

September 28, 2020

Submitted by e-mail via ecomment@pa.gov

Technical Guidance Coordinator
Department of Environmental Protection
Policy Office
Rachel Carson State Office Building
P.O. Box 2063
Harrisburg, PA 17105-2063

**Re: Comments on Proposed Guidelines for Development of Operator Pressure Barrier Policy (PBP) for Unconventional Wells
DEP ID 800-0810-003**

COMMENTS OF
THE PENNSYLVANIA INDEPENDENT OIL & GAS ASSOCIATION

The Pennsylvania Independent Oil & Gas Association (PIOGA) respectfully submits the following comments regarding the Department of Environmental Protection's notice published in the Pennsylvania Bulletin on August 29, 2020, 50 Pa.B. 4459, soliciting public comments on the above-referenced proposed technical guidance document (TGD).

PIOGA is a nonprofit trade association, with nearly 400 members, representing Pennsylvania independent oil and natural gas producers, both conventional and unconventional, as well as marketers, service companies and related businesses, and landowners and royalty owners. PIOGA member operators are subject to provisions of Chapter 32 of Act 13 of 2012 and the regulations listed in the proposed TGD. The Association and our members, therefore, have a direct interest in the proposed TGD.

Comment No. 1: The TGD should be revised to provide helpful information consistent with its stated purpose rather than primarily summarizing relevant requirements of statutes and regulations.

DEP states that the purpose of this TGD "is to assist unconventional operators developing the PBP component of a Preparedness, Prevention and Contingency (PPC) plan." Yet in the few instances when the TGD could provide useful information, it is silent, as explained below. Instead, the TGD contains "recommendations" that merely summarize existing statutory and regulatory pressure barrier requirements of Chapter 78a, American Petroleum Institute (API) Recommended Practice (RP) 53, The Clean Streams Law, Solid Waste Management Act, and the 2012 Oil and Gas Act.

Comment No. 2: The TGD does not provide guidance concerning DEP’s expectations for pressure barriers when air drilling.

One example of the lack of useful information concerns air drilling portions of unconventional wells. Certainly, it is up to the operator to identify phases that require two barriers. Previous guidance from DEP on the barrier policy as it relates to air drilling is the following:

“Air drilling was identified as a problem for barrier requirements and it is up to the operator to ID the barriers that are necessary depending on their situation. BMP’s should be considered if there is a chance of high pressures or in an unknown area.”

Many operators drill on air from the surface all the way to the kick-off point, and most air rigs do not have the required height under the drilling floor to install two mechanical barriers (*i.e.*, two ram-type blow out preventers (BOPs)). Traditionally a single annular type BOP is installed and a second barrier would be some type of brine, mud, or kill fluid on location. However, that does not meet the definition of a mechanical barrier that can be tested. The TGD does note a few examples at the bottom of page 2 but PIOGA believes air drilling is such an accepted practice that DEP should provide guidance concerning what it expects from the operator during those phases. PIOGA believes that this is the better approach, because the decisions are left up to the operator, rather than the prescriptive approach used in this TGD, especially the Worksheet.

Comment No. 3: The TGD is prescriptive rather than optional.

As indicated above, many of the WORKSHEET QUESTIONS in Section VI appear to be prescriptive. This guidance document could be simplified consistent with its stated purpose of assisting operators in developing their PBP’s by a plain listing of optional “procedures” that may be considered by an operator to be part of the PBP, as the applicable regulations will establish the necessary mandates.

Notwithstanding the above, the WORKSHEET QUESTIONS raise some questions. Re Section VI, II.12, can a single shoe test/LOT/FIT test for pad drilling be acceptable to cover all wells, *i.e.* the first well on the pad? Re Sections VI, II.17 & 18, a daily function test of the pipe/blind rams causes premature wear on the rams. This is also cited in § 78a.72(f). API RP 53 provides that a function test every 7 days is acceptable. Any procedures outlined within API RP 53 should be pre-approved by DEP.

The WORKSHEET QUESTIONS also reference several approvals of plans and procedures, but the TGD does not provide information concerning when these plans and procedures within the PBP are to be presented to DEP for approval, or if each plan or procedure is to receive a stand-alone approval. DEP should provide useful information as to what applications, plans, procedures and estimated review times DEP anticipates for Department approval and if each procedure will require approval.

In addition, the worksheet in Section VIII is confusing and should be removed from the document.

Comment No. 4: DEP should approve well control organizations other than the IADC and make that information publicly available.

Another example of the lack of useful information relates to an existing regulatory requirement voluntarily inserted into Chapter 78a by DEP:

Comment: With respect to the individual in charge of the blow out preventer, The DEP should require presentation of proof that the individual in charge of the blow out equipment has completed adequate training such as the suggested "Independent Association of Drilling Contractors" well control course as well as the allowable "equivalent study". (1822)

Response: The Board agrees and has added a requirement that an individual at the well site must have a current certification from a well control course accredited by the International Association of Drilling Contractors (IADC) *or other organization approved by the DEP.*

Comment: Someone knowledgeable at DEP should verify an acceptable list of "equivalent training" (wording from subsection) that is adequate to the responsibility. (1822) (1989)

Response: In addition to accreditation by the IADC, the Board has revised this subsection to indicate *the Department will recognize other organizations for well control certification that have been approved by DEP. The Board has also amended subsection §78.72(h) (relating to use of safety devices- blow-out prevention equipment) to require the Department of Environmental Protection to maintain a list of accrediting organizations on its website.*¹

A search of DEP's website using the terms "accrediting organizations" and "approved accrediting organizations" yields a list of approved accrediting organizations related to radiation protection² and testing laboratories. So despite the explicit requirement also found in § 78a.72(h), DEP has not complied.

Perhaps it is because DEP has not recognized or approved any accrediting organization other than the International Association of Drilling Contractors (IADC). If so, that raises the second point - DEP should. In particular, DEP should at least recognize and approve the International Well Control Forum (IWCF),³ which is recognized everywhere else in the world outside the US and is equivalent in nature to IADC. There may be others that at present are unknown to PIOGA but should be easily discoverable by DEP. The requirement voluntarily added to Section 78a.72(h) by DEP should be read as imposing an obligation on DEP to be proactive rather than reactive in providing alternative accrediting organizations.

Comment No. 5: An additional PBP contingency plan within the Preparedness, Prevention and Contingency (PPC) plan is unnecessary and unreasonably burdensome.

¹ Comment/Response Document, p.29, PENNSYLVANIA Oil and Gas Casing and Cementing Standards, 25 Pa. Code Chapter 78 (relating to Oil and Gas Wells), See 40 Pa.B. 3845 (July 10, 2010), Environmental Quality Board Regulation #7-459 (Independent Regulatory Review Commission #2857) (emphasis added).

² <https://www.dep.pa.gov/Business/RadiationProtection/Pages/Information.aspx> and http://files.dep.state.pa.us/RadiationProtection/BureauOfRadiationProtection/BRPPortalFiles/National_Accrediting_Organizations_and_Boards.pdf.

³ <https://www.learntodrill.com/post/difference-between-iadc-well-control-and-an-iwcf-certificate> .

The recommendation in Paragraph III. OPERATIONS ADDRESSED IN PRESSURE BARRIER POLICY is unreasonably burdensome and is not needed in the PBP and should be removed:

(4) Other Identified operations requiring a pressure barrier, as determined by the operator.

. . . For stages not included in the PBP, DEP recommends the operator develop a contingency plan. For example, an operator drilling shallower hole sections of an unconventional well that penetrate gob or other zones capable of flow may specify what measures are in place to effectively mitigate an unanticipated well control emergency or well control incident/loss of well control through use of a contingency plan in lieu of the use of mechanical pressure barriers during the operation. Please also note that when an operator determines its PBP does not need to cover certain operations tied to production activities or wells on inactive status, DEP recommends that a contingency plan be available to address any potential casing and/or equipment failures that could result in a well control emergency or well control incident/loss of well control. Finally, while an operator should address all worksheet items in the applicable sections of this document associated with relevant, specific regulatory citations in its PBP.

What really is the difference at the end of the day whether a PBP or a Contingency Plan must be put together? Both cover the same content, regardless of what DEP calls it. Having both generates confusion. Why not contain everything in the PBP? DEP could then do away with the confusing process chart on page 4. Furthermore, the development of a PBP contingency plan appears to be an extra unnecessary obligation that is being put on the operator outside of regulation. Such a new obligation regarding a contingency plan should not be part of this guidance document.

Comment No. 6: Section VII. SPECIAL CONSIDERATIONS FOR SENSITIVE OFFSET ENVIRONMENTS DURING DRILLING AND COMPLETIONS ACTIVITIES is unnecessary and unreasonably burdensome.

Section VII goes above and beyond the obligations of an operator's PBP and above and beyond the provisions of § 78a.55(d) requiring the PBP. Additionally, "sensitive environment" and "sensitive offset environment" are not defined in the TGD or Chapter 78a, Subchapter C or Subchapter D.

The term "should" is used extensively in Section VII regarding additional notices during completions activities to mine operators, storage operators and other sensitive environments. The Area of Review (AOR) process already requires some of what it cited. The term "should" as defined in API RP 53 is "denotes a recommendation or that which is advised but not required in order to conform to the standard." DEP has a tendency to utilize TGDs to impose new requirements upon operators, even if the TGD states these are only recommendations. The fulfilling the stated purpose of this TGD requires that it provide clarity to all affected parties (not limited to operators and oil and gas inspectors) to ensure complete understanding what is required distinguished from what is recommended.

"Well Control During Stimulation" on page 10 states that production casing should not be cemented through mining horizons. Does this mean if it is the only casing string across the mining horizon? What if there is surface and intermediate casing already installed and cemented across

the mining horizon, does that preclude the operator from cementing the production casing to surface?

There needs to be clarification on page 10 concerning the statement that an operator should utilize plugs at distances sufficient to ensure safety and well control. What does that mean, frac plugs, cement plugs?

Comment No. 7: Section VIII. INCIDENT REPORTING is duplicative and unnecessary.

This section already refers to §§ 78a.66, 78a.83b, 78a.86 and 78a.89 and so is duplicative. As this section also has nothing to do with a PBP, there is no reason to have this section in this guidance document.

Notwithstanding this, Section VIII on page 11 states that well control incidents, losses of well control, well control emergencies, and operations not covered under section VII should be reported to the Department within 2 hours. What would be an example of a reportable incident not covered under that section?

Comment No. 8: The purpose of Appendix A is unclear.

Appendix A states (emphasis added):

In light of recent updates to API Recommended Practice 53 and operational considerations/industry best management practices, the Department will accept both frequency and function testing as compliant, if they align with all recommended practices in API Recommended Practice 53. *For operators choosing to utilize another method after the BOP is placed in service and not described in this FAQ, the procedure should be documented on forms provided by the Department and submitted for review and approval by the Department prior to implementation.*

What is the purpose of including Appendix A if DEP is willing to accept API RP 53 methods? Is DEP's intent to expand this section to an FAQ? Additional questions raised by this section include:

Has DEP developed the referenced forms and, if so, where are they found?

What is the authority for DEP's review and approval requirement?

What are other methods "not described in this FAQ"? Examples should be provided.

Conclusion

PIOGA requests that DEP revise the proposed TGD consistent with the comments above.

Respectfully submitted,

A handwritten signature in blue ink that reads "Kevin J. Moody". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Kevin J. Moody
General Counsel
Pennsylvania Independent Oil & Gas Association