

Amend CSHB 3 on page 27, between lines 17 and 18 by inserting the following:

(g) A taxable entity shall exclude, to the extent included under Subsection (c)(1)(A), (c)(2)(A), or (c)(3), total revenue received from oil or gas produced from:

(1) an oil or gas well designated by the Railroad Commission of Texas that is spudded after January 1, 2005;

(2) an oil well designated by the Railroad Commission of Texas whose production averages less than 10 barrels a day over a 90-day period; and

(3) a gas well designated by the Railroad Commission of Texas whose production averages less than 250 mcf a day over a 90-day period.