

By: Birdwell

S.B. No. 1146

A BILL TO BE ENTITLED

AN ACT

relating to the plugging or replugging of certain inactive wells
subject to the jurisdiction of the Railroad Commission of Texas.

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

SECTION 1. Section 89.045, Natural Resources Code, is
amended to read as follows:

Sec. 89.045. LIABILITY FOR DAMAGES. The commission and its
employees and agents, the operator, ~~and~~ the nonoperator, and any
private person who has paid money to the commission to plug or
replug a well under Section 89.084 are not liable for any damages
that may occur as a result of acts done or omitted to be done by them
or each of them in a good-faith effort to carry out this chapter.

SECTION 2. Subchapter C, Chapter 89, Natural Resources
Code, is amended by adding Section 89.049 to read as follows:

Sec. 89.049. PLUGGING OR REPLUGGING OF ORPHANED WELL BY OIL
AND GAS LESSEE OR MINERAL ESTATE OWNER. (a) In this section,
"operator in good standing" and "orphaned well" have the meanings
assigned by Section 89.047.

(b) An operator in good standing who is the owner of an
interest in a current oil and gas lease or the mineral estate of a
tract of land on which an orphaned well is located may contract with
a commission-approved well plugger to plug or replug the well.

(c) A well plugger who enters into a contract under
Subsection (b) shall:

1 (1) not later than the 30th day before the date the
2 well is to be plugged or replugged, mail notice of the plugger's
3 intent to plug or replug the well to the operator of the well at the
4 operator's address as shown by the records of the commission;

5 (2) assume responsibility for the physical operation
6 and control of the well as shown by a form filed with and approved by
7 the commission; and

8 (3) plug or replug the well in accordance with
9 commission rules.

10 (d) An operator in good standing who enters into a contract
11 under Subsection (b) does not assume responsibility for the
12 physical operation and control of the orphaned well and is not
13 liable for any plugging or replugging responsibility or damages
14 that may occur as a result of acts done or omitted to be done
15 relating to plugging or replugging the well under this section.

16 (e) Paying money to or contracting with a well plugger to
17 plug or replug an orphaned well under this section is not an
18 admission that the person paying the money or contracting for the
19 plugging or replugging of the well is obligated to plug or replug
20 the well. Evidence that a person has paid money to or contracted
21 with a well plugger to plug or replug a well under this section is
22 not admissible against the person in a suit in which the person's
23 obligation to plug or replug the well is an issue, and introducing
24 the evidence is a compulsory ground for mistrial.

25 (f) The commission shall adopt any rules reasonably
26 necessary to implement this section.

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