

PRODUCED WATER

Water & Natural Resources Committee

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Produced Water

- Definition: "produced water" means a fluid that is an incidental byproduct from drilling for or the production of oil and gas
- Primarily 'formation water' and can also include 'flowback water'
- Often highly saline and can also contain drilling and completion chemicals
- Large quantities - 2019: 1,259,341,048 barrels (>50b gallons)
- Currently reused or disposed within the oil and gas industry:
 - Deep disposal wells
 - Enhanced recovery wells
 - Recycled in oil and gas drilling and completion

HB 546: Key Changes

HB 546 (which includes the Produced Water Act):

-Clarifies administrative authority over the reuse of produced water:

- OCC/OCD limited to regulating reuse and disposal within oil and gas industry
- WQCC/NMED will regulate all uses of produced water outside of oil and gas industry

HB 546: Oil & Gas Act: §70-2-12(B)(15)

- Before: (15) to regulate the disposition of water produced or used in connection with the drilling for or producing of oil or gas or both and to direct surface or subsurface disposal of the water, including disposition by use in drilling for or production of oil or gas, in road construction or maintenance or other construction, in the generation of electricity or in other industrial processes, in a manner that will afford reasonable protection against contamination of fresh water supplies designated by the state engineer;
- After: (15) to regulate the disposition, handling, transport, storage, recycling, treatment and disposal of produced water during, or for reuse in, the exploration, drilling, production, treatment or refinement of oil or gas, including disposal by injection pursuant to authority delegated under the federal Safe Drinking Water Act, in a manner that protects public health, the environment and fresh water resources;

Regulation of Produced Water

- Storage
 - 19.15.17 NMAC: impoundments (revised 2013)
 - 19.15.34 NMAC: recycling containments and transportation (revised 2015)
- Injection wells
 - 19.15.26 NMAC: injection for disposal and enhanced recovery (revised 2018)
 - 40 CFR 144: Safe Drinking Water Act
- Spills, cleanup
 - 19.15.29 NMAC: releases (revised 2018)
 - 19.15.30 NMAC: remediation

Produced Water



Recycling Containment

Produced Water



Recycling Facility

Current Rulemaking

- 19.15.34 NMAC: change language to comply with revisions to agency jurisdiction in HB 546
- 19.15.16.20 NMAC: Add new requirement for disclosure of sources of water for completion (hydraulic fracturing) of well:
 - Water <1000 TDS
 - Water 1000 – 10,000 TDS
 - Water > 10,000 TDS
 - Recycled produced water

Future Actions

- Coordination with NM Tech on induced seismicity
 - MOA to fund additional seismic monitoring and analysis
- Update requirements for injection wells
 - New, more detailed permit for wells (process ongoing now)
 - Revise injection rule: 19.15.26 NMAC
- Further rule changes
- Enforcement