



Texas Administrative Code Title 16 Chapter 4 Subchapters A and B Revisions to Oil and Gas Waste Management Rules

Permitting Session 1: Pits, Notice, & Forms

Christine Peters, PG April 30, 2025



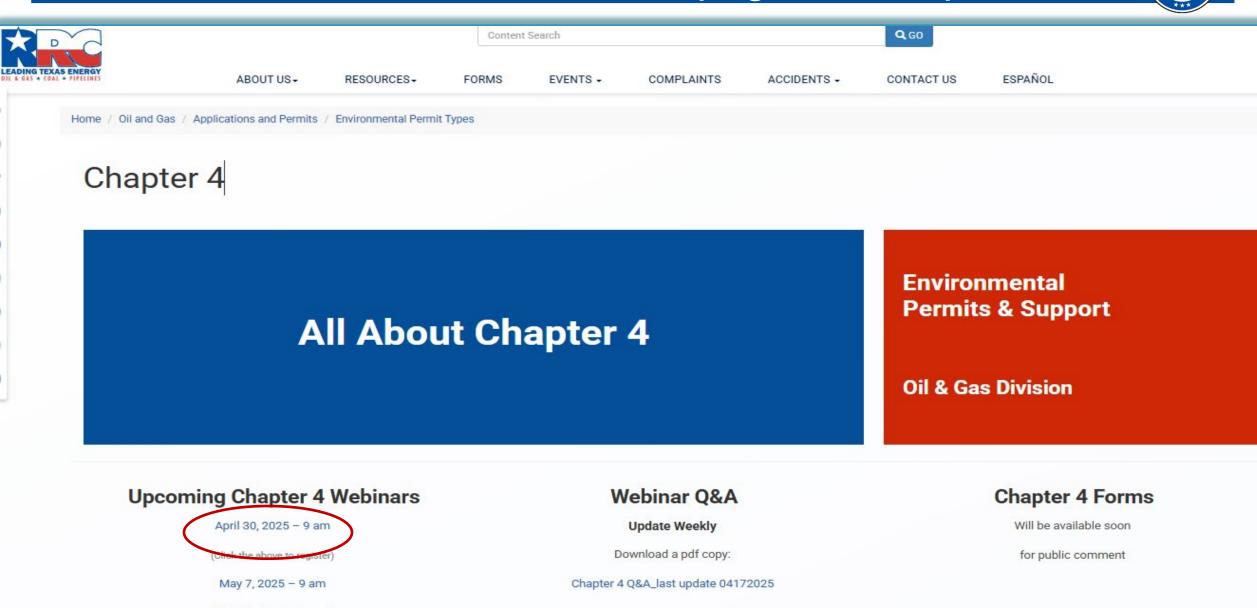








New EPS Dedicated Webpage for Chapter 4



(Click the above to register)

New EPS Dedicated Webpage for Chapter 4



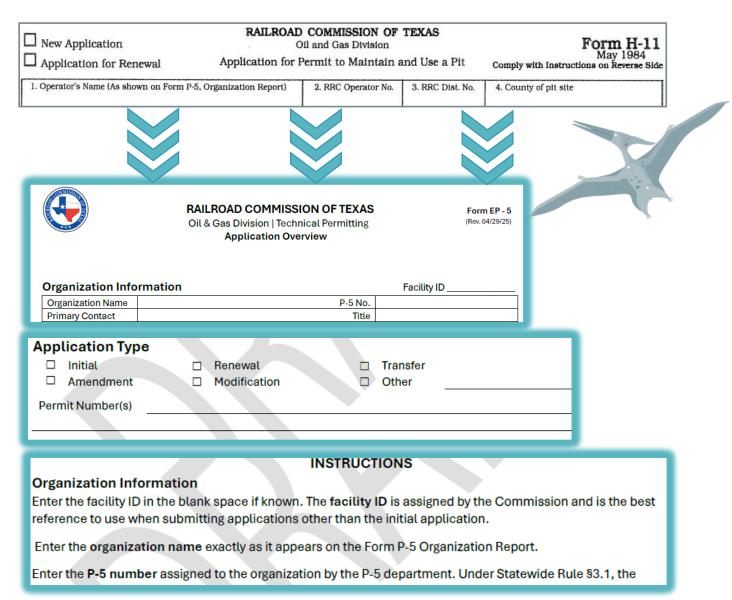
All About Chapter 4 RRC Oil & Gas Division | Workshops and Conferences



https://www.rrc.texas.gov/oil-and-gas/applications-and-permits/environmental-permit-types/all-about-chapter-4/

Focus of webinar 3

- 1. Additional Pit details
- 2. Changes to notice
- 3. Permitting forms:
 - Commission prescribed
 - Fillable pdf
 - Electronic filing
 - Helpful templates



Pit Refresher: Types



Subchapter A:

> Pit definitions were simplified

Pit Functions are Unchanged:

- > Storage
- Processing
- Collecting
- > Washout
- Recycling
- > Disposal
- > Etc.

gas lines of a purchaser; gas in which enough liquid hydrocarbons have been removed so that such liquids will not condense in the transmission lines.

Plugging a well — Filling the borchold of an abardoned well with mud and cement to prevent the flow of water or oil from one strata to another or to the surface.

Porosity — A more the of the number and size of the spaces between each particle in a rock. Poro ity affects the amount of liquids and gases, such as natural gue and crude and that a given reservoir can contain.

Possible reserves Areas in which production of crude oil is presumed possible biolog to geological inference of a strongly speculative nature

Primary releavers Extracting oil from a well by adowing only the natural water opposite pressure in the reservour of lorce the pressure in the surface, where it is proving of other assistance

Probable refused

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Why Separate Out Additional Pit Requirements? (1 of 2)





A *former* EPS permitted site that was turned over to State Managed Cleanup Staff in Site Remediation.

This violation has resulted in an automatic referral to the Legal Enforcement Section. The Legal Enforcement Section may assess administrative penalties in an amount of up to \$10,000 per day, per violation, in accordance with Texas Natural Resource Code §81.0531.

LEADING TEXAS ENERGY OIL & GAS * COAL * PIPELINES

Fiscal Year 2025 OIL & GAS MONITORING AND ENFORCEMENT PLAN



"The Commission will track the activities of the Environmental Permits and Support (EPS) **Unit Compliance** team on postpermitting matters related to various surface waste management facilities that are regulated by EPS."

Why Separate Out Additional Pit Requirements? (2 of 2)



The Preferred Alternative:

- Permit issuance
- Facility compliance •
- Good relationships lacksquare



RAILROAD COMMISSION OF TEXAS OIL AND GAS DIVISION

PERMIT TO MAINTAIN AND USE A GEOTHERMAL RESOURCES WATER PIT

Attached please find the Quarterly Report for October 1 through December 31, 20.

Executive Summary



GAS ★ COAL ★ PIPFLINE Fiscal Year 2025 OIL & GAS

"The Commission will track the activities of the Environmental Permits and Support (EPS) **Unit Compliance** team on postpermitting matters related to various surface waste management facilities that are regulated by EPS."



Divisions 3, 4, & 5 – Recap:

- ➢Authorized Pits
- Covers all permitted WMU's
- Facility-based permit
- ➤Combined with Division 6
- ➢Commercial facility
- ➢ Financial security

Division 6 – Framework:

- ≻ §4.150
- \succ (a) additive to Divisions 4 & 5
- \succ (b) authorized pits
- (c) permissions & enforcement
- \succ (d) cessation of use
- ➤ (e) containment
- ➤ (f) unauthorized releases
- \succ (g) location restrictions
- ➤ (h) property buffer

Pits: Design & Construction (1 of 2)



Ambiguity in §4.151(a)(1)

Rule refers to Authorized Pits

- §4.114(2)(A) through (B) Schedule A > Less prescriptive
- ≽§4.115(g) Schedule B
 - More prescriptive
- Additive to §4.128 (Design & Construction)
 - Supplemental Worksheets; or
 - Supplemental engineering reports

✓ Follow §§4.128 & 4.151



https://texashistory.unt.edu/ark:/67531/metadc2012117/

Pits: Design & Construction (2 of 2)



In addition to §4.128, §4.151 requires :

- ✓ Volumetrics;
- \checkmark Liners;
- ✓ Stormwater designs;
- ✓ Drawings;
- ✓ Connecting trenches; and
- ✓ Action Leakage Rate (ALR)
- Freeboard
- Brine pits
 - Primary & secondary liners; and
 - Leak Detection System
- Additional information from the Director



Pits: Monitoring Permitted Pits



Monitoring (§4.152)

- Implement a routine monitoring plan that:
 - 1. Completed with annual visual inspections; or
 - 2. Installation of a double liner with LDS; or
 - 3. Propose an alternative
- Liner failure
 - Permit Conditions will outline
 - Notify the District Director within 24-hours
 - Implement mitigation
 - Reduce waste below failure level
 - Disposal pits cannot have waste removed



M. Any permitted pit or cell not equipped with a leak detection system (LDS) must be emptied and visually inspected **annually** for deterioration and leaks. A record of each inspection and photographs of the interior of each pit must be maintained for the life of the pit and must be submitted to Technical Permitting in Austin as part of the **Quarterly Report** required in Permit Condition I.Y. The appropriate RRC District Office must be notified by phone or email at least **48 hours** before emptying the pit for inspection. The permittee must maintain a record of when each pit is inspected and the results of the inspection. This record must be maintained by the permittee for the life of the pit.



Subchapter A Division 6 address legislative requirements from:

House Bill 2201

(87th Legislative Session, 2021)

> Amends Section 91.1017 of the Natural Resource Code

> 10-year flooding history;

> 4.153(a)(1)

> EPS Staff will evaluate 'good-faith' investigations

> Prior landowner inquiry (when available)

> Evaluation of 'flood-prone areas'

Pits: Siting



Commercial Disposal Pit Req. (§4.153)

- 10-year flooding history
 - 'good faith' investigation
- Builds on §4.150 for location
 - Protect (sub)surface waters
 - Prohibited locations
 - Do not increase risk to (sub)surface waters
- Include all trenches
 - Used to separate and convey stormwater
- 5-year (min) post-closure monitoring
 - Required



https://texashistory.unt.edu/ark:/67531/metapth37208/

Closure processes: Dewater | Sampling/Analysis | Backfill | Reseed



Changes to Notice: Timing & Duration

Notice

• Timing

- After initial review
 - ADC letter
- Before technical review
- Duration
 - 30 days; or
 - 1x/week for 2 weeks
- Encourages bundling



Photograph of the Lucas gusher in 1901. The Lucas gusher is a spindletop that is gushing oil out of the top of it. On the ground surrounding the spindletop are several workers, two holding a large hose.

https://texashistory.unt.edu/ark:/67531/metapth41398/

Effective for applications filed on or after 7/1/2025

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Photograph of a page from the Daily Enterprise newspaper, highlighting an article entitled" A Geyser of Oil," which announces the spouting of oil from Spindletop oil well.

https://texashistory.unt.edu/ark:/67531/metapth587504/

Changes to Direct Notice: Delivery Method



Direct

- Mailed
- Distance
 - Within 500-ft of fence line or boundary
 - Does not have to be contiguous
- Duration
 - 30-days required
- 30-day protest period
 - Begins when mailed at the USPS to last known address
- Full application
- Letter
 - Straightforward information
 - Assist in an understanding of the app

Subchapter A (§4.125)

- Division 4
- Applicable to Divisions 4 through 8
 - May be applied in Division 9

Subchapter B

- (§§4.238, 4.254, 4.270, & 4.286)
- Division's 3, 4, 5, and 6
- Divisions 3 & 5: direct only
 - §4.238: mailed/direct notice for Division 3 contains *minor errors*; should be the same as
 - §4.270: mailed/direct notice for Division 5
- Divisions 4 & 6: direct and indirect

Changes to Indirect Notice: Delivery Method



Indirect

- Published
- Additive to §4.125 (*direct* notice)
- Duration
 - 1x/week for 2 consecutive weeks (published)
 - 30-days (mailed)
- 30-day protest period (2-weeks)
 - Aligns with mailed notice requirement
- Requirements for direct notice
 - §4.125(d)(2) Full application & §4.125(d)(3) Letter
 - No specified filing location identified

Subchapter A (§4.141)

- Division 5
- Applicable to Divisions 5 through 8
 - May be applied in Division 9

Subchapter B (§§4.254 & 4.286)

- Division's 4 & 6: direct and indirect
 - Divisions 3 & 5: direct only



Notice, Protest(s), and Final Timing

Once ADC, EPS **must** complete a final action within 90-days

- 1. Coordination of ADC letter and Operator's notice date(s)
- 2. Notice is **completed:** 30-day protest window
 - a. Mailed: when mailed to last known address
 - b. Published: last date of publication
- 3. Inform protestants and Operator
 - a. No hearing requested; app withdrawn (§4.125)
- 4. Completes technical review
 - a. Draft permit & refer to Hearings; or
 - b. Deny application



A pen and ink drawing of the Bee County Courthouse, contributed by the Latchum family. Lady Justice sits atop the clock dome. She was designed by local architect W.C. Stephenson, who also built the courthouse. Four Corinthian columns grace its north entrance. A south annex was added in 1942. The courthouse was completely remodeled in 1949-1950, when an elevator, airconditioning and eleven rooms were added with Robert Beasley as the architect. In 2006 during another large scale restoration, features original to the courthouse, such as the rotunda and district court balcony, as well as the details of the tile and marble, were carefully restored. Recorded as a Texas Historic Landmark in 2000, the courthouse is part of the Texas Historical Courthouse Preservation Program.

https://texashistory.unt.edu/ark:/67531/metapth78871/



New Draft Forms – Out for Comment!

Modernized forms, registrations, and applications

- No wet ink signature required
- Presented at Conference April 29, 2025
 - Public comment period is open
 - Adoption will not happen by July 1st
- Public Outreach
 - Would periodic Q&A drop-in webinars be beneficial?
 - Regulatory Conference
 - Weekly Q&A updates to Chapter 4 website

New Draft Forms – New Names

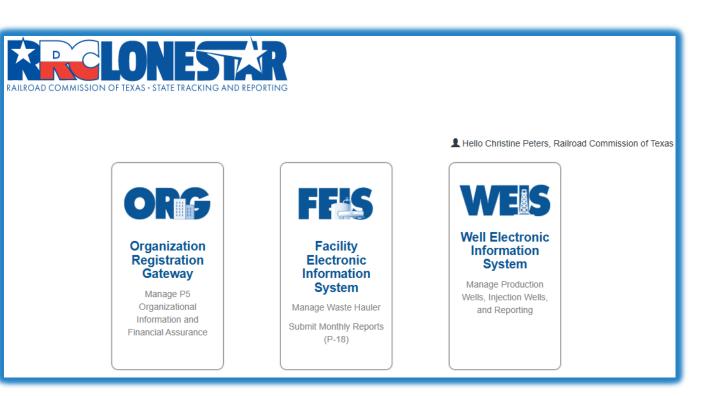


Roadmap for EPS Form Names:

- Form EP-1 Authorized Pit Registration
- Form EP-2 Schedule B Authorized Pit Financial Security Worksheet
- Form EP-3 Schedule B Authorized Pit Bond
- Form EP-4 Schedule B Authorized Pit Letter of Credit
- Form EP-5 Application Overview
- Form EP-9 Waste Profile
- Form EP-10 Waste Manifest

Updated to match LoneSTAR :

- Form WH-1
- Form WH-2
- Form WH-3



Form EP-1: Authorized Pit Registration/Change Form (1 of 3)



RAILROAD COMMISSION OF TEXAS

Form EP - 1 (Rev. 04/29/25)

Oil & Gas Division | Technical Permitting Authorized Pit Registration/Change Form

Organization Information	
Organization Name:	P-5 No.
Purpose for Filing	
New Registration	Change Registration Terminate Registration
Effective Date Click or tap to	enter a date.
Pit Type	
Schedule A – Authorized Pit Reserve Mud Circulation Completion/Workover Schedule B – Authorized Pit Produced Water Recycling	 Makeup Water Fresh Mining Water Water Condensate
Pit Information	
Pit Name or ID used by Operator	
Pit Capacity	bbl

Form EP-1: Authorized Pit Registration/Change Form (2 of 3)



Pit Dimen	sions						·
	length	ft	de	pth avg.		ft	
	width	ft					
Expected d	lepth to groundy	vater from the bo	ttom of the pit		ft		_
Location (A	VAD 83, decima	degrees)					·
	Latitude						
	Longitude						
Pit Locati	on						
District			County				
Diotitot			ocumy				
Associate	d RRC Facilit	v No					
Associate		y NO					
	API No.						
	Lease No.		Lease Name				
Gas P	lant Serial No.						
No	RRC Identifier						
Certification	1: I certify that I am	authorized to comple	te this registration/o	hange form, t	hat this form wa	s prepared by me o	or under my
		at the data and facts					
Name				Title			
Signature				Date	Click	or tap to enter a	a date.
Email			F	hone No.			

Railroad Commission of Texas Oil & Gas Division | Environmental Permits | P.O. Box 12967, Austin, Texas 78711-2967

Form EP-1: Authorized Pit Registration/Change Form (3 of 3)



INSTRUCTIONS

Organization Information

Organization Name - Enter the name of the organization as it appears on the Form P-5 Organization Report.

P-5 Number - Enter the P-5 number assigned to the Organization.

Purpose for Filing

Select the reason for submitting the authorized pit registration and select the effective date that the pit went into service, or the effective date of the service change, or the effective date that the service is terminated.

Pit Type

NOTE: Operators are required to complete one form for each pit specified on their permit. Each pit registration must be submitted as a separate PDF. Do not combine multiple registration forms into a single PDF.

Check the appropriate box.

For Schedule A - Select the appropriate pit by checking the box.

For Schedule B – Produced Water Recycling pits, Form EP-2 must be completed and accompany Form EP-1, Authorized Pit Registration/Change Form.

Schedule B Produced Water Recycling pits require financial security to be submitted in addition to the registration form and worksheet.



RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting Authorized Pit Schedule B Worksheet Form EP - 2 (Rev. 04/29/25)

Organization Name:

P-5 No.

Schedule B Authorized Pit Financial Security §4.115(c)(3)

(A) A person operating **five or fewer pits** may file a performance bond, letter of credit, or cash deposit in an amount equal to \$1.00 per barrel of total pit capacity.

Total Number of PitsTotal Capacity of All PitsTotal Financial Security\$





Authorized Pit Schedule B Worksheet

Instructions

Organization information

Organization Name: Enter the name of your organization in the designated field.

P-5 No.: Write your organization's P-5 number (this is likely a registration number issued by the regulating body).

Financial Security

Part A: Financial Security for Operators with 5 or Fewer Pits

1. In this section, you'll report data if you operate five or fewer pits:

Total Number of Pits: Enter the total number of pits you operate (ensure the count is 5 or fewer).

Total Capacity of All Pits: Calculate the total capacity of your pits in barrels (bbls) and fill in this value.

Total Financial Security: Multiply the total pit capacity by \$1.00 per barrel and enter the calculated amount. This is your required financial security.

Form EP-2: Authorized Pit Schedule B Worksheet (3 of 4)



- (B) A person operating **more than five pits** may file a performance bond, letter of credit, or cash deposit in an amount equal to:
- (i) the greater of \$1.00 per barrel of water for ten percent of an operator's total produced water recycling pit capacity or \$1,000,000

Total Number of Pits	 _
Total Capacity of All Pits	bbls
Total Financial Security	\$ Z

- (ii) \$200,000 per pit, capped at \$5,000,000
 - Total Number of Pits

Total Capacity of All Pits Total Financial Security \$

bbls

Form EP-2: Authorized Pit Schedule B Worksheet (4 of 4)



Part B: Financial Security for Operators with More than 5 Pits

1. If you operate more than five pits, choose one option (either (i) or (ii) for determining your financial security.

Option (i): Check the box (i)

- Calculate financial security and indicate the greater amount of:
 - \$1.00 per barrel for ten percent of your total produced water recycling pit capacity.
 - Or a minimum of \$1,000,000.
- Enter the Total Number of Pits you operate, the Total Capacity of All Pits in barrels (bbls), and the calculated Total Financial Security.

Option (ii): [If the total volume of all pits exceeds option (i), you are required to register under option (ii)].

- Check the box (ii)
- Calculate the financial security amount as \$200,000 per pit, capped at \$5,000,000.
- Enter the Total Number of Pits, the Total Capacity of All Pits in barrels (bbls), and the Total Financial Security.

Pit Registration Information

Form EP-3: Authorized Pit Schedule B Bond



RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting Authorized Pit Schedule B Bond Form EP - 3 (Rev. 04/29/25)

Date: Click or tap to enter a date. PRODUCED WATER RECYCLING BOND NO.

Organization Name:

P-5 No. (if assigned)

Background

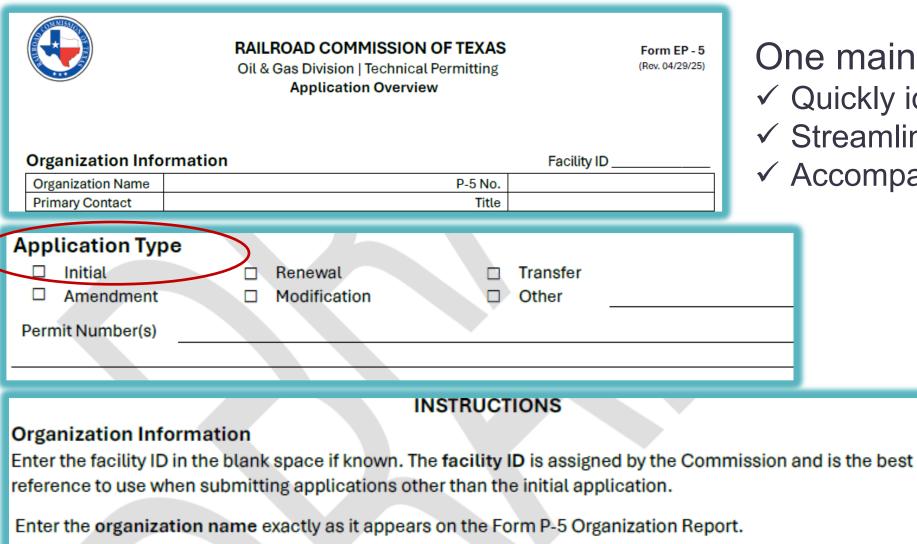
1.1 (Operator name as shown on P-5 Organization Report), "Principal," operates or is applying for the Railroad Commission approval to operate Produced Water Recycling Pit(s) subject to Texas laws. Texas Natural Resources Code §91.109 and Texas Administrative Code Vol. 16 §4.115 provide that the owner and operator of a Produced Water Recycling Pit(s) must maintain a bond or letter of credit that satisfies the Railroad Commission. As specified in §4.115, Principal has retained ("Surety"), a State of 1.2 Texas authorized Surety, to secure this promise to pay. 1.3 This bond covers the following Produced Water Recycling Pit(s) (If additional space is needed, attach any additional Produced Water Recycling Pits as Exhibit A, entitled "Exhibit A of RRC EP-3 Bond No. Pit ID by Operator Pit Volume **RRC Tracking/ Registration No.** 1

Form EP-4: Authorized Pit Schedule B LOC

	Oil 8	OAD COMMISSION OF Gas Division Technical Permi prized Pit Schedule B Letter of	tting (Rev. 04/29/25)
water Date	Click or tap to enter a dat	e. IRREVOCABLE STANDBY	ETTER OF CREDIT NO.:
Orgar	nization Name	I	P-5 No. (if assigned)
	e of Issuing Bank ess of Issuing Bank		
	RAILROAD COMMISSION OF TEX Attention: Oil and Gas Division	AS	
	Technical Permitting		
	P.O. Box 12967		
	Austin, Texas 78711-2967		
	-	Produced Water Recycling Pit(s) (t A entitled "Exhibit A of RRC EP-4	Attach information for additional Letter of Credit No"):
	Pit ID by Operator	Pit Volume	RRC Tracking/Registration No.

	Pit ID by Operator	Pit Volume	RRC Tracking/Registration No.
1.			
2			

Form EP-5: Application Overview (1 of 2)



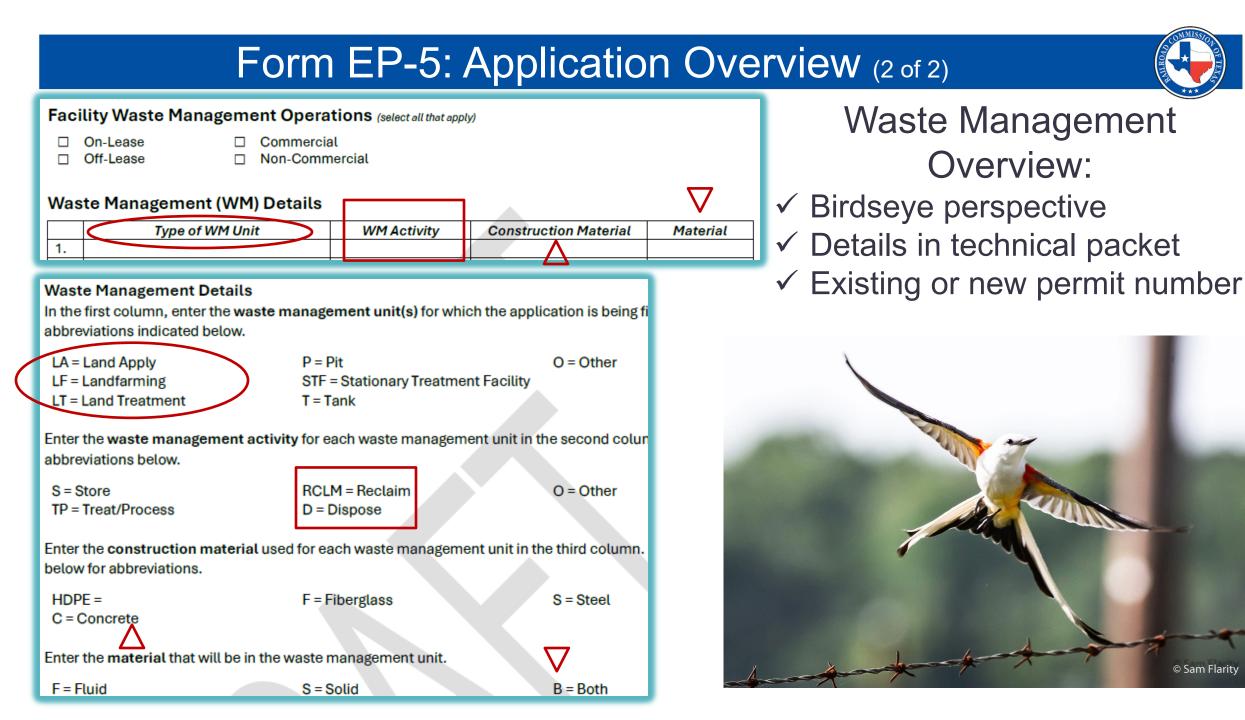
Enter the P-5 number assigned to the organization by the P-5 department. Under Statewide Rule §3.1, the



One main application form:
✓ Quickly identifies requests
✓ Streamlines initial processing

 \checkmark Accompanied by technical info





Forms WH-1, WH-2, & WH-3



	RAILROAD COMMISSION OF TEXAS Oil & Gas Division Technical Permitting Application For Waste Hauler's Permit					Form WH (Rev. 04/29/2	
Purpose for Filing	Initial Permit		Renewal		Amendment		
Organization Name				P-5 No.			
Contact Name				Title			
Email Address				Phone No.			
	OUT OF STAT	E / INTER	STATE COMM	ERCE			
Waste entering Texas is	generated in what state?	E / INTER	STATE COMMI	ERCE			

Apply through LoneSTAR:

- ✓ Minor updates
- ✓ Aims to simplify paper
- ✓ Aligns with LoneSTAR

Disposal/Injection Wells: Identify exactly as shown on H-10 Annual Disposal/Injection We							
Lease Name	Lease No.	UIC Permit No.	County				

			On continentie on Marrow		
			Organization Name		
Surface Disposal Systems: Identify exactly as Facility Name	s shown on the Commissio RRC Permit No.	on-granted permit County	File by itself to	orm WH-1 for add vehicles of a current vehicle" me	an initial permit to an existing per vehicle (hauler) r ans any truck, t a
			A = Add R = Remove	1odel Yea	ar Serial/Vin
			NOTE: For this form, " other container in whi A = Add	vehicle" me ch oil & gas	ans any truci waste will be

				Waste Ha	uler List of V	Vehicles
Purpose for F	iling	🗆 Initi	al Permit		Amendment	
Organization	n Nam	e				
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A = Add R = Remove	Mak	e/Model	Year	Serial/Vin N	lo. Licens	e Plate No





Chapter 4 Questions: EPSch4@rrc.texas.gov

EPS Permitting: enviro.permits@rrc.texas.gov

EPS Waste Haulers: whp@rrc.texas.gov

EPS Compliance: EPSCompl@rrc.texas.gov

Authorized Pit Registration: <u>AuthPits@rrc.texas.gov</u>