

First Special Session of 1987

By: Joint Committee on Energy

S.C.R. 1

SENATE CONCURRENT RESOLUTION

URGING THE MEMBERS OF ARKANSAS' CONGRESSIONAL DELEGATION TO FIERCELY PROTECT THE CONTINUED EXEMPTION OF OIL AND GAS EXPLORATION AND PRODUCTION WASTES FROM CLASSIFICATION AS HAZARDOUS UNDER THE RESOURCE CONSERVATION AND RECOVERY ACT AND TO UPHOLD THE STATES' RIGHTS AND RESPONSIBILITY FOR THE MANAGEMENT OF OIL AND GAS PRODUCTION AND EXPLORATION WASTES THROUGH EFFECTIVE ENFORCEMENT OF CURRENT LEGISLATION AND REGULATION.

WHEREAS, oil and gas exploration and production wastes have heretofore been excluded from hazardous waste regulations under the Resource Conservation and Recovery Act (RCRA); and

WHEREAS, the Environmental Protection Agency is currently conducting a study of the disposal of exploration and production wastes, which will conclude with a recommendation to Congress in August, on whether these wastes should be classified as hazardous and regulated as such under the Resource Conservation and Recovery Act; and

WHEREAS, these low toxicity wastes associated with the onshore exploration and production of oil and natural gas include large volumes of drilling muds, produced waters, and other associated wastes; and

WHEREAS, these wastes are already regulated by a generous body of state and federal laws as enforced by the Arkansas Department of Pollution Control and Ecology and the Arkansas Oil and Gas Commission; and

WHEREAS, these current regulations, industry practices, and

related technologies have developed through decades of experience which have provided protection in the drilling of nearly three million wells nationwide; and

WHEREAS, handling of these wastes in compliance with current laws and regulations has not proven hazardous or detrimental to those who have worked directly with these substances on a daily basis; and

WHEREAS, the regulations and practices already in place, ensure that the environment and human health are protected through flexibility which enables local environmental concerns to be specifically addressed; and

WHEREAS, additional regulations would add tremendous cost increases of 15 billion dollars initially and 5 billion dollars annually thereafter without commensurate increases in environmental protection; and

WHEREAS, these increases in costs would be passed on to the consumer, with a disastrous effect upon the consuming public; and

WHEREAS, the oil and gas industry is already facing severe retrenchment subsequent to the sudden and dramatic decline of oil prices; and

WHEREAS, continuing low prices have already resulted in the slashing of exploration and production budgets, the loss of more than 150,000 jobs, bankruptcy of numerous companies, and spiraling production losses; and

WHEREAS, imposing the massive costs of additional regulations and stringent disposal requirements upon the oil and gas industry would wreak havoc on the industry itself, further reduce U.S. production by as much as 1 million barrels a day, and escalate growing dependence on unstable foreign sources of oil and gas; and

WHEREAS, it is estimated that any stripper well producing less than ten barrels of oil per day would become economically unfeasible to operate should reclassification under RCRA occur; and

WHEREAS, Arkansas' economy would be severely impacted by the

loss of 75 percent of the State's existing wells which fall at or below the 10 barrel per day production level;

NOW THEREFORE,

BE IT RESOLVED BY THE SENATE OF THE FIRST EXTRAORDINARY SESSION OF THE SEVENTY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ARKANSAS, THE HOUSE OF REPRESENTATIVES CONCURRING THEREIN:

That the members of Arkansas' Congressional Delegation exert extreme diligence and determination to protect the continued exemption of oil and gas exploration and production wastes from classification as hazardous under the Resource Conservation and Recovery Act.

BE IT FURTHER RESOLVED:

THAT the members of Arkansas' Congressional Delegation exhaust all avenues to uphold and defend the individual states' rights and responsibility to effectively regulate and enforce the management of oil and gas production wastes.

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