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Revised Estimates on Monterey Shale Formations Oil Production Potential Supports Call for Fracking Moratorium

Sacramento – The Los Angeles Times reported today that the U.S. Energy Information Administration has dramatically downgraded the amount of oil it expects to be recoverable from the Monterey Shale formations in California.

The agency originally estimated the formations, which underlay areas including from Orange County to Fresno and to the coast, would produce 15.4 billion barrels of oil in 2011. Subsequently, the agency reduced its estimate to 13.7 billion barrels last year. Now the agency has further reduced the estimate to just 600 million barrels of recoverable oil. That's equivalent to about a month's worth of U.S. oil consumption.

Hopes of exploiting deep shale formations like the Monterey Shale formations have fed a nationwide increase in the use of extreme extraction methods, including fracking and acid stimulation, that have been linked to increases in, water pollution, air pollution, land and soil degradation, earthquakes and climate-disrupting pollution.

Statement from Kathryn Phillips, director, Sierra Club California:

“This is the second time in less than a year that the federal government has adjusted its estimates for production from the Monterey Shale formations. This underscores how little anyone really knows and understands about the formations and the extreme extraction methods that the oil industry is currently using--intensely--in California to exploit that formation. It highlights that we need a time out on these extreme methods, like fracking, to assess what's really going on. We need a moratorium.

“The new estimates further support the idea that California needs to focus more on developing and advancing clean fuels and renewable energy. Relying on oil leads to an economic dead end.

“The press responses from the oil industry to the new estimates suggest that the industry isn't fazed. The new estimates won't discourage the oil companies and oil industry service companies that, through fracking, have created something akin to a legal pyramid scheme. They'll still grab drilling rights and build one frack site after the other if they think they can draw investors. And they'll leave in their wake non- or low-producing frack sites, contaminated water, dirty air, toxic waste and damaged land.”

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Sierra Club California is the legislative and regulatory advocacy arm of the 13 Sierra Club chapters in California, representing more than 380,000 members and supporters statewide.