BILL ANALYSIS

Senate Research Center

H.B. 1533 By: Burnam et al. (Davis) Natural Resources 5/11/2009 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

According to the Railroad Commission of Texas (commission), over 700 gas well permits were approved in 2008 for Tarrant County. As natural gas drilling becomes more prevalent in urban areas in Tarrant County and around the Barnett Shale, a natural gas source bed rock, residents face many new problems concerning property rights, mineral rights, safety risk, environmental hazards, and pipeline routing.

This legislation gives elected officials the information they need to assist their constituents with these problems by requiring the commission to provide notification to certain elected officials upon receipt of applications for permits to drill a gas well in Tarrant County and in other counties with a population of 50,000 that are located wholly or partly above a hydrocarbon-producing geological formation in which during the preceding year the commission issued more than 1,500 gas well drilling permits.

H.B. 1533 relates to notice of applications for permits to drill certain gas wells.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter C, Chapter 86, Natural Resources Code, by adding Section 86.044, as follows:

Sec. 86.044. NOTICE OF CERTAIN GAS WELL PERMIT APPLICATIONS. (a) Provides that this section applies only to a gas well proposed to be located in a county that has a population of more than 50,000 and is located wholly or partly above a hydrocarbon-producing geological formation in which during the preceding year the Railroad Commission of Texas (commission) issued more than 1,500 drilling permits authorizing wells to be completed.

(b) Requires the commission, except as provided by Subsection (c), on receipt of the first application for a permit to drill a gas well at a drill site, to provide electronic notice of the application and, on request, by first class mail to the state senator and representative who represent the area in which the well is proposed to be located and other certain persons, as applicable.

(c) Provides that the commission is not required to provide notice under this section to a person described by Subsection (b) if the person has waived in writing the right to notice under this section.

(d) Provides that notice provided to a public official under this section does not create additional legal standing to contest a permit to drill a gas well.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2009.