

Investors seek disclosure of 'fracking' oil, gas risks

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BOSTON—Investors have filed shareholder resolutions asking several major oil and gas companies to disclose the environmental and financial risks associated with natural gas fracturing, or “fracking,” operations and their strategies for mitigating those risks.

Poor well construction can lead to drinking water contamination, well explosions and gas leaks, according to the shareholder groups, which include Domini Social Investments L.L.C., Trillium Asset Management Corp., Miller Howard Investments Inc., corporate accountability campaigners **As You Sow**, the Sisters of St. Francis of Philadelphia and the New York State comptroller's office.

“Oil and gas firms are being too vague about how they will manage the environmental challenges resulting from fracking,” New York State Comptroller Thomas DiNapoli said in a statement Monday. “The risks associated with unconventional shale gas extraction have the potential to negatively impact shareholder value.”

Among companies that have received the shareholder resolutions are Anadarko Petroleum Corp., Cabot Oil & Gas Corp., Carrizo Oil & Gas Inc., Chevron Corp., Energen Corp., ExxonMobil Corp., Ultra Petroleum Corp. and Southwestern Energy Co.

“We have been very vocal in our support of greater transparency and disclosure and recently announced our support for the efforts of the Ground Water Protection Council and the Interstate Oil & Gas Conservation Commission to create a state-based system for disclosing the contents of hydraulic fracturing fluids on a public registry,” an Anadarko spokesman said.

Carrizo Oil & Gas had no comment. The others were unavailable for comment.

The resolutions also request that the companies recycle and reuse wastewater, reduce the volume and toxicity of chemicals, and ensure the integrity of well cementing by using pressure testing and other methods.

The resolutions are being coordinated by the Investor Environmental Health Network, a Boston-based partnership of investment managers concerned about the financial and public health risks associated with corporate toxic chemicals policies, and Green Century Capital Management Inc., the administrator of the Green Century Funds, a family of environmentally responsible mutual funds, also based in Boston.

The texts of the resolutions are available at the IEHN website at <http://iehn.org/resolutions.shareholder.php> along with additional details about investor concerns at <http://iehn.org/overview.naturalgashydraulicfracturing.php>.