

**Summary and Results of
INFORMAL HEARING
1:30 PM
Thursday April 14, 2022
Mounds State Park Visitors Center
Anderson, IN
by
Division of Reclamation**

**Class II Saltwater Disposal injection well
Under IC 14-37-7-3.5**

**Permit Application Filed by Jack W. Racer
Shroyer #4
Permit No. 56039
T. 20N, R. 11 E, Sec. 8
Delaware County, Indiana**

Summary of Class II well requirements under IC 14-37

Class II well injection program in Indiana are afforded certain protections from oil and gas well drilling and production operations under IC 14-37. The following is a summary of those provisions most relevant to the matters considered under this cause:

- IC 14-37-1-3 Federal terms and conditions binding owner or operator of Class II well under Subpart C of Underground Injection Control Program

Sec. 3. If a Class II well is authorized under Subpart C of the Underground Injection Control Program (40 CFR 144.21 through 144.28) in effect January 1, 1988, any federal terms or conditions placed on an owner or operator under Subpart C bind the owner or operator and may be enforced as if ordered by the department under:

- (1) this article or IC 13-8 (before its repeal); or
- (2) rules adopted under this article or IC 13-8 (before its repeal).

- IC 14-37-3-12 Underground Injection Control Program enforcement authority

Sec. 12. (a) The commission shall obtain and maintain primary enforcement authority for Class II wells under the Underground Injection Control Program, promulgated under:

(1) Part C of the federal Safe Drinking Water Act (Public Law 93-523, as amended by Public Law 96-502, 42 U.S.C. 300f et seq.) in effect January 1, 1988; and

(2) 40 CFR Parts 124, 144, 145, 146, and 147 Subpart P, in effect January 1, 1988. (b) The commission shall enforce the requirements of the Underground Injection Control Program and all other rules under this article to prevent the pollution or endangerment of underground sources of drinking water caused by a well regulated by this article.

- IC 14-37-3-16 Informal hearings

Sec. 16. The commission shall hold informal hearings to consider any matter that assists in the administration of the division, including the following:

(1) A request to amend, modify, or repeal a rule adopted under this chapter.

(2) Any matter relating to the issuance, reissuance, modification, or repeal of a permit for a Class II well.

(3) A request for an exception to a spacing requirement established under section 3 of this chapter.

(4) A request for an integration of interests in drilling units under IC 14-37-9 if the owners of separate interests have not agreed to integration.

(5) The issuance or proposed issuance of a notice of violation.

- 312 IAC 29-2-24 "Class II well" defined

Authority: IC 14-10-2-4; IC 14-37-3

Affected: IC 14-37

Sec. 24. "Class II well" means a well that injects fluids:

(1) which are brought to the surface in connection with underground natural gas storage operations, underground petroleum storage operations, conventional or unconventional oil, coal bed methane, or natural gas production and may be commingled with wastewaters from gas plants that are an integral part of production operations, unless those waters are classified as a hazardous waste at the time of injection.

(2) for enhanced recovery of oil, coal bed methane, or natural gas; or

(3) for storage of hydrocarbons that are liquid at standard temperature and pressure.

- 312 IAC 29-5-1 Class II well applications

Authority: IC 14-10-2-4; IC 14-37-3

Affected: IC 14-37; IC 25-39-1.5

Sec. 1. (a) This rule establishes permit requirements for Class II wells in addition to the requirements of 312 IAC 29-4.

- 312 IAC 29-4 Permits and Transfer Procedures; All Wells

Timeline of events

On December 13, 2021; the Division received an application from Jack W. Racer to deepen and convert the existing permit, Shroyer #4, Permit No. 56039, T. 20N, R. 11 E, Sec. 8, Delaware County, Indiana to a class II saltwater disposal well.

On December 28, 2021; the Division received one objection letter via email which contained a hearing request and a second objection letter via U.S. mail.

On January 11, 2022, the Division received a third letter of objection via U.S. mail.

On January 31, 2022, the Division completed its technical review and sent responses to the objections.

February 15, 2022, The Division received an email from the first objector, reiterating the previous request for an informal hearing.

On Monday, March 29, 2022, the Division sent written notice by email to the objector that requested the informal hearing that an informal hearing was scheduled to be held on Thursday, April 14, 2022, at Mounds State Park Visitors Center at 1:30 PM (Eastern) for the purpose of gathering information related to potential impacts the proposed Shroyer #4 well. Additionally, the Division sent (via U.S. mail) written notices to all the direct notice recipients and to the operator.

On April 14, 2022, an informal hearing was held at Mounds State Park Visitors Center at 1:30 PM EDT.

Summary of informal hearing conducted April 14, 2022

This proceeding was an informal hearing conducted under IC 14-37, and no transcript or full written record of the proceeding was kept. Accordingly, the following information reflects a summary of the main issues discussed and should not be considered a complete accounting of every statement or matter which may have been expressed at the informal hearing. The purpose of this informal hearing was solely to gather information to assist the Division in making a determination as to whether the permit application filed by Jack W. Racer met all of the requirements for converting an oil and gas well to a Class II injection well as provided in IC 14-37.

Persons in attendance at the informal hearing in Anderson include the following:

Representing the Division of Oil and Gas: Russell Retherford, Greg Schrader, Codi Weiler and John White

Representing Jack W. Racer: Jack Racer and Sandy Racer

The party requesting the informal did not attend.

There was no discussion of the application since no parties were present to object or provide additional information.

There being no further matters deemed relevant to the purposes of the informal hearing or as to whether Jack W. Racer's application met all of the permitting requirements under IC 14-37, the informal hearing was adjourned.

Persons in attendance at the informal hearing were notified that the Division intended to proceed with its final review of the application for the Shroyer #4 and a final decision on the permit was expected to be made.

ORDER:

The Division of Oil and Gas hereby determines that the applicant has satisfied the requirements of IC 14-37 and 312 IAC 29-5 and is, therefore, entitled to a permit to deepen and convert the above noted well to a Class II injection well.

Right to Administrative Review

The above Findings of Fact, Legal Conclusions, and Decision on Informal Hearing under 312 IAC 29-3-4 are subject to administrative review pursuant to LC. 4-21.5 and 312 IAC 3-1. In order to qualify for administrative review, a person must file a request for review in writing stating facts that demonstrate the petitioner is:

- (A) a person to whom the order is specifically directed;
- (B) aggrieved or adversely affected by the order; or
- (C) entitled to review under any law.

In order to be timely, any petition for administrative review must be filed with the Division of Hearings, Natural Resources Commission, Indiana Government Center North, 10 N. Senate Avenue, N 103, Indianapolis, IN 46204 within fifteen (15) days after notice is served or within eighteen (18) days if service is by U.S. mail.

Date: June 2, 2022

By:  _____

Russell Retherford, Deputy Director
Division of Reclamation