

## **BILL ANALYSIS**

H.B. 569  
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Natural Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Under current law, the Railroad Commission of Texas adopts and enforces rules relating to permit applications for commercial disposal wells, and, with the increasing number of permits granted for commercial disposal wells in Texas, there has also been an increase in problems with the application process. The commission requires an applicant to notify any landowner whose land is adjacent to the proposed site of the permit and also requires an applicant to publish a notice in the newspaper of general circulation in the county, yet many other affected parties receive no notification.

H.B. 569 directs the commission to adopt rules requiring notification not only to the adjacent landowners, but also to the commissioners court of the county and to any affected groundwater conservation district. The bill directs the commission to place a notice in the newspaper of general circulation for the county or the newspaper of closest proximity to the proposed site. Additionally, H.B. 569 directs the commission to adopt rules requiring the owner of the surface property adjacent to the proposed well to notify any tenant or contract-for-deed purchaser occupying his or her land.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that rulemaking authority is expressly granted to the Railroad Commission of Texas in SECTION 1 of the bill.

### **ANALYSIS**

H.B. 569 amends the Water Code to require that the rules adopted by the Railroad Commission of Texas in connection with an application for a permit to dispose of oil and gas waste in a commercial disposal well, as defined by the railroad commission, require at a minimum that the applicant give notice of the application to each owner of record of each surface tract that adjoins the tract on which the well is proposed to be located, to the commissioners court of the county in which the well is proposed to be located, and to any groundwater conservation district in which the well is proposed to be located.

H.B. 569 requires the rules to require each owner of record of a surface tract who receives notice of the application to give notice of the application for a permit to dispose of oil and gas waste in a commercial disposal well to each surface lessee or purchaser under a contract for deed, executory contract, or other executory conveyance of the tract who occupies a residence located on the tract.

H.B. 569 requires the rules to require the applicant to publish notice of the application for a permit to dispose of oil as gas waste in a commercial disposal well in a newspaper of general circulation in the county in which the well is proposed to be located and in the newspaper that is published in closest proximity to the proposed site of the well.

H.B. 569 requires the rules to provide each person who receives notice of the application for a permit to dispose of oil and gas waste in a commercial disposal well an opportunity to request a public hearing on the application. The bill provides that the failure of a person who receives notice of an application to give notice of the application for a permit to dispose of oil and gas waste in a commercial disposal well to any person to whom the person is required to give notice does not invalidate any permit issued by the railroad commission and is not subject to a fine. The bill provides that the Texas Commission on Environmental Quality is not required to hold more than one public hearing on an application regardless of the number of persons who request a hearing.

**EFFECTIVE DATE**

September 1, 2009.