

Bill Summary
1st Session of the 59th Legislature

Bill No.:	SB 443
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Author:	Sen. Montgomery
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Bill Analysis

SB 443 establishes the Orphaned Well Bitcoin Mining Partnership Program under the Corporation Commission. The Program shall partner with Bitcoin mining companies to assume the liability of plugging, remediating, or reclaiming an orphaned well in return for temporary control of the energy from the well. Additionally, the Commission is directed to publish reporting information required by the federal Infrastructure Investment and Jobs Act along with any other relevant information relating to orphaned wells. Companies shall enter into a competitive bidding process for each well. The measure outlines the information companies will be required to submit to the Commission, which shall be kept confidential. The Commission shall take into consideration the ability of the company to successfully and safely mine within the orphaned well, the time frame over which the company will mine within the well, and the initial cost for the company to mine within the well. The Commission is authorized to require a surety bond to be posted. Prior to purchasing a well, bitcoin companies shall determine the amount of natural gas emissions currently being emitted from the well, conduct a 60-day due diligence study, as well as the status of the mineral rights. Companies participating in the program shall not incur any additional liabilities other than those listed in the measure. The cost of plugging and remediating the well is capped at 3 times the initial estimate by the Commission unless it is demonstrated that the company who assumed control of the well caused additional costs to be incurred on the site. The measure also creates the Orphaned Well Bitcoin Mining Partnership Program Revolving Fund.

Prepared by: Kalen Taylor