

Amend CSHB 2020 as follows:

(1) On page 10, between lines 7 and 8, insert the following SECTION, appropriately numbered, and renumber the subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 91.109(b), Natural Resources Code, as effective September 1, 2004, is amended to read as follows:

(b) In addition to the financial security requirements of Subsection (a) and Section 91.104(b), a person required to file a bond, letter of credit, or cash deposit under Section 91.103 who is involved in activities other than the ownership or operation of wells must file the bond, letter of credit, or cash deposit at the time of filing or renewing an organization report required by Section 91.142 according to the following schedule [~~in an amount equal to~~]:

(1) no bond, letter of credit, or cash deposit if the person is a:

(A) local distribution company;

(B) gas marketer;

(C) crude oil nominator;

(D) first purchaser;

(E) well servicing company;

(F) survey company;

(G) salt water hauler;

(H) gas nominator;

(I) gas purchaser; or

(J) well plugger [~~\$250,000~~]; or

(2) a bond, letter of credit, or cash deposit in an amount not to exceed \$25,000 if the person is involved in an activity that is not associated with the ownership or operation of wells and is not listed in Subdivision (1) [~~a lesser amount determined by the commission if the person is able to demonstrate that the risk associated with an operation or group of operations warrants a lesser amount~~].

(2) On page 10, line 11, strike "This" and substitute "Except as provided by Subsection (c) of this section, this".

(3) On page 10, following line 19, add the following:

(c) Section 91.109(b), Natural Resources Code, as amended by

this Act, takes effect September 1, 2004.