

1-1 By: Birdwell S.B. No. 1146
1-2 (In the Senate - Filed February 6, 2025; February 24, 2025,
1-3 read first time and referred to Committee on Natural Resources;
1-4 March 24, 2025, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 8, Nays 0; March 24, 2025,
1-6 sent to printer.)

1-7	COMMITTEE VOTE			
1-8		Yea	Nay	Absent
1-9	Birdwell	X		PNV
1-10	Zaffirini	X		
1-11	Alvarado	X		
1-12	Blanco	X		
1-13	Flores	X		
1-14	Hancock	X		
1-15	Hughes			X
1-16	Parker	X		
1-17	Sparks	X		

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1146 By: Parker

1-19 A BILL TO BE ENTITLED
1-20 AN ACT

1-21 relating to the plugging or replugging of certain inactive wells
1-22 subject to the jurisdiction of the Railroad Commission of Texas.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 89.045, Natural Resources Code, is
1-25 amended to read as follows:

1-26 Sec. 89.045. LIABILITY FOR DAMAGES. The commission and its
1-27 employees and agents, the operator, ~~and~~ the nonoperator, and any
1-28 private person who has paid money to the commission to plug or
1-29 replug a well under Section 89.084 are not liable for any damages
1-30 that may occur as a result of acts done or omitted to be done by them
1-31 or each of them in a good-faith effort to carry out this chapter.

1-32 SECTION 2. Subchapter C, Chapter 89, Natural Resources
1-33 Code, is amended by adding Section 89.049 to read as follows:

1-34 Sec. 89.049. PLUGGING OR REPLUGGING OF ORPHANED WELL BY OIL
1-35 AND GAS LESSEE OR MINERAL ESTATE OWNER. (a) In this section,
1-36 "operator in good standing" and "orphaned well" have the meanings
1-37 assigned by Section 89.047.

1-38 (b) An operator in good standing who is the owner of an
1-39 interest in a current oil and gas lease or the mineral estate of a
1-40 tract of land on which an orphaned well is located or the owner of
1-41 the surface estate of a tract of land on which an orphaned well is
1-42 located may contract with a commission-approved well plugger to
1-43 plug or replug the well.

1-44 (c) A well plugger who enters into a contract under
1-45 Subsection (b) shall:

1-46 (1) not later than the 30th day before the date the
1-47 well is to be plugged or replugged, mail notice of the plugger's
1-48 intent to plug or replug the well to the operator of the well or the
1-49 surface owner, as applicable, at the operator's or surface owner's
1-50 address as shown by the records of the commission; and

1-51 (2) plug or replug the well in accordance with
1-52 commission rules.

1-53 (d) An operator in good standing or a surface owner who
1-54 enters into a contract under Subsection (b) does not assume
1-55 responsibility for the physical operation and control of the
1-56 orphaned well and is not liable for any plugging or replugging
1-57 responsibility or damages that may occur as a result of acts done or
1-58 omitted to be done relating to plugging or replugging the well under
1-59 this section.

1-60 (e) Paying money to or contracting with a well plugger to

2-1 plug or replug an orphaned well under this section is not an
2-2 admission that the person paying the money or contracting for the
2-3 plugging or replugging of the well is obligated to plug or replug
2-4 the well. Evidence that a person has paid money to or contracted
2-5 with a well plugger to plug or replug a well under this section is
2-6 not admissible against the person in a suit in which the person's
2-7 obligation to plug or replug the well is an issue, and introducing
2-8 the evidence is a compulsory ground for mistrial.

2-9 (f) The commission may require a plugging or replugging
2-10 operation conducted under this section to be supervised by a
2-11 commission employee. A plugging or replugging operation conducted
2-12 under this section is not considered complete until approved by the
2-13 commission.

2-14 (g) This section does not apply to the owner of the surface
2-15 estate of a tract of land on which an orphaned well is located if the
2-16 surface owner was the operator who abandoned the well.

2-17 (h) The commission shall adopt any rules reasonably
2-18 necessary to implement this section, including rules prescribing
2-19 procedures for the approval by the commission of a well plugging or
2-20 replugging operation conducted under this section.

2-21 SECTION 3. This Act takes effect September 1, 2025.

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