

Kellie Martinec

From: Michael Scott <[REDACTED]>
Sent: Thursday, September 25, 2014 5:27 PM
To: rulescoordinator
Subject: Comments regarding O&G Docket No. 20-0290951
Attachments: 1498_001.pdf

Dear Rules Coordinator:

CrownQuest Operating, LLC respectfully submits the following comments in connection with the proposed amendments to §§ 3.9 and 3.46 of 16 TAC Chapter 3, which relate to seismic events for disposal wells.

Sincerely,

Michael Scott

W. Michael Scott
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September 25, 2014

Mr. Gil Bujano, P.E., Director
Oil and Gas Division
Railroad Commission of Texas
P.O. Box 12967
Austin, Texas 78711

Re: O&G Docket No. 20-0290951

Dear Mr. Bujano:

CrownQuest Operating, LLC submits the following comments in connection with the proposed amendments to §§ 3.9 and 3.46 of 16 TAC Chapter 3, which relate to seismic events for disposal wells.

A. §3.9(3)(B) and §3.46(b)(1)(C)

The preamble to the proposed rules does not state why a 10-year five pounds per square inch pressure front boundary is proposed, nor does it explain the relationship between this pressure front boundary and induced seismicity. We are concerned that this is an arbitrary number that is not founded in sound science and engineering practice. Our own exercises in trying to calculate a pressure front boundary under various scenarios suggests to us that a five pounds per square inch pressure front boundary is excessively low and yields a radius that is unworkably large. Without a specific localized concern, we would suggest that it should be more along the lines of a 10 year one hundred pounds per square inch pressure front boundary.

We agree with that portion of the comment submitted on August 17, 2014 by Mark A. Miller, PhD, P.E. where he states:

The calculation of a "10-year five pounds per square inch pressure front boundary" is not a standard oilfield calculation. To perform this calculation, a number of assumptions and approximations will need to be made by operators, leading to the possibility of non-uniform results.

We would add that differences in methodology and the interpretive nature of the data will further add to the lack of uniformity and will be of limited scientific and engineering value. We are concerned that this will inevitably lead to inconsistent regulatory application within the Railroad Commission and its field offices.

B. §3.9(3)(C) and §3.46(b)(1)(D)

The word "may" should be deleted and replaced with the words "will significantly" in the phrase ". . . may increase the risk that fluids will not be confined to the injection interval. The use of the word "may" in the proposed amendment will allow speculation, conjecture and surmise, i.e., "junk science", to serve as a substitute for reliable scientific and engineering objectivity.

C. §3.9(6)(A)(vi) and §3.46(d)(1)(F)

The phrase "suspected of or shown to be" should be deleted and replaced with "demonstrated by reliable scientific and engineering data" in the phrase ". . . injection is suspected of or shown to be causing seismic activity . . ."

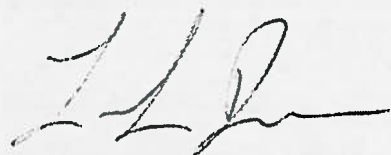
Again, we believe the rules should be crafted in such a way so as to eliminate the opportunity for speculation, conjecture and surmise to be applied lieu of quality science and engineering.

D. General Comments

All disposal wells are treated the same under the rule without regard to proximity to populated areas. Many parts of the Permian Basin, are sparsely populated yet disposal wells in those areas treated no different than disposal wells near major urban centers. We believe that proximity to populated areas should be a consideration. For example, the rule could either be crafted in terms of distance from populations of certain sizes or in terms of number of homes within the pressure front boundary if that calculation is used.

We appreciate the opportunity to submit comments in conjunction with the proposed rules.

Sincerely,

A handwritten signature in black ink, appearing to read 'L. Dunn', with a long horizontal flourish extending to the right.

Luke Dunn, P.E.

Vice President, Engineering and Operations