

BILL ANALYSIS

H.B. 3226
By: Geren
Energy Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been suggested that certain provisions of the Mineral Interest Pooling Act are outdated and do not reflect modern drilling technology and practices that allow for drilling operations to occur at surface locations adjacent to tracts from which they are producing. H.B. 3226 seeks to update a statutory provision relating to automatic dissolution to ensure that an oil or gas pooled unit is not dissolved for lack of drilling operations on the unit when drilling operations are taking place on an adjacent surface location that benefits the unit.

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 this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3226 amends the Natural Resources Code to change one of the terms for automatic dissolution of an oil or gas pooled unit under the Mineral Interest Pooling Act from one year after its effective date if no production or drilling operations have been had on the unit to two years after that date if no production or drilling operations have been had on the unit or surface location for the unit.

EFFECTIVE DATE

September 1, 2019.