

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 14, 2007**

**TO:** Honorable Rick Hardcastle, Chair, House Committee on Energy Resources

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

**IN RE: HB521** by Miller (Relating to notice of an application for a permit to dispose of oil and gas waste in a commercial disposal well; creating an offense.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would require that an applicant for a commercial disposal well permit give notice of the application to each surface owner of record of each tract that adjoins the tract on which a well is proposed to be located; require that each surface owner that receives such notice further provide notice to each surface lessee or purchaser under a contract for deed, executory contract, or other executory conveyance of the tract; and to provide each person who receives notice the opportunity to request a hearing on the application. In addition, the bill would provide that a surface owner that receives notice of a commercial disposal well but fails to provide notice of the application to each surface lessee or purchaser under a contract for deed, executory contract, or other executory conveyance of the tract, commits a Class C misdemeanor offense.

Although the bill could increase the application requirements and the amount of time required to process an application for a commercial disposal well, additional workload is not expected to be significant and could be handled through existing Railroad Commission resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 455 Railroad Commission

**LBB Staff:** JOB, WK, TL