SENATE BILL No. 193

By Committee on Utilities

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AN ACT concerning the state corporation commission; relating to the promulgation of rules and regulations concerning hydraulic fracturing; amending K.S.A. 2012 Supp. 55-152 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2012 Supp. 55-152 is hereby amended to read as follows: 55-152. (a) The commission shall adopt such rules and regulations necessary for the implementation of this act including provisions for the construction, operation and abandonment of any well and the protection of the usable water of this state from any actual or potential pollution from any well. The commission may shall also promulgate rules and regulations necessary for the supervision and disclosure of any well on which a hydraulic fracturing treatment or horizontal drilling is performed. Such rules and regulations shall be implemented no later than December 31, 2013, and, for any well that is horizontally drilled, include provisions requiring:

- (1) The collection of monitoring samples from the drilling site and any adjacent water well areas within 1,000 feet before and after drilling activities:
- (2) minimum setback restrictions for occupied buildings and surface waters of 1,000 feet;
- (3) minimum well-casing depths of at least 300 feet below the lowest water-bearing formation;
- (4) pressure testing of well casings and concrete seals, including during stimulation, and establishing cement bond logs. Such testing shall:
- (A) Include ultrasonic imaging to determine pipe-to-cement bonding quality and sonic imaging to determine cement to wellbore integrity;
- (B) ensure that all cement used conforms to the highest standards suggested by the American petroleum institute;
- (C) be conducted at least every five years after completion of the drilling:
- (D) be recorded in complete logs to be maintained by the operator and submitted to the commission; and
- (E) ensure that pressures never exceed 90% of the maximum pressure to which the well was designed during any drilling;
 - (5) complete disclosure of the chemical composition used in

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 hydraulic fracturing treatment to the landowner, groundwater management district and the commission. Any proprietary information shall be made available to the commission and any appropriate emergency responders in an emergency situation;

- (6) that operators use impervious artificial liners, not to include clay or similar liners, and thickness standards when using pits and holding ponds;
- (7) that the transportation of all waste fluids is performed by licensed drivers and removal of such waste is approved by the commission. Any violations of such requirements would result in a:
 - (A) \$10,000 fine for the first violation;
 - (B) \$50,000 fine for a second violation; and
 - (C) \$100,000 fine and termination of license for a third violation;
- (8) that operators of a well, or their successors or assigns, shall be responsible for the maintenance, abandonment or remediation associated with the drilling or hydraulic fracturing treatments of the well for a period of 40 years;
 - (9) testing for radiation in drilling mud and flowback fluids;
- (10) continued monitoring of injection wells for well-integrity and seismic impacts;
- (11) the use of methods designed to monitor, minimize and capture methane releases and other air pollutants;
 - (12) the conservation of water and recycling of fluids;
 - (13) the use of best environmental practices, including the use of non-toxic additives and water-based proppants, lubricants and stimulants used in a hydraulic fracturing treatment; and
- (14) that all such tests or monitoring performed to ensure the integrity of a well that has been horizontally drilled be performed by an independent contractor determined by the commission.

Any such rules and regulations relating to wells providing cathodic protection to prevent corrosion to lines shall not preempt existing standards and policies adopted by the board of directors of a groundwater management district if such standards and policies provide protection of fresh water to a degree equal to or greater than that provided by such rules and regulations. No rules and regulations promulgated pursuant to this section shall be adopted by the commission until recommendations have been received from the advisory committee established by K.S.A. 55-153, and amendments thereto.

(b) The commission annually shall review current drilling methods, geologic formation standards, plugging techniques and casing and cementing standards and materials. Based on such review, the commission, if necessary, shall amend its rules and regulations to reflect any changes to be made in such methods, standards, techniques and materials from the

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- previous year.
- Sec. 2. K.S.A. 2012 Supp. 55-152 is hereby repealed.
 Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.