

## 1 UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

2 PUBLIC HEARING

3 ODESSA, TEXAS

4 OCTOBER 3, 2024

5 11:00 A.M.

6  
7 MR. JOHNSON: Good morning. We'll go on  
8 the record now.

9 Welcome to the EPA Region 6 Oxy Brown  
10 Pelican Class VI injection well permitting hearing. I'm  
11 Ken Johnson from EPA Region 6, the Groundwater UIC  
12 section supervisor. With us today and who will be  
13 running the hearing is Tom Rucki. I'm going to turn it  
14 over to Tom now and he will go through the procedurals  
15 for you.

16 MR. RUCKI: Good morning, everyone. As  
17 Ken said, my name's Tom Rucki. I'm the regional  
18 judicial officer for the EPA in Region 6. I'm the  
19 designated hearing officer for today's public hearing as  
20 well. My responsibility includes fully developing the  
21 public hearing record by taking the public comments from  
22 interested parties concerning EPA's proposed actions  
23 today. EPA will consider the public hearing record  
24 during this process. Please note that I do not  
25 participate in the final decision-making, though.

1           The purpose of a public hearing is to  
2 provide interested parties the opportunity to present  
3 information and opinions to the EPA. Previously EPA  
4 prepared and published public notice regarding these  
5 proposed actions and this public hearing. The notice  
6 informed the members of the public their opportunity to  
7 obtain copies of information concerning EPA's propo- --  
8 proposed actions, to provide comments on those actions,  
9 and to participate in the public hearing we're having  
10 here today.

11           So the outlining of the procedures for  
12 the public hearing, it's somewhat informal, but we must  
13 conduct it a manner that will allow EPA to obtain and  
14 record all relevant and appropriate information related  
15 to the proposed action. With that, I'd like to remind  
16 everyone that this hearing is not an evidentiary  
17 hearing. It's not a trial. What that means is there's  
18 no cross-examination of anyone. You're here to provide  
19 your comments and to not ask questions of EPA and EPA  
20 officials.

21           As hearing officer, I may ask questions,  
22 but really that's just for clarification of the record.  
23 EPA will not respond today to any of the comments y'all  
24 make, but they will respond to those questions and  
25 comments later in something called a responsive

1 document, and that will be eventually posted on the EPA  
2 website.

3 Now, if you've not yet registered to  
4 speak and you'd like to speak, please do make your way  
5 to the front desk and note your name and who you're here  
6 with, if you're with someone.

7 When you begin your comments, please  
8 state that name here up at the microphone. I have been  
9 told that if you just want to speak from your chair,  
10 that we won't be able to pick up the comments for the  
11 Spanish interpreter as well as for the court reporter.

12 As hearing officer, I must impose time  
13 limits on the speakers to ensure that everyone has their  
14 chance to speak. Given what we have today, we're  
15 looking at about five minutes per speaker, but if you  
16 get your comments in after those five minutes and you'd  
17 like to say more, if everyone that has wanted to speak  
18 has a chance to speak, you can certainly come back and  
19 supplement your comments.

20 It's important to note that after the  
21 public hearing closes, EPA will continue to accept  
22 written comments. The deadline for that has been ex- --  
23 extended until November 6th. Any written comments  
24 should be submitted by the methods described in EPA's  
25 notice.

1                   Just know that what you say in those  
2                   comments, whether it's today, tomorrow, the next day  
3                   have the same weight as whatever you say today.

4                   I'd like to remind everyone that as  
5                   mentioned at the check-in desk, we are making available  
6                   Spanish language interpretations for this hearing as  
7                   well as we're live streaming it. Please note that a  
8                   transcript of the hearing will be made -- made available  
9                   on the EPA website. If there are questions regarding  
10                  those services or how to obtain that information, please  
11                  reach out to those sitting at the front desk and they'll  
12                  be happy to help you out.

13                  It's also my understanding, again, that  
14                  if you don't speak right into that microphone, we're not  
15                  gonna be able to hear you so -- so please when you're  
16                  ready to speak, come on up and let us know who you are  
17                  and who you're here with.

18                  So with that, we're gonna start with the  
19                  names we've been given just in the order you registered.  
20                  We're gonna try to keep you at five minutes. I'll let  
21                  you know when you've got a minute left.

22                  Right now we're looking for a Laurence --  
23                  and, again, I'll apologize if I just butcher your names,  
24                  I -- I do apologize for that.

25                  Laurence Me- -- Melzer.

1 Yes, sir.

2 MR. STEVE MELZER: Well, thank you.

3 I go by Steve Melzer. And I'm an  
4 independent consultant here in Midland, Permian Basin  
5 area. Been watching the plans and progress of the DAC  
6 project for a long time now, a couple years. Anxious to  
7 see it happen. I believe Occidental is probably the  
8 leader in injection with all of the experience they have  
9 with the CO2 EOR, enhanced oil recovery, and so I think  
10 this project, although it's not EOR, will be handled by  
11 the Occidental personnel in a very professional fashion.

12 I'm excited to see that it's in an area  
13 that doesn't have a competition between the mineral  
14 owners and the storage owners, which might be the  
15 surface owners in many case, and many times they're  
16 different folks and so they've -- they've really handled  
17 that problem well. It's a big problem in the  
18 Permian Basin because we produce oil in just about every  
19 area there is and -- and there's not a competition here.

20 I've spoken to the NARO group, the  
21 National Association of Royalty Owners, about what I  
22 call the skirmish between the mineral rights and the  
23 storage rights and they -- they don't have that here.  
24 And they will be doing it in a professional way, as I  
25 mentioned, so I stand very much in favor of advancing

1 the project with the Class VI wells.

2 Thank you.

3 (A discussion was had off the  
4 stenographic record.)

5 MR. RUCKI: Thank you, sir.

6 Is there a Timothy Me- -- Mechel --  
7 sorry, Meckel?

8 DR. TIMOTHY MECKEL: I'm usually the one  
9 bo- -- botching the names so...

10 Timothy Meckel. M-E-C-K-E-L is the last  
11 name.

12 So my name's Dr. Tim Meckel and I'm a  
13 senior research scientist and a research professor at  
14 the University of Texas at Austin. For the last 18  
15 years, I've worked on geologic and geophysical aspects  
16 of CCS and a dedicated research group now composed of  
17 about a dozen full-time PhD scientists. So I'm speaking  
18 from my own personal research experience over that time  
19 as well as those in our research center.

20 UT has been studying subsurface geologic  
21 CO2 storage that's part of carbon caption and storage  
22 projects since 1998. So it's not a new topic in that  
23 regard. Our lengthy research program has shown through  
24 rigorous and transparent field demonstration projects  
25 and live experiments that the properties of sedentary

1 rock, such as those that underlie the Permian Basin, and  
2 the proposed permanent site are excellent for providing  
3 storage permanence. Further we find that the data  
4 required in Class VI permits is sufficient to support  
5 the expectation of safety and storage permits.

6 We have shown in the field and live  
7 studies that fluid field modeling for predicting CO2 and  
8 pressure behavior in the subsurface are mature and  
9 provide sufficient confidence to derisk commercial  
10 projects. Our experience in developing and testing  
11 plume and pressure monitoring techniques required in  
12 Class VI permits increases confidence in model  
13 predictions and further reduces uncertainties beyond  
14 those removed by good subsurface characterization.

15 We find that through our evaluations of  
16 more than four decades of deep well injection under  
17 EPA's Class I and Class II programs that adds confidence  
18 to -- at the Class VI well program will be successful in  
19 permanently storing large amounts of CO2.

20 We also find that through controlled  
21 release and field experiments that the risk to fresh  
22 water can be effectively managed to avoid endangerment  
23 of those resources. So I encourage all the stakeholders  
24 in the current process to reach out to our research  
25 university group as well as others for more information

1 with any subsurface questions or concerns related to CO2  
2 injection in permanent storage.

3 So thank you very much.

4 MR. RUCKI: Thank you.

5 Steve Thompson.

6 MR. STEVE THOMPSON: Good morning. My  
7 name is Steve Thompson. I am -- represent the City of  
8 Odessa as a city councilman in district 2. I'm born and  
9 raised in Odessa so I've been in the oil patch for a  
10 long time.

11 Occidental is -- and I -- just so you  
12 know, I graduated from Odessa College and went on to  
13 Texas Tech, graduated there sometime ago, and now  
14 serving as city councilman.

15 We've been involved with Occidental at  
16 the City for some time. Our economic development  
17 corporation has -- has supported Occidental in this  
18 project. It's been thoroughly vetted by our -- by our  
19 compliance committee. We have provided financial  
20 incentive for them to move that plant to this area. And  
21 as I understand it, the -- where the plant is that  
22 the -- the CO2 carbon capture is going into formations  
23 that are, you know, very acceptable for this stuff.

24 We try to do all we can out here to -- to  
25 keep the air as clean as we possibly can. We all have



1 to live it and breath it every day. Occidental has been  
2 a great supporter of the City of Odessa, schools,  
3 universities, medics, engineering, and we're very proud  
4 of that, very proud of our relationship with Occidental.  
5 They were the first to try to help -- they are helping  
6 us with our new sports complex, which will provide  
7 better quality of life for their employees and also the  
8 people that are already here.

9 The -- I'd just like to express my  
10 support for -- to the EPA for the Oxy's Brown Pelican  
11 CO2 capture plant. It's -- it looks like it's gonna be  
12 a wonderful facility from what I can tell. And I -- I'm  
13 just very pleased that Occidental has chosen this part  
14 of the world to put this plant. We're very excited  
15 about it. Odessa, Ector County, we all support it 100  
16 percent, and we hope that the EPA will see it the same  
17 way and give them the permits necessary to complete this  
18 process as they are good community sponsors.

19 And thank you.

20 MR. RUCKI: Thank you.

21 Douglas Fife.

22 MR. DOUGLAS FIFE: So my name is  
23 Douglas Fife. I am a health, safety and environmental  
24 director for Occidental Carbon Ventures on this project.  
25 I'm a lifetime resident of the Permian Basin, lived and

1 worked here 42 years. Both my wife and I graduated from  
2 Odessa High School, my son later from Permian High  
3 School. Grew up in Goldsmith, which is near the -- the  
4 project site. So this is very much home to me. Live in  
5 Houston now, but still visit often for family and work,  
6 of course.

7           So I'm here today to ask the EPA to issue  
8 three underground injection control Class VI injection  
9 well permits to Oxy Low Carbon Ventures for its Brown  
10 Pelican Sequestration Project. Oxy has more than 50  
11 years of carbon management experience in the Permian  
12 Basin, unmatched expertise in CO2 transportation of  
13 storage. We understand how to safely handle CO2 and how  
14 to identify geology. We can be sure it's suitable for  
15 secure storage of CO2.

16           We are pleased to have selected this  
17 location, Ector County, Texas, for our Brown Pelican  
18 Sequestration Project. It is located close in proximity  
19 to Stratos, our first-of-a-kind large-scale director of  
20 capture project. Deployment of director of capture  
21 technology offers an opportunity to help diversify the  
22 local economy.

23           This is -- Ector County's location may be  
24 one of the best places in the world to store CO2 because  
25 it features more than 3,000 feet of impermeable rock

1 that will confine the CO2 in deep underground  
2 formations. The same underground structures that make  
3 the Permian Basin a world-class oil and gas production  
4 basin by trapping and storing hydrocarbons can now be  
5 used for long-term safe and secure storage of carbon  
6 dioxide.

7 We have fully researched and  
8 characterized the subsurface and determined it is  
9 suitable for safe, secure and permanent see CO2 storage.  
10 This project will meet or exceed all regulatory  
11 requirements as reflected in the extensive documentation  
12 provided in our permit application.

13 In addition, our work desi- -- designed  
14 the project to meet the most rigorous standards. We  
15 have engaged with the community since November 2020, 18  
16 months before we submitted our permit applications in  
17 May 2022. As a result we have had in-person engagements  
18 with more than 1,000 stakeholders. This includes a  
19 fireside chat with Oxy's CEO, Vicki Hollub, to discuss  
20 our project with over 450 female business professionals  
21 at the SheCan Women's Conference in March 2024 held in  
22 Odessa, Texas.

23 Other engagements include public  
24 community meetings, informational presentations, in- --  
25 informational booths, career fairs, small groups and

1 one-on-one meetings. We have also hosted four public  
2 community meetings in Odessa and participated in EPA's  
3 July workshop. Each of these events provided  
4 stakeholders additional opportunities to ask questions  
5 directly to our technical expertise and stakeholder  
6 engagement team, express concerns, learn more about our  
7 project and have their questions addressed in meaningful  
8 engagement.

9           The meetings were advertised public  
10 meetings in the local newspaper and printed information  
11 sent to property owners adjacent to our project sites.  
12 Project materials were provided in both English and  
13 Spanish with bilingual subject matter experts available  
14 at all meetings.

15           Oxy has been committed to and present in  
16 the Permian Basin community for decades and look forward  
17 to many more years of collaboration. For this project  
18 we have actively sought and encouraged public feedback  
19 through the permitting process to ensure our engagement  
20 is meaningful and effective. Information is accessible  
21 and two-way engagement occurs. Oxy and its  
22 (indiscernible) relation team will continue to be a  
23 resource to community members throughout the deployment  
24 and operations.

25           We are aware of comments requesting an

1 extension of the comment period. We think that is a  
2 reasonable request that will help ensure the interested  
3 stakeholder is provided the opportunity to review EPA's  
4 proposed injection well permits. We have supported  
5 EPA's extension of comment period to November 6th.

6 In closing, I urge the EPA to use its  
7 authority under the Safe Water Drinking Act and UIC  
8 program regulations to issue three underground injection  
9 control Class VI injection well permits to Oxy Low  
10 Carbon Ventures for its Brown Pelican Sequestration  
11 Project.

12 Thank you.

13 MR. RUCKI: Thank you.

14 Gene Collins.

15 MR. GENE COLLINS: Good morning. My name  
16 is Gene Collins. I'm a resident of Odessa, Texas, for  
17 over 73 years. I got started in environmental justice  
18 as a student at Baylor University working for the Brazos  
19 River Authority a long time ago back in the early '70s.

20 I've been concerned about the environment  
21 nearly all of my life. I've been involved in some of  
22 the environmental projects, remediation projects here in  
23 west Texas. I head the NAACP environmental justice  
24 committee. In fact Vivian Malone -- the late Vivian  
25 Malone from Region 6 was a colleague of mine back in the

1 early days when we were doing environmental justice  
2 around the country. I'm also on the national board of  
3 EarthWorks housed in Washington, D.C. So I've been at  
4 this for quite a while.

5 I served on the ODC, as the councilman  
6 man said, a few years ago and we were looking at ways to  
7 recapture carbon. We had one company there -- I don't  
8 want to give their name -- but they were gonna get the  
9 carbon and make a clean burning gasoline out of it  
10 without sulphur, which was appealing to me and --  
11 because it did not involve digging and disturbing our  
12 substructure, which I am really concerned about. Our  
13 seismic activity has risen out in this area to  
14 astronomical levels. We had an earthquake just a couple  
15 weeks ago that registered 5.5 on the Richter scale and  
16 it went from Snyder all the way to Austin, Texas. So  
17 the -- the old theory of excavating is not holding true  
18 in our strata.

19 I live where the -- my -- I use well  
20 water and my water comes from the Ogallala Aquifer. And  
21 I'm concerned about the aquifer. We had a situation  
22 just north of us in Monahans where we are storing  
23 nuclear waste and they said there is no problem with it.  
24 It is now leaking. So I'm really concerned. It's not  
25 that I'm opposed to the recapture of carbons. I'm

1 concerned about the -- the fact that we're so certain  
2 that going into the stratosphere that it will not be  
3 harmful. We already have a very delicate layer out here  
4 that we're not really comfortable with because we said  
5 that the previous activities of drilling and  
6 sequestering would not disturb it. But we're seeing  
7 this not holding true.

8           So I think EPA needs to do more study and  
9 look at other ways to use the gas that's captured.

10           That clean burning fuel peaked my  
11 interest so I really supported that while I was on -- on  
12 the ODC. And quite frankly, someone mentioned the  
13 number of meetings they've already had. I was not aware  
14 of any of them. I think one of the problems we have in  
15 west Texas that the -- especially the African American  
16 community's not included in these discussions. We have  
17 experienced with Dynogen and with Huntsman a lot of  
18 activity in the past that we had to -- to sue. We won  
19 all of the suits because of the air that's coming out  
20 into our community. They're located in our community.  
21 We had no say about it.

22           So I -- I think we need to be very  
23 diligent in making sure that all aspects of the  
24 community are included when we put these projects  
25 together. You know, I -- I applaud Occidental for their

1 community service and their community interest and their  
2 building and all, but we're still being ignored as a  
3 community and that still bothers me. With all of the  
4 activity that I've done, I was not notified of any  
5 meetings. And as I said, I go back to the late Vivian  
6 Malone, who was over the Region 6 EPA.

7 So I think we need to be more  
8 transparent. I'm really concerned, though, with the  
9 increased seismic activity that we have here. I think  
10 there are better ways to recirculate the recaptured gas  
11 and maybe a clean fuel. Like I think there's a plant  
12 in -- in Iraq that's doing that. And maybe we can find  
13 a better usage of that -- of that recaptured gas.

14 Thanks so much. And I look forward to  
15 working from you -- for you and hearing from you.  
16 Thanks.

17 MR. RUCKI: Thank you.

18 Maria Reyes.

19 MS. MARIA REYES: My name is Maria Reyes.  
20 I'm the deputy director of Commission Shift. Commission  
21 Shift is a statewide nonprofit that is aiming at making  
22 gas and oil development better through public  
23 engagement. And we are trying to make sure that the  
24 Railroad Commission is accountable to its mission. We  
25 are based in Laredo, but we have personnel in public



1 engagement in all of the state of Texas. So I'm  
2 speaking on behalf of Texans today.

3 One of the things that I want to talk  
4 about is that we are looking at these permits as a  
5 blueprint of what is probably going to take place if you  
6 do grant primacy to the state of Texas. And so we are  
7 trying to pay close attention primarily to what we mean  
8 by public engagement, especially because meaningful  
9 public engagement is not something that is practiced by  
10 the Railroad Commission.

11 It is of importance that certain  
12 standards are set with these permits that will create  
13 the steps the Railroad Commission should be considers --  
14 considering if primacy is granted. One important step  
15 that has been highlighted under the leadership of the  
16 EPA is, of course, public engagement. I mean the  
17 director has been visiting areas, that was so  
18 impressive, and trying to actually listen to the  
19 communities and the communities of color in order to  
20 understand how oil and gas development is impacting  
21 their communities. And we have been so impressed by  
22 that.

23 On the meeting of October 2nd, the EPA  
24 informed -- yesterday, right -- some of the public that  
25 was attending of how the class permit works, the process

1 that is going to take place. But what continues to be  
2 missing is actually the social cost that may take place  
3 if things fail. So yesterday in your meeting you very  
4 much talked about emergency response, but did not bring  
5 examples of failures that have taken place and how that  
6 burden falls into the citizens. And so it would be of  
7 the most importance to actually highlight those social  
8 costs that could take place.

9 One of those, of course, was the -- what  
10 lessons did we learn from the 2020 Denbury Gulf Coast  
11 pipeline incident in Mississippi? Did that result in  
12 any changes? And how those changes can inform the  
13 public that is actually present in those communities to  
14 either support or not support.

15 And why am I saying this? Because, for  
16 example, the Railroad Commission just in the five -- in  
17 the last five months, this year, they have reported  
18 4,671 violations having to do with pipeline safety.  
19 Notice, location, avoidance of damage, improper marking,  
20 these are directly going to affect CO2 pipe.

21 The second issue that we want to  
22 highlight today is that this industry has already failed  
23 in Texas. Natasha White, Akshat Rathi and Kevin Crowley  
24 wrote an excellent article on October 30th, 2023 -- so a  
25 year ago -- where they explicitly noticed this failure

1 and more importantly they highlighted how the marriage  
2 between oil and gas and carbon capture diminishes the  
3 potential of environmental ef- -- you know,  
4 environmental effective work of the sequestration of  
5 CO2.

6                   Why does it fail to do that? Because in  
7 the state of the Texas we have married technology that  
8 could be very much effective in saving our natural  
9 resources and allowing for sus- -- long-term  
10 sustainability with profit. And there is this  
11 individualistic point of view of ownership. If any of  
12 you attend -- by "you," I mean you guys and you guys --  
13 attend landowners' conferences, you are going to note  
14 that these whole CO2 sequestration was has been rent the  
15 whole space and you are going to make money. And so we  
16 really need to be careful about this marriage because  
17 the economic gain can actually diminish the  
18 environmental effectiveness.

19                   The other big issue that I would like to  
20 talk about is unplugged wells. In the last regulatory  
21 conferences of the ROC, there was a presentation by  
22 Jeremy Porter and Gene Moore. They categorically  
23 acknowledged that injection unplugged wells are directly  
24 correlate -- cor- -- correlated with seismic activity,  
25 especially in this area. This means that anything we

1 inject in the ground actually affects the pressure.

2           There was an article yesterday about a  
3 gusher. When I -- I don't know if any of you read it,  
4 but a gusher just went out yesterday having to do with  
5 this -- with this issue. Local landowners and well  
6 control experts believe that leaks from unplugged wells  
7 and geysers like well blowouts occurring throughout  
8 Texas are related to underground injection. These  
9 incidents and studies are documented in a petition that  
10 Commission Shift said to the EPA on my -- March 1st,  
11 2024, but this continues happening even beyond  
12 March 21st.

13           Underground injection in Texas is  
14 presenting imminent risk to underground sources of  
15 drinking water, risks that we are not accounting for.  
16 Impor- -- importantly the proposed injection formation,  
17 the San Andres, is the same formation that has  
18 demonstrated problems in nearby counties. The EPA  
19 should pause and reconsider these permits.

20           In addition I would like to also mention  
21 that yesterday I tried to ask questions having to do  
22 with the comprehensive understanding that the -- the EPA  
23 has across different class of wells, Class II, Class VI,  
24 Class -- is somebody looking comprehensively at the  
25 issues that one class of wells has and how that affects

1 the other wells? Because it is very much important that  
2 we start looking at Texas and what the future looks  
3 like, not only to our land but our natural resources.

4 Thank you.

5 MR. RUCKI: Thank you.

6 Hollie Lamb.

7 Sorry. Yes, ma'am, you can come to the  
8 microphone.

9 MS. HOLLIE LAMB: Sure.

10 MR. RUCKI: Thank you.

11 I was just given a reminder if -- if you  
12 are making comments, if you could try to speak a little  
13 slower. I know it's -- we all default to our own speed,  
14 but it's -- it's getting a little difficult for the  
15 Spanish interpreter to do her -- do their part.

16 MS. HOLLIE LAMB: Sure.

17 MR. RUCKI: Thank you.

18 Hollie Lamb?

19 MS. HOLLIE LAMB: Yes.

20 MR. RUCKI: Yes.

21 MS. HOLLIE LAMB: Hollie Lamb, L-A-M-B.

22 My name's Hollie Lamb. I am vice  
23 president at Ring Energy. Ring Energy is an independent  
24 oil and gas company focused on acquisition, exploration,  
25 development of high quality oil and liquid bridge assets

1 in the Permian Basin and west Texas. We currently own  
2 and operate wells in Ector County near the location of  
3 the proposed Oxy Low Carbon Venture, LLC, Brown Pelican  
4 Class VI permit. Thank you for taking the time to  
5 receive our public comment on these injection well  
6 applications.

7 We became aware of Oxy's injection well  
8 applications approx- -- earlier this year. I understand  
9 there are three draft permits for Oxy's injection wells.  
10 They were first posted on the EPA's repository website  
11 on September 2nd, 2024. Each draft permit is more than  
12 200 pages long and contains a great amount of  
13 technical-related information, including well design,  
14 operating requirements, corrective actions and details  
15 of the overall Oxy carbon sequestration project. It is  
16 apparent that on September 26th an updated or a revised  
17 draft permit were uploaded for each of these three  
18 proposed injection wells. To my knowledge these are the  
19 first Class VI injection well permits for -- for  
20 permanent carbon sequestration projects considered by  
21 the EPA in Texas.

22 Let me also comment on the extensive  
23 redactions in the permit application documentation.  
24 Virtually all of the application's subcategories posted  
25 to the EPA data repository con- -- contains large

1 portions that are completely blacked out or redacted.  
2 For example, the well construction detail dated  
3 7/3/24 -- 7/30/24 contains a large part which is totally  
4 redacted including all material information on the  
5 proposed completion procedure for the injection well.

6 Likewise the critical area of review  
7 corrective action plans dated 7/30/24 contain large  
8 redactions including figures related to the modeling  
9 permeability porosity underground injection zone  
10 including the target injection zone, the San Andres.

11 In light of this extensive information,  
12 including the new draft permit on September 26th and the  
13 current comment period prior to your announcement of  
14 October 7th, it is much too short to allow a measured  
15 and considered evaluation of this complex project. I  
16 understand that the other commenters have requested a  
17 90-day extension for -- of comment period, and Ring  
18 would likewise ask for an extension to allow a more  
19 thorough review of the material and to provide a more  
20 thoughtful substantive comment on this draft permit.

21 Thank you again for accepting these  
22 comments. And thank you for taking the time to hold  
23 this public meeting for Oxy's draft permits. Let me  
24 know if you have any questions.

25 MR. RUCKI: Thank you.

1 Raymond Straub.

2 Raymond.

3 MR. RAYMOND STRAUB: Yes.

4 Good morning.

5 MR. RUCKI: Good morning.

6 MR. RAYMOND STRAUB: My name is Raymond  
7 Straub. I am professional geoscientist and  
8 hydrogeologist from Straub Corporation. I appreciate  
9 y'all allowing us the opportunity to come and speak  
10 today. I'm a fourth generation west Texan, and my  
11 family has been in west Texas for over 100 years. Thank  
12 you for the opportunity to provide input and comment on  
13 the Oxy Low Carbon Ventures, LLC, Brown Pelican project.

14 As -- as you know, this project --  
15 projects like these have been under consideration and  
16 development for many years in the west Texas area. Many  
17 hours of research have been spent in the development of  
18 these projects. The Straub Corporation, at the request  
19 of Antina North Sisters property, was asked to provide  
20 technical comments for this project. Straub Corporation  
21 had only a limited amount of time to review and make  
22 substansive [sic] recommendations for this project. We  
23 only just received project specific information from a  
24 request for information from the Railroad Commission of  
25 Texas yesterday. However, a full review of this project



1 could take months, if not years, which is well beyond  
2 the scope of intent for the request that Antina made.

3           In lieu of a full review and discussion  
4 of the merits, rationale and construction of this  
5 particular project, Straub Corporation chose to consider  
6 a moderately overlooked and potentially vulnerable  
7 component of the project. The old dry hole oil wells  
8 that lie within the boundary -- the proposed boundary of  
9 the carbon sequestration area, as well as those that lie  
10 just outside of the proposed model area of potential  
11 influence.

12           Much consideration and design has gone  
13 into the development of the Brown Pelican project. Many  
14 hours of research and development has been spent in the  
15 consideration of the design, life cycle and end of life  
16 of the carbon disposal wells. Monitoring systems have  
17 been included to monitor plumes and pressures for  
18 monitoring have been considered, as well as final  
19 plugging plan of operations for the injection of wells  
20 for the closure and repository of sequestered carbon.

21           In our opinion one of the least discussed  
22 and potentially overlooked areas in this project are the  
23 old dry oil wells that reside within and near the  
24 proposed carbon capture areas.

25           A limited amount of information was

1 included in the permit application and provided in  
2 association with the old dry oil wells within the  
3 potential area of influence, as well as no viewable  
4 methodology or plan of operation for plugging of these  
5 wells. Most of that was redacted. The only viewable  
6 information for these operations is the proposed  
7 plugging diagram, which only show a few limited balance  
8 plugs and no mechanical integrity testing, no pressure  
9 testing or physical measurement requirements. In other  
10 words, no succinct matrix for the confirmation of  
11 properly plugged wells.

12           Additionally, the project details do not  
13 appear to allow for discrepancies in the modeled area of  
14 confinement. Potentially the area of confinement should  
15 include a buffer zone around the model area to allow for  
16 preferential migration of injected material. With the  
17 buffer zone in mind, the additional nearby dry oil wells  
18 should be included in the corrective action mitigation  
19 plan, as well -- as well as they need to be plugged  
20 prior to operation.

21           One of the highest potential risks for  
22 project failure is the loss of containment or zonal  
23 isolation caused by mechanical failure of the cement  
24 plugs and the potential vertical or horizontal migration  
25 of carbon dioxide or CO2 to other zones, formations,

1 aquifers or to subsurface or surface through a failed  
2 (indiscernible). If a historic wellbore fails once  
3 injection begins, the difficulties of plugging can be  
4 exponentially more complex and difficult.

5 The historic wellbore should be evaluated  
6 to at least the same standards as the injection wells,  
7 if not more, due to the vulnerability of the project if  
8 failure occurs.

9 The failure to properly study, design,  
10 and plug these historic wells and to substantially  
11 evaluate and confirm wellbore integrity against  
12 degradation could lead to a potential loss of  
13 containment of the sequestered CO2 and a catastrophic  
14 failure of the project overall, not to mention the  
15 subsequent potential damage to offset properties.

16 And thank you so much.

17 MR. RUCKI: Thank you.

18 Sarah Stogner? Sara?

19 Hawk Dunlap?

20 MS. SARAH STOGNER: No, I'm coming,  
21 sorry.

22 MR. RUCKI: Oh, you -- oh, I'm sorry.

23 MS. SARAH STOGNER: My name is Sarah  
24 Stogner. I am an oil and gas attorney. I'm a Ward  
25 County resident and I'm here today on behalf of the

1 Antina North Sisters Ranch, which is the land between  
2 this project and I-20 on the Interstate.

3 In my lifetime I have personally  
4 witnessed and litigated two carbon dioxide blowouts over  
5 the past 11 years and I have witnessed the devastation  
6 that it can cause. I'm curious why we're even having a  
7 hearing today because according to the records I've  
8 received from the Railroad Commission in response to my  
9 public records request, as of September 21st, 2024,  
10 Occidental had already started drilling these wells,  
11 except they're calling them "core test wells" so that  
12 they fall within the Railroad Commission's jurisdiction.

13 So right now citizens have petitioned the  
14 EPA to request that the EPA inspect and determine  
15 whether or not the Railroad Commission is doing what  
16 it's supposed to do in administering its Class II  
17 injection wells. And yet we haven't even given them  
18 Class VI yet and everyone's pretending like this is just  
19 a given and everything's going to be permitted. So,  
20 yes, maybe additional time would be helpful.

21 Unfortunately if we give additional time,  
22 by the end of November, they're gonna be done drilling  
23 these wells and it'll all be a moot point because then  
24 all of this money will have been spent and everyone's  
25 gonna say, "Well, the money's already been spent so we

1 might as well let them do it."

2 (A discussion was had off the  
3 stenographic record.)

4 MS. SARAH STOGNER: So these wells may be  
5 inevitable, but I'm here to document on the record for  
6 the future when Antina has contamination in their  
7 groundwater or their subsurface.

8 It appears we're gonna have to install  
9 our own monitoring wells because just a couple of weeks  
10 ago in Illinois a sequestration monitoring well failed.  
11 After six months of not recording data, the EPA  
12 determined and there's been a notice of violation and  
13 now there's a proposed consent decree on what's going to  
14 be needed to repair the alpha zone CO2 in a well that  
15 was drilled and completed as a monitoring well and still  
16 corroded and still has leaking CO2 migrating just a few  
17 years after its initial construction.

18 If the wells are constructed as designed,  
19 then there shouldn't be any problems, but mistakes  
20 happen. Drilling conditions may be different once they  
21 get down there. They may not get a good cement job, for  
22 example. Carbonic acid is very real. Carbon dioxide  
23 and water in the San Andres, which the San Andres, by  
24 the way, is same formation that's actively flowing the  
25 surface in Pecos County in 30 different wells that are

1       contaminating our surface in Pecos County.

2                       How do we know that the CO2 is going to  
3       stay in zone? Once it's out of zone and determined to  
4       be out of zone by the monitoring wells, it's too late.

5                       So we see that in Illinois Archer Daniels  
6       Midland, their monitoring well failed. It wasn't  
7       self-reported. The CO2 has been confirmed to be out of  
8       the injection zone. And it -- once it's out, it's too  
9       late. We cannot put the genie back in the bottle.

10                      Here there's allegedly three wells that  
11       are indisputably in both the pressure and the plume  
12       zone. The first one is Edson E-1, API number 135-31130.  
13       Second one is Edson Scarborough number 1, API 135-06139.  
14       And the third is the Scarborough Edson number 1, API  
15       135-10667.

16                      Edson E-1 with API end- -- ending in  
17       31130 was a 1973 Wildcat drilled by Phillips and plugged  
18       thereafter. Its total depth is 8,490 feet. It had  
19       eight-and-five-eighths inch surface casing set to 3,748  
20       feet, four-and-a-half inch production casing set to  
21       8,408, but it was cut and 6,920 feet removed. It now  
22       has open hole from 3,475 to 7,000 feet. How could they  
23       have circulated cement on the surface casing while  
24       drilling a 3,748 feet worth of surface casing? How are  
25       we ever gonna know if there's good cement on the

1 backside?

2                   It's got anhydrate and salt, according to  
3 the drilling records, from the surface to 3,980 feet per  
4 the W-3. They used Diaseal and Flowseal for lost  
5 circulation material when they were drilling and  
6 completing the well and placing the surface casing.  
7 They didn't circulate it to surface so we don't know  
8 where cement is on that annulus.

9                   In this same area is the Salotto salt  
10 formation. We've got anhydrate, salt, clay, not very  
11 much shale or anything good to actually get a good  
12 cement bond across.

13                   On the second well, the Scarborough Edson  
14 number 1 ending in 6139 API number is a 1958 dry hole  
15 drilled by JC Barnes to a total depth of 6,507 feet. It  
16 has surface casing set to 226 feet and the remaining is  
17 open hole. They plugged it with 15 sacks of cement at  
18 5,100 and 1,100 feet and ten sacks of cement at 225 in  
19 the surface. Red beds, anhydrate, gypsum and salt to  
20 4,153 feet and a 1958 water board letter is in the  
21 available re- -- Railroad Commission records, which by  
22 the way I asked for. They are not available online on  
23 the Railroad Commission's website. I had to pay a  
24 private researcher yesterday to go and pull those  
25 records for me.

1           The water board letter says that there's  
2 usable water in the Santa Rosa formation, which is same  
3 formation that local residents in west Odessa, which is  
4 one of the poorest areas of town, use with well water.

5           The third well, the Scarborough Edson  
6 number 1 ending in API number 10667 is a dry hole  
7 drilled with rotary tools in 1965. It was plugged  
8 allegedly to its total depth of 8,405 feet. Surface  
9 casing is set to 1,165 feet. And when they plugged it,  
10 they had 35 sacks of class A from 7,979 to 7,870 and  
11 another 35 sacks of class A from 1,215 to 1,115, and  
12 then for good measure they threw 10 sacks at the  
13 surface. You've got red beds, Rustler, anhydrate,  
14 Salado, Tansill, Yates. And the San Andres from 4,063  
15 to 5,202 in that well.

16           These are just the three wells that are  
17 anticipated to be in the pressure and plume. What if  
18 the model is wrong? How many other wells out there that  
19 might provide conduits? What about wells that were  
20 drilled before 194- -- in the 1940s where they might  
21 have cut and pulled the steel casing for the war effort  
22 and therefore the aerial magnetometer that Oxy's used  
23 wouldn't ever discover those?

24           Reducing CO2 in the atmosphere is not  
25 worth the known risks of carbonic acid to cement in



1 steel and the dangers to our groundwater and the  
2 surface.

3           Just yesterday I was called out to an  
4 incident in Toyah. There's a geyser that's shooting 150  
5 feet into the air right now. According to this, this is  
6 a dry hole, it has 7,000 feet of open hole, and it's a  
7 preview of what one of these dry holes can look like if  
8 we don't properly plug these. All of the information  
9 has been redacted about how they actually plan to plug  
10 it. I've asked the Railroad Commission. They claim  
11 that they've received no W-3a's. And it's my  
12 understanding that the Railroad Commission's been in  
13 private talks with Occidental about the Railroad  
14 Commission actually hiring the contractors to go back  
15 and replug these wells because Occidental doesn't want  
16 the statutory responsibility under our Natural Resources  
17 Code because once they file a W-3a, they become the  
18 operator of record of those old plugged wells and they  
19 are responsible in perpetuity for making sure that they  
20 stay plugged.

21           So not -- a separate issue that I'll have  
22 to take up with Railroad Commission if and when that  
23 happens, but I just want to make it clear that on the  
24 record I think it's a farce that this hearing -- it's --  
25 it's already happened, these wells are already being

1 drilled, and the EPA's not out there right now looking  
2 at it. They're trusting that the Railroad Commission's  
3 actually on the ground. And I've personally witnessed  
4 the Railroad Commission on the ground. They don't weigh  
5 cement. They don't understand what's happening. They  
6 may not be checking to make sure that the -- the casing  
7 is the right casing. And from some of the documents  
8 I've seen, they're not gonna require the special casing  
9 throughout the entire wellbores, they're only gonna  
10 require it where -- through the injection zone.

11 So in conclusion I think that the risks  
12 far outweigh any potential benefits and respectfully  
13 request that these permits be declined.

14 Thank you.

15 MR. RUCKI: Thank you.

16 Hawk Dunlap.

17 MR. HAWK DUNLAP: My name's Hawk Dunlap,  
18 H-A-W-K, D-U-N-L-A-P. I'm a sixth generation Texan,  
19 fourth generation oil and gas, 34 years' experience.  
20 I've worked and traveled in over 100 countries around  
21 the world.

22 I came back to the Permian Basin by  
23 happenstance. I started excavating plugged wells in  
24 September of '22. Since that time I have excavated  
25 nearly 150 wells across west Texas. Over 90 percent of

1 them are leaking. And these are wells that were plugged  
2 '60s, '70s, '80s and even up to 20- -- 2010, 2021. I've  
3 seen the buffoonery that happens at the Railroad  
4 Commission. I'm not impressed with their competence and  
5 the fact that EPA is relying on the Railroad Commission  
6 to work with them and trying to grant primacy to the  
7 Railroad Commission for these Class VI wells. I would  
8 not -- as the agency is right now today, I would not  
9 grant them primacy over a can of Vienna sausages. And I  
10 mean that with all my heart. I've seen them work. I've  
11 seen their failures. I've posted their failures.

12 In fact yesterday I was called out as  
13 well to Toyah. This was a well that was drilled in  
14 1961, it's a dry hole. It is putting out over 250 parts  
15 per million H2S. I masked up. I went in and identified  
16 the well. I identified the surface equipment. And it's  
17 still blowing today. It's over 100 feet up in the air.  
18 It's making oil, it's making produced water and it's  
19 making my hydrogen sulfide gas. It's also making  
20 methane.

21 Texas cannot keep the water in the  
22 ground. Texas cannot keep the ground from shaking. Yet  
23 we're gonna give the Railroad Commission another hazard  
24 to have to deal with or not deal with or turn a blind  
25 eye to.

1 I've worked on high pressure wells from  
2 enhanced oil recovery, CO2. I've seen embrittled pipe.  
3 I've closed slips on pipe working on a snubbing unit.  
4 That's about as close as I ever thought I was gonna come  
5 to dying working on these things.

6 Self-reporting. I like that you're gonna  
7 allow these operators to self-report. Self-report only  
8 works on the golf course and that depends on who you're  
9 playing with. The fact that you do not have direct  
10 oversight, nobody's gonna have direct oversight, if  
11 they're drilling these wells right now, why is not one  
12 of you on location verifying that they are following the  
13 procedures that you're actually doing?

14 This is a silly mess to have to deal  
15 with. It's gonna result in some catastrophic failures.  
16 It's a taxpayer-funded scam and the taxpayers are gonna  
17 end up having to clean up for it.

18 MR. RUCKI: Thank you.

19 Libby Stevens.

20 Hi.

21 MS. LIBBY STEVENS: Hi. My name is Libby  
22 Stevens. I'm the CEO of the West Texas Food Bank and  
23 1Point5 and Oxy asked me to come back say hello.

24 There is a fly. Do you see that? He's  
25 like buzzing.

1 I don't really know about what you guys  
2 are talking about, plugging wells and things like that.  
3 I oversee the West Texas Food Bank. We serve 19  
4 counties equivalent to 34,000 square miles of west  
5 Texas. This past year we distributed over 14 million  
6 pounds of food to those 19 counties. I -- what I can  
7 say that is 1Point5 and Oxy have been very supportive of  
8 the West Texas Food Bank and I -- work that -- that we  
9 do. They su- -- you know, supply close to over \$200,000  
10 in funding for us to keep our trucks on the road, for us  
11 to be able to deliver food to our rural partners and the  
12 communities that are need. And any time that we've had  
13 a problem with something, we've gone to them and said,  
14 "We need help," and they have definitely given us  
15 support to make sure that we can do our job and more  
16 effectively and efficiently to meet those in need in our  
17 community. So I say that they're open and they listen  
18 and they're very supportive and they are great  
19 stakeholders right here in west Texas for us, for our  
20 community and so I think that's important to know.

21 We are looking forward to something like  
22 Stratos coming to -- to have that support in those  
23 communities, to create jobs out there, to help us  
24 create, you know, automation and those kinds of training  
25 for kids that may not want to go to college but may want

1 to go to junior college, we feel like it's going to help  
2 get people out of our lines -- this fly is totally  
3 attacking me and I'm sorry.

4 But so I just wanted to -- to come today  
5 and -- and say they are good partners to us and they are  
6 helping the economy and they are definitely helping us  
7 get kids and families out of our lines in our nonprofit  
8 community that desperately needs support right now  
9 because we are all stressed because we have more and  
10 more people who are needing resources, not just at the  
11 West Texas Food Bank but all of our nonprofits  
12 throughout the community.

13 Thank you.

14 MR. RUCKI: Thank you.

15 It looks like we have no one else  
16 preregistered or -- or registered to speak. If anyone  
17 would like to speak that hasn't registered yet,  
18 you're -- you're welcome to do that now. Or if you have  
19 spoken and you -- you need to supplement some of what  
20 you've said, you're certainly allowed to speak again.

21 All right. Well, we -- we go until about  
22 two o'clock so if anyone changes your mind or if anyone  
23 shows up in that time period, please let us know.

24 UNIDENTIFIED SPEAKER: Is this available  
25 online to watch as well?

1 MR. RUCKI: It's live streaming, yes.

2 UNIDENTIFIED SPEAKER: I think they have  
3 information at the desk on that, yes.

4 UNIDENTIFIED SPEAKER: Okay.

5 (Recessed at 11:54 a.m.)

6 MR. RUCKI: Hi, everyone. It's one  
7 minute until two o'clock. Is there anyone -- looks like  
8 no -- but is there anyone else that would like to speak  
9 or make any more comments?

10 Well, thank you everyone for coming  
11 today. We also have this happening at six o'clock.  
12 You're welcome to come then as well, but it is two  
13 o'clock Central Standard Time, Thursday, October 3rd.  
14 And this portion of the hearing is now closed.

15 Thank you.

16 (Concluded at 2:00 p.m.)

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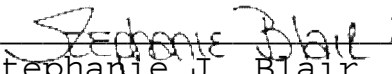
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CERTIFICATE.

I, Stephanie J. Blair, a Certified Shorthand Reporter in and for the State of Texas, do hereby certify that this transcript is a true record of the said proceedings, and that said transcription is done to the best of my ability.

Given under my hand and seal of office on this 16th day of October, 2024.

  
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