulations govern the criteria for the disclosure of this information. Please note that Federal Law protects "proprietary", "trade secret", and "confidential business information" and the criteria for how this information is reported on an MSDS is subject to 29 CFR 1910.1200(i) and Appendix D.

Appendix II – Employment in Hydraulic Fracturing Industry^[71]

Occupation	2012		Projected 2022		Employment change 2012-2022	
Title	Employment (in thousands)	Percent of Industry	Employment (in thousands)	Percent of Industry	Number (in thousands)	Percent
Total, all occupations	186.8	100	220.7	100	33.9	18.1
Chief executives	0.8	0.4	0.8	0.4	0.1	9.6
General and operations managers	5.6	3	6.4	2.9	0.9	15.4
Marketing managers	0.6	0.3	0.6	0.3	0.1	15.4
Sales managers	0.5	0.3	0.6	0.3	0.1	15.4
Public relations and fundraising managers	0.2	0.1	0.2	0.1	0	15.4
Administrative services managers	0.6	0.3	0.7	0.3	0.1	15.4
Computer and information systems managers	0.6	0.3	0.7	0.3	0.1	15.4
Financial managers	2.6	1.4	3	1.3	0.4	15.4
Industrial production managers	1.5	0.8	1.7	0.8	0.2	15.4
Purchasing managers	0.5	0.3	0.6	0.3	0.1	15.4
Transportation, storage, and distribution managers	0.4	0.2	0.4	0.2	0.1	15.4
Human resources managers	0.6	0.3	0.7	0.3	0.1	15.4
Training and development managers	0.1	0	0.1	0	0	15.4
Construction managers	0.3	0.2	0.3	0.2	0	16
Architectural and engineering managers	7.2	3.8	8.3	3.7	1.1	15.4
Natural sciences managers	0.3	0.1	0.3	0.1	0	15.4
Property, real estate, and community association managers	1.5	0.8	1.7	0.8	0.2	15.4
Managers, all other	1.1	0.6	1.2	0.6	0.2	15.4

Purchasing agents, except wholesale, retail, and farm products	0.5	0.3	0.6	0.3	0.1	15.4
Compliance officers	0.9	0.5	1.1	0.5	0.1	15.4
Human resources specialists	0.9	0.5	1	0.4	0.1	7.3
Logisticians	0.7	0.4	0.9	0.4	0.2	34.5
Management analysts	1.2	0.6	1.3	0.6	0.2	15.4
Compensation, benefits, and job analysis specialists	0.1	0.1	0.2	0.1	0	9.6
Training and development specialists	0.1	0.1	0.2	0.1	0	15.4
Market research analysts and marketing specialists	0.4	0.2	0.6	0.3	0.1	33.3
Business operations specialists, all other	5	2.7	5.7	2.6	0.8	15.4
Accountants and auditors	7.2	3.8	8.3	3.8	1.1	15.4
Financial analysts	1.7	0.9	2	0.9	0.3	15.4
Financial specialists, all other	0.2	0.1	0.3	0.1	0	15.4
Computer systems analysts	3.1	1.7	4	1.8	0.8	26.9
Information security analysts	0.1	0.1	0.2	0.1	0	32.7
Computer programmers	0.3	0.2	0.3	0.2	0	3.8
Software developers, applications	0.1	0	0.1	0	0	15.4
Web developers	0.1	0	0.1	0	0	15.4
Database administrators	0.2	0.1	0.2	0.1	0	9.6
Network and computer systems administrators	2.1	1.1	2.4	1.1	0.3	15.4
Computer network architects	0.1	0	0.1	0	0	15.4
Computer user support specialists	0.5	0.3	0.6	0.3	0.1	15.4
Computer network support specialists	0.5	0.3	0.5	0.2	0	4.4
Cartographers and photogrammetrists	0.1	0	0.1	0	0	15.4

Surveyors	0.2	0.1	0.2	0.1	0	15.4
Chemical engineers	0.6	0.3	0.7	0.3	0.1	15.4
Civil engineers	0.2	0.1	0.3	0.1	0	15.4
Electrical engineers	0.2	0.1	0.3	0.1	0	15.4
Environmental engineers	0.6	0.3	0.7	0.3	0.1	15.4
Health and safety engineers, except mining safety engineers and inspectors	0.2	0.1	0.3	0.1	0	15.4
Industrial engineers	3	1.6	3.5	1.6	0.5	15.4
Materials engineers	0.1	0	0.1	0	0	15.4
Mechanical engineers	0.4	0.2	0.5	0.2	0.1	15.4
Mining and geological engineers, including mining safety engineers	0.4	0.2	0.4	0.2	0.1	15.4
Petroleum engineers	20.5	11	28.5	12.9	8	39.1
Engineers, all other	1.2	0.6	1.4	0.6	0.2	15.4
Electrical and electronics engineering technicians	0.3	0.1	0.3	0.1	0	15.4
Environmental engineering technicians	0.5	0.3	0.6	0.3	0.1	15.4
Industrial engineering technicians	0.6	0.3	0.6	0.3	0.1	15.4
Mechanical engineering technicians	0.1	0	0.1	0	0	15.4
Engineering technicians, except drafters, all other	1.9	1	2.2	1	0.3	15.4
Surveying and mapping technicians	0.4	0.2	0.5	0.2	0.1	15.4
Physicists	0.3	0.2	0.4	0.2	0.1	15.4
Environmental scientists and specialists, including health	0.7	0.4	0.9	0.4	0.1	15.4
Geoscientists, except hydrologists and geographers	9.9	5.3	11.4	5.2	1.5	15.4
Economists	0.2	0.1	0.3	0.1	0	15.4
Chemical technicians	0.1	0	0.1	0	0	15.4

Geological and petroleum technicians	3	1.6	3.5	1.6	0.5	15.4
Lawyers	1.3	0.7	1.5	0.7	0.2	15.4
Paralegals and legal assistants	0.3	0.1	0.3	0.1	0	15.4
Title examiners, abstractors, and searchers	0.8	0.4	0.9	0.4	0.1	15.4
Legal support workers, all other	0.1	0.1	0.1	0.1	0	15.4
Public relations specialists	0.1	0.1	0.1	0.1	0	15.4
Occupational health and safety specialists	0.7	0.4	0.8	0.4	0.1	15.4
Occupational health and safety technicians	0.1	0	0.1	0	0	15.4
Janitors and cleaners, except maids and housekeeping cleaners	0.3	0.1	0.3	0.1	0	15.4
First-line supervisors of non-retail sales workers	0.2	0.1	0.2	0.1	0	15.4
Sales representatives, services, all other	0.3	0.2	0.4	0.2	0.1	15.4
Sales representatives, wholesale and manufacturing, technical and scientific products	0.3	0.2	0.4	0.2	0	15.4
Sales representatives, wholesale and manufacturing, except technical and scientific products	0.5	0.3	0.6	0.3	0.1	15.4
Real estate sales agents	0.8	0.4	0.9	0.4	0.1	15.4
First-line supervisors of office and administrative support workers	1.5	0.8	1.8	0.8	0.2	15.4
Billing and posting clerks	0.1	0.1	0.1	0.1	0	15.4
Bookkeeping, accounting, and auditing clerks	4	2.2	4.6	2.1	0.6	15.4
Payroll and timekeeping clerks	0.2	0.1	0.2	0.1	0	15.4
Customer service representatives	0.1	0	0.1	0	0	15.4

File clerks	0.3	0.2	0.3	0.1	0	-3.8
Order clerks	0.2	0.1	0.2	0.1	0	3.8
Human resources assistants, except payroll and timekeeping	0.1	0	0.1	0	0	3.8
Receptionists and information clerks	0.6	0.3	0.6	0.3	0	3.8
Information and record clerks, all other	0.7	0.4	0.7	0.3	0	3.8
Production, planning, and expediting clerks	0.8	0.4	1	0.4	0.1	15.4
Stock clerks and order fillers	0.2	0.1	0.2	0.1	0	3.8
Weighers, measurers, checkers, and samplers, recordkeeping	0.1	0	0.1	0	0	15.4
Executive secretaries and executive administrative assistants	4	2.1	4.1	1.9	0.1	3.2
Secretaries and administrative assistants, except legal, medical, and executive	5	2.7	6.1	2.7	1.1	21.7
Data entry keyers	0.1	0.1	0.1	0	0	-25
Office clerks, general	3.2	1.7	3.5	1.6	0.3	9.6
Office and administrative support workers, all other	0.2	0.1	0.2	0.1	0	9.6
First-line supervisors of construction trades and extraction workers	4.7	2.5	5.6	2.5	0.9	18.8
Construction laborers	0.2	0.1	0.2	0.1	0	15.4
Operating engineers and other construction equipment operators	0.4	0.2	0.5	0.2	0.1	15.4
Electricians	0.4	0.2	0.4	0.2	0.1	15.4
Plumbers, pipefitters, and steamfitters	0.1	0	0.1	0	0	15.4
Derrick operators, oil and gas	2.6	1.4	3	1.4	0.4	15.4
Rotary drill operators, oil and gas	4.7	2.5	5.5	2.5	0.8	16
Service unit operators, oil, gas, and	6	3.2	6.9	3.1	0.9	15.4

mining						
Earth drillers, except oil and gas	0.1	0	0.1	0	0	15.4
Roustabouts, oil and gas	8.5	4.5	9.8	4.4	1.3	15.4
Helpers--extraction workers	1.1	0.6	1.3	0.6	0.2	15.4
Extraction workers, all other	0.3	0.1	0.3	0.1	0	15.4
First-line supervisors of mechanics, installers, and repairers	0.7	0.4	0.8	0.4	0.1	15.4
Electrical and electronics repairers, commercial and industrial equipment	0.1	0.1	0.1	0.1	0	21.1
Bus and truck mechanics and diesel engine specialists	0.1	0.1	0.1	0.1	0	15.4
Mobile heavy equipment mechanics, except engines	0.1	0.1	0.2	0.1	0	15.4
Control and valve installers and repairers, except mechanical door	0.5	0.2	0.5	0.2	0.1	15.4
Industrial machinery mechanics	1.6	0.9	2.3	1	0.6	38.4
Maintenance workers, machinery	0.2	0.1	0.3	0.1	0.1	26.9
Maintenance and repair workers, general	1.1	0.6	1.3	0.6	0.2	15.4
Riggers	0.1	0.1	0.2	0.1	0	26.9
First-line supervisors of production and operating workers	2.1	1.1	2.4	1.1	0.3	15.4
Drilling and boring machine tool setters, operators, and tenders, metal and plastic	0.1	0	0.1	0	0	-7.7
Machinists	0.1	0.1	0.2	0.1	0	26.9
Welders, cutters, solderers, and brazers	0.5	0.3	0.6	0.3	0.1	15.4
Power plant operators	0.1	0.1	0.1	0.1	0	15.4
Gas plant operators	1.3	0.7	1.4	0.7	0.2	15.4
Petroleum pump system operators, refinery operators, and gaugers	5.8	3.1	6.7	3	0.9	15.4

Inspectors, testers, sorters, samplers, and weighers	0.5	0.2	0.5	0.2	0.1	15.4
Production workers, all other	1.4	0.8	1.7	0.7	0.2	15.4
First-line supervisors of helpers, laborers, and material movers, hand	0.3	0.2	0.3	0.1	0	15.4
First-line supervisors of transportation and material-moving machine and vehicle operators	0.9	0.5	1.1	0.5	0.1	15.4
Commercial pilots	0.2	0.1	0.2	0.1	0	15.4
Heavy and tractor-trailer truck drivers	1.1	0.6	1.2	0.6	0.2	15.4
Laborers and freight, stock, and material movers, hand	0.7	0.4	0.8	0.4	0.1	15.4
Gas compressor and gas pumping station operators	0.8	0.4	0.9	0.4	0.1	15.4
Pump operators, except wellhead pumpers	2	1.1	2.3	1.1	0.3	15.4
Wellhead pumpers	9.1	4.9	10.5	4.7	1.4	15.4

Appendix III – Severance Tax for Different States^[14]

State	Type of Tax	Description of Tax Rates
Alabama	Oil and Gas Privilege Tax on Production	8 percent of gross value at point of production
		4 percent of gross value at point of incremental production for enhanced recovery projects
		4 percent if oil wells produce 25 barrels or less per day or if gas wells produce 200,000 cubic feet or less gas per day
		6 percent of gross value at point of production for certain on-shore and off-shore wells.
		50 percent rate reduction for wells permitted by the oil and gas board on or after July 1, 1996 and before July 1, 2002 for 5 years from initial production, except for replacement wells for which the initial permit was dated before July 1, 1996.
Alaska	Petroleum Profits Tax (PPT)	Ranges from 25 percent to 50 percent depending on net value of oil and gas, which is the value at point of production minus certain lease expenditures
		22.5 percent net value at wellhead
		There is an additional surcharge for each dollar when net value exceeds \$40 per barrel. This cannot exceed 25 percent of the monthly production tax value of taxable oil and gas.
		Conservation surcharge of 4 cents per barrel and an additional 1 cent per barrel if there is less than \$50 million in the Hazardous Release Fund
Arizona	Severance Tax	3.125 percent for oil and gas production and nonmetal mining
Arkansas	Oil and Gas Conservation Tax	0.3 of \$0.01 cent per MCF for natural gas
		Four percent to five percent depending on production levels for crude oil
California	Oil and Gas Production Assessment	Rate determined annually by Department of Conservation
Colorado	Severance Tax	Two to five percent based on gross income for oil, gas, carbon dioxide and coalbed methane
		Four percent of gross proceeds on production exceeding 15,000 tons per day for oil shale
	Oil and Gas Conservation Levy	Maximum 1.5 mills/\$1 of market value at wellhead

Florida	Oil, Gas and Sulfur Production Tax	Five percent of gross value for small well oil
		Eight percent of gross value for all other and an additional 12.5 percent for escaped oil
		For gas, the gas base rate times the gas base adjustment rate each fiscal year
Idaho	Oil and Gas Production Tax	Maximum of five mills/bbl. of oil and five mills/50,000 cubic feet of gas
	Additional Oil and Gas Production Tax	Two percent of market value at site of production
Indiana	Petroleum Production Tax	One percent of value or \$0.24 per barrel for oil, or \$0.03 per 1,000 cubic feet of gas (whichever is greater)
Kansas	Severance Tax	Eight percent of gross value of oil and gas, less property tax credit of 3.67 percent
	Oil and Gas Conservation Tax	91 mills/bbl crude oil or petroleum marketed or used each month
		12.9 mills/1,000 cubic feet of gas sold or marketed each month
Kentucky	Oil Production Tax	4.5 percent of market value
	Natural Resource Severance Tax	4.5 percent of gross value, less transportation expenses
Louisiana	Natural Resources Severance Tax	Varies according to substance
	Oil Field Restoration Fee	Varies according to type of well and production
Michigan	Gas and Oil Severance Tax	Five percent for gas
		6.6 percent for oil
		Four percent (oil from stripper wells and marginal properties) of gross cash market value of the total production
		Maximum additional fee of 1 percent gross cash market value on all oil and gas produced in state in previous year
Mississippi	Oil and Gas Severance Tax	Six percent of the value at point of gas production
		Three percent of gross value of occluded natural gas from coal seams at point of production for the well's first five years
		Maximum 35 mills/bbl. oil or four mills/1,000 cubic feet of gas (Oil and Gas Board maintenance tax)
		Six percent of value at the point of oil production
		Three percent of value at production when enhanced oil recovery is used

Montana	Oil or Gas Conservation Tax	Maximum of 0.3 percent on the market value of each barrel of crude petroleum oil or 10,000 cubic feet of natural gas produced, saved and marketed or stored within or exported from the state
	Oil or Natural Gas Production Tax	Varies from 0.5 percent to 14.8 percent according to the well and type of production
Nebraska	Oil and Gas Severance Tax	Three percent of value of nonstripper oil and natural gas
	Oil and Gas Conservation Tax	Two percent of value of stripper oil. Maximum of 15 mills/\$1 of value at wellhead
Nevada	Oil and Gas Conservation Tax	\$50/mills/bbl of oil and 50 mills/50,000 cubic feet of gas
New Hampshire	Refined Petroleum Products Tax	0.1 percent of fair market value
	Excavation Tax	\$0.02 per cubic yard of earth excavated
New Mexico	Oil and Gas Severance Tax	3.75 percent of value of oil, other liquid hydrocarbons, natural gas and carbon dioxide
	Oil and Gas Emergency School Tax	• 3.15 percent of value of oil, other liquid hydrocarbons and carbon dioxide; Four percent of the value of natural gas
	Natural Gas Processor's Tax	\$0.0220/mmBtu tax on the volume
	Oil and Gas Ad Valorem Production Tax	Based on property tax in the district of production
	Oil and Gas Conservation Tax	0.19 percent of value
North Carolina	Oil and Gas Conservation Tax	Maximum of five mills/barrel of oil and 0.5 mill/1,000 cubic feet of gas
North Dakota	Oil Gross Production Tax	Five percent of gross value at the well
	Gas Gross Production Tax	\$0.04 per 1,000 cubic feet of gas produced. The rate is subject to a gas rate adjustment each fiscal year.
	Oil Extraction Tax	6.5 percent of gross value at the well. Exceptions exist for certain production volumes and incentives for enhanced recovery projects.
Ohio	Resource Severance Tax	\$0.10/bbl of oil
		\$0.025/1,000 cubic feet of natural gas
Oklahoma	Oil, Gas and Mineral Gross Production Tax and Petroleum Excise Tax	Seven percent if greater than \$2.10 mcf; four percent if greater than \$1.75 mcf but less than \$2.10 mcf; and one percent if less than \$1.75 mcf natural gas and casing head gas (a byproduct of natural gas extraction), and 0.95 percent levied on crude oil, casing head gas and natural gas.

		Oil Gross Production Tax is variable based on the average price of Oklahoma oil. The tax rate is seven percent if average price is equal to or exceeds \$17/bbl; four percent if the average price is less than \$17/bbl but equal to or exceeds \$14/bbl; and one percent if the average price is less than \$14/bbl.
Oregon	Oil and Gas Production Tax	Six percent of gross value at well
South Dakota	Energy Minerals Severance Tax	4.5 percent of taxable value of all energy minerals
	Conservation Tax	2.4 mills of taxable value of all energy minerals
Tennessee	Oil and Gas Severance Tax	Three percent of sales price
Texas	Natural Gas Production Tax	7.5 percent of market value of gas
		Condensate Production Tax is 4.6 percent of market value of gas
	Oil-Field Cleanup Regulatory Fees	5/8 of \$0.01/barrel 1/15 of \$0.01/1,000 cubic feet of gas
Utah	Oil and Gas Severance Tax	Three percent of value for the first \$13 per barrel of oil and five percent if the value is \$13.01 or higher
		Three percent of value for the first \$1.50/mcf and five percent if the value is \$1.51 or higher
	Oil and Gas Conservation Fee	Four percent of taxable value of natural gas liquids 0.002 percent of market value at the wellhead
West Virginia	Natural Resource Severance Taxes	Five percent of gross value for natural gas; ten percent of net tax is distributed to local governments
		Five percent of gross value for oil; ten percent of net tax is distributed to local governments
		Additional tax for workers' compensation debt reduction rate of \$0.047/mcf of natural gas produced
Wisconsin	Oil and Gas Severance Tax	Seven percent of market value of oil or gas at the mouth of the well
Wyoming	Severance Taxes	Six percent on crude oil, lease condensate or natural gas
		Four percent for stripper oil

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