

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
95th General Assembly
Regular Session, 2025

As Engrossed: H2/20/25

A Bill

HOUSE BILL 1413

By: Representative M. Shepherd

By: Senator Stone

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING BRINE PRODUCTION;
TO AMEND THE LAW CONCERNING THE FORMATION OF BRINE
PRODUCTION UNITS; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING BRINE
PRODUCTION; AND TO AMEND THE LAW
CONCERNING THE FORMATION OF BRINE
PRODUCTION UNITS.

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

/s/M. Shepherd