

**SUBJECT:** Notice and meetings for commercial surface-disposal facility permits

**COMMITTEE:** Energy Resources — committee substitute recommended

**VOTE:** 5 ayes — R. Lewis, Hawley, Crabb, West, Williams  
0 nays  
4 absent — Driver, Merritt, Wilson, Woolley

**WITNESSES:** For — Emmett Gloyna  
Against — None

**BACKGROUND:** The Texas Railroad Commission (RRC) allows commercial surface-disposal facilities to dispose of waste materials that are byproducts of oil and gas exploration. Usually the wastes either are placed in disposal pits or are “land-farmed” — that is, a layer of waste is applied to the soil and worked into the ground to speed bioremediation. Waste materials may include drilling fluids, soils contaminated by crude oil, and pit sludges.

**DIGEST:** CSHB 480 would require an applicant for a commercial surface-disposal facility permit to publish notice of the application at least once a week for two consecutive weeks in a general-circulation newspaper in the county in which the proposed disposal would occur. The first notice would have to be published not earlier than the date the application was filed and within 30 days after the filing date.

The notice would have to include the date the application was filed; the location, including the county, of the proposed site; the name of the original survey and abstract number; the site’s direction and distance from the nearest city; the names of the site owner and the applicant; the type of fluid or waste to be disposed of; the proposed disposal method; and the procedure for protesting the application.

The RRC could hold a public meeting to receive public comment on a commercial surface-disposal facility application if the commission determined that such a meeting was in the public interest. The meeting would have to be

held in the county in which the proposed facility would be located.

The bill would define a commercial surface-disposal facility as a facility whose primary business purpose is to provide, for compensation, surface disposal of oilfield fluids or oil and gas wastes. Disposal would include land application for treatment and disposal.

CSHB 480 would take effect September 1, 1999, and would apply only to an application filed on or after that date.

**SUPPORTERS  
SAY:**

CSHB 480 would ensure that residents and local officials would be notified of any proposals to locate surface-disposal facilities for commercial oil and gas waste in their area. Under current RRC rules, if a proposed facility is outside a city's limits, no one must be notified but the surface owner of the land where the site is to be located. In practice, the commission notifies adjacent landowners, but too often they may be absent and may not see the notice in time to inform their neighbors. This is unacceptable when such a facility might be proposing to dispose of chlorides, benzene, and other materials that could harm the environment and threaten ground or surface water supplies.

CSHB 480 would solve this problem by requiring clear, timely notice in a newspaper of general circulation in the area and by allowing the RRC to hold a public meeting to receive public comment if it determined that this would be in the public interest.

In 1997, a facility proposed in Jackson County would have been located in a flood-prone area near the municipal water supply. Local officials and county residents almost did not find out about the facility in time to stop it because all the adjacent landowners were absent when notification was sent. If the RRC had not received protests from the community at the last minute, it probably would have issued the permit without further opportunity for public input. CSHB 480 would provide a way for the public to be informed of such projects on a timely basis and would provide a forum for public comments.

**OPPONENTS  
SAY:**

CSHB 480 would allow the RRC to call a "public meeting" on a commercial surface-disposal facility but would not require comments at that meeting to be recorded. Such a meeting would be an unnecessary, complicating factor for a permit applicant, whose application under current law already could be

subject to a contested case hearing if someone who protested the application were granted standing by the commission.

NOTES:

The committee substitute differs from the original bill in that it would require only applicants for commercial surface-disposal permits to give notice, while the original would have applied to any facility for land treatment or land spreading of oil and gas waste or waste related to a geothermal resource.

The original version also would have required notice for four rather than two consecutive weeks and would have required the RRC to hold a hearing to receive public comment if a hearing were requested before a permit decision was made. It would have required comments received at such a hearing to be part of the record of any contested case hearing on the application.