

2 State of Arkansas
3 88th General Assembly
4 Regular Session, 2011

As Engrossed: H3/15/11

A Bill

HOUSE BILL 1392

5
6 *By: Representatives Leding, Webb*

7 Filed with: Interim House Committee on Agriculture, Forestry and Economic Development
8 pursuant to A.C.A. §10-3-217.

For An Act To Be Entitled

9
10 *AN ACT TO CREATE A PROGRAM FOR ANNUAL INSPECTION OF*
11 *GAS WELLS; AND FOR OTHER PURPOSES.*

Subtitle

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15 *AN ACT TO CREATE A PROGRAM FOR ANNUAL*
16 *INSPECTION OF GAS WELLS.*

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19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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21 *SECTION 1. Arkansas Code § 15-72-201 is amended to read as follows:*
22 *15-72-201. Definitions.*

23 *As used in this act, unless the context otherwise requires:*

24 *(1) "Hydraulic fracturing treatment" means stimulating a well by the*
25 *application of hydraulic fracturing fluids and additives with force in order*
26 *to create artificial fractures in the formation for the purpose of improving*
27 *the capacity to produce hydrocarbons;*

28 ~~*(1)(2)*~~ *"Operator" means the person who has the right to enter upon the*
29 *lands of another for the purpose of exploring, drilling, and developing for*
30 *the production of brine, oil, gas, and all other petroleum hydrocarbons;*

31 ~~*(2)(3)*~~ *"Person" means any natural person, corporation, association,*
32 *partnership, trustee, guardian, executor, administrator, fiduciary, or*
33 *representative of any kind; and*

34 ~~*(3)(4)*~~ *"Surface owner" means the owner or owners of record of the*
35 *surface of the property on which the drilling operation is to occur.*

1 SECTION 2. Arkansas Code Title 15, Chapter 72, Subchapter 2 is amended
2 to add an additional section to read as follows:

3 15-72-220. Hydraulic fracturing treatment -- Accountability.

4 (a)(1) To ensure compliance with the rules of the Oil and Gas
5 Commission, the commission shall inspect each:

6 (A) New well site at least once while the drill pad
7 construction is under way;

8 (B) Well at least once when casing is set and cemented;

9 (C) Well at least once while hydraulic fracturing
10 treatment is occurring; and

11 (D) Well annually during gas production or when idle.

12 (2) The Oil and Gas Commission may conduct inspections as often
13 as necessary at any point during the lifetime of the well.

14 (3) The Oil and Gas Commission shall inspect a well site within
15 forty-eight (48) hours of receiving a complaint.

16 (b)(1) To ensure compliance with the Arkansas Department of
17 Environmental Quality rules, the Water Division of the Arkansas Department of
18 Environmental Quality shall inspect each:

19 (A) New well site at least once while the drill pad
20 construction is under way; and

21 (B) Road and pipeline construction corridor providing
22 access to a new well site.

23 (2) The Arkansas Department of Environmental Quality may conduct
24 inspections as often as necessary at any point during the lifetime of the
25 well.

26 (3) The Arkansas Department of Environmental Quality shall
27 inspect a well site within forty-eight (48) hours of receiving a complaint.

28 (c) The Oil and Gas Commission and the Arkansas Department of
29 Department of Environmental Quality shall:

30 (1) Determine the staffing and technical capacity needed to
31 perform the inspection program described in subsection (a) of this section;
32 and

33 (2) Create a cross-training program whereby the Oil and Gas
34 Commission and the Arkansas Department of Environmental Quality inspectors
35 can be authorized to cross-inspect well sites for both the Oil and Gas

1 Commission and the Arkansas Department of Environmental Quality mandates
2 described in subsection (a) of this section.

3 (d) The Oil and Gas Commission and the Arkansas Department of
4 Environmental Quality shall each create and file an annual report for the
5 preceding fiscal year with the Joint Performance Review Committee, beginning
6 July 1, 2012, stating:

7 (1) The number of oil and gas inspections completed;

8 (2) The number of inspections that found violations;

9 (3) A description of each violation;

10 (4) The recommendations of the department's enforcement division
11 and the Oil and Gas Commission's enforcement division for each violation; and

12 (5) The final action taken to resolve each violation.

13 (e) The annual compliance reports shall be made public and shall be
14 searchable in a way that allows geographic analysis of where violations are
15 occurring and should make it possible to determine which companies are
16 associated with each violation.

17 (f) The Oil and Gas Commission and the Arkansas Department of
18 Environmental Quality shall immediately issue a stop work order, unless that
19 action would cause safety hazards or additional environmental harm if a time-
20 critical operation is interrupted, followed by an inspection at sites of gas
21 production infrastructure that have:

22 (1) A potential sign of leakage such as a pressure drop in the
23 casing; or

24 (2) A significant threat to water quality.

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26 /s/Webb
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33 Referred by the Arkansas House of Representatives

34 Prepared by: MGF/VJF
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