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SUNDAY, MAY 19, 2013
FINAL EDITION

ANA ALLIEGRO

FLORIDA'S FEMME FATALE



ANA SOL ALLIEGRO/INSTAGRAM, 2012

BAD GIRL AND HER PAL: Ana Alliegro with former U.S. Rep. David Rivera, posted May 19, 2012, to Instagram.

David Rivera's gal pal skipped town to avoid talking with the FBI. She's been living in Nicaragua but promises to return and tell all.

BY PATRICIA MAZZEI
pmazzei@miamiherald.com

GRANADA, Nicaragua — In this quaint colonial town, vigilant residents who keep close tabs on their neighbors know the enigmatic woman as Doña Anita, a sometime hairdresser with a mean temper.

They describe her as a night owl prone to cursing, buying Coca-Cola by the case and watching dirty movies so loudly the volume has kept them up at

night. The FBI in Miami knows her as Ana Sol Alliegro, a political consultant and potential key witness in a federal corruption investigation into whether former U.S. Rep. David Rivera had ties to an illegally funded congressional campaign.

In Miami, Alliegro has a reputation as an erratic political operative, a three-time failed candidate who describes herself on Twitter as a "Republican Political Guru

and Conservative Bad Girl!" When she became the center of the investigation last fall into longtime friend Rivera, Alliegro disappeared.

She reappeared in Granada, where she has been living for months and has only added to her notoriety.

Neighbors, who say they are so frightened of her they asked not to be identified by name, say she smashed an ex-lover's car windows and tried

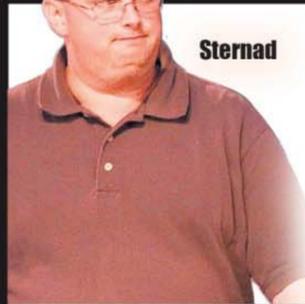


"I'm not an idiot — they've (FBI) always known where I am."

Ana Alliegro

• TURN TO ALLIEGRO, 2A

TRACKING A SOUTH FLORIDA SCANDAL



Sternad

Aug. 14, 2012: Political novice Justin Lamar Sternad loses Democratic primary.
Aug. 15: Herald/El Nuevo publish story alleging Sternad broke campaign-finance laws. Campaign manager Ana Alliegro declines comment.
Aug. 21: Vendors tell Herald/El Nuevo Rep. David Rivera paid Sternad's mailers and Alliegro

delivered cash payments.
Aug. 22: FBI opens probe of Sternad campaign.
Sept. 6: Alliegro fails to show for FBI interview.
Nov. 6: Rivera loses to Democrat Joe Garcia.
March 15, 2013: Sternad pleads guilty in federal court.
April 11: Alliegro turns up in Nicaragua, claims innocence.



Garcia

ENERGY

New oil rigs may soon sprout in S. Fla.

■ Fueled by rising oil prices and new technology, the oil industry is planning to expand exploration and drilling across a huge swath of Southwest Florida.

BY CURTIS MORGAN
cmorgan@miamiherald.com

The oil industry is primed for resurgence in South Florida.

Fueled by lofty oil prices, more efficient drilling techniques and the promise of untapped but also largely unproven reservoirs, at least a half-dozen companies plan to expand exploration across Southwest Florida.

They've quietly spent between \$10 million and \$20 million over the last few years, by one industry executive's estimate, to buy mineral rights covering massive swaths of Collier, Lee and Hendry counties.

Now, drilling is picking up, with companies reviving long-abandoned fields and low-producing wells in and bordering the Big Cypress National Preserve, the historic heart of oil operations that go back 70 years. They also aim to poke prospecting "wild cat" wells into new areas like a tomato farm

• TURN TO OIL, 20A

• Deep in Big Cypress, oil flows, 20A

COURTS

Posh plane becomes a pain for partners

■ A nearly five-year battle over a private jet has embroiled some prominent South Florida developers in a twisted legal drama.

BY DAVID SMILEY
dsmiley@miamiherald.com

For sale: a \$12.6 million Bombardier Challenger jet presumably grounded at the Opa-locka Airport.

At a price around \$7.5 million, it comes stocked with china glasses, monogrammed hand towels and pillows, a mini-bar, and a lap top of navigational charts.

It also carries some awful hefty baggage.

The private aircraft is the source of a Chapter 11 bankruptcy case and a long-running legal battle featuring some of Miami's flashiest developers. Allegations include sham lawsuits, fraudulent financials, physical threats and

• TURN TO JET, 21A

REALITY TV

Miami police part ways with 'First 48' show

■ The popular cable program helps solve Miami homicides, but critics say the cameras distract investigators and paint a grim portrait of African-American communities.

BY DAVID OVALLE
dovalle@miamiherald.com

For nearly a decade, *The First 48*, A&E's wildly popular reality show, has chronicled homicide detectives investigating scores of Miami murders — from Coconut Grove to Little Havana to Little Haiti.

Now, amid concerns that the cable television program glorifies violence in many of the city's poorest neighborhoods and interferes with investigations, Miami

police and the show's producers have parted ways.

At issue is a request from Miami Police Chief Manuel Orosa to have the show's producers chip in a \$10,000 donation, per new episode, to the Police Athletic League charity, which runs youth sports programs for at-risk children.

"We're asking the show to donate monies to our P.A.L. pro-

• TURN TO SHOW, 21A



PHOTO COURTESY OF 'THE FIRST 48'

FILMING REALITY: 'The First 48' catches up with Miami Police Det. Kevin Ruggiero. No new shows are planned for Miami.



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BIG CYPRESS PRESERVE

Unseen by public, oil flows deep in swampy forest

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ENERGY

Oil industry — again — eyes S. Florida

• OIL, FROM 1A

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Jones stressed that it could take several years of exploratory work to determine if new, deeper zones companies plan to probe prove profitable. But Murray Grigg, president of Houston-based Kerogen Exploration, which has acquired mineral rights to about 156,000 acres from other owners, is optimistic.

"Anybody who is here obviously believes in it enough to invest their money," he said. "The oil business isn't a gamble. The oil business is a calculated risk. We're all anticipating that there will be some new commercially viable wells."

Though the industry has sent mixed signals, most experts also insist drillers won't have to resort to fracking, short for hydraulic fracturing. It's been employed in many states to unlock dense shale oil deposits with a pressurized injection of water, sand and chemicals. The technique, which has sporadically produced damaging side-effects like contaminated aquifers and small earthquakes, has never been tested in porous, brittle South Florida limestone.

Ed Garrett, administrator of the Florida Department of Environmental Protection's oil and gas program, said no one currently drilling a well has inquired about fracking. He doesn't believe the step, which adds considerable expense, is needed in carbonate rock that is typically porous.

For the moment, environmental groups are waiting to see where wells will go in, how big operations will become and how they may impact groundwater and a wilderness prowled by endangered Florida panthers, black bears, wild turkeys and other wildlife. While they've had little to quibble about with long-standing drilling operations, mostly hidden in the swampy Big

Cypress preserve, past proposals to dramatically expand the industry in the western Everglades have been met with strong public and political resistance.

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Still, environmentalists worry about the ripple effects of industrial development — from the noise of small explosions and "thumper trucks" used in seismic exploration, to the prospects of heavy traffic, messy spills and construction of unsightly wells, pumps and tank farms.

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"When you industrialize an area, there's a loss of habitat, a degradation of habitat," Schwartz said. "The panther and the western Everglades are already dying by a thousand cuts."

Oil drilling has a long history in Southwest Florida, starting with Humble Oil's 1943 discovery of the Sunniland Trend, a 20-mile-wide formation about 11,000 feet down that runs across much of the lower peninsula, from Fort Myers through the Big Cypress and narrowing as it crosses the Everglades toward Miami. Over the next

South Florida's oil patch

Fourteen fields scattered across Southwest Florida have produced more than 123 million barrels of oil and gas over the last 70 years, a steady but small volume roughly equal to three months of current production from offshore rigs in the Gulf of Mexico. Now, with oil prices rising, a handful of operators are seeking to explore potential new areas.



four decades, companies would drill hundreds of wells in 14 fields, pumping out a peak of some 17,000 barrels a day by the 1970s.

But plunging prices and the fact that the thick crude is expensive to pump and process whittled the industry down. By 2005, a handful of operators were producing about a tenth of peak volume from fewer than two dozen active wells.

But in the last few years, the industry has begun to rebound. DEP's Garrett called it a "moderate uptick" that has corresponded with rising oil prices, currently hovering near \$90 a barrel.

The state, which has issued 24 permits over the last three years, now counts 46 active wells in Southwest Florida, more than double the number a decade ago.

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Output at Raccoon Point, the region's largest field, remains modest, last year averaging 1,385 barrels a day, but Brown said the company intends to continue exploring with no plans to frack.

"Some of our wells have been very prolific and some have not and that's kind of the nature of the business," he said. "It's very high risk. There are a lot more places you can drill and not find oil than places where you can find it."

Newcomers are banking almost exclusively on deeper zones, starting with the lower Sunniland, about 500 feet deeper than most wells have been sunk. One well into the area has produced some 300,000 barrels over

the last 40 years, Kerogen's Grigg said, but it has otherwise been lightly explored. Still, he believes the geological science is strong, built on more advanced seismic surveys and positive results from similar underground formations in other states.

Geologists point to even deeper pockets as well, ancient long-buried reefs and swamps another 1,500 to 3,000 feet down with colorful names like Pumpkin Bay and Wood River, which could be the "source rock" of oil that has percolated upward over millions of years.

What is happening in Florida reflects a recent surge in domestic exploration, largely driven by fracking. The technique, combined with horizontal drilling, has turned trickles from shale formations into gushers of oil, money and jobs. Two of the most famous fields — Bakken, North Dakota, and Eagle Ford, Texas — together pump more than one million barrels daily. In four months, those two fields alone exceed all 70 years of oil production from South-

west Florida.

The industry acknowledges scattered problems with fracking but defends it as a generally safe practice.

"American energy from Florida creates jobs," said Dave Mica, executive director of the Florida Petroleum Council. "It's a no-brainer to the industry that we do it."

Mike Cheeseman, a veteran industry geologist who owns Trend Exploration in Bonita Springs, also believes fracking is the key to making drilling pay in deeper zones that may not be as porous.

"The only thing we know is the oil is there," said Cheeseman, who said he is working to acquire leases in the area. "The question is whether we can get it out in commercial quantities."

For now, most operators say they intend to stick with horizontal drilling — in part because fracking adds considerable expense to wells.

Ed Pollister, who owns Pollister Drilling in Southwest Florida, told the Fort Myers News-Press last October that he asked state regulators about pursuing fracking. But after further research, he now says he won't rule it out but "I'm not sure anymore that it's going to be necessary."

Still, the mere mention of fracking raises alarms with environmental groups, who last month initially fought proposed state legislation requiring any company proposing to frack in Florida to disclose any chemicals they use in the process. Florida doesn't currently have specific fracking policies, said DEP spokeswoman Dee Ann Miller, but the agency would review any request to assess safety risks.

Franklin Adams, a Florida Wildlife Federation board member who lives near the proposed Golden Gates Estates well, praised government restrictions for helping minimize industry impacts but said fracking would increase water pollution risks and raise significant new concerns.

"The big question is what's going down that hole," he said. "Is there anything toxic?"

Despite the flurry of interest, it's unlikely drilling rigs will multiply overnight. Right now, there are only two rigs in Southwest Florida capable of horizontal drilling. And big oil companies haven't yet shown interest, Collier's Jones noted.

"What we have in South Florida may not be big enough for them," he said.

Grigg predicts companies might sink perhaps a dozen new wells a year — enough, he believes, to revive what had been reduced to a cottage industry.

"It's never going to be a big business," he said, "but it most certainly could go from being an industry that has been in decline, in sunset, to an industry that's in sunrise."

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Source: BreitBurn Energy Partners; Florida Department of Environmental Protection

MARCO RUIZ / MIAMI HERALD STAFF

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"Some of our wells have been very prolific and some have not and that's kind of the nature of the business," he said. "It's very high risk. There are a lot more places you can drill and not find oil than places where you can find it."

Newcomers are banking almost exclusively on deeper zones, starting with the lower Sunniland, about 500 feet deeper than most wells have been sunk. One well into the area has produced some 300,000 barrels over

the last 40 years, Kerogen's Grigg said, but it has otherwise been lightly explored. Still, he believes the geological science is strong, built on more advanced seismic surveys and positive results from similar underground formations in other states.

Geologists point to even deeper pockets as well, ancient long-buried reefs and swamps another 1,500 to 3,000 feet down with colorful names like Pumpkin Bay and Wood River, which could be the "source rock" of oil that has percolated upward over millions of years.

What is happening in Florida reflects a recent surge in domestic exploration, largely driven by fracking. The technique, combined with horizontal drilling, has turned trickles from shale formations into gushers of oil, money and jobs. Two of the most famous fields — Bakken, North Dakota, and Eagle Ford, Texas — together pump more than one million barrels daily. In four months, those two fields alone exceed all 70 years of oil production from South-

west Florida.

The industry acknowledges scattered problems with fracking but defends it as a generally safe practice.

"American energy from Florida creates jobs," said Dave Mica, executive director of the Florida Petroleum Council. "It's a no-brainer to the industry that we do it."

Mike Cheeseman, a veteran industry geologist who owns Trend Exploration in Bonita Springs, also believes fracking is the key to making drilling pay in deeper zones that may not be as porous.

"The only thing we know is the oil is there," said Cheeseman, who said he is working to acquire leases in the area. "The question is whether we can get it out in commercial quantities."

For now, most operators say they intend to stick with horizontal drilling — in part because fracking adds considerable expense to wells.

Ed Pollister, who owns Pollister Drilling in Southwest Florida, told the Fort Myers News-Press last October that he asked state regulators about pursuing fracking. But after further research, he now says he won't rule it out but "I'm not sure anymore that it's going to be necessary."

Still, the mere mention of fracking raises alarms with environmental groups, who last month initially fought proposed state legislation requiring any company proposing to frack in Florida to disclose any chemicals they use in the process. Florida doesn't currently have specific fracking policies, said DEP spokeswoman Dee Ann Miller, but the agency would review any request to assess safety risks.

Franklin Adams, a Florida Wildlife Federation board member who lives near the proposed Golden Gates Estates well, praised government restrictions for helping minimize industry impacts but said fracking would increase water pollution risks and raise significant new concerns.

"The big question is what's going down that hole," he said. "Is there anything toxic?"

Despite the flurry of interest, it's unlikely drilling rigs will multiply overnight. Right now, there are only two rigs in Southwest Florida capable of horizontal drilling. And big oil companies haven't yet shown interest, Collier's Jones noted.

"What we have in South Florida may not be big enough for them," he said.

Grigg predicts companies might sink perhaps a dozen new wells a year — enough, he believes, to revive what had been reduced to a cottage industry.

"It's never going to be a big business," he said, "but it most certainly could go from being an industry that has been in decline, in sunset, to an industry that's in sunrise."