



July 24, 2025

The Honorable Jessica Shirley
Secretary of Environmental Protection
P.O. Box 2063
Harrisburg, PA 17105-2063

Dear Secretary Shirley:

On behalf of the Marcellus Shale Coalition, please find attached a completed Petition Form.

The Petition Form seeks review by the Department of Environmental Protection and consideration by the Environmental Quality Board of suggested regulatory language pertaining to the issue of onsite processing of fluids waste related to oil and natural gas.

Attached to the Petition Form is a narrative and suggested regulatory amendment language.

Should you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "James Welty".

Jim Welty, President
Marcellus Shale Coalition

Attachment

**COMMONWEALTH OF PENNSYLVANIA
ENVIRONMENTAL QUALITY BOARD**

PETITION FORM

I. PETITIONER INFORMATION

Name: Marcellus Shale Coalition

Mailing Address: 400 Mosites Way, Suite 101

Pittsburgh, PA 15205

Telephone Number: 412-706-5160

Date: July 24, 2025

II. PETITION INFORMATION

A. The petitioner requests the Environmental Quality Board to (check one of the following):

☐ Adopt a regulation

☒ Amend a regulation (Citation 25 Pa.Code 78a.58)

☐ Repeal a regulation (Citation _____)

Please attach suggested regulatory language if request is to adopt or amend a regulation.

B. Why is the petitioner requesting this action from the Board? (Describe problems encountered under current regulations and the changes being recommended to address the problems. State factual and legal contentions and include supporting documentation that establishes a clear justification for the requested action.)

Encouraging the efficient storage, handling and reuse of fluids from oil and gas operations is an important
priority for operators, the Department and all those interested in safeguarding the environment. The current
regulatory language related to Onsite Processing imposes limitations on how the Department can authorize
certain activities through either permits or authorizations - specifically related to whether fluids are from one
well site, multiple well sites, and where the fluids may ultimately be reused. This results in an inefficient process
that may discourage some operators from reusing fluids, and/or impose unnecessary costs and risks associated
with truck traffic and transportaiton of fluids. Please see attached narrative and suggested regulatory amendment
language.

C. Describe the types of persons, businesses and organizations likely to be impacted by this proposal.

The proposed amendments would impact operators that seek to efficiently reuse fluids, as well as the
Department by providing greater flexibility in how it administers permits and authorizations related to onsite
processing of fluids.

D. Does the action requested in the petition concern a matter currently in litigation? If yes, please explain.

No

E. For stream redesignation petitions, the following information must be included for the petition to be considered complete. Attach supporting material as necessary.

1. A clear delineation of the watershed or stream segment to be redesignated, both in narrative form and on a map.
2. The current designated use(s) of the watershed or segment.
3. The requested designated use(s) of the watershed or segment.
4. Available technical data on instream conditions for the following: water chemistry, the aquatic community (benthic macroinvertebrates and/or fishes), or instream habitat. If such data are not included, provide a description of the data sources investigated.
5. A description of existing and proposed point and nonpoint source discharges and their impact on water quality and/or the aquatic community. The names, locations, and permit numbers of point source discharges and a description of the types and locations of nonpoint source discharges should be listed.
6. Information regarding any of the qualifiers for designation as high quality waters (HQ) or exceptional value waters (EV) in §93.4b (relating to qualifying as High Quality or Exceptional Value waters) used as a basis for the requested designation.
7. A general description of land use and development patterns in the watershed. Examples include the amount or percentage of public lands (including ownership) and the amount or percentage of various land use types (such as residential, commercial, industrial, agricultural and the like).
8. The names of all municipalities through which the watershed or segment flows, including an official contact name and address.
9. Locational information relevant to items 4-8 (except for contact names and addresses) displayed on a map or maps, if possible.

All petitions should be submitted to the
Secretary of the Department of Environmental Protection
P.O. Box 2063
Harrisburg, PA 17105-2063

Petition Narrative

It is well recognized that processing and reuse of fluids generated by the development, drilling, stimulation, alteration, operation or plugging of oil or gas wells or mine influenced water is a beneficial activity that conserves fresh water, among other benefits to be discussed below.

The proposed amendment offered within this rulemaking petition would allow fluids from various oil and gas operations to be processed and stored at the site where they are produced, at the well site where they are used or at a well site from which they are distributed to other well sites for use in stimulating wells at those other sites. This would significantly expand the opportunity to reuse and recycle the fluids and reduce the need to draw on freshwater. It would also allow for a much more efficient and orderly process of moving fluids from one location to another in a manner that minimizes truck traffic and the potential impacts related thereto.

The Office of Oil and Gas Management currently regulates onsite processing through the robust OG-71 approval process. However, as the regulatory language within 25 PaCode Section 78a.58 is currently structured, the Office of Oil and Gas Management imposes limitations as to where fluid generated at one location can be stored for future use. Deviation from this process requires an operator to pursue different authorizations that are time consuming and inefficient, while providing no discernable environmental benefit.

The facilities allowed by this amendment would be subject to the same requirements. The requirements of 78a.58 (b) through (h) would apply to all of these facilities. In addition, these sites would already be leased and developed consistent with setback and bonding requirements. Locating at existing well sites will also eliminate earth disturbance at green field sites for new stand-alone facilities. With robust controls in place there does not seem to be a good reason not to allow the sharing of the water among sites.

The Oil and Gas Act (58 Pa.C.S. Chapter 32) provides that the processing of oil and gas waste is exempt from permitting under the Solid Waste Management Act if the activities take place on the "well site" as defined in 58 Pa.C.S. §3273.1(a). The operations authorized by this amendment would be co-located as part of the well site.

Moreover, the area used for storage or processing of fluids is a "well site" as defined in section 58 Pa.C.S. §3273.1(d), namely a site containing the equipment or facilities necessary for or incidental to drilling, production or plugging a well. Reuse of produced water is a fundamentally necessary part of the drilling and completion of unconventional wells.

This proposed regulatory language would maintain all existing environmental safeguards related to the storage, handling and processing of fluids from oil and gas activity. However, it would provide needed and appropriate flexibility for an operator – as well as operators

working together – to more efficiently store fluids for reuse, decrease the need for freshwater, reduce truck traffic, and minimize the need for large centralized storage tanks.

SUGGESTED REGULATORY LANGUAGE

§ 78a.58. ~~Onsite p~~Processing and Storage.

- (a) The operator may request approval by the Department to process fluids generated by the development, drilling, stimulation, alteration, operation or plugging of oil or gas wells or mine influenced water at the well site where the fluids were generated or at ~~a the~~ well site where ~~all of~~ the fluid is ~~intended processed or stored~~ to be beneficially used to develop, drill or stimulate a well at that or other well sites. The request shall be submitted on forms provided by the Department and demonstrate that the processing operation will not result in pollution of land or waters of the Commonwealth.
- (b) Through (h) unchanged.