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

1. <u>BACKGROUND</u>

The Department of Energy and Environment's Division of Environmental Quality (DEQ) has renewed the general permit 0000-WG-SW on March 2, 2021 with an effective date of December 1, 2021. 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, 2011, 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. This permit issuance continues the five (5) year permit renewal cycle.

The Department of Energy and Environment's Arkansas Oil and Gas Commission (AOGC) and DEQ issue permits and/or authorizations to operators of saltwater disposal 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 Program regulating Class II underground injection control wells. These are wells that dispose of fluids brought to the surface during oil and natural gas production that may have been commingled with stormwater and/or spilled saltwater. This general permit is not applicable to wastewaters classified as hazardous under the Resource Conservation and Recovery Act. The AOGC maintains regulatory authority over the construction and operation of the injection well facility from the well-head down (subsurface facilities). They also conduct inspections at the Class II wells and associated systems.

DEQ has maintained authority over and issued permits for the construction and operation of the above-ground facilities (surface facilities) associated with commercial Class II underground injection control wells and for surface facilities having over one thousand (1000) barrels of salt water storage. Non-commercial facilities with one thousand (1000) barrels of salt water storage or less are permitted by rule and do not require an DEQ permit. to ensure the protection of the Waters of the State.

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 associated with commercial Class II underground injection control wells and for surface facilities having over one thousand (1000) barrels of salt water storage.in all areas of the State of Arkansas. Rule 1, Prevention of Pollution of Oilfield Waste was revised and became effective November 18, 2018.

3. **PERMIT COVERAGE**

The proposed permit provides coverage for the surface facilities for commercial Class II underground injection control wells and for surface facilities having over one thousand (1000) barrels of salt water storage associated with Class II Underground Injection Control 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. <u>INDIVIDUAL PERMIT</u>

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. **PERMIT CONDITIONS**

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 DEQ 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 APCEC Rule No. 1 are incorporated into this general permit by reference.

Arkansas Oil and Gas Commission General Rules and Rules § B-26(e)(2) and DEQ general permit 0000 Part II Section A Condition No.require the permittee must ensure that an impermeable containment berm (firewall) is constructed around all above-ground saltwater storage tanks with the capacity to contain 150% or 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. PUBLIC COMMENT PERIOD AND HEARING

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 the 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.

After completion of the required thirty (30) day public comment period there were no comments received.

6. CHANGES FROM THE PREVIOUS PERMIT

<u>This permit was revised to reflect changes to APC&EC</u> Rule No. 1 to apply to salt water disposal systems associated with commercial Class II underground injection control wells and for surface facilities having over one thousand (1000) barrels of salt water storage. Additionally, it reflects changes to AOGC Rules and Regulations

7. ECONOMIC IMPACT

All of the requirements in this permit were in the previous permit with the exception of systems associated with non-commercial Class II underground injection control wells and for surface facilities having one thousand (1000) barrels or less of salt water storage now being permitted by rule. The economic impact is favorable to the owners of these systems because they are no longer required to obtain coverage under DEQ permit 0000-WG-SW or pay the annual \$250.00 permit fee.

The permit fee of \$250.00 for systems associated with commercial Class II underground injection control wells and for surface facilities having over one thousand (1000) barrels of salt water storage is allowed by ADP&EC Rule No. 9 and remains unchanged.

8. <u>SOURCES</u>

- A. APC&EC Rule No. 1: Rule for the Prevention of Pollution by Oil Field Waste, as revised.
- B. APC&EC Rule No. 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 No. 8: Administrative Procedures, as revised.
- D. APC&EC Rule No. 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 General Rules and Regulations, effective January 15, 2015 (specifically B-26).
- H. Arkansas Oil and Gas Commission Forms 14, 14A, 14B, and 24: http://www.aogc.state.ar.us/aogcforms.htm