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Exploration, Development, Production, and
Transportation of Crude Oil and Natural Gas in
Texas"

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ABSTRACT

The following technical report provides a detailed status report of the DOE grant project entitled "Environmental Guidance Documents for Exploration, Development, Production, and Transportation of Crude Oil and Natural Gas in Texas." The grant funding allocated is for the purpose of provided the Railroad Commission of Texas (Commission) with resources and capabilities to draft, publish and distribute documents that provide guidance to oil and gas operators on issues concerning oil and gas naturally occurring radioactive material (NORM) waste, oil and gas hazardous waste, remediation of crude oil spills, management of non-hazardous oil and gas wastes, and mechanical integrity testing of Class II injection and disposal wells.

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I. EXECUTIVE SUMMARY

The following technical report provides details on tasks that have

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been completed, tasks that are currently in progress, and tasks that are scheduled to begin in the next quarter. The report is for the project period from January 1, 1997, through March 31, 1997.

Two of the four guidance documents have been drafted, reviewed internally, and circulated externally for review and comment. Industry has requested an expansion of the third guidance document. We have decided to time the circulation of the guidance document on Rule 8 (Waste Management) to correspond to circulation of the draft amendments to the rule. And, industry has identified a fifth guidance document on mechanical integrity testing of Class II injection and disposal wells.

II. INTRODUCTION

The Commission's application for grant funds for this project was approved by DOE on August 1, 1995.

The objective of this project is to significantly reduce compliance costs of environmental regulations through outreach and technology transfer by provided guidance manuals to oil and gas operators under the regulatory authority of the Railroad Commission of Texas. This project will help address the Texas E&P industry's need for assistance and training in waste characterization and minimization and should further State and Federal pollution prevention goals and initiatives. Deliverables include guidance documents for the following topics: technical criteria for oil and gas waste management and cleanup; remediation of oil spills; NORM management; management of hazardous oil and gas wastes, and mechanical integrity testing of Class II injection and disposal wells. Funding from this grant helps to provide the Commission with the resources and capabilities to draft, publish and distribute these guidance documents.

III. RESULTS AND DISCUSSION

COMPLETED:

Initial drafting of two of the guidance documents, the document on oil and gas NORM and on hazardous oil and gas wastes, has been completed. These two guidance documents have been circulated to the appropriate technical and legal personnel within the Commission for internal review and comment and to industry associations and other interested persons for external review and comment. Internal comments were received and changes made to the initial draft documents in response to the comments. Most of the external comments have been received and incorporated into the documents as appropriate.

IN PROGRESS:

The draft guidance document on cleanup of crude oil was scheduled for internal review in October, but completion has been delayed as industry has expressed an interest in expanding the scope of this document.

The draft guidance documents for hazardous oil and gas waste management and NORM were circulated to industry associations and other interested persons for external review and comment in January, 1997. Comments were due back to the Commission by February 28, 1997. We have incorporated most of the recommendations we have received to date. One major industry association has not yet submitted its comments. Comments from this association's members are crucial to ensuring the success of the guidance documents.

NEXT QUARTER:

We should receive in the next quarter the final comments on the draft guidance documents for hazardous oil and gas waste management and oil and gas NORM waste management. The Commission will evaluate the comments and make changes to the draft documents as necessary.

The initial draft guidance document for cleanup of crude oil will be expanded as requested by industry. We hope to circulate this draft document for internal review and comment late in the next quarter or early in the following quarter.

The draft guidance document on technical criteria for oil and gas waste management has been delayed. The Commission is in the process of amending its main rule for management of nonhazardous oil and gas wastes (Statewide Rule 8) to revise many of the standards for surface storage and disposal of oil and gas wastes. These amendments have been drafted and are currently in legal review. The guidance document will incorporate and explain these standards. Therefore, we have decided to time the circulation of this guidance document to correspond to circulation of draft amendments to the rule. We hope to complete this draft document during the next quarter.

In addition to the four guidance documents we have identified above, industry has also encouraged the Railroad Commission to develop a fifth guidance document for mechanical integrity testing of Class II injection and disposal wells. Drafting of this guidance document will be initiated during the next quarter.

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IV. CONCLUSION

In closing, the Commission is well on its way toward completing three of the four initially identified guidance documents. During the next quarter, three of these documents will be close to completion. Industry has requested that we expand the scope of one of these three documents. The fourth guidance document, management of oil and gas waste, will be circulated with draft amendments to the rule. In addition, as a result of recent industry requests, a fifth guidance document on mechanical integrity testing of Class II injection and disposal wells will be developed. We have requested a no-cost extension of the grant period to enable us to complete the work on the document that is dependent on rulemaking, expansion of the scope of the guidance document on cleanup of crude oil, and on the newly identified guidance document on mechanical integrity testing of Class II injection and disposal wells.

V. LIST OF ACRONYMS AND ABBREVIATIONS

Commission	-	Railroad Commission of Texas
E&P	-	Exploration and Production
DOE	-	Department of Energy
NORM	-	Naturally Occurring Radioactive Material