

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	SB132
Version:	CCR A
Request Number:	2150
Author:	Rep. Boles
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Impact:	\$0

Research Analysis

The conference committee report for SB 132 adopts a conference committee substitute.

The conference committee substitute for SB 132 modifies state law regarding idle gas wells. If an operator has idle gas wells that have not produced for a consecutive 20-year-period as of the effective date of the act, they must plug or produce from those wells in the following manner:

- They must plug or produce from 25 percent of their idle wells by July 1, 2028;
- They must plug or produce from 50 percent of their idle wells by July 1, 2031;
- They must plug or produce from all remaining idle wells by July 1, 2035.

Moving forward, once a gas well is deemed idle, the operator will have 10 years to plug or produce from it. A well is deemed idle if there has been no commercial production from it in ten years.

The Corporation Commission may grant exemptions for good cause.

Prepared By: Emily Byrne

Fiscal Analysis

The conference committee report to SB 132 authorizes the Corporation Commission to promulgate rules for the plugging of all wells subject to their jurisdiction as well as defines and establishes operator guidelines regarding certain idle gas wells. The Corporation Commission believes any rule-making costs can be absorbed by current agency resources; therefore, this measure has no direct fiscal or revenue considerations for the state.

Prepared By: Jay St Clair, House Fiscal Staff

Other Considerations

None.