

NEPA O&G HAZMAT GUIDANCE

Introduction:

The Wyoming Bureau of Land Management intends to fully meet the requirements of the National Environmental Policy Act (NEPA), thus; potential impacts from the use of hazardous materials (if present) must be addressed in environmental analyses regarding proposed oil and gas exploration and development activities on Federal lands.

Therefore, the BLM requests Applications for Permit to Drill (APDs) and Rights-of-Ways (Standard Form 299) provide information on hazardous materials to be used, produced, transported, or stored at a project site for each stage of mineral development or work on Federal lands (i.e., drilling, completion, and production). Information must also be supplied on how hazardous material wastes will be managed. If an umbrella document, such as a field development environmental analysis or environmental impact statement has been prepared for a proposed drilling project and it includes a section on hazardous materials management, then the umbrella document will control the action. If disclosure of hazardous materials management throughout the life of a well site is not made at the APD stage, supplemental disclosure statements may be required at the various stages of operations.

Definitions:

Hazardous material means any substance, pollutant, or contaminant listed as hazardous under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, as amended, 42 U.S.C. 9601 et seq., and its regulations (found at 40 CFR 302). The definition of hazardous substances under CERCLA includes any "hazardous waste" as defined in the Resource Conservation and Recovery Act (RCRA) of 1976, as amended, 42 U.S.C. 6901 et seq., and its regulations. The term hazardous materials also includes any nuclear or byproduct material as defined by the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2011 et seq. The term does not include petroleum, including crude oil or any fraction thereof not otherwise listed or designated as a hazardous substance under CERCLA section 101 (14), 42 U.S.C. 9601 (14), nor does the term include natural gas.

Operator Responsibilities:

Operators and their contractors are to ensure all production, use, storage, transport, and disposal of hazardous and extremely hazardous substances as defined by 40 CFR 355, resulting from the proposed project is in accordance with all applicable existing or hereafter promulgated Federal, State, and local Government rules, regulations, and guidelines. All project related activities

involving the production, use and/or disposal of hazardous or extremely hazardous substances are to be conducted in such a manner as to minimize potential environmental impacts. Examples would include:

1. Installing secondary containment systems around chemical treatment facilities.
2. Constructing chemical treatment facilities limiting livestock and wildlife access that could result in a release of product.
3. Fixing leaks/spills and cleaning up contaminated soils in a timely manner.
4. Appropriately disposing of nonexempt wastes, not in the reserve/production pit.

Hazardous and extremely hazardous substances planned for use during most project activities will generally fall into the following categories:

- coolant/antifreeze and heat transfer agents
- drilling fluids
- fracturing fluids
- cement and additives
- miscellaneous materials (methanol, paint, fertilizer, herbicides)
- specialty treating fluids and materials

Information involving the management of fuels and lubricants to be used on site should also be included.

A file will be maintained containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and or substances which are used during the course of construction, drilling, completion, and production operations.

Operators are encouraged to practice pollution prevention by reducing pollution or waste generation at the source and by avoiding the use of hazardous materials during operations to the extent possible. If elimination of hazardous materials use is unachievable, operators are encouraged to recycle or reuse materials or to reduce toxicity through product substitution or treatment where feasible. Any release of hazardous or extremely hazardous substances in excess of the reportable quantity, as established in 40 CFR 117, would be reported as required under CERCLA. Materials for which such notification must be given are the extremely hazardous substances listed under the Emergency Planning and Community Right-to-Know Act (EPCRA), Section 302, and the hazardous substances designated under Section 102 of CERCLA as amended. If a reportable quantity of a hazardous substance is released, immediate notice of the release is

required to be reported to the National Response Center (800-424-8802), the BLM Authorized officer and all other appropriate Federal and State agencies. **This requirement does not negate reporting responsibilities under Notice to Lessees (NTL) 3A.**

In addition to the existing requirements of Onshore Oil and Gas Order No. 1, (Section II (G)(1-5)), describing standards for a complete APD, supplemental information shall be submitted, by the operator in the Surface Use Plan of Operations addressing management of hazardous materials and associated wastes. A written narrative shall describe the procedures for proper handling and disposal of hazardous materials and/or dangerous chemicals and associated wastes. If off-site disposal facilities or sites are intended for use, such information should be disclosed including their location.

The following are examples of narratives that will meet the requirements for supplemental information reporting. They are not to be considered specific requirements or preferred formats.

Example #1

(Operator name) maintains a file, per 29 CFR 1910.1200(g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and /or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/stimulation activities such as flammable or combustible substances and acids/gels (corrosives). **The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and Extremely Hazardous Substances and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.**

Example #2

No hazardous substance as defined by CERCLA will be used in the drilling and construction of this well site and access road. Commercial preparations, which may contain hazardous substances, may be used in production operations and will be transported within the project area. These materials, which may contain hazardous substances, will be handled in an appropriate manner to minimize potential for leaks or spills to the environment. No RCRA hazardous wastes will be generated in the well drilling operations. Exempt reserve pit contents will be buried on-site.