

BILL SUMMARY
1st Session of the 60th Legislature

Bill No.:	HB1369
Version:	FULLPCS1
Request Number:	12755
Author:	Rep. Boles
Date:	2/25/2025
Impact:	\$40,501

Research Analysis

The proposed committee substitute for HB 1369 requires the surety bonds posted by oil and gas companies to be based on the number of wells they operate.

- For 1-10 wells, the surety amount is \$25,000;
- For 11-50 wells, the surety amount is \$50,000;
- For 51-100 wells, the surety amount is \$100,000; and
- For more than 100 wells, the surety amount is \$150,000.

The Corporation Commission can require a higher surety bond amount from an operator based on their past performance, but they cannot require an amount higher than \$150,000.

Prepared By: Emily Byrne

Fiscal Analysis

The proposed committee substitute to HB 1369 modifies the required surety amounts posted by oil and gas companies to be based on the number of well operated. Per the Corporation Commission, this measure would not result in any additional FTE needed but will require rule making, at an estimated cost of Forty Thousand Five Hundred and One Dollars (\$40,501).

Prepared By: Jay St Clair, House Fiscal Staff

Other Considerations

None.