

BILL ANALYSIS

Senate Research Center
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S.B. 715
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Natural Resources
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The increasing number of permits granted for commercial disposal wells in Texas necessitates a better application process. It is the assigned duty of the Railroad Commission of Texas to adopt and enforce rules relating to that process. Currently, applicants are required to notify surface owners of their application for a permit to dispose oil and gas waste, but those surface owners have no obligation to notify a tenant or contract-for-deed purchaser occupying the property. Thus, the land-occupier is given no course of action by which to formally protest the disposal well.

As proposed, S.B. 715 requires the Railroad Commission of Texas to adopt rules requiring the owner of the surface property to notify each lessee or purchaser under a contract for deed and certain other persons.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Railroad Commission of Texas is modified in SECTION 1 (Section 27.034, Water Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 27.034, Water Code, by adding Subsection (a-1), as follows:

(a-1) Requires the rules adopted by the Railroad Commission of Texas (commission) under Subsection (a), in connection with an application for a permit to dispose of oil and gas waste in a commercial disposal well, at minimum to require the applicant to provide notice to certain persons and to publish notice in the largest circulating newspaper in the county in which the well is proposed to be located; require each owner of record of a surface tract who receives a notice give notice to each surface lessee or purchaser under a contract for deed, executory contract, or other executory conveyance of the tract; and to provide an opportunity to each person who receives a notice under this subsection to request a public hearing on the application.

SECTION 2. Amends Section 27.105, Water Code, by amending Subsection (a) and adding Subsections (a-1) and (a-2), as follows:

(a) Provides that Subsection (a-1) is an exception to this subsection.

(a-1) Provides that a person who knowingly violates a rule of the commission adopted under Section 27.034 (a-1)(3) commits a Class C misdemeanor.

(a-2) Creates this subsection from existing text.

SECTION 3. Effective date: September 1, 2007.