

HYDRAULIC FRACTURING

LEGISLATOR NOTICE

The Legislative Services Division is required to offer a brief history on the subject matter of a bill draft request prior to drafting (5-4-105, MCA; [Chapter 309, Laws of 2017](#)). The history must include related legislation introduced over the last five sessions and hyperlinks to the bill, hearing information, and fiscal notes. The legislation links below open to the page showing the status and history of bills introduced on this topic in the past. The bill text and any related fiscal notes can be accessed through the link at the top of that page.

Legislation can be complex and this history is not intended to be exhaustive. Please contact the drafter of the requested bill for more information.

Background Materials and Research

Topic Summary:

Hydraulic fracturing (commonly called fracking or fracing) is a technique in which water, chemicals, and sand are pumped into a well to unlock the hydrocarbons trapped in shale formations by opening cracks (fractures) in the rock and allowing natural gas to flow from the shale into the well. When used in conjunction with horizontal drilling, hydraulic fracturing enables oil and gas producers to extract shale oil. Without these techniques, natural gas does not flow to the well rapidly, and commercial quantities cannot be produced from shale. Fracking is occurring in diverse areas across the U.S. and has led to environmental and landowner concerns in those areas. So far, these concerns have not significantly slowed down increased production from fracking. In terms of technology, natural gas fracking is similar to oil fracking.

Over the past decade, Montana's drilling rig activity has been largely focused in the western Bakken formation, but exploratory wells have also been drilled in central and northern Montana as additional geologic formations that might lend themselves to horizontal drilling and hydraulic fracturing techniques are explored. Drilling activity has retreated to more proven oil fields like the central Bakken of North Dakota and the Permian and Eagle Ford fields of Texas. Until crude oil prices spike upward again, it is unlikely that Montana will see significant oil exploration or new drilling.

Legislative Services Division Materials:

[Understanding Energy in Montana 2018](#)

Other Materials:

[Economies of Shale, NCSL, 2015](#)

[Hydraulic Fracturing, NCSL](#)

[Natural Gas Development and Hydraulic Fracturing, NCSL, 2012](#)

Introduced Legislation

*Chapter number assigned means bill was passed and approved.

2017

[Senate Bill 86](#) – Chapter Number Assigned -- AN ACT REVISING THE TAX FOR CERTAIN OIL PRODUCTION; REVISING THE PRICE OF OIL FOR WHICH INCREMENTAL PRODUCTION TAX RATES APPLY; AMENDING SECTION 15-36-304, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE.

[Senate Bill 299](#) – Chapter Number Assigned -- AN ACT REQUIRING PUBLIC DISCLOSURE OF FRACTURING FLUID INFORMATION IN OIL AND GAS OPERATIONS; ESTABLISHING INFORMATION TO BE DISCLOSED; ALLOWING AN OWNER, OPERATOR, OR SERVICE COMPANY TO REQUEST INFORMATION BE WITHHELD; DIRECTING THE ADMINISTRATOR OF THE BOARD OF OIL AND GAS CONSERVATION TO DETERMINE IF INFORMATION MAY BE WITHHELD; ESTABLISHING REQUIREMENTS TO REQUEST INFORMATION BE WITHHELD; ESTABLISHING A FEE; REQUIRING THE BOARD OF OIL AND GAS CONSERVATION TO AMEND ARM 36.22.608, 36.22.1015, AND 36.22.1016 RELATED TO DISCLOSURE OF FRACTURING FLUIDS; AND AMENDING SECTION 82-11-117, MCA.

2015

[House Bill 243](#) – (H) Missed Deadline for General Bill Transmittal -- AN ACT REQUIRING PUBLIC DISCLOSURE AND LANDOWNER NOTICE 5 OF FRACTURING FLUID INFORMATION IN OIL AND GAS OPERATIONS; AMENDING SECTIONS 82-11-101, 6 82-11-117, 82-11-123, 82-11-136, 82-11-163, 82-11-181, AND 82-11-182, MCA; AND PROVIDING AN 7 IMMEDIATE EFFECTIVE DATE.

2011

[House Bill 479](#) – Chapter Number Assigned – AN ACT GRANTING THE BOARD OF OIL AND GAS CONSERVATION RULEMAKING AUTHORITY TO REGULATE AS INJECTION WELLS INJECTIONS TO RESTORE OR ENHANCE THE MICROBIAL CONVERSION OF HYDROCARBON SUBSTRATES TO METHANE GAS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE.

[House Bill 586](#) – (H) Died in Standing Committee -- AN ACT REQUIRING PUBLIC DISCLOSURE AND LANDOWNER NOTICE 5 OF FRACTURING FLUID INFORMATION IN OIL AND GAS OPERATIONS; AMENDING SECTIONS 82-11-101, 6 82-11-117, 82-11-123, 82-11-136, 82-11-163, 82-11-181, AND 82-11-182, MCA; AND PROVIDING AN 7 IMMEDIATE EFFECTIVE DATE.

[Senate Bill 86](#) – (S) Died in Standing Committee -- AN ACT REQUIRING PUBLIC DISCLOSURE AND LANDOWNER NOTICE 5 OF FRACTURING INFORMATION IN OIL AND GAS OPERATIONS; PROTECTING PROPRIETARY CHEMICAL 6 FORMULAS FROM DISCLOSURE EXCEPT IN MEDICAL EMERGENCIES; AMENDING

SECTIONS 82-11-101, 7 82-11-117, 82-11-123, 82-11-136, 82-11-163, 82-11-181, AND 82-11-182, MCA; AND PROVIDING AN 8 IMMEDIATE EFFECTIVE DATE.

2009

[Senate Bill 76](#) – Chapter Number Assigned -- AN ACT REVISING THE PERCENTAGE OWNERSHIP REQUIREMENTS FOR APPROVAL OF UNIT PLAN OPERATIONS BY PERSONS PAYING THE COSTS OF UNIT OPERATIONS; AMENDING SECTION 82-11-207, MCA; AND PROVIDING AN EFFECTIVE DATE.