

1 State of Arkansas
2 95th General Assembly
3 Regular Session, 2025
4

As Engrossed: H2/20/25

A Bill

HOUSE BILL 1413

5 By: Representative M. Shepherd
6 By: Senator Stone
7

For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING BRINE PRODUCTION;
10 TO AMEND THE LAW CONCERNING THE FORMATION OF BRINE
11 PRODUCTION UNITS; AND FOR OTHER PURPOSES.
12
13

Subtitle

15 TO AMEND THE LAW CONCERNING BRINE
16 PRODUCTION; AND TO AMEND THE LAW
17 CONCERNING THE FORMATION OF BRINE
18 PRODUCTION UNITS.
19

20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. Arkansas Code § 15-76-308(d), concerning a proposed brine
23 expansion unit, is amended to add additional subdivisions to read as follows:

24 (3)(A) The operator of a brine production unit or brine
25 expansion unit may apply to the commission to reduce the size of the unit by
26 removing one (1) or more contiguous tracts from the unit.

27 (B) The commission may approve the operator's application
28 if the commission finds that:

29 (i) The tract or tracts sought to be removed do not
30 contain an unplugged brine production or brine disposal well;

31 (ii) There have been no brine production wells or
32 brine disposal wells located within one-half (1/2 mi.) mile of any exterior
33 boundary of the removed tract or tracts during the time the brine production
34 unit has been in operation; and

35 (iii) The removed tract or tracts will not be
36 drained or placed in imminent risk of being drained by the operations of the



1 unit from which the tract or tracts will be removed or by any other adjacent
2 unit.

3 (4)(A) The operator or operators of two (2) adjacent brine
4 production units or brine expansion units may apply to the commission to
5 transfer one (1) or more contiguous tracts from the unit to the adjacent
6 unit.

7 (B) The commission shall approve the operator's
8 application if it finds that the:

9 (i) Operator has the right to produce brine from no
10 less than seventy-five percent (75%) of the entire area of each immediately
11 adjacent unit;

12 (ii) Operation of the brine production unit
13 receiving the transferred tract or tracts will be expanded, enhanced, or made
14 more efficient by the proposed transfer;

15 (iii) Transfer will drain efficiently the area
16 within the tract or tracts so transferred; and

17 (iv) Transfer will have no adverse impact on either
18 the amount or the reasonably anticipated longevity of the royalty payments
19 due to the owners of the tract or tracts so transferred and will not
20 otherwise substantially impair the correlative rights of the owners of the
21 tract or tracts transferred or of owners within the brine unit receiving the
22 transferred tract.

23 (5) Upon the commission's approval of the transfer, the
24 transferred tract or tracts shall become a brine expansion unit adjacent to
25 the unit to which it was transferred.

26

27 */s/M. Shepherd*

28

29

30 **APPROVED: 3/6/25**

31

32

33

34

35

36