

Efficiencies in the permitting process –

Efficiencies in the permitting process & increased community involvement require education of operators & the public about both the activity & the related permit process. DOG has published guidance documents with the new online Plan of Ops application. These can be expanded for use with the public to ensure a meaningful engagement with clearly defined concerns. This material could also address the concept of phased development and how DNR is incorporating the concept of cumulative impacts into the permit process.

- 1) Jurisdictions with permitting for oil and gas activity (Excel matrix)
 - a. Number of Agencies
 - b. Number and types of permits

- 2) Role with other regulators
 - a. Local
 - b. Federal
 - c. Transboundary

- 3) Separation of permits with fees and without – regulatory service charge
 - a. Regulatory services covered by permit
 - b. Regulatory services not covered by permit

- 4) Services provided by State
 - a. Permit by permit basis
 - b. Reimbursable service

- 5) Level of public review required
 - a. Single notice
 - b. Multiple series notices
 - c. Federal NEPA process

Peer Group Jurisdictions for oil and gas operation permitting (From Figure 1-1 in OGCRB Report)

California: 6 district offices for managing respective oil and gas districts.

Annual report is at ftp://ftp.consrv.ca.gov/pub/oil/annual_reports/2014/PR03_PreAnnual_2014.pdf

Reports statistics that highlight the importance of local governance

Well permitting @ <http://www.conservation.ca.gov/dog/Pages/WellPermitting.aspx>

Construction Site Well Review Program @

http://www.conservation.ca.gov/dog/for_operators/Pages/construction_site_review.aspx

New Operator Information: http://www.conservation.ca.gov/dog/for_operators/Pages/new_operator_info.aspx

List of forms and bonds

Water use reporting @ <http://www.conservation.ca.gov/dog/SB%201281/Pages/Index.aspx>

Includes water quality forms with definition “water suitable for domestic and irrigation purposes”

Forms required are @ http://www.conservation.ca.gov/dog/pubs_stats/Pages/forms.aspx

California Environmental Quality Act Notices @ <http://www.conservation.ca.gov/dog/CEQA>

Notice of Completion & Environmental Document Transmittal form example @

ftp://ftp.consrv.ca.gov/pub/oil/CEQA/Oil%26Gas/Kern_County/Antelope%20Valley%20Revised%20NOC%208.10.15.PDF

Initial Study/Mitigated Negative Declaration example @

ftp://ftp.consrv.ca.gov/pub/oil/CEQA/Oil%26Gas/Kern_County/Antelope%20Valley%20Revised%20ISMND%208.10.15.PDF

North Dakota

North Dakota Industrial Commission, Department of Mineral Resources, Oil and Gas division @

<https://www.dmr.nd.gov/oilgas/>

Drilling Permit Review Policy @ https://www.dmr.nd.gov/oilgas/DMR-drill-101_106.pdf

Area of Interest Policy @ https://www.dmr.nd.gov/oilgas/AreaOfInterest_Policy.pdf

Oil and Gas Fill-in forms @ <https://www.dmr.nd.gov/oilgas/rules/fillinform.asp>

Online permitting @ <https://www.dmr.nd.gov/oilgas/efile.asp>

Other groups listed as well including DOH Air Quality & State Water Commission in addition to feds for home pages

Includes production and injection reporting filing online

Oklahoma

Oklahoma Corporation Commission Oil and Gas Division @ <http://www.occeweb.com/og/oghome.htm>

Forms @ <http://www.occeweb.com/og/ogforms.html>

Fee Schedule for permits @ <http://www.occeweb.com/ad/FeeScheduleFY2013.pdf>

Oil and Gas Conservation Rules @ <http://www.occeweb.com/rules/CH10eff08-27-15searchable.pdf>

Databases @ <http://www.occeweb.com/Orawebapps/OCCOraWebAppsone.html>

Texas

Railroad Commission of Texas Oil and Gas @ <http://www.rrc.state.tx.us/oil-gas/>

Applications and Permits @ <http://www.rrc.state.tx.us/oil-gas/applications-and-permits/>

Forms @ <http://www.rrc.state.tx.us/oil-gas/forms/>

Checklist @ <http://www.rrc.state.tx.us/oil-gas/forms/oil-gas-filing-checklist-from-prospect-to-production/>

Purpose of filing @ <http://www.rrc.state.tx.us/oil-gas/forms/oil-gas-forms-library/oil-gas-forms-arranged-by-purpose-of-filing/>

**ALASKA ENVIRONMENTAL PERMITTING
GUIDANCE QUESTIONNAIRE**

Dear Applicant:

Every project to find or develop natural resources within Alaska requires permits from several state and / or federal agencies. Permit applications are evaluated according to the requirements of Alaska’s Statutes and Regulations. This questionnaire will guide you to the appropriate state agencies that govern various aspects of your planned project. However, you may also need additional permits from local or federal government agencies to proceed with you planned activities.

PROJECT LOCATION AND LAND OWNERSHIP

		Yes	No
The project is located on land owned by:	State of Alaska.....	<input type="checkbox"/>	<input type="checkbox"/>
	Mental Health Trust.....	<input type="checkbox"/>	<input type="checkbox"/>
	University of Alaska.....	<input type="checkbox"/>	<input type="checkbox"/>
	Municipality.....	<input type="checkbox"/>	<input type="checkbox"/>
	Private entity.....	<input type="checkbox"/>	<input type="checkbox"/>
	Federal Government	<input type="checkbox"/>	<input type="checkbox"/>

Contact the applicable landowner(s) to obtain necessary authorization. State land ownership can be verified using the [Alaska Mapper](#) and [State Land Administration System](#) web applications. State lands can be uplands, tidelands or submerged lands within three miles of the shoreline. Federal lands and waters can be verified using the US Bureau of Land Management’s (BLM) [ACRES](#) web application. Municipal land ownership can be verified by using web sites such as these: Kenai Peninsula Borough [Public Information Parcel Lookup](#), Municipality of Anchorage [Property Information Research](#), Fairbanks North Star Borough [Property Search](#), or North Slope Borough [Land Management Regulation](#). Additional information sources are the Alaska Department of Natural Resources (DNR) [Recorder’s Office](#) and [Land Records Search Portal](#).

ALASKA OIL AND GAS CONSERVATION COMMISSION (AOGCC)

	Yes	No
Do you plan to drill a new oil or gas well, re-enter and utilize an existing well, or produce from, or inject into, an existing well?.....	<input type="checkbox"/>	<input type="checkbox"/>

If you answered “no” to this question, skip to the next section of the questionnaire. If you answered “yes”, Alaska Statute [AS 31.05.027](#) grants the AOGCC jurisdiction over your project as the AOGCC has jurisdiction over all subsurface oil and gas drilling and production activities conducted on all land in the state lawfully subject to its police powers, including land of the United States and land subject to the jurisdiction of the United States (Federal lands).

You must review the statewide regulations of [Chapter 25 of the Alaska Administrative Code](#) and statutes of the [Alaska Oil and Gas Conservation Act](#), which govern bonding, permitting, drilling, completion, production, injection, waste disposal via subsurface injection, suspension, and abandonment of oil and gas wells. The [Oversight and Surveillance](#) section of AOGCC’s website will give additional insight into the processes followed by the AOGCC. Contact the AOGCC at aogcc.customer.svc@alaska.gov or call 907-279-1433 if you have any questions. All of the AOGCC’s forms are available on the Internet at <http://doa.alaska.gov/ogc/forms/forms.html>.

The AOGCC’s Permit to Drill application requirements are specified in [20 AAC 25.005](#). In addition, oil-

or gas-related wells drilled on Federal lands require separate approvals from the BLM. Contact the BLM for information and requirements.

Yes No

Have you established a bond with the AOGCC?.....

If “no”, review the Bonding section of the [Oversight and Surveillance](#) portion of the AOGCC’s website. Bond forms are available at <http://doa.alaska.gov/ogc/forms/forms.html>. Proof of signatory authority is *required* for most of these forms.

Yes No

Are you the owner or operator of all leases affected by the proposed well(s)?.....

The term “owner” is defined by Statute [AS 31.05.170](#) and Regulation [20 AAC 25.990\(47\)](#). The term “operator” is defined by Regulation [20 AAC 25.990\(46\)](#). If you answered “yes”, review the Notice of Ownership and Designation of Operator regulations ([20 AAC 25.022](#) and [20 AAC 25.020](#), respectively). Required forms are available at <http://doa.alaska.gov/ogc/forms/forms.html>. If you answered “no”, you may not have the right to drill at the proposed well location; contact the AOGCC.

Yes No

Is the proposed well an exploratory or stratigraphic test well?.....

The terms “exploratory” and “stratigraphic test” are defined by Regulation [20 AAC 25.990\(25\) and \(67\)](#). These wells are subject to the additional requirements of Regulation [20 AAC 25.061](#) to identify and avoid potential shallow drilling hazards and, for offshore wells, seabed hazards. If “yes”, or if the AOGCC classifies your proposed well as exploratory or stratigraphic test, all provisions of 20 AAC 25.061 must be met.

Yes No

Will the location of proposed well conform to existing Statewide Spacing Regulations or governing Conservation Orders?.....

Consult the [Statewide Spacing Regulations](#) or specific [Conservation Orders](#) for well spacing requirements. If you answered “no”, spacing exception application requirements are specified in [20 AAC 25.055\(d\)](#), and the public hearing process is described in [20 AAC 25.540](#). Note that public hearing process *requires* a 30-day public comment period, and the entire spacing exception process may take from six to twelve weeks to complete.

Yes No

Are freshwater aquifers present at the proposed well site?.....

The term “freshwater” is defined by Regulation [20 AAC 25.990\(27\)](#). If you answered “no”, you must demonstrate to the AOGCC that freshwater aquifers do not exist at the well site. If “yes”, provide information regarding each freshwater aquifer. Information required includes the measured depth to the top and base of each aquifer; the location and depth of all drinking water wells within one-half mile of the proposed well location; and laboratory-measured total dissolved solids (TDS) concentrations for native formation waters specified as milligrams per liter (mg/l) or calculated formation-water TDS concentrations within each aquifer. The location and depth of drinking water wells can be found through the Department of Natural Resources’ (DNR) [Water Estate Map](#). Reports of laboratory water analyses from selected individual oil or gas wells can be found by conducting keyword searches of the AOGCC’s scanned [Well File Images Database](#).¹ TDS concentrations can be calculated from well log data using techniques

¹ Suggested basic keyword searches include: “TDS”, “water” within one word of “analysis”, and “dissolved” within one word of

compatible with [EPA Guidance Document “Survey of Methods to Determine Total Dissolved Solids Concentrations”](#) (EPA LOE Contract No. 68-03-3416, Work Assignment No. 1-0-13, KEDA Project No. 30-956, September 1988).

Note that operations affecting freshwater aquifers having TDS concentrations of 3,000 mg/l or less require approval from the US EPA (EPA). Contact the EPA’s [Region 10 Office](#) for further information.

Yes No

Is there any possibility that your planned well will encounter oil capable of flowing to the ground surface?.....

Drilling operations conducted in areas where there is any possibility that the well may penetrate a formation capable of flowing oil to the ground surface are subject to the Oil Discharge Prevention and Contingency Plan (C-Plan) requirements of Regulations [18 AAC 75.400 – 18 AAC 75.496](#). These regulations are administered by the Alaska Department of Environmental Conservation (DEC) with technical review support from the AOGCC under [AS 31.05.030\(l\)](#). DEC’s pre-application notification requirements and application procedures are specified in Regulations [18 AAC 75.405](#) and [18 AAC 75.410](#), respectively. To expedite technical review by the AOGCC, it is helpful to submit a courtesy copy of your application to the AOGCC at the time that application is submitted to the DEC. Note that DEC’s pre-application procedure requires at least 60 days advance notice before submitting your C-Plan application.

Yes No

Do you plan to use underground injection to dispose of waste drill cuttings and drilling fluids?.....

Drill cuttings and many of the fluids associated with oil- and gas-related operations are categorized by the EPA as [Class II fluids](#). The EPA has delegated primacy for regulation of Class II injection operations within Alaska to the AOGCC. Class II fluids are usually disposed in underground injection wells in conformance with Regulation [20 AAC 25.252](#), with specific authorization granted by an AOGCC [Disposal Injection Order](#). Such an order requires the public hearing process described in Regulation [20 AAC 25.540](#). Note that public hearing process requires a 30-day public comment period, and the entire order process may take from six to twelve weeks to complete.

In select instances, the AOGCC may authorize disposal of Class II fluids using annular injection operations under Regulation [20 AAC 25.080](#). Application requirements and the adjudication process are detailed in that regulation.

Some oil-and gas-related fluids are categorized by the EPA as [Class I](#) fluids. Drilling and operation of Class I injection wells are regulated by the EPA. Contact the EPA’s [Region 10 Office](#) for further information.

Yes No

Do you plan to hydraulically fracture the well(s)?.....

If “yes”, all requirements of Regulation 20 AAC 25.283 apply. This new regulation, effective January 7, 2015, will appear in Register 213, April, 2015, of the Alaska Administrative Code. Until then, a copy of the regulation can be obtained by contacting the AOGCC at (907) 279-1433, fax (907) 276-7542, or e-mail at [AOGCC Customer Service](#). Regulation 20 AAC 25.283 defines hydraulic fracturing, requires notice to nearby owners and operators prior to commencement of hydraulic fracturing, requires water sampling and

“solids.” Suggested advanced keyword searches include these text strings: “(Total ^1 Dissolved) & (Dissolved ^1 Solids)” or “(Water ^1 Analysis) & (Analysis ^1 Report)”. Note: Do not include quotation marks in keyword searches.

analysis, requires disclosure of hydraulic fracturing fluids and additives, increases wellbore integrity, and assures containment of hydraulic fracturing fluids. Be aware that required sampling, application, and adjudication processes may be lengthy. Contact the AOGCC for more specifics concerning hydraulic fracturing requirements, the application process, or the adjudication process.

DEPARTMENT OF ENVIRONMENTAL CONSERVATION (DEC)

Will a discharge of wastewater from industrial or commercial operations occur?..... Yes No

DRAFT

Wetlands Compensatory Mitigation

Prepared by Sara Longan – State of Alaska

Description of Challenge

- The cost as well as available lands eligible for wetlands compensatory mitigation, as required by the Clean Water Act, is an increasing cost issue and regulatory hurdle for resource development in Alaska.
- The cost for compensatory mitigation in Alaska has escalated, which places the potential risk of making once viable projects economically infeasible.
- The US Army Corps of Engineers (USACE) is responsible for administering Section 404 of the Clean Water Act and has recently rescinded its guidance (RGL 09-01) on the preparation of wetland functional analyses and has requested that all applicants prepare an Aquatic Site Assessment (ASA) that can be used by the USACE to determine the appropriate category of wetland impacts for purposes of assigning a mitigation ratio that can be translated into an in-lieu mitigation fee. The USACE is currently drafting additional guidance to help provide clarity on ASA and related wetlands mitigation methodologies. The revised regulatory guidance is welcomed, but introduces in the short-term additional regulatory uncertainty for potential developers.
- The Conservation Fund (TCF) is currently the sole provider of a federally approved in-lieu fee compensatory mitigation program for projects on the Arctic Slope of Alaska. TCF recently published a new in-lieu fee program instrument where the cost per acre for any gravel fill depending on wetland type and function could be as high as \$44,000 per acre. Other in-lieu fee programs in Southcentral Alaska may require cost per acre credits as high as \$125,000 per acre.

Impact of Challenge

- Regulatory inflexibility may cause a one dimensional approach where other more effective wetland mitigation methodologies could be pursued such as stream restoration, conservation easements or mitigation banking.
- Increasing wetlands mitigation costs and regulatory uncertainty could potentially halt critical infrastructure development in Alaska.

Current State Efforts to Provide Potential Solutions

- Wetland issues remain at the forefront of State efforts to improve the permitting environment in Alaska. While we were previously interested in evaluating the possibility of the State of Alaska assuming the wetlands 404 permitting program for from the Corp Alaska Region, we are now focusing our efforts on developing solutions to the wetlands compensatory mitigation cost and regulatory issues currently affecting the development industry.

The State is taking the necessary steps to develop a prospectus and seek approval from the Corps to establish a state-managed in-lieu fee wetlands mitigation program. The current regulatory approach in Alaska requires a project proponent to pay ever-increasing sums of money for every acre of disturbed wetlands or impacted streams. Most often, this money is subsequently used to buy, preserve, and essentially lock up additional land. The State believes establishing a statewide wetlands mitigation program offers the resource development industry additional options for complying with federal wetlands mitigation requirements while utilizing more effective mitigation methods to enhance the ecological value of aquatic resources on state lands. If the proposed state-managed wetlands mitigation program is approved and ultimately successful, we believe it is a solution that will help facilitate proposed public and private development.

POTENTIAL ACTIVITY DRIVEN PERMITS AND PROCESSES



Cook Inlet Offshore Oil & Gas Exploration Permit Application & Approval Process



Prepared By
ARCADIS
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