

ONE HUNDRED FOURTH LEGISLATURE - SECOND SESSION - 2016
COMMITTEE STATEMENT
LB1082

Hearing Date: Wednesday February 17, 2016
Committee On: Natural Resources
Introducer: Schilz
One Liner: Change provisions relating to the Nebraska Oil and Gas Conservation Commission and provide for a periodic well fluid analysis, report, and notice as prescribed

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Friesen, Hughes, Johnson, Kolowski, Lindstrom, McCollister, Schilz, Schnoor
Nay:
Absent:
Present Not Voting:

Verbal Testimony:

Proponents:

Laurie Lage
James Cavanaugh
Jane Kleeb
Ellen Hansen
Janece Mollhoff
Donna Roller

Representing:

Introducer
Nebraska Sierra Club
Bold Nebraska
Self
Mary Pipher
Self

Opponents:

Chris Peterson
Leon Rodak
Dana Wreath
Jodi Keeler
Mike Carr
Dave Haack
Joe Kohout

Representing:

Nebraska Petroleum Producers Association
Murfin Drilling Company
Berexco LLC
Self
NPPA
Z and S Construction Company
American Petroleum Institute

Neutral:

Stan Belieu
Bill Sydow
Bill Hawkins

Representing:

Nebraska Oil and Gas Conservation Commission
Nebraska Oil and Gas Conservation Commission
Self

Summary of purpose and/or changes:

LB 1082 was introduced in response to recommendations made in an interim study on the Nebraska Oil and Gas Conservation Commission's permitting practices on Class II underground injection wells. The bill changes the policy and purpose statement of the commission, eliminating the encouragement that it promote the industry and replacing it with language that supports development of the industry in a responsible manner while promoting health, safety and environment of Nebraska residents.

The bill requires that notice of an application for a commercial injection well be provided to the affected local governing body where the well would be located and that operators of Class II injection wells sample and analyze fluids injected into wells at least once annually and provide the data to the commission.

The bill authorizes the commission to conduct periodic sampling and reporting of injection fluids; monitor produced water transporters, conduct periodic evaluations of financial assurance requirements, and conduct public informational meetings and forums for public interaction on permit applications.

Explanation of amendments:

AM 2292 clarifies that the wells that are subject to the new language in the bill are Class II commercial underground injection wells, adds that natural resources districts are to be notified of new well permit applications, and removes a requirement that evidence of a bond be presented annually to the commission, as the commission currently is authorized to request such evidence.

Ken Schilz, Chairperson