



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 23, 2015

ORDER NO. 2015-313

TO: Tunnel Hill Partners, LLC
2500 Township Road 205, Route 2
New Lexington, Ohio 43764

RE: THP Processing Facility
Perry County, Pike Township

SUBJECT: Modification - Temporary Authorization to Store and Process 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) Tunnel Hill Partners, LLC (“Tunnel Hill”) proposes to construct and operate an oil and gas waste stabilization facility to be located at 2500 Township Road 205, Route 2, New Lexington, Ohio in Perry County (“THP Processing Facility”). The THP Processing Facility will receive brine and other waste substances associated with the exploration, development, well stimulation, production operations, or plugging of oil and gas resources for temporary storage and processing. The waste substances will be processed prior to transportation to Tunnel Hill Reclamation Landfill for disposal.
- (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 March 12, 2015, the Division received an application from Tunnel Hill requesting to temporarily store and process brine and other waste substances associated with the exploration, development, well stimulation, production operations, or plugging of oil and

gas resources at the THP Processing Facility. In its application, Tunnel Hill supplied the Division with information and details regarding its proposed operations. The THP Processing Facility will receive mixtures of liquids, semi-solids, and solids that require stabilization prior to being accepted by a landfill for disposal. The waste substances will be primarily stabilized by adding quick-lime, kiln dust, or Portland cement. The THP Processing Facility will not accept waste substances at the THP Processing Facility that contain combined concentrations of radium-226 and radium-228 in excess of seven (7) pico curries per gram.

- (4) On June 16, 2015, the Division issued Chief's Order 2015-313 to Tunnel Hill. Chief's Order 2015-313 had inaccurate addresses for Tunnel Hill and the THP Processing Facility.

ORDER:

IT IS HEREBY ORDERED:

Tunnel Hill has temporary approval at the THP Processing Facility to temporarily store and process 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) Tunnel Hill shall conduct all operations at the THP Processing Facility in compliance with R.C. Chapter 1509 and Ohio Adm.Code 1501:9.
- (2) Brine shall not be disposed of in this state 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) Tunnel Hill shall conduct all operations at the THP Processing Facility in accordance with the application submitted to the Division for this facility. Tunnel Hill shall notify the Division prior to implementing any changes in operations at the THP Processing Facility.
- (4) Tunnel Hill shall notify the Division two weeks prior to commencement of operations, in order to provide the Division with an opportunity to inspect the facility prior to commencement.
- (5) Tunnel Hill shall provide the Division with record drawings upon completion of construction and prior to commencement of operations.
- (6) Tunnel Hill shall stabilize waste substances by adding quick-lime, Portland cement, or an alternate stabilization material approved by the Director of the Environmental Protection Agency if the waste substances will be disposed of in this state at a licensed solid waste landfill. If the waste substance will be transported or disposed of out of state, Tunnel Hill shall comply with all applicable state and federal laws.

- (7) Tunnel Hill shall maintain records for THP Processing Facility and provide those records to the Division upon request. The records shall include, but not be limited to, manifests of all incoming brine and waste substances, as applicable and final disposition of brine and waste substances.
- (8) Not later than one year after acceptance of waste substances at the THP Processing Facility, Tunnel Hill shall perform a radiation and contamination survey of the THP Processing Facility to determine if a radiation protection plan is required at the THP Processing Facility. Tunnel Hill shall submit the results of the survey to the Division. If the results of the survey indicate that a radiation protection plan is required, the radiation protection plan will be incorporated into and made a part of this order and Tunnel Hill shall operate the THP Processing Facility in accordance with the plan.
- (9) This Chief's Order shall terminate upon any of the following, whichever occurs first:
 - a) The Division issues a permit to Tunnel Hill for the THP Processing Facility pursuant to rules promulgated under R.C. 1509.22(C);
 - b) The Division denies a permit to Tunnel Hill for the THP Processing Facility pursuant to rules promulgated under R.C. 1509.22(C);
 - c) Six months after the effective date of rules adopted under R.C. 1509.22(C);
 - d) The location of the THP Processing Facility changes from 2500 Township Road 205, Route 2, New Lexington, OH
 - e) The ownership of the THP Processing Facility changes from Tunnel Hill.

Date

6/23/2015

Scott R. Hill for
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

Tunnel Hill Partners, LLC
Storage, Treatment, and Processing Operations
THP Processing Facility
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Resources Management, Ohio Department of Natural Resources, 2045 Morse Road, Building F,
Columbus, Ohio 43229-6693.

CERTIFIED MAIL No: 91 7199 9991 7035 0958 4544

cc: Legal Section
Steve Opritza, Permitting Manager
Engineering Section
Dan Goins, Region Supervisor
Justin Smith, Perry County Oil and Gas Inspector