MEMORANDUM

TO: Large Volume Pit/Pond Operators
FROM: Randy C. Huffman, Cabinet Secretary
DATE: December 16, 2008
SUBJECT: Large Volume Pits/Ponds (capacity greater than 5000 bbl.)

Please be advised that the DEP is hereby issuing a directive to all gas well operators/permit holders utilizing large volume pits/ponds (capacity greater than 5000 bbls.) to immediately inspect all such structures associated with their operations. These are the structures commonly used in conjunction with Marcellus Shale operations, but may be used in other operations as well. The inspections shall begin immediately and be completed by December 23, 2008. Follow-up inspections shall be conducted at a frequency no less than every three (3) days until the structures are closed (back-filled). All structures constructed subsequent to this notice shall be inspected at this same frequency.

The inspection is required on all drilling, completion, and storage pits/ponds and must be made by an individual officially representing the operator and experienced in construction of such structures. The inspection must be conducted in such manner as to evaluate the structural integrity of the pits/ponds and to identify any deficiencies that could result in an improper discharge or failure. The inspection must also identify all potentially affected parties down gradient of each structure. The operator must immediately correct all observed deficiencies and report those to the DEP, Office of Oil and Gas (OOG). The operator shall also furnish monthly to the OOG, an affidavit, signed by an operator official, stating that all inspections required in the preceding month have been conducted. Any operator failing to conduct the inspections described above shall be subject to enforcement action by the DEP.

Promoting a healthy environment.
Additionally, the operator shall develop an emergency response plan for each permitted site. Such plan shall include 24 hour emergency contact information for the appropriate operator representatives and the protocol to be followed by the operator for the notification of all emergency response offices, operator contractors, regulatory offices, and all potentially affected parties. During any inspection, should the operator identify an imminent threat to human health, safety, or the environment, the emergency response plan shall be initiated.

This directive is issued pursuant to sections C2, D1, G1, 8(a), and 10(a) of GP-WV-1-88 and W. Va. Code § 22-11-4(17)(b)(iii).

If you have any questions concerning this directive, please contact the Office of Oil and Gas at 304-926-0450.

RCH/jm