

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.

Sec. 231.002. PUBLIC INFORMATION. The commission shall

1 make publicly available on the commission's Internet website as a
2 part of the oil and gas records database:

3 (1) each report provided to the commission under
4 Section 231.051(b) or 231.052(b); and

5 (2) any subsequent inspection report or written
6 evidence supplied by an operator demonstrating completion of
7 remedial action submitted under Section 231.051 or 231.052.

8 Sec. 231.003. CONFLICT WITH OTHER LAW. In the event of a
9 conflict between this chapter and any other law, this chapter
10 prevails.

11 SUBCHAPTER B. WILDFIRE SAFETY INSPECTIONS OF WELLS

12 Sec. 231.051. INSPECTION AND REMEDIATION OF ACTIVE WELLS
13 REQUIRED. (a) Annually, an operator of an active well shall
14 contract with a bonded and state-certified third-party inspector to
15 identify and inspect for susceptibility to wildfires all wells and
16 related facilities associated with the operator.

17 (b) Not later than the 30th day after the date of conducting
18 an inspection under Subsection (a), a third-party inspector shall
19 provide to the commission and the operator of any well or related
20 facility inspected a written report of the results of the
21 inspection. The inspector's report shall document any safety
22 issue, violation, or fire risk identified during the inspection.

23 (c) Not later than the 30th day after the date an operator
24 receives a report under Subsection (b), the operator shall confer
25 with the commission and take any remedial action necessary to
26 address any violation, safety issue, or fire risk identified in the
27 report.

1 (d) To ensure that any required remedial action has been
2 completed, the commission may:

3 (1) send a commission inspector, or require the
4 operator to contract with a third-party inspector, to verify
5 completion; or

6 (2) require that an operator provide written evidence
7 demonstrating that any safety issue, violation, or fire risk
8 identified in the report has been addressed to the satisfaction of
9 the commission.

10 (e) An operator is responsible for any cost associated with
11 an inspection conducted or remedial action taken under this
12 section.

13 Sec. 231.052. INSPECTION AND CERTIFICATION REQUIRED BEFORE
14 TRANSFER OF WELL. (a) At least 60 but not more than 150 days before
15 the date ownership of any well or oil or gas lease on which a well is
16 located may be transferred from one operator to another, a bonded
17 and state-certified third-party inspector must inspect the well,
18 well site, and related facilities to determine compliance with
19 state laws and regulations pertaining to susceptibility to
20 wildfires.

21 (b) Not later than the 30th day after the date of conducting
22 an inspection under Subsection (a), a third-party inspector shall
23 provide to the commission and the operator of any well or related
24 facility inspected a written report of the results of the
25 inspection. The inspector's report shall document any safety
26 issue, violation, or fire risk identified during the inspection.

27 (c) Not later than the 30th day after the date an operator

1 receives a report under Subsection (b), the operator shall confer
2 with the commission and take any remedial action necessary to
3 address a violation, safety issue, or fire risk identified in the
4 report.

5 (d) On completion of all remedial actions required by the
6 commission under Subsection (c), the third-party inspector shall:

7 (1) conduct a follow-up inspection to confirm that
8 there are no remaining violations; and

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

11 (e) On receipt of a report issued under Subsection (d)(2)
12 documenting that a well, well site, and associated facilities are
13 compliant with state laws and regulations pertaining to
14 susceptibility to wildfires, an operator may submit to the
15 commission a certification affirming that the well is in compliance
16 with all such state laws and regulations.

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

20 SUBCHAPTER C. INACTIVE WELLS: COMMISSION POWERS AND DUTIES;

21 SURFACE OWNER LIABILITY

22 Sec. 231.101. COMMISSION CONTROL OF WELLS OR FACILITIES
23 WITH NO LOCATABLE OWNER OR OPERATOR. For any well and related
24 facilities for which there is no locatable owner or operator or for
25 which the owner or operator is not responsive, the commission
26 shall:

27 (1) assume control of and responsibility for the well

1 and related facilities; and

2 (2) ensure that the well and related facilities are
3 compliant with applicable state laws and regulations pertaining to
4 susceptibility to wildfires.

5 Sec. 231.102. TERMINATION OF ELECTRIC SERVICE FOR ORPHANED,
6 INACTIVE, OR NONCOMPLIANT WELL OR FACILITY. (a) At the time the
7 commission determines a well or related facility to be orphaned,
8 inactive, or not in compliance with state laws and regulations
9 pertaining to susceptibility to wildfires, the commission shall
10 direct the electric utility or other entity that provides electric
11 service for the well or related facility to terminate electric
12 service for the well or related facility at the point of origin.

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

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

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

21 (3) the electric utility or other entity receives
22 written notice from the commission that the service may be
23 reinstated.

24 Sec. 231.103. SURFACE OWNER LIABILITY. (a) A surface owner
25 affected by a well or related facility that is orphaned, inactive,
26 or not in compliance with state laws and regulations pertaining to
27 susceptibility to wildfires is not liable for an action taken by the

1 owner to ensure the safety of the owner's property:

2 (1) if the operator of the well or related facility has
3 been unresponsive;

4 (2) if the owner has received notice of noncompliance
5 from the commission under Section 231.151(a)(2); or

6 (3) in the event of an emergency, including the
7 imminent threat of wildfire.

8 (b) A surface owner may seek reimbursement from the operator
9 of a well or related facility located on the owner's land for any
10 action taken by the owner to ensure the safety of the owner's
11 property.

12 SUBCHAPTER D. ENFORCEMENT AND PENALTIES

13 Sec. 231.151. REVOCATION OF OPERATING PERMIT; NOTICE TO
14 SURFACE OWNER. (a) If an operator fails to have an inspection
15 conducted under Section 231.051(a) or 231.052(a) or fails to take
16 any required remedial action under Section 231.051(c) or
17 231.052(c), the commission shall:

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

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

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

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

4 (b) The amount of the penalty may not exceed \$5,000 for each
5 violation. Each day a violation continues or occurs is a separate
6 violation for the purpose of imposing a penalty. The amount of the
7 penalty shall be based on:

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

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

12 (3) the history of previous violations;

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

14 (5) efforts to correct the violation; and

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

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

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

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

1 SECTION 2. As soon as practicable after the effective date
2 of this Act, the Railroad Commission of Texas shall adopt rules
3 necessary to implement the changes in law made by this Act,
4 including rules specifying the date by which a person must conduct
5 the initial inspection required under Section 231.051, Natural
6 Resources Code, as added by this Act.

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