

COMMITTEE REPORTS

REGULATORY PRACTICES COMMITTEE

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TEXAS

Texas Railroad Commission:

- **SWR 8 Water Protection Revisions:** The Rule 8 revisions have been backburnered due to the legislative session. PBPA's RPC, and the other trade orgs, are in dialogue with Commission staff during this phase of the amendment process. Recently, we have learned that the Commissioners may want to delay this process a bit.
- **Seismic Update:** The various OLRP members continue to meet with Commission staff. A virtual meeting was held with each SRA membership in July. Commission staff are worried about an increase in seismic activity with increasing injection volumes especially in the Delaware Basin.
- **Injection and Disposal Permitting:** In February the Commission issued a NTO regarding new permit conditions for SWDs in the Permian Basin. This notice remains in effect. Additionally, Commission staff has indicated they want to revise the injection and disposal rules to incorporate the newly implemented data requirements (from the NTO), among other things. We now understand the Commissioners want to hold off any rule amendments at this time.
- **P-18 Revisions:** RRC proposed to modify the P-18 skim oil report. The changes include: additional areas to identify specific gathering system location information, disposal well API numbers, the total number of gathering system oil leases or gas wells, allow for consolidated P-18s for interconnected water disposal and networks, and total barrels of Out of State Produced Water.
- RRC has opened 16 TAC §5.102, §5.201, §§5.203 - 5.207 in order to conform the CO2 rules to minimum EPA standards in their effort to gain primacy.

Texas Commission on Environmental Quality

- **Air Quality Monitoring:** Goldsmith exceedances for H₂S are continuing. Be aware that aerial surveys are periodically being conducted in this area.
- TCEQ has announced that the Region 7 office in Midland will be receiving a mobile monitoring vehicle in the next 6 to 8 months that will be able to drive around and possibly pinpoint emission sources. The vehicle will have the capability to detect ppb levels of H₂S as well as numerous other emissions, including benzene. The mobile monitoring vehicle will be deployed throughout the Texas side of the Permian Basin and will not just be limited to the Goldsmith Area.

NEW MEXICO

Oil Conservation Division

- OCD is working on an updated UIC rule (SWD's) addressing seismicity in New Mexico. OCD has now stated there is no specific timeline on when this will be coming out.
- **Updated Form C-137 Release:** OCD has updated Form C-137 which is required for a new surface waste management facility (SWMF), to modify an existing SWMF, or for a permit renewal under 19.15.36.8(C) NMAC. The applicant has the option to utilize the new amended application form or the older version of the form until January 28, 2023 (i.e., 60-days from the new form upload date). After January 28, 2023, all applications using the old application form will be rejected and submitted application fees will be forfeited.

State Land Office:

- Environmental compliance will be a major emphasis going forward to be certain all remediation/reclamation efforts are done to SLO minimum standards.

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REGULATORY PRACTICES COMMITTEE CONTINUED

Federal

BLM:

- Carlsbad Resource Management Plan is scheduled for release in July 2024.
- BLM has started public meetings concerning a new “Public Lands Rule” they propose. The announcement states “The proposed rule would build on the historic investments in public lands and waters, restoration and resilience, and clean energy deployment provided by President Biden’s Bipartisan Infrastructure Law and Inflation Reduction Act.”

Environmental Protection Agency

- EPA has halted a planned ozone “nonattainment” designation for major oil and gas-producing areas in the Permian Basin region of western Texas and southeastern New Mexico, a move that would have required new pollution controls. The designation has been moved from “active” to “pending” on the agenda. Drilling and operations-related emissions primarily in Texas are blamed for downwind high ozone levels. EPA omitted the previously planned designation from its recently updated Unified Agenda of regulations because the nonattainment designation is no longer considered an “active” rulemaking. However, we hear that the Region 6 administrator may want to revisit this issue.

U.S. Forest Service, USDA

- The U.S. Department of Agriculture - Forest Service is proposing regulations to impose new fees to recover the agency’s costs for processing proposals related to mineral activity on National Forest System lands. This would include costs for agency time to complete environmental review and analysis, perform other processing-related actions, and monitor construction and restoration of authorized activities. This Minerals Cost Recovery proposed rule is available for review in the Federal Register. The Forest Service invites written comments on the proposed rule and its supporting economic analysis of impacts to small businesses. Comments on the proposed rule and its economic analysis can be submitted through the Federal eRulemaking Portal at <http://www.regulations.gov> ; type “RIN 0596-AD47” in the search box. The public comment period runs through August 14, 2023.