

BILL ANALYSIS

Senate Research Center
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S.B. 873
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Natural Resources
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Constitution authorizes the creation of groundwater conservation districts to manage and conserve groundwater. These groundwater districts are granted authority under Section 59, Article XVI, Texas Constitution, and Chapter 36 (Ground Water Conservation Districts), Water Code.

S.B. 873 attempts to clarify provisions of Chapter 36, that relate to the permitting of wells used for oil and gas production. Current law clearly provides for an exemption from groundwater permitting for a domestic and livestock well under certain circumstances, an exploration well used for oil and gas, and mining wells. Chapter 36 does not speak to the permitting requirement for an oil and gas well engaged in hydraulic fracturing or fracking and this water intensive practice was never contemplated when Chapter 36 was created.

The large amount of water required for fracking, roughly four million to six million gallons of water per well, has drawn scrutiny, especially as drilling proliferates in arid parts of West and South Texas. S.B. 873 does not remove a district's ability to exempt such wells from a drilling permit, an operating permit or any other permit requirement by district rule, if it chooses and does not require the permitting of the wells. S.B. 873 simply clarifies that a district can require a permit for wells engaged in hydraulic fracturing, a requirement in many districts currently.

As proposed, S.B. 873 amends current law relating to the authority of a groundwater conservation district to require a permit for the drilling or operation of a water well used to supply water for the performance of a hydraulic fracturing treatment on an oil or gas well.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 36.117, Water Code, by adding Subsection (a-1), to prohibit any district or authority created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, that has the authority to regulate the spacing of water wells, the production from water wells, or both, from providing an exemption to the district's requirement to obtain a permit for a water well used to supply water for the performance of a hydraulic fracturing treatment on an oil or gas well or other activities related to the production of oil or gas from a completed oil or gas well.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2013.