

BILL ANALYSIS

C.S.H.B. 1633
By: Romero, Jr.
Energy Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that the Railroad Commission of Texas currently is not required to provide notice to the Texas Department of Transportation (TxDOT) of a permit to drill an oil or gas well in or near an easement held by TxDOT. The parties contend that this lack of communication between state agencies can become an issue for the planning of future transportation projects. For example, if TxDOT makes plans to expand a portion of a highway but a natural gas well is located within a TxDOT easement at the time TxDOT intends to begin expansion, and TxDOT has no foreknowledge of the well's location, TxDOT's plans would need to be reworked and a taxpayer-funded project would be halted. C.S.H.B. 1633 seeks to help prevent such situations.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Railroad Commission of Texas in SECTION 1 of this bill.

ANALYSIS

C.S.H.B. 1633 amends the Natural Resources Code to require the Railroad Commission of Texas to adopt rules to require that an application for a permit to drill an oil or gas well include an affirmation as to whether or not the well is located within an easement held by the Texas Department of Transportation (TxDOT) or within 50 yards of an easement held by TxDOT. The bill requires the railroad commission to transmit to TxDOT a copy of an application for a permit to drill an oil or gas well that contains an affirmation that the well is located within or in such proximity to a TxDOT easement not later than the 14th day after the date the railroad commission receives the application. The bill expressly does not grant to TxDOT any authority regarding the approval of an application for a permit to drill an oil or gas well.

EFFECTIVE DATE

September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1633 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Subchapter B, Chapter 91, Natural Resources Code, is amended by adding Section 91.021 to read as follows:

Sec. 91.021. NOTICE OF PERMIT TO DRILL WELL IN TRANSPORTATION EASEMENT. (a) In this section, "department" means the Texas Department of Transportation.

(b) The commission shall adopt rules to require that an application for a permit to drill an oil or gas well include an affirmation as to whether or not the well is located within an easement held by the department or within 50 yards of an easement held by the department.

(c) Not later than the 14th day after the date the commission receives an application for a permit to drill an oil or gas well that contains an affirmation that the well is located within an easement held by the department or within 50 yards of an easement held by the department, the commission shall transmit the application to the department.

(d) This section does not grant to the department any authority regarding the approval of an application for a permit to drill an oil or gas well.

SECTION 2. Section 91.021, Natural Resources Code, as added by this Act, applies only to a permit application filed with the Railroad Commission of Texas on or after the effective date of this Act. A permit application filed with the commission before the effective date of this Act is governed by the law in effect when the application was filed, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2015.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subchapter B, Chapter 91, Natural Resources Code, is amended by adding Section 91.021 to read as follows:

Sec. 91.021. NOTICE OF PERMIT TO DRILL WELL IN TRANSPORTATION EASEMENT. (a) In this section, "department" means the Texas Department of Transportation.

(b) The commission shall adopt rules to require that an application for a permit to drill an oil or gas well include an affirmation as to whether or not the well is located within an easement held by the department or within 50 yards of an easement held by the department.

(c) Not later than the 14th day after the date the commission receives an application for a permit to drill an oil or gas well that contains an affirmation that the well is located within an easement held by the department or within 50 yards of an easement held by the department, the commission shall transmit a copy of the application to the department.

(d) This section does not grant to the department any authority regarding the approval of an application for a permit to drill an oil or gas well.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.