Implementation of Senate Bill 514
Permian Basin Experience
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Amended Subchapter T of the Natural Resources Code § 91.901 et. seq.

A saltwater pipeline operator is *entitled* to install, maintain, and operate a saltwater pipeline facility on a public road, if facility *complies with* federal, state, and local regulations.

The saltwater operator *shall lease* the right-of-way area where the facility will be installed and *shall pay fair market value* for the use of the right-of-way.

**Relocation  - -  30-day requirement to relocate, unless operator has separate property interest**
DEFINITIONS:

- **Saltwater pipeline facility** — Pipeline facility that conducts water and other substances *produced* during drilling or operating an oil, gas, and other type of well.

- **Saltwater pipeline operator** — A person who owns, installs, manages, operates, leases, or controls a saltwater pipeline facility.
DEFINITIONS:

**Produced Water***- a wastewater byproduct produced from the geological formation during oil and gas extraction.

*NOT a hazardous waste - Federal regulations have specifically excluded produced water from the definition 40 CFR § 261.4 (b)(5).

**Non-Produced Water (Fresh Water)**- water injected during the hydraulic fracturing drilling process. Typically, involving water with increased salinity levels (greater than 30,000 ppm)
ROW DIVISION --
Office of primary responsibility

- Began implementation January 2014
- Submit draft rules by June 2014
- Final rules adoption tentatively set for August 2014
Oil and Gas Injection Process

1. Water Acquisition
2. Chemical Mixing
3. Well Injection
4. Flowback and Produced Water (Wastewaters)
5. Wastewater Treatment and Waste Disposal
Oil and Gas Disposal

1. Trucks deliver produced water & frac flowback from oilfield

2. Wastewater enters gun barrel tank where oil & water are gravity separated

3. Oil & oil water emulsion are pumped to separate holding tanks

4. Oil water emulsion injected into saltwater disposal well
Oil and Gas Map of Texas

Source: University of Texas at Austin.
Benefits of SB 514

Reduce need for use of water trucks on our highways

Reduce number of unauthorized/unknown encroachments

Off-set the costs associated with ongoing repair and maintenance effort
ROW Encroachment

[Image of a landscape with pipes and vegetation]
ROW Encroachment
ROW Encroachment
ROW Encroachment
Highway Impacts

Thousands of trucks needed for disposal

Increased potential for accidents and hazmat spills

Increased damage to highways
Highway Impacts-Permian Basin
Highway Impacts-Permian Basin
Highway Impacts-Permian Basin
Highway Impacts-Permian Basin
Highway Impacts-Eagle Ford Shale
Highway Impacts – Eagle Ford Shale
TXDOT Challenges

- Increase of O&G activities also increases other accommodation requests
- Undocumented O&G lines more prevalent in farm / cultivated regions
  - Smaller ownership tracts
  - Unfenced ROW
- Independents are more prone to encroachment than major companies
- Lines vary in size from 4-inches to 18-inches
- Impedes maintenance operations
- Diverts available personnel to research & investigative duties (who owns or operates?)
- Potential increase of roadside hazards
Proposed Procedures

- permission required to place facility on, over, under, or along any public ROW
  - Interstate Highway Facilities – FHWA approval
- abandonment/removal requirements
- required emergency-response plan
- pipeline markers
• Designed, signed and sealed by a professional licensed engineer

• Monitoring and shutdown systems

• Compliance with current utility accommodation rules (UAR) and federal and local rules.
• Documentation of lines will facilitate r/w management
• Critical information needed:
  – Ownership
  – Operator contact information
  – Product conveyed
  – Duration of occupancy

• Expand Utility Installation Review (UIR) as management system
  – Convenience of access
  – Facilitates documented communication
**Benefits of SB 514**

- Reduce number of unauthorized & unknown encroachments
- Reduce need for use of water trucks on highways
- Offset costs associated with ongoing repair and maintenance
Highway Impacts – Eagle Ford Shale
END OF PRESENTATION

SPECIAL THANKS
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