

By: Chisum, Rose

H.B. No. 942

Substitute the following for H.B. No. 942:

By: Farabee

C.S.H.B. No. 942

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to certain bond requirements for persons engaged in  
3 certain activities under the jurisdiction of the Railroad  
4 Commission of Texas other than the ownership or operation of wells.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

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

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

18 (A) local distribution company;

19 (B) gas marketer;

20 (C) crude oil nominator;

21 (D) first purchaser;

22 (E) well servicing company;

23 (F) survey company;

24 (G) salt water hauler;

1           (H) gas nominator;

2           (I) gas purchaser; or

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

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

11           SECTION 2. This Act takes effect September 1, 2004.