



# 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**

August 6, 2015

**ORDER NO. 2015-389**

**TO: Anchor Drilling Fluids USA, Inc.**  
**2431 E. 61<sup>st</sup> Street, Suite 507**  
**Tulsa, Oklahoma 74136**

**RE: Anchor Drilling Fluids Wellsville Facility**  
**Columbiana County, Yellow Creek Township**

**SUBJECT: Temporary Authorization to Store, Recycle, Treat, 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) Anchor Drilling Fluids USA, Inc. (“Anchor Drilling”) proposes to operate an oil and gas facility to be located on 2400-A Clark Avenue, Wellsville, Ohio in Columbiana County (“Wellsville Facility”). The Wellsville Facility is a drilling fluid mixing plant that produces new synthetic drilling muds. Anchor Drilling proposes to modify their operations to include storing, recycling, treating, and processing used drilling muds for reuse in oil and gas drilling operations.
- (2) Division (B)(2)(a) of R.C. 1509.22 states, in pertinent part, that “\*\*\* 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 23, 2015, the Division received an application from Anchor Drilling requesting to temporarily store, recycle, treat, and process brine and other oilfield waste substances associated with the exploration, development, well stimulation, production operations or

plugging of oil and gas resources at the Anchor Drilling Fluids. In its application, Anchor Drilling supplied the Division with information and details regarding its proposed operations. The Wellsville Facility will accept used drilling muds and recondition them for reuse in other drilling operations. The mud mixing vat and the mud above ground storage tanks are located within concrete secondary containment. Residual liquids or solids that may need disposed of shall be sampled and analyzed in accordance with the *Anchor Drilling Fluids USA, Inc. Radiological Response Action Plan dated June 2015*.

**ORDER:**

**IT IS HEREBY ORDERED:**

Anchor Drilling has temporary approval at the Wellsville Facility to temporarily store, recycle, treat, and process brine or other oilfield waste substances associated with the exploration, development, well stimulation, production operations or plugging of oil and gas resources, subject to the following conditions:

- (1) Anchor Drilling shall conduct all operations at the Wellsville 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) Anchor Drilling shall conduct all operations at the Wellsville Facility in accordance with the application submitted to the Division for this facility. Anchor Drilling shall notify the Division prior to implementing any changes in operations at the Wellsville Facility.
- (4) Anchor Drilling 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, Anchor Drilling shall comply with all applicable state and federal laws.
- (5) Anchor Drilling shall maintain waste management records for the Wellsville Facility and provide those records to the Division upon request. The records shall include, but not be limited to, manifests of all incoming used drilling fluids and final disposition of the recycled drilling fluids and waste substances associated with the process of the recycled drilling fluids.
- (6) Anchor Drilling shall implement the Radiological Protection Plan ("RPP") submitted to the Division with the application for the Wellsville Facility and shall continuously update the protocols and procedures in the plan.

- (7) Not later than one year after the date of this order, Anchor Drilling shall perform a radiation and contamination survey of the Wellsville Facility, including the on-site vessels and equipment, to determine if there is a need to modify the procedures and protocols in the RPP to ensure protection of the employees, contractors, and the public health and safety, as well as the environment. Any modifications to the RPP will be incorporated and made a part of this order and Anchor Drilling shall operate the Wellsville Facility in accordance with the modified plan.
- (8) This Chief's Order shall terminate upon any of the following, whichever occurs first:
- a) The Division issues a permit to Anchor Drilling for the Wellsville Facility pursuant to rules promulgated under to R.C. 1509.22(C);
  - b) The Division denies a permit to Anchor Drilling for the Wellsville 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 Wellsville Facility changes from 2400-A Clark Avenue, Wellsville, Ohio;
  - e) The ownership of the Wellsville Facility changes from Anchor Drilling.

8/7/2015  
Date

Scott R. Kell 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 Resources Management, Ohio Department of Natural Resources, 2045 Morse Road, Building F, Columbus, Ohio 43229-6693.

Anchor Drilling Fluids USA, Inc.  
Storage, Recycling, Treatment, and Processing Operations  
Wellsville Facility  
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CERTIFIED MAIL No: 91 7199 9991 7036 1398 6401

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cc: Legal Section  
Steve Opritza, Permitting Manager  
Engineering Section  
Rick Anderson, Region Supervisor  
Joshua Schiering, Columbiana County Oil and Gas Inspector