

Chapter 4 – Authorized Pits Webinar

April 9, 2025 – presented by Adrian Charles

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1. **Authorized** – an activity that is permitted or allowed by rule.

2. An **authorized pit** is used to manage produced water and other aqueous fluid wastes produced from a wellbore during oil and gas exploration and production activities, which are recycled and treated fluids.

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Registration Forms

- Currently in Pre-Draft status. (Authorized Pit Registration/Change form, Authorized Pit Schedule B Worksheet, Authorized Pit Schedule B Bond, and Authorized Pit Schedule B Letter of Credit).
- Tentatively scheduled for public comments in June 2025.
- Guidance for the process is currently being constructed and will be available at a future date.

Authorized Pit registration shall include: the type of pit, the location of the pit, the pit dimensions and capacity in barrels, the expected depth to groundwater from the bottom of the pit, and financial security

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Schedule B Pits Financial Assurance form

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Authorized pits will be registered with the Austin office, but the District Offices will be in charge of compliance of those pits

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1. **Produced water** – the water that was present in a subsurface formation and was brought to the surface during oil and gas exploration and production activities.

2. **Produced Water Recycling** – authorized for recycled use in drilling, completion, hydraulic fracturing operations, or other types of oilfield fluids to be used in the wellbore of an oil and gas, geothermal, or service well.

Effective July 1, 2026, basic sediment pits and flare pits must be **permitted** or **closed** per Subchapter A Division 3.

Basic Sediment Pits (as defined in the current rule 3.8 for water protection) – pit used in conjunction with a tank battery for storage of basic sediment removed from a production vessel or from the bottom of an oil storage tank

Flare Pit – Pit used in conjunction with a gasoline plant, natural gas processing, pressure maintenance...that contains a flare and is used for temporary storage of liquid hydrocarbons which are sent to the flare during equipment malfunction

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Liners can be synthetic OR natural clay liner – must have a hydraulic conductivity that is 1.0×10^{-7} cm/sec or less

An operator can determine groundwater depth by utilizing the TWDB or installing their own soil borings/monitoring wells

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***Solids from dewatered drilling mud and fluids generated during well, completion, and workover activities can be buried in a reserve, or completion/workover pits

- Disposal occurs on same well site where generated
- Wastes are dewatered
- Burial complies with the appropriate closure methods for the associated pit

Division 2 §4.110 Definitions

Reserve - Used in conjunction with a drilling rig for collecting spent drilling fluids, cuttings, sands, and silts, and wash water used for cleaning drill pipe and other equipment at the well site.

Mud Circulation - Pit used in conjunction with a drilling rig for storage of drilling fluid currently being used in drilling operations.

Makeup Water - Used in conjunction with a drilling rig, completion operations, or a workover for storage of water to make up drilling/completion fluids.

Completion/Workover - Spent completion fluids/solids, workover fluids/solids, drilling fluids/solids, silt, debris, water, brine, oil scum, paraffin, and other materials which have been cleaned out of the wellbore of a well being completed, worked over, or plugged.

Fresh Mining - Fresh water used for solution mining of brine.

Water Condensate - Pit used for the storage or disposal of water condensed from natural gas.

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(A) A person operating five or less pits may file a performance bond, letter of credit, or cash deposit in an amount equal to \$1.00 per barrel of total pit capacity.

(B) A person operating more than five pits may file a performance bond, letter of credit, or cash deposit in an amount equal to:

(i) the greater of \$1.00 per barrel of water for ten percent of an operator's total produced water recycling pit capacity or \$1,000,000; or

(ii) \$200,000 per pit, capped at \$5,000,000

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Pits that are in existence that do comply with Commission rules will be grandfathered in, they must be registered and have financial security by July 1, 2026

Example: A Non-Commercial Fluid Recycling pit within 500' of a public area could still be registered as a Produced Water Recycling Pit

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Liners must be synthetic or natural clay liner

Background analysis should be conducted, but if not done, the operator will be responsible for any impacts to the land surface or subsurface water

All records must be available for 3 years

Monthly leak detection monitoring

Groundwater monitoring when likely to be present within 100 feet of ground surface

Closure requirements 4.115(i)(j)(k)

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Non-reactive, non-toxic, and essentially, insoluble oil and gas wastes include but are not limited to concrete, glass, wood, metal, wire, plastic, synthetic liners, fiberglass, trash, etc.

Excludes asbestos/containing materials and NORM waste

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§4.103(b), (c), and (d) Prohibited Waste Management

(b) The discharge of any oil and gas waste under the Jurisdiction of the Commission into any surface water...is prohibited unless such discharge is authorized by and conducted in accordance with the TPDES permit issued by the TCEQ

(c) No person may use any pit for the storage of oil, oil products, or oil by-products.

(d) Except as authorized by this subchapter, no person may maintain or use any pit for storage of oil field fluids or for storage or disposal of oil and gas wastes without obtaining a permit to maintain and use the pit

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- No Notes