

## **BILL ANALYSIS**

S.B. 105  
By: Davis  
Energy Resources  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties contend that there is a need to restrict the formation into which certain commercial disposal wells may inject oil and gas waste. S.B. 105 seeks to address this issue by establishing provisions relating to a restriction on the formation into which certain commercial disposal wells permitted by the railroad commission 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**

S.B. 105 amends the Water Code to impose a restriction applicable only to a commercial disposal well, as defined by the Railroad Commission of Texas, proposed to be located wholly or partly above a hydrocarbon-producing geological formation that underlies all or part of two counties that are adjacent to one another and each of which has a population of more than 1.8 million. The bill authorizes a permit issued by the railroad commission for such a well that authorizes the disposal of oil and gas waste to authorize the disposal of the waste in only the Ellenberger formation or a deeper formation.

S.B. 105 makes its provisions applicable only to a permit application pending before the railroad commission on or after the bill's effective date, and establishes that a permit issued before the bill's effective date is governed by the law in effect when the permit was issued and continues the former law in effect for that purpose.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.