

## **BILL ANALYSIS**

C.S.H.B. 3838  
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Energy Resources  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Currently, there is a lack of clarity in statutes regarding jurisdiction over components necessary for the development of applications for in situ uranium recovery permits (area permits); this lack of clarity has not previously been addressed since the uranium industry has been largely dormant for the past 10 years due to extremely low market prices for the product. In addition, the focus of Chapter 27 of the Water Code has traditionally been almost exclusively on the use of injection wells for waste disposal rather than for mineral recovery.

This bill is designed to expand the Texas Commission on Environmental Quality's (commission) jurisdiction to cover wells used in the development of information that the commission requires for area permit applications. This expansion is necessary since the information is required by the commission, and it is logical since these wells are built to the commission's Class III standards and eventually become part of the operation that is authorized by the area permit issued by the commission. In addition, during the required pre-application meeting, the commission determines the number and spacing of these wells. In recognition of the development and work of local groundwater conservation districts, this bill also provides for the sharing of geologic, hydrologic, and water quality information. Finally, the bill clarifies that the scope of Chapter 27 is not limited to waste disposal issues.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

This bill makes the correction, where appropriate, to recognize the name change in the Texas Commission on Environmental Quality which was formerly known as the Texas Natural Resource Conservation Commission, and clarifies that "commission" does mean the Texas Commission on Environmental Quality.

This bill defines the following terms; Production well, Monitoring well, Area permit.

This bill clarifies that the Texas Commission on Environmental Quality (commission) has exclusive jurisdiction over and shall regulate wells used during the development of permit applications to obtain required premining geologic, hydrologic, and water quality information. This bill further states what a commission shall require of a well, and sets out parameters dealing with area permits.

This bill sets the parameters for the sharing of geologic hydrologic and water quality data, including when and what information shall be provided.

Where appropriate throughout the bill, monitoring well and production well is added to clarify that the scope of Chapter 27 of the Water Code, includes these types of wells.

### **EFFECTIVE DATE**

September 1, 2007.

## **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The substitute changes the caption of the bill by changing the word mining to the word recovery.

The substitute adds the following language to the definition of production well, "The term does not include a well used to inject waste." The substitute changes the definition of the term monitoring well by replacing the word content with the phrase "the level, quality" and by replacing the word fluids with the word water.

In the section dealing with "Jurisdiction Over In Situ Uranium Application Development and Operations," the substitute adds geologic and hydrologic to the types of information which may be obtained through permit. The substitute also removed language from the original which dealt with construction and spacing requirements for certain wells. The substitute removes the words by rule from the requirement that a well be registered with the commission.

The substitute removes the following sections of the original bill and renumbers the bill appropriately; Sections 3, 4, 5, & 6.

The substitute clarifies that the sharing of geologic, hydrologic, and water quality data should occur "after" a person developing an application for an area permit "for an area located in a groundwater conservation district has identified a permit boundary." The substitute further clarifies that persons are only required to provide information regarding wells "encountered by that person during the development of the area permit application" and that the map showing the locations of wells are only for wells that are "located within one-quarter mile of the location for the proposed permit." The substitute adds that a person must provide "on a monthly basis the amount of water produced from the wells described." The substitute states that "A person may take not more than 90 days after the person receives the final information to perform standard quality control and quality assurance procedures before the person submits the information to the groundwater conservation district." The original stated that "A person may compile and analyze information described for a reasonable time before the person submits the information to the groundwater conservation district."

The substitute adds the term "monitoring well" to the list of wells in the following sections of the substitute; Sections 3, 4, 5, 6, & 7.