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## PUTTING THE BEST FACE ON FRACKING WATER IN A DROUGHT

### New water recycling group seeks oil industry tax breaks, a carrot not a stick

House Energy Resources Chairman **Jim Keffer**, R-Eastland, began a joint hearing about fracking and water use yesterday afternoon talking about all the “bad press” the oil and gas industry gets. He pointed to **Matt Damon** starring in the anti-fracking flick “*Promised Land*” and the industry-hated documentary “*Gasland*” of yore.

For the next four hours Keffer encouraged oil and gas producers and water recycling companies to put their best gloss and gleam on all they are doing to limit their use of freshwater during one of the worst droughts in Texas history.

As the combined hearing with the *House Natural Resources Committee* pushed into the dinner hour, downstream rice farmers dependent on the *Lower Colorado River Authority*’s Highland Lakes water were learning they’d likely lose the LCRA’s Highland Lakes water for the second year in a row. And during the height of Texas’ 2011 drought and heat wave, some cities in the *Eagle Ford Shale* area saw their water supplies dry up, Keffer noted, forcing them to truck in water.

So when the *Texas Oil & Gas Association*’s general counsel **Cory Pomeroy** reminded lawmakers the industry uses less than one percent of the state’s water for exploration of oil and gas – a percentage he agreed under questioning can be much higher in counties with heavy fracking activity – Keffer stepped in with a public relations pep talk.

“I think it behooves the industry to make sure we are understanding where we are in the limelight,” Keffer said, “and highlight the fact that we are trying to get away from fresh water. We have to make sure people know we are not sitting on our hands and saying, ‘We are (using) less than one percent, so why are people upset?’ The fact is they are. So we have to deal with that and go down that pathway of using the least amount of fresh water we can.”

Lest anyone assume the problem is temporary, an atmospheric science and oceanography professor from *Texas A&M University* said the time to plan for continued weather extremes in Texas is now.

The global climate is changing, and temperatures are rising, driven by human activities and the resulting increase in carbon dioxide and other emissions of tiny particulate mater, said the professor, **Gerald North**. Temperatures will continue rising steadily as long as greenhouse gases continue increasing.

“I think the evidence is now strong enough that it really should be taken very seriously by all of you,” North said. “As the storm belt moves north, we’ll get less precipitation in our state. We can expect that. Also we can expect our summers will get a little longer.”

As Texas heads toward the end of this century, North predicted, “we will see more prolonged extremes. What we saw in the 1950s may be happening now.”

A parade of oil and gas producers and recycling companies told lawmakers they are attempting to use more

brackish water, although it's not always readily available where they are drilling. They're also using gels and reusing water – anywhere from 15 percent to 25 percent that flows back to the surface during fracking operations. Some companies are recycling water back to a freshwater state, while others are covering their retention ponds to avoid evaporation.

**Brent Halldorson**, chief operating officer of *Fountain Quail Water Management*,

said 900 million gallons of flow-back water have been recycled back to freshwater in the *Barnett Shale* in the past nine years.

He also announced the formation of the *Texas Water Recycling Association*, which he chairs. **Former Railroad Commission Executive Director John Tintera** is president of the brand new group, which is signing up its first members.

Halldorson said the group wants to work across multiple industries, including oil and gas, to use one industry's waste as source water in other areas. He also made an immediate pitch for using a carrot approach – namely severance tax breaks for the oil industry – to encourage rather than mandating more water recycling.

“Congratulations on your new group,” retorted **Natural Resource Committee Chairman Alan Ritter**, R-Nederland. “It kind of sounds familiar, though. First thing you do is come up and ask for new tax incentives. Good luck with that, sir.”

Ritter asked if companies are actually reusing up to 25 percent of their water now, why not require them to reuse 50 percent in five years and 100 percent in 10 years?

“To be completely blunt, we'd like to see it done without any legislation at all,” Halldorson said.

**Warren Sumner** is chief executive officer of *Omni Water Solutions*, a company billing itself as having the most advanced mobile water treatment units for recycling water used in fracking operations.

“There is no silver bullet technology that is going to solve all problems,” he said. “We use a portfolio of eight different technologies.”

He said the answer to Ritter's question about mandating recycling of fracking water is fairly straightforward.

“We don't have enough capacity to handle industry's need right now,” he said.

Freshman **Rep. Gene Wu**, D-Houston, asked how much of the oil and gas industry is the water recycling industry able to serve.

About 25 percent, Sumner replied. And how much of that, Wu asked, is fresh water?

By Polly Ross Hughes

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