87R7208 JAM-D

By:  Hinojosa S.B. No. 1006

A BILL TO BE ENTITLED

AN ACT

relating to the electronic transmission of certain notices proved by the Railroad Commission of Texas.

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

SECTION 1.  Section 89.043(c), Natural Resources Code, is amended to read as follows:

(c)  Not later than the 30th day before the date the commission enters into a contract to plug a delinquent inactive well, the commission shall send a notice by certified mail or as an electronic record to the operator of the well at the address last reported to the commission as required by Section 91.142 and commission rules. The notice shall direct the operator to plug the well and shall state that:

(1)  the commission may plug the well and foreclose its statutory lien under Section 89.083 unless the operator requests a hearing not later than the 10th day after the date the operator receives the notice;

(2)  if the commission forecloses its statutory lien under Section 89.083, all well-site equipment will be presumed to have been abandoned and the commission may dispose of the equipment and hydrocarbons from the well as provided by Section 89.085;

(3)  if the commission plugs the well, the commission:

(A)  by order may require the operator to reimburse the commission for the plugging costs; or

(B)  may request the attorney general to file suit against the operator to recover those costs;

(4)  the commission has a statutory lien on all well-site equipment under Section 89.083; and

(5)  the lien described by Subdivision (4) is foreclosed by operation of law if the commission does not receive a valid and timely request for a hearing before the 15th day after the date the notice is mailed.

SECTION 2.  Section 89.085(f), Natural Resources Code, is amended to read as follows:

(f)  Not later than the 30th day after the date well-site equipment or hydrocarbons are disposed of under this section, the commission shall mail a notice by first class mail or send a notice as an electronic record to the operator of the well at the address last reported to the commission as required by Section 91.142 of this code and commission rules and, on request, to any lienholder or nonoperator.

SECTION 3.  Section 91.704, Natural Resources Code, is amended to read as follows:

Sec. 91.704.  CANCELLATION OF CERTIFICATE. (a) The commission may cancel any certificate of compliance issued under the provisions of this subchapter if it appears that the owner or operator of a well covered by the provisions of the certificate, in the operation of the well or the production of oil or gas from the well, has violated or is violating this title, Section 26.131, Water Code, or Subchapter C, Chapter 27, Water Code, a rule adopted or order issued under that title, section, or subchapter, as applicable, or a license, permit, or certificate issued to the owner or operator under that title, section, or subchapter, as applicable.

(b)  Before canceling a certificate of compliance, the commission shall give notice to the owner or operator [~~by personal service or by registered or certified mail~~] of the facts or conduct alleged to warrant the cancellation and shall give the owner or operator an opportunity to show compliance with all requirements of law for retention of the certificate as required by Section 2001.054, Government Code.

(c)  The commission may provide that the notice under Subsection (b) be:

(1)  delivered by personal service;

(2)  sent by registered or certified mail; or

(3)  sent as an electronic record.

SECTION 4.  Section 131.213, Natural Resources Code, is amended to read as follows:

Sec. 131.213.  NOTICE OF RELEASE TO LOCAL GOVERNMENTAL AGENCY. Within 30 days after an application for total or partial bond or deposit release is filed with the commission, the commission shall notify the local governmental agency in which the surface mining operation is located by certified mail or electronic record.

SECTION 5.  Section 133.048(d), Natural Resources Code, is amended to read as follows:

(d)  Any notices required under Subsections (b) and (c) of this section must be [~~mailed to the applicant certified mail, postage prepaid, return receipt requested~~], not later than the fifth day after the day on which the commission approves or disapproves the application, either:

(1)  mailed to the applicant by certified mail, postage prepaid, return receipt requested; or

(2)  sent as an electronic record.

SECTION 6.  This Act takes effect September 1, 2021.