By: Birdwell, Blanco S.B. No. 1146

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to the plugging or replugging of certain inactive wells
3	subject to the jurisdiction of the Railroad Commission of Texas.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Section 89.045, Natural Resources Code, is
6	amended to read as follows:
7	Sec. 89.045. LIABILITY FOR DAMAGES. The commission and its
8	employees and agents, the operator, [and] the nonoperator, and any
9	private person who has paid money to the commission to plug or
10	replug a well under Section 89.084 are not liable for any damages
11	that may occur as a result of acts done or omitted to be done by them
12	or each of them in a good-faith effort to carry out this chapter.
13	SECTION 2. Subchapter C, Chapter 89, Natural Resources
14	Code, is amended by adding Section 89.049 to read as follows:
15	Sec. 89.049. PLUGGING OR REPLUGGING OF ORPHANED WELL BY OII
16	AND GAS LESSEE OR MINERAL ESTATE OWNER. (a) In this section,
17	"operator in good standing" and "orphaned well" have the meanings
18	assigned by Section 89.047.
19	(b) An operator in good standing who is the owner of ar
20	interest in a current oil and gas lease or the mineral estate of a
21	tract of land on which an orphaned well is located or the owner of
22	the surface estate of a tract of land on which an orphaned well is
23	located may contract with a commission-approved well plugger to
24	plug or replug the well.

- 1 (c) A well plugger who enters into a contract under
- 2 Subsection (b) shall:
- 3 (1) not later than the 30th day before the date the
- 4 well is to be plugged or replugged, mail notice of the plugger's
- 5 intent to plug or replug the well to the operator of the well or the
- 6 surface owner, as applicable, at the operator's or surface owner's
- 7 address as shown by the records of the commission; and
- 8 (2) plug or replug the well in accordance with
- 9 commission rules.
- 10 (d) An operator in good standing or a surface owner who
- 11 enters into a contract under Subsection (b) does not assume
- 12 responsibility for the physical operation and control of the
- 13 orphaned well and is not liable for any plugging or replugging
- 14 responsibility or damages that may occur as a result of acts done or
- omitted to be done relating to plugging or replugging the well under
- 16 this section.
- (e) Paying money to or contracting with a well plugger to
- 18 plug or replug an orphaned well under this section is not an
- 19 admission that the person paying the money or contracting for the
- 20 plugging or replugging of the well is obligated to plug or replug
- 21 the well. Evidence that a person has paid money to or contracted
- 22 with a well plugger to plug or replug a well under this section is
- 23 <u>not admissible against the person in a suit in which the person's</u>
- 24 obligation to plug or replug the well is an issue, and introducing
- 25 the evidence is a compulsory ground for mistrial.
- 26 (f) The commission may require a plugging or replugging
- 27 operation conducted under this section to be supervised by a

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- 1 commission employee. A plugging or replugging operation conducted
- 2 under this section is not considered complete until approved by the
- 3 commission.
- 4 (g) This section does not apply to the owner of the surface
- 5 estate of a tract of land on which an orphaned well is located if the
- 6 <u>surface owner was the operator who abandoned the well.</u>
- 7 (h) The commission shall adopt any rules reasonably
- 8 necessary to implement this section, including rules prescribing
- 9 procedures for the approval by the commission of a well plugging or
- 10 replugging operation conducted under this section.
- 11 SECTION 3. This Act takes effect September 1, 2025.