

Railroad Commission of Texas

OIL AND GAS DIVISION

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AUSTIN, TEXAS

September 19, 1967

MEMORANDUM TO THE COMMISSION: DOCKET NO. 6-57,574
IN RE: "No Pit" Order, East Texas Field
DATE OF HEARING: June 29, 1967

The East Texas Salt Water Disposal Company, an incorporated salt water company, requested this hearing to review its operations in the light of the new Statewide No Pit Order (SWR 8c), so that exceptions, exclusions, or exemptions may be established and the relation of the new order to the Company can be established.

Initially, the Company asked if the order applied to it as a disposal company, rather than as an operator, and what the penalties would be for non-compliance.

Applicant's Exhibit No. 1 depicts the typical pit system, and in explanation thereof, it was stated that 100 non-leaking clay pits are in service as lease overflow and sludge, and 170 gunite, concrete, or plasticized sulfur and fiber glass lined pits are in use. A recent inspection, to prepare for this hearing, showed 15 leaking pits, which are to be replaced subject approval by the Commission.

Applicant requests exceptions for the lined pits, which do not leak and are in service in the principal water handling operations, and exception for the clay overflow and sludge pits where temporary storage of water occurs during periods of emergency. These pits are dewatered as soon as the problems creating the emergency have been corrected, and rarely will the pits be in service over 24 hours at a time.

The cost to replace the clay pits would be high, because old pits cannot be lined. Digging of a pit and lining with gunite, the most practical lining to date, takes approximately 5 weeks per pit, and costs about \$19,000 for a 25,000 barrel pit. It was estimated that replacement of the clay pits would cost \$1,940,000 and would take time far beyond January 1, 1969 because only one ~~g~~ gunite contractor is available in the East Texas area.

Experience in the field has shown that one foot of compacted clay has been impervious for storage pits in the past, however, the applicant proposes to use the clay pits for overflow only, with immediate dewatering.

The sludge overflow pit serves an additional purpose. Clean out wastes of the system go into the pits for permanent disposal. Water is removed and run back into the system, the oil accumulation is picked up by the County for road use, and the scale, sludge, and impurities gradually fill the pit until it reaches abandonment stage. The pits are then covered with soil. The migration from such pits is minimized, there is no other method of disposal of this sludge material at this time.

Applicant requests exception to the Commission Statewide No Pit regulation, for all these working pits. It is the applicant's belief, based upon many years of salt water service that no contamination will come from the described pit use. It was stated that the applicant has 80 collection centers, 70 disposal wells, serves 4,364 producing wells, and handles 440,000 bbls./swd.

The applicant specifically requests:

1. Authority to construct impervious lined pits to replace the 15 pits classified as leaking, and are not within this application for exception.
2. Authority to use the pits, as exceptions to the No Pit regulation, that are not leaking, to be used in manner described. Clay pits for overflow, lined pits for operating pits.
3. In the alternative, if this is not an acceptable procedure to give the company time to phase out pits where life of properties is short, and to construct lined pits where otherwise needed.

Tidewater Oil Company appeared at the hearing, and supported the applicant. In addition, Tidewater requested that an exception be granted for its emergency pits on its individual leases. In support of this request, he stated that both clay and asphalt lined pits are presently constructed, that they carry no stored water, but are used only in case the Disposal Company cannot handle the water during emergency periods. The pits would be dewatered immediately upon correction of problems that caused flow to such pits, so that no leakage or contamination would occur.

Any use would be reported to the District Office, so that the operation could be supervised.

It is the writer's opinion that supervision of the many pits by Commission personnel would be the problem in authorizing of lease pits, that Tidewater's application was not within the direct call of the hearing, and should not be acted upon as a part of this docket.

It is the further opinion that the operation proposed by the East Texas Salt Water Disposal Company has merit, that the lined pits used in the active system are necessary to the operation of the system, that the overflow and sludge pits are necessary to reduce the hazard of damage where breakdowns occur, and that the overflow clay lined pits appear to serve for temporary storage of water and for disposal of sludge without injury.

It is, therefore, recommended that the system as proposed be approved, subject to review and change if and when it appears that the pit system is not adequate, and provided that no new clay pits would be put into service.

No BOTTOM DRAINS ON OVERFLOW PITS.

Respectfully submitted,

Fred Young

Fred Young
Chief Legal Counsel

FY:da

RECOMMENDATION APPROVED:

RECOMMENDATION DENIED:

_____	Chief Engineer	_____
_____	Chairman	_____
_____	Commissioner	_____
_____	Commissioner	_____

DCA _____

EFFECTIVE _____