To: Quast, Sylvia[Quast.Sylvia@epa.gov]; Albright, David[Albright.David@epa.gov]; Diamond, Jane[Diamond.Jane@epa.gov]; Montgomery, Michael[Montgomery.Michael@epa.gov]; Dermer, Michele[Dermer.Michele@epa.gov]; Moffatt, Brett[Moffatt.Brett@epa.gov]; Busterud, Gretchen[Busterud.Gretchen@epa.gov]
From: Engelman, Alexa
Sent: Tue 10/21/2014 1:38:27 PM
Subject: RE: Petition for Rulemaking - UIC Class II Injection - Safe Drinking Water Act

Ex. 5 - Attorney Client

~Alexa

From: Quast, Sylvia
Sent: Monday, October 20, 2014 6:18 PM
To: Albright, David; Diamond, Jane; Montgomery, Michael; Dermer, Michele; Moffatt, Brett; Engelman, Alexa; Busterud, Gretchen
Subject: Re: Petition for Rulemaking - UIC Class II Injection - Safe Drinking Water Act

Ex. 5 - Attorney Client

From: Albright, David

Sent: Monday, October 20, 2014 8:22 PM

To: Quast, Sylvia; Diamond, Jane; Montgomery, Michael; Dermer, Michele; Moffatt, Brett; Engelman, Alexa; Busterud, Gretchen

Subject: Fw: Petition for Rulemaking - UIC Class II Injection - Safe Drinking Water Act

I've not yet read the letter/petition, but wanted to get this distributed. Peter Candy is the attorney representing Hathaway in their litigation with DOGGR.

Sent from my BlackBerry 10 smartphone on the Verizon Wireless 4G LTE network.

From: Peter Candy <pcandy@hbsb.com>

Sent: Monday, October 20, 2014 5:11 PM

To: Albright, David; Robin, George; steven.bohlen@conservation.ca.gov; jerry.salera@conservation.ca.gov; graham.stmichel@conservation.ca.gov; dan.wermiel@conservation.ca.gov

Subject: Petition for Rulemaking - UIC Class II Injection - Safe Drinking Water Act

Gentlemen:

Attached please find a courtesy copy of a cover letter and formal petition requesting the U.S. Environmental Protection Agency to implement rules enabling operators of Class II injection wells who seek underground injection control (UIC) permits to demonstrate their injection operations will not "endanger" underground sources of drinking water pursuant to Section 1421(d)(2) of the Safe Drinking Water Act (SDWA).

This petition is necessary because the current requirement that an aquifer exemption be in place prior to or concurrent with issuance of a UIC permit for injection into hydrocarbon-producing reservoirs with water less than 10,000 mg/l TDS is interfering with and impeding Class II enhanced oil recovery (EOR) projects which lack the potential to "endanger" underground sources of drinking water (USDWs).

Section 1421(b)(2) of the SDWA prohibits regulations which "interfere with or impede" any underground injection for the secondary or tertiary recovery of oil or natural gas, **unless** the requirements are "essential" to assure protection of underground sources of drinking water. (42 U.S.C. § 300h(b)(2)(B).) In situations where operators can clearly demonstrate their injection activities will not "endanger" existing and potential future sources of drinking water, the aquifer exemption process represents an overbroad and unnecessary regulatory impediment to EOR operations which is not "essential" to assuring protection of USDWs.

I will follow up in the next week or so to discuss the substantive merits of the petition as well as timing issues relative to EPA's response. In the meantime, feel free to contact the undersigned if you have questions or wish to discuss.

Thank you for your attention to this matter.

-Peter

Peter L. Candy | Shareholder | **Hollister & Brace**, A Professional Corporation | 1126 Santa Barbara Street | Santa Barbara CA 93101 | Direct Dial: (805) 963-6711 Ext. 218 | Cell Phone: (805) 637-8178 | Fax: (805) 965-0329 | Switchboard: (805) 963-6711 | pcandy@hbsb.com | www.hbsb.com

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