

By: King of Parker, Veasey, Orr

H.B. No. 630

A BILL TO BE ENTITLED

AN ACT

relating to notice to a surface owner by an oil or gas well operator of the issuance of a permit for certain oil and gas operations.

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

SECTION 1. Chapter 91, Natural Resources Code, is amended by adding Subchapter P to read as follows:

SUBCHAPTER P. NOTICE OF PERMIT FOR CERTAIN OIL AND GAS OPERATIONS

Sec. 91.701. DEFINITION. In this subchapter, "surface owner" means the first person who is shown on the appraisal roll of the appraisal district established for the county in which a tract of land is located as owning an interest in the surface estate of the land at the time notice is required to be given under this subchapter.

Sec. 91.702. APPLICABILITY. This subchapter applies only to the drilling of a new oil or gas well or the reentry of a plugged and abandoned oil or gas well. This subchapter does not apply to:

(1) the plugging back, reworking, sidetracking, or deepening of an existing oil or gas well that has not been plugged and abandoned; or

(2) the use of a surface location that is the site of an existing oil or gas well that has not been plugged and abandoned to drill a horizontal oil or gas well.

Sec. 91.703. NOTICE REQUIRED. (a) Not later than the 15th business day after the date the commission issues an oil or gas well

1 operator a permit to drill a new oil or gas well or to reenter a
2 plugged and abandoned oil or gas well, the operator shall give
3 written notice of the issuance of the permit to the surface owner of
4 the tract of land on which the well is located or is proposed to be
5 located.

6 (b) An oil or gas well operator is not required to give
7 notice under this subchapter to a surface owner if:

8 (1) the operator and the surface owner have entered
9 into an agreement that contains alternative provisions regarding
10 the operator's obligation to give notice of oil and gas operations;
11 or

12 (2) the surface owner has waived in writing the owner's
13 right to notice under this subchapter.

14 Sec. 91.704. ADDRESS FOR NOTICE. The notice must be given
15 to the surface owner at the surface owner's address as shown by the
16 records of the county tax assessor-collector at the time the notice
17 is given.

18 Sec. 91.705. COMMISSION PERMITS AND RIGHTS OF OWNER OF
19 MINERAL ESTATE NOT AFFECTED. (a) This subchapter does not affect
20 the status of any rule of law to the effect that the mineral estate
21 in land is dominant over the surface estate.

22 (b) Failure to give notice as required by this subchapter
23 does not restrict, limit, work as a forfeiture of, or terminate any
24 existing or future permit issued by the commission or right to
25 develop the mineral estate in land.

26 SECTION 2. The change in law made by this Act applies only
27 to oil and gas operations for which a permit is issued on or after

1 October 1, 2007. Oil and gas operations for which a permit is
2 issued before October 1, 2007, are governed by the law as it existed
3 immediately before the effective date of this Act, and that law is
4 continued in effect for that purpose.

5 SECTION 3. This Act takes effect September 1, 2007.