

AMENDED IN ASSEMBLY MAY 10, 2011

AMENDED IN ASSEMBLY APRIL 12, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 591

**Introduced by Assembly Member Wieckowski
(Principal coauthor: Assembly Member Dickinson)**

February 16, 2011

An act to amend Sections 3107 and 3203 of the Public Resources Code, relating to oil and gas production.

LEGISLATIVE COUNSEL'S DIGEST

AB 591, as amended, Wieckowski. Oil and gas production: hydraulic fracturing.

(1) 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 the district deputy to prepare maps regarding oil and gas production in each district and to collect information regarding the presence of oil and gas and the location and extent of strata bearing water or surface water suitable for irrigation or domestic purposes.

This bill would instead require the district deputy to collect information on the presence of oil and gas deposits and the location and extent of strata bearing water or surface water suitable for irrigation,

domestic, industrial, or wildlife purposes that might be affected. The bill would also require the maps prepared by the district deputy to be posted, as specified, on the division's Internet Web site.

(2) Existing law requires the operator of a well, before commencing the work of drilling the well, to file with the supervisor or the district deputy a written notice of intention to commence drilling, and prohibits the commencement of drilling until approval is given by the supervisor or the district deputy. The existing Safe Drinking Water and Toxic Enforcement Act of 1986 (Proposition 65) prohibits any person, in the course of doing business, from knowingly and intentionally exposing any individual to a chemical known to the state to cause cancer or reproductive toxicity without giving a specified warning, or from discharging or releasing such a chemical into any source of drinking water, except as specified.

This bill would revise that procedure to instead require the operator to file an application before commencing drilling and would require additional information to be included in the application, including information regarding the chemicals, if any, ~~to be injected that the operator intends to bring onsite for purposes of injecting~~ into the well. ~~The bill~~ The bill would also require the operator, after drilling has commenced, to submit certain information to the supervisor, including a list of chemicals used, and would require the supervisor to post the information regarding the type of process and ~~list of listed~~ chemicals on the division's Internet Web site. The bill would require the operator to notify every property owner and occupant of property within one mile of a well if the ~~application~~ *listed chemicals* includes a chemical known to cause cancer or reproductive toxicity pursuant to the list adopted in accordance with the Safe Drinking Water and Toxic Enforcement Act of 1986.

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. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Hydraulic fracturing is a technique used in the production
- 4 of oil and gas that involves the pressurized injection of water and
- 5 a mix of chemical into an underground geologic formation in order

1 to fracture the formation, thereby causing or enhancing the
2 production of oil or gas from a well.

3 (b) Hydraulic fracturing has been used in California for several
4 decades to extract oil and gas and is likely to be used more
5 extensively as the industry seeks to develop additional oil and gas
6 bearing formations.

7 (c) The Division of Oil, Gas, and Geothermal Resources in the
8 Department of Conservation, which has the obligation to protect
9 public health and the resources of the state, including groundwater
10 resources, has the authority to regulate all oil and natural gas
11 drilling in the state, but currently does not require the disclosure
12 of pertinent information regarding hydraulic fracturing or ascertain
13 what specific types of production and exploration are taking place
14 at permitted wells.

15 (d) Given California's geologic, seismic complexity, and finite
16 and significantly compromised water resources, it is important to
17 collect basic information about natural resource production
18 processes. The state and the public should know when and where
19 hydraulic fracturing is occurring and what chemicals are being
20 used in the process.

21 SEC. 2. Section 3107 of the Public Resources Code is amended
22 to read:

23 3107. (a) A district deputy in each district, designated by the
24 supervisor, shall collect all necessary information regarding the
25 oil and gas wells in the district, with a view to determining the
26 presence of oil and gas deposits and the location and extent of
27 strata bearing water or surface water suitable for irrigation,
28 domestic, industrial, or wildlife purposes that might be affected.

29 (b) The district deputy shall prepare maps and other accessories
30 necessary to determine the presence of oil and gas deposits and
31 the location and extent of strata bearing water or surface water
32 suitable for irrigation, domestic, industrial, or wildlife purposes.
33 The maps prepared by the district deputy pursuant to this section
34 shall be posted on the division's Internet Web site, as a
35 modification to any existing maps, and shall include the
36 information obtained pursuant to ~~paragraph (2) of subdivision (c)~~
37 *subdivision (b)* of Section 3203.

38 (c) This work shall be done with the view to advising an operator
39 as to the best means of protecting the oil and gas ~~sands deposits~~
40 and the water-bearing strata and surface water, and with a view to

1 aiding the supervisor in ordering tests or repair work at wells. All
2 data shall be kept on file in the office of the district deputy of the
3 respective district.

4 SEC. 3. Section 3203 of the Public Resources Code is amended
5 to read:

6 3203. (a) The operator of a well, before commencing the work
7 of drilling the well, shall file with the supervisor or the district
8 deputy an application to commence drilling. Drilling shall not
9 commence until approval of the application is given by the
10 supervisor or the district deputy. If the supervisor or the district
11 deputy fails to give the operator a written response to the
12 application within 10 working days from the date of receipt, that
13 failure shall be considered as an approval of the application, and
14 the application, for the purposes and intents of this chapter, shall
15 be deemed a written report of the supervisor. If operations have
16 not commenced within one year of receipt of the application, the
17 application shall be deemed canceled. The application shall contain
18 the pertinent data the supervisor requires on printed forms supplied
19 by the division or on other forms acceptable to the supervisor. The
20 supervisor may require other pertinent information to supplement
21 the application.

22 (b) (1) On and after January 1, 2012, in addition to the pertinent
23 information required to be collected pursuant to subdivision (a),
24 the application shall include all of the following information:

25 (A) The type of exploration and production techniques that the
26 operator will use at the well or wells.

27 (B) A complete list of the chemicals, if any, that ~~will be injected~~
28 *the operator intends to bring onsite for purposes of injecting* into
29 the well for hydraulic fracturing or other production enhancement
30 methods in the exploration or production process or processes.
31 ~~This list shall include all of the following:~~

32 ~~(i) The name of the chemical.~~

33 ~~(ii) The purpose of the chemical in the production or exploration~~
34 ~~process.~~

35 ~~(iii) The Chemical Abstract Service numbers for the chemical.~~

36 ~~(iv) The estimated total amount of the chemical used.~~

37 ~~(v) The actual rate or concentration of the chemical expressed~~
38 ~~as pounds per thousand gallons or gallons per thousand gallons~~
39 ~~and expressed as a percentage by volume of the total hydraulic~~
40 ~~fracturing fluid or other injected fluid used.~~

1 ~~(C) The estimated amount and source of water that will be used~~
2 ~~in the exploration or production from the well that is being~~
3 ~~proposed to be permitted.~~

4 ~~(D) Any radiological components or tracers to be injected into~~
5 ~~the well and a description of the recovery method, if any, for those~~
6 ~~elements or tracers, the expected recovery rate and disposal method~~
7 ~~for recovered components or tracers.~~

8 ~~(E) The location of any known~~

9 ~~(C) The location of any known active seismic faults within five~~
10 ~~miles of the well.~~

11 *(2) After drilling has commenced, the operator shall submit to*
12 *the supervisor all of the following information:*

13 *(A) A list of the chemicals that were injected into the well. This*
14 *list shall include all of the following information:*

15 *(i) The name of the chemical.*

16 *(ii) The purpose of the chemical in the production or exploration*
17 *process.*

18 *(iii) The Chemical Abstract Service numbers for the chemical.*

19 *(iv) The estimated total amount of the chemical used.*

20 *(v) The actual rate or concentration of each chemical used,*
21 *expressed as pounds per thousand gallons or gallons per thousand*
22 *gallons and expressed as a percentage by volume of the total*
23 *hydraulic fracturing fluid or other injected fluid used.*

24 *(B) The amount and source of water used in the exploration or*
25 *production from the well.*

26 *(C) Any radiological components or tracers injected into the*
27 *well and a description of the recovery method, if any, for those*
28 *components or tracers, the recovery rate, and disposal method for*
29 *recovered components or tracers.*

30 ~~(2)~~

31 *(3) The supervisor shall post the type of process and list of*
32 *chemicals obtained pursuant to paragraph (1) this subdivision on*
33 *the division's Internet Web site in such a way that it is accessible*
34 *to the public.*

35 ~~(3)~~

36 *(4) If any of the information required pursuant to paragraph (1)*
37 *this subdivision changes over the course of the exploration and*
38 *production process, the operator shall immediately notify the*
39 *supervisor.*

40 ~~(4)~~

1 (5) Notwithstanding any other law, if a chemical listed in the
2 application pursuant to subparagraph (B) of paragraph (1) is also
3 pursuant to this subdivision is also listed as a chemical known to
4 cause cancer or reproductive toxicity pursuant to the list adopted
5 in accordance with Section 25249.8 of the Health and Safety Code,
6 the operator shall notify every property owner and occupant of
7 property within one mile of the well that this chemical is to be, or
8 has been, injected into the ground.

9 (c) After the completion of any well, this section also applies
10 as far as may be, to the deepening or redrilling of the well, an
11 operation involving the plugging of the well, or any operations
12 permanently altering in any manner the casing of the well. The
13 number or designation of a well, and the number or designation
14 specified for a well in an application filed as required by this
15 section, shall not be changed without first obtaining a written
16 consent of the supervisor.

17 (d) If an operator fails to comply with an order of the supervisor,
18 the supervisor may deny approval of proposed well operations
19 until the operator brings its existing well operations into
20 compliance with the order. If an operator fails to pay a civil penalty,
21 remedy a violation that it is required to remedy to the satisfaction
22 of the supervisor pursuant to an order issued under Section 3236.5,
23 or to pay any charges assessed under Article 7 (commencing with
24 Section 3400), the supervisor may deny approval to the operator's
25 proposed well operations until the operator pays the civil penalty,
26 remedies the violation to the satisfaction of the supervisor, or pays
27 the charges assessed under Article 7 (commencing with Section
28 3400).