



# Texas Land & Mineral Owners Association ALERT

March 2009

---

---

## URGENT:

**Senator Juan “Chuy” Hinojosa (D – Mission) needs our help. Please contact your State Senator and ask them to support Senator Hinojosa’s amendment to S.B. 1378.**

Senator Hinojosa is trying to solve the problem of unplugged oil wells. He wants to take a bill that makes small improvements to oil and gas bonding laws and make it better. His amendment would require all operators in the chain of title of an inactive well come to the table and help pay the plugging costs.

The biggest problem with allowing inactive wells to remain inactive and eventually become abandoned is the unlimited ability to transfer them down the economic food chain. Generally, they are originally drilled by companies in sound financial shape. They bundle the inactive ones with a few producing wells and sell them to someone on shakier economic footing. That buyer does the same and so on and so forth until the wells eventually end up in the hands of someone who will never have the financial wherewithal to plug the inactive wells. Senator Hinojosa believes the obligation to pay the cost of plugging and the cost of clean-up needs to remain with the seller – and we agree.

One glaring fact that cannot be ignored is the fact that oil was at \$145 a barrel last year and most inactive wells were *still* not being put back into production. It is hard for us to be optimistic that minor tweaks to the law will produce any sort of turnaround in the reduction of orphaned and abandoned wells. We need Senator Hinojosa’s amendment to make an effective change.

Please contact the members of the Senate Natural Resources Committee today to let them know your concerns. The bill will be voted on soon!

Below is the contact information for each Senator on the committee.

Chair:	Senator Kip Averitt	(512) 463-0122	kip.averitt@senate.state.tx.us
Vice Chair:	Senator Craig Estes	(512) 463-0130	craig.estes@senate.state.tx.us
Members:	Senator Bob Deuell	(512) 463-0102	bob.deuell@senate.state.tx.us
	Senator Robert Duncan	(512) 463-0128	robert.duncan@senate.state.tx.us
	Senator Kevin Eltife	(512) 463-0101	kevin.eltife@senate.state.tx.us
	Senator Troy Fraser	(512) 463-0124	troy.fraser@senate.state.tx.us
	Senator Glenn Hegar	(512) 463-0118	glenn.hegar@senate.state.tx.us
	Senator Juan Hinojosa	(512) 463-0120	juan.hinojosa@senate.state.tx.us
	Senator Mike Jackson	(512) 463-0111	mike.jackson@senate.state.tx.us
	Senator Kel Seliger	(512) 463-0131	kel.seliger@senate.state.tx.us
	Senator Carlos Uresti	(512) 463-0119	carlos.uresti@senate.state.tx.us

P.O. Box 12068, Capitol Station, Austin, TX 78711

---

---

If you would like more information about this or other matters being pursued by TLMA, contact the TLMA office at (512) 479-5000 or write to Texas Land and Mineral Owners Association, 1005 Congress Avenue, Suite 360, Austin, TX 78701. You may also visit us on-line at [www.tlma.org](http://www.tlma.org).

If you would rather receive the TLMA ALERT via e-mail please let us know your e-mail address.