

By: Crownover

H.B. No. 3134

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the process for refusing to renew an organization
3 report for an operator that fails to plug an inactive oil or gas
4 well.

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

6 SECTION 1. Section 89.022, Natural Resources Code, is
7 amended by adding Subsections (d), (e), (f), and (g) to read as
8 follows:

9 (d) Before the commission issues an order refusing to renew
10 an operator's organization report under Subsection (c), an
11 authorized commission employee or a person designated by the
12 commission for that purpose must determine whether the operator has
13 failed to comply with the requirements of this subchapter. If the
14 authorized commission employee or designated person determines
15 that the organization report does not qualify for renewal on that
16 ground, the authorized commission employee or designated person
17 must:

18 (1) notify the operator of the determination;

19 (2) provide the operator with a written statement of
20 the reasons the organization report does not qualify for renewal;
21 and

22 (3) notify the operator that the operator has 90 days
23 to comply with the requirements of this subchapter.

24 (e) The authorized commission employee or designated person

1 may grant the operator an additional 45 days to comply with the
2 requirements of this subchapter for good cause shown.

3 (f) After the expiration of the period specified by
4 Subsection (d)(3) as extended under Subsection (e), if applicable,
5 the authorized commission employee or designated person shall
6 determine whether the organization report qualifies for renewal and
7 notify the operator of the determination. If the authorized
8 commission employee or designated person determines that the
9 organization report does not qualify for renewal because the
10 operator has continued to fail to comply with the requirements of
11 this subchapter, the operator, not later than the 30th day after the
12 date of the determination, may request a hearing regarding the
13 determination.

14 (g) If the commission determines following the hearing that
15 the operator has failed to comply with the requirements of this
16 subchapter or the operator fails to file a timely request for a
17 hearing, the commission by order shall refuse to renew the
18 organization report. The organization report remains in effect
19 until the commission's order becomes final.

20 SECTION 2. The changes in law made by this Act apply only to
21 the renewal of an organization report on or after the effective date
22 of this Act. The renewal of an organization report before the
23 effective date of this Act is governed by the law as it existed
24 immediately before the effective date of this Act, and that law is
25 continued in effect for that purpose.

26 SECTION 3. This Act takes effect September 1, 2011.