GUIDELINES FOR PROCESSING MINOR PERMITS ASSOCIATED WITH STATEWIDE RULE 8

Guidelines Developed by Technical Permitting in Coordination with Field Operations

March 2005
Revised June 2009
Revised December 2009

GUIDELINES FOR PROCESSING MINOR PERMITS ASSOCIATED WITH STATEWIDE RULE 8

These guidelines address notice and application requirements for the most common types of minor permits issued associated with the management of oil and gas waste under Statewide Rule 8. Shell permits are included for off-lease landfarming of water base drilling fluid, landtreatment of oily waste, disposal of basic sediment and casing/annular disposal of drilling fluid.

TABLE OF CONTENTS

Attachment 1: Summary of December 2009 Amendments

Attachment 2: Summary of June 2009 Amendments for Landfarming and Landtreatment of Water Base Mud and Cuttings and Oily Waste Exempt from RCRA

Attachment 3: 1998 Environmental Regulatory Cost-Cutting Measures

Attachment 4: Notice and Protest Guidelines

Attachment 5: Analytical Guidelines

Guidelines for Disposal of Oily Waste

Attachment 6: Application Information for Off Lease Landfarming of Water Base Drilling Fluid

Attachment 7: Application Information for Landtreatment of Oily Waste Exempt from RCRA

Attachment 8: Application Information for Disposal of Basic Sediment (Lease Roads, County Roads, Firewalls, Burial)

Attachment 9: Application Information for Casing/Annular Disposal of Drilling Fluid

Notice Instructions for Casing/Annular Disposal of Drilling Fluid

ATTACHMENT 1

Summary of December 2009 Amendments

Summary of December 2009 Amendments

The Minor Permit Guidelines have been amended to provide clarification to the guidelines that were revised in June of 2009.

The guidelines for disposal of oily waste have been amended to:

1. Clarify that for disposal of waste by road spreading and application to firewalls, it is recommended that the EC of the waste be $\leq$ 4 mmhos/cm at the time of application because it is not expected that the waste will be mixed with native soil to reduce the EC.
2. Clarify that the TPH requirements for the waste/soil mixture by landtreatment must be reached after mixing, not upon application. The word "initial" was removed from the TPH requirements.
3. Add TPH limit requirement of $\leq$5% after application to roads.

The application requirements for landfarming water base mud have been amended to:

1. Clarify that no more than 5 minor permits, for no more than a total volume of 30,000 barrels from 5 wells, or 1 minor permit for waste from one well if the volume is greater than 30,000 barrels, will be issued for one disposal site. A disposal site has one surface owner. Property may be considered a separate, new disposal site if the property is at a distance of a minimum of one-half mile from a previously permitted disposal site. Property within one-half mile will be considered on a case-by-case basis provided the surface owner is different from the surface owner of a previously permitted disposal site.
2. Provide a web link to the Federal Emergency Management Agency for information on flood plains.
3. Clarify that distances to residences, schools, churches, hospitals or water wells are not set back restrictions but will be considered in the permitting process.
4. Acknowledge that when a closed loop system is used analytical data may not be available at the time the application is submitted and allow that waste characterization may be based on process knowledge, such as the analytical data of drilling mud from wells drilled to similar depths in the same formation, or may be provided within 10 days of initiation of landfarm activity.
5. Clarify that the TPH requirements for the waste/soil mixture must be reached after mixing, not upon application. The word "initial" was removed from the TPH limit requirement.
6. Provide that the District Director may grant exceptions on whether or not a site is considered a separate, new disposal site based on property location.

The application requirements for landtreating oily waste have been amended to:

1. Provide a web link to the Federal Emergency Management Agency for information on flood plains.
2. Clarify that distances to residences, schools, churches, hospitals or water wells are not set back restrictions but will be considered in the permitting process.
3. Acknowledge that when a closed loop system is used analytical data may not be available at the time the application is submitted and allow that waste characterization may be based on process knowledge, such as analytical data of drilling mud from wells drilled to similar depths in the same formation, or may be provided within 10 days of initiation of landfarm activity.
4. Clarify that the EC and TPH limit requirements for the waste/soil mixture must be reached after mixing, not upon application. The word "initial" was removed from the EC and TPH limit requirements.

The permit requirements for landfarming water base drilling fluids have been amended to:

1. Clarify that the waste/soil mixture requirement limits must be reached after mixing, not upon application.

The permit requirements for disposal of basic sediment exempt from RCRA by landtreatment have been amended to:

1. Clarify that the waste/soil mixture requirement limits must be reached after mixing, not upon application.

ATTACHMENT 2

Summary of June 2009 Amendments for Landfarming and Landtreatment of Water Base Mud and Cuttings and Oily Waste Exempt from RCRA

Summary of June 2009 Amendments to Minor Permit Guidelines for Landfarming and Landtreatment of Water Base Mud and Cuttings and Oily Waste Exempt from RCRA

The Minor Permit Guidelines have been amended to issue clear guidelines on the issuance of minor permits for landfarming water base drilling fluids and cuttings and landtreating oily waste. Facilities and/or operations that do not qualify for a minor permit shall be considered commercial or centralized facilities and/or operations, as applicable. The application and permit requirements for off-lease landfarming and landtreatment have also been amended to incorporate requirements intended to prevent pollution of surface and subsurface waters.

The application requirements for landfarming water base mud have been amended to:

1. Clarify that a minor permit for landfarming water base mud may only be issued to the generator of the waste. Water base drilling fluid and cuttings from (1) no more than 5 wells, or 30,000 barrels, whichever occurs first; or (2) no more than one well if the volume is greater than 30,000 barrels; and (3) a single operator from the same oil lease, or same general area/field for gas wells may be applied for under a minor permit. A minor permit will be required for the waste generated from each well. No more than 1 minor permit will be issued for one disposal site.
2. Require in the description of the proposed disposal site a minimum of 4 GPS points to identify the perimeter of the site.
3. Require whether or not the proposed site is located in a flood prone area and to clarify that sites located in the 100-year floodplain will not be approved.
4. Require the thickness of tillable soil at the proposed site and to clarify that the thickness of the soil should be at least 20 inches.
5. Require the distance to residences, schools, churches, hospitals or water wells within 500 feet of the proposed site.
6. Require the maximum thickness of water base drilling fluids to be applied and to clarify that the loading rate may not exceed 2,000 barrels per acre and a total thickness of 3 inches.
7. Require a contact number and waste hauler permit number for waste hauler(s) that will transport the waste, and the name and contact number of the contractor/person who will actually landfarm the drilling fluid, if different from the generator of the waste or waste hauler(s).

The application requirements for landtreating oily waste have been amended to:

1. Clarify that a minor permit for landtreating oily waste may only be issued to the generator of the waste and no more than 1 minor permit will be issued for one disposal site.
2. Require in the description of the proposed disposal site a minimum of 4 GPS points to identify the perimeter of the site.
3. Require whether or not the proposed site is located in a flood prone area and to clarify that sites located in the 100-year floodplain will not be approved.

4. Require the thickness of tillable soil at the proposed site and to clarify that the thickness of the soil should be at least 20 inches.
5. Require the distance to residences, schools, churches, hospitals or water wells within 500 feet of the proposed site.
6. Require a contact number and waste hauler permit number for waste hauler(s) that will transport the waste, and the name and contact number of the contractor/person who will actually landtreat the waste, if different from the generator of the waste or waste hauler(s).

The permit requirements for landfarming water base drilling fluids have been amended to include:

1. A waste application loading rate of no greater than 2,000 barrels per acre and a total thickness of 3 inches.
2. Analytical methods for pH, EC and TPH (methods discussed in guidelines but not included in permit).
3. Recordkeeping of each load of waste received for a period of 3 years.
4. Requirement to submit copies of analyses.

The permit requirements for landtreating oily waste have been amended to include:

1. Analytical methods for pH, EC and TPH (methods discussed in guidelines but not included in permit).
2. Recordkeeping of each load of waste received for a period of 3 years.
3. Requirement to submit copies of analyses.

ATTACHMENT 3

1998 Environmental Regulatory Cost-Cutting Measures

1998 ENVIRONMENTAL REGULATORY COST-CUTTING MEASURES

In August 1998 Environmental Regulatory Cost-Cutting Measures were put into place and included the following:

1. Minor permit term extended from 30 to 60 days.

2. Removed requirement for minor permits for the disposal of oil and gas waste at a facility permitted by another state agency, another state, or the federal government if the waste generator submits to the Commission district office in the district in which the waste was generated documentation regarding the shipment of waste to such facility within 30 days after shipment. Such documentation may be in the form of a run ticket, manifest, or receipt that contains the following information: generator name, site of waste (lease name or other facility name as appropriate), county, waste hauler permit number if applicable, date of shipment, type and volume of waste, and name and location of disposal facility.

ATTACHMENT 4

Notice and Protest Guidelines

NOTICE

The applicant should obtain written permission from surface owner of the tract upon which the disposal will take place for all surface disposals requiring a minor permit.

PROTEST GUIDELINES

Receipt of a Protest before the Permit has been Issued:

If the District Office receives a protest to a minor permit application before it has issued the permit, the District Director should refer the protest to Austin with a recommendation as to whether or not he believes the protest to be valid. The guiding principles for determining whether or not a protest is valid should be (a) whether the proposed activity, if performed consistent with the standard terms of the permit, would cause harm (in which case, the Director would not issue the permit), and (b) whether the protesting party demonstrates that the proposed activity would cause her or him to suffer actual injury or economic damage other than as a member of the general public. The Office of Special Counsel and Environmental Services in Austin will review the protest and the Director's recommendation and will respond to the Director and the protesting party within five business days after receipt of the recommendation. The response will include reference to the relevant provisions of Rule 8 and will note whether and how the permit could be summarily modified to eliminate the harm.

Receipt of a Protest after the Permit has been Issued:

If a person protests after a minor permit has been issued, the Director should decide whether the information presented by the protestant is sufficient to warrant modification, suspension or termination of the permit and should refer the protest to Austin with a recommendation. Austin will reply within five business days of receipt of the District's recommendation.

ATTACHMENT 5

Analytical Guidelines

Guidelines for Disposal of Oily Waste

ANALYTICAL GUIDELINES

- Total Petroleum Hydrocarbons (TPH)

Method 418.1 has been replaced by Method 1664 (for aqueous) and Method 9071B (for solids). Permits issued by Environmental Services require a final TPH of 1% up to C_{40} or greater. Analyzing up to C_{40} or greater is required because the 1% TPH limit was based on Rule 91 which was based on using Method 418.1. Any EPA approved method or combination of methods may be used as long as hydrocarbons measured up to C_{40} or greater.

TPH should not exceed 1% at closure.

- Total Organic Halides (TOX)

Total organic halides analyses should be required for waste generated at commercial facilities and reclamation plants. It is recommended that Method 9020B (total organic halides in water) and Method 9023 (extractable organic halides in solids) be used for initial screening. This method is used as a screening measure for solvents because these facilities accept a variety of waste from a variety of operators.

TOX should not exceed 100 mg/kg

- Electrical Conductivity (EC)

An EPA approved saturated paste method should be used.

EC should be $\leq$ 4 mmhos/cm, or background in those areas where EC is greater than 4 mmhos/cm in undisturbed soil in the vicinity of the disposal site.

- Toxicity Characteristic Leaching Procedure (TCLP) Test

RCRA non-exempt waste must be analyzed for toxicity. RCRA non-exempt oil and gas waste is non-hazardous if it meets the following analytical standards:

Organics:	Benzene	$\leq$ 0.5 mg/l
Metals:	Arsenic	$\leq$ 5.0 mg/l
	Barium	$\leq$ 100 mg/l
	Cadmium	$\leq$ 1.0 mg/l
	Chromium	$\leq$ 5.0 mg/l
	Lead	$\leq$ 5.0 mg/l
	Mercury	$\leq$ 0.2 mg/l
	Selenium	$\leq$ 1.0 mg/l
	Silver	$\leq$ 5.0 mg/l

- PH

pH limit $\geq$ 6 and $\leq$ 10 Standard Units

GUIDELINES FOR DISPOSAL OF OILY WASTE

I. Oily waste comprises basic sediment from the bottom of treating and storage facilities including production separators, fluid treating vessels, and pit sludges. These wastes are exempt from RCRA Subtitle C. Disposal methods, analyses and limitations that should be considered follow. Note that for road spreading and application to firewalls, it is recommended that the EC of the waste be $\leq$ 4 mmhos/cm at the time of application because it is not expected that the waste will be mixed with native soil to reduce the EC.

i. Landtreatment:

EC of waste / soil mixture $\leq$ 4 mmhos/cm
TPH of waste / soil mixture $\leq$ 5%
TPH of final waste / soil mixture $\leq$ 1%
pH of waste / soil mixture $\geq$ 6 and $\leq$ 10

ii. Lease roads:

EC $\leq$ 4 mmhos/cm
TPH $\leq$ 5% after application
No free saltwater

iii. County Roads:

EC $\leq$ 4 mmhos/cm
TPH $\leq$ 5% after application
No free saltwater
Written request from County Commissioner (s).

iv. Firewalls:

EC $\leq$ 4 mmhos/cm
TPH does not exceed 5% by weight.
No free saltwater

v. Burial:

Remove free oil
Chloride Concentration $\leq$ 3000 mg/l
pH $\geq$ 6 and $\leq$ 10
TPH $\leq$ 1% at time of burial
Benzene < 0.05 mg/kg

II. Oily waste from gas plants / compressor stations / transmission line spills (lube oil, crude oil spills from transmission lines). In addition to requirements for RCRA-exempt waste listed above, must also determine if waste is a hazardous waste subject to RCRA Subtitle C requirements:

TCLP for Organics and Metals

III. Oily waste from commercial disposal facilities and reclamation plants:
Because there is a greater chance for non-exempt waste streams to be mixed with exempt waste streams more extensive testing should be required.

Same testing as above for exempt and non-exempt with the addition of TOX (total organic halides)

IV. Waste from gas plants filters, sieves, iron sponge:
Same testing as for oily waste from treating and storage facilities.

V. Lube oil from compressor stations:
Same testing as for commercial facilities and reclamation plants plus either use process knowledge or test for PCBs

ATTACHMENT 6

Application Information for Off Lease Landfarming of Water Base Drilling Fluid

MINOR PERMIT APPLICATION INFORMATION
Off Lease Landfarming of Water Base Drilling Fluids

Only the generator of the waste may apply for a minor permit to landfarm drilling fluid off the lease where it was generated. Water base drilling fluid and cuttings from (1) no more than 5 wells, or 30,000 barrels, whichever occurs first; or (2) no more than one well if the volume is greater than 30,000 barrels; and (3) a single operator from the same oil lease, or same general area/field for gas wells may be applied for under a minor permit. A minor permit will be required for the waste generated from each well. No more than 5 minor permits, for no more than a total volume of 30,000 barrels from 5 wells, or 1 minor permit for waste from one well if the volume is greater than 30,000 barrels, will be issued for one disposal site. A disposal site has one surface owner. Property may be considered a separate, new disposal site if the property is at a distance of a minimum of one-half mile from a previously permitted disposal site. Property within one-half mile will be considered on a case-by-case basis provided the surface owner is different from the surface owner of a previously permitted disposal site. Authorization to repeat application of waste to one site may not be issued under a minor permit and will require authority issued out of Austin. The generator should file a written application containing the following information:

1. Operator name and address.

2. Lease name and number (if available), drilling permit number, well number, field and county of well where the drilling fluid was generated.

3. Description of proposed disposal site by owner, tract size, and location, including a map or plat of disposal site and written directions for finding the disposal site. Include a minimum of 4 GPS points to identify the perimeter of the site.

4. General description of the contour of disposal site, including any watercourses or drainage ways on the disposal site. Must be at least 100 feet from surface water. The slope of the area must be $\leq$ 5% unless the district office determines the slope may be greater.

5. Whether or not the site is located in a flood prone area. Sites located in the 100-year floodplain will not be approved. The Federal Emergency Management Agency (http://www.fema.gov/hazard/flood/index.shtm) can provide information on flood plains.

6. Thickness of tillable soil. The soil thickness should be at least 20 inches.

7. Distance to residences, schools, churches, hospitals or water wells within 500 feet of the proposed landfarm site. These distances are not set back restrictions but will be considered in the permitting process.

8. Written permission of the landowner must be obtained prior to using property for landfarming of drilling fluid. Landowner may indicate consent by signing the operator's application.

9. Volume of the drilling fluid to be landfarmed.

10. Maximum thickness of waste to be applied. The loading rate may not exceed 2,000 barrels per acre and a total thickness of 3 inches.

11. Chloride concentration of the drilling fluid to be landfarmed. The chloride concentration may not exceed 3,000 mg/l. The EC of waste / soil mixture may not exceed 4 mmhos/cm. When a closed loop system is used analytical data may not be available at the time the application is submitted. The waste characterization may be based on process knowledge, such as the analytical data of drilling mud from wells drilled to similar depths in the same formation, or may be provided within 10 days of initiation of landfarm activity.

12. Total petroleum hydrocarbons (TPH) of the waste. TPH waste / soil mixture must be $\leq$ 5%. TPH of final waste / soil mixture must be $\leq$ 1%. When a closed loop system is used analytical data may not be available at the time the application is submitted. The waste characterization may be based on process knowledge, such as the analytical data of drilling mud from wells drilled to similar depths in the same formation, or may be provided within 10 days of initiation of landfarm activity.

13. The pH of the waste / soil mixture must be pH $\geq$ 6 and $\leq$ 10.

14. Name, address, contact number and permit number of the waste hauler(s) that will transport the waste, and the contact number and name of the contractor/person who will actually landfarm the drilling fluid if different from the generator of the waste, or waste hauler(s).

15. The application must be signed by the operator's representative responsible for making sure the drilling fluid is disposed of properly.

The District Director may require the applicant to provide additional information or notice, which the District Director deems necessary to show that issuance of the permit will not result in the pollution of surface or subsurface water. The District Director may require additional precautionary measures, such as secondary containment, to provide protection of public safety and the environment. The District Director may grant exceptions on whether or not a site is considered a separate, new disposal site based on the property location.

ATTACHMENT 7

Application Information for Landtreatment of Oily Waste Exempt from RCRA

MINOR PERMIT APPLICATION INFORMATION
Landtreatment of Oily Waste Exempt from RCRA

Only the generator of the waste may apply for a minor permit to landtreat oil and gas waste. The generator should file a written application containing the following information:

1. Operator name and address.

2. Lease name and number (if available), drilling permit number, well number, field and county of well where waste was generated. No more than 1 minor permit will be issued for one disposal site.

3. Description of the proposed disposal site by owner, tract size, and location, including a map or plat of the disposal site and written directions for finding the disposal site. Include a minimum of 4 GPS points to identify the perimeter of the site.

4. General description of the contour of the disposal site, including any watercourses or drainage ways on the disposal site. Must be at least 100 feet from surface water. The slope of the area must be $\leq$ 5% unless district office determines the slope may be greater.

5. Whether or not the site is located in a flood prone area. Sites located in the 100-year floodplain will not be approved. The Federal Emergency Management Agency (http://fema.gov/hazard/flood/index.shtm) can provide information on flood plains.

6. Thickness of tillable soil. The soil thickness should be at least 20 inches.

7. Distance to residences, schools, churches, hospitals or water wells within 500 feet of the proposed landtreatment site. These distances are not set back restrictions but will be considered in the permitting process.

8. Written permission of the landowner must be obtained prior to using property for landtreatment. Landowner may indicate consent by signing the operator's application.

9. Volume of waste to be landtreated. Application thickness should not exceed 8 inches.

10. Electrical conductivity (EC) of the waste to be landtreated. The EC of waste / soil mixture may not exceed 4 mmhos/cm. When a closed loop system is used analytical data may not be available at the time the application is submitted. The waste characterization may be based on process knowledge, such as the analytical data of drilling mud from wells drilled to similar depths in the same formation, or may be provided within 10 days of initiation of landfarm activity.

11. Total petroleum hydrocarbons (TPH) of the waste. TPH of waste / soil mixture must be $\leq$ 5%. TPH of final waste / soil mixture must be $\leq$ 1%. When a closed loop system is used analytical data may not be available at the time the application is submitted. The waste characterization may be based on process knowledge, such as the analytical data of drilling mud from wells drilled to similar depths in the same formation, or may be provided within 10 days of initiation of landfarm activity.

12. The pH of the waste / soil mixture must be $\geq$ 6 and $\leq$ 10.

13. If applicable, the name, address, contact number and permit number of the waste hauler(s) that will transport the waste, and the name and contact number of the contractor/person who will actually landtreat the waste, if different from the generator of the waste, or waste hauler(s).

14. The application must be signed by the operator's representative responsible for making sure the waste is disposed of properly.

The District Director may require the applicant to provide additional information or notice, which the District Director deems necessary to show that issuance of the permit will not result in the pollution of surface or subsurface water. The District Director may require additional precautionary measures, such as secondary containment, to provide protection of public safety and the environment.

ATTACHMENT 8

Application Information for Disposal of Basic Sediment (Lease Roads, County Roads, Firewalls, Burial)

APPLICATION INFORMATION
Disposal of Basic Sediment Exempt from RCRA on Lease Roads, County Roads, Firewalls, Burial

An operator may apply for a minor permit to dispose of RCRA-exempt basic sediment by application to lease roads, county roads, and firewalls or by burial. The operator should file a written application containing the following information:

1. Operator name and address.

2. Lease name, field and county of the tank battery where the basic sediment was generated.

3. Description of the disposal technique.

4. Description of the proposed disposal site by owner, tract size, and location, including a map or plat of disposal site and written directions for finding the disposal site.

5. General description of the contour of the disposal site, including any watercourses or drainageways on the disposal site. If buried, the site must be at >150 feet from a public drinking water supply, domestic, or irrigation well.

6. Written permission of landowner if applied to a private road or county commissioner if applied to a county road. Permission may be indicated by the signature of the landowner or county commissioner on operator's application.

7. Volume of the basic sediment to be disposed of at the disposal site.

8. If applied to lease roads, county roads or firewalls, the electrical conductivity (EC) must be $\leq$ 4 mmhos/cm. If buried, the chloride concentration must be $\leq$ 3000 mg/l.

9. If applied to firewalls, total petroleum hydrocarbons (TPH) must be $\leq$ 5%.

10. If buried, free oil must be removed, TPH at time of closure must be $\leq$ 1%, chloride concentration must be $\leq$ 3000 mg/l, pH must be $\geq$ 6 and $\leq$ 10 and benzene must be < 0.05 mg/kg.

11. If applicable, name and address of the service company that will actually dispose of basic sediment.

12. The application must be signed by the operator's representative responsible for making sure the basic sediment is disposed of properly.

ATTACHMENT 9

Application Information for Casing/Annular Disposal of Drilling Fluid

Notice Instructions for Casing/Annular Disposal of Drilling Fluid

APPLICATION INFORMATION
Casing/Annular Disposal of Drilling Fluid

An operator may apply for a minor permit to dispose of drilling fluid by pumping the fluid down the casing or annulus of the well where the drilling fluid was used. The application must contain the following information:

1. Operator name and address, lease name, well number, drilling permit number, field, and county.
2. Distance and direction to nearest town.
3. Depth and identification of usable quality water zones as determined by the TCEQ. Provide a copy of the TCEQ letter that states the water protection depths for the subject well.
4. Volume of drilling fluid in barrels.
5. Type of drilling fluid (water or oil base and chloride concentration).
6. Description of the well casing and cementing program, including a well diagram.
7. Proposed maximum surface injection pressure, may not exceed 0.5 psi per foot of surface casing depth.
8. Depth interval expected to take fluid.
9. Disposal contractor's name, address, contact person, and telephone number.
10. Statement that the drilling fluid to be disposed of was used for drilling the subject well.
11. Statement required by the attached notice instructions.

The application must be signed by the operator's representative who is responsible for the proper disposal of the drilling fluid.

Limitations

1. Surface casing must be set 500 feet deeper than the base of usable quality water or the operator must show that a cumulative 250 feet of impermeable formation exists between surface casing shoe and the base of usable quality water. A variance may be approved by the appropriate District Director upon written request by the operator, who must prove that the variance will not endanger usable quality water.

2. The operator must demonstrate the mechanical integrity of the surface casing prior to beginning injection by: (a) pressure testing the surface casing to a pressure equal to or greater than the permitted injection pressure; or (b) performing a tracer survey. The test or survey must be conducted after total depth or the next casing depth is reached, and the appropriate District Office must be notified a minimum of 24 hours before the test or survey is conducted. A pressure test will require a chart of acceptable range (20%-80% of full scale).

3. The operator must monitor the injection pressure with a pressure recorder of appropriate range (20%-80% of full scale) and must install a pop-off valve to prevent exceeding the permitted injection pressure.

4. The District Office must be notified at least 48 hours prior to beginning injection.

NOTICE INSTRUCTIONS—ANNULAR DISPOSAL OF DRILLING FLUIDS

The applicant must give notice using the attached notice form. The completed form must be mailed or delivered to the surface owner of the tract on which the well is located and to each adjoining offset operator on or before the date the application is mailed to or filed with the District Office.

The applicant must provide a signed statement with the application that the surface owner and offset operators have been notified. The statement must indicate the date the notice was mailed or delivered and list the names and addresses of the persons notified. To allow opportunity for protest or inquiry, and application will not be approved sooner than 15 days after receipt by the District Office of the application and signed notice statement.

NOTICE OF APPLICATION FOR ANNULAR DISPOSAL OF DRILLING FLUID

_____

(Company Name / Address)

is applying to the Railroad Commission of Texas for a permit for the one-time disposal of drilling fluid by injection into Well Number _____ on the _____ Lease in the _____ Field. The well is located _____ miles _____ of _____ in
(Direction) (Nearest City or Town)
_____ County.

Drilling fluid will be injected into strata in the subsurface depth interval from _____ to _____ feet. The top of the injection interval is _____ feet below the base of usable quality water. The drilling fluid will result from the drilling of the referenced well.

Additional information can be obtained by calling the Railroad Commission District Office in _____ at_____. Protests should be submitted in
(City) (Telephone Number)
writing to the District Office within 10 days of receipt of notice.