

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF WYOMING

IN THE MATTER OF A HEARING BROUGHT ON BY)
THE APPLICATION OF RECOVERED ENERGY) CAUSE NO. 9
INC. FOR AN ORDER FROM THE COMMISSION) ORDER NO. 1
APPROVING APPLICANT'S METHOD OF WASTE) DOCKET NO. 1443-2015
WATER TREATMENT IN THE STATE OF WYOMING)

APPEARANCES:

RECLAMATION RESOURCES Richard Lewis
Gary Packham

STATE OF WYOMING Lucas Keeler
Joe Scott
Kate Helm

REPORT OF THE EXAMINER

The above captioned matter came on regularly for hearing before Lucas Keeler, duly appointed hearing examiner of the Wyoming Oil and Gas Conservation Commission at 12:30 P.M. on November 9, 2015, in the office of the State Oil and Gas Supervisor, 2211 King Boulevard, Casper, Wyoming, after due and legal notice was given as required by law and as required by the Rules and Regulations of the Commission.

Having reviewed written evidence from Recovered Energy(REI), the examiner proceeded to hear statements of the applicant and consider the documentary evidence offered at the hearing, and after review of pertinent information, the examiner makes the following Findings of Fact, Conclusions of Law, and Order:

FINDINGS OF FACT

1. REI has requested permission to treat flow back and produced water in the State of Wyoming. Commission approval of such waste water treatment is required by the Commission Rules found in Chapter 4, Section 1.

2. Commission Rules in Chapter 4, Section 1, prohibit the use of a dispersant, wetting agent, surface reduction agent, surfactant or other chemicals that destroys, removes, or reduces the fluid seal of a pit and allows the fluid contained therein to seep, drain, or percolate into the soil underlying the pit. The REI process will not violate this section of the Commission Rules found in Chapter 4, Section 1.

3. Chemicals that might endanger the water or land surface will not be used.

4. The REI process as set out in the application can be approved and is limited to the process outlined in their application. In summary, REI proposes to use gravity separation of solids and coalescing separation of oils process to treat flow back and produced water.

5. No one appeared to protest the REI application to treat waste water.

CONCLUSIONS OF LAW

1. Due and legally sufficient notice of time, place and purpose of this hearing has been afforded to all interested parties in all respects as required by law.

2. The Commission has jurisdiction over the matter embraced herein and over all interested parties, and has jurisdiction to make and promulgate the order hereinafter set forth.

3. This hearing was conducted in accordance with the Commission Rules found in Chapter 5, Sections 10, 12, and 13 and §30-5-105, Wyoming Statutes governing hearings conducted by examiners.

ORDER

IT IS THEREFORE HEREBY ORDERED BY THE COMMISSION that REI be permitted to treat flow back and produced water in Wyoming

using gravity separation of solids and coalescing separation of oils process as long as the following conditions are met:

1. The Commission staff will be contacted at least 24 hours before any treatment is commenced.

2. No chemicals which may endanger the water, land surface or would compromise the integrity or hydraulic seal of the bottom of the pit will be added.

3. All chemicals used in the treatment shall be reported to the Commission.

4. A laboratory report of the water treated at each location must be submitted prior to re-use of any of the treated water. Said laboratory analytical report must include at a minimum, TPH, TDS, RCRA 8 Metals, and standard anion/cation balance. Commission staff must approve the requested use of the treated water prior to its re-use, following review of the analytical data. The operator will be required to submit a sundry notice requesting re-use of the treated water.

5. All waste material generated by the process and any treated water not approved for re-use or not fully re-used must be disposed in an approved disposal facility. Commission staff must be notified and approve of the action prior to disposal.

6. A report of operation of each treatment must be submitted to Commission staff within sixty (60) days of completion of the treatment. This report should include another copy of the laboratory analytical data, treatment volumes, volume and location where water was re-used, and volume and, if required, location of any waste or un-used treated water which was simply disposed.

7. A produced water discharge permit must be obtained from the Wyoming Department of Environmental Quality (WDEQ) if any

water is to be discharged on the surface of the ground.

8. All waste materials including those contaminated with heavy metals and hazardous materials must be properly and legally disposed according to existing Rules and Regulations. REI shall report the disposal methods, volumes and locations to the Commission.

9. Hazardous waste pit treatments are excluded from this Order.

10. The applicant shall comply with the applicable portions of Chapter 4, Section 1 of the Commission's Rules.6. Hazardous waste treatment is not authorized by this Order.

IT IS HEREBY FURTHER ORDERED that this approval is valid through November, 2016, at which time the Commission shall review its Order and may extend, modify, withdraw its approval or take such additional action in this matter, if any, as the Commission deems necessary and proper. REI, as the original applicant, shall present at said review a complete list of all waste water treatments conducted in Wyoming, which shall indicate the operator, location, date of treatment, and method of treatment in the ensuing period.

This space is intentionally left blank

IT IS HEREBY FURTHER ORDERED THAT THE COMMISSION shall retain jurisdiction to take such additional action in this matter, if any, as the Commission deems necessary and proper.

DATED this 8th day of December, 2015

WYOMING OIL AND GAS
CONSERVATION COMMISSION

/s/ Lucas Keeler
Mr. Lucas Keeler
Examiner

/s/ Bridget Hill
Ms. Bridget Hill
Acting Chairman-Commissioner

Approved as to form:

/s/ Eric A. Easton
Mr. Eric A. Easton
Sr. Assistant Attorney General
WSB 5-2176