

EXHIBIT E

**BEFORE THE ARKANSAS POLLUTION CONTROL
AND ECOLOGY COMMISSION**

IN THE MATTER OF REQUEST BY)
HALLIBURTON ENERGY SERVICES, INC.)
TO INITIATE RULEMAKING TO AMEND) **DOCKET NO. 16-003-R**
REGULATION NO. 2)

HALLIBURTON ENERGY SERVICES, INC.’S STATEMENT OF COMPLIANCE

Petitioner, Halliburton Energy Services, Inc. (“HESI”), for its Statement of Compliance, states:

1. Executive Order 15-02 requires submission of all amendments to existing regulations to be submitted to the Office of the Governor for approval.
2. On June 14, 2016, the proposed Amendment to APCEC Regulation No. 2 proposed by HESI in its Petition to Initiate Third-Party Rulemaking was submitted to the Office of the Governor. On July 6, 2016, HESI was notified that HESI’s proposed amendment has been approved by the Office of the Governor (attached hereto as Exhibit A).
3. On Monday, June 5, 2017, HESI and ADEQ appeared before the Joint House and Senate Public Health, Welfare and Labor Committee where the third-party rulemaking was reviewed (attached hereto as Exhibit B). On Tuesday, June 13, 2107, HESI and ADEQ appeared before the ALC Administrative Rules & Regulations Subcommittee where the third-party rulemaking was reviewed and approved (attached hereto as Exhibit C).

Respectfully submitted


QUATTLEBAUM, GROOMS
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By 

Michael Heister, Ark. Bar No. 2002091
William A. Eckert III, Ark. Bar No. 78045

Counsel for Halliburton Energy Services, Inc.

CERTIFICATE OF SERVICE

I hereby certify that on this 9th day of August, 2017, I served a copy of the foregoing Statement of Compliance on the following by United States Mail, first class postage prepaid and by email:

Michael McAlister
Acting Chief Counsel, Legal Division
Arkansas Department of Environmental Quality
5301 Northshore Drive
North Little Rock, AR 72118
mcalister@adeq.state.ar.us



Michael B. Heister

Exhibit A

Subject: Rule Approval

Date: Wednesday, July 6, 2016 at 5:43:27 PM Central Daylight Time

From: Vu Ritchie

To: Michael B. Heister

CC: Miriam Pearsall

Michael,

The Governor has approved for promulgation the proposed third-party rule concerning Water Quality Standards for Surface Water. Please proceed with the promulgation process. If you have any questions or concerns, feel free to contact me.

Thanks,

Vu

Andrew "Vu" Ritchie
Deputy Legal Counsel
Office of Governor Asa Hutchinson
Direct: (501) 683-6462
vu.ritchie@governor.arkansas.gov

Exhibit B

AGENDA
Senate Committee on Public Health, Welfare, and Labor
House Committee on Public Health, Welfare, and Labor
Meeting Jointly

Monday, June 05, 2017

10:00 AM

Room A, MAC

Little Rock, Arkansas

Sen. Cecile Bledsoe, Chair
Sen. Eddie Cheatham, Vice Chair
Sen. Stephanie Flowers
Sen. Missy Irvin
Sen. David J. Sanders
Sen. John Cooper
Sen. Scott Flippo
Sen. Lance Eads

Rep. Jeff Wardlaw, Chair
Rep. Deborah Ferguson, Vice Chair
Rep. Fredrick J. Love
Rep. Kim Hammer
Rep. David L. Branscum
Rep. David Meeks
Rep. Chris Richey
Rep. Stephen Magie
Rep. Josh Miller
Rep. Richard Womack

Rep. John Payton
Rep. Jack Ladyman
Rep. Robin Lundstrum
Rep. Mary Bentley
Rep. Justin Gonzales
Rep. Justin Boyd
Rep. Ken Henderson
Rep. Austin McCollum
Rep. Bruce Coleman
Rep. Aaron Pilkington

- A. Call to Order
- B. Comments by the Chairs
1. Representative Jeff Wardlaw
 2. Senator Cecile Bledsoe
 3. Consideration of Motion to Authorize Co-Chairs to Approve Special Expenses Incurred by the Committees
- C. Consideration to Adopt the December 19, 2016, Meeting Minutes **(Exhibit C)**
- D. Arkansas Department of Health (ADH), Arkansas State Board of Health, Review of the Rules & Regulations Governing Medical Marijuana Registration, Testing, and Labeling in Arkansas **(Exhibit D)**
1. Robert Brech, Chief Counsel, Arkansas Department of Health
 2. Discussion and Action by the Committees
- E. Arkansas Department of Environmental Quality (ADEQ), Water Division, Third Party Rulemaking Request Submitted by Halliburton Energy Services, Inc. to Temporarily Make Changes to Regulation 2, Which are Water Quality Standards for Surface Water of the State of Arkansas. Halliburton Energy Services, Inc. Proposes to Take Remedial Action to Improve Conditions at the Dresser Industries Magcobar, Former Mine Site in Hot Springs County **(Exhibit E)**
1. Caleb Osborne, Associate Director, Office of Water Quality, ADEQ
 2. Michael B. Heister, Attorney, Quattlebaum Law Firm
 3. Discussion and Action by the Committees
- F. Department of Human Services (DHS), Division of Behavioral Health Services, Review of a Rule to Update Behavioral Health Provider Certification Manuals and Forms, Which Implements the Previously Approved Behavioral Health Transformation Legislative Package **(Exhibit F)**
1. Robert (Robbie) Nix, Assistant Director for Policy and Research, Division of Behavioral Health Services, DHS
 2. Discussion and Action by the Committees

Note: All exhibits for this meeting are available by electronic means and are accessible on the General Assembly's website at www.arkleg.state.ar.us

Notice: Silence your cell phones. Keep your personal conversations to a minimum. Observe restrictions designating areas as "*Members and Staff Only*"

- G. Department of Human Services (DHS), Division of Medical Services, Review of a Rule to Provide Home Health Services in Any Normal Setting Which Normal Life Activities Take Place (Home Health 2-16, Prosthet 3-16, CNM 1-16, Nursprea 3-16) **(Exhibit G)**
1. Tami Harlan, Chief Operating Officer, Division of Medical Services, DHS
 2. Discussion and Action by the Committees
- H. Department of Human Services (DHS), Division of Medical Services, Review of a Rule Pertaining to Reimbursement for Covered Outpatient Drugs in the Medicaid Program (Pharmacy 1-17) **(Exhibit H)**
1. Tami Harlan, Chief Operating Officer, Division of Medical Services, DHS
 2. Jason Derden, Director of Pharmacy, Division of Medical Services, DHS
 3. Discussion and Action by the Committees
- I. Department of Human Services (DHS), Division of Medical Services, Review of a Rule for Medicaid Eligible Children Age 20 and under; and CHIP (Children's Health Insurance Program) Eligible Children Age 18 and Under, to Prior Authorize an Initial 16 Treatments in 12 Months (Visual 2-16) **(Exhibit I)**
1. Tami Harlan, Chief Operating Officer, Division of Medical Services, DHS
 2. Discussion and Action by the Committees
- J. Department of Human Services (DHS), Division of Medical Services, Review of Rule Regarding Updating the Patient-Centered Medical Homes (PCMH 1-17) Provider Manual to Extend Practice Support Until June 30, 2018 **(Exhibit J)**
1. Tami Harlan, Chief Operating Officer, Division of Medical Services, DHS
 2. Discussion and Action by the Committees
- K. Department of Human Services (DHS), Division of Developmental Disabilities Services (DDS), Review of Rule to Update Medical Provider Manual to be Consistent with Waiver Approved by CMS (Centers for Medicare and Medicaid) on March 10, 2017—Effective Date of September 1, 2016 (DDS Alternative Community Services Waiver (DDS ACS) Update 1-17) **(Exhibit K)**
1. Melissa Stone, Director, Division of Developmental Disabilities Services, DHS
 2. Discussion and Action by the Committees
- L. Department of Human Services (DHS), Division of Developmental Disabilities Services, Review of Rule to Add 500 Slots to the Waiver Due to Redirection of \$8.7 Million in Tobacco Settlement Funds and Incorporate Independent Assessments as a Step Toward Conflict-Free Case Management and Transforming the Medicaid Program (DDS Community & Employment Supports Waiver and Medicaid Provider Manual 2-17) **(Exhibit L)**
1. Melissa Stone, Director, Division of Developmental Disabilities Services, DHS
 2. Discussion and Action by the Committees
- M. Department of Human Services (DHS), Division of Developmental Disabilities Services, Review of Rule to Update the Certification Standards Applicable to DDS Home and Community-Based Waiver Service Providers; by Adding Home and Community-Based Settings Requirements, Conflict-Free Case Management Requirements, and Other Clarifying Changes (DDS Community & Employment Services (CES) Waiver Certification Standards) **(Exhibit M)**
1. Melissa Stone, Director, Division of Developmental Disabilities Services, DHS
 2. Discussion and Action by the Committees

N. Consideration of Interim Study Proposal (ISP) for Adoption and Study (**Exhibit N**)

1. **ISP 2017-079** - "Requesting that the House Committee on Public Health, Welfare, and Labor Study Methods to Enhance Access to Immunizations in Arkansas by Overcoming Challenges to Immunization Access."
 - a. Representative Justin Boyd, Sponsor
 - b. Discussion and Action by the Committees

O. Other Business

P. Adjournment

Exhibit C

**REPORT OF THE
ADMINISTRATIVE RULES AND REGULATIONS SUBCOMMITTEE
OF THE
ARKANSAS LEGISLATIVE COUNCIL**

June 16, 2017

Co-Chairs:

The Administrative Rules and Regulations Subcommittee met on Tuesday, June 13, 2017 at 1:00 p.m. in Room A, MAC.

- 1. The Subcommittee adopted the attached reports of the Executive Subcommittee concerning emergency rules.**
- 2. The Subcommittee reviewed and filed the quarterly report for the quarter ending March 31, 2017 issued pursuant to Sections 14 and 15 of Act 1258 of 2015 concerning Administrative Directives and Administrative Memoranda by the Department of Correction.**
- 3. The Subcommittee reviewed and approved the following rules filed pursuant to Ark. Code Ann. § 10-3-309 concerning medical marijuana:**

DEPARTMENT OF FINANCE AND ADMINISTRATION, ALCOHOLIC BEVERAGE CONTROL ADMINISTRATION (Mary Robin Casteel and Lauren Ballard)

- a. Rule 2017-1: ABC Medical Marijuana Rules**

DEPARTMENT OF HEALTH, CENTER FOR HEALTH PROTECTION (Robert Brech)

- a. Medical Marijuana Registration, Testing, and Labeling in Arkansas**

MEDICAL MARIJUANA COMMISSION (Mary Robin Casteel and Lauren Ballard)

- a. Rule 2017-1: AMMC Rules**

4. **The Subcommittee reviewed and approved the following rules filed pursuant to Ark. Code Ann. § 10-3-309:**

DEPARTMENT OF EDUCATION (Jennifer Davis)

- a. **Education Service Cooperatives**

**DEPARTMENT OF ENVIRONMENTAL QUALITY, WATER DIVISION
(Caleb Osborne, ADEQ and Michael Heister, Halliburton)**

- a. **Regulation No. 2, Water Quality Standards; Third-Party Rulemaking by Halliburton Energy Services, Inc.**

**DEPARTMENT OF FINANCE AND ADMINISTRATION, REVENUE
DIVISION (Michelle Baker)**

- a. **Rule 2016-3: Standard Mileage Rates for Income Tax Purposes**

**DEPARTMENT OF HUMAN SERVICES, BEHAVIORAL HEALTH
(Robert Nix)**

- a. **DHS Behavioral Health Provider Certification Manuals and Forms**

**DEPARTMENT OF HUMAN SERVICES, CHILDREN AND FAMILY
SERVICES
(Christin Harper)**

- a. **Policy Regarding Child Involved in a Protective Services Case Who is Missing**
- b. **Internal Review of Assessment Decisions**
- c. **Procedure Regarding Family Assessments**

**DEPARTMENT OF HUMAN SERVICES, DEVELOPMENTAL
DISABILITIES SERVICES (Melissa Stone and Dennis Smith)**

- a. **DDS Community and Employment Services Waiver Certification Standards**
- b. **DDS Community and Employment Supports Waiver and Medicaid Provider Manual #2-17**
- c. **DDS Alternative Community Services Waiver Update #1-17 and Developmental Disabilities Services Home and Community Based Services Waiver**

DEPARTMENT OF HUMAN SERVICES, MEDICAL SERVICES (Tami Harlan)

- a. **Pharmacy 1-17 and Section 1-17**
- b. **Visual 2-16**
- c. **Home Health 2-16, Prosthet 3-16, CNM 1016, Nursprea**
- d. **Patient Centered Medical Home (PCMH) 1-17**
- e. **Hospice 1-16**
- f. **Prosthetics 2-16 and Section V-7-16**
- g. **State Plan Amendment #2016-003 – Pharmacy Pricing Methodology**

OIL AND GAS COMMISSION (Lawrence Bengal)

- a. **General Rule B-19 Requirements for Well Completion Utilizing Fracture Stimulation**
- b. **General Rule B-27 Salt Water**
- c. **General Rule B-33 Production Practice**
- d. **General Rule C-6 Monthly Reports Costs**
- e. **General Rule D-9 Gas Oil Ratio**
- f. **General Rule D-11 Pipeline Maps**
- g. **General Rule D-13 Use of Gas for Other than Light or Fuel**

Respectfully submitted,

Senator David Sanders, Co-Chair

Representative Kim Hammer, Co-Chair