

## **BILL ANALYSIS**

Senate Research Center  
80R13985 TAD-F

C.S.S.B. 714  
By: Fraser, Harris  
Natural Resources  
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Committee Report (Substituted)

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

Section 36.117(b), Water Code, exempts water wells drilled for the purpose of gas drilling or exploration from the permitting requirements of groundwater conservation districts (district). Local citizens and districts have raised concerns about the use of groundwater for fracturing. Using such an exemption, technology developed during the 1990s known as hydraulic fracturing—an extraction process which involves pumping a large volume of freshwater into a geological formation, is being performed without meeting the permitting requirements of districts. The Texas Railroad Commission estimates that, in 2005, approximately 82,190,000 barrels of water were used for hydraulic fracturing of the Barnett Shale, equaling about 10,592 acre feet of water. Due to this practice, districts, many of which are concerned about their ability to plan for future water needs, may not know the volume of water being pumped from their district. Furthermore, H.B. 173, 79th Legislature, 2005, established a process for such districts to work together in setting the desired conditions for local aquifers.

Additionally, many citizens of this state are also concerned about the spacing of wells used to withdraw groundwater for oil and gas purposes and the impact of those wells on surrounding domestic water wells. When an oil and gas company no longer needs a water well to supply water for an oil and gas operation, the company can turn the water well over to the surface landowner for the landowner's personal use. In most districts, the landowner must apply for a permit from the district in order to continue using the water well. As long as the water well meets the spacing requirements of the district, the landowner receives access to a water well at minimal cost. However, if the water well does not meet the spacing requirements of the district, the landowner must pay for plugging and capping the water well.

C.S.S.B. 714 authorizes, rather than requires, the district to require that records be kept and reports be made of the drilling, equipping, and completing of water wells and of the production and use of groundwater and authorizes a district to adopt rules for such purposes that require an owner or operator of a registered or permitted water well to report groundwater withdrawals using reasonable and appropriate reporting methods and frequency.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to groundwater conservation districts in SECTION 1 (Section 36.111, Water Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 36.111, Water Code, as follows:

36.111. RECORDS AND REPORTS. (a) Creates this subsection from existing text. Authorizes, rather than requires, the groundwater conservation district (district) to require that records be kept and reports be made of the drilling, equipping, and completing of water wells and of the production and use of groundwater.

(b) Authorizes a district, in implementing Subsection (a), to adopt rules that require an owner or operator of a registered or permitted water well to report groundwater withdrawals using reasonable and appropriate reporting methods and frequency.

SECTION 2. Effective date: September 1, 2007.