By: Estes

S.B. No. 692

A BILL TO BE ENTITLED 1 AN ACT 2 relating to exemptions from groundwater conservation district permit requirements. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 5 SECTION 1. Sections 36.117(a), (b), (c), (d), (f), (h), (i), (j), and (k), Water Code, are amended to read as follows: 6 7 (a) A district by rule may provide an exemption [exempt wells] from the district's requirement to obtain [of obtaining] a 8 9 drilling permit, an operating permit, or any other permit required by this chapter or the district's rules. 10 11 (b) Except as provided by this section, a [A] district shall 12 provide an exemption from the district requirement to obtain a [may not require any] permit [issued by the district] for: 13 14 (1) drilling or operating a well used solely for domestic use or for providing water for livestock or poultry if the 15 16 well is: (A) located or to be located on a tract of land 17 larger than 10 acres; and 18 (B) [that is either] drilled, completed, 19 or 20 equipped so that it is incapable of producing more than 25,000 21 gallons of groundwater a day; 22 (2) [the] drilling [of] a water well used solely to 23 supply water for a rig that is actively engaged in drilling or exploration operations for an oil or gas well permitted by the 24

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1 Railroad Commission of Texas provided that the person holding the 2 permit is responsible for drilling and operating the water well and 3 the <u>water</u> well is located on the same lease or field associated with 4 the drilling rig; or

5 (3) [the] drilling [of] a water well authorized under 6 a permit issued by the Railroad Commission of Texas under Chapter 7 134, Natural Resources Code, or for production from the [such a] 8 well to the extent the withdrawals are required for mining 9 activities regardless of any subsequent use of the water.

10 (c) A district may not restrict the production of <u>water from</u> 11 any well <u>described by</u> [that is exempt from permitting under] 12 Subsection (b)(1).

13 (d) <u>A</u> [Notwithstanding Subsection (b), a] district may 14 <u>cancel a previously granted exemption, and may require an operating</u> 15 <u>permit for or restrict production from</u> a well, [to be permitted by 16 the district and to comply with all district rules] if:

(1) the [withdrawals from a] well <u>is located</u> in the Hill Country Priority Groundwater Management Area and <u>the</u> <u>groundwater withdrawals that were</u> exempted under Subsection (b)(1) are no longer used solely for domestic use or to provide water for livestock or poultry;

(2) the <u>groundwater withdrawals that were</u> [purpose of a well] exempted under Subsection (b)(2) <u>are</u> [is] no longer <u>used</u> solely to supply water for a rig that is actively engaged in drilling or exploration operations for an oil or gas well permitted by the Railroad Commission of Texas; or

27 (3) the <u>groundwater</u> withdrawals <u>that were</u> [from a

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1 well] exempted under Subsection (b)(3) are no longer necessary for
2 mining activities or are greater than the amount necessary for
3 mining activities specified in the permit issued by the Railroad
4 Commission of Texas under Chapter 134, Natural Resources Code.

(f) <u>A</u> [Notwithstanding Subsection (d), a] district may
[not] require compliance with the district's well spacing rules for
the drilling of any [a] well except a well exempted under Subsection
(b) (3) [to comply with the spacing requirements of the district].

9 (h) A district shall require the owner of a water well to
10 [exempted under Subsection (a) or (b) shall]:

11 (1) <u>register the well</u> [be registered] in accordance 12 with rules promulgated by the district; and

(2) <u>equip and maintain the well</u> [be equipped and maintained so as] to conform to the district's rules requiring installation of casing, pipe, and fittings to prevent the escape of groundwater from a groundwater reservoir to any reservoir not containing groundwater and to prevent the pollution or harmful alteration of the character of the water in any groundwater reservoir.

(i) The driller of a well [exempted under Subsection (a) or
(b)] shall file [the drilling log] with the district the well log
required by Section 1901.251, Occupations Code, and, if available,
the geophysical log.

(j) <u>An exemption provided under Subsection (b) does not</u>
<u>apply to a</u> [A] well <u>if the groundwater withdrawn is used</u> to supply
water for a subdivision of land for which a plat approval is
required by Chapter 232, Local Government Code[, is not exempted

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1 under Subsection (b)].

(k) Groundwater withdrawn [from a well exempt from
permitting or regulation] under an exemption provided in accordance
with this section and subsequently transported outside the
boundaries of the district is subject to any applicable production
and export fees under Sections 36.122 and 36.205.

7 SECTION 2. This Act takes effect immediately if it receives 8 a vote of two-thirds of all the members elected to each house, as 9 provided by Section 39, Article III, Texas Constitution. If this 10 Act does not receive the vote necessary for immediate effect, this 11 Act takes effect September 1, 2011.