







### **Title 16 Texas Administrative Code Chapter 4 Subchapter A Oil and Gas Waste Management**

Paul Dubois May 1, 2025















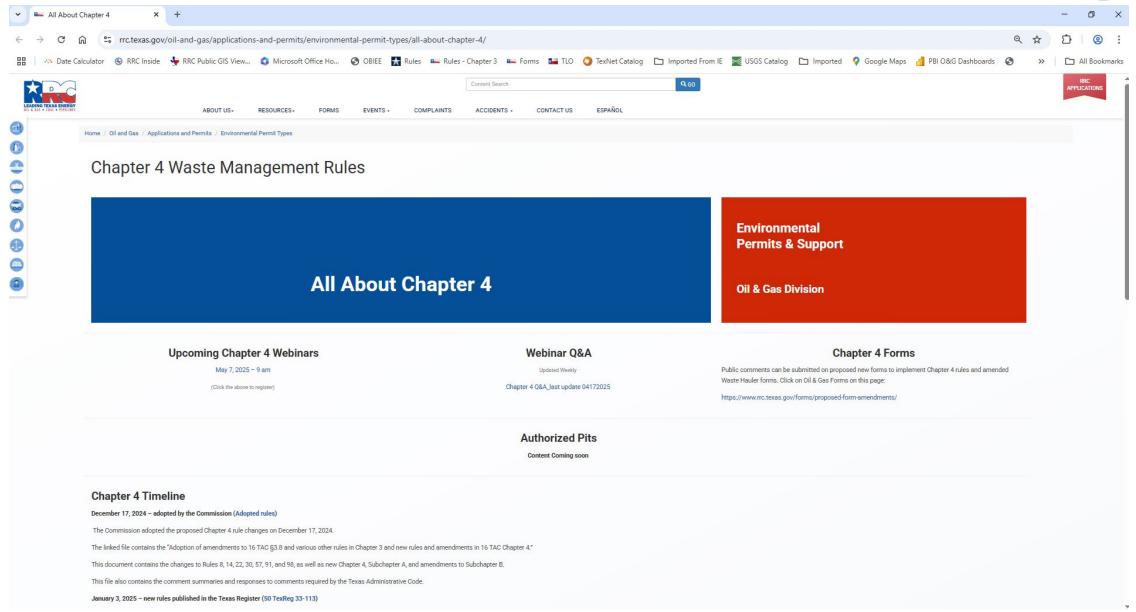
## Chapter 4 – Implementation



- December 17, 2024 Rules Adopted by Commission
- July 1, 2025 Rules Effective
- Website: <u>www.rrc.texas.gov</u>
  - Search: "All About Chapter 4"
  - Webinar videos, slides, links to rules, forms, Q&A, etc.
- Questions? Email us at EPSch4@rrc.Texas.gov

## All About Chapter 4





## Where Can I Find Chapter 4?



- A clean and complete set of the July 1 rules is not readily available.
  - On July 1 it will be available <a href="https://texas-sos.appianportalsgov.com/rules-and-meetings?interface=VIEW TAC&part=1&title=16">https://texas-sos.appianportalsgov.com/rules-and-meetings?interface=VIEW TAC&part=1&title=16</a>
- Currently, we have the adopted version
  - Includes all rule-making commentary (291 pages)
     <a href="https://www.rrc.texas.gov/media/ws3jli0x/ogc-admin-item-618">https://www.rrc.texas.gov/media/ws3jli0x/ogc-admin-item-618</a>
     conference orders 17dec.pdf

## Chapter 4 – Subchapter A



- Statewide Rules 8 and 57 were moved into Chapter 4, Subchapter A
  - Division 1 General (starts with §4.101)
  - Division 2 Definitions
  - Division 3 Authorized Pits
  - Division 4 Requirements for all Permitted Waste Management Operations
  - Division 5 Additional Requirements for Commercial Facilities
  - Division 6 Additional Requirements for Permitted Pits
  - Division 7 Additional Requirements for Landfarming & Landtreating
  - Division 8 Additional Requirements for Reclamation Facilities
  - Division 9 Miscellaneous Permits
  - Division 10 Waste Transportation
  - Division 11 Surface Water Protection (ends with §4.197)



# Chapter 4 – Subchapter B (Commercial Recycling)



#### Subchapter B

- Division 1 General & Definitions
- Division 2 On-Lease Commercial Solid Recycling
- Division 3 Off-Lease or Centralized Solid Recycling
- Division 4 Stationary Commercial Solid Recycling
- Division 5 Off-Lease Commercial Fluid Recycling
- Division 6 Stationary Commercial Fluid Recycling
- Division 7 Beneficial Use of Drill Cuttings

## Chapter 4 – Webinars



#### Webinars

- April 2: Chapter 4 Overview
- April 9: Authorized Pits
- April 30: Permits, Part 1 (yesterday)
- May 7: Permits, Part 2 (next Wednesday)
- Webinar Resources Online
  - Recorded Videos
  - Presentation Slides

## Chapter 4 – Q&A



Page 2 of 19

- Webinar Q&A
- EPSch4@rrc.texas.gov

Will there be recordings of the webinars that we can watch after the fact?	The RRC Communications department will be posting the webinar series to the website soon.  (Update: Webinar 1 video: https://youtu.be/N5fPa4Oqr1Q; Webinar video: (103) EPS Webinar 2 Authorized Pits 04 09 2025 - YouTube; Upcoming Webinars: https://www.rrc.texas.gov/announcements/041025-webinars-on-chapter-4-rules-and-form-revisions/)
Is there a web site location that I can review the current authorized pits by operator number?	No, this is not a functionality that is available on the RRC EPS website.
How is treated produced water (vs raw produced water) defined under the new rule?	DIVISION 2. DEFINITIONS 10  §4.110. Definitions, (73) Produced waterThe water that was present in a subsurface formation and was brought to the surface during oil and gas exploration and production activities (raw produced water).  §4.110. Definitions, (92) Treated fluidFluid oil and gas waste that has been treated to remove impurities such that the fluid can be reused or recycled. Treated fluid that is abandoned or disposed of is classified as an oil and gas waste. Once treated fluid is reused or recycled, it is not classified as an oil and gas waste (can be treated produced water).
Does the RRC know how operators should/ would register pits without a drill permit associated with that pit location?	§4.113. Authorized Pits, (e) The operator shall register all authorized pits with the Commission. (1) The Director shall establish a registration system for authorized pits by July 1, 2025. (A) New authorized pits constructed after July 1, 2025 shall register by mailing or emailing to Technical Permitting the registration form established by the Commission. (B) By July 1, 2027, the Director will establish an online system for operators to register and for the Commission to maintain a record of

## Chapter 4 – Forms



- Proposed Forms
  - Published <a href="https://rrc.texas.gov/forms/proposed-form-amendments/">https://rrc.texas.gov/forms/proposed-form-amendments/</a>
  - Announcement on our homepage
  - RRC is taking comments for 30 days
    - FORMS WILL <u>NOT</u> BE FINAL BY JULY 1!
  - Forms conversation will go longer

	Now Forms		Device of Forms
	New Forms		Revised Forms
EP-1	Authorized Pit Registration	WH-1	Application for Oil and Gas Waste Hauler's Permit
EP-2	Authorized Pit Schedule B Worksheet	WH-2	Oil and Gas Waste Hauler's List of Vehicles
EP-3	Authorized Pit Schedule B Bond Form	WH-3	Oil and Gas Waste Hauler's Authority to Use Approved Disposal/Injection System
EP-4	Authorized Pit Schedule B Letter of Credit Form		
EP-5	EP Application Overview		
EP-6	Compliance Report		
EP-9	Waste Profile		
EP-10	Waste Manifest		

## Chapter 4 – Effective Date



- The New Rules Take Effect on July 1, 2025
- Permits issued on or after July 1 will be issued under Chapter 4
- Permits in process prior to July 1 may need to be considered under Chapter 4
- Contested permits pending in Hearings will be issued under Chapter 4
- Chapter 4 provides some transition instruction, including:
  - §4.113(c) Rule 8 authorized pits
  - §4.115(d) Rule 8 non-commercial fluid recycling pits
  - §4.121(b) Rule 8 permits
  - §4.170(a)(7) Rule 8 reclamation plant permits

#### **Authorized Pits**



- Registration
  - Form-based
  - Not an application process
- Schedule A Authorized Pits
  - Reserve
  - Mud Circulation
  - Completion/Workover
  - Makeup Water
  - Fresh Mining Water
  - Water Condensate
- Schedule B Authorized Pits
  - Produced Water Recycling

## Authorized Pits - Registration



- Form EP-1
- Fillable PDF
- Email (or mail) to RRC
- Script to scan into a database
- Issue registration via Email
- Change/terminate registration via same process
- Legislative request for online system



#### RAILROAD COMMISSION OF TEXAS

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

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

Organizat	tion Informa	ition							
Organizatio	on Name:						P-5 No.		
Purpose f	or Filing								
□ New F	Registration			Change Regis	tration		Terminat	te Registratio	on
Effe	ctive Date	Click or tap	to enter	a date.					
Pit Type									
Schedule	A – Authorize	d Pit							
□ Reserv					Makeup Wate	er			
□ Mud C	irculation				Fresh Mining				
	letion/Worko	ver			Water Conde				
	B – Authorize								
☐ Produ	ced Water Re	cycling							
Pit Inform	ation								
District	-1515		ı						
Pit Name o	r ID used by (	<del>-</del>				_			
	Pit Capacit	У	bbl						
Pit Dimen	sions			7			• •		•
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Location	Latitud	_	,						
	Longitud		$\overline{}$		-				
	Longitud	e	$\rightarrow$						
Pit Locati	on								
District				Coun	ty				
Accoriate	ed RRC Faci	lity No	$\overline{}$						
ASSOCIATE	API No	1							
	Lease No			Lease Nan					
000				Lease Nam	ie				
	lant Serial No								
	RRC Identifie								
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Name	Sireottori, diri				Title		y miovito	-0	
Signature					Date	C	lick or tan	to enter a d	ate.
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### Authorized Pits – Schedule A



- §4.114(1) Pit Contents
- §4.114(2) Pit Construction
  - Designed, constructed, and maintained to prevent migration
  - Any authorized pit that contains fluid with more than 3,000 mg/liter of total dissolved solids, or any authorized pit located in areas where groundwater is present within 50 feet of the bottom of the pit shall be lined.
- §4.114(3) Pit Closure
  - "...shall ensure closure activities do not increase the potential for pollution."
  - Dispose of all oil and gas wastes which are in the pit in a permitted manner or in a manner authorized by §4.111 of this title.

## Authorized Pits – Schedule B Registration



- Forms EP-1 and EP-2
- See §4.115(c) Financial Security Requirements
- Bond: Form EP-3
- Letter of Credit: Form EP-4
- For Schedule B Authorized
   Pits, a registration number
   will not be issued until the
   financial assurance has been
   received and validated.



Organization Name:

#### RAILROAD COMMISSION OF TEXAS

Form EP - 2 (Rev. 04/29/25)

Oil & Gas Division | Technical Permitting Authorized Pit Schedule B Worksheet

P-5 No.

Total Number of Pits Total Capacity of All Pits Total Financial Security	\$ bbls		
	bbls		
Total Number of Pits			
☐ (ii) \$200,000 per pit, capp	ped at \$5,000,000		
Total Financial Security	•		
Total Capacity of All Pits	bbls		
Total Number of Pits			
amount equal to:  (i) the greater of \$1.00 point capacity or \$1,000		en percent of an opera	ator's total produced water recycling
	<b>han five pits</b> may file a	performance bond,	letter of credit, or cash deposit in an
rotat rinanciat security	Ψ		
Total Capacity of All Pits Total Financial Security	\$ bbls		
Total Number of Pits			
amount equal to \$1.00 per			ter of credit, or cash deposit in an

## Other Important Elements



- Waste Profiles and Manifests (Division 10)
  - Start with the Generator!
  - Not required to use RRC forms
  - May use electronic systems
  - Not required to submit to RRC
- Permitted Facility Application Requirements are in
  - Division 4 and
  - Divisions 5 through 8 as applicable
- Notice for Permit Applications
  - Once "Administratively Complete"
- Intent is to capture all RRC jurisdictional waste

## Other Important Elements



- Guidance is in development
  - Adapting the existing online Surface Waste Management
     Manual for Chapter 4
- More Engagement?
- Rulemaking (?)
  - Chapter 4 Errata
  - Rule §3.78 Fees & Financial Security
  - Legislation

## 2025 Regulatory Conference



- Monday, July 14 Wednesday, July 16, 2025
- Kalahari Resorts & Conventions, Round Rock, Texas
- Registration Open
- https://www.rrc.texas.gov/about-us/organization-andactivities/activities/workshops-and-conferences/2025-rrcregulatory-conference/
- Environmental Permits will have a booth!
  - To discuss Forms, Guidance, and other comments and suggestions.

# Questions?



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