

36.22.608 WELL STIMULATION ACTIVITIES COVERED BY DRILLING PERMIT

(1) Well completions which include hydraulic fracturing, acidizing, or other chemical stimulation done to complete a well are considered permitted activities under the drilling permit for that well only if the processes, anticipated volumes, and types of materials planned for use are expressly described in the permit application for that well.

(2) For wildcat or exploratory wells or when the operator is unable to determine that hydraulic fracturing, acidizing, or other chemical treatment will be done to complete the well, the operator must submit a notice of intent to stimulate or chemically treat a well on Form No.2 prior to commencing such activities provided that:

(a) the written information describing the fracturing, acidizing, or other chemical treatment must be provided to the board's staff at least 48 hours before commencement of well stimulation activities.

(3) For the purpose of this section, an adequate description of the proposed well stimulation includes:

- (a) the estimated total volume of treatment to be used;
- (b) the trade name or generic name of the principle components or chemicals;
- (c) the estimated amount or volume of the principle components such as viscosifiers, acids, or gelling agents;
- (d) the estimated weight or volume of inert substances such as proppants and other substances injected to aid in well cleanup, either for each stage of a multistage job or for the total job; and
- (e) the maximum anticipated treating pressure or a written description of the well construction specifications which demonstrate that the well is appropriately constructed for the proposed fracture stimulation .

(4) In lieu of a well specific design, the owner, operator, or service company may provide:

- (i) a copy of a final design of well treatment actually used for similar wells and which reflects the likely design for the well to be permitted; or
- (ii) a pre-filed generic design submitted for specific geologic formations, geographic areas, or well types likely to be used in a particular well.

AUTH: 82-11-111, MCA

IMP: 82-11-111, MCA

36.22.1015 DISCLOSURE OF WELL STIMULATION FLUIDS

(1) The owner or operator of a well shall, upon completion of the well, provide the board, on its Form No. 4 for a new well or Form No. 2 for an existing well:

- (a) a description of the interval(s) or formation treated;
- (b) the type of treatment pumped (acid, chemical, fracture stimulation); and
- (c) the amount and type(s) of material pumped and the rates and maximum pressure during treatment.

(2) For hydraulic fracturing treatments the description of the amount and type of material used must include:

(a) a description of the stimulation fluid identified by additive type (e.g. acid, biocide, breaker, brine, corrosion inhibitor, crosslinker, demulsifier, friction reducer, gel, iron control, oxygen scavenger, pH adjusting agent, proppant, scale inhibitor, surfactant); and

(b) the chemical ingredient name and the Chemical Abstracts Service (CAS) Registry number, as published by the Chemical Abstracts Service, a division of the American Chemical Society (www.cas.org),

for each ingredient of the additive used. The rate or concentration for each additive shall be provided in appropriate measurement units (pounds per gallon, gallons per thousand gallons, percent by weight or percent by volume, or parts per million).

(3) To comply with the requirements of this section, the owner or operator may submit:

(a) the service contractor's job log;

(b) the service company's final treatment report (without any cost/pricing data);

(c) an owner or operator's well treatment job log; or

(d) other report providing the above required information.

(4) The administrator may waive all or a portion of the requirements in subsections (2) or (3) of this rule if:

(a) the owner or operator demonstrates that it has posted the required information to the Interstate Oil and Gas Compact Commission/Groundwater Protection Council hydraulic fracturing web site (FracFocus.org); or

(b) a successor website to FracFocus.org or other publicly accessible Internet information repositories that the Board may choose to accept.

AUTH: 82-11-111, MCA

I MP: 82-11-111, MCA

36.22.1016 PROPRIETARY CHEMICALS AND TRADE SECRETS

(1) As provided in 30-14-402, MCA, where the formula, pattern, compilation, program, device, method, technique, process, or composition of a chemical product is unique to the owner or operator or service contractor and would, if disclosed, reveal methods or processes entitled to protection as trade secrets such a chemical need not be disclosed to the board or staff. The owner, operator, or service contractor may identify the trade secret chemical or product by trade name, inventory name, chemical family name, or other unique name and the quantity of such constituent(s) used.

(2) If necessary to respond to a spill or release of a trade secret product the owner, operator, or service contractor must provide to the board or staff, upon request, a list of the chemical constituents contained in a trade secret product. The administrator may request information be provided orally or be provided directly to a laboratory or other third party performing analysis for the board. Board members, board staff and any third parties receiving trade secret information on behalf of the board may be required to execute a nondisclosure agreement.

(3) The owner, operator, or service contractor must also provide the chemical constituents of a trade secret product to a health professional who provides a written statement that knowledge of the chemical constituents of such product is needed for purposes of diagnosis or treatment of an individual and the individual being diagnosed or treated may have been exposed to the chemical concerned. The health professional may not use the information for purposes other than the health needs asserted in the statement of need, and may be required to execute a nondisclosure agreement.

(4) Where a health professional determines that a medical emergency exists and the chemical constituents of a trade secret product are necessary for emergency treatment, the owner, operator, or service contractor shall immediately disclose the chemical constituents of a product to that health professional upon a verbal acknowledgement by the health professional that such information shall not be used for purposes other than the health needs asserted and that the health professional shall otherwise maintain the information as confidential. The owner or operator or service contractor may request a written statement of need, and a confidentiality agreement from a health professional as soon as circumstances permit.

AUTH: 82-11-111, MCA

IMP: 82-11-111, MCA

36.22.1106 HYDRAULIC FRACTURING

(1) New and existing wells which will be stimulated by hydraulic fracturing must demonstrate suitable and safe mechanical configuration for the stimulation treatment proposed.

(2) Prior to initiation of fracture stimulation the operator must evaluate the well. If the operator proposes hydraulic fracturing through production casing or through intermediate casing, the casing must be tested to the maximum anticipated treating pressure. If the casing fails the pressure test it must be repaired or the operator must use a temporary casing string (fracturing string).

(a) If the operator proposes hydraulic fracturing through a fracturing string, it must be stung into a liner or run on a packer set not less than 100 feet below the cement top of the production or intermediate casing and must be tested to not less than maximum anticipated treating pressure minus the annulus pressure applied between the fracturing string and the production or immediate casing.

(3) A casing pressure test will be considered successful if the pressure applied has been held for 30 minutes with no more than ten percent pressure loss.

(4) A pressure relief valve(s) must be installed on the treating lines between pumps and wellhead to limit the line pressure to the test pressure determined above; the well must be equipped with a remotely controlled shut-in device unless waived by the board administrator should the factual situation warrant.

(5) The surface casing valve must remain open while hydraulic fracturing operations are in progress; the annular space between the fracturing string and the intermediate or production casing must be monitored and may be pressurized to a pressure not to exceed the pressure rating of the lowest rated component that would be exposed to pressure should the fracturing string fail.

AUTH: 82-11-111, MCA

IMP: 82-11-111, MCA

36.22.1010 WORK-OVER, RECOMPLETION, WELL STIMULATION – NOTICE AND APPROVAL

(1) No well may be reperfored, recompleted, reworked, chemically stimulated, or hydraulically fractured without first notifying the board on Form No. 2 and receiving approval from the administrator or other authorized representative of the board. Within 30 days following completion of the well work, a subsequent report of the actual work performed must be submitted on Form No. 2.

(2) Well repairs, including tubing, pump, sucker rod replacement or repair, repairs and reconfiguration of well equipment which do not substantially change the mechanical configuration of the well bore or casing and hot oil treatments, do not require prior approval or a subsequent report. Acid and chemical treatments of less than 10,000 gallons, and similar treatments intended to clean perforations, remove scale or paraffin, or remedy near-well bore damage do not require prior approval but do require a subsequent report of the actual work performed submitted on Form No. 2 within 30 days following completion of the work.

AUTH: 82-11-111, MCA

IMP: 82-11-111, MCA