

Spreading Like Wildfire: Oil and gas leases mean that fracking could occur on tens of millions of acres of U.S. lands

According to a new NRDC analysis, at the end of 2011, 70 of the largest oil and gas companies operating in the United States held leases covering at least 141 million net acres of American land—an area approximately the size of California and Florida combined and more than six percent of the country.¹ This is a minimum number of the acres leased nationwide because we only examined 70 out of hundreds of oil and gas producers in America.

And although many of these 141 million acres are already drilled, tens of millions of leased acres are not yet drilled, making them prime targets for drilling and fracking operations in the future.



When it comes to public land, 38.5 million acres of oil and gas resources were leased by the federal government as of the end of 2011. These lands may be private property in a split estate situation, or national forests that are watersheds for large populations. A March 2012 report from the Department of the Interior found that 56 percent of federal onshore leases were neither in exploration nor production—an area about the size of South Carolina. Though all of this undeveloped but leased land may seem unspoiled now, it could see fracking in the future.

HOW MUCH DEVELOPMENT IS YET TO OCCUR ON LANDS UNDER LEASE?

We don't know exactly because only some of the companies specified how many of the acres they have leased already have producing wells. Of those that did provide this statistic, 40 percent of their acres did not yet have any producing wells. Given the environmental history of the oil and gas industry, NRDC is extremely concerned about the risks to clean air, clean water, healthy communities, wildlands, and wildlife habitat that could come from this magnitude of development. New drilling brings new roads, traffic, spills, leaks, land disturbance, noise and more negative consequences to communities. The lands already drilled are currently at risk of serious air and water pollution, and those planned for future drilling face the same.

Additional findings from NRDC's analysis include:

- Eight of the 70 companies we reviewed are foreign companies. They reported that they hold leases for 8.5 million acres—many through joint ventures with American companies.
- The five companies that reported the largest lease holdings were Chesapeake Energy, ExxonMobil, ConocoPhillips, Occidental Petroleum, and Cimarex Energy (there are incomplete data for some companies and BP did not report its onshore acreage in the filings we reviewed).
- 30 companies each held at least 1 million acres.



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Solutions to limiting harmful fracking activities:

- Maximize energy efficiency and renewable energy development.
- Issue strong Bureau of Land Management rules to help protect drinking water, clean air, wildlands, and communities where there are federal oil and gas leases.
- Close loopholes in federal environmental and safety laws for oil and gas operations.
- Establish rigorous state laws for all aspects of oil and gas exploration and development.
- Place the most sensitive lands, including critical watersheds, completely off limits to fracking.
- Allow communities to determine their future by ensuring their authority to restrict fracking and other oil and gas activities

America's energy needs don't require or justify this level of widespread drilling. The United States should instead be maximizing energy efficiency and renewable sources of energy as quickly as possible to transition to a clean energy economy. Yet oil and gas development continues to occur, and protection of clean air, clean water, healthy communities is inadequate. The health of these lands across the country depends on the strongest possible state, local and federal rules, as well as the capacity for inspections, enforcement, monitoring, and record keeping needed to enforce them over such a large area. These facts dramatically underscore the dire need for new environmental and health protections to safeguard our clean water, clean air, healthy communities, and pristine wildlands now, in order to help prevent all the dangers that will come with oil and gas development yet to materialize.

Methodology

Our analysis looked at the net area, which avoids double-counting where any companies share their acreage through joint ventures, and considers the percent interest a company owns at each site. Some companies did not distinguish between onshore and offshore lease acreage in their reports. Of those that did not, some, such as Apache, identified at least some of their onshore acreage. While we don't know if those areas are exhaustive or not, we used those numbers, so our total estimate for acres leased nationwide is likely to be an underestimate. For ConocoPhillips the SEC filing did not have enough data so we used information from its website. BP and some other companies did not report any U.S.-specific information on the acreage held in the filings we reviewed. American companies file 10-K forms and foreign companies file either a 20-F or a 40-F form.

Stay up to speed on the latest policy analysis about fracking. Bookmark NRDC's information center at www.nrdc.org/energy/gasdrilling.

1 Three companies provided information in reports submitted in June 2012.