Richard J. Simmers, Chief
Division of Oil and Gas Resources Management
2045 Morse Road – Bldg. F-2
Columbus, OH 43229-6693
Phone: (614) 265-6922, Fax: (614) 265-6910

ORDER BY THE CHIEF

January 3, 2014

ORDER NO. 2014-12

TO:	**Halliburton Energy Services, Inc.** **P.O. Box 125** **Zanesville, Ohio 43702**
RE:	**Liquid Mud Plant, Zanesville, Ohio**
SUBJECT:	**Temporary Authorization to Operate Facility Pursuant to R.C. 1509.22**

Pursuant to Ohio Revised Code Section 1509.22, the Chief of the Division of Oil and Gas Resources Management ("Chief" or "Division") issues the following Order:

BACKGROUND:

(1)   Halliburton Energy Services, Inc. ("Halliburton") proposes to operate a Liquid Mud Plant ("Halliburton Liquid Mud Plant (Zanesville)") at 4999 East Pointe Drive, Zanesville, Ohio. The Halliburton Liquid Mud Plant Zanesville will accept oil and gas well drilling muds for processing, which will result in recycled drilling mud and drill cuttings. The recycled mud will be leased to Halliburton clients for use in the drilling of oil and gas wells.

(2)   Division (B)(2)(a) of R.C. 1509.22 states, in pertinent part, that "On and after January 1, 2014, no person shall store, recycle, treat, process, or dispose of in this state brine or other waste substances associated with the exploration, development, well stimulation, production operations, or plugging of oil and gas resources without an order or a permit issued under this section or section 1509.06 or 1509.21 of the Revised Code or rules adopted under any of those sections."

(3)   On January 2, 2014, the Division received an application from Halliburton requesting to operate the Halliburton Liquid Mud Plant Zanesville. In its application, Halliburton supplied the Division with information and details regarding its operations.
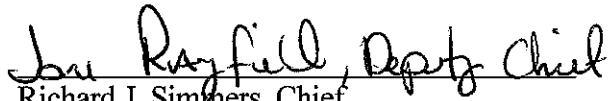
ORDER:

IT IS HEREBY ORDERED

Halliburton has temporary approval to operate the Halliburton Liquid Mud Plant Zanesville in the State of Ohio, subject to the following **conditions**:

1) Halliburton shall conduct all operations in compliance with R.C. Chapter 1509 and Ohio Adm.Code 1501:9.

2) Brine shall not be disposed of in a manner not specified in R.C. 1509.22(C)(1)(a) through R.C. 1509.22(C)(1)(c). Disposal pursuant to R.C. 1509.22(C)(1)(d) requires separate written approval by the Chief.

3) This Chief's Order shall terminate upon any of the following, whichever occurs first:

   a) The Division issues a permit to Halliburton for the Halliburton Liquid Mud Plant Zanesville pursuant to rules promulgated under to R.C. 1509.22(C);

   b) The Division denies a permit to Halliburton for the Halliburton Liquid Mud Plant Zanesville pursuant to rules promulgated under R.C. 1509.22(C); or

   c) Six months after the effective date of rules adopted under R.C. 1509.22(C).

11/3/14
_____
Date

Jon Rayfield, Deputy Chief
Richard J. Simmers, Chief
Division of Oil and Gas Resources Management

Addressee is hereby notified that this action is final and effective and may be appealed pursuant to Section 1509.36 of the Ohio Revised Code. If the Order is appealed to the Ohio Oil and Gas Commission, the appeal must be in writing and must set forth the Orders complained of and the grounds upon which the appeal is based. Such appeal must be filed with the Oil and Gas Commission, 2045 Morse Road, Building H-3, Columbus, Ohio 43229-6693, within thirty (30) days after receipt of this Order.

In addition, within three (3) days after the appeal is filed with the Oil and Gas Commission, notice of the filing must be submitted to Richard J. Simmers, Chief, Division of Oil and Gas Resources Management, Ohio Department of Natural Resources, 2045 Morse Road, Building F, Columbus, Ohio 43229-6693.

CERTIFIED MAIL No:

91 7199 9991 7030 3103 6559

cc: Eric Vendel, Legal Counsel, DOGRM
        Rocky King, Region Supervisor
        Steve Opritza, Permitting Manager
        Erica Freeman, Surety Section
        Engineering Section
        Andrew Corder, Belmont County Oil and Gas Inspector