Exploration & Production Wastes: “Cutting Edge” Legal/Policy Issues

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Construct For E&P Wastes – Overall Regulatory Framework

• Colorado Oil & Gas Conservation Commission
  • “E&P Waste” Definition – Series 100, OGCC Rules
    – ...those wastes associated with operations to locate or
      remove oil or gas from the ground or to remove
      impurities from such substances and which are
      uniquely associated with and intrinsic to oil and gas
      exploration, development, or production operations that
      are exempt from regulation under Subtitle C of the
      Resource Conservation and Recovery Act (RCRA), 42
      USC Sections 6921, et seq. …

• CDPHE / Colorado Solid and Hazardous Waste Commission
  • Driven by RCRA → Colorado SWDA (Solid Waste)
  • Option for E&P Waste Disposal
  • Some Specialized Crossover Areas (e.g., Commercial
    Impoundments, see CSWRules Section 17)

Construct For E&P Wastes – Overall Regulatory Framework (cont.)

• CDPHE vs. COGCC (and Respective Commissions) – Examples of Policy/Legal Differences
  – Recycling/Efficiency/Waste Management – Differing Directives
  – Manifesting/Recordkeeping/Tracking Requirements
  – Political/Policy Issues – Understanding the political/regulatory climates is key!

Construct For E&P Wastes – Overall Regulatory Framework (cont.)

• Fracking vs. Typical E&P Wastes – Separating Truth from Fiction
  – Relative Magnitude/Volumes
  – Misconceptions – (e.g. recent floods)
  – Oil and Gas at the 10,000 Foot Level
  – Emotions Run High; Political Stakes Huge
  – Solid Waste “Benign” By Comparison
Drill Cuttings

- What are Cuttings?
- Relationship to other E&P Wastes (e.g. drilling fluids)
- Constituents – Table 910 Standards
  - Hydrocarbons
  - Metals (Background Issues)
Regulatory Construct

- Key OGCC Rules – Section 907(a)(3), 907(d), 907(e), 907(f) and 908
- Land Application vs. Commercial Sites – Key Distinctions
- Basic Disposal Options
- Waste Management Plans – Critical Element

Ongoing Concerns/Enforcement Issues

- Unapproved land application/lack of understanding by contractors and haulers
- What is “beneficial use” (e.g., landscaping, fill).
- Heightened COGCC enforcement generally
- Landfill restraints and closures – limiting options

Key Areas of Operator Concern – Are We “Cutting Up” Here?

- Cost/Time
- Environmentally Wasteful
- Recordkeeping difficulties (Esp. Where Cuttings Moved)
- Sampling and characterization
- Confusion in the field/time constraints
- Offsite/Landfill liability
Solutions/Ideas – Potential Solid Waste Industry Involvement

- Designated Commercial Landfills – Getting in the Business
- Tracking Origin and Setting Conditions
  - Landfill Liability Mitigation
  - Sampling/Concentration Restraints
- Helping Operators Comply – Waste Management Plans
- Consolidation – Recycling
- Governmental Input – Local Involvement

Conclusions/Observations

- Fine line between E&P waste and solid waste – continuing interplay
- Politics/Legalities Quite Distinct
- Drill Cuttings – Study in Competing Considerations
- Solid Waste Community – Can Help Dispel the Fear Factor

QUESTIONS?

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