

Topic: Need for a Class II Injection Well Program in the State of Idaho.

Background:

The need to administer and permit Class II wells is relatively recent, dating back to 2010, when oil and gas development increased in Southwest Idaho. Economical water disposal methods are vital to the health of an oil and gas industry in any producing state. Idaho does not have a Class II Injection Well program. This forces producers to seek other methods, including water treatment and evaporation ponds. These alternative methods have increased the cost of water disposal resulting in operators reducing overall production.

In 2010, the Idaho Department of Water Resources (IDWR) began working with the Environmental Protection Agency (EPA) to revise its UIC primacy to update the Class V injection well program and add a Class II Injection Well program.

From 2010 to 2015, IDWR worked with the public, the Idaho Water Resource Board, the EPA, and the Idaho Legislature to update its administrative rules, governing statutes, and policy to support a primacy revision package to the EPA. After submission, several deficiencies were found in the primacy revision package that needed to be addressed.

In 2017, the oil and gas industry's need for injection wells and an approved Class II program intensified. In response, IDWR and the Idaho Department of Lands (IDL) participated in a series of coordination meetings with the EPA and oil and gas industry representatives.

At a coordination meeting in June of 2017, three different options were identified for proceeding to resolve administration of a Class II program in Idaho and issue a permit. The option identified with the shortest timeline was for the EPA to administer the program and issue permits out of its Region 10 office. The EPA estimated that it could obtain the necessary legal authority to administer a Class II program in Idaho in less than a year, should Idaho formally request that action.

Proposed Solution:

- IDWR needed a solution that would provide a permitting mechanism in the short term. The decision was made to ask the EPA to oversee the Class II Injection program. This decision was based on many factors, some of which are:
 - The EPA has an permitting process that has been proven successful in other states.
 - Operators in Idaho also have operations in other states where Class II wells are permitted through the EPA. This means operators are familiar with the EPA process.
 - The small number of Class II wells that may be permitted in Idaho at this time would not be cost effective for the state of Idaho to justify the additional resources needed to effectively regulate the program. Therefore, transferring the program to a regional EPA office appears to be the most cost-effective approach in the near term.

For more information, contact:

Mick Thomas
Oil & Gas Division Administrator
(208) 334-0298
mthomas@idl.idaho.gov