1-1 By: Estes S.B. No. 692 1-2 1-3 Senate - Filed February 14, 2011; (In the February 23, 2011, read first time and referred to Committee on Natural Resources; March 23, 2011, reported favorably by the

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following vote: Yeas 8, Nays 0; March 23, 2011, sent to printer.)

1-6 1-7 A BILL TO BE ENTITLED AN ACT

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1-8 relating to exemptions from groundwater conservation district 1-9 permit requirements. 1-10 1-11

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsections (a) through (d), (f), and (h) through (k), Section 36.117, Water Code, are amended to read as follows:

- (a) A district by rule may provide an exemption [exempt wells] from the district's requirement to obtain [of obtaining] a drilling permit, an operating permit, or any other permit required by this chapter or the district's rules.
- (b) Except as provided by this section, a [A] district shall provide an exemption from the district requirement to obtain a [may
- require any permit [issued by the district] for:

 (1) drilling or operating a well use drilling or operating a well used solely for domestic use or for providing water for livestock or poultry if the well is:
- (A) located or to be located on a tract of land larger than 10 acres; and

gallons of groundwater a day;

- (2) [the] drilling [of] a water well used 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 provided that the person holding the permit is responsible for drilling and operating the water well and the water well is located on the same lease or field associated with the drilling rig; or
- (3) [the] drilling [of] a water well authorized under a permit issued by the Railroad Commission of Texas under Chapter 134, Natural Resources Code, or for production from $\underline{\text{the}}$ [such a] well to the extent the withdrawals are required for mining activities regardless of any subsequent use of the water.
- (c) A district may not restrict the production of water from any well described by [that is exempt from permitting under] Subsection (b)(1).
- (d) A [Notwithstanding Subsection (b), a] district may cancel a previously granted exemption, and may require an operating permit for or restrict production from a well, [to be permitted by the district and to comply with all district rules] if:
- (1) the [withdrawals from a] well is located in the Hill Country Priority Groundwater Management Area and the groundwater withdrawals that were exempted under Subsection (b)(1) are no longer used solely for domestic use or to provide water for livestock or poultry;
- (2) the groundwater withdrawals that were [purpose of a well] exempted under Subsection (b)(2) are [is] no longer used 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
- (3) the <u>groundwater</u> withdrawals <u>that were</u> [$\frac{\text{from a}}{\text{well}}$] exempted under Subsection (b)(3) are no longer necessary for mining activities or are greater than the amount necessary for mining activities specified in the permit issued by the Railroad Commission of Texas under Chapter 134, Natural Resources Code.
- (f) \underline{A} [Notwithstanding Subsection (d), a] district may [not] require compliance with the district's well spacing rules for 1-63 1-64

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2-1 the drilling of any [a] well except a well exempted under Subsection 2-2 (b)(3) [to comply with the spacing requirements of the district].

- (h) A district shall require the owner of a water well to [exempted under Subsection (a) or (b) shall]:
- (1) register the well [be registered] in accordance with rules promulgated by the district; and
- (2) equip and maintain the well [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) An exemption provided under Subsection (b) does not apply to a [A] well if the groundwater withdrawn is used to supply water for a subdivision of land for which a plat approval is required by Chapter 232, Local Government Code[, is not exempted 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.

2-28 SECTION 2. This Act takes effect immediately if it receives 2-29 a vote of two-thirds of all the members elected to each house, as 2-30 provided by Section 39, Article III, Texas Constitution. If this 2-31 Act does not receive the vote necessary for immediate effect, this 2-32 Act takes effect September 1, 2011.

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