

AMENDED IN SENATE JUNE 28, 2012
AMENDED IN SENATE JUNE 13, 2012
AMENDED IN SENATE AUGUST 15, 2011
AMENDED IN SENATE JUNE 29, 2011
AMENDED IN SENATE JUNE 15, 2011
AMENDED IN ASSEMBLY APRIL 13, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 972

Introduced by Assembly Member Butler

February 18, 2011

An act to amend Section 3203 of, and to add Sections 3017 and 3203.5 to, 3017.1, 3017.2, and 3017.3 to, the Public Resources Code, relating to oil and gas.

LEGISLATIVE COUNSEL'S DIGEST

AB 972, as amended, Butler. Oil and gas: hydraulic fracturing: moratorium.

Under existing law, the Division of Oil, Gas, and Geothermal Resources in the Department of Conservation regulates the drilling, operation, maintenance, and abandonment of oil and gas wells in the state. The State Oil and Gas Supervisor supervises the drilling, operation, maintenance, and abandonment of wells and the operation, maintenance, and removal or abandonment of tanks and facilities related to oil and gas production within an oil and gas field regarding safety and environmental damage. Existing law requires an operator of a well,

before commencing the work of drilling the well, to obtain approval from the State Oil and Gas Supervisor or a district deputy.

This bill would, until regulations governing hydraulic fracturing have been adopted, prohibit the supervisor and the district deputy from approving the drilling of a well in which hydraulic fracturing, as defined, is used or is proposed to be used in the production of oil and gas. *This bill would define, among others, the terms hydraulic fracturing fluid and proppants.*

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3017 is added to the Public Resources
2 Code, to read:

3 ~~3017. “Hydraulic fracturing,” “fracking,” “hydrofracking,”~~
4 ~~“hydrofracturing,” and “unconventional shale drilling” means a~~
5 ~~technique used in preparing a well that typically involves the~~
6 ~~pressurized injection of water and a mix of chemicals, compounds,~~
7 ~~and materials into an underground geologic formation in order to~~
8 ~~fracture the formation, thereby causing or enhancing, for the~~
9 ~~purposes of this division, the production of oil or gas from a well.~~

10 3017. “Hydraulic fracturing” means a well stimulation
11 treatment used in completing a well that typically involves the
12 pressurized injection of hydraulic fracturing fluid and proppant
13 from the well into an underground geologic formation in order to
14 fracture the formation, thereby causing or enhancing, or intending
15 to cause or enhance, for the purposes of this division, the
16 production of oil or gas from a well. Alternate terms include, but
17 are not limited to “fracking,” “hydrofracking,” and
18 “hydrofracturing.”

19 SEC. 2. Section 3017.1 is added to the Public Resources Code,
20 to read:

21 3017.1. “Hydraulic fracturing fluid” means a base fluid mixed
22 with physical and chemical additives, including proppants, for the
23 purpose of hydraulic fracturing. Additives may be of any phase.
24 A hydraulic fracturing treatment may include more than one
25 hydraulic fracturing fluid.

26 SEC. 3. Section 3017.2 is added to the Public Resources Code,
27 to read:

1 3017.2. *“Base fluid” is a continuous phase liquid or gas used*
2 *to transmit pressure to the underground geologic formation.*

3 SEC. 4. *Section 3017.3 is added to the Public Resources Code,*
4 *to read:*

5 3017.3. *“Proppants” mean materials inserted or injected into*
6 *the underground geologic formation that are intended to prevent*
7 *fractures from closing.*

8 SEC. 5. *Section 3203 of the Public Resources Code is amended*
9 *to read:*

10 3203. (a) The operator of any well, before commencing the
11 work of drilling the well, shall file with the supervisor or the district
12 deputy a written notice of intention to commence drilling. Drilling
13 shall not commence until approval is given by the supervisor or
14 the district deputy. If the supervisor or the district deputy fails to
15 give the operator written response to the notice within 10 working
16 days from the date of receipt, that failure shall be considered as
17 an approval of the notice, *except as provided for in subdivision*
18 *(d)*, and the notice, for the purposes and intents of this chapter,
19 shall be deemed a written report of the supervisor. If operations
20 have not commenced within one year of receipt of the notice, the
21 notice shall be deemed canceled. The notice shall contain the
22 pertinent data the supervisor requires on printed forms supplied
23 by the division or on other forms acceptable to the supervisor *and*
24 *shall indicate if a hydraulic fracturing treatment will be used or*
25 *is planned to be used in completing the well.* The supervisor may
26 require other pertinent information to supplement the notice.

27 (b) After the completion of any well, this section also applies
28 as far as may be, to the deepening or redrilling of the well, any
29 operation involving the plugging of the well, or any operations
30 permanently altering in any manner the casing of the well. The
31 number or designation of any well, and the number or designation
32 specified for any well in a notice filed as required by this section,
33 shall not be changed without first obtaining a written consent of
34 the supervisor.

35 (c) If an operator has failed to comply with an order of the
36 supervisor, the supervisor may deny approval of proposed well
37 operations until the operator brings its existing well operations
38 into compliance with the order. If an operator has failed to pay a
39 civil penalty, remedy a violation that it is required to remedy to
40 the satisfaction of the supervisor pursuant to an order issued under

1 Section 3236.5, or to pay any charges assessed under Article 7
2 (commencing with Section 3400), the supervisor may deny
3 approval to the operator's proposed well operations until the
4 operator pays the civil penalty, remedies the violation to the
5 satisfaction of the supervisor, or pays the charges assessed under
6 Article 7 (commencing with Section 3400).

7 *(d) (1) No notice of intention to commence drilling shall be*
8 *approved for any well where a hydraulic fracturing treatment will*
9 *be used or is planned to be used in completing the well until*
10 *regulations governing hydraulic fracturing treatments are adopted*
11 *by the division and have taken effect.*

12 *(2) The hydraulic fracturing treatment regulations shall be*
13 *comprehensive and ensure that the integrity of the well and well*
14 *casing are maintained.*

15 ~~SEC. 2. Section 3203.5 is added to the Public Resources Code,~~
16 ~~to read:~~

17 ~~3203.5. Notwithstanding any other law, until regulations~~
18 ~~governing hydraulic fracturing have been adopted, the supervisor~~
19 ~~or a district deputy shall not approve or issue a permit authorizing~~
20 ~~the drilling of a well pursuant to this division in which hydraulic~~
21 ~~fracturing is used or is proposed to be used in the production of~~
22 ~~oil and gas.~~