

By: Eckhardt

S.B. No. 1157

A BILL TO BE ENTITLED

AN ACT

relating to the flaring and venting of methane gas on land dedicated to the permanent university fund.

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

SECTION 1. Subchapter C, Chapter 66, Education Code, is amended by adding Section 66.455 to read as follows:

Sec. 66.455. METHANE FLARING AND VENTING REDUCTION PLANS.

(a) The board of regents of The University of Texas System shall adopt a formal policy goal to eliminate routine methane flaring and venting on university lands by 2029.

(b) Under each lease issued, modified, or renewed under this subchapter relating to oil or gas, the lessee shall submit to the board of regents of The University of Texas System a plan to end routine methane flaring and venting in accordance with the policy goal adopted under Subsection (a). The plan must:

(1) include provisions that prohibit routine methane flaring and venting;

(2) for all new and existing sources, require operators to adhere to the United States Environmental Protection Agency's new source performance standards for methane emissions; and

(3) require the lessee to implement quarterly inspections and maintenance for the detection of malfunctioning and unlit flares using leak detection equipment, such as optical gas

1 imaging cameras, and for the repair of those flares.

2 (c) The board of regents of The University of Texas System  
3 shall review and approve or reject each plan submitted under  
4 Subsection (b) according to procedures adopted by the board. The  
5 University of Texas Bureau of Economic Geology shall assist the  
6 board and lessees in matters relating to the plans.

7 (d) In adopting procedures to implement this section, the  
8 board of regents of The University of Texas System may apply to new  
9 facilities and existing facilities that have been modified after  
10 initial construction more stringent standards than the standards  
11 the board applies to other facilities.

12 SECTION 2. Section 86.185, Natural Resources Code, is  
13 amended to read as follows:

14 Sec. 86.185. PROHIBITION AGAINST GAS IN AIR. (a) No gas  
15 from a gas well may be permitted to escape into the air after the  
16 expiration of 10 days from the time the gas is encountered in the  
17 gas well, or from the time of perforating the casing opposite a  
18 gas-bearing zone if casing is set through the zone, whichever is  
19 later, but the commission may permit the escape of gas into the air  
20 for an additional time if the operator of a well or other facility  
21 presents information to show the necessity for the escape; provided  
22 that the amount of gas which is flared under that authority is  
23 charged to the operator's allowable production. A necessity  
24 includes but is not limited to the following situations:

25 (1) cleaning a well of sand or acid or both following  
26 stimulation treatment of a well; and

27 (2) repairing or modifying a gas-gathering system.

1        (b) Notwithstanding Subsection (a), the commission may  
2 permit methane flaring or venting from a well on university lands  
3 described by Section 66.41, Education Code, if the board of regents  
4 of The University of Texas System and the well operator jointly  
5 submit to the commission an attestation that:

6            (1) the well:

7                    (A) is connected to a pipeline on which pipeline  
8 takeaway capacity is not expected to meet the demand for gas  
9 produced from the well; or

10                   (B) is not connected to a pipeline and connection  
11 of the well to a pipeline is technically or commercially  
12 unfeasible; and

13            (2) the well operator made a good faith effort to find  
14 a productive purpose for the gas the operator is seeking to flare or  
15 vent.

16        SECTION 3. Not later than June 1, 2026, the board of regents  
17 of The University of Texas System shall adopt procedures  
18 implementing Section 66.455, Education Code, as added by this Act.

19        SECTION 4. (a) Except as provided by Subsection (b) of this  
20 section, this Act takes effect September 1, 2025.

21        (b) Section 86.185, Natural Resources Code, as amended by  
22 this Act, takes effect January 1, 2027.