

By: Keffer of Eastland

H.B. No. 3471

A BILL TO BE ENTITLED

1 AN ACT

2 relating to jurisdiction over a suit for damages brought by a
3 landowner or producer of oil or gas.

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

5 SECTION 1. Sections 85.321 and 85.322, Natural Resources
6 Code, are amended to read as follows:

7 Sec. 85.321. SUIT FOR DAMAGES. A party who owns an interest
8 in property or production that may be damaged by another party
9 violating the provisions of this chapter that were formerly a part
10 of Chapter 26, Acts of the 42nd Legislature, 1st Called Session,
11 1931, as amended, ~~or~~ another law of this state prohibiting waste,
12 or a valid rule or order of the commission, or committing unlawful
13 conversion of minerals may sue for and recover damages and have any
14 other relief to which he may be entitled at law or in equity.
15 Provided, however, that in any action brought under this section or
16 otherwise, alleging waste to have been caused by an act or omission
17 of a lease owner or operator, it shall be a defense that the lease
18 owner or operator was acting as a reasonably prudent operator would
19 act under the same or similar facts and circumstances.

20 Sec. 85.322. PROCEEDINGS NOT TO IMPAIR SUIT FOR DAMAGES.
21 None of the provisions of this chapter that were formerly a part of
22 Chapter 26, Acts of the 42nd Legislature, 1st Called Session, 1931,
23 as amended, no suit by or against the commission, ~~and~~ no penalties
24 imposed on or claimed against any party violating a law, rule, or

1 order of the commission, and no other proceedings in the commission
2 shall impair or abridge or delay a cause of action for damages or
3 other relief that an owner of land or a producer of oil or gas, or
4 any other party at interest, may have or assert against any party
5 violating any rule or order of the commission, any person
6 committing unlawful conversion of minerals, or any judgment under
7 this chapter.

8 SECTION 2. (a) This Act takes effect September 1, 2003.

9 (b) The changes in law made by this Act to Sections 85.321
10 and 85.322, Natural Resources Code, apply only to an action for
11 damages brought on or after September 1, 2003. An action brought
12 before that date is governed by the law in effect on the date the
13 action is brought, and the former law is continued in effect for
14 that purpose.