

BILL ANALYSIS

S.B. 752
By: Davis, Wendy
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Since July 2007, the City of Fort Worth has had a moratorium on construction of salt water disposal wells in Fort Worth. Construction was allowed for a brief time, and a single well was permitted. This same well is currently in operation and is participating in a pilot program with the City of Fort Worth to allow salt water piping and salt water recycling.

The City of Fort Worth would like to end the construction moratorium to allow wells in certain industrial areas, on the condition that the city is able to control the depth of the facilities. At present, the best known area to dispose of the water is into the Ellenberger Formation, which is more than 8,000 feet below the surface.

Currently, under Chapter 27 (Injection Wells), Water Code, the Texas Railroad Commission (commission) issues permits for the non-commercial disposal of salt water waste from the production of natural gas. The commission also controls construction and depths of the disposal facilities, thus preempting local control. Therefore, this legislation seeks to prevent the commission from issuing a permit if a city, county river authority or water district, as defined by Section 26.001 (Definitions), Water Code, has deemed the location to be unsuitable, due to its proximity to a water table. An operator seeking a permit from the commission must provide a letter from the Texas Commission on Environmental Quality (TCEQ) stating that there are no risks to freshwater strata before the commission may issue the permit.

S.B. 752 amends current statute relating to a restriction on the formation in which certain commercial disposal wells permitted by the Railroad Commission of Texas may inject oil and gas waste.

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

SECTION 1. Amends Subchapter C, Chapter 27, Water Code, by adding Section 27.039, as follows:

Sec. 27.039. RESTRICTION ON CERTAIN COMMERCIAL DISPOSAL WELLS. (a) Provides that this section applies only to a commercial disposal well, as defined by the Railroad Commission of Texas (railroad commission), proposed to be located in a county that has a population of more than 1.4 million, and is located wholly or partly above a hydrocarbon-producing geological formation in which during 2008 the railroad commission issued more than 1,000 drilling permits authorizing gas or other wells to be completed.

(b) Authorizes a permit issued by the railroad commission of a commercial disposal well, as defined by the railroad commission, that authorizes the disposal of oil and gas waste, to authorize the disposal of the waste only in the Ellenberger formation or a deeper formation.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Provides the effective date of this Act.

EFFECTIVE DATE

This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2009.