

Major Utah oil-shale project clears ‘tremendous milestone,’ but at what cost to the environment?

North America’s first commercial oil-shale operation cleared perhaps its biggest hurdle when the federal government authorized a [14-mile corridor across public land](#) in eastern Utah’s Uinta Basin to service a proposed strip mine and processing plant that could produce 50,000 barrels of crude a day — but also deplete the Green River.

The Bureau of Land Management issued the [decision last week after a six-year environmental review](#) that dodged studying impacts associated with the controversial South Project, proposed by Estonia-based [Enefit American Oil](#) on private land 40 miles southeast of Vernal.

Environmental activists argue that this omission renders the decision suspect because the 9,000-acre mine’s impacts to air quality, groundwater, the Green and White rivers and the landscape remain unknown.

“The utility project’s reason for existence is to service and facilitate the South Project development,” said Michael Toll, a staff attorney with the Grand Canyon Trust. “Because they are so related, the BLM cannot simply analyze the impacts of the utility project without fully analyzing the South Project.”

The BLM contends the oil-shale mine could operate without a right of way; and the project’s impacts would be worse, given the vast amount of trucking that would be needed to get water to the mine and processing plant and crude to transportation hubs.

Enefit’s proposed mine would be the [first to tap Utah’s massive deposits of](#)

[the immature hydrocarbon](#) known as kerogen. The ore must be strip-mined, crushed and heated to convert the kerogen into liquid oil.

The process, known as “retort,” requires huge amounts of water, power and natural gas, making oil shale a potentially dirty source of energy that many environmentalists find unacceptable. While Utah, Colorado and Wyoming hold large kerogen deposits, developers have yet to profitably process it — despite decades of trying.

Enefit’s Estonian state-owned parent has figured out how to do it with the tiny Baltic nation’s oil-shale deposits and has long sought to apply its technology to Utah’s Green River Formation, which lies close to the surface on Enefit’s land in seams 60 feet thick.

Enefit CEO Rikki Hrenko-Browning hailed the BLM’s approval of a right of way as a “tremendous milestone” for energy development in Utah.

Scott Sommerdorf | The Salt Lake Tribune CEO Rikki Hrenko-Browning smells a freshly broken piece of oil shale that mining engineer Ben France holds. One can easily smell the oil contained within a piece of shale that comes from the "mahogany zone" of the shale deposit. Enefit Oil's Brian Wilkinson is at left, Wednesday, August 7, 2013. The Estonian state-owned company Enefit American Oil seeks to develop Utah oil shale. during a tour of their proposed mine site in eastern Uintah County. They have already excavated tons of ore which has been shipped to Germany for testing.

“Enefit American Oil is well qualified to contribute to Utah’s energy security, create long-term jobs, and help meet community goals,” Hrenko-Browning said in a news release. “Our 30-year track record of producing liquid fuels in an environmentally responsible and economically viable manner demonstrates our commitment to environmental stewardship and desire to work together with our community to develop this project in the most responsible manner possible.”

The BLM’s decision allows Enefit to construct nearly 14 miles of water supply lines, needed to convey up to 100 billion gallons over the 30-year life of the project, as well as 5.6 miles of buried natural gas lines, 7.2 miles of buried oil product line, two 138-kilovolt overhead H-frame power lines, and upgrade 5

miles of Dragon Road.

While Enefit contends it could develop its South Project without the right of way across public land, the Interior Department credited the utility project for advancing the Trump administration's "energy dominance" agenda.

"Right-of-way projects are tremendous economic drivers that involve critical coordination with our neighbors and stakeholders," said BLM Deputy Director Brian Steed. "We are proud to do our part to move this important energy project forward."

Toll said it was disingenuous for Enefit to argue it could pull off its mine proposal without the right of way.

"The project very likely would be economically and technically infeasible," Toll said. He calculated that it would require 233 tanker trips a day to move its oil production and far more than that to deliver a stream of water amounting to 15 cubic feet per second, the equivalent of a good-sized creek.

"That would be one 9,000-gallon tanker every 80 seconds for 30 years. That's insane," he said. "That would be so expensive. ... They haven't provided any analysis of what the impacts would be if they were forced to do all this trucking and build a power plant."

Environmental groups have not decided whether to challenge the BLM's decision in court but remain steadfast in their opposition to the larger project, which would pull 11,000 acre-feet of water a year from the already depleted Green River, add to the Uinta Basin's wintertime ozone problems, emit more climate-altering carbon dioxide than a conventional oil and gas operation, and yield mountains of spent ore that would be reinterred in the mine pits.

Enefit has yet to submit a formal mine plan because the shape of its operation depended on whether it secured the federal right of way. The Utah Division of

Oil, Gas and Mining holds the authority to approve the South Project mine, while other state agencies have oversight of its water rights and the retort plant.