



# Texas Administrative Code Title 16 Chapter 4 Subchapters A and B Revisions to Oil and Gas Waste Management Rules

## Implementation Plans

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March 5, 2025





## Implementation for 16 TAC Chapter 4 New and Amended Rules

The official document will be available on the Secretary of State's website **July 1, 2025**. You can view the [adopted revisions here](#).

To ensure receipt of notifications related to this new rule, [subscribe to Oil & Gas News email subscription list](#). After subscribing, please check your spam or junk folder for a confirmation email. We suggest emails from Constant Contact are marked as safe.

<https://www.rrc.texas.gov/announcements/02112025-implementation-for-16-tac-chapter-4-new-and-amended-rules/>

# Chapter 4 – Subchapter A



- Statewide Rules 8 and 57 were moved into Chapter 4
- Subchapter A
  - Divisions 1 & 2 – General & Definitions
  - Division 3 – Authorized Pits
  - Division 4 – Requirements for all Permitted Waste Management Operations
  - Division 5 – Additional Requirements for Commercial Facilities
  - Division 6 – Additional Requirements for Permitted Pits
  - Division 7 – Additional Requirements for Landfarming & Landtreating
  - Division 8 – Additional Requirements for Reclamation Facilities
  - Division 9 – Miscellaneous Permits
  - Division 10 – Waste Transportation
  - Division 11 – Surface Water Protection

# Chapter 4 – Subchapter B



- Subchapter B
  - Division 1 (General & Definitions)
  - Division 2 (On-Lease Commercial Solid Recycling)
  - Division 3 (Off-Lease or Centralized Solid Recycling)
  - Division 4 (Stationary Commercial Solid Recycling)
  - Division 5 (Off-Lease Commercial Fluid Recycling)
  - Division 6 (Stationary Commercial Fluid Recycling)
  - Division 7 (Beneficial Use of Drill Cuttings)

# What RRC Staff Has Been Doing...



- Organizing
- Developing Guidance
  - What staff wants industry to know
  - Staff wants to know what helps industry
- Drafting Forms
- Processes

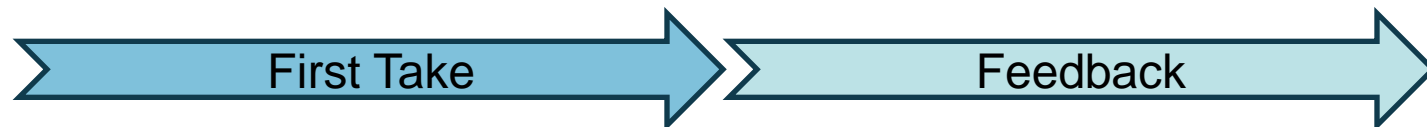


First Take

# Coming Soon: Webinars



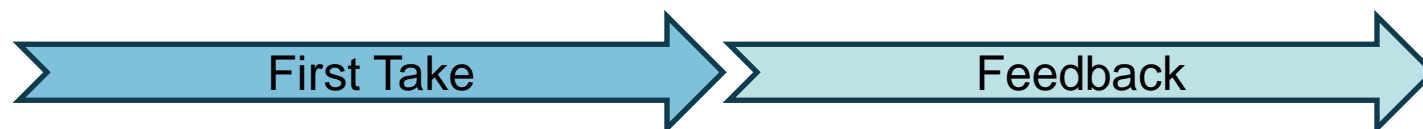
- 90 Minutes via Zoom, no pre-registration required
- Weekly topic / area of focus
- Presentation of new forms or processes
- Questions & answers
- Input & ideas
- Follow-up



# Webinar Schedule



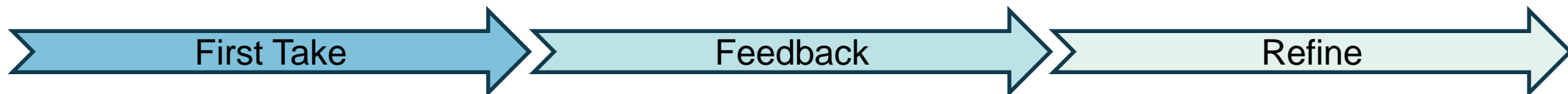
- March 26 – Chapter 4 Overview
- April 2 – Authorized Pits
  - Pit registration
  - Produced water recycling pits
- April 9 – Permits Part 1
  - Applications
- April 16 – Permits Part 2
  - Waste transportation: profiles, manifests, waste hauler permits
  - Compliance



# Conversation



- [AskAboutChptr4@RRC.Texas.Gov](mailto:AskAboutChptr4@RRC.Texas.Gov)
- Staff will organize and catalog questions
- Staff will respond
- Additional webinars / workshops may be scheduled in May and June
- Staff will develop guidance for website to replace the current "Surface Waste Management Manual"

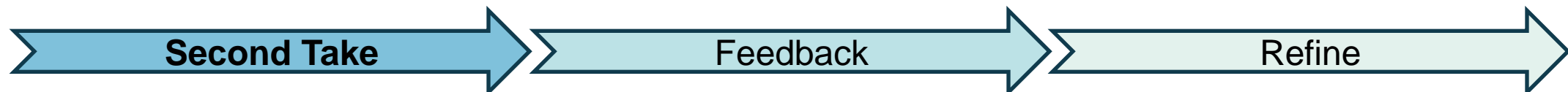




# Form Adoption



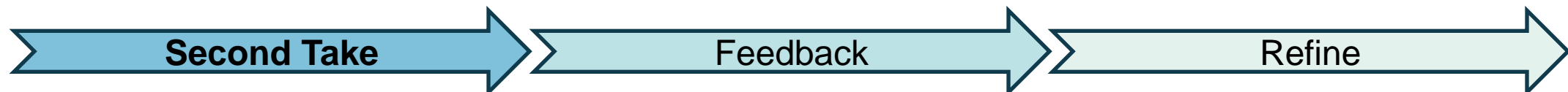
- Commission Conference – Request to Publish on Website
  - Target: April 29, 2025
- Public Comment Period
  - Target: 30 days
  - Possible Workshops
- Respond to Comments and Amend Forms
- Commission Conference – Request to Adopt
  - Target: June 10, 2025
- We have included some informal “Pre-Draft” forms at the end of this presentation as a starting point.



# Effective Date



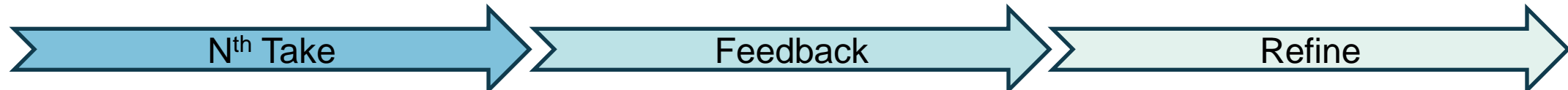
- **The New Rules Take Effect on July 1, 2025**
- Permits issued on or after July 1 will be issued under Chapter 4
- Permits in process prior to July 1 may need to be considered under Chapter 4
- Contested permits pending in Hearings will be issued under Chapter 4
- Chapter 4 provides some transition instruction, including:
  - §4.113(c) – Rule 8 authorized pits
  - §4.115(d) – Rule 8 non-commercial fluid recycling pits
  - §4.121(b) – Rule 8 permits
  - §4.170(a)(7) – Rule 8 reclamation plant permits



# Continuous Improvement



- 2025 Regulatory Conference
  - Monday, July 14 - Wednesday, July 16, 2025
  - Kalahari Resorts & Conventions, Round Rock, Texas
  - Registration and Discounted room block at Kalahari Resorts will be available in early May.
  - <https://www.rrc.texas.gov/about-us/organization-and-activities/activities/workshops-and-conferences/2025-rrc-regulatory-conference/>



# Pre-Draft Forms



- The following Forms and other standard materials are included in “Pre-Draft” form for preliminary review:
  - Waste Profile
  - Waste Manifest
  - Authorized Pit Registration Form
  - Restrictive Covenant
  - Published Notice Template
  - Form R-2 (reclamation plant reporting)
  - Form CF-1, CF-2 (bonding)
  - Surface Waste Management Permit Application Cover Page



# RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting

## Waste Profile

EPS -Form #

(Rev. 02/25/25)

P-5 No.: \_\_\_\_\_  
Facility ID: \_\_\_\_\_

### 1. Origin Information

Organization Name: \_\_\_\_\_

Physical Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Mailing Address (if different from above) \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

### 2. Waste Information

Waste ID: \_\_\_\_\_ NAICS (CIS) Code: \_\_\_\_\_ U.S. EPA ID No.: \_\_\_\_\_

Physical State:

- ☐ Solid  
☐ Fluid  
☐ Gas

Classification:

- ☐ Hazardous  
☐ Non - Hazardous

Color: \_\_\_\_\_

Waste Type:

- ☐ Water-Based Drilling Mud  
☐ Oil-Based Cuttings  
☐ Oil-Contaminated Soil  
☐ Domestic Septage  
☐ Rubbish

Basis of Characterization

- ☐ Laboratory Analysis  
☐ Acceptable Field Knowledge

Total Volume: \_\_\_\_\_ ☐ Barrels ☐ Cubic Yards

### 2. Certification

Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: [Click or tap to enter a date.](#)



# RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting  
Waste Manifest

EPS -Form #

(Rev. 02/25/25)

P-5 No.: \_\_\_\_\_  
Facility ID: \_\_\_\_\_

## 1. Origin Information

Generator Name: \_\_\_\_\_ Generator Signature: \_\_\_\_\_

Email Address: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Shipment Date: Click or tap to enter a date.

P-5 Number: \_\_\_\_\_ County: \_\_\_\_\_ Lease Number: \_\_\_\_\_

Resource Conservation and Recovery Act (RCRA) exempt: ☐ Y ☐ N

If yes, are test results provided: ☐ Y ☐ N

The facility is: ☐ Commercial ☐ Non-Commercial

Is the waste generated outside of Texas: ☐ Y ☐ N

If yes, provide:

State the waste was generated in: \_\_\_\_\_  
GPS Coordinates: Longitude: \_\_\_\_\_ Latitude: \_\_\_\_\_

## 2. Waste Information

Type of Material: \_\_\_\_\_

Volume: ☐ Gallons ☐ Barrels ☐ Cubic Yards

NORM Reading: \_\_\_\_\_ TOX/EOX Present: ☐ Y ☐ N

Waste Profile Form (CR-3) Attached: ☐ Y ☐ N

## 3. Transporter

Organization Name: \_\_\_\_\_ WHP No.: \_\_\_\_\_

Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Date of Acceptance: Click or tap to enter a date.



# RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting  
Waste Manifest

EPS -Form #

(Rev. 02/25/25)

P-5 No.: \_\_\_\_\_  
Facility ID: \_\_\_\_\_

## 4. Disposal Facility

Organization Name: \_\_\_\_\_

Ticket No.: \_\_\_\_\_

Name: \_\_\_\_\_ Signature: \_\_\_\_\_

Date of Acceptance: Click or tap to enter a date.



# RAILROAD COMMISSION OF TEXAS

## Oil & Gas Division | Technical Permitting Authorized Pit Registration/Change Form

EPS – Form #

(Rev. 02/25/25)

P-5 No.: \_\_\_\_\_

Drilling Permit No.: \_\_\_\_\_

**Complete and submit one form per pit.**

Request for: ☐ Authorized Pit Registration  
☐ Change Pit Registration  
☐ Terminate Pit Registration

Date Pit Operations Start: Click or tap to enter a date.

Date of Change: Click or tap to enter a date.

Date Pit Closed: Click or tap to enter a date.

Organization Name: \_\_\_\_\_

☐ Schedule A – Authorized Pit

☐ Schedule B – Authorized Pit

### Pit Type:

☐ Reserve ☐ Makeup Water ☐ Produced Water Recycling  
☐ Mud Circulation ☐ Fresh Mining Water  
☐ Completion/Workover ☐ Water Condensate

### Pit Details:

Lease Name: \_\_\_\_\_ Lease No. \_\_\_\_\_

**Pit Location (Use the 1983 North American Datum (NAD) in decimal degrees)**

Longitude: \_\_\_\_\_ Latitude: \_\_\_\_\_

Pit Capacity: \_\_\_\_\_ bbl (Barrels)

Depth of Groundwater from the Bottom of the Pit: \_\_\_\_\_ ft

**For pits that require financial security, submit the receipt with the registration/change form.**

Enter financial security receipt information.

Register No.: \_\_\_\_\_ Amount Paid: \$ \_\_\_\_\_ Date Paid: Click or tap to enter a date.

I certify that I am authorized to complete this registration/change form, that this form was prepared by me or under my supervision and direction, and that the data and facts are true, correct, and complete to the best of my knowledge. I certify that the specifications correspond to the requirements of §4.113, §4.114, and §4.115.

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: Click or tap to enter a date.





# RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting  
Financial Assurance Restrictive Covenant

EPS -Form #  
(Rev. 02/25/25)

STATE OF TEXAS

§  
§  
§

COUNTY OF \_\_\_\_\_

This Restrictive Covenant is filed pursuant to the Railroad Commission of Texas rule requiring financial assurance for commercial facilities found at 16 Texas Administrative Code (TAC) Section 3.78(l), and affects the real property (Property) described as follows:

*[Insert legal description and/or a reference to an attached Exhibit A. This legal description needs to include the entire recorded tract of land held by the owner executing this restrictive covenant. It must be accompanied by a certification from a registered professional land surveyor so registered by the Texas Board of Professional Surveying attesting to the accuracy of the descriptions. It is not a legal description of the Property Reserved for Closure Fill Material as set forth below. If the Property Reserved for Closure Fill Material that is being made subject to the restrictive covenant impacts the land of more than one owner, a separate restrictive covenant needs to be filed for each tract by its owner.]*

[Operator] operates a commercial facility on the Property pursuant to control/permit number \_\_\_\_\_ issued by the Texas Railroad Commission. In accordance with 16 TAC 3.78(l), [Operator] must file with the Commission a bond or letter of credit as financial security equal to or greater than the maximum amount necessary to close the facility, exclusive of plugging costs for any well or wells at the facility, at any time during the permit term in accordance with all applicable state laws, commission rules and orders, and the permit. The amount of financial security to be filed must be based on a written estimate prepared by a qualified professional engineer licensed by the state of Texas that shows all assumptions and calculations used to develop the estimate. With respect to the facility covered by control/permit number \_\_\_\_\_, [Operator] filed a closure cost estimate that assumes part of the Property will be available to provide x cubic yards of fill material [ at x price per cubic yard] during closure of the facility, causing a portion of the Property to be considered Reserved for Closure Fill Material. The portion considered to be Reserved for Closure Fill Material can be described as follows:

**IF THE FACILITY IS A COLLECTING PIT, THEN EXHIBIT "B" MAY BE A GENERAL DESCRIPTION AND DOES NOT REQUIRE CERTIFICATION FROM A REGISTERED PROFESSIONAL LAND SURVEYOR**

*[Insert legal description and reference to an attached Exhibit B. Exhibit B needs to include a plat map clearly outlining the portions of the Property which will be the source of fill material. The map must contain a north arrow, a correlating map scale, and a legend identifying any used symbols or abbreviations. It must be accompanied by a certification from a registered professional land surveyor so registered by the Texas Board of Professional Surveying attesting to the accuracy of the descriptions.]*

This restrictive covenant is required to assure that the amount and source of fill material described in [Operator's] closure cost estimate for the facility covered by control/permit number \_\_\_\_\_ shall be available for use in closing the facility in accordance with all applicable state laws, commission rules and orders, and the permit.



# RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting  
Financial Assurance Restrictive Covenant

EPS -Form #  
(Rev. 02/25/25)

\_\_\_\_\_(Owner) is the owner of the Property. In consideration of promises by [Operator] leading to approval of the closure cost estimate, the Owner has agreed to place the following restrictions on the Property in favor of the Texas Railroad Commission and the State of Texas. Now therefore, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the following restrictive covenants in favor of the Texas Railroad Commission and the State of Texas are placed on the Property described in Exhibit "A", to-wit:

## SHELL CLOSURE COST RESTRICTIVE COVENANT

Revised 09/03/04 to Reflect Rule 78 Amendments that Re-Letter 78(o) to 78(1)

1. The portion of the Property designated as Reserved for Closure Fill Material shall be preserved so that when it is time to close the facility covered by control/permit number \_\_\_\_\_ in accordance with all applicable state laws, commission rules and orders, and the permit, x yards of fill material at x price per cubic yard shall be available for use in properly closing the facility.

2. These restrictions shall be a covenant running with the land.

For additional information, contact:

Texas Railroad Commission  
Technical Permitting  
P O Box 12967  
1701 N. Congress  
Austin, Texas 78711-2967

Railroad Commission Commercial Control/Permit No.: \_\_\_\_\_

As of the date of this Notice, the record owner of fee title to the Property is [NAME] with an address of [ADDRESS]

This Restrictive Covenant may be rendered of no further force or effect only by a release executed by the Railroad Commission and filed in the same Real Property Records as those in which this Restrictive Covenant is filed.

Executed this day of \_\_\_\_\_, \_\_\_\_\_.

[OWNER]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Executed this day of \_\_\_\_\_, \_\_\_\_\_.



# RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting  
Financial Assurance Restrictive Covenant

EPS -Form #  
(Rev. 02/25/25)

[OPERATOR]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Accepted as Third Party Beneficiary this day of \_\_\_\_\_, \_\_\_\_\_.  
\_\_\_\_\_

Texas Railroad Commission

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## SHELL CLOSURE COST RESTRICTIVE COVENANT

Revised 06/17/02

STATE OF TEXAS

(\_\_\_\_\_) COUNTY

BEFORE ME, on this the \_\_\_\_ day of \_\_\_\_\_, personally appeared [name]\_\_\_\_, [title\_\_\_\_\_], of [owner/company]\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument, and they acknowledged to me that they executed the same for the purposes and in the capacity herein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
\_\_\_\_\_

Notary Public in and for the State of Texas,  
County of \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

STATE OF TEXAS

(\_\_\_\_\_) COUNTY

BEFORE ME, on this the \_\_\_\_ day of \_\_\_\_\_, personally appeared [name]\_\_\_\_, [title\_\_\_\_\_], of [operator]\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument, and they acknowledged to me that they executed the same for the purposes and in the capacity herein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.  
\_\_\_\_\_



# RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting  
Financial Assurance Restrictive Covenant

EPS -Form #  
(Rev. 02/25/25)

Notary Public in and for the State of Texas,  
County of \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

STATE OF TEXAS  
(\_\_\_\_\_) COUNTY

BEFORE ME, on this the day \_\_\_\_\_ of \_\_\_\_\_, personally appeared [name], [title], of the Texas Railroad Commission, known to me to be the person whose name is subscribed to the foregoing instrument, and they acknowledged to me that they executed the same for the purposes and in the capacity herein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Notary Public in and for the State of Texas,  
County of \_\_\_\_\_

My Commission Expires \_\_\_\_\_

## SHELL CLOSURE COST RESTRICTIVE COVENANT

Revised 06/17/02



# RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting

Published Notice

EPS -Form #

(Rev. 02/25/25)

## NOTICE

***This letter is to inform you of a filing for an Oil & Gas Application for Commercial \_\_\_\_\_ Facility Permit.***

On \_\_\_\_\_, \_\_\_\_\_ filed an application with the Railroad Commission of Texas for a \_\_\_\_\_ Commercial Surface \_\_\_\_\_ Facility Permit to \_\_\_\_\_

The proposed site is located \_\_\_\_\_ miles \_\_\_\_\_ of \_\_\_\_\_ in the \_\_\_\_\_ Survey, Abstract No. A- \_\_\_\_\_, \_\_\_\_\_. The proposed site is located on real property owned by \_\_\_\_\_

Affected people may protest this application. Protests must be in writing and must be received by the 15<sup>th</sup> day after the last date of publication of this notice. The last date of publication of this notice is expected to be \_\_\_\_\_, which means protests should be received by \_\_\_\_\_.

Protests must be sent to:

Technical Permitting Section  
Oil and Gas Division  
Railroad Commission of Texas  
P.O. Box 12967  
Austin, Texas 78711  
(512) 463-3840



# RAILROAD COMMISSION OF TEXAS

## Oil & Gas Division | Technical Permitting Instructions for Published Notice Template

EPS -Form #

(Rev. 02/25/25)

### ***EPS Form #i: Instructions for Published Notice Letter Template.***

For questions about the Notice of Application Template, call Environmental Permits and Support at (512) 463-3840.

Link to the PDF Document:	
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*Each number in the instruction boxes corresponds to the blanks in the Published Notice Letter Template.*

Paragraph 1:	Fill in the <b>type(s) of facility</b> . (Example: Surface Disposal, Treatment, Reclamation, Solid Oil & Gas Waste Recycling, and/or Stationary Commercial Fluid Recycling.)
Paragraph 2:	Fill in the corresponding blanks: <ol style="list-style-type: none"><li>1. The <b>Date</b> application is declared administratively complete by the RRC.</li><li>2. The <b>organization's name</b>. (as it appears in the Form P-5 Organization Report)</li><li>3. <b>Mailing address</b> for the organization.</li><li>4. <b>Type of application</b>. (New, Renewal, or Amendment)</li><li>5. The <b>facility type(s)</b>.</li><li>6. A <b>description of the facility purpose and waste type(s) processed</b>. (Example: collect oil &amp; gas waste in a pit before injection; use a pit to wash oil &amp; gas waste residue out of trucks; dispose of oil-based drilling fluid and cuttings in a pit; recycle wellbore fluids for reuse; etc.)</li></ol>
Paragraph 3:	Fill in the corresponding blanks: <ol style="list-style-type: none"><li>1. The <b>miles</b> from the nearest city to the gate or a center point of the facility location to one decimal (Example: 1.0 or 2.5 miles).</li><li>2. <b>Direction</b> from the nearest city (Example: North, East, West, or South).</li><li>3. <b>Name</b> of the <b>nearest city</b>.</li><li>4. <b>Name</b> of the <b>original survey</b>.</li><li>5. <b>Abstract number</b> from the survey.</li><li>6. <b>County name</b>.</li><li>7. <b>Name</b> of the <b>current landowner</b>.</li></ol>
Paragraph 4:	Fill in the corresponding blanks: <ol style="list-style-type: none"><li>1. Enter the last expected publish <b>date</b> for the notice.</li><li>2. Enter a <b>date</b> that is 30 days later than the last expected published date.</li></ol>





**RAILROAD COMMISSION OF TEXAS**  
Oil & Gas Division | Technical Permitting  
**Monthly Report for Reclaiming and Treating Plant**

**EPS -Form #**  
(Rev. 02/25/25)

P-5 No.: \_\_\_\_\_  
Facility ID: \_\_\_\_\_

**OUT-OF-STATE INFORMATION**

<i>P-5 or Permit No.</i>	<i>Organization Delivered To</i>	<i>Delivery Address</i>	<i>Type of Waste Delivered</i>	<i>Volume Delivered (Barrels-bbl)</i>
<b>TOTAL</b>				

**IN-STATE**

<i>P-5 or Permit No.</i>	<i>Organization Delivered To</i>	<i>Delivery Address</i>	<i>Type of Waste Delivered</i>	<i>Volume Delivered (Barrels-bbl)</i>
<b>TOTAL</b>				

**DETAIL STATEMENT OF STOCK ON HAND AT THE END OF THE PERIOD**

<i>Tank NO.</i>	<i>Location</i>	<i>Kind of Stock</i>	<i>Capacity</i>	<i>Volume (Barrels)</i>
<b>TOTAL STOCK ON HAND</b>				





**RAILROAD COMMISSION OF TEXAS**  
Oil & Gas Division | Technical Permitting  
**Monthly Report for Reclaiming and Treating Plant**

**EPS -Form #**  
(Rev. 02/25/25)

Method of Disposal: \_\_\_\_\_

Solids: \_\_\_\_\_

**CERTIFICATION**

I declare under penalties prescribed in Sec. §91.143, Texas Natural Resources Code, that I am authorized to make this report, that this was prepared by me or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_



# RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting

## Monthly Report for Reclaiming and Treating Plant Instructions

EPS -Form #

(Rev. 02/25/25)

***This report is required to be filed with the Railroad Commission at Austin, Texas, on or before the 15<sup>th</sup> day of the calendar month following the month covered by the report. One copy of this report must be filed in each District Office in which the reclaimer has the authority to operate.***

### 1. Volumes

All volumes of material shall be reported in whole barrels and computed by Commission-approved methods of measurement. Do not use fractions of barrels in this report.

FORMULAS		
REFER TO COLUMN NUMBERS		
1 + 2	= 3	(Stock on Hand Beginning of Month)
10 + 11	= 12	(Stock on Hand End of Month)
6 + 7	= 5	(Gross Treated Material)
2 + 4 - 5	= 11	(Unprocessed Material)
1 + 6 - 8 - 9	= 10	(Net Oil and/or Other Material)
3+4-5+6-8-9	= 12	(Basic Formula)

### 2. Stock and Operations Specific Boxes and/or Columns

Stock on Hand at the Beginning of the Month

1. Net oil and/or other recovered material that was on hand at the beginning of the month.
2. The unprocessed material that was on hand at the beginning of the month.
3. Combined total of net oil, other recovered material and unprocessed material at the beginning of the month.



## RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting

### Monthly Report for Reclaiming and Treating Plant Instructions

EPS -Form #

(Rev. 02/25/25)

#### RECEIPTS

4. The gross total of all waste(s) received during the month is reported.

#### TREATED MATERIALS

5. Gross total of material processed.
6. Oil and/or other material recovered from the gross amount treated.
7. The loss or waste of the gross amount treated.
  - a. **Deliveries**
8. Net oil amount delivered from treated amount and/or stock.
9. Material other than net oil which is marketable.
  - a. **Stock on Hand at the End of the Month**
10. The net oil and/or other recovered material that was on hand at the end of the month.
11. The unprocessed material that was on hand at the end of the month.
12. Combined total of net oil, other recovered material and unprocessed material on hand at the end of the month.

### 3. Receipts

Receipts made by the reclaimer must include details of the site where the waste was generated (i.e., Generator Name, RRC permit number, volume in barrels, and type of waste material). When a receipt is made from a facility that does not have an assigned RRC number, an explanation must be given on the report as to the source of the material and Commission authority covering this receipt by an Oil Movement (OM) Letter granted before receipt at facility, and a copy of which must be attached to receipts. If the Oil Movement (OM) Letter is not granted, the applicant may request a hearing. Any material received without prior authority will be subject to confiscation by the Commission.

### 4. Corrected Reports

Any corrections made to Form R-2 must be made to the report covering the month in which the error was made. Prior month adjustments may NOT be made on current reports.



## RAILROAD COMMISSION OF TEXAS

Oil & Gas Division | Technical Permitting

### Monthly Report for Reclaiming and Treating Plant Instructions

EPS -Form #

(Rev. 02/25/25)

#### 5. General Instructions

- a. Show receipts and/or deliveries in the reporting period that the transfer was initiated.
- b. If additional reporting space is required for receipts, deliveries, or stock, attach an additional sheet with the identical formatting as shown on the Form R-2 report.
- c. If the waste received originated outside of the State of Texas, select Yes or No, and if "Yes" is selected, provide the requested information in the out-of-state box.

#### 6. Waste Testing Reporting

The operator of the reclamation plant must conduct a shakeout (centrifuge) test on all tank bottoms or other hydrocarbon wastes upon removal from any producing lease tank, pipeline storage tank, or other production facility to determine crude oil content and the lease condensate thereof. The shakeout test must be conducted following the most current American Petroleum Institute (API) or ASTM method.

- a. Tank bottoms from gas plants, crude oil reclamation plants, crude oil separation facilities, and crude oil production facilities which do not exceed 7% in oil content as determined by Standard American Petroleum Institute (API) "Shake Out" test. Tank bottoms exceeding 7% in oil content may be accepted if they first undergo on-site active reclamation before being entered into a disposal pit.
- b. The authority is granted for the active reclaiming of oil field-related hydrocarbons and does not cover the reclamation of any refined products. Commingling or blending refined products with crude oil and condensate is not permitted unless written authority is granted following a format written request for such blending by the reclamation plant operator. Any deliveries made containing refined products or crude blended with refined products must be identified on the Railroad Commission Form R-2 as "Products" or "Crude Blended with Products".



**RAILROAD COMMISSION OF TEXAS**  
Oil & Gas Division | Technical Permitting  
**Surface Waste Management Commercial Facility CF-1**

**EPS - Form CF-1**  
(Rev. 02/25/25)  
TDI Ref. No. TDI-98-BB155-RCT-PF

Date: Click or tap to enter a date. **COMMERCIAL FACILITY BOND NO.** \_\_\_\_\_

The bond covers the selected facility types (Select all that apply.)

- |                                      |  |
|--------------------------------------|--|
| <input type="checkbox"/> Storage     | <input type="checkbox"/> Disposal                  |
| <input type="checkbox"/> Reclamation | <input type="checkbox"/> Schedule B Authorized Pit |
| <input type="checkbox"/> Treatment   |  |

Organization Name: \_\_\_\_\_ P-5 No. (if assigned) \_\_\_\_\_

**Background**

- 1.1 (Organization Name), "Principal", operates or is applying for Railroad Commission approval to operate one or more commercial storage, reclamation, treatment, disposal, or recycling facilities ("Facility" or "Facilities") subject to Texas laws. Texas Natural Resources Code §91.109 and Texas Administrative Code Vol. 16, §3.78, provide that the owner and operator of a Facility must maintain a bond or letter of credit that satisfies the Railroad Commission.
- 1.2 As specified in §3.78, Principal has retained (Surety), a State of Texas authorized Surety, to secure this promise to pay.
- 1.3 This bond covers the following facilities:

*Use one line per facility and enter permit no. and/or application control no., enter physical address with zip code, and the name of the county the facility is located. (Attach information on additional facilities as Exhibit A, entitled "Exhibit A of RRC CF-1 Bond No. \_\_\_\_")*

Facility Name: \_\_\_\_\_ Permit No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
City State Zip Code County

Facility Name: \_\_\_\_\_ Permit No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
City State Zip Code County

**Terms**

- 2.1 Principal and Surety must pay the Railroad Commission of Texas, in Austin, Travis County, Texas, the sum of \$(\_\_\_\_\_) U.S., according to the following paragraphs.
- 2.2 The Railroad Commission will notify the Surety after the Principal fails to operate or close a Facility as required by Texas law, Railroad Commission rules, or the permit conditions. Notice will be mailed by registered or certified U.S. mail to the address shown below. After the Surety receives the notice of Principal's default, the Surety may either:
- Pay up to the face amount of this bond to bring into compliance or close the Facility according to Texas law, Railroad Commission rules, and the permit conditions; or
  - Pay the face amount of this bond to the Railroad Commission to be used by the Railroad Commission to bring into compliance or close the Facility. The Railroad Commission will return unexpended funds to the Surety after the Facility is brought into compliance or closed.
- 2.3 The Railroad Commission does not have to expend state funds before Surety must pay under this bond.

Bond No. \_\_\_\_\_



**RAILROAD COMMISSION OF TEXAS**  
Oil & Gas Division | Technical Permitting  
**Surface Waste Management Commercial Facility CF-1**

**EPS - Form CF-1**  
(Rev. 02/25/25)  
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- 2.4 The State of Texas may enforce Surety's obligations under this bond without first obtaining a judgment against Principal or exhausting its remedies against the Principal's properties or assets.
- 2.5 Under paragraph 2.2(A), Surety must present to the Railroad Commission, within 60 days after it receives notice of Principal's default, a plan demonstrating how the Facility will be brought into compliance or closed. Surety must also furnish an accounting, acceptable to the Railroad Commission, of all sums expended by it to bring into compliance or close the Facility according to Texas law, Railroad Commission rules, and the permit conditions. Surety will submit the accounting to the Railroad Commission within 30 days of bringing it into compliance or closing the Facility.
- 2.6 Under paragraph 2.2, Surety remains obligated to pay for any other covered Facilities up to the face amount of the bond.
- 2.7 The term of this bond expires (bond expiration date) and is renewable annually. The Principal or Surety will renew this bond in writing and submit it to the Railroad Commission 30 days before the bond expires. Obligations to pay part or all the bond amounts are released after four (4) years from the expiration date of the bond if no clean-up or closure-related activities are initiated by the Railroad Commission or its authorized representative at the Facility during those four years. The Railroad Commission or its authorized representative may relieve in writing Principal and Surety from their obligations under this bond.
- 2.8 If the Surety does not fulfill its obligations according to the bond terms and if judgement for any part of the bond amount is awarded through the action of the Attorney General in court, then the State shall be entitled to court costs and reasonable attorney's fees awarded by the court. Surety's liability for such costs and fees shall not be limited by the face amount of this bond.
- 2.9 Principal and Surety execute this bond and agree to pay proceeds under this bond in Austin, Travis County, Texas. A suit to collect on this bond or construe this bond lies in Travis County, Texas.

Dated \_\_\_\_\_

\_\_\_\_\_  
**SURETY**  
(Attach Power of Attorney demonstrating authority to sign)

\_\_\_\_\_  
NAME AND TITLE (Type or Print)

\_\_\_\_\_  
SURETY'S FULL MAILING ADDRESS

\_\_\_\_\_  
**PRINCIPAL**  
(Attach Power of Attorney demonstrating authority to sign)

\_\_\_\_\_  
NAME AND TITLE (Type or Print)  
As listed on the P-5 Organization Report

(Seal)



**RAILROAD COMMISSION OF TEXAS**  
Oil & Division | Technical Permitting  
**Surface Waste Management Commercial Facility CF-2**

**EPS - Form CF-2**  
(Rev. 02/25/25)

Date: Click or tap to enter a date. **IRREVOCABLE STANDBY LETTER OF CREDIT NO.:** \_\_\_\_\_

Name of Issuing Bank: \_\_\_\_\_  
Address of Issuing Bank: \_\_\_\_\_  
\_\_\_\_\_

The financial assurance covers the selected facility types (Select all that apply.)

- |                                      |  |
|--------------------------------------|--|
| <input type="checkbox"/> Storage     | <input type="checkbox"/> Disposal                  |
| <input type="checkbox"/> Reclamation | <input type="checkbox"/> Schedule B Authorized Pit |
| <input type="checkbox"/> Treatment   |  |

To: RAILROAD COMMISSION OF TEXAS  
Attention: Oil and Gas Division  
Technical Permitting  
P.O. Box 12967  
Austin, Texas 78711-2967

Organization Name: \_\_\_\_\_ P-5 No. (if assigned) \_\_\_\_\_

This letter of credit covers the following facilities:

*On a separate line for each facility, include the facility name, facility permit number and/or application control number, physical address, zip code, and county in which the facility is located. (Attach information for additional facilities as Exhibit A, entitled "Exhibit A of RRC CF-2 Letter of Credit No. \_\_\_\_")*

Facility Name: \_\_\_\_\_ Permit No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
City State Zip Code County

Facility Name: \_\_\_\_\_ Permit No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
City State Zip Code County

We \_\_\_\_\_ hereby establish our Irrevocable Standby Letter of Credit No. \_\_\_\_\_, in favor of the Railroad Commission of Texas, Austin, Texas \_\_\_\_\_, for the account of \_\_\_\_\_, for the amount or amounts not to exceed the aggregate \$\_\_\_\_ U.S., available by your drafts at sight on the bank, effective \_\_\_\_\_ and expiring on \_\_\_\_\_, but such expiration shall be automatically extended for a period of \_\_\_\_\_ year(s) beginning on the initial expiration date and each successive expiration date, unless at least 120 days before the expiration date applicable to the current term, we notify both the Director of Oil & Gas Division of the Railroad Commission of Texas at 1701 North Congress Avenue, Austin, TX 78701 and \_\_\_\_\_, by certified mail, return receipt requested, that we have decided not to extend this letter of credit beyond the current expiration date. Upon receipt of such notice, and for a period of 120 days after the date the Director of Oil &

LOC No. \_\_\_\_\_



# RAILROAD COMMISSION OF TEXAS

Oil & Division | Technical Permitting

## Surface Waste Management Commercial Facility CF-2

EPS - Form CF-2

(Rev. 02/25/25)

Gas Division of the Railroad Commission of Texas signs the return receipt card, you may draw on us hereunder upon presentation of your sight draft. This letter of credit may be terminated during its term only if we are provided with a letter from you stating that each of the above-referenced facilities has been closed in a manner that meets your requirements or on such date as you authorize the release of this Letter of Credit.

The document specified below must be presented at sight on or before the expiry date in accordance with the terms and conditions of this Irrevocable Standby Letter of Credit:

- A. This Irrevocable Standby Letter of Credit or a copy thereof; and
- B. An affidavit from the Railroad Commission of Texas or its authorized representative, stating that a commercial facility subject to this Letter of Credit has not provided a substitute letter of credit that has been accepted by the Railroad Commission of Texas or its authorized representative or has defaulted on its obligation under state law, Railroad Commission rules, or the conditions of the commercial facility permit, or is likely to pollute or polluting any ground or surface water, or is not being maintained in compliance with state law, Railroad Commission rules, or the conditions of the commercial facility permit relating to the prevention or control of pollution.

We engage with you that drafts drawn under and in conformity with the terms and conditions stated above will be duly honored on presentation if presented to us at our office at the address shown above or any of our bank branches on or before the expiry date.

The credit is subject to the Uniform Customs and Practice for Documentary Credits (revision in force as of July 1, 2007), International Chamber of Commerce –Publication 600.

\_\_\_\_\_  
AUTHORIZED COUNTER SIGNATURE

\_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
NAME AND TITLE (Type or Print)

\_\_\_\_\_  
NAME AND TITLE (Type or Print)

(Attach Certified Copy of Corporate Resolution demonstrating persons who sign have the authority from the bank at the time they sign for up to or over the amount of this Letter of Credit.)

LOC No. \_\_\_\_\_





**RAILROAD COMMISSION OF TEXAS**  
Oil and Gas Division | Technical Permitting  
**Surface Waste Management CF-1 & CF-2 Instructions**

**EPS -Form #**  
(Rev. 02/25/25)

***EPS Form CF-1 (Bond) and CF-2 (Letter of Credit) Rule 78(l) Filing Instructions.***  
***Financial Security for Commercial Facilities***

For questions about the Financial Security Forms, contact the P-5 unit at (512) 463-6772.

## 1. EPS – Form CF-1 Bond Instructions

Link to the PDF Document:	<a href="#">FORM CF-1</a>
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Type of Facility:	Place an <b>X</b> in the box identifying the type of facility or facilities the bond will cover.
Box Number 1:	Fill in the complete <b>Organization Name</b> exactly as it appears on the Form P-5 Organization Report. If the name on the Form P-5 is an assumed name, you must also state the full name of the organization for which the Form P-5 name is assumed. For example, if the name DC Drilling is on Form P-5, but DC Drilling is a DBA or assumed name of Smith Exploration, Inc., the name in Box Number 1 would be DC Drilling (a DBA or assumed name of Smith Exploration, Inc.).
Box Number 2:	Fill in the Form <b>P-5 Number</b> as shown in the Organization Report.
Box Number 3:	Include the total number of <b>Disposal/Injection Wells</b> , if applicable, associated with the commercial facility. For example, a collecting pit is associated with at least one disposal/injection well.
Box Number 4:	Identify any <b>Other Commission-Regulated Operations</b> . If none, you may mark "NA" or leave it blank.
1.1:	Fill in the <b>Operator's Name</b> exactly as shown above in Box Number 1.
1.2:	Fill in the full <b>Name of the Surety</b> .
1.3:	<b>Use each line for information concerning one permit only.</b> If there are more than 4 permits covered by the instrument, the additional permits may be added on a separate sheet entitled "Exhibit A of RRC CF-1 Bond No. ____."  Include only the pertinent information as described in the instructions on the form: <b>Facility Name, Permit No., App. Control No., Complete Physical Address, and the County the facility is located in.</b>
2.1:	Fill in the <b>Amount of Financial Security Approved</b> by the Commission.
Bond No.:	Fill in the <b>Bond Number</b> .
2.7:	Fill in the <b>Expiration Date</b> .
Dated:	Fill in the <b>Effective Date of the Bond</b> .
Surety Signature:	<b>The person signing for the surety must have the authority to sign.</b> Place a seal on the bond and attach a signed and dated power of attorney demonstrating that the person signing for the surety indeed has the authority to sign.
Principal Signature:	<b>The person signing for the operator/principal must have the authority to sign and may be asked to provide documentation demonstrating the person's authority to sign.</b> Print or type the name of the person who signed and their title.
NOTE:	If the Commission-approved bond has a rider, <b>the rider must be updated and included with any continuation certificate yearly, or upon renewal</b> , a clause can be included in the Continuation Certificate.



**RAILROAD COMMISSION OF TEXAS**  
Oil and Gas Division | Technical Permitting  
**Surface Waste Management CF-1 & CF-2 Instructions**

**EPS -Form #**  
(Rev. 02/25/25)

## 2. EPS – Form CF-2 Letter of Credit Instructions

Link to the PDF Document:	<a href="#">FORM CF-2</a>
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Date:	Fill in the <b>Date</b> .
Name of Issuing Bank:	Fill in the complete <b>Name of Issuing Bank</b> .
Address of Issuing Bank:	Fill in the complete <b>Physical Address of the Issuing Bank</b> .
Type of Facility:	Place an <b>X</b> in the box that identifies the type of facility or facilities the letter of credit will cover.
Letter of Credit No.:	Fill in the <b>Letter of Credit Number</b> . This number must match the number on the bottom right of this page, "LOC No. _____," and on Exhibit A, if an Exhibit A is needed.
Box Number 1:	Fill in the complete <b>Organization Name</b> exactly as it appears on Form P-5 (Organization Report). Form P-5 must be active. If the name on the Form P-5 is an assumed name, you must also state the full name of the organization for which the Form P-5 name is assumed. For example, if the name DC Drilling is on Form P-5, but DC Drilling is actually a DBA or assumed name of Smith Exploration, Inc., the name in Box Number 1 would be DC Drilling (a DBA or assumed name of Smith Exploration, Inc.).
Box Number 2:	Fill in the Form <b>P-5 Number</b> as shown in the Organization Report.
Box Number 3:	Include the total number of <b>Disposal/Injection Wells</b> , if applicable, associated with the commercial facility. For example, a collecting pit is associated with at least one disposal/injection well.
Box Number 4:	Identify any <b>Other Commission-Regulated Operations</b> . If none, may mark "NA" or leave blank.
Lines A through D:	<p><b>Use each line for information concerning one permit only.</b> If there are more than 4 permits covered by the instrument, the additional permits may be added on a separate sheet entitled "Exhibit A of RRC CF-2 Letter of Credit No. _____."</p> <p>Include only the pertinent information as described in the instructions on the form: <b>Facility Name, Permit No., App. Control No., Complete Physical Address, and the County the facility is located in.</b></p>
2 <sup>nd</sup> Paragraph:	Fill in the <b>Organization Name</b> exactly as shown above in Box Number 1. Fill in the aggregate amount of financial security approved by the Commission and the effective date of the letter of credit.
Authorized Signature and Countersignature:	<b>Sign by officers of the financial institution</b> , type their name and office under their signature. Send a certified copy of the financial institution's Corporate Resolution that is passed each fiscal year stating who has the authority to sign and for how much. <b>The authorized signature must be from a person whom the corporate resolution identifies as having authority.</b>
LOC No.:	Fill in the <b>Letter of Credit (LOC) Number</b> .
NOTE:	<b>No additional wording of any nature may be added to the form.</b>



**RAILROAD COMMISSION OF TEXAS**  
Oil & Gas Division | Technical Permitting  
**Surface Waste Management Permit Application Cover Page**

**EPS - Form #**  
(Rev. 02/24/25)

P-5 No.: \_\_\_\_\_  
Facility ID: \_\_\_\_\_

### 1. Organization Information

Organization Name: \_\_\_\_\_  
Primary Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

### 2. Contact Information

Primary Contact: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
☐ cc when mailing documents

Agent/Consultant: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
☐ cc when mailing documents

### 3. Optional Pre-Application Meeting Information

Pre-Application Meeting: ☐ Y ☐ N Date: Click or tap to enter a date.  
Type of Meeting: ☐ Virtual ☐ In Person  
Technical Staff Name: \_\_\_\_\_

### 4. Filing Reason

#### **Application**

- |                                    |                                       |
|------------------------------------|---------------------------------------|
| <input type="checkbox"/> Initial   | <input type="checkbox"/> Modification |
| <input type="checkbox"/> Renewal   | <input type="checkbox"/> Transfer     |
| <input type="checkbox"/> Amendment | <input type="checkbox"/> Minor Permit |

#### **Request**

- |                                      |  |
|--------------------------------------|--|
| <input type="checkbox"/> Extension   | <input type="checkbox"/> Suspension          |
| <input type="checkbox"/> Closure     | <input type="checkbox"/> Letter of Authority |
| <input type="checkbox"/> Termination | <input type="checkbox"/> Letter of Amendment |
|                                      | <input type="checkbox"/> Pilot               |

### 5. Waste Management Operations Are (select all that apply)

- |                                    |   |                                     |                                      |
|------------------------------------|---|-------------------------------------|--------------------------------------|
| <input type="checkbox"/> On-Lease  | <input type="checkbox"/> Commercial       | <input type="checkbox"/> Stationary | <input type="checkbox"/> Centralized |
| <input type="checkbox"/> Off-Lease | <input type="checkbox"/> Non - Commercial | <input type="checkbox"/> Mobile     |                                      |



**RAILROAD COMMISSION OF TEXAS**  
Oil & Gas Division | Technical Permitting  
**Surface Waste Management Permit Application Cover Page**

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P-5 No.: \_\_\_\_\_  
Facility ID: \_\_\_\_\_

**6. Waste Management Activity**

☐ **Pit**

- |                                |  |
|--------------------------------|--|
| <input type="checkbox"/> Fluid | <input type="checkbox"/> Existing Permitted Pit(s) |
| <input type="checkbox"/> Solid | <input type="checkbox"/> Proposed Pit(s)           |
| <input type="checkbox"/> Both  |  |

Total Existing Permitted Pits: \_\_\_\_\_  
Total Proposed Pits: \_\_\_\_\_

☐ **Stationary Treatment Facility (STF)**

- |                                |  |
|--------------------------------|--|
| <input type="checkbox"/> Fluid | <input type="checkbox"/> Recycling       |
| <input type="checkbox"/> Solid | <input type="checkbox"/> Non - Recycling |
| <input type="checkbox"/> Both  |  |

☐ Non -Divisional (Waste Separation)

☐ **Reclamation Facility (R-9)**

- |   |
|---|
| <input type="checkbox"/> Tank Bottoms               |
| <input type="checkbox"/> Other Hydrocarbon Waste(s) |

- |  |
|--|
| <input type="checkbox"/> Existing Permitted Pit(s) |
| <input type="checkbox"/> Proposed Pit(s)           |

Total Existing Permitted Pits: \_\_\_\_\_  
Total Proposed Pits: \_\_\_\_\_

☐ **Recycling Facility**

- |                                |                                   |
|--------------------------------|-----------------------------------|
| <input type="checkbox"/> Fluid | <input type="checkbox"/> Roadbase |
| <input type="checkbox"/> Solid |                                   |
| <input type="checkbox"/> Both  |                                   |

- |  |
|--|
| <input type="checkbox"/> Existing Permitted Pit(s) |
| <input type="checkbox"/> Proposed Pit(s)           |

Total Existing Permitted Pits: \_\_\_\_\_  
Total Proposed Pits: \_\_\_\_\_

**7. Waste Management Activity Continued**

☐ **Other**

- |  |   |
|--|---|
| <input type="checkbox"/> Land Apply    | <input type="checkbox"/> Domestic Wastewater (DWW)        |
| <input type="checkbox"/> Landfarming   | <input type="checkbox"/> Hydrostatic Test Discharges (HT) |
| <input type="checkbox"/> Landtreatment | <input type="checkbox"/> Minor Permit Grey Water (MPGW)   |



**RAILROAD COMMISSION OF TEXAS**  
Oil & Gas Division | Technical Permitting  
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P-5 No.: \_\_\_\_\_  
Facility ID: \_\_\_\_\_

**8. Facility Operation**

Provide a brief description of the proposed management process of oil and gas waste(s) at the facility:

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DRAFT