

**House Bill 3837**  
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SECTION 1. Sections 131.001, 131.002, and 131.003, Natural Resources Code, are amended to read as follows:  
Sec. 131.001. SHORT TITLE. This chapter may be cited as the Texas Uranium Exploration, Surface Mining, and Reclamation Act.

Sec. 131.002. DECLARATION OF POLICY. The legislature finds and declares that:

(1) the extraction of minerals by surface mining operations is a basic and essential activity making an important contribution to the economic well-being of the state and nation;

(2) proper reclamation of land explored for minerals and surface-mined land is necessary to prevent undesirable land and water conditions that would be detrimental to the general welfare, health, safety, and property rights of the citizens of this state;

(3) surface mining takes place in diverse areas where the geologic, topographic, climatic, biological, and social conditions are significantly different and that reclamation operations and the specifications for reclamation operations must vary accordingly;

(4) it is not always possible to explore for or to extract minerals required by our society without disturbing the ~~[surface of the]~~ earth and producing waste materials, and the very character of certain types of surface mining operations occasionally precludes complete restoration of the affected land to its original condition;

(5) unregulated surface mining may destroy or diminish the utility of land for commercial, industrial, residential, recreational, agricultural, and forestry purposes by

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causing erosion and landslides, by contributing to floods, by polluting the water, by destroying fish and wildlife habitats, by impairing natural beauty, by damaging the property of citizens, by creating hazards dangerous to life and property, by degrading the quality of life in local communities, and by counteracting governmental programs and efforts to conserve soil, water, and other natural resources, which results are declared to be inimical to the public interest and destructive to the public health, safety, welfare, and economy of the State of Texas;

(6) due to its unique character or location, some land within the state may be unsuitable for all or certain types of surface mining operations;

(7) reclamation of land explored for minerals and surface-mined land as provided by this chapter will allow the mining of valuable minerals in a manner designed for the protection and subsequent beneficial use of land; and

(8) the requirements of this chapter for reclamation and maintenance of affected land are necessary for the public health and safety and thus constitute a valid application of the police power of this state.

Sec. 131.003. PURPOSES. It is declared to be the purpose of this chapter:

(1) to prevent the adverse effects to society and the environment resulting from unregulated surface mining operations as defined in this chapter;

(2) to assure that the rights of surface landowners and other persons with a legal interest in the land or appurtenances to the land are protected from unregulated

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surface mining operations;

(3) to assure that surface mining operations are not conducted where reclamation as required by this chapter is not possible;

(4) to assure that exploration and surface mining operations are conducted in a manner that will prevent unreasonable degradation of land and water resources; and

(5) to assure that reclamation of all explored land and surface-mined land is accomplished as contemporaneously as practicable with the exploration or surface mining, recognizing that the exploration for and extraction of minerals by responsible [~~mining~~] operations is an essential and beneficial economic activity.

SECTION 2. Section 131.004(10), Natural Resources Code, is amended to read as follows:

(10) "Surface mining permit" or "permit" means the written certification by the commission that the named operator may conduct the surface mining operations described in the certification during the term of the surface mining permit and in the manner established in the certification. These terms do not include:

(A) a discharge permit issued by the commission pursuant to Subchapter H of this chapter; or

(B) an exploration permit issued by the commission pursuant to Subchapter I of this chapter.

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SECTION 3. Sections 131.021, 131.022, 131.034, 131.048, and 131.301, Natural Resources Code, are amended to read as follows:

Sec. 131.021. GENERAL AUTHORITY OF COMMISSION. In seeking to accomplish the purposes of this chapter, the commission shall have the authority:

- (1) to adopt and amend rules pertaining to exploration, surface mining, and reclamation operations consistent with the general intent and purposes of this chapter;
- (2) to issue permits pursuant to the provisions of this chapter;
- (3) to conduct hearings pursuant to the provisions of this chapter;
- (4) to issue orders requiring an operator to take actions that are necessary to comply with this chapter and with rules adopted under this chapter;
- (5) to issue orders modifying previous orders;
- (6) to issue a final order revoking the permit of an operator who has failed to comply with an order of the commission to take action required by this chapter or rules adopted under this chapter;
- (7) to order the immediate cessation of an ongoing exploration or surface mining operation if the commission finds that the operation creates an imminent danger to the health or safety of the public, or is causing or can reasonably be expected to cause significant imminent environmental harm to land, air, or water resources, and to take other action or make changes in a permit that are reasonably necessary to avoid or alleviate these conditions;

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(8) to hire employees, adopt standards for employment of these persons, and hire and authorize the hiring of outside contractors to assist in carrying out the requirements of this chapter;

(9) to enter on and inspect, in person or by its agents, an exploration or a surface mining operation that is subject to the provisions of this chapter to assure compliance with the terms of this chapter;

(10) to conduct, encourage, request, and participate in studies, surveys, investigations, research, experiments, training, and demonstrations by contract, grant, or otherwise;

(11) to prepare reports and to require persons who hold exploration or surface mining permits [~~permittees~~] to prepare reports;

(12) to collect and disseminate to the public information considered reasonable and necessary for the proper enforcement of this chapter;

(13) to accept, receive, and administer grants, gifts, loans, or other funds made available from any source for the purposes of this chapter;

(14) to enter into contracts with state boards and agencies that have pertinent expertise to obtain professional and technical services necessary to carry out the provisions of this chapter; and

(15) to perform other duties and acts required by and provided for in this chapter.

Sec. 131.022. JURISDICTION OF COMMISSION. (a) The commission is the mining and reclamation authority for the State of Texas and has exclusive jurisdiction for

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establishing reclamation requirements for mining and exploration operations in this state, except for in situ recovery processes.

(b) Except as provided by Section 131.354, the commission has exclusive jurisdiction and is solely responsible for the regulation of all exploration activities.

Sec. 131.034. EXPLORATION ACTIVITIES. The commission shall promulgate rules governing uranium exploration activity [~~in the manner provided in Sections 131.026 through 131.031 of this code for the conduct of exploration activities~~].

Sec. 131.048. CONFIDENTIALITY. Information submitted to the commission concerning mineral deposits, including test borings, core samplings, geophysical logs, or trade secrets or privileged commercial or financial information relating to the competitive rights of the applicant for an exploration permit or surface mining permit and specifically identified as confidential by the applicant, if not essential for public review as determined by the commission, shall not be disclosed by any member, agent, or employee of the commission.

Sec. 131.301. DISCHARGE RULES, ORDERS, AND PERMITS. To prevent the pollution of surface and subsurface water in the state, the commission has the exclusive authority to [~~shall~~] adopt rules and may issue orders and permits relating to the discharge or runoff of waste or any other substance or material from any permitted uranium exploration activity. Notwithstanding any provision of any other section of this chapter, a rule

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~~adopted~~, order ~~issued~~, or permit ~~issued~~ [~~issuable~~] by the commission under this subchapter shall be [~~issued~~,] administered[~~;~~] and enforced solely in the manner provided by [~~in~~] this subchapter by the [~~in such~~] rule, order, or permit, or by [~~in~~] Chapter 2001, Government Code.

SECTION 4. Section 131.261(a), Natural Resources Code, is amended to read as follows:

(a) On the basis of any inspection, if the commission or its authorized representative or agent determines that a condition or practice exists or that a permittee is in violation of a requirement of this chapter or a permit condition required by this chapter, and that this condition, practice, or violation also creates an imminent danger to the health or safety of the public or is causing or can reasonably be expected to cause significant imminent harm to land, air, or water resources, a member of the commission shall immediately order a cessation of exploration or surface mining operations on the portion of the area relevant to the condition, practice, or violation.

SECTION 5. Sections 131.262(a) and (b), Natural Resources Code, are amended to read as follows:

(a) On the basis of an inspection, if the commission or its authorized representative or agent determines that a permittee is in violation of a requirement of this chapter

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SECTION 5. Sections 131.262(a) and (b), Natural Resources Code, are amended to read as follows:

(a) On the basis of an inspection, if the commission or its authorized representative or agent determines that a permittee is in violation of a requirement of this chapter

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or a permit condition required by this chapter, but the violation does not create an imminent danger to the health or safety of the public or is not causing or reasonably expected to cause significant imminent harm to land, air, or water resources, the commission shall issue a notice to the permittee or the permittee's [his] agent setting a reasonable time not to exceed 30 days for the abatement of the violation. The commission may authorize an extension of the period of time for the abatement of the violation, for good cause as determined by a written finding by the commission. If the violation pertains to exploration activities, the commission may not authorize an extension of the period of time for the abatement of the violation to a date later than the 60th day after the date the commission issued the notice to the permittee.

(b) If, on expiration of the period of time as originally set or subsequently extended, [~~for good cause shown, and on written finding of the commission,~~] the commission finds that the violation has not been abated, it may order a cessation of exploration or surface mining operations on the portion of this area relevant to the violation. However, if requested by the operator, a hearing must be held prior to a commission finding or order.

SECTION 6. Chapter 131, Natural Resources Code, is amended by adding Subchapter I to read as follows:  
SUBCHAPTER I. PERMITS FOR EXPLORATION

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or a permit condition required by this chapter, but the violation does not create an imminent danger to the health or safety of the public or is not causing or reasonably expected to cause significant imminent harm to land, air, or water resources, the commission shall issue a notice to the permittee or the permittee's [his] agent setting a reasonable time not to exceed 30 days for the abatement of the violation. The commission may authorize an extension of the period of time for the abatement of the violation, for good cause as determined by a written finding by the commission.

(b) If, on expiration of the period of time as originally set or subsequently extended, [~~for good cause shown, and on written finding of the commission,~~] the commission finds that the violation has not been abated, it may order a cessation of exploration or surface mining operations on the portion of this area relevant to the violation. However, if requested by the operator, a hearing must be held prior to a commission finding or order.

SECTION 6. Chapter 131, Natural Resources Code, is amended by adding Subchapter I to read as follows:  
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ACTIVITIES

Sec. 131.351. APPLICABILITY OF SUBCHAPTER.

(a) If this subchapter conflicts with other law, this subchapter controls.

(b) Sections 131.037, 131.038, 131.039, 131.040, 131.041, 131.042, 131.043, 131.044, and 131.045 do not apply to exploration activity subject to an exploration permit issued under this subchapter.

Sec. 131.352. EXPLORATION PERMITS. (a) A person may not conduct exploration activity unless the person holds an exploration permit issued by the commission.

(b) An exploration permit issued by the commission may contain provisions and conditions necessary to implement the policies of this subchapter. The commission shall adopt rules governing the amendment, revocation, transfer, or suspension of an exploration permit.

(c) A person may conduct exploration activities under an exploration permit issued by the commission until the term expires or may apply for a new exploration permit issued under this subchapter if:

(1) the person has been exploring under an exploration permit issued before June 1, 2007; or

(2) the person has a pending application on file before June 1, 2007, and is issued the exploration permit after that date.

(d) On expiration of an exploration permit held by a person described by Subsection (c)(1) or (2), the person may apply for an exploration permit renewal under this

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Sec. 131.351. APPLICABILITY OF SUBCHAPTER.

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(b) Sections 131.037, 131.038, 131.039, 131.040, 131.041, 131.042, 131.043, 131.044, and 131.045 do not apply to exploration activity subject to an exploration permit issued under this subchapter.

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subchapter.

Sec. 131.353. SCOPE OF EXPLORATION PERMIT.

(a) An exploration permit may govern all activities associated with determining the location, quantity, or quality of uranium deposits.

(b) An exploration permit must contain provisions to govern:

(1) locating, drilling, plugging, and abandoning exploration holes;

(2) casing exploration holes for use in the exploration process;

(3) using cased exploration wells for rig supply purposes; and

(4) plugging and abandoning cased exploration wells.

(c) Except as provided by Section 131.354, a cased exploration well subject to an exploration permit issued under this subchapter is exempt from regulation by another agency, governmental entity, or political subdivision if the well is:

(1) used for exploration; or

(2) used for rig supply purposes.

Sec. 131.354. COMMISSION JURISDICTION. (a)

The commission has jurisdiction over uranium exploration holes and cased exploration wells completed under an exploration permit issued under this subchapter until:

(1) exploration holes and cased exploration wells are properly plugged and abandoned; or

(2) cased exploration wells are:

(A) registered with the Texas Commission on

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Environmental Quality; or

(B) included in an area permit issued by the Texas Commission on Environmental Quality under Chapter 27, Water Code.

(b) A well described by Section 131.353(c) is subject to a groundwater conservation district's rules regarding registration of wells if:

(1) the well is located in the groundwater conservation district and the well is used for monitoring purposes; and

(2) the cumulative amount of water produced from the wells located inside the area subject to the exploration permit and completed under the exploration permit issued under this subchapter exceeds 40 acre feet in one year.

(c) A well described by Section 131.353(c) is subject to a groundwater conservation district's rules for registration, production, and reporting if:

(1) the well is located in the groundwater conservation district and the well is used for rig supply purposes; and

(2) the cumulative amount of water produced from the wells located inside the area subject to the exploration permit and completed under the exploration permit issued under this subchapter exceeds 40 acre feet in one year.

(d) Each month, the holder of an exploration permit governing a well described by Section 131.353(c) and located in a groundwater conservation district shall report to the district the total amount of water produced from each well located inside the area subject to the exploration permit.

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(2) the cumulative amount of water produced from the wells located inside the area subject to the exploration permit and completed under the exploration permit issued under this subchapter exceeds 40 acre feet in one year.

(d) Each month, the holder of an exploration permit governing a well described by Section 131.353(c) and located in a groundwater conservation district shall report to the district the total amount of water produced from each well **described by Section 131.353(c) and** located inside the area subject to the exploration permit.

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(e) Each groundwater conservation district shall use the number of acres described in the exploration permit in determining any district production requirements.

Sec. 131.355. APPLICATION FEES. (a) The commission may impose an application fee to recover the costs of administering this subchapter.

(b) Section 131.231 does not apply to a fee imposed under this subchapter.

Sec. 131.356. NOTIFICATION BY COMMISSION.

(a) At the time the commission receives an application for an exploration permit, the commission shall provide written notice of the exploration permit application to:

(1) each groundwater conservation district in the area in which the permitted exploration will occur;

(2) the mayor and health authority of each municipality in the area in which the permitted exploration will occur;

(3) the county judge and health authority of each county in the area in which the permitted exploration will occur;

and

(4) each member of the legislature who represents the area in which the proposed exploration will occur.

(b) At the time the commission issues an exploration permit under this subchapter, the commission shall provide written notice of the exploration permit to:

(1) each groundwater conservation district in the area in which the permitted exploration will occur;

(2) the mayor and health authority of each municipality in the area in which the permitted exploration will occur;

(3) the county judge and health authority of each county in the area in which the permitted exploration will occur;

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(3) the county judge and health authority of each county in the area in which the permitted exploration will occur;

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(4) each member of the legislature who represents the area in which the proposed exploration will occur.

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(1) each groundwater conservation district in the area in which the permitted exploration will occur;

(2) the mayor and health authority of each municipality in the area in which the permitted exploration will occur;

(3) the county judge and health authority of each county in the area in which the permitted exploration will occur;

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and

(4) each member of the legislature who represents the area in which the proposed exploration will occur.

Sec. 131.357. GEOLOGIC, HYDROLOGIC, WATER QUALITY, AND WELL INFORMATION. (a) A person issued an exploration permit under this subchapter that authorizes exploration in a groundwater conservation district shall provide to the district:

(1) pre-exploration water quality information from:

(A) each existing well located in the district that is tested by the person before exploration; and

(B) each existing well located inside the area subject to the exploration permit, or, if at least 10 existing wells are located inside that area, 10 wells that are equally distributed inside that area;

(2) pre-mining water quality information from:

(A) each existing well in the jurisdiction of the groundwater conservation district that the person tests during exploration; and

(B) cased exploration wells completed under the exploration permit issued under this subchapter; and

(3) well logs that do not contain confidential information as described by Section 131.048.

(b) 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

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and

(4) each member of the legislature who represents the area in which the proposed exploration will occur.

Sec. 131.357. GEOLOGIC, HYDROLOGIC, WATER QUALITY, AND WELL INFORMATION. (a) A person issued an exploration permit under this subchapter that authorizes exploration in a groundwater conservation district shall provide to the district:

(1) pre-exploration water quality information from:

(A) each existing well located in the district that is tested by the person before exploration; and

(B) the following wells, as applicable:

(i) each existing well located inside the area subject to the exploration permit, if there are fewer than 10 existing wells located inside that area; or

(ii) 10 existing wells that are distributed as evenly as possible throughout the area subject to the exploration permit, if there are at least 10 existing wells located inside that area;

(2) pre-mining water quality information from:

(A) each existing well in the jurisdiction of the groundwater conservation district that the person tests during exploration; and

(B) cased exploration wells completed under the exploration permit issued under this subchapter; and

(3) well logs that do not contain confidential information as described by Section 131.048.

(b) 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

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submitting the information as required by Subsection (a).  
(c) If the commission issues an exploration permit under this subchapter to a person for wells described by Section 131.353(c) that are located inside a groundwater conservation district, the person shall provide to the district:

- (1) well completion information for each well in the district;
- (2) the location of each well in the district, including a legal description and the acreage of the property where the well is located;
- (3) the person's name, address, and telephone number;
- (4) verification that each well will be used for an industrial purpose;
- (5) the type and capacity of the pump used in each well;  
and
- (6) a copy of the well log for each well required by Section 1901.251, Occupations Code.

SECTION 7. This Act takes effect September 1, 2007.

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submitting the information as required by Subsection (a).  
(c) If the commission issues to a person an exploration permit under this subchapter that governs wells described by Section 131.353(c) that are located inside a groundwater conservation district, the person shall provide to the district:

- (1) the person's name, address, and telephone number;  
and
- (2) the following information with regard to the wells described by Section 131.353(c):
  - (A) well completion information for each well in the district;
  - (B) the location of each well in the district, including a legal description and the acreage of the property where the well is located;
  - (C) verification that each well will be used for an industrial purpose; and
  - (D) the type and capacity of the pump used in each well.

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