

**U.S. Chemical Safety and
Hazard Investigation Board**

2175 K Street, NW • Suite 650 • Washington, DC 20037-1809
Phone: (202) 261-7600 • Fax: (202) 261-7650
www.csb.gov

Rafael Moure-Eraso, Ph.D.
Chairperson

Mark Griffon
Board Member

Beth J. Rosenberg, ScD, MPH
Board Member



Mr. Ron Dunkin
Acting Director, Oil and Gas Conservation Division
Oklahoma Corporation Commission
Jim Thorpe Office Building
2101 North Lincoln Boulevard
Post Office Box 52000
Oklahoma City, Oklahoma 73152-2000

FEB 11 2013

RE: Comments on Notice of Proposed Rulemaking,
Amending OAC 165:10, Oil & Gas Conservation Rules
Cause No. RM 201300001

Dear Mr. Dunkin:

The U.S. Chemical Safety and Hazard Investigation Board (CSB) submits the following comments in response to the above-referenced *Notice of Proposed Rulemaking* published on January 8, 2013, concerning amending OAC 165:10, Oil & Gas Conservation Rules (Cause No. RM 201300001).

OAC 165:10-3-17(d)

OCC is proposing to amend this subsection to require oil and gas operators to display a twenty-four hour emergency number on lease signs as well as a prohibition against trespassing or unauthorized personnel. Though we commend OCC for implementing these new requirements, the CSB is dismayed that this proposal falls far short of meeting the intent of the CSB's recommendation to OCC to enhance public safety at oil and gas storage facilities in the state of Oklahoma. The text of that CSB recommendation reads as follows:

CSB Recommendation No. 2011-H-1-R03:

Amend state oil and gas regulations to:

- a) *Protect storage tanks at exploration and production sites from public access by requiring sufficient security measures, such as full fencing with a locked gate, hatch locks on tank manways, and barriers securely attached to tank external ladders and stairways.*
- b) *Require hazards signs or placards on or near tanks that identify the fire and explosion hazards using words and symbols recognizable by the general public.*
- c) *Require the use of inherently safer tank design features such as flame arrestors, pressure vacuum vents, floating roofs, vapor recovery systems or an equivalent alternative, to prevent the ignition of a flammable atmosphere inside the tank.*

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The basis for the CSB's Recommendation was an investigative study conducted from April 2010 to September 2011 of three tragic incidents (Carnes, MS; Weeleka, OK; and New London, TX) involving rural unmanned oil and gas storage sites that lacked fencing and signs warning of the hazards, which might otherwise have deterred members of the public from using them as places to gather.

As part of its investigation, the CSB identified a total of 26 similar incidents between 1983 and 2010, which resulted in a total of 44 fatalities and 25 injuries. All victims were 25 years of age or less. Of the 26 incidents identified by the CSB, 7 (27%) occurred in the state of Oklahoma (resulting in 12 fatalities and 2 injuries). Similar incidents continue to occur; for example on January 29, 2013, two 24-year-old members of the public were seriously burned in an explosion and fire at an unmanned oil site near Van, Texas.

The CSB carefully reviewed the *Notice of Proposed Rulemaking* and found no new requirements for:

- enhanced security against public access;
- posting of specific hazard warning signs; or
- Installation of safer tank design features, such as flame arresters, pressure-vacuum vents, and/or emission recovery systems

We note a new proposal at 165:10-9-1(f)(2) which calls for a four foot high fence around commercial pits, but this requirement appears to be designed to protect against livestock, rather than human intrusion.

The CSB strongly urges the OCC to adopt more stringent requirements to protect the public from the hazards posed by oil and gas production sites. Merely requiring no-trespassing signs is insufficient to deter or prevent public entry. A good example to follow may be the recently proposed *Stakeholder Draft Revision 1* requirements for oil and gas sites being promulgated by the state of Colorado that were published on December 31, 2012. A copy of these requirements can be found at the following web link:

http://www.eenews.net/assets/2013/01/02/document_ew_01.pdf

For example, Colorado proposes to require that oil and gas facilities, drilling and well servicing operations located in designated buffer zones be: "adequately fenced to restrict access by unauthorized persons. For security purposes, all such facilities and equipment used in the operations of a completed well shall be surrounded by a fence six (6) feet in height, constructed in conformance with local written standards as long as the material is noncombustible and allows for adequate ventilation, and the gate(s) shall be locked" [see 604.c.(5)].

The proposed regulations also state that at oil and gas facilities: "all pumps, pits, and producing facilities shall be adequately fenced to prevent access by unauthorized persons when the producing site or equipment is easily accessible to the public and poses a physical or health hazard" [see 605.c.(3)].

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Lastly, the proposed regulations call for installation of emission control systems and prohibitions against uncontrolled venting when the oil and gas site is located in an Urban Mitigation Zone [see 604.c.(2).C]. While these requirements primarily reduce or eliminate potential sources of pollution, they also serve to make the sites safer by precluding the formation of flammable vapors that could potentially ignite around equipment.

OAC 165:10-3-17(e)

OCC regulations already require operator notification by telephone or electronic mail of any fire or blowout at an oil and gas well site as soon as possible, but there are currently no regulatory requirements to notify OCC if a member of the general public is injured at an oil and gas well site. The CSB urges the OCC to amend this requirement to also include a notification when a member of the general public is injured. Again, a good model to follow may be the recently proposed state of Colorado general series safety regulations for oil and gas sites that will require: "Any accident involving injury to well site personnel **or to a member of the general public** [emphasis added] which requires medical treatment or significant damage to equipment or the well site shall be reported to the Director as soon as practicable, but no later than twenty-four (24) hours after the accident" [see 602.b].

The CSB requests that these comments be made available to the public, filed with the Court Clerk's office and circulated to the Commissioners. If you have any questions concerning the above comments, please contact: Mr. Mark Kaszniak, Senior Chemical Safety Recommendations Specialist at (202) 261-7654, or via e-mail: mark.kaszniak@csb.gov.

Sincerely,



Rafael Moure-Eraso, PhD, CIH
Chairperson

cc: Daniel Horowitz, Managing Director, CSB
Manuel Gomez, Director, Office of Recommendations, CSB
Vidisha Parasram, Team Lead, Oil Tank Safety Study, CSB
Mark Kaszniak, Senior Chemical Safety Recommendations Specialist, CSB