

west virginia department of environmental protection

Office of Oil and Gas 601 57th Street, S.E. Charleston, WV 25304

Phone: (304) 926-0450; Fax: (304) 926-0452

Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

ORDER ISSUED UNDER WEST VIRGINIA CODE CHAPTER 22

TO: Base Petroleum, Inc. Attn: John Wilcox 100 Wilcox Farm Lane South Charleston, WV 25309

DATE: February 7, 2014

ÓRDER NO.: 2014-UIC-4

INTRODUCTION

This Order (hereinafter "Order") is issued by the Office of Oil and Gas (hereinafter "OOG"), by and through its Chief, pursuant to the authority of West Virginia Code §§ 22-1-1 et seq., 22-6-2 and 22-12-1 et seq. to Base Petroleum, Inc.

FINDINGS OF FACT

In support of this order, the Chief hereby finds the following:

- Base Petroleum, Inc. was issued underground injection control permit number
 2D0390798 from the Office of Oil and Gas to inject waste fluids from oil and natural gas exploration and development in well API # 47-039-00798 on October 14, 2008 with an expiration date of October 14, 2013.
- 2. Base Petroleum, Inc. submitted a reissuance application package on January 23, 2014.

ORDER FOR COMPLIANCE

Therefore, in accordance with West Virginia Code §§ 22-1-1 et seq., 22-6-2 and 22-12-1 et seq. it is hereby ORDERED by the Chief that:

 Base Petroleum, Inc. is hereby authorized for injection in well API # 47-039-00798 under the provisions of the previous permit from the expiration date of October 14, 2013 until the final reissuance permit is issued or denied.

2-7-/4 Date

James A. Martin

Chief

file Copy



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Office of Oil and Gas 601 57th Street Charleston, WV 25304 (304) 926-0450 fax: (304) 926-0452 Earl Ray Tomblin, Governor Randy C. Huffman, Cabinet Secretary www.dep.wv.gov

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17 September 2014

Base Petroleum, Inc. 100 Wilcox Farm Lane South Charlestón, WV 25866

Re: Underground Injection Control Permit Application Notice of Deficiency Letter - 2D0390798

Dear Mr. Wilcox:

Upon completion of the Technical Review of UIC Permit Application 2D0390798, the WVDEP Office of Oil and Gas has identified the following deficiencies in your 5 August 2014 permit application:

- 1. The groundwater protection fee was not provided.
- 2. Section 5 of the application fails to provide the requested information. "Briefly explain the industry and/or field in which the operator resides (i.e. oil and gas producer, commercial oil and gas waste fluid disposal company, unconventional salt mining company).
- 3. Inadequate information has been provided. "An aerial map or appropriate drawing(s) of the proposed UIC injection well(s) facility/project area. This map focuses on the surface and near surface structures associated with the UIC activities. Included must be all intakes and discharge structures, storage, groundwater supply sources, pipelines, pumps, valves, tank or tank battery, secondary containment, and/or other fluid storage structures. The submitted surface map/drawing should include, but is not limited to: legend/key, scale, and orientation (i.e. north arrow, compass)." The submitted aerial UIC facility map failed to include all pertinent operational surface structures. An updated aerial map shall include all pipelines servicing the injection operation.
- 4. Appendix B was not completed. However, tanks can be identified at this location went a review of aerial photography is conducted.
- 5. Provide an updated Appendix C Wells within the Area of Review with current well status. Also, provide adequate corrective action for all wells that penetrate the injection formation (Big Lime) that are abandoned, plugged or currently active under a different operator. Follow corrective action procedures outlined in Section 7 Area of Review requirement 6 of the Class 2 and 3 UIC Permit Application Package.
- 6. UIC facility shall provide adequate secondary containment for all fluid storage reservoirs. Provide a physical and quantitative description of all tank and/or tank battery secondary

Promoting a healthy environment.

- containment(s), providing evidence that the structure(s) can contain 110% of largest tank volume. Provide all calculations and secondary construction information.
- 7. Adequate injection pipeline integrity shall be maintained by each UIC well facility. Provide a plan and/or explanation of pipeline integrity testing and frequency.
- 8. Provide all appropriate analytical laboratory results, Chain of Custody, UTM coordinates (complete Appendix E Water Sources), and QA/QC documentation for sampled water wells specified in Section 4: Ground water discussion, or provide completed Appendix D Public Service District Affidavit.
- 9. Appendix H Groundwater Protection Plan
 - a. Section 1 fails to adequately identify operations that may contaminate groundwater. (i.e. Trucks, pipelines, transfer points) There is a typo in the current discussion believe it should be well not will.
 - b. Section 2 description is inadequate. What about the roads, transfer points, pumps, piping?
 - c. Section 7 description is inadequate. How will the employees be given instruction, how often? Describe job procedures.
 - d. Section 8 fails to provide adequate explanation or detail.
- 10. Complete Section 12 of the UIC permit application." Attach a plan that will ensure that plugging and abandonment of the injection well(s) will not allow the movement of fluids either into an underground source of drinking water or from one underground source of drinking water to another. The plan must describe how the well(s) will be plugged with cement in a manner which will not allow the movement of fluids either into or between USDWs. For an area permit, all wells that are constructed in the same manner may be plugged and abandoned in the same manner, one description will be acceptable."
- 11. Complete Section 15 Site Security Plan and submit. See Appendix J.
- 12. A detailed description of the injection zone is required. Include permeability data for the injection zone.
- 13. Provide a structural contour and isopach map of the confining layer(s).
- 14. Provide compatibility of injection fluid with formation(s) and formation fluid.
- 15. Provide the nature of the annulus as outlined in requirement 5 of Section 9 Operating Requirements/Data. This shall also include the pressure differential maintained between the injection tubing and long string annulus, and how packer and/or tubing failures are determined.
- 16. Provide the injection well hydrostatic fluid level.
- 17. Provide a complete contingency plan as outlined in Section 9 Operating Requirements/Data requirement 6 of Class 2 and 3 UIC Permit Application Package.

Satisfactory corrective response to the above named deficiencies is required to continue your consideration for a Class 2 Disposal UIC Permit. Please complete the requirements and submit to the Office of WVDEP - Oil and Gas within fifteen (15) day of receipt of this letter. If need you clarification regarding this matter please contact Thomas L. Bass or Zachary Stevison at Thomas.l.Bass@wv.gov Zachary.G.Stevison@wv.gov (304) 926-0499 ext. 1646.

Respectfully,

homas L. Bass

Environmental Resource Program Manager

VIOLATION NO. 1 - 3291 DATE 10/9/09

FORM VI 27 (REV 3-2007)

API NO. 3900798

STATE OF WEST VIRGINIA DEPARTMENT OF ENVIRONMENTAL PROTECTION OFFICE OF OIL AND GAS

NOTICE OF VIOLATION
LOCATION: FARM NAME Jones Homer C. WELL NO. AZD GW 478 DISTRICT FOCA DISTRICT COUNTY Kanawha
TO: Base Advice Designated agent John Wilcox ADDRESS Some ADDRESS Rt 7 Box 407 1/2 Foca District South Charleston W 25309
The above well is being posted this 9 day of Oct 2009, for a violation of West Virginia Code 22-6- and/or 35 CSR Series 4. Section 7.7.B. a Legislative rule of the Office of Oil and Gas of the Department of Environmental Protection, set forth in detail as follows: The McChancal Integrity of Liquid Injection of Wash alsposal well must be demonstrated.
To abate the violation you must: LAST test April 4, 1994
A copy of this notice has been posted at the wellsite and sent by certified or registered mail to the person or Designated Agent named above. You are hereby granted until October 10, 2009, to abate this violation. Failure to abate the violation by that date will result in bond forfeiture and may result in assessment of civil penalties, filing of misdemeanor charges and/or an action for injunctive relief.
An informal conference with the Oil and Gas inspector should be arranged prior to the date set forth above for abatement of the violation. If you wish to contest this violation, refer to procedures outlined in West Virginia Code 22-6-4.
SIGNED LUJU ADDRESS THELE Inspector Oil 2605
TELEPHONE 3045495515

UNTIL THE DISTRICT OIL AND GAS INSPECTOR ISSUING THIS NOTICE RECEIVES A CALL FROM YOU (THE OPERATOR) STATING THIS VIOLATION IS ABATED, IT WILL BE ASSUMED THAT THE VIOLATION REMAINS UNABATED.