

RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

**NOTICE TO OPERATORS
UNDER THE JURISDICTION
OF THE
RAILROAD COMMISSION OF TEXAS**

**Chapter 4, Subchapter B, Permitting Required to Operate a
Commercial Mud Recycling Facility**

Used drilling mud, or used drilling fluid, is an oil and gas waste under the jurisdiction of the Railroad Commission of Texas (RRC). Reconditioning, reformulation, or any treatment of used drilling mud for reuse at a commercial facility requires a permit to operate a Commercial Solid Oil and Gas Waste Recycling Facility (Mud Recycling Facility) in accordance with Chapter 4, Subchapter B, Division 3 or 4, prior to operation of any such facility. A permit for a Mud Recycling Facility will require financial security in the full amount necessary to close that facility in accordance with Statewide Rule 78.

A permit from RRC is not required if used drilling mud is treated by a lease or drilling unit Operator or a person contracted by that Operator, and the drilling mud is treated on a Commission-designated lease or drilling unit that is associated with a Commission-issued drilling permit. A permit is also not required if used drilling mud is treated by a facility that is not subject to the jurisdiction of RRC, such as drilling mud manufacturers, which manufacture drilling mud from raw materials and are subject to the jurisdiction of the Texas Commission on Environmental Quality (TCEQ).

An Oil and Gas Waste Hauler's permit is required to transport used drilling mud to a permitted Mud Recycling Facility and to transport any oil and gas waste to a permitted disposal facility. However, a permit from RRC is not required to transport a recyclable product made at a permitted Mud Recycling Facility to the location of reuse.