

Rule 1148 Series Requirements for Oil and Gas Wells



Working Group Meeting No. 3 August 10, 2022 – 1:00 PM

Join Zoom Webinar Meeting - from PC or Laptop https://scaqmd.zoom.us/j/95047775854
Zoom Webinar ID: 950 4777 5854 (applies to all) Teleconference Dial In +1 669 900 6833

Agenda

Summary of Working Group Meeting #2

Site Visits and Meetings with Stakeholders

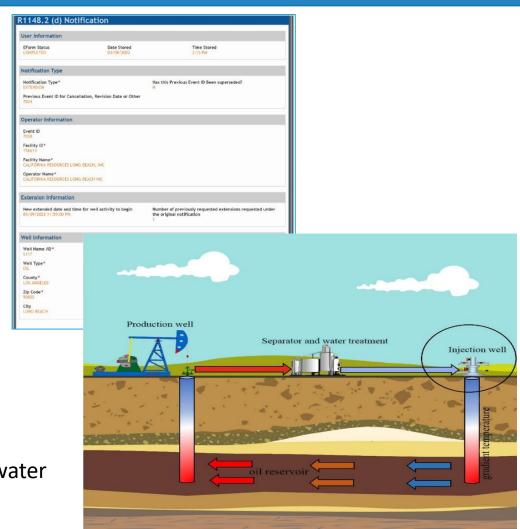
Rule 1148.2 Rule Concepts and Proposed Language

Ongoing Efforts and Next Steps

Summary of WGM #2

- Discussed current notification requirements and provided demonstration on accessing notifications
- Reviewed finalized Community Emissions Reduction Plan (CERP) for South LA
- Proposed notifications to include acidizing of injection wells¹ and use of workover rigs
- Proposed annual report of chemicals used for well activities

¹ Note: Injection wells are in constant operation reinjecting separated water into the formation



Site Visits and Meetings with Stakeholders

Site Visits

- Conducted five site visits
- Visited sites in urban, shoreline, and semiurban locations both in Los Angeles and Orange counties
- Observed various wells, flare systems, tanks, and microturbines
- Discussed proposed rule concepts for Rule 1148.2 and Rule 1148.1



Meetings with Stakeholders



Shown in the picture is an example of a workover rig. It is commonly used to perform maintenance on an oil well and can be used to remove and/or replace tubing.

Staff discussed with stakeholders:

- Workover rigs (WRs) including frequency of usage at oil fields, activities performed, and adding to notifications
- Frequency varied per company where some may have WRs on site monthly and others several times per week

Meetings with Stakeholders (cont.)

Staff also discussed with stakeholders:

- Adding acidizing of injection wells to notifications
 - Companies perform acidizing per injection well once every 1-2 years, as needed
- Adding an annual report requirement
 - Companies maintain data on chemicals used
 - Tying in Chemical Abstract Services (CAS)
 registry number to chemical name to reduce input
 errors

Rule 1148.2 Rule Concepts and Proposed Language

Areas to Be Addressed



- Updating terms and definitions
- Adding new notification requirement for well acidizing of injection wells
- ➤ Including a 1,500-foot reporting radius reporting requirement for activity near a sensitive receptor
- Adding new notification requirement for workover rigs powered by non-Tier 4 final diesel engines or not electrically powered
- Adding an annual chemical reporting requirement

Proposed Rule Language (c) - Definitions

Added definitions for terms including:

- Injection Well means a well used to place fluid underground into porous geologic formations.
- Well Maintenance Activity means general well servicing such as rod or tubing replacement, and other maintenance that is not already covered by another definition. Activity where chemicals are used in acidizing would not be covered by this definition.
- Workover rig means a mobile self-propelled piece of equipment used to perform one or more operations, such as a well maintenance activity, well completion, or rework.

Injection Well Acidizing



- New notification requirement for well acidizing of injection wells
- Required for acidizing work done within 1500 feet of a sensitive receptor
- Notify no more than 10 calendar days and no less than 48 hours before start of acidizing job

Proposed Rule Language (d) - Requirements

(d)(1)

The operator of an onshore oil or gas well that is located within 1,500 feet of a sensitive receptor shall electronically notify the Executive Officer, using a format approved by the Executive Officer, of the following information, no more than ten (10) calendar days and no less than 48 hours prior to the start of drilling, well completion, rework or acidizing of an onshore oil, gas, or injection well:

Stakeholders have requested reprieve for those remote locations not near sensitive receptors. The rule language uses 1,500 feet to be consistent with current notification requirements.

Workover Rigs

- New notification requirement for workover rigs used to conduct general maintenance of wells
- General maintenance of wells does not include acidizing work which is already subject to notification requirements
- Applicable to workover rigs not equipped with a CARBcertified Tier 4 Final diesel engine or not electrically powered
- Notification shall be made no more than ten calendar days and no less than 24 hours prior to the operation of the workover rig(s)
 - 24 hours due to changes to general well servicing



Proposed Rule Language (d) - Requirements

(d)(6)

The operator of a workover rig operating at sites within 1,500 feet of a sensitive receptor where the engine does not meet at a minimum Tier 4 – Final emissions standards of 40 CFR Part 1039 Section 1039.101 Table 1, or is not electrically powered, shall electronically notify the Executive Officer no more than 10 calendar days and no less than 24 hours prior to the use of the workover rig on either an onshore oil or gas well, or an injection well.

Annual Report



- New requirement for an annual report
- Operators of oil and gas wells will report the name and quantity of all chemicals used on all wells for the previous calendar year
- Due by April 1st after the previous calendar year

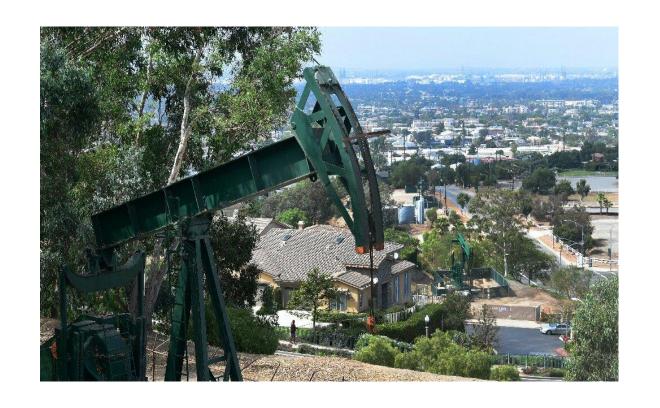
Proposed Rule Language (e) – Reporting Requirements, Added Under (e)(7)

The operator of an onshore oil and gas well shall electronically report, using a format approved by the Executive Officer, the total amount of each chemical ingredient used for the previous calendar year to the Executive Officer no later than April 1st of the following calendar year.

- A. For each trade name product used in the well drilling fluid, well rework fluid, well completion fluid, or acidizing of an onshore injection well, the operator shall report:
 - (i) identity;
 - (ii) CAS number;
 - (iii) purpose; and
 - (iv) total mass in pounds (lbs)
- B. For each chemical ingredient used or contained in each trade name product, without associating any chemical ingredient with any specific trade name product, the operator shall report:
 - (i) identity;
 - (ii) CAS number
 - (iii) the mass of each chemical ingredient; and
 - (iv) identification of whether each chemical ingredient used or contained in the trade name product is an air toxic.

Future Rule 1148.1 Rule Concepts

- Rule 1148.1 covers reduction of VOC emissions and handling of gas and oil production sites
- Additional concerns regarding Rule 1148.1 to be addressed in the future including:
 - Monitoring
 - Zero-emission equipment
 - Odorant use



Ongoing Efforts and Next Steps

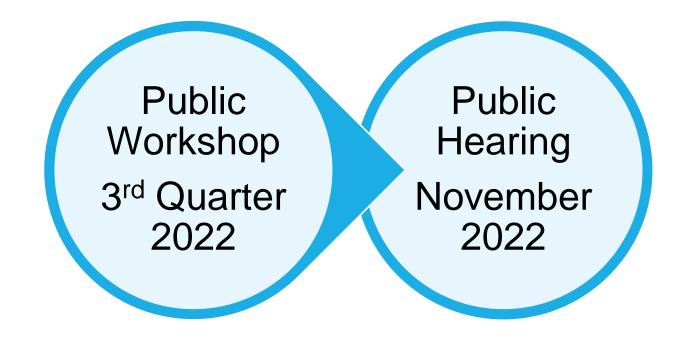
Ongoing Efforts and Next Steps

Review additional feedback and input from stakeholders

Public Workshop

Public Hearing

Proposed Rule Schedule for PAR 1148.2



PAR 1148 and 1148.1 to be amended in 2023

Staff Contacts

The following South Coast AQMD staff is available to assist you with any questions or comments



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