## SENATE AMENDMENTS

## 2<sup>nd</sup> Printing

By: Dean H.B. No. 3619

#### A BILL TO BE ENTITLED

AN ACT

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|  |  |   |  |  |

- 2 relating to the rights and liabilities of the owner of the surface
- 3 estate of the tract of land on which a well to be plugged or
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

replugged by the Railroad Commission of Texas is located.

- 6 SECTION 1. Section 89.043, Natural Resources Code, is
- 7 amended by adding Subsection (g) to read as follows:
- 8 (g) If the commission plugs or replugs a well under this
- 9 section, the commission shall restore the surface of the tract of
- 10 land on which the well is located to the condition in which it
- 11 existed before the plugging or replugging operations began.
- 12 SECTION 2. Section 89.044, Natural Resources Code, is
- 13 amended by adding Subsection (c) to read as follows:
- 14 (c) Except as necessary to prevent injury to the public
- 15 <u>health, a person authorized to enter land under this</u> section may
- 16 not take an action that would prevent the owner of the surface
- 17 estate of the land from accessing the land.
- 18 SECTION 3. Section 89.045, Natural Resources Code, is
- 19 amended to read as follows:

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- Sec. 89.045. LIABILITY FOR DAMAGES. (a) The commission and
- 21 its employees and agents, the operator, and the nonoperator are not
- 22 liable for any damages that may occur as a result of acts done or
- 23 omitted to be done by them or each of them in a good-faith effort to
- 24 carry out this chapter.

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1 (b) The owner of the surface estate of the tract of land on which a well is located is not liable for any damages that may occur 2 as a result of acts done or omitted to be done in carrying out this 3 4 chapter by the commission, an employee or agent of the commission, or any other person authorized under this chapter to enter the land. 5 6 SECTION 4. Section 89.043(g), Natural Resources Code, as 7 added by this Act, applies only to a well that is plugged or replugged on or after the effective date of this Act. 8 SECTION 5. This Act takes effect September 1, 2025.

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## ADOPTED

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H.B. No. 3619

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#### A BILL TO BE ENTITLED

1 AN ACT

relating to the rights and liabilities of the owner of the surface 2

3 estate of the tract of land on which a well to be plugged or

- replugged by the Railroad Commission of Texas is located. 4
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- SECTION 1. Section 89.043, Natural Resources Code, 6
- 7 amended by adding Subsection (g) to read as follows:
- 8 (g) If the commission plugs or replugs a well under this
- section, the commission shall, unless the owner of the surface 9
- estate of the tract of land declines to have the surface restored, 10
- restore the surface of the tract of land on which the well is 11
- located by contouring the surface to the topography that existed 12
- before the plugging or replugging operations began in a manner 13
- intended to promote the <u>natural revegetation</u> of the tract and in 14
- accordance with applicable commission rules. 15
- SECTION 2. Section 89.044, Natural Resources Code, 16
- 17 amended by adding Subsection (c) to read as follows:
- (c) Except as necessary to prevent injury to the public 18
- health, a person authorized to enter land under this section may 19
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- estate of the land from accessing the land. 21
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- amended to read as follows: 23
- Sec. 89.045. LIABILITY FOR DAMAGES. (a) The commission and 24

- 1 its employees and agents, the operator, and the nonoperator are not
- 2 liable for any damages that may occur as a result of acts done or
- 3 omitted to be done by them or each of them in a good-faith effort to
- 4 carry out this chapter.
- 5 (b) The owner of the surface estate of the tract of land on
- 6 which a well is located is immune from civil liability for any
- 7 damages that may occur as a result of acts done or omitted to be done
- 8 in carrying out this chapter by the commission, an employee or agent
- 9 of the commission, or any other person authorized under this
- 10 chapter to enter the land.
- 11 SECTION 4. Section 89.043(g), Natural Resources Code, as
- 12 added by this Act, applies only to a well that is plugged or
- 13 replugged on or after the effective date of this Act.
- 14 SECTION 5. This Act takes effect September 1, 2025.

### FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

## May 29, 2025

**TO:** Honorable Dustin Burrows, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3619 by Dean (Relating to the rights and liabilities of the owner of the surface estate of the tract of land on which a well to be plugged or replugged by the Railroad Commission of Texas is located.), As Passed 2nd House

### No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

## **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission

LBB Staff: JMc, SD, TUf, MW, JOc

## FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

## May 22, 2025

TO: Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3619 by Dean (relating to the rights and liabilities of the owner of the surface estate of the tract of land on which a well to be plugged or replugged by the Railroad Commission of Texas is located.), Committee Report 2nd House, Substituted

## No significant fiscal implication to the State is anticipated.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

#### **Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission

LBB Staff: JMc, TUf, MW, JOc

#### FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

May 19, 2025

TO: Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3619 by Dean (Relating to the rights and liabilities of the owner of the surface estate of the tract of land on which a well to be plugged or replugged by the Railroad Commission of Texas is located.), As Engrossed

The fiscal implications of the bill cannot be determined because the number of well plugging sites that would require re-vegetation, and the level of re-vegetation that would be required, to return each site to the condition in which it existed before any plugging or re-plugging operations began are unknown.

The bill would amend the Natural Resources Code to require the Railroad Commission (RRC) to restore the surface of the tract of land on which a well is located that has been plugged or re-plugged by the commission to the condition in which it existed before the plugging or re-plugging operations began.

The RRC assumes well plugging costs would increase by an amount ranging from \$5,000 to \$10,000 for each well requiring re-vegetation of native grasses and trees to attain the condition prior to any well plugging or replugging. According to the RRC, this would primarily include replacing trees and re-seeding grasses on lease roads, which could extend for miles prior to reaching the well pad. Where re-vegetation would not be required, there would be no cost increase.

The RRC reported plugging 1,256 orphaned wells with state managed funds in fiscal year 2024; 1,750 wells in fiscal year 2023; 1,068 wells in fiscal year 2022; 1,453 wells in fiscal year 2021; and 1,477 wells in fiscal year 2020. Using the average number of wells plugged over the prior five fiscal years totaling 1,401 and RRC's anticipated cost increases for the purposes of analysis, estimated cost increases could range from \$0 to \$14,010,000 each fiscal year if RRC were to plug the same number of wells.

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#### **Local Government Impact**

No fiscal implication to units of local government is anticipated.

Source Agencies: 455 Railroad Commission

LBB Staff: JMc, TUf, RStu, MW, JOc

### FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

### April 11, 2025

TO: Honorable Drew Darby, Chair, House Committee on Energy Resources

FROM: Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3619** by Dean (Relating to the rights and liabilities of the owner of the surface estate of the tract of land on which a well to be plugged or replugged by the Railroad Commission of Texas is located.), **As Introduced** 

The fiscal implications of the bill cannot be determined because the number of well plugging sites that would require re-vegetation, and the level of re-vegetation that would be required, to return each site to the condition in which it existed before any plugging or re-plugging operations began are unknown.

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### **Local Government Impact**

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Source Agencies: 455 Railroad Commission

LBB Staff: JMc, RStu, MW, JOc