

Bill Summary
2nd Session of the 57th Legislature

Bill No.:	SB 1875
Version:	FS2
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Floor Substitute (FS)

The FS for SB 1875 creates the Oil and Gas Water and Waste Recycling and Reuse Act. The measure declares that the operator and nonoperators of the well are the sole owners of the produced water and waste as it relates to oil and gas production. Prior to its extraction, subterranean water is the property of the surface owner subject to the right of the mineral owner or the oil and gas lessee of the mineral owner to extract the water as it relates to oil and gas exploration. Nothing in the measure shall be construed to prevent the owner of the surface estate from being considered the brine owner or limit the ability of the owner or owners of the surface estate to enter into any legally binding contract with persons for the payment of money or other valuable consideration for the extraction of subterranean water. Any water processed by mechanical or chemical processes for the extraction of constituent elements for commercial purposes shall be considered brine.

Owners of the produced water shall be entitled to proceeds for any of the uses of the produced water and waste. Owners are also responsible for storing, transporting, and handling produced water. If the owners transfer the water to a person or entity to process the water, such water will be the property of the transferee until such time as the water is disposed of or transferred to another person. Current owners of the water are not liable in tort for consequences of subsequent use of recycled water or treated constituents if they follow procedures outlined in the measure.

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