

**SYNOPSIS OF
PROPOSED AMENDMENTS TO THE RULES OF THE
DEPARTMENT OF NATURAL RESOURCES
ENVIRONMENTAL PROTECTION DIVISION
OIL AND GAS AND DEEP DRILLING, CHAPTER 391-3-13**

Rule 391-3-13-.01, “Purpose,” is being amended.

Purpose: The purpose of this amendment is to update the existing language and replace it with a more accurate reflection of the purpose in light of the revised statute.

Main Features: Clarifies the purpose of the rule to govern drilling in accordance with the Georgia Oil and Gas and Deep Drilling Act of 1975, as amended while excluding wells subject to Rules 391-3-2, 391-3-5, 391-3-6 or 391-3-12.

391-3-13-.02, “Definitions,” is being amended.

Purpose: The purpose of this amendment is to update some definitions to reflect what is used in the industry and repeal terms already codified in Georgia Code.

Main Features: Some definitions have become obsolete by referencing dated publications and items already codified in Georgia Code. Revisions clean up duplications of terms in Georgia Code and clarify the Environmental Protection Division as the governing body for this Rule. In response to stakeholder input, the definitions of “blow-out”, and “blow-out preventer”, were updated and a new definition of “blow-out preventer control system” was added to more accurately reflect the meanings used in the industry.

Rule 391-3-13-.03, “Enforcing Official,” is being repealed.

Purpose: The purpose of this amendment is to repeal language describing authority already codified in Georgia Code.

Main Features: The repeal of this section eliminates redundancy in Georgia Code.

Rule 391-3-13-.04, “Well Permit,” is being amended.

Purpose: The purpose of this amendment is to add new language addressing the procedures for issuing an Oil and Gas and Deep Drilling permit.

Main Features: The new language outlines the criteria and basis the Director of EPD will use when determining if a petroleum pipeline permit should be issued. It updates the amount of the permit application fee to be consistent with Georgia Code. It updates the amount of Bond requirements to reflect

current industry estimates for recovering the costs associated with ensuring proper abandonment of a well. It also adds new language required by the recent amendments to the Georgia Code to address hydraulic fracturing.

Rule 391-3-13-.06, “Establishment of the Drilling Units and Operation Units,” is being amended.

Purpose: The purpose of this amendment is to add clarification of individuals who qualify to use their equitable share of any energy pool.

Main Features: Or her has been added to the original language.

Rule 391-3-13-.07, “Determining and Naming Fields and Pools,” is being amended.

Purpose: The purpose of this amendment is to add clarification of the type of fields and pools which apply.

Main Features: This amendment clarifies that this section refers to oil and gas fields and pools.

Rule 391-3-13-.08, “Access of Department Agents,” is being repealed.

Purpose: The purpose of this amendment is to repeal language describing authority already codified in Georgia Code.

Main Features: The repeal of this section eliminates redundancy in Georgia Code.

Rule 391-3-13-.09, “Change of Operator,” is being amended.

Purpose: The purpose of this amendment is to update definitions and terminology.

Main Features: This amendment specifies the responsibility of the Environmental Protection Division rather than the Department and updates references associated with other changes in the rule.

Rule 391-3-13-.10, “Drilling,” is being amended.

Purpose: The purpose of this amendment is to repeal obsolete language and references and specify water type.

Main Features: The existing language pertaining to dated procedures regarding confidentiality practices has been updated to reflect current procedures used by the Division. Other changes include specifying surface-water and ground-water supply types and updating references associated with other changes in the rule.

Rule 391-3-13-.11, The title “Shooting, Perforating, Chemical Treatment, or Fracturing” is being amended to add, “or Hydraulic Fracturing,” and the rule is being amended.

Purpose: The purpose of this amendment is to separate fracturing and hydraulic fracturing.

Main Features: This amendment separates fracturing from hydraulic fracturing.

Rule 391-3-13-.12, “Plugging,” is being amended.

Purpose: The purpose of this amendment is to clarify the role of the Environmental Protection Division.

Main Features: This section replaces Department with Division.

Rule 391-3-13-.13, “Notice of Rig Removal,” is being amended.

Purpose: The purpose of this amendment is to expand the authority of the Director to ensure the protection of the environment in the event of a rig removal.

Main Features: This section specifies the Director’s authority to stipulate the proper restoration and reclamation of a wellsite before giving permission for rig removal.

Rule 391-3-13-.14, “Production Well,” is being amended.

Purpose: The purpose of this amendment is to clarify terminology.

Main Features: This section replaces the word section with rule.

Rule 391-3-13-.16, “Spills,” is being amended.

Purpose: The purpose of this amendment is to expand the items that require spill reporting and adherence to the Georgia Water Quality Control Act and the Georgia Oil and Gas and Deep Drilling Act of 1997, as amended.

Main Features: This section adds salt water, hydraulic fracturing fluids, flowback, produced water and other waste to item that require still reporting.

Rule 391-3-13-.17, “Enforcement,” is being repealed.

Purpose: The purpose of this amendment is to repeal language describing authority already codified in Georgia Code.

Main Features: The repeal of this section eliminates redundancy in Georgia Code.

STATEMENT OF RATIONALE
Rules for Oil and Gas and Deep Drilling Procedures

The General Assembly passed House Bill 205 during the 2018 legislative session, which was signed by Governor Deal on May 8, 2018. It requires that EPD promulgate new rules and regulations related to drilling and extraction, particularly with regards to hydraulic fracturing, to be adopted by July 1, 2019.

Significant aspects of the new legislation include increased public notice requirements, mandatory disclosure of chemicals, and bonding security increases.

These revisions include an increased application fee sufficient to defray the cost of reviewing and issuing permits.