

SUBJECT: Considering recent flood history when approving oil and gas disposal pits

COMMITTEE: Energy Resources — committee substitute recommended

VOTE: 10 ayes — Goldman, Anchia, Craddick, Darby, Ellzey, Geren, T. King,
Leman, Longoria, Reynolds

0 nays

1 absent — Herrero

WITNESSES: For — Cyrus Reed, Lone Star Chapter Sierra Club; (*Registered, but did not testify*: Jim Allison, County Judges and Commissioners Association of Texas; Ender Reed, Harris County Commissioners Court; Ben Shepperd, Permian Basin Petroleum Association)

Against — None

On — (*Registered, but did not testify*: Paul Dubois, Railroad Commission)

BACKGROUND: The Texas Railroad Commission by rule prohibits the construction of an oil and gas disposal pit inside a 100-year floodplain. The commission also has routinely considered recent flood history when making a determination on a proposed pit site, but interested parties have expressed concern that this practice should be formalized and included in the commission's statewide rules.

DIGEST: CSHB 2201 would require the Railroad Commission of Texas by rule to establish standards governing permissible locations for pits used by commercial oil and gas disposal facilities. The rules would have to include a history of flooding in the 10 years preceding the construction of the pit as a factor in determining whether a proposed location of a pit was permissible.

The bill would take effect September 1, 2021.