

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 3, 2013

TO: Honorable Jim Keffer, Chair, House Committee on Energy Resources

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3597** by Burnam (Relating to application and notification requirements for a permit to drill an oil or gas well in or near an easement held by the Texas Department of Transportation.), **Committee Report 1st House, Substituted**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would require the Railroad Commission to adopt rules to require that an application for a permit to drill an oil or gas well include an affirmation as to whether or not the well is located inside of or within 50 yards of an easement held by Texas Department of Transportation (TxDOT). The bill would require the Railroad Commission to notify TxDOT within 14 days of receipt of an application for a permit to drill located inside of or within 50 yards of an easement held by TxDOT.

The bill would take effect September 1, 2013 and would apply only to permits received on the effective date of the bill or after.

Any administrative costs to the Railroad Commission and TxDOT in implementing the bill's provisions are expected to be absorbed using existing agency resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission, 601 Department of Transportation

LBB Staff: UP, SZ, TL