

By: King

H.B. No. 3334

A BILL TO BE ENTITLED

AN ACT

relating to wildfire prevention, mitigation, and response at certain wells under the jurisdiction of the Railroad Commission of Texas; authorizing an administrative penalty.

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

SECTION 1. The Natural Resources Code is amended by adding Title 13 to read as follows:

TITLE 13. WILDFIRE PREVENTION, MITIGATION, AND RESPONSE

CHAPTER 231. OIL AND GAS FACILITIES

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 231.001. DEFINITIONS. In this chapter:

(1) "Commission" means the Railroad Commission of Texas.

(2) "Operator" means a person who assumes responsibility for the physical operation and control of a well as shown by a form the person files with the commission and the commission approves.

(3) "Well" means a hole drilled for the purpose of:

- (A) producing oil or gas;
- (B) injecting fluid or gas into the ground in connection with the exploration for or production of oil or gas; or
- (C) obtaining geological information by taking cores or through seismic operations.

SUBCHAPTER B. WILDFIRE SAFETY INSPECTIONS OF WELLS

1       Sec. 231.051. INSPECTION AND CERTIFICATION REQUIRED BEFORE  
2 TRANSFER OF WELL. (a) This section applies only to a well that has  
3 been the subject of a notice of violation that was:

4           (1) issued by the commission in the five years  
5 preceding the date of transfer of ownership of the well; and

6           (2) related to fire or to the operation and  
7 maintenance of electrical power lines, poles, or other related  
8 electrical equipment associated with the well.

9       (a-1) To be eligible to perform an inspection under this  
10 section, a person must hold a license issued by the Texas Department  
11 of Licensing and Regulation under Subchapter D, Chapter 1305,  
12 Occupations Code, that authorizes the person to determine  
13 compliance with the National Electrical Code published by the  
14 National Fire Protection Association and adopted by the Texas  
15 Commission of Licensing and Regulation under Chapter 1305,  
16 Occupations Code.

17       (b) At least 60 but not more than 150 days before the date  
18 operatorship of a well subject to this section may be transferred  
19 from one operator to another, an inspector must inspect the well,  
20 well site, and related facilities to determine compliance with the  
21 National Electrical Code published by the National Fire Protection  
22 Association and adopted by the Texas Commission of Licensing and  
23 Regulation under Chapter 1305, Occupations Code.

24       (c) Not later than the 30th day after the date of conducting  
25 an inspection under Subsection (b), an inspector shall provide to  
26 the commission and the operator of any well or related facility  
27 inspected a written report of the results of the inspection.

1        (d) Unless the commission grants an extension, not later  
2 than the 30th day after the date an operator receives a report under  
3 Subsection (c), the operator shall confer with the commission and  
4 take any remedial action necessary to address a violation, safety  
5 issue, or fire risk identified in the report.

6        (e) On completion of all remedial actions required by the  
7 commission under Subsection (d), the inspector shall:

8            (1) conduct a follow-up inspection to confirm that  
9 noncompliant items previously identified are now in compliance; and

10           (2) provide to the commission and the operator a  
11 report of the follow-up inspection.

12        (f) On receipt of a report issued under Subsection (e)(2)  
13 documenting that noncompliant items previously identified are now  
14 in compliance, an operator may submit to the commission a  
15 certification affirming that issues raised by the inspector have  
16 been remedied.

17        (g) The commission may not approve a proposed transfer  
18 subject to this section until the commission receives a  
19 certification under Subsection (f).

20        SUBCHAPTER C. INACTIVE WELLS: COMMISSION POWERS AND DUTIES

21        Sec. 231.101. TERMINATION OF ELECTRIC SERVICE FOR ORPHANED,  
22 INACTIVE, OR NONCOMPLIANT WELL OR FACILITY. (a) At the time the  
23 commission determines a well or related facility to be orphaned,  
24 inactive, or not in compliance with state laws and regulations  
25 pertaining to susceptibility to wildfires, the commission, in  
26 consultation with the Public Utility Commission of Texas, shall  
27 direct the electric utility or other entity that provides electric

service for the well or related facility to terminate electric service for the well or related facility at the point of origin.

(b) Electric service that is terminated under this section may not be reinstated until:

(1) an approved operator assumes ownership of the well or related facility;

(2) the site of the well or related facility is confirmed by the commission to be in compliance with all applicable state laws and regulations pertaining to susceptibility to wildfires; and

(3) the electric utility or other entity receives written notice from the commission and the Public Utility Commission of Texas that the service may be reinstated.

#### SUBCHAPTER D. ENFORCEMENT AND PENALTIES

Sec. 231.151. REVOCATION OF OPERATING PERMIT; NOTICE TO SURFACE OWNER. (a) If an operator fails to have an inspection conducted under Section 231.051(b) or fails to take any required remedial action under Section 231.051(d), the commission shall:

(1) suspend or revoke the permit to operate the well or related facility for which a report was not submitted or remedial action was not taken; and

(2) send to the owner of the surface of the tract of land on which the well or related facility is located notice that the operator of the well or related facility is not in compliance with this chapter.

(b) A suspension or revocation issued under this section remains in effect until the operator comes into compliance with

1 this chapter.

2 Sec. 231.152. ADMINISTRATIVE PENALTY. (a) The commission  
3 may impose an administrative penalty on a person who violates this  
4 chapter or a rule adopted or order issued under this chapter.

5 (b) The amount of the penalty may not exceed \$10,000 for  
6 each violation. The amount of the penalty shall be based on:

7 (1) the seriousness of the violation, including the  
8 nature, circumstances, extent, and gravity of the violation;

9 (2) the economic harm to property or the environment  
10 caused by the violation;

11 (3) the history of previous violations;

12 (4) the amount necessary to deter a future violation;

13 (5) efforts to correct the violation; and

14 (6) any other matter that justice may require.

15 (c) The enforcement of the penalty may be stayed during the  
16 time the order is under judicial review if the person pays the  
17 penalty to the clerk of the court or files a supersedeas bond with  
18 the court in the amount of the penalty. A person who cannot afford  
19 to pay the penalty or file the bond may stay the enforcement by  
20 filing an affidavit in the manner required by the Texas Rules of  
21 Civil Procedure for a party who cannot afford to file security for  
22 costs, subject to the right of the commission to contest the  
23 affidavit as provided by those rules.

24 (d) The attorney general may sue to collect the penalty.

25 (e) A proceeding to impose the penalty is considered to be a  
26 contested case under Chapter 2001, Government Code.

27 SECTION 2. As soon as practicable after the effective date

H.B. No. 3334

1 of this Act, the Railroad Commission of Texas shall adopt rules  
2 necessary to implement the changes in law made by this Act.

3 SECTION 3. This Act takes effect September 1, 2025.