

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

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

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

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

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

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

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

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

1 applicable, or a license, permit, or certificate issued to the
2 owner or operator under that title, section, or subchapter, as
3 applicable.

4 (b) Before canceling a certificate of compliance, the
5 commission shall give notice to the owner or operator [~~by personal~~
6 ~~service or by registered or certified mail~~] of the facts or conduct
7 alleged to warrant the cancellation and shall give the owner or
8 operator an opportunity to show compliance with all requirements of
9 law for retention of the certificate as required by Section
10 [2001.054](#), Government Code.

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

- 13 (1) delivered by personal service;
14 (2) sent by registered or certified mail; or
15 (3) sent as an electronic record.

16 SECTION 4. Section [131.213](#), Natural Resources Code, is
17 amended to read as follows:

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

24 SECTION 5. Section [133.048](#)(d), Natural Resources Code, is
25 amended to read as follows:

26 (d) Any notices required under Subsections (b) and (c) of
27 this section must be [~~mailed to the applicant certified mail,~~

1 ~~postage prepaid, return receipt requested]~~, not later than the
2 fifth day after the day on which the commission approves or
3 disapproves the application, either:

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

6 (2) sent as an electronic record.

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