LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 6, 2005

TO: Honorable Kenneth Armbrister, Chair, Senate Committee on Natural Resources

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: SB575 by Armbrister (Relating to notice to a surface owner by an oil or gas well operator of certain oil and gas operations.), Committee Report 1st House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would require an oil and gas developer of a new oil or gas well or of a reentry to a plugged or abandoned notice to provide written notice to each surface owner within three days of receiveing a permit from the Railroad Commission.

Assuming the Railroad Commission would not be required to verify and monitor all notices provided by oil and gas developers to surface owners, the bill is not expected to result in a signficant workload increase at the agency.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission

LBB Staff: JOB, WK, ZS, TL, KJG