

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 25, 2021**

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: SB367** by Miles (Relating to the requirements for an application for a permit to drill an oil or gas well at a site adjacent to a well blowout site.), **As Passed 2nd House**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would require an applicant of a oil and gas well drilling permit to disclose if the site is adjacent to a well blowout site.

The bill would also allow an operator or lessee, to produce oil or gas from an oil and gas well, regardless is it is adjacent to a well blowout site, if it traverses multiple tracts to prevent waste and promote conservation.

Based on information provided by the Railroad Commission, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

**Local Government Impact**

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

**Source Agencies:** 455 Railroad Commission

**LBB Staff:** JMc, LBO, DA, AJL, MW