

RESERVE PIT CONTAMINATION COSTS OPERATOR 50 YEARS LATER

THE CHALLENGE

An operator in the south-central region of the United States drilled several oil and gas wells between 1935 and 1966. The wells produced brine with a chloride concentration of 217,000 parts per million, which was disposed of by the operator in reserve pits near the drill site.

More than 50 years later, the operator was sued by a small community that now occupies the area in which the wells and reserve pits once sat. The lawsuit claimed the operator allowed saltwater, brine, and other substances from the oil field to flow into the land and groundwater beneath the future neighborhood site. The contamination resulted in drinking water containing more chloride than the maximum amount recommended by EPA standards, and soil pollution that prohibited the growth of trees, flowers, or other landscaping.

Three years after the lawsuit was filed, the District Court granted summary judgement in favor of the homeowners. Although the operator did not admit liability or responsibility, they did reach a confidential settlement with residents of more than 30 homes.

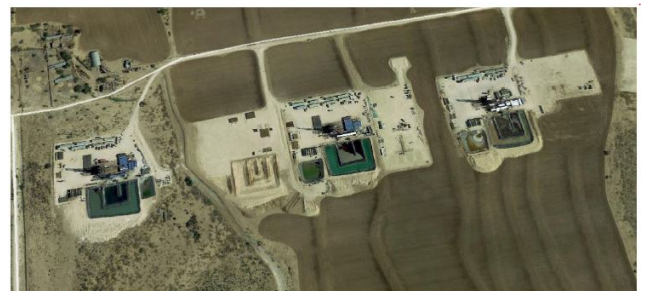
LESSONS LEARNED

As evidenced by the community lawsuit and subsequent settlement, an operator forever legally owns the energy waste they leave behind; and they are liable for any future damages it may cause. However, partnering with an offsite energy waste disposal company like Milestone greatly reduces that liability.

When an operator disposes of energy waste streams offsite through a professional provider, the risks associated with traditional reserve pits and landfarming—such as ground, water, and air contamination—are transferred to the disposal company. At Milestone, the waste fluids are injected into proprietary slurry injection wells and locked away deep underground in impermeable geologic formations, thousands of feet below the water table.

Milestone's E&P landfills are heavily regulated and expertly engineered to be a failsafe way of securing energy waste solids. Both methods offer a secure solution without danger of leaks into surrounding soil and groundwater.

Milestone's energy waste sequestration solutions not only minimize operator risks and the open-ended financial liabilities associated with contamination; they permanently sequester carbon that would otherwise emit to the atmosphere. Milestone's solutions are good for the environment, good for our communities, and good for business.



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Onsite Reserve Pits with Potential for Long Term Liability