



FACT SHEET GENERAL PERMIT NO. 0000-WG-SW RENEWAL

1. <u>BACKGROUND</u>

The Division of Environmental Quality (DEQ) has renewed the general permit 0000-WG-SW on May 27, 2016 with an effective date of December 1, 2016. A general permit for the surface facilities associated with a disposal system for subsurface injection of saltwater and other oil field wastes was originally issued June, 1994 for a period of five (5) years and expired on May 31, 1999. This general permit continued in effect and was renewed on July 1, 1999 with an expiration date of June 30, 2004. The permit was renewed effective November 1, 2006 and modified on January 31, 2009 with an expiration date of October 31, 2011. The permit was renewed again, effective December 1, 2016 with an expiration date of November 30, 2016. The permit was renewed again, effective December 1, 2016 with an expiration date of November 30, 2021.

The Arkansas Oil and Gas Commission (AOGC) and DEQ issue permits and/or authorizations to operators of saltwater disposal systems utilizing underground injection technology for disposal of salt water and other oil field wastes.

The AOGC has been authorized by EPA to administer the Underground Injection Control (UIC) Program regulating Class II UIC wells. These are wells that dispose of fluids brought to the surface during oil and natural gas exploration and/or production that may have been commingled with stormwater and/or spilled saltwater. This general permit is not applicable to wastewaters classified as hazardous. The AOGC maintains regulatory authority over the construction and operation of the injection well facility from the well-head down (subsurface facilities).

DEQ has maintained authority over and issued permits for the construction and operation of all above-ground facilities (surface facilities) associated with the Class II UIC wells to ensure the protection of the Waters of the State until October 26, 2018. At that time revised APC&EC Rule No. 1, <u>Prevention of Pollution by Oil Field Waste</u> (formerly Regulation 1) went into effect. This rule changed the permitting requirements for surface facilities associated with the Class II UIC wells. The changes consisted of the following:

- A. DEQ now issues coverage under Permit No. 0000-WG-SW for surface facilities with salt water storage capacity of over one thousand barrels or for surface facilities associated with commercial Class II UIC disposal wells.
- B. All Class II UIC disposal wells having salt water storage capacity of one thousand (1000) barrels or less, do not require coverage under Permit No. 0000-WG-SW, but are permitted by rule by the DEQ. Information pertaining to requirements for these systems is listed in AOGC Rule B-26.

2. <u>LEGAL BASIS</u>

A general permit best serves the interests of both the applicants for saltwater disposal system surface facility permits and the regulatory agencies, because the permitting process is streamlined and processing time reduced to a minimum, while ensuring environmental protection under A. C. A. § 8-4-101, *et seq.*. The issuance of a general permit by DEQ authorizes operators to construct and operate the surface facilities of saltwater disposal systems in all areas of the State of Arkansas.

3. <u>PERMIT COVERAGE</u>

The proposed permit provides coverage for the surface facilities associated with Class II UIC Wells for surface facilities with salt water storage capacity of over one thousand barrels or for surface facilities associated with commercial Class II UIC disposal wells. For purposes of this general permit, surface facilities include, but are not limited to, transmission pipelines from the production site to the disposal site, saltwater storage tanks and batteries, and constructed firewalls.

A. TIMING OF REQUEST

Requests for coverage shall be submitted as follows: New facilities located within the state of Arkansas eligible for coverage under this general permit must submit a Notice of Intent (NOI), Disclosure Statement, and initial permit fee to the DEQ at least thirty (30) days prior to proposed operation of the saltwater disposal systems.

B. INDIVIDUAL PERMIT

The Director may deny coverage under this general permit, and require the submittal of an application for an individual saltwater disposal system surface facility when:

- i. The permittee is determined to be a significant contributor of pollution;
- ii. The permittee is not in compliance with the conditions of the general permit;
- iii. A change has occurred in the availability of the demonstrated technology or practices for the control or abatement of pollutants applicable to saltwater disposal facilities;
- iv. Or, in the opinion of the Director, the facility covered by this permit is more appropriately controlled under an individual saltwater disposal system permit.

4. <u>PERMIT CONDITIONS</u>

The operation of any of the following facilities or the engagement in any of the following activities is prohibited:

Under the provisions of the Arkansas Water and Air Pollution Control Act and APC&EC Rule No. 1, as amended, the discharge of pollutants to the waters of the State from all oil and gas facilities is strictly prohibited.

The disposal of other types of wastes resulting from the salt water disposal activities in manners other than those specified in this permit are strictly prohibited unless they are disposed by methods previously approved by the DEQ.

Under the terms of this general permit, notification of any changes in the operation of the facility must be submitted to the Director in a Notice of Intent (NOI) and Disclosure Statement (if applicable). Upon submittal of a revised or new NOI and Disclosure Statement for a facility covered under this general permit, a permit modification fee in accordance with APC&EC Rule No. 9 must accompany the NOI, except for the following, when no fee is required:

- A. Changes in operators,
- B. Changes in the volume of stored fluids that do not increase the size of the storage tanks or containment area,
- C. Addition or deletion of producing wells.

All applicable provisions of APC&EC Rule No. 1 are incorporated into this general permit by reference.

Arkansas Oil and Gas Commission Rule B-26 requires the permittee must ensure that an impermeable containment berm (firewall) is constructed around all above-ground saltwater storage tanks with the capacity to contain 1.5 times the volume of the largest tank within the firewall.

In previous general permits, the operator was responsible for ensuring that all pipelines used for transporting saltwater, produced fluids, or other oil field wastes from the production site(s) to the disposal site were in good structural condition and free from leaks. These fluids are typically very high in chlorides (>10,000 mg/L) and if left unchecked, leaks from these transmission lines could enter the surrounding ground water and/or surface waters. Other federal and State general permits have demonstrated that visual inspections (e.g. the Stormwater Construction General Permit) are a cost effective way to reduce or eliminate pollutants from entering Waters of the State. To keep the operating costs to a minimum, the DEQ allows facilities to determine pipeline monitoring frequency and/or alternative methods to show compliance with the condition.

However, more frequent monitoring may be required if the DEQ determines that the facilities current practices are inadequate.

5. <u>PUBLIC COMMENT PERIOD AND HEARING</u>

The public notice describes the procedures for the formulation of final determinations and shall provide for a public comment period of thirty (30) days. During this period, any interested persons may submit written comments on the permit and may request a public hearing to clarify issues involved in the permitting decision. A request for a public hearing shall be in writing and shall state the nature of the issue(s) proposed to be raised in the hearing.

The DEQ notified via an e-mail public notice of the permit to the Arkansas Oil and Gas Commission, the U.S. Corps of Engineers, the U.S. Fish and Wildlife Service, the Arkansas Game and Fish Commission, the Department of Arkansas Heritage, the U.S. E.P.A., and the Arkansas Department of Health for review and comments.

6. <u>CHANGES FROM THE PREVIOUS PERMIT</u>

- A. October 26, 2018. At that time revised APC& Rule 1, <u>Prevention of Pollution by</u> <u>Oil Field Waste</u> (formerly Regulation 1) went into effect. This rules changed the permitting requirements for surface facilities associated with the Class II UIC wells. The changes consisted of the following:
 - i. DEQ now issues coverage under Permit No. 0000-WG-SW for surface facilities with salt water storage capacity of over one thousand barrels or for surface facilities associated with commercial Class II UIC disposal wells.
 - All Class II UIC disposal wells having salt water storage capacity of one thousand (1000) barrels or less, do not require coverage under Permit No. 0000-WG-SW, but are permitted by rule by the APC&EC and DEQ. Information pertaining to requirements for these systems is listed in AOGC Rule B-26.
- B. A link to the DEQ ePortal system that allows permit applications, registration forms, reports, and other forms to be submitted to DEQ and tracked in a secure online environment was added to the permit.
- C. The permit was reformatted to resemble the format of other DEQ Office of Water Quality General Permits.

7. <u>ECONOMIC IMPACT</u>

All of the requirements in this permit were in the previous permit, but now only apply to surface facilities with salt water storage capacity of over one thousand barrels or for surface facilities associated with commercial Class II UIC disposal wells. The permit fee of \$250.00 is allowed by AP&EC Rule No. 9 and remains unchanged.

All Class II UIC disposal wells having salt water storage capacity of one thousand (1000) barrels or less, do not require coverage under Permit No. 0000-WG-SW, but are permitted by rule by the DEQ. This permit no longer requires the owners/operators of these systems to submit the \$250.00 application fee and annual permit fees to DEQ.

8. <u>SOURCES</u>

- A. APC&EC Rule 1: Prevention of Pollution by Oil Field Waste, as revised.
- B. APC&EC Rule 2: Rule Establishing Water Quality Standards for Surface Waters of the State of Arkansas, as revised, §2.410 Oil and Grease.
- C. APC&EC Rule 8: Administrative Procedures, as revised.
- D. APC&EC Rule 9: Permit Fee Rules, as revised.
- E. Previous General Permit 0000-WG-SW effective December 1, 2016.
- F. Arkansas Water and Air Pollution Control Act (A. C. A. § 8-4-101, et seq.).
- G. Arkansas Oil and Gas Commission Rule B-26, General Lease Operating Requirements.