



Ciris agrees to fines, water testing at Powder River Basin well sites

By JEREMY FUGLEBERG Casper Star-Tribune | Posted: Tuesday, March 8, 2011 11:45 pm

CASPER, Wyo. — A firm with a process to speed up methane gas production by feeding underground microbes has admitted to injecting that chemical "feed" underground without proper permitting.

Denver-based Ciris Energy has agreed to pay a \$1,500 fine and conduct water testing at Powder River Basin well sites where it injected chemicals that feed underground microbes that produce methane gas.

Tuesday's settlement with the Wyoming Oil and Gas Conservation Commission (WOGCC) came after Ciris agreed to pay a \$25,922 fine to the Wyoming Department of Environmental Quality for the injections.

There was confusion between Ciris and the owner and operator of the wells, said Lynn Boomgaarden, Ciris Energy's lawyer in the matter.

She said Ciris expected the other firms would file the appropriate documents and when they didn't, it put Ciris into a "gray area" of enforcement by the Wyoming DEQ and the WOGCC.

"I think it's fairly an unusual case, in my personal opinion," she said. "I don't think it requires additional rule-making."

USA Exploration, the owner of the well, also agreed to a \$1,500 fine to the WOGCC.

Boomgaarden said the additional testing of the well would be conducted by an independent party.

Representatives from the Powder River Basin Resource Council, a landowner group, told the commission they were concerned about a number of the chemicals used by Ciris, a list unveiled in filings with the Wyoming DEQ.

The chemicals injected by Ciris into the wells included ammonium chloride, acetate, sodium phosphate, sodium bromide, potassium chloride, cobalt chloride and nickel chloride. Some of those ingredients are known to cause cancer, said Jill Morrison, a representative of the group.

"While Ciris claims that microbes consume all these chemicals, we do not know whether this is true or certain," she said.

In the letter to the Wyoming DEQ, Ciris President Robert Downey assured that the injections would have a minimal effect on groundwater.

"All of these materials are fully consumed by the indigenous methanogenic consortia, leaving only modest amounts of sodium and chloride ions in the formation water," he wrote.

Many members of the Powder River Basin Resource Council live in the Powder River Basin and get their drinking water from groundwater.

"We do hope there will be ongoing monitoring and full disclosure to the public," council member Shannon Anderson said.

The injections were reported to the Wyoming DEQ in October by an anonymous caller who said Ciris was injecting "hazardous material" into the wells without a permit, according to a letter from the Wyoming DEQ to Ciris and Casper-based Continental Production Co., which was leasing the wells.

Representatives from Ciris and Denver-based Luca Technologies — which uses a process that also accelerates methane gas production by microbes — recently pushed for legislation that would set up a permitting process for their methods.

The legislation was approved and signed by Gov. Matt Mead, who also sits on the WOGCC.

Boomgaarden told the commission the new legislation clarifies the rule-making process needed to OK the underground procedures.