

## **BILL ANALYSIS**

Senate Research Center  
89R9222 ANG-D

S.B. 1763  
By: Hughes  
Natural Resources  
3/14/2025  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 1763 relates to the production of brine, focusing on the ownership and extraction of brine minerals from subsurface formations. Brine mineral extraction is particularly relevant to Texas due to the Smackover formation, an extensive, porous, and permeable limestone aquifer extending from central Texas to the Florida panhandle. The formation's brine is rich in minerals like lithium and bromine, which are increasingly in high demand for various industrial applications.

This bill's provisions ensure stakeholders have the necessary legal assurances to engage in brine mineral extraction, promoting economic development and resource management. This bill stipulates that unless otherwise provided by a legal document such as a contract or deed, the owner of the mineral estate of the land owns the brine minerals beneath the surface as real property. This provision ensures that mineral rights are clearly defined and protected.

As proposed, S.B. 1763 amends current law relating to the production and ownership of brine.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Railroad Commission of Texas is modified in SECTION 3 (Section 27.036, Water Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subtitle D, Title 3, Natural Resources Code, by adding Chapter 124, as follows:

#### **CHAPTER 124. OWNERSHIP OF BRINE MINERALS**

Sec. 124.001. DEFINITION. Defines "brine minerals."

Sec. 124.002. OWNERSHIP OF BRINE MINERALS. Provides that, except as otherwise expressly provided by a conveyance, contract, deed, reservation, exception, limitation, lease, assignment, or other binding obligation, the owner of the mineral estate of the land owns the brine minerals below the surface of the land as real property and is responsible for protecting the correlative rights of other owners.

SECTION 2. Amends Section 27.002, Water Code, by adding Subdivision (26) to define "brine."

SECTION 3. Amends Sections 27.036(a) and (d), Water Code, as follows:

(a) Redefines "brine mining" and "class V brine injection well."

(d) Requires the Railroad Commission of Texas to adopt rules that are necessary to administer and regulate brine mining, including rules establishing reporting requirements for operators of brine production wells and injection wells used for brine mining.

SECTION 4. Effective date: September 1, 2025.