FACT SHEET AND SUPPLEMENTAL INFORMATION FOR THE PROPOSED REISSUANCE OF THE NPDES GENERAL PERMIT FOR DISCHARGES FROM THE OIL AND GAS EXTRACTION POINT SOURCE ONSHORE STRIPPER WELL CATEGORY IN TEXAS

(TXG350000)

February 24, 2017

U.S. Environmental Protection Agency Region 6 1445 Ross Ave. Dallas, TX 75202

Proposed NPDES General Permit for Discharges From The Oil and Gas Extraction Point Source Stripper Subcategory To The Waters of Texas (TXG260000)

AGENCY: Environmental Protection Agency ACTION: Notice of Proposed NPDES General Permit Issuance

SUMMARY: The Director of the Water Division, EPA Region 6 today proposes to issue a National Pollutant Discharge Elimination System (NPDES) general permit No. TXG350000 for existing source facilities and New Source facilities under the Oil and Gas Extraction Point Source (40 CFR Part 435, Subpart F- Stripper Subcategory) located in Texas and discharging to the waters of Texas. The permit limitations conform to Oil and Gas Stripper Subcategory Guidelines and contain additional requirements to assure that state water quality standards will be met and that there will be no unreasonable degradation of the environment, as required by Section 403(c) of the Clean Water Act.

The permit proposes to authorize discharged of produced water, field drainage, formation test fluids, and chemical-free miscellaneous discharges.

FOR FURTHER INFORMATION, CONTACT: Ms. Evelyn Rosborough, U.S. Environmental Protection Agency, Region 6, 1445 Ross Avenue, Dallas, Texas 75202-2733. Telephone: (214) 655-7515.

FACT SHEET AND SUPPLEMENTAL INFORMATION

I. Summary of Major Changes for Stripper Subcategory under 2012 reissued TXG330000 general permit:

- A. Remove authorization for sanitary waste, domestic waste and miscellaneous discharges which are unrelated to stripper well operations;
- B. Remove authorization of direct discharge to coastal waters;
- C. Revise the toxicity monitoring requirement;
- D. Add electronic filing requirement for Notices of Intent (NOIs); and
- E. Add "sufficiently sensitive method" requirement for analysis.

II. Legal Basis

Section 301(a) of the Clean Water Act (CWA or the Act), 33 USC 1311(a), renders it unlawful to discharge pollutants to waters of the United States in the absence of authorizing permits. CWA section 402, 33 USC 1342, authorizes EPA to issue NPDES permits allowing discharges on condition they will meet certain requirements, including CWA sections 301, 304, 306, 401 and 403. Those statutory provisions require NPDES permits to include effluent limitations for authorized discharges: (1) meet standards reflecting levels of technological capability; (2) comply with EPA-approved state water quality standards; (3) comply with other state requirements adopted under authority retained by states under CWA section 510, 33 USC 1370; and, (4) cause no unreasonable degradation to the territorial seas, waters of the contiguous zone or the oceans.

CWA section 301 requires compliance with best conventional pollution control technology (BCT) and best available pollution control technology economically achievable (BAT) no later than March 31, 1989. CWA section 306 requires compliance with New Source Performance Standards (NSPS) no later than the effective date of such standards. Accordingly, three types of technology-based effluent limitations are included in the proposed permit. With regard to conventional pollutants, e.g., pH, oil and grease, and etc., CWA section 301(b)(1)(E) requires effluent limitations based on BCT. With regard to nonconventional and toxic pollutants, CWA sections 301(b)(2)(A), (C) and (D) require effluent limitations based on BAT. For New Sources, CWA section 306 requires effluent limitations based on NSPS. Effluent guidelines limitations have not been developed for the Stripper Subcategory. Therefore, this proposed permit contains technology based discharge limits either based on the previous permit conditions or based on the best professional judgment (BPJ).

III. Regulatory Background

On November 15, 2001 (see 66 FR 57457), when EPA reissued the general NPDES permit TXG330000 authorizing discharges from facilities in the Coastal Subcategory of the Oil and Gas Extraction Point Source Category located in Texas, EPA included produced water

FACT SHEET

discharges from Stripper Subcategory wells producing from several low saline formations in Texas. That permit expired December 15, 2006. EPA reissued the general permit on June 7, 2007 (see 72 FR 31579) and included monitoring requirement for total dissolved solids in the permit. EPA reissued the general permit on July 31, 2012 (see 77 FR 47380, August 8, 2012), and that permit only authorized discharges of produced water to the coastal waters. Because most, if not all, of stripper wells are located in inland Texas, EPA issued a permit modification on September 11, 2014 (see 79 FR 56576, September 22, 2014), to reauthorize discharges of produced water from stripper wells to inland fresh waterbodies. The 2012 reissued permit, then modified in 2014, established 24-hour LC50 toxicity limits for produced water. That permit has also restricted discharges to impaired coastal waters. That permit expires on July 30, 2017. EPA has decided to permit the discharges from stripper subcategory separately from the coastal water subcategory, and assigns a new permit number TXG350000 for stripper wells under this general permit.

IV. Permit Area/Facility Coverage

The current general permit TXG330000 (issued in 2012 and modified in 2014) covers existing facilities in the Stripper Subcategories of the oil and gas extraction point source category which are located in Texas. The current permit authorized the discharge of produced water from some Stripper Subcategory wells located east of the 98th meridian and originating from the Carrizo/Wilcox, Reklaw, and Bartosh formations. Stripper wells are defined as wells that produce less than ten barrels of oil per day. Produced water from these formations must contain less than 3000 mg/l of total dissolved solids to be authorized for discharge under this permit.

The Stripper Subcategory, 40 CFR 435.60-61, does not prohibit discharges of produced water from stripper wells which are located east of the 98th meridian, nor set restriction for formation types. Many stripper wells are located east of the 98th meridian of Texas, EPA is soliciting comments whether to expand this general permit to cover all onshore stripper wells which are located in Texas. The same permit conditions which apply to facilities east of the 98th meridian.

A facility must file a NOI to be covered by this permit. A facility which does not discharge any authorized waste stream does not need to file an NOI and therefore is not covered by this general permit. Any facility which files an NOI must submit Discharge Monitoring Reports (DMR) in accordance with the permit requirements even if the facility does not discharge during the reporting period (Report "no discharge" if no discharge occurs).

The EPA published the Electronic Reporting Rule in the federal register (80 FR 64063) on October 22, 2015. The rule became effective on December 21, 2015. The rule requires that one year after the effective date of the final rule (starting no later than December 21, 2016), NPDES regulated entities that are required to submit DMRs (including majors and non-majors, individually permitted facilities and facilities covered by general permits) must report electronically. The 2012 issued permit TXG330000 required operators to file electronic DMRs (NetDMR). This proposed permit adds a requirement for electronic NOI (eNOI) filing when eNOI becomes available on-line. Operators are required to file paper NOIs if the eNOI is not

available on-line. Once eNOI becomes available on-line, EPA will notify operators and operators must re-file their NOI electronically to be covered without interruption. EPA will provide instructions and training to assist operators to comply with the electronic filing and reporting requirements when those electronic forms become available on-line.

V. Specific Permit Conditions

Because federal effluent limitation guidelines (ELG) have not been established for the stripper sub-category, specific effluent limitations for each regulated waste stream are based on onshore sub-category ELG as the best professional judgment (BPJ) or on state water quality standards (WQS).

Stripper wells are marginal wells that typically are older. There is no drilling at these production facilities. Because stripper wells do not include drilling activities and therefore, this permit does not authorize discharges of drilling fluids, cuttings and other drilling-associated wastes or waste streams. This permit also does not authorize certain discharges associated with production activities, such as produced sands, well treatment fluids, well completion fluids, and well workover fluids as BPJ-based limitations because "no discharge" ELG also applies to onshore and coastal subcategory, respectively.

A. Produced Water

Produced water is defined as water (brine) brought up from the hydrocarbon-bearing strata during the extraction of oil and gas, and can include formation water, injection water, and any chemicals added downhole or during the oil/water separation process. The Stripper Subcategory (40 CFR, Subpart F) covers wells located onshore and producing 10 barrels of crude oil per day or less. No limitations are established by the Effluent Limitation Guidelines for the Stripper Subcategory. BPJ-based limits for produced water discharges from Stripper Subcategory wells were established when the permit was issued in 1995.

- (1) Total Dissolved Solids (TDS): The discharge of produced water from wells located east of the 98th meridian and originated from the Charrizo/Wilcox, Reklaw, and Bartosh formations was authorized and limited to a total dissolved solids concentration of 3000 mg/l in 1995 issued permit. The same TDS limit is proposed for this permit with the elimination of the 98th meridian limitation.
- (2) Oil & Grease: This permit renewal retains monthly average and daily maximum oil and grease concentration of 25 mg/l and 35 mg/l, respectively, from the previously issued permit.
- (3) LC50 Toxicity: Annual 24-hour end-of-pipe acute LC50 toxicity monitoring requirements were established for produced water discharges in accordance with the Texas Administrative Code, Title 30 (TAC 30) Chapter 307.6(e)(2)(b) when EPA reissued the permit in 2012. TAC 30 Chapter 307(e)(2)(b) states "In addition to the other requirements of this section, the effluent of discharges to water in the state shall

FACT SHEET

not be acutely toxic to sensitive species of aquatic life, as demonstrated by effluent toxicity tests. Toxicity testing for this purpose shall be conducted on samples of 100% effluent, and the criterion for acute toxicity shall be mortality of 50% or more of the test organisms after 24 hours of exposure." If a facility collects produced waters from varied wells and disposes the combined waste at one outfall, only one toxicity test is required. Acute LC50 toxicity testing requirements are retained in this permit renewal.

(4) Total Zinc and/or Total Mercury: WQS-based requirements are retained from the 2012 reissued permit. Proposed limits for discharges of produced water to impaired waters are discussed below:

For authorized discharges to an impaired water that is impaired for zinc, the produced water discharges must be monitored once per month for total zinc. The sample type for zinc tests may be either grab, or a 24-hour composite consisting of 4 grab samples taken over a 24-hour period.

For authorized discharges to an impaired water that is impaired for mercury, the produced water discharges must be monitored once per month for total mercury. The sample type for mercury tests may be either grab, or a 24-hour composite consisting of 4 grab samples taken over a 24-hour period.

For new stripper wells, no discharge of produced waters to an impaired water that is impaired for dissolved oxygen is authorized by this permit. For the purposes of this limitation, a new stripper well is one that did not meet the definition of a stripper well before the effective date of the 2012 reissued permit, or July 31, 2012. If the permit coverage expands to include stripper wells located west of the 98th meridian, EPA intents to include those facilities located west of the 98th meridian as "new stripper wells."

EPA published the final rule "Use of Sufficiently Sensitive Test Methods for Permit Applications and Reporting" in the Federal Register, Vol. 79, No. 160, August 29, 2014. The permittee may use test methods which are sensitive enough to detect the minimum quantification levels (MQLs) as provided in Appendix A of the permit to demonstrate "sufficiently sensitive" when monitoring of pollutants listed in the MQLs Table is performed.

According to Texas Integrated Report for Clean Water Act Sections 305(b) and 303(d) (available at: http://www.tceq.texas.gov/waterquality/assessment/305_303.html), waters impaired by zinc, mercury or dissolved oxygen are coastal, near coastal, and shoreline waters. Because information (list of stripper wells under the TXG330000 as shown in Appendix B of the Fact Sheet) provided by the Railroad Commission of Texas (RRC) to EPA has indicated that no stripper well facility has direct discharge of produced water to coastal waters, EPA plans to delete authorization of direct discharge to coastal waters and delete permit conditions related to coastal waters, EPA is soliciting comments as to whether any stripper well has direct discharge to coastal waters,

FACT SHEET

EPA added 24-hour acute LC50 toxicity to the 2012 reissued permit and the 2014 modified permit pursuant to TAC Title 30, Chapter 307.6(e)(2)(B) which requires that effluents not be acutely toxic to sensitive organisms as measured by a 24-hour acute toxicity test on 100% effluent (LC50 toxicity). However, this provision does not apply to mortality that is a result of an excess, deficiency, or imbalance of dissolved inorganic salts (such as sodium, calcium, potassium, chloride, or carbonate) (referred as ion-imbalance below) that are in the effluent. EPA is proposing (1) not to include the ion-imbalance exemption, and (2) to change the LC50 toxicity to report only. The rationales not to include the ion-imbalance exemption are: 1) the requirement of 100% acute LC50 toxicity test is based on State acute toxicity protocol, not EPA's acute toxicity protocol which is 48-hour toxicity at the zone of initial dilution, 2) produced water, in nature, contains high salinity and could be eligible for such toxicity exemption but still pose potential toxic to testing species, 3) EPA's policy does not support the ion-imbalance exemption as allowed by Texas, and 4) it will take a long process for EPA to develop or to approve another site-specific protocol to address the problem, as allowed by the State Standards, by using an ionadjustment protocol, alternate species testing, or single species testing in accordance with the implementation guidance for the Texas Water Quality Standards. Instead of requiring the operator to cease discharging after a failed test, EPA proposes to require the operator to submit a corrective action report which identifies actions being taken to address the problem.

B. Well Field Drainage

Well field drainage under this permit means discharges of rainwater or runoff from the area surrounding the well. The 2012 permit limits for deck drainage were based on the Coastal Subcategory Effluent Guidelines which require No Discharge of Free Oil as determined by the presence of a film or sheen upon, or a discoloration of, the surface of the receiving water (visual sheen). Texas Surface Water Quality Standards, Section 307.4(b)(7) also states "Surface waters must be maintained so that oil, grease, or related residue do not produce a visible film or sheen of oil or globules of grease on the surface or coat the banks or bottoms of the watercourse...." EPA proposes to retain the "No Discharge of Free Oil" limitation to control well field drainage discharges.

C. Miscellaneous Discharges

The 2012 permit authorizes the following miscellaneous discharges under the TXG330000 permit: distillation and reverse osmosis brine, blowout preventer fluid, uncontaminated ballast and bilge water, mud, cuttings and cement at the sea floor, boiler blowdown, excess cement slurry, diatomaceous earth filter media, and uncontaminated water. The 2012 permit contains limits of no free oil, which are based on the Best Professional Judgment (BPJ). Because most, if not all, of miscellaneous discharges listed above do not apply to onshore stripper facilities, EPA proposes not to authorize those miscellaneous discharges under this proposed permit. However, EPA still proposes to retain authorization of discharge for certain non-contaminated and chemical-free miscellaneous discharges (e.g., portable water, fire training water, etc.) in the permit in case some stripper well facilities have potential to make such discharges.

D. Sanitary Waste

EPA proposes not to authorize discharges of sanitary waste because information available to EPA shows that stripper well facilities are unmanned facilities. EPA is soliciting comments whether any facility discharges sanitary wastes or not. If discharges of sanitary waste are authorized in the final permit, effluent limitations established in the 2012 reissued TXG330000 permit as listed below will be incorporated into the final permit.

Floating Solids- No discharge of floating solids.

Biological Oxygen Demand (BOD)- Daily maximum limit of 45 mg/l. Monitoring shall be once per month using grab samples.

Total Suspended Solids (TSS)- Daily maximum limit of 45 mg/l. Monitoring shall be once per month using grab samples.

E. coli - 126 colonies/100 ml daily average and 399 colonies/100 ml daily maximum. Monitoring shall be once per week using grab samples. (For discharges to freshwater.)

Enterococci - 35 colonies/100 ml daily average and 104 colonies/100 ml daily maximum. Monitoring shall be once per week using grab samples. (For discharges to coastal water.)

Enterococci - 35 colonies/100 ml daily maximum. Monitoring shall be once per week using grab samples. (For discharges to impaired coastal water.)

Discharges to waters listed as impaired for bacteria (oyster) only - fecal coliform 14 colonies/100 ml. Monitoring shall be once per week using grab samples. (For discharges to impaired oyster water.)

E. Domestic Waste

EPA proposes not to authorize discharges of domestic waste because information available to EPA shows that stripper well facilities are unmanned facilities. EPA is soliciting comments whether any facility discharges domestic wastes or not. If discharges of domestic waste are authorized in the final permit, effluent limitations established in the 2012 reissued TXG330000 permit will be incorporated into the final permit. The 2012 reissued permit limits for domestic waste were based on the Coastal Subcategory Effluent Limitations Guidelines. Based on BPJ-based BAT for Coastal Subcategory, the discharge of foam is proposed to be prohibited. The discharge of floating solids and garbage is proposed to be prohibited based on BPJ-based Effluent Limitations Guidelines for Coastal Subcategory. The prohibition of the discharge of garbage, including operational waste is consistent with the requirements of 33 CFR 151. These requirements are included in the 2012 permit and no changes are proposed.

VI. Impaired Waters and Anti-degradation Issues

States are required to submit EPA with water quality assessments every two years under CWA sections 305(b) and 303(d) and develop total maximum daily loads (TMDLs) for impaired waters. According to the most recent Texas Integrated Report for Clean Water Act Sections 305(b) and 303(d) (available at:

http://www.tceq.texas.gov/waterquality/assessment/305_303.html), there are coastal, near coastal, and shoreline waters in the area could be covered by this permit that are identified as impaired on the CWA Section 303(d) list, or have an EPA-approved or established TMDL. (EPA is also soliciting comments on whether to totally eliminate authorization for direct discharges to coastal waters if no stripper well is located near coastal areas or has direct discharges to coastal waters.) Pollutants associated with impaired coastal waters include one or more of the following: Dissolved Oxygen, PCB(s) in Fish Tissue, Dioxin (Including 2,3,7,8-TCDD), Bacteria (Oyster Waters), Bacteria, Zinc in Edible Tissue, and Mercury in Fish Tissue. Texas Integrated Report does not include resource extraction as a probable source contributing to impairments to bays and estuaries or coastal shoreline, but refined assessment of sources is done as part of the TMDL process. For the purposes of this permit, a facility will be considered to discharge to an impaired water if the first water of the U.S. to which it discharges is identified by the state or EPA pursuant to Section 303(d) of the CWA as not meeting an applicable water quality standard, or is included in an EPA-approved or established TMDL.

The EPA currently has no information indicating discharges authorized by this permit would significantly contribute to impairments associated with PCBs, or Dioxin. PCBs and dioxin would not be expected to be present in authorized discharges due to the nature of those discharges and the State's impairment listing did not identify resource extraction as a source of the impairment.

Due to the nature and volumes of discharges, produced water is the only waste stream considered to have potential to have a significant, if localized, impact on dissolved oxygen. The 2012 reissued permit and this draft permit renewal prohibit new stripper well discharges of produced water where the receiving water has been listed in the latest Texas Integrated Report for Clean Water Act Sections 305(b) and 303(d) as impaired for dissolved oxygen. For the purposes of this limitation, a new stripper well is one that did not meet the definition of a stripper well until after the effective date of the 2012 reissued permit or has not discharged produced water prior to the effective date of that permit which was July 31, 2012. If the final permit expands the coverage to the west of the 98th meridian, EPA intents to apply this restriction to facilities which are located in the west of the 98th meridian in order to prevent new loading contributions to impaired waters.

Bacteria impairments constitute the majority of listed impairments for coastal waters. The permit controls bacteria with 35 cfu/100 ml daily average and 104 colonies/100 ml daily maximum limit on sanitary waste discharges based on meeting the state criteria at the end-of-pipe. Where the discharge is to a waterbody with a bacteria (oyster) impairment, the permit

FACT SHEET

would also impose a Fecal Coliform - 14 cfu/100 ml daily maximum limit with monitoring once per week to protect the State's water quality standard for oyster waters. These limits, combined with the small volumes that would be discharged and the other limitations for sanitary waste discharges, would ensure authorized discharges would not cause or contribute to bacteria impairments and can be expected to be consistent, absent evidence to the contrary, with the requirements of applicable bacteria TMDLs. Note that some facilities that would be regulated under this permit are unmanned or for other reasons would not have sanitary waste discharges.

Because zinc has impaired approximately 30.5 square miles of Nueces Bay (Oyster Waters) for edible tissue (not water column), the 2012 reissued permit and this permit renewal establish monthly zinc monitoring requirements for stripper wells which discharge produced waters to Nueces Bay. The mercury in fish tissue impairments are found in assessments of the bays and estuaries, shoreline and ocean and near coastal waters, with atmospheric deposition believed to be a primary source. The impairment listing for mercury is for fish tissue and not for exceedance of a water column mercury standard. Therefore, monthly monitoring for mercury for stripper wells which discharge produced waters to coastal waters was also established in the 2012 reissued permit. The permit has a reopener clause for EPA to include addition requirements should monitoring results warrant. Information on impaired waters and TMDLs can be obtained online via: http://www.epa.gov/waters/ir/index.html.

If the permittee discharges to an impaired water that is impaired for dissolved oxygen, bacteria, mercury, or zinc, the permittee is required to comply with the requirements specified in Part I.B of the proposed permit. Permittees may be informed if any additional limits or controls are necessary for the discharge to be consistent with the assumptions of any available wasteload allocation in the TMDL, or if coverage under an individual permit is necessary. Note that 40 CFR 122.28(b)(3) allows the Director to require any discharger authorized under a general permit to apply for and obtain an individual NPDES permit.

In the absence of information demonstrating otherwise, EPA expects that compliance with the requirements of this permit, including the requirements applicable to such discharges in section B of Part I, will result in discharges that will not cause, have the reasonable potential to cause, or contribute to an excursion above any applicable water quality standard. Note that 40 CFR 122.28(b)(3) allows the Director to require any discharger authorized under a general permit to apply for and obtain and individual NPDES permit. New information on a particular discharger or approval of a TMDL with specific requirements for discharges covered by the permit are examples the Agency might determine that the conditions of this permit were not sufficiently protective of water quality and an individual permit for a particular facility might be required.

If the permittee discharges to an impaired water that is impaired for a parameter other than bacteria, mercury, or zinc, EPA may inform the permittee if any additional limits or controls are necessary for the discharge to be consistent with the assumptions of any available wasteload allocation in the TMDL, or if coverage under an individual permit is necessary.

Antidegradation requirements applicable to Tier 2 and Tier 3 waters are established by

FACT SHEET

§307.5 of the Texas Water Quality Standards. For Tier 2 waters, no activities subject to regulatory action that would cause degradation of waters that exceed fishable/swimmable quality are allowed unless it can be shown to the State's satisfaction that the lowering of water quality is necessary for important economic or social development. Degradation is defined as a lowering of water quality by more than a de minimis extent, but not to the extent that an existing use is impaired. Water quality sufficient to protect existing uses must be maintained. Tier 3 outstanding national resource waters are defined as high quality waters within or adjacent to national parks and wildlife refuges, state parks, wild and scenic rivers designated by law, and other designated areas of exceptional recreational or ecological significance. The quality of outstanding national resource waters must be maintained and protected.

In the absence of information demonstrating otherwise, EPA expects that compliance with the requirements of this permit will result in discharges that will not lower the water quality of the applicable receiving water beyond that allowed under TAC §307.5.

These provisions are intended to implement the requirements of 40 CFR 122.44(d)(1)(vii)(B), which requires that water quality based effluent limits in permits be "... consistent with the assumptions and requirements of any available wasteload allocation for the discharge ..." and of 40 CFR 122.4(i), which creates conditions for the issuance of permits for new sources discharging to impaired waters.

VII. Other Legal Requirements

A. State Certification

Under section 401(a)(1) of the CWA, EPA may not issue an NPDES permit until the State in which the discharge will occur grants or waives certification to ensure compliance with appropriate requirements of the CWA and State law. EPA will seek certification from the Railroad Commission of Texas prior to issuing a final permit.

B. Endangered Species Act (ESA)

This permit authorizes discharges of produced water with low level of total dissolved solids from limited formation areas and does not authorize discharges of toxic pollutants or water contaminated with either chemicals or oil/grease. There is no information available to EPA that any federally listed endangered or threatened species are likely to be adversely affected by discharges of produced water. This permitting action area is limited to the east of 98th meridian in State of Texas. Dischargers eligible for coverage are located in Fayette County, Gonzales County, Wilson County, Milam County, Bastrop County, and Anderson County. (A list of facility is attached to the end of this fact sheet.) Federally listed endangered or threatened species appear or may appear in these counties can be found through the U.S. Fish and Wildlife Service (FWS) website https://ecos.fws.gov/ipac. One amphibian (Houston Toad) is listed in Bastrop and Milam Counties, and four birds (Least Tern, Piping Plover, Red Knot, and Whooping Crane) are listed in most of those counties. Only Houston toad has critical habitat designation in Bastrop County, and none of listed birds has designated critical habitat in those counties. Two outfalls are

FACT SHEET

located in the Bastrop County and their coordinates are Lat 29.887912 N, Lon -97.208301 W, and Lat 29.886384 N, Lon -97.20944 W, respectively. These two wells are located near to each other. Based on information from FWS website, the critical habitat range of Houston toad is located about 10 miles north of these wells. Produced water discharged from these wells will have no effect to the habitat.

The only authorized discharge which may cause concerns to the environment is the produced water. The proposed permit does not allow chemicals or oil product to be discharged with the produced water. Produced water may contain relatively higher level of salinity than freshwater. Although the permit set a limitation of 3,000 mg/l for total dissolved solids, information provided by a permittee showed that actual total dissolved solids of produced waters sampled from various lease locations range from 130 mg/l to 1,200 mg/l.

Major and common threatens to Least Tern, Piping Plover, Red Knot, and Whooping Crane include recreational, residential, and commercial development, river channelization, irrigation diversions and the construction of dams. Such human activities have contributed to the destruction of nesting habitats. This permitting action does not authorize activities which may have potential to destruct bird's habitat.

It is unlikely that discharges authorized under this general permit will have any adverse effect to above listed endangered or threatened species. EPA tentatively determines that this permitting action will have no effect and will not adversely affect or modify habitats of any listed endangered or threatened species. However, if information becoming available to EPA shows that discharge from a specific well or facility may have potential to affect any federally listed endangered or threatened species, EPA may further evaluate the effect or initiate a consultation with the FWS on a case-by-case basis. As a result of evaluation or consultation, more restrictions or limits may be imposed to an individual discharge, or an individual permit may be required for that discharge.

If a discharge of produced water were found that may adversely affect any federally listed endangered or threatened species, EPA may take one or more following actions: 1) to initiate an ESA Section 7 consultation with the FWS prior to authorizing the facility for produced water discharge, 2) to issue an individual permit with more site-specific conditions/restrictions, or 3) to deny the NPDES permit coverage.

C. Historic Preservation Act

This permit does not authorize discharges from facilities which adversely affect properties listed or eligible for listing in the National Register of Historical Places.

D, Paperwork Reduction Act

The information collection required by this permit has been approved by OMB under the provisions of the Paperwork Reduction Act, 44 U.S.C. 3501 <u>et seq</u>., in submission made for the NPDES permit program and assigned OMB control numbers 2040-0086 (NPDES permit

FACT SHEET

application) and 2040-0004 (discharge monitoring reports). Because this permit authorizes limited discharges, the reporting time for discharges is less than that for permittees discharging under the Territorial Seas of Texas (TXG260000) or under the Outer Continental Shelf (GMG290000) permits. Also, this proposed permit requires electronic reporting for discharge monitoring reports, so it will save some reporting time and paper mailing costs.

E. Regulatory Flexibility Act

The Regulatory Flexibility Act, 5 USC 601 <u>et seq</u>, requires that EPA prepare a regulatory flexibility analysis for regulations that have a significant impact on a substantial number of small entities. This permit is not a "rule" subject to the Regulatory Flexibility Act. EPA prepared a regulatory flexibility analysis, however, on the promulgation of the Coastal Subcategory guidelines on which many of the permit's effluent limitations are based. That analysis shows that compliance with the permit requirements will not result in a significant impact on dischargers, including small businesses, covered by this permit. EPA Region 6, therefore, concludes that the permit being proposed today will not have a significant impact on a substantial number of small entities.

VIII. References

Final NPDES General Permit for Discharges from the Oil and Gas Extraction Point Source Category to Coastal Waters in Texas (TXG330000), 72 FR 31579, July 31, 2012.

2014 Draft Texas Integrated Report for Clean Water Act Sections 305(b) and 303(d), http://www.tceq.texas.gov/waterquality/assessment/

Appendix A: Overview Map of Coastal Water Area



Appendix B

Active Stripper Wells As Of September 2016 (Source: Railroad Commission of Texas)

Operator Name	Facility Name or RRC Lease No.	RRC Discharge Permit No.	Permitted Discharge Volume (Daily Max)	Outfall No. & Latitude/Longitude	Discharge to Coastal Waters (Y or N) in the CMP	Surface Water Discharged to	County
MCA Petroleum Corporation	Mary Huff Drenner (03103); Standard Trust (03109 and 09216)	00065	4,975 bbls per day	Outfall (29.754917, -97.148783)	N	Unnamed Trib. to West Brook Creek to Big Fivemile Creek to Peach Creek	Fayette
MCA Petroleum Corporation	SW Muldoon Battery 3	00066	6,100 bbls per day	Outfall (29.761400, -97.137183)	N	Unnamed Trib. to Pin Oak Creek to Buckners Creek	Fayette
Sellers Lease Service, Inc.	Parr (08546); Johnson & Parr Unit (10127)	00760	650 bbls per day	Outfall (29.581188, -97.318022)	N	Unnamed Trib. To Sandy Fork Creek to Peach Creek	Gonzales
Sellers Lease Service, Inc.	Earl Needham (15591)	00763	200 bbls per day	Outfall (29.73294, - 97.19422)	N	Little Fivemile Creek to Big Fivemile Creek to Peach Creek	Fayette
Sellers Lease Service, Inc.	A.D. Vinklarek (18748, 16637 and 19347); Sigmundik (17216); Town Unit (18783); Catholic Church (17217 and 19649)	00764	665 bbls per day	Outfall (29.820924 - 97.220394)	N	Stock Pond to Unnamed Trib. to Live Oak Creek to Buckners Creek	Fayette
Harrier Holdings, LTD	James R. Brown (05502), Well Nos. 6 and 7	00775	200 bbls per day	Outfall (29.63783 - 97.27832)	N	Pin Oak Creek to Peach Creek	Gonzales

Operator Name	Facility Name or RRC Lease No.	RRC Discharge Permit No.	Permitted Discharge Volume (Daily Max)	Outfall No. & Latitude/Longitude	Discharge to Coastal Waters (Y or N) in the CMP	Surface Water Discharged to	County
Sellers Lease Service, Inc.	D. Janecka "A" (00700), 1, 2A, 3A; and Janecka (20966), 4A	00777	250 bbls per day	Outfall (29.814537, -97.221743)	N	Surface to Unnamed Trib. To Live Oak Creek to Buckners Creek	Fayette
Sellers Lease Service, Inc.	Joseph Tupa, Et Al (03113, 03116, 22129)	00778	1,500 bbls per day	Outfall (29.77315, - 97.12133)	N	Unnamed Trib. to Live Oak Creek to Buckners Creek	Fayette
Sellers Lease Service, Inc.	N. C. Stulting (01705)	00782	665 bbls per day	Outfall (29.651685, -97.24666)	Ν	Unnamed Trib. To Baldridge Creek to Peach Creek	Gonzales
Somont Oil Co Inc	McCandless Oil Unit (08116);	00783	400 bbls per day	Outfall (29.821394, -97.224442)	N	Y - Trib. of Live Oak Crk./Buckners Crk.	Fayette
Rickaway Energy, Corp.	A.T. Hardin (01568); B. Martin (01570); S.C. Robles (01571); Minnie Stewart (01572); H.C. Stroud (01573)	00786	6,850 bbls per day	Outfall (29.254241, -97.953046)	Ν	Y - Stock Pond to Clifton Branch of Cibolo Creek	Wilson
MCA Petroleum Corporation	Fred Weidel "A" (20445); Fred Weidel "B" (20444)	00808	1,200 bbls per day	Outfall (29.778611, -97.121944)	N	Y - Unnamed Trib. to Live Oak Creek to Buckners Creek	Fayette
MCA Petroleum Corporation	East Arnim Unit (07615); East Arnim Unit A (20669);	00814	375 bbls per day	Outfall (29.8705964, - 97.196096)	N	Y - Little Fivemile Creek to Big Fivemile Creek to Peach Creek	Fayette
Rickaway Energy, Corp.	Mrs. E. Wheeler (01567)	00821	1,000 bbls per day	Outfall (29.247264, -97.964041)	N	Y - Clifton Branch of Cibolo Creek	Wilson

Operator Name	Facility Name or RRC Lease No.	RRC Discharge Permit No.	Permitted Discharge Volume (Daily Max)	Outfall No. & Latitude/Longitude	Discharge to Coastal Waters (Y or N) in the CMP	Surface Water Discharged to	County
Three Forks Operating Co LLC	Underwood (11691); T.R.U. Unit (12071)	00823	18,000 bbls per day	Outfall (30.581997, -96.921988)	Ν	Y - Stockpond to Unnamed Trib. Of Hills Branch to East Yegua Creek	Milam
Warrior Resources, Inc.	Barina (08322)	00845	100 bbls per day	Outfall (29.88676, - 97.20735)	Ν	Y - Stock pond to Buckners Creek	Fayette
MCA Petroleum Corporation	J.D. & E.A. Arnim (09838)	00858	175 bbls per day	Outfall (29.710124, -97.211913)	Ν	Y - Surface to Little Fivemile Creek to Big Fivemile Creek to Peach Creek	Fayette
Sellers Lease Service, Inc.	Ike Simmons (01704)	00859	350 bbls per day	Outfall (29.63823, - 97.227828)	Ν	Y - Surface to Pin Oak Creek to Peach Creek	Gonzales
MCA Petroleum Corporation	Fannie Armstrong (07695); Arnim- Warren (06737); Mattie Derry (16898); Armstrong- Arnim Unit (23151)	00886	600 bbbls per day	Outfall (29.728232,- 97.195378)	Ν	Y - Little Fivemile Creek to Big Fivemile Creek to Peach Creek	Fayette
MCA Petroleum Corporation	Herbert, et al (11684)	00887	225 bbls per day	Outfall (29.720336, -97.212819)	N	Y - Stock pond to Little Fivemile Creek to Big Fivemile Creek to Peach Creek	Fayette
MCA Petroleum Corporation	Everett Cherry (19307 and 19819)	00889	600 bbls per day	Outfall (29.773783, -97.108933)	N	Y - Stock pond to Live Oak Creek to Buckners Creek	Fayette

Operator Name	Facility Name or RRC Lease No.	RRC Discharge Permit No.	Permitted Discharge Volume (Daily Max)	Outfall No. & Latitude/Longitude	Discharge to Coastal Waters (Y or N) in the CMP	Surface Water Discharged to	County
MCA Petroleum Corporation	Arnim Unit (22985)	00890	150 bbls per day	Outfall (29.725185, -97.209147)	Ν	Stock pond to Little Fivemile Creek to Big Fivemile Creek to Peach Creek	Fayette
MCA Petroleum Corporation	McCrory (16498, 16669, 17325); Pargac (16499)	00891	775 bbls per day	Outfall (29.73627, - 97.18936)	Ν	Little Fivemile Creek to Big Fivemile Creek to Peach Creek	Fayette
Sellers Lease Service, Inc.	Naumann, et al (19077)	00895	310 bbls per day	Outfall (29.887912, -97.208301)	Ν	Buckners Creek	Bastrop
MCA Petroleum Corporation	Homer Burleson (09219)	00897	250 bbls per day	Outfall (29.84028, - 97.36667)	N	Unnamed Trib. To Peach Creek	Gonzales
C. R. Devine, Inc.	C.R. Devine Et Al (00110), Well Nos. 1 and 5	00906	500 bbls per day	Outfall (29.71254, - 97.20256)	Ν	Surface to Little Fivemile Creek to Big Fivemile Creek to Peach Creek	Fayette
Sellers Lease Service, Inc.	Thomas E. Clifton (14923) Lease	00907	375 bbls per day	Outfall (29.62057, - 97.27102)	N	Pin Oak Creek to Peach Creek	Gonzales
Warrior Resources, Inc.	Leuschner (20821)	00936	250 bbls per day	Outfall (29.886384, -97.209444)	Ν	East Fork of Live Oak Creek to Buckners Creek	Fayette
EES Oil Company, LLC	Major Vickery (10449)	00943	200 bbls per day	Outfall (31.62638, - 95.47916)	Ν	Surface to Unnamed Trib. To Squirrel Creek to Ioni Creek to Neches River	Anderson
Warrior Resources, Inc.	Valek (20052)	00944	375 bbls per day	Outfall (29.886384, -97.20944)	N	Buckners Creek	Bastrop

Operator Name	Facility Name or RRC Lease No.	RRC Discharge Permit No.	Permitted Discharge Volume (Daily Max)	Outfall No. & Latitude/Longitude	Discharge to Coastal Waters (Y or N) in the CMP	Surface Water Discharged to	County
Rickaway Energy, Corp.	Hardin- Slaughter Unit (01939)	00947	450 bbls per day	Outfall (29.244476, -97.966051)	N	Y - Stock Pond to Clifton Branch of Cibolo Creek	Wilson
Sellers Lease Service, Inc.	Surman (22683, 22682, 23429, 23398, 23399)	00965	595 bbls per day	Outfall (29.810139, -97.226944)	Ν	Unnamed Trib. to Peach Creek	Fayette
Sellers Lease Service, Inc.	Viola Morrow -A- (14148)	00966	150 bbls per day	Outfall (29.624442, -97.267285)	N	Pin Oak Creek	Gonzales
Sellers Lease Service, Inc.	Joe H. Johnston (09193)	00973	200 bbls per day	Outfall (29.5775, - 97.31527)	N	Unnamed Trib. To Sandy Fork Creek to Peach Creek	Gonzales
Bastrop Energy Group	Garner (14081)	00995	75 bbls per day	Outfall (29.626162, -97.261365)	N	Unnamed Trib. To Baldridge Creek to Peach Creek	Gonzales
Rickaway Energy, Corp.	Laskowski Oil Unit (14101)	01107	450 bbls per day	Outfall (29.1459159, - 97.9250013)	Ν	Cibola Creek, thence to San Antonio River (Water Body Segement No. 1901)	Wilson