

97TH GENERAL ASSEMBLY State of Illinois 2011 and 2012 SB3280

Introduced 2/7/2012, by Sen. Michael W. Frerichs

SYNOPSIS AS INTRODUCED:

225 ILCS 725/6.5 new

Amends the Illinois Oil and Gas Act. Provides that the Director of Natural Resources shall adopt rules that require, prior to such hydraulic fracturing, the owner or operator to perform a suitable mechanical integrity test of the casing or of the casing-tubing annulus or other mechanical integrity test methods using procedures that are established by administrative rule. Provides that each owner or operator that begins extracting natural gas from shale shall report to the Department specified information within 30 days after the completion of all stages of the hydraulic fracturing stimulation. Requires that the owner or operator shall post the chemical disclosure information on certain specified websites. Provides that the owner or operator shall provide information to the Director as to the amounts, handling, and, if necessary, disposal at an identified appropriate disposal facility, or reuse of the well stimulation fluid load recovered during flow back, swabbing, or recovery from production facility vessels. Provides that the storage of the well stimulation fluid load shall be protective of an underground source of drinking water by the use of either tanks or lined pits. Provides that nothing in the provision shall be construed to require or allow disclosure of trade secrets or commercial information that is exempt from inspection or copying when provided to the Department together with a claim made pursuant to the Freedom of Information Act that such information is proprietary, privileged, or confidential and that disclosure may cause competitive harm to the person or business. Provides that the provision only applies to the extraction of natural gas from shale.

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1 AN ACT concerning regulation.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Illinois Oil and Gas Act is amended by adding Section 6.5 as follows:
- 6 (225 ILCS 725/6.5 new)
- Sec. 6.5. Extraction of natural gas from shale using hydraulic fracturing.
- 9 (a) The Director shall adopt rules that require, prior to
 10 such hydraulic fracturing, the owner or operator to perform a
 11 suitable mechanical integrity test of the casing or of the
 12 casing-tubing annulus or other mechanical integrity test
 13 methods using procedures that are established by
 14 administrative rule.
 - (b) Each owner or operator that begins extracting natural gas from shale shall report to the Department the information specified in subsections (1) and (2) within 30 days after the completion of all stages of the hydraulic fracturing stimulation.
- 20 <u>(1) The owner or operator shall provide geological</u>
 21 <u>names, a geological description, and the depth of the</u>
 22 <u>formation into which well stimulation fluids were</u>
 23 injected.

1	(2) The owner or operator shall provide detailed
2	information to the Director concerning the base
3	stimulation fluid source. The owner, operator, or service
4	company shall also provide to the Director, for each stage
5	of the well stimulation program, the following:
6	(A) the actual volume by fluid stage;
7	(B) each stimulation fluid identified by additive
8	type;
9	(C) the chemical compound name and Chemical
10	Abstracts Service (CAS) number for the main ingredient
11	of each additive used and all other Material Safety
12	Data Sheets (MSDS) constituents;
13	(D) the proppant rate or concentration;
14	(E) the actual surface pressure and rate at the end
15	of each fluid stage and the actual flush volume, rate,
16	and final pump pressure; and
17	(F) the instantaneous shut-in pressure, and the
18	actual 15-minute and 30-minute shut-in pressures when
19	these pressure measurements are available.
20	(c) The owner or operator shall post the chemical
21	disclosure information contained under paragraphs (1) and (2)
22	of subsections (b) to the hydraulic fracturing chemical
23	registry Internet website of the Ground Water Protection
24	Council and the Interstate Oil and Gas Compact Commission or,
25	if the website is discontinued or permanently inoperable, post
26	the chemical disclosure information contained under paragraphs

- 1 (1) and (2) of subsections (b) to another publicly accessible
 2 Internet website specified by the Director.
- 3 (d) The Department shall post a link from the Department's
 4 Internet website to the chemical disclosure information
 5 contained on the Ground Water Protection Council and the
 6 Interstate oil and Gas Compact, or if discontinued or
 7 permanently inoperable, to a publicly accessible Internet
 8 website specified by the Director.
 - (e) Except as provided for in this subsection, the injection of the volatile organic compounds benzene, toluene, ethylbenzene, and xylene, also known as BTEX compounds, or diesel, into an underground source of drinking water is prohibited. Nothing in this Section shall be construed to prohibit the use of produced water or other stimulation fluids containing trace amounts of BTEX or other amounts of BTEX not intentionally included and used in an additive for the purpose of hydraulic fracturing in hydrocarbon bearing zones.
 - operator shall monitor and record the annulus pressure at the bradenhead. If intermediate casing has been set on the well being stimulated, then the pressure in the annulus between the intermediate casing and the production casing shall also be monitored and recorded. A continuous record of the annulus pressure during the well stimulation shall be submitted.
 - (g) If, during the stimulation, the annulus pressure increases by more than 500 pounds per square inch gauge (psig)

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- compared to the pressure immediately preceding 1 2 stimulation, then the owner or operator shall verbally notify 3 the Director as soon as practical but no later than 24 hours 4 following the incident and must complete in a timely manner any 5 corrective action identified by the Department. The owner or operator shall include a report containing all details 6 pertaining to the incident, including corrective actions 7
- 9 (h) The owner or operator shall provide information to the Director as to the amounts, handling, and, if necessary, 10 11 disposal at an identified appropriate disposal facility, or 12 reuse of the well stimulation fluid load recovered during flow 13 back, swabbing, or recovery from production facility vessels. 14 Storage of the well stimulation fluid load shall be protective 15 of an underground source of drinking water by the use of either 16 tanks or lined pits.
 - (i) Nothing in this Section shall be construed to require or allow disclosure of trade secrets or commercial information that is exempt from inspection or copying when provided to the Department together with a claim made pursuant to subsection (g) of Section 7 of the Freedom of Information Act that such information is proprietary, privileged, or confidential and that disclosure may cause competitive harm to the person or business.
 - (j) The Department shall adopt all rules necessary to enforce this Section.

- 1 (k) This Section applies only to the extraction of natural
- 2 gas from shale.