

- SUBJECT:** Regulation of injection wells for in situ uranium recovery by the TCEQ.
- COMMITTEE:** Energy Resources — committee substitute recommended
- VOTE:** 6 ayes — Hardcastle, Farabee, Crownover, Chisum, Crabb, Gonzalez Toureilles
- 0 nays
- 1 absent — Corte
- WITNESSES:** For — Powell (Pat) Thompson Calhoun, Goliad County Farm Bureau; Craig W. Holmes, Uranium Energy Corp.; Monica Jacobs, Mesteña Operating Ltd.; (*Registered, but did not testify:* Kinnan Golemon, Joe R. Jacob; Garrett Engelking, Victoria County Groundwater Conservation District; William Goranson, Mesteña Operating Ltd.; Betty P. Jacob; Kevin L. Raabe, Rio Grande Resources Corp.; Stephen F. Smith, Texas Mining and Reclamation Association; Lonnie Stewart, Bee Groundwater Conservation District; Billy Howe, Texas Farm Bureau)
- Against — None
- On — Cyrus Reed, Lone Star Chapter of Sierra Club; (*Registered, but did not testify:* Katherine Nelson, Texas Commission on Environmental Quality)
- BACKGROUND:** In situ uranium mining is a method of extracting uranium by drilling.
- Water Code, ch. 27 governs the use of injection wells for waste disposal and mineral extraction.
- DIGEST:** CSHB 3838 would provide the Texas Commission on Environmental Quality (TCEQ) exclusive jurisdiction over and regulation of wells used during the development of permit applications to obtain required pre-mining geologic, hydrologic, and water quality information. These wells would be registered with the commission.
- Pre-mining wells would be exempt from permitting, notice, and hearing requirements, but once the well was included in an area permit, its

registration would terminate and the well would be subject to all applicable TCEQ rules on permitting, notice, and hearing requirements.

The bill would require a person developing an application for an area permit in a groundwater conservation district to provide the district with:

- information regarding wells that were encountered but were not in the public record;
- a map showing the well locations within one-quarter mile of the location for the proposed permit;
- pre-mining water quality information;
- a monthly report of the amount of water produced in pre-mining wells; and
- a record of strata.

This bill would amend several sections of Water Code, ch. 27 to include monitoring and production wells within the scope of the TCEQ's regulatory authority.

This bill would define:

- "production well" as a well used to recover uranium through in situ solution recovery;
- "monitoring well" as a well used to measure the quality, quantity, or movement of subsurface water; and
- "area permit" as a permit authorizing the construction and operation of production and monitoring wells used in operations and restoration associated with in situ uranium recovery.

The bill would take effect September 1, 2007.

**SUPPORTERS
SAY:**

CSHB 3838 would expand the TCEQ's jurisdiction to regulate wells used in the development of information for area permit applications.

This regulatory authority is necessary because these wells eventually will become a part of the operation being authorized by the area permit and must be built to the TCEQ's standards. In addition, during the required pre-application meeting, the TCEQ determines the number and spacing of these wells. Statutes regarding the TCEQ's jurisdiction over components necessary to develop applications for in situ uranium recovery permits have been unclear. This has not previously been addressed because the uranium industry has been largely dormant for the past decade due to low

market prices for the product. This bill also would provide for geologic, hydrologic, and water quality information to be shared with area groundwater conservation districts, in an effort to achieve more efficiency and in deference to the important work these districts must do.

OPPONENTS
SAY:

No apparent opposition.