

STATE OF SOUTH DAKOTA
SECRETARY OF THE
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF PETER K. ROOSEVELT, DENVER, COLORADO, FOR APPROVAL OF A PERMIT TO INJECT INTO THE EXISTING 14-25 STEARNS WELL LOCATED IN THE SE ¼ SW ¼ SECTION 25, TOWNSHIP 9 SOUTH, RANGE 2 EAST, ABOUT THREE MILES NORTH OF PROVO, SOUTH DAKOTA, TO INJECT PRODUCTION WATER INTO THE 2 ND LEO SANDSTONE OF THE MINNELUSA FORMATION FOR SALT WATER DISPOSAL.	NOTICE OF RECOMMENDATION FOR A PERMIT TO INJECT OIL AND GAS CASE NO. 18-2012
---	---

Notice is hereby given to the public and to all interested persons that pursuant to South Dakota Codified Laws (SDCL) Chapter 1-26 and Chapter 45-9 and further pursuant to the Administrative Rules of South Dakota (ARSD) 74:12:07 and 74:12:09, the following matter has come to the attention of the Secretary of the Department of Environment and Natural Resources, hereinafter "Secretary."

The 14-25 Stearns well was completed with 214 feet of 8 5/8-inch steel surface casing, cemented to protect underground sources of drinking water, and 3,225 feet of 5 1/2-inch steel production casing, cemented to protect underground sources of drinking water. The injection zone will be into the 2nd Leo Sandstone of the Minnelusa Formation. All injection water will be produced water from the 2nd Leo Sandstone from the 11-25 Barker production well. All wells within the one-half mile radius of the proposed injection well are constructed such that the injection into this well will not affect any underground sources of drinking water.

The Secretary recommends approval of the application with the following conditions:

- 1) Injection operations authorized under the permit to inject must be conducted in accordance with SDCL Chapter 45-9, ARSD 74:12 and any applicable orders or rules promulgated by the board;
- 2) The maximum injection rate must not exceed 1,000 barrels of water per day;
- 3) The maximum surface pressure must not exceed 940 pounds per square inch during injection operations;
- 4) The life of the permit may not exceed 25 years;
- 5) Injection may not commence until the applicant submits and the department reviews information on the source and nature of the injection water from the 11-25 Barker well as required by ARSD 74:12:07:03(10);
- 6) A mechanical integrity test must be successfully conducted prior to the commencement of injection activity. The well must pass the mechanical integrity test at 1,000 pounds per square inch surface pressure. The operator is required to notify the Secretary a minimum of 72 hours prior to running a mechanical integrity test;

- 7) Once mechanical integrity is established, the well must be retested at least once every five years to ensure that mechanical integrity is maintained, unless the department indicates differently;
- 8) If an unsuccessful pressure test occurs, the operator must cease operations immediately if it is determined the injection will threaten any underground source of drinking water. If the failure is not threatening ground water, the operator must cease operations within 48 hours after receipt of the department secretary's notice, and take corrective action on the well as soon as feasible. Corrective action options include repairing the well so that a successful test result can be obtained, plugging and abandoning the well, or any other action approved by the department.

Authority for the Secretary to approve this application is contained in ARSD 74:12:07 and 74:12:09. Unless a person files a petition requesting a hearing on the above application pursuant to the provisions of ARSD 74:09:01 on or before December 23, 2012, the Secretary's recommendation will be considered final and the Secretary will approve the application in accordance with that recommendation. For additional information about the application, please contact Brian J. Walsh, Environmental Scientist III, Ground Water Quality Program, Department of Environment and Natural Resources, 523 East Capitol Avenue, Pierre, SD 57501; telephone 605.773.3296 or email brian.walsh@state.sd.us.

November 29, 2012



Steven M. Pirner
Secretary

Published once at the total approximate cost of _____.