



# Montana Legislative Services Division

## Legal Services Office

**TO:** Environmental Quality Council  
**FROM:** Helen Thigpen  
**DATE:** July 15, 2011  
**RE:** Legislative Administrative Rule Review Report

Pursuant to 75-1-324 and 5-5-215, MCA, the Environmental Quality Council is responsible for reviewing administrative rules within its jurisdiction. Staff for the Environmental Quality Council has prepared this report for informational purposes only. This report does not represent any action or opinion of the Environmental Quality Council and does not preclude additional action that may be taken by the Environmental Quality Council pursuant to its authority under the Montana Administrative Procedure Act (Title 2, chapter 4, MCA).

**MAR NOTICE NUMBER:**

36-22-157

**AGENCY/BOARD:**

Department of Natural Resources and Conservation

**RULE CLASSIFICATION:** (e.g. substantive/interpretative/emergency/temporary)

Substantive

**SUBJECT:**

Hydraulic Fracturing -- Well Stimulation

**NOTICE DESCRIPTION:** (e.g. proposal notice/adoption notice)

Notice of Public Hearing on Proposed Adoption

**SUMMARY OF RULE(S):**

The Board of Oil and Gas Conservation (Board) has proposed New Rules I through V for adoption. The rules are summarized as follows:

- **New Rule I** provides that well completions that include hydraulic fracturing, acidizing, or other chemical stimulation to complete a well will be considered a permitted activity under the well permit if certain information is described in the permit application, including the processes, anticipated volumes, and types of materials used. New Rule I also addresses the

situation when a well operator is unable to determine if hydraulic fracturing, etc., will be used to complete the well.

- **New Rule II** addresses the disclosure of well stimulation fluids for new and existing wells. New Rule II requires the owner or operator of a new or existing well to provide information concerning the type and amounts of treatment pumped and sets forth specific requirements for hydraulic fracturing treatments. New Rule II allows the administrator to waive these requirements if the owner or operator demonstrates that the information has been provided to the Interstate Oil and Gas Compact Commission/Ground Water Protection Council hydraulic fracturing website (or to other internet sites where the information may be accessed by the public). The OGCC maintains a national, web-based registry that discloses the chemical additives used in the hydraulic fracturing process. The website covers wells drilled starting in 2011. The website may be accessed at: [www.FracFocus.org](http://www.FracFocus.org).
- **New Rule III** addresses proprietary chemicals and trade secrets. New Rule III provides that an owner or operator must provide to the Board or Board staff a list of the chemical constituents contained in the well drilling fluid when it is necessary to respond to a spill or release. The information is also required when a health professional provides a written statement that the information is necessary for treatment. The health professional may be required to execute a nondisclosure agreement. In an emergency, the health professional may obtain the information immediately so long as the professional provides a verbal acknowledgement that such information will not be used for other purposes.
- **New Rule IV** addresses safety and well control requirements for hydraulic fracturing and provides that new and existing wells which will be stimulated by hydraulic fracturing must demonstrate mechanical integrity.
- **New Rule V** generally provides that no well may be reperfored, recompleted, reworked, chemically stimulated or hydraulically fractured without first notifying the Board and receiving approval.

**NOTES:** (e.g. hearing dates)

The Board held a public hearing in Sidney, Montana, on June 15, 2011. Public comments were received through June 23, 2011. Comments received through June 23, 2011, and late comments submitted after June 23, 2011, are available at the following link: <http://bogc.dnrc.mt.gov/Frac.asp>.