Rule 1.26 - Requirements for Hydraulic Fracture Stimulation – Report of Shooting or Treating

1. Definitions

For the purposes of this Rule, the following definitions shall apply:

- a. "Board" means the Mississippi State Oil and Gas Board.
- b. Additive" means any substance or combination of substances, including proppants, having a specified purpose that is combined with an Hydraulic Fracturing Fluid as hereinafter defined.
- c. "Chemical Abstract Service" or "CAS" means the chemical registry which is the authoritative collection of disclosed chemical substance information.
- d. "Chemical Constituent" means a discrete chemical with its own specific name or identity (such as, but not necessarily, a CAS number) which is contained in an additive.
- e. "Chemical Family" means a group of elements in the Periodic Table or, more commonly, compounds which share certain physical and chemical characteristics and which have a common name.
- f. "Hydraulic Fracturing Fluid" means the base fluid type utilized in a particular Hydraulic Fracturing Treatment.
- g. "Hydraulic Fracturing Treatment" means stimulating a well by the application of Hydraulic Fracturing Fluids and Additives with force in order to create artificial fractures in the formation for the purpose of improving the capacity of the well to produce hydrocarbons.
- h. "Supervisor" means the State Oil and Gas Supervisor of the Mississippi State Oil and Gas Board.
- 2. The provisions of this Rule shall apply to oil and gas wells which are proposed to undergo a temporary or intermittent hydraulic fracturing procedure to improve the productive capacity of such wells utilizing the underground injection with force of fluids and propping agents designed to create artificial fractures in the formation. For the purposes of this Rule, these hydraulic fracturing procedures are collectively referred to as Hydraulic Fracturing Treatment.

- 3. Before any person shall commence the hydraulic fracturing of any oil and gas well, including the application of Hydraulic Fracturing Treatment as hereinabove defined, such person shall file with the Mississippi State Oil and Gas Board a duly executed **FORM 2** indicating in the narrative portion of such FORM 2 the nature of the hydraulic fracturing procedure proposed to be conducted. No such hydraulic fracturing procedure shall commence prior to the approval of such permit application.
- 4. Persons applying for a permit to commence the hydraulic fracturing of any oil and gas well, including the application of Hydraulic Fracturing Treatment, shall state clearly such intent on the FORM 2 submitted to the Mississippi State Oil and Gas Board in accordance with paragraph 5 below.
- 5. The permit application described in the preceding paragraphs shall, at a minimum, include:
 - (A.) The following information on the existing or proposed casing program, demonstrating that the well will have steel alloy casing designed to withstand the anticipated maximum injection pressures to which the casing will be subjected in the well:
 - (1) Whether the well is or will be a vertical well, a directional well or a horizontal well; and
 - (2) The estimated true vertical and measured production casing setting depths in the well; and
 - (3) The casing grade and minimum internal yield pressure for the existing or proposed production casing used in the well.
 - (B.) The following information demonstrating that the well has or will have sufficient cement volume and integrity to prevent the movement of fracture fluids up-hole into the various casing or well bore annuli:
 - (1) The existing or proposed cement minimum compressive strength; and
 - (2) The known or estimated top of cement for the production casing string.
 - (C.) The anticipated surface treating pressure range for the proposed Hydraulic Fracturing Treatment. The production casing described in subparagraph 5.(A.) above shall be sufficient to contain the maximum anticipated treating pressure of the proposed Hydraulic Fracturing Treatment which shall not exceed 80% of the minimum internal yield pressure for such production casing.

- 6. Within thirty (30) days following the completion of the Hydraulic Fracturing Treatment, the permit holder shall, for the purpose of disclosure, report the following information to the Supervisor regarding such procedure utilizing a duly executed FORM 3 ("Completion Report"):
 - (A.) The maximum pump pressure measured at the surface during each stage of the Hydraulic Fracturing Treatment; and
 - (B.) The types and volumes of the Hydraulic Fracturing Fluids and proppants used for each stage of the Hydraulic Fracturing Treatment expressed in gallons; and
 - (C.) The calculated fracture height as designed to be achieved during the Hydraulic Fracturing Treatment and the estimated TVD to the top of the fracture; and
 - (D.) A list of all Additives used during the Hydraulic Fracturing Treatment specified by general type, such as acids, biocides, breakers, corrosion inhibitors, cross-linkers, demulsifiers, friction reducers, gels, iron controls, oxygen scavengers, pH adjusting agents, scale inhibitors, proppants and surfactants; and
 - (E.) For each additive type listed under subparagraph 6.(D.) above, the specific trade name and suppliers of all the Additives utilized during the Hydraulic Fracturing Treatment; and
 - (F.) If the permit holder causes any Additives to be used during the Hydraulic Fracturing Treatment not otherwise disclosed by the person performing such treatment, the permit holder shall disclose a list of all Chemical Constituents and associated CAS numbers contained in such Additives subject to the trade secret requirements hereinafter set forth; and
 - (G.) A list of chemical ingredients contained in the Hydraulic Fracturing Fluids which are subject to the requirements of 29 CFR Section 1910.1200(g)(2) and their associated CAS numbers; and
 - (H.) The maximum ingredient concentrations within the Additive expressed as a percent by mass for each chemical ingredient listed under subparagraph 6.(G.) above; and
 - (I.) The maximum concentration of each chemical ingredient listed under subparagraph 6.(G.) above expressed as a percent by mass of the total volume of Hydraulic Fracturing Fluids utilized.
- 7. Notwithstanding subparagraph 6.(G.) above, if the specific identity of a chemical ingredient and the chemical ingredient's associated CAS number are claimed to be a trade secret, or have been finally determined to be entitled to protection as a trade secret under 29 CFR Section 1910.1200(i), the entity entitled to make such

a claim may withhold the specific identity of the chemical ingredient and the chemical ingredient's associated CAS number from the list required to be reported by subparagraph 6.(G.) above. If the entity entitled to make such a claim elects to withhold the information, the report must:

- (A.) Disclose the Chemical Family associated with the ingredient; and
- (B.) Include a statement that a claim of trade secret protection has been made by the entity entitled to make such a claim.
- 8. An operator will not be responsible for reporting information that is not provided to them due to a claim of trade secret protection by the entity entitled to make such a claim.
- 9. Nothing contained in paragraph 7 above shall authorize any person to withhold information which is required by state or federal law to be provided to a health care professional, a doctor or a nurse.
- 10. The operator of an oil and gas well may furnish to the Supervisor a statement signifying that the required information has been submitted to the Ground Water Protection Council Hydraulic Fracturing Chemical Registry (http://fracfocus.org) or any other similar registry, provided that all such information is accessible to the public free of charge, to satisfy some or all of the information requirements of this Rule.

Authority: MCA Section 53-1-17(3) (1972)

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Within thirty (30) days after the shooting or chemical treatment of an oil or gas well recompleted in the same pool, the owner, producer, or operator in charge of the work shall file with the Board a report on Form No. 3.

11. <u>Definitions</u>

For the purposes of this Rule, the following definitions shall apply:

- b. <u>"Board" means the Mississippi State Oil and Gas Board.</u>
- b. <u>Additive" means any substance or combination of substances,</u> including proppants, having a specified purpose that is combined with an Hydraulic Fracturing Fluid as hereinafter defined.
- c. <u>"Chemical Abstract Service" or "CAS" means the chemical</u> registry which is the authoritative collection of disclosed chemical substance information.
- i. <u>"Chemical Constituent" means a discrete chemical with its</u> <u>own specific name or identity (such as, but not necessarily,</u> <u>a CAS number) which is contained in an additive.</u>
- j. <u>"Chemical Family" means a group of elements in the Periodic</u> <u>Table or, more commonly, compounds which share certain</u> <u>physical and chemical characteristics and which have a</u> <u>common name.</u>
- k. <u>"Hydraulic Fracturing Fluid" means the base fluid type</u> <u>utilized in a particular Hydraulic Fracturing Treatment.</u>
- 1. <u>"Hydraulic Fracturing Treatment" means stimulating a well</u> by the application of Hydraulic Fracturing Fluids and Additives with force in order to create artificial fractures in the formation for the purpose of improving the capacity of the well to produce hydrocarbons.
- m. <u>"Supervisor" means the State Oil and Gas Supervisor of the</u> <u>Mississippi State Oil and Gas Board.</u>
- 12. The provisions of this Rule shall apply to oil and gas wells which are proposed to undergo a temporary or intermittent hydraulic fracturing procedure to improve the productive capacity of such wells utilizing the

underground injection with force of fluids and propping agents designed to create artificial fractures in the formation. For the purposes of this Rule, these hydraulic fracturing procedures are collectively referred to as Hydraulic Fracturing Treatment.

- 13. <u>Before any person shall commence the hydraulic fracturing of any oil and</u> <u>gas well, including the application of Hydraulic Fracturing Treatment as</u> <u>hereinabove defined, such person shall file with the Mississippi State Oil</u> <u>and Gas Board a duly executed FORM 2 indicating in the narrative portion</u> <u>of such FORM 2 the nature of the hydraulic fracturing procedure proposed to</u> <u>be conducted. No such hydraulic fracturing procedure shall commence prior</u> <u>to the approval of such permit application.</u>
- 14. <u>Persons applying for a permit to commence the hydraulic fracturing of any</u> oil and gas well, including the application of Hydraulic Fracturing Treatment, shall state clearly such intent on the FORM 2 submitted to the Mississippi State Oil and Gas Board in accordance with paragraph 5 below.
- 15. <u>The permit application described in the preceding paragraphs shall, at a minimum, include:</u>
 - (J.) The following information on the existing or proposed casing program, demonstrating that the well will have steel alloy casing designed to withstand the anticipated maximum injection pressures to which the casing will be subjected in the well:
 - (4) <u>Whether the well is or will be a vertical well, a directional well</u> or a horizontal well; and
 - (5) <u>The estimated true vertical and measured production casing</u> <u>setting depths in the well; and</u>
 - (6) <u>The casing grade and minimum internal yield pressure for</u> the existing or proposed production casing used in the well.
 - (K.) <u>The following information demonstrating that the well has or will</u> <u>have sufficient cement volume and integrity to prevent the movement</u> <u>of fracture fluids up-hole into the various casing or well bore annuli:</u>
 - (3) The existing or proposed cement minimum compressive strength; and
 - (4) The known or estimated top of cement for the production casing <u>string.</u>
 - (L.) <u>The anticipated surface treating pressure range for the proposed Hydraulic</u>

Fracturing Treatment. The production casing described in subparagraph 5.(A.) above shall be sufficient to contain the maximum anticipated treating pressure of the proposed Hydraulic Fracturing Treatment which shall not exceed 80% of the minimum internal yield pressure for such production casing.

- 16. Within thirty (30) days following the completion of the Hydraulic Fracturing Treatment, the permit holder shall, for the purpose of disclosure, report the following information to the Supervisor regarding such procedure utilizing a duly executed FORM 3 ("Completion Report"):
 - (C.) <u>The maximum pump pressure measured at the surface during each</u> <u>stage of the Hydraulic Fracturing Treatment; and</u>
 - (D.) The types and volumes of the Hydraulic Fracturing Fluids and proppants used for each stage of the Hydraulic Fracturing Treatment expressed in gallons; and
 - (C.) The calculated fracture height as designed to be achieved during the Hydraulic Fracturing Treatment and the estimated TVD to the top of the fracture; and
 - (M.) <u>A list of all Additives used during the Hydraulic Fracturing Treatment</u> specified by general type, such as acids, biocides, breakers, corrosion inhibitors, cross-linkers, demulsifiers, friction reducers, gels, iron controls, oxygen scavengers, pH adjusting agents, scale inhibitors, proppants and surfactants; and
 - (N.) For each additive type listed under subparagraph 6.(D.) above, the specific trade name and suppliers of all the Additives utilized during the Hydraulic Fracturing Treatment; and
 - (O.) If the permit holder causes any Additives to be used during the Hydraulic Fracturing Treatment not otherwise disclosed by the person performing such treatment, the permit holder shall disclose a list of all Chemical Constituents and associated CAS numbers contained in such Additives subject to the trade secret requirements hereinafter set forth; and
 - (P.) <u>A list of chemical ingredients contained in the Hydraulic Fracturing Fluids</u> which are subject to the requirements of 29 CFR Section 1910.1200(g)(2) and their associated CAS numbers; and
 - (Q.) <u>The maximum ingredient concentrations within the Additive expressed as a percent by mass for each chemical ingredient listed under subparagraph 6.(G.)</u> <u>above; and</u>
 - (R.) <u>The maximum concentration of each chemical ingredient listed under</u> <u>subparagraph 6.(G.) above expressed as a percent by mass of the total volume</u> <u>of Hydraulic Fracturing Fluids utilized.</u>

- 17. Notwithstanding subparagraph 6.(G.) above, if the specific identity of a chemical ingredient and the chemical ingredient's associated CAS number are claimed to be a trade secret, or have been finally determined to be entitled to protection as a trade secret under 29 CFR Section 1910.1200(i), the entity entitled to make such a claim may withhold the specific identity of the chemical ingredient and the chemical ingredient's associated CAS number from the list required to be reported by subparagraph 6.(G.) above. If the entity entitled to make such a claim elects to withhold the information, the report must:
 - (C.) Disclose the Chemical Family associated with the ingredient; and
 - (D.) Include a statement that a claim of trade secret protection has been made by the entity entitled to make such a claim.
- 18. <u>An operator will not be responsible for reporting information that is not</u> provided to them due to a claim of trade secret protection by the entity entitled to make such a claim.
- 19. <u>Nothing contained in paragraph 7 above shall authorize any person to withhold</u> <u>information which is required by state or federal law to be provided to a health</u> <u>care professional, a doctor or a nurse.</u>
- 20. <u>The operator of an oil and gas well may furnish to the Supervisor a statement</u> signifying that the required information has been submitted to the Ground Water Protection Council Hydraulic Fracturing Chemical Registry (http://fracfocus.org) or any other similar registry, provided that all such information is accessible to the public free of charge, to satisfy some or all of the information requirements of this Rule.

Authority: MCA Section 53-1-17(3) (1972)