HOUSE AMENDMENTS TO HOUSE BILL 3415

By COMMITTEE ON ENERGY AND ENVIRONMENT

April 27

1	In line 2 of the printed bill, after "fracturing" insert "; and declaring an emergency".
2	Delete lines 4 through 9 and insert:
3	"SECTION 1. (1) The State Department of Geology and Mineral Industries and the De
4	partment of Environmental Quality shall conduct a review of the statutes and rules appli
5	cable to hydraulic fracturing in this state and prepare a report that includes
6	recommendations for any legislation or rulemaking necessary to ensure that a person con
7	ducting hydraulic fracturing in this state does so in a manner that employs best practices.
8	"(2) The review and report required under this section must include a consideration of
9	the standards and best practices relating to hydraulic fracturing that have been adopted by
10	other states. The report must include recommendations for best practices related to water
11	use and water quality, air quality, well integrity, chemical disclosure and surface impacts.
12	"(3) The departments shall consult with other agencies that have statutory or regulatory
13	authority over activities associated with hydraulic fracturing in preparing the report re
14	quired under this section.
15	"(4) The departments shall submit the report prepared under this section to the interim
16	committees of the Legislative Assembly related to environment and natural resources in the
17	manner provided under ORS 192.245 on or before September 15, 2016.
18	"(5) For purposes of this section:
19	"(a) 'Hydraulic fracturing' means a well stimulation treatment that includes the pres
20	surized injection of hydraulic fracturing fluid or fluids into an underground geologic forma
21	tion to fracture, or with the intent to fracture, the formation, thereby causing the
22	production of oil or gas from a well.
23	"(b) 'Hydraulic fracturing' does not mean:
24	"(A) Natural gas storage wells in existence as of the effective date of this 2015 Act.
25	"(B) Geothermal wells in existence as of the effective date of this 2015 Act or activities
26	related to exploration for geothermal energy.
27	"(C) Coal bed methane extraction wells in existence as of the effective date of this 2015
28	Act.
29	"SECTION 2. Section 1 of this 2015 Act is repealed on December 31, 2016.
30	"SECTION 3. (1) In addition to meeting any other applicable statutory or regulatory re-
31	quirements, a person seeking authorization to conduct hydraulic fracturing in this state shall
32	demonstrate to the State Department of Geology and Mineral Industries that the following

"(a) The person will disclose to the Department of Environmental Quality all components

and chemicals used in the hydraulic fracturing process and all substances other than oil and

best practices will be employed:

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gas that are extracted during hydraulic fracturing and that will remain on-site;

- "(b) The well construction and integrity will be sufficient to protect ground water resources;
- "(c) Water monitoring will be conducted in accordance with all applicable state and federal water quality standards to ensure that ground water quality is maintained;
- "(d) The amount of fresh water consumed in the hydraulic fracturing process will be minimized to the extent practicable and waste water will be disposed of in a manner consistent with applicable state laws; and
 - "(e) Methane will be captured at the wellhead to the extent practicable.
- "(2) The State Department of Geology and Mineral Industries may, in consultation with the Department of Environmental Quality, adopt rules as necessary to implement this section.
 - "(3) For purposes of this section:

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- "(a) 'Hydraulic fracturing' means a well stimulation treatment that includes the pressurized injection of hydraulic fracturing fluid or fluids into an underground geologic formation to fracture, or with the intent to fracture, the formation, thereby causing the production of oil or gas from a well.
 - "(b) 'Hydraulic fracturing' does not mean:
 - "(A) Natural gas storage wells in existence as of the effective date of this 2015 Act.
- "(B) Geothermal wells in existence as of the effective date of this 2015 Act or activities related to exploration for geothermal energy.
- "(C) Coal bed methane extraction wells in existence as of the effective date of this 2015 Act.
 - "SECTION 4. Section 3 of this 2015 Act is repealed on January 1, 2025.
- "SECTION 5. This 2015 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect on its passage."

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