



Ohio Department of Natural Resources

JOHN R. KASICH, GOVERNOR

JAMES ZEHRINGER, DIRECTOR

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

June 20, 2014

ORDER NO. 2014-178

TO: K&H Partners, LLC
2130 Harris Highway
Washington, WV 26181

RE: K&H Partners Processing and Storage Operations

SUBJECT: Temporary Authorization to Process and Store Brine and Other Waste
Substances 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) K&H Partners, LLC (“K&H Partners”) proposes to conduct pretreatment and storage operations at a facility (“K&H Partners Facility”), near the site of its K&H Partners LLC No.1 Well (a saltwater injection well located at 28333 West Belpre Pike, Coolville, Ohio). K&H Partners receives brine for disposal into the K&H Partners LLC No. 1 Well pursuant to a permit issued under R.C. 1509.06 and 1509.22(D). Brine sent to the K&H Partners LLC No.1 Well that is not suitable for injection due to high solids will be pretreated at the K&H Partners Facility by processing through a centrifuge for solids removal.
- (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 February 7, 2014, the Division received an application from K&H Partners requesting to conduct pretreatment and storage operations at the K&H Partners Facility. In its application, K&H Partners supplied the Division with information and details regarding its proposed operations.

ORDER:

IT IS HEREBY ORDERED:

K&H Partners has temporary approval at the K&H Partners Facility to process and store brine or other waste substances associated with the exploration, development, well stimulation, production operations, or plugging of oil and gas resources, subject to the following conditions:

- (1) K&H Partners 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 of brine 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 K&H Partners for the pretreatment and storage operations at the K&H Partners Facility pursuant to rules promulgated under to R.C. 1509.22(C);
 - b) The Division denies a permit to K&H Partners for the pretreatment and storage operations at the K&H Partners Facility 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).

Date June 20, 2014

Scott R. Kill Jr.
Richard J. Simmers
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 7034 1303 5590

cc: Eric Vendel, Legal Counsel, DOGRM
Rocky King, Region Supervisor
Tom Tomastik, UIC Program
Steve Opritza, Permitting Manager
Engineering Section
Jon Scott, DOGRM Inspector



Ohio Department of Natural Resources

JOHN R. KASICH, GOVERNOR

JAMES ZEHRINGER, DIRECTOR

June 20, 2014

K&H Partners, LLC
2130 Harris Highway
Washington, WV 26181

To Whom It May Concern:

RE: Stabilization of brines and other waste substances

K&H Partners, LLC is receiving this letter because K&H Partners, LLC has been issued Chief's Order Number 2014-178 to store and process brine or other waste substances pursuant to R.C. 1509.22. Division (C)(1) of R.C. 1509.22 states that brine from a horizontal well can only be disposed of by injection into a Class II injection well, in association with a method of enhanced recovery, or in a manner approved by a permit or an order issued by the Chief that authorizes an alternative method of brine disposal. If wastes containing amounts of brine are being solidified with compressible bulking agents, such as sawdust or auto-fluff, the use of such bulking agents may release brine when the waste is transported and/or placed in a landfill. In order to eliminate the release of brine during transportation or placement in a landfill, liquid and semi-solid oil and gas wastes that contain free liquids must be stabilized with Portland cement, quick-lime (CaO), and other materials that may be approved by the Chief. Stabilization with these agents binds the liquid waste component to the stabilizing agent resulting in a stable solid that passes the paint filter test.

All facilities that are operating under a Chief's order authorized under R.C. 1509.22 must ensure that all oil and gas wastes are stabilized with agents as referenced above.

Please note that the above process does not eliminate the responsibility to test for levels of radium 226 and radium 228 in all technologically enhanced naturally occurring radioactive material (TENORM), pursuant to R.C. 1509.074.

Sincerely,

Richard J. Simmers

Richard Simmers
Chief, Division of Oil and Gas Resources Management