

By: Hinojosa

S.B. No. 817

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the information required to be provided by a payor of
3 the proceeds derived from the sale of oil or gas production to a
4 royalty interest owner.

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

6 SECTION 1. Section 91.502, Natural Resources Code, is
7 amended to read as follows:

8 Sec. 91.502. TYPES OF INFORMATION PROVIDED. Each check
9 stub, attachment to a payment form, or other remittance advice must
10 include:

11 (1) the lease, property, or well name, any lease,
12 property, or well identification number used to identify the lease,
13 property, or well, and a county and state in which the lease,
14 property, or well is located;

15 (2) the month and year during which the sales occurred
16 for which payment is being made;

17 (3) the total number of barrels of oil or the total
18 amount of gas sold;

19 (4) the price per barrel or per MCF of oil or gas sold;

20 (4-a) the Btu factor for gas sold;

21 (5) the total amount of state severance and other
22 production taxes paid;

23 (6) the windfall profit tax paid on the owner's
24 interest;

- 1 (7) any other deductions or adjustments;
- 2 (8) the net value of total sales after deductions;
- 3 (9) the owner's interest in sales from the lease,
- 4 property, or well expressed as a decimal;
- 5 (10) the owner's share of the total value of sales
- 6 before any tax deductions;
- 7 (11) the owner's share of the sales value less
- 8 deductions; and
- 9 (12) an address and telephone number at which
- 10 additional information regarding the payment may be obtained and
- 11 questions may be answered.

12 SECTION 2. The change in law made by this Act applies only
13 to a payment made on or after the effective date of this Act. A
14 payment made before the effective date of this Act is governed by
15 the law in effect on the date the payment is made, and the former law
16 is continued in effect for that purpose.

17 SECTION 3. This Act takes effect September 1, 2019.