

Amend CSSB 655 by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. (a) Subchapter D, Chapter 91, Natural Resources Code, is amended by adding Section 91.118 to read as follows:

Sec. 91.118. PERMITS REQUIRED FOR LAND APPLICATION OF CERTAIN WASTE. (a) The commission by rule shall regulate through the issuance of permits the use of land application for the treatment and disposal of oil field fluids or oil and gas wastes.

(b) Rules adopted under this section:

(1) must consider the amount of land available to the applicant for the land application of fluids or wastes and any applicable federal or state law if the rules limit the number of permits that may be issued to an applicant;

(2) may not prohibit the issuance of a permit to an applicant for the land application of fluids or wastes on a tract based on its proximity to another tract for which a permit authorizing the land application of fluids or wastes has been issued if the surface ownership of the tracts is different; and

(3) must permit the land application of fluids or wastes at the same location annually if:

(A) the fluids or wastes are generated by only one operator and are derived from:

(i) the same lease, if the fluids or wastes are derived from one or more oil wells; or

(ii) the same general area or field, if the fluids or wastes are derived from one or more gas wells; and

(B) the water base drilling fluid and cuttings are:

(i) from not more than five wells, if the volume of the water base drilling fluid and cuttings does not exceed 30,000 barrels; or

(ii) from one well, if the volume of the water base drilling fluid and cuttings exceeds 30,000 barrels.

(b) Not later than December 1, 2011, the Railroad Commission of Texas shall adopt rules as required by Section 91.118, Natural

Resources Code, as added by this section.

(c) This section takes effect September 1, 2011.