

## **BILL ANALYSIS**

Senate Research Center  
82R1007 NAJ-F

S.B. 105  
By: Davis  
Natural Resources  
4/14/2011  
As Filed

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

Currently, under Chapter 27 (Injection Wells), Water Code, the Railroad Commission of Texas (railroad commission) issues permits for the disposal of waste from the production of oil and natural gas. The railroad commission also controls construction and depths of the disposal facilities.

S.B. 105 amends current statute relating to a restriction on the formation in which certain commercial disposal wells permitted by the railroad commission may inject oil and gas waste. This bill would apply to proposed wells located in certain populous counties, and would require that the railroad commission only authorize the disposal of oil and gas waste in the Ellenberger formation or a deeper formation.

As proposed, S.B. 105 amends current law relating to a restriction on the formation in which certain commercial disposal wells permitted by the Railroad Commission of Texas may inject oil and gas waste.

### **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 Subchapter C, Chapter 27, Water Code, by adding Section 27.037, as follows:

Sec. 21.037. RESTRICTION ON CERTAIN COMMERCIAL DISPOSAL WELLS. (a) Provides that this section applies only to a commercial disposal well, as defined by the Railroad Commission of Texas (railroad commission), proposed to be located in a county that is located wholly or partly above a hydrocarbon-producing geological formation that underlies all or part of two counties that are adjacent to one another and each of which has a population of more than 1.4 million.

(b) Provides that a permit issued by the railroad commission for a commercial disposal well, as defined by the railroad commission, that authorizes the disposal of oil and gas waste may authorize the disposal of the waste only in the Ellenberger formation or a deeper formation.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2011.