

MEMORANDUM

To: File

From: Gene Smith and Tom Bass

Date: 02/09/15

Subject: David Dale DBA UIC Permit Application (2D0871623) Telephone Conversation – Huey Dale

Hugh Dale had phoned in February 9, 2015 to voice concerns over the revocation of UIC permit 2D0871623. Inspector Ed Gainer made an attempt to hand deliver the revocation order but did not deliver it due to issues that were stated in a phone conversation with Hugh just before delivery. The office consequently mailed the document to Mr. Dale both regular and certified mail. “The office of Oil and Gas cashed the check so my Dads permit is good” Hugh said on the 9th. “We have dropped everything off to you folks 3 different times and I wish the hastling phone calls would stop.” Gene told Hugh that the deficiency data had not been received and gave Hugh until Wednesday February 18, 2015 to provide the missing data. Gene told Hugh that he would check off and sign each of the remaining deficiency issues next Wednesday.



west virginia department of environmental protection

Office of Oil and Gas
601 57th Street, S.E.
Charleston, WV 25304
(304) 926-0450

Earl Ray Tomblin, Governor
Randy C. Huffman, Cabinet Secretary
www.dep.wv.gov

MEMORANDUM

To: File
From: Thomas L. Bass *TLB*
Date: 3 February 2015
Subject: David Dale UIC well 2D0871623

On 3 February 2015 at 2:44 PM I received a voice message from Hugh Dale asking that I give him a call.

At approximately 2:52 PM I returned Hugh Dale's telephone call. Mr. Dale appeared to be irate because WVDEP Office of Oil and Gas inspector Gainer attempted to hand deliver an order revoking the operational order for the underground injection control (UIC) well permit number 2D0871623. Hugh Dale identified himself as the son of David Dale the owner/agent of the UIC well.

Hugh Dale then proceeded to tell me not to bother or contact his father (David Dale). I informed him I should not even be discussing the any information with him regarding the UIC well owned and operated by his father. He then informed me that they have a valid permit because the state of West Virginia had taken the money for the UIC permit. I informed him that a notice of deficiencies for the permit had not been responded to. At first he claimed the notice of deficiencies (NODs) had not been received. Pointed out David Dale would not pick up his mail.

The NODs were mail certified receipt however after the US Postal Service third attempt to deliver the letter the letter was returned to WVDEP OOG. After calling David Dale and being informed that he does not accept certified mail the NODs were mailed US Postal Service normal mail. After not receiving a reply the NODs were hand delivered to David Dale.

At that point he demanded I read him the NODs. Inform Hugh Dale the revocation had been issued he need to discuss the matter with James Martin (Marty). At that point he informed me who the Judge was in Roane County and he would take care of us he was going to sue the state for everyday they cannot produce gas. After numerous what I consider threats with the County Sheriff and Judge I forward Hugh Dale to James Martin telephone extension.

Bass, Thomas L

From: Martin, James A
Sent: Tuesday, February 03, 2015 5:01 PM
To: Gainer, Edward N
Cc: Bass, Thomas L; Belcher, David J; Campbell, Richard; Wandling, Jason E
Subject: Re: David Dale UIC

We will proceed with any necessary enforcement actions. Mr. Dale has every right to operate his well, if he can do so in accordance with the requirements. At this point he seems to be unable or unwillingly to meet the requirements.

> On Feb 3, 2015, at 4:52 PM, Gainer, Edward N <Edward.N.Gainer@wv.gov> wrote:

>

> This afternoon I tried to call Mr. Dale to set a time and place that I could hand deliver an order from the Office of Oil and Gas. His phone went to voicemail , I left a message that said I would like to meet with him that I had a folder that I needed to get to him and asked him to call me back. Hugh Dale called me almost immediately and ask what I had , my reply was an order from the office concerning his UIC well. He then told me that they (David or Hugh) would not accept any thing from or about that well. The State of WV had taken the money and he felt that the permit was valid. I tried to explain that we had found deficiencies in the application and that I had delivered a list of those deficiencies to David. Hugh told me not to bother his father any more and that I was not to be on any of the well roads. If the well was shut in that He (Hugh Dale) would sue the DEP and it's employees. I then called Tom Bass, David Belcher, and James Martin to inform them of the conversation and that the order was not delivered.

>

> Sent from my iPhone



sent
2/10/14

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Dale, David DBA DD Oil Company
P.O. Box 406
Spencer, WV 25276-0406

Re: Deficient UIC Disposal Well Permit Application Requirements 2D0871623

Dear Sir or Madam:

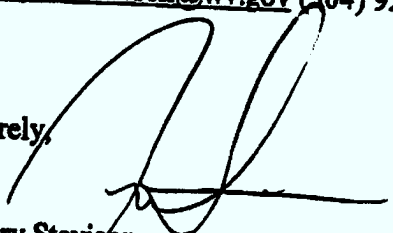
Upon technical review of UIC disposal well permit application - 2D0871623, the WVDEP -- Office of Oil and Gas has determined your submitted reissuance UIC permit application is incomplete. As active operator, you must cease injection and shut-in UIC well 47-087-01623 immediately, until a complete application package has been submitted to the Office of Oil and Gas. If future use of said well is no longer desired, UIC well 47-0187-01623 must be permanently plugged within 180 days, in accordance with W.V. Code §22-6-24. Below outlines the deficiencies of your UIC permit reissuance application package:

-
- OK 1. The Office of Oil and Gas records reflect you do not have adequate bonding for a UIC permit. Pursuant to W.V. Code §22-6-26 "...A separate bond as described in subsection (d) of this section shall be furnished for each well drilled or converted for the introduction of liquids for the disposal of pollutants or the effluent therefrom. Each of these bonds shall be in the sum of five thousand dollars, payable to the State of West Virginia..." Please contact Cindy Raines, (304) 926-0499 ext. 1656, or Cindy.J.Raines@wv.gov, to address all well bond concerns.
- OK 2. Pursuant to 47 CSR 13.8.4.b.3. "Demonstration of mechanical integrity at least every five (5) years during the life of the well;" the Office of Oil and Gas records indicate UIC well 47-087-01623 Mechanical Integrity Test (MIT) expired as of 10/7/2013. The permittee must submit a WR-37 Form with each mechanical integrity test along with a copy of any test chart(s). The Office of Oil and Gas shall be notified 24 hours in advance of the re-test date to witness said test. Failure to meet the specified terms shall proceed to the revocation of Permit UIC2D0190460 by the Office of Oil and Gas.
3. Provide a list of production wells that are to be serviced by disposal well 47-087-01623.

4. Provide Water well sample analysis of all wells within ¼ mile Area of Review (AOR). If no water wells exist within ¼ mile radius of disposal well 47-087-01623, then strategically select enough water wells to accurately describe groundwater quality.
5. Provide a detailed analysis of the proposed injection fluid. This shall consist of a representative sample including but not limited to the following criteria:
 - pH
 - Chloride
 - Sodium
 - Specific gravity
 - Barium
 - Sulfate
 - TOC
 - TDS
 - TSS
 - Manganese
 - Bromide
 - Iron
 - BTEX
 - TPHs (ORO, DRO, GRO)
6. Provide an updated ¼ mile AOR plot/map, including all well activity in the area.
7. Provide a detailed description of the proposed injection formation/zone, including but not limited to formation thickness, permeability (k), and porosity (e).
8. Provide a description of injection formation confining layer.
9. Provide an updated isopach map (stratigraphic thickness) and structure contour map of top & bottom of injection formation (Big Injun).
10. Provide a Geophysical logs of well 47-087-01623 including all available e-logs and cement bond log (CBL) per §40 CFR-146-22.f.
11. Provide a detailed structural geology investigation per §40 CFR-146-22. This shall include but not limited to accurate description of all faults, fractures, and seismically active zones that may affect the disposal fluid's permanent confinement within the proposed injection formation.

Please take immediate corrective action to fulfill the above mentioned permit application requirements to prevent enforcement action. Attached is the Underground Injection Control Permit Application Package supplied by the Office of Oil and Gas, and Form WR-37. If you have any questions regarding this matter please contact myself, Zachary Stevison at Zachary.G.Stevison@wv.gov (304) 926-0499 ext. 1646.

Sincerely,


Zachary Stevison
Geologist II



west virginia department of environmental protection

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**ORDER
ISSUED UNDER
WEST VIRGINIA CODE CHAPTER 22**

TO: Dale, David DBA DD Oil Company.
Attn: David Dale
P.O. Box 406
Spencer, WV 25276-0406

DATE: January 30, 2015

ORDER NO.: 2015-UIC-1

INTRODUCTION

This Order (hereinafter "Order") is issued by the Office of Oil and Gas (hereinafter "OOG"), by and through its Chief, pursuant to the authority of West Virginia Code §§ 22-1-1 *et seq.*, 22-6-1 *et seq.*, 22-11-1 *et seq.*, and 22-12-1 *et seq.* to Dale, David DBA DD Oil Company.

FINDINGS OF THE CHIEF

In support of this order, the Chief hereby finds the following:

1. Dale, David DBA DD Oil Company on February 7, 2014 was issued Order No. 2014-UIC-3 authorizing continued injection operations in well API # 47-087-01623 under the provisions of the previous permit until the final reissuance permit is issued or denied.
2. On June 23, 2014 The OOG inspector hand-delivered an underground injection control permit application to the Dale, David DBA DD Oil Company.
3. On July 27, 2014, Dale, David DBA DD Oil Company submitted an administratively complete underground injection control permit reissuance application for underground injection control for permit number 2D0871623 to the OOG.
4. On October 6, 2014, the OOG sent a notice of deficiency letter by certified mail (US Postal Service) to Dale, David DBA DD Oil Company requiring a fifteen (15) day response upon receipt of the correspondence.

5. On October 25, 2014 the US postal service returned the correspondence to the OOG after Dale, David DBA DD Oil Company failed to take ownership of the correspondence on October 8, 2014, October 13, 2014, and October 23, 2014.
6. On November 16, 2014 The OOG inspector hand-delivered the notice of deficiency correspondence that required a fifteen (15) day response to Dale, David DBA DD Oil Company.
7. To date Dale, David DBA DD Oil Company has failed to respond.

ORDER

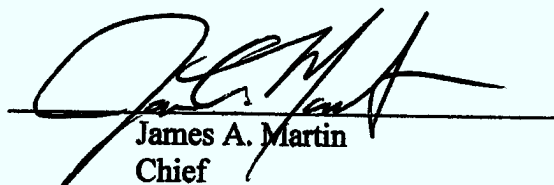
Therefore, in accordance with West Virginia Code §§ 22-1-1 *et seq.*, 22-6-1 *et seq.*, 22-11-1 *et seq.*, and 22-12-1 *et seq.* it is hereby ORDERED by the Chief that:

1. Order No. 2014-UIC-3 issued February 7, 2014 continuing injection authority is hereby revoked. Further injection without proper authorization is prohibited.
2. Unless the well is converted and placed in production within twelve (12) months, well API # 47-087-01623 shall be deemed abandoned.

RIGHT OF APPEAL

Notice is hereby given of your right to appeal the terms and conditions of this Order which you are aggrieved to the Environmental Quality Board by filing NOTICE OF APPEAL on the form prescribed by such Board, in accordance with the provisions of Chapter 22, Article 11, Section 21 of the Code of West Virginia within thirty (30) days after receipt of this Order. This Order shall become effective upon receipt.

1-30-15
Date


James A. Martin
Chief



west virginia department of environmental protection

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601 57th Street, S.E.
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Phone: (304) 926-0450; Fax: (304) 926-0452

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**ORDER
ISSUED UNDER
WEST VIRGINIA CODE CHAPTER 22**

TO: Dale, David DBA DD Oil Company.
Attn: David Dale
P.O. Box 406
Spencer, WV 25276-0406

DATE: February 7, 2014

ORDER NO.: 2014-UIC-3

INTRODUCTION

This Order (hereinafter "Order") is issued by the Office of Oil and Gas (hereinafter "OOG"), by and through its Chief, pursuant to the authority of West Virginia Code §§ 22-1-1 *et seq.*, 22-6-2 and 22-12-1 *et seq.* to Dale, David DBA DD Oil Company.

FINDINGS OF FACT

In support of this order, the Chief hereby finds the following:

1. Dale, David DBA DD Oil Company was issued underground injection control permit number 2D0871623 from the Office of Oil and Gas to inject waste fluids from oil and natural gas exploration and development in well API # 47-087-01623 on November 24, 2008 with an expiration date of November 24, 2013.
2. Dale, David DBA DD Oil Company submitted a reissuance application package on February 3, 2014.

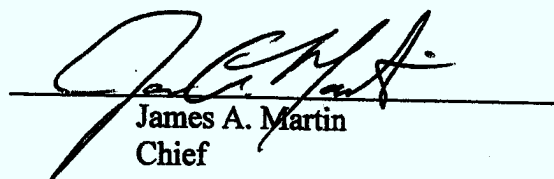
ORDER FOR COMPLIANCE

Therefore, in accordance with West Virginia Code §§ 22-1-1 *et seq.*, 22-6-2 and 22-12-1 *et seq.*

it is hereby ORDERED by the Chief that:

1. Dale, David DBA DD Oil Company is hereby authorized for injection in well API # 47-087-01623 under the provisions of the previous permit from the expiration date of November 24, 2013 until the final reissuance permit is issued or denied.

2-7-14
Date


James A. Martin
Chief

2D0871623 WR-40 Reporting

Production Year	Month	Max Permitted Inj Pressure	Operating Hours	Max Annulus Tubing	Max Annulus Other	Max Inj Pressure	Max Shutin Pressure	Inj Fluid Volume	Cumm Fluid Vol
2013	November	620	32	0	0	495	0	1,600.00	4,383,877.00
2013	December	620	32	0	0	495	0	1,600.00	4,385,477.00
2014	January	620	24	0	0	495	0	1,250.00	4,386,727.00
2014	February	620	24	0	0	495	0	1,200.00	4,387,927.00
2014	March	620	32	0	0	495	0	1,600.00	4,389,527.00
2014	April	620	24	0	0	495	0	1,600.00	4,391,127.00
2014	May	620	24	0	0	495	0	1,600.00	4,392,727.00
2014	June	620	24	0	0	495	0	1,600.00	4,394,327.00
2014	July	620	24	0	0	495	0	1,600.00	4,395,927.00
2014	August	620	30	0	0	495	0	1,550.00	4,397,477.00
2014	September	620	32	0	0	495	0	1,600.00	4,399,077.00
2014	October	620	32	0	0	495	0	1,600.00	4,400,677.00
2014	November	620	32	0	0	495	0	1,600.00	4,402,277.00
2015	January	620	32	0	0	495	0	1,600.00	4,403,877.00
2015	February	620	32	0	0	495	0	1,600.00	4,405,477.00
2015	March	620	32	0	0	495	0	1,600.00	4,407,077.00
2015	April	620	32	0	0	495	0	1,600.00	4,408,677.00
2015	May	620	32	0	0	495	0	1,600.00	4,410,277.00
2015	June	620	32	0	0	495	0	1,600.00	4,411,877.00
2015	July	620	32	0	0	495	0	1,600.00	4,413,477.00
2015	August	620	28	0	0	495	0	1,400.00	4,414,877.00
2015	September	620	32	0	0	495	0	1,600.00	4,416,477.00
2015	October	620	32	0	0	455	0	1,600.00	4,418,077.00
2015	November	620	32	0	0	445	0	1,641.00	4,419,718.00
2015	December	620	32	0	0	435	0	1,645.00	4,421,363.00
2016	January	620	32	0	0	435	0	1,643.00	4,423,006.00
2016	February	620	32	0	0	430	0	1,643.00	4,424,649.00