

NATURAL RESOURCES CODE

TITLE 3. OIL AND GAS

SUBTITLE B. CONSERVATION AND REGULATION OF OIL AND GAS

CHAPTER 88. CONTROL OF OIL PROPERTY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 88.001. DEFINITIONS. In this chapter:

(1) "Commission" means the Railroad Commission of Texas.

(2) "Governmental agent" or "governmental agency" means the Railroad Commission of Texas and any other administrative governmental board and governmental agent to which the legislature delegates the duty of supervising the production of oil and gas in the State of Texas.

(3) "Oil property" means a well producing oil, gas, or oil and gas, and any group of such contiguous wells of any number owned, operated, or controlled as a producing unit by the same person in the same locality, and any leasehold estate to the extent that it is owned, operated, and controlled by the same person.

Acts 1977, 65th Leg., p. 2547, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

SUBCHAPTER B. RULES

Sec. 88.011. ADOPTION OF RULES. (a) The governmental agency may promulgate and adopt rules:

(1) to provide for the method of measuring oil and gas produced from any well in this state and to provide for the type of measuring devices to be used in obtaining the measurement;

(2) for the inspection of all oil properties to ascertain that the prescribed measuring devices are installed, are in accurate working condition, and are being accurately used;

(3) to provide that no oil or gas is being permitted to leave the possession of the producer without first being accurately measured and an accurate record of production made and preserved;

(4) to provide that no oil is being produced from a

well producing both oil and gas without burning a flare or flares if the installation and use of a flare or flares is required by the terms of this chapter;

(5) for the keeping of complete and accurate records correctly reflecting the amount of oil or gas or both produced from each oil property each calendar day and the disposition and method of disposition of all the oil and gas produced, and for the monthly filing with the governmental agency of monthly reports accurately reflecting the true facts with respect to all such matters; and

(6) for the inspection and examination by the governmental agency, or its agents, servants, and employees, of all oil properties and the records provided for in this chapter.

(b) The rules shall be adopted in the manner provided by law for adoption of rules of the commission.

Acts 1977, 65th Leg., p. 2547, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.012. RULES AND ORDERS RELATING TO RECORDS AND REPORTS. The rules and orders of the governmental agency relating to records and reports shall prescribe the form in which the records and reports will be made and kept, but the records and reports shall contain the data and information provided for in this chapter.

Acts 1977, 65th Leg., p. 2548, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.013. NOTICE BY PUBLICATION. (a) When the governmental agency adopts a rule under this chapter, the governmental agency shall publish a complete copy of the rule once each day for three consecutive days in three newspapers of general circulation in the state, to be selected by the governmental agency.

(b) Notice of any amendment, repeal, alteration, or modification of the order may be similarly adopted and will become effective after similar notice.

Acts 1977, 65th Leg., p. 2548, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

SUBCHAPTER C. PRACTICES PROHIBITED IN THE PRODUCTION OF OIL AND GAS

Sec. 88.051. PRODUCTION PROHIBITED IN EXCESS OF ALLOWABLE AMOUNT. No person owning, leasing, operating, producing, or controlling an oil property or any oil well in this state may produce or cause to be produced on any day from any oil property or oil well any oil in excess of the amount allowed to be produced each day from the oil property or oil well under an order previously adopted by the governmental agency and in force at the time.

Acts 1977, 65th Leg., p. 2548, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.052. PROHIBITED PASSAGE FROM CONTROL OF PRODUCER WITHOUT MEASUREMENT AND RECORD OF AMOUNT. No person owning, leasing, operating, or controlling an oil property in this state may permit the oil or gas produced to pass beyond the possession or control of that person to the possession or control of any other person without first accurately measuring the amount of the oil or gas and making and preserving an accurate record of the amount.

Acts 1977, 65th Leg., p. 2548, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.053. PROHIBITED EVASION OR PREVENTION OF ACCURATE MEASUREMENT. No person owning, leasing, operating, or controlling an oil property in this state may use a method or device to evade or prevent obtaining the accurate measurement as provided in Section [88.052](#) of this code.

Acts 1977, 65th Leg., p. 2548, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.0531. CRIMINAL PENALTY. (a) A person who knowingly violates Section [88.052](#) or [88.053](#) of this code commits an offense.

(b) An offense under this section is a Class A misdemeanor unless the actor has been convicted previously under this section, in which event the offense is a felony of the third degree.

Added by Acts 1983, 68th Leg., p. 5231, ch. 960, Sec. 2, eff. Sept. 1, 1983.

Sec. 88.054. PASSAGE FROM CONTROL OF PRODUCER PROHIBITED IF TANK NOT UNDER HIS CONTROL. No person owning, leasing, operating, or controlling an oil property may permit oil produced by him in this state to pass from his possession or control to the possession or control of any other person except from a tank or tanks under the control of the person producing the oil.

Acts 1977, 65th Leg., p. 2549, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.055. PRODUCTION PROHIBITED WITHOUT FLARE. If the gas from a well producing both oil and gas is not trapped and used and the gas is capable of being burned in a flare, no person owning, leasing, operating, or controlling an oil property in this state may produce oil from the well at any time without simultaneously and continuously burning a flare to consume all gas that otherwise would be permitted to escape into the open air. The Railroad Commission of Texas shall have the authority to grant exceptions to this section.

Acts 1977, 65th Leg., p. 2549, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1989, 71st Leg., ch. 565, Sec. 1, eff. June 14, 1989.

Sec. 88.056. IDENTIFYING SIGNS. Each oil property in this state, each tank owned or controlled by such person to which the property is connected, and each flare to which the property is connected shall be posted at all times with a sign written in the English language with letters at least one inch in height, stating:

- (1) the name of the owner of the property;
- (2) the operator of the property;
- (3) the number of acres contained in the property; and
- (4) the name by which the property is commonly known

and identified.

Acts 1977, 65th Leg., p. 2549, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

SUBCHAPTER D. INSPECTION AND EXAMINATION OF OIL PROPERTY

Sec. 88.091. ACCESS TO PROPERTY AND RECORDS. The governmental agency shall have access at all times to:

(1) the oil property of all persons for inspection and examination; and

(2) the records of all these persons for inspection, examination, and audit.

Acts 1977, 65th Leg., p. 2549, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.092. PROHIBITED INTERFERENCE WITH ACCESS AND INSPECTION. No person may:

(1) refuse to permit the governmental agency, or an agent, servant, representative, or employee of the governmental agency, to have access to an oil property for inspection and examination;

(2) interfere with the inspection and examination;

(3) remove, tamper with, mutilate, or destroy a device, seal, or meter on an oil property placed there or used in the inspection and examination; or

(4) refuse to permit the governmental agency, or an agent, servant, representative, or employee of the governmental agency, to have access, for inspection, examination, and audit, to the books, documents, and records pertaining to, used in connection with, or required to be used in connection with an oil property.

Acts 1977, 65th Leg., p. 2549, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.093. PROHIBITED EQUIPMENT OR ENCLOSURE. No person owning, leasing, operating, or controlling an oil property in this state may equip or enclose his oil property, or any part of his oil property, in a manner that:

(1) prevents inspection and examination; or

(2) prevents an inspection and examination from revealing the true facts with respect to:

(A) the amount of oil or oil and gas being produced from the oil property;

(B) the manner in which the oil property is being operated; or

(C) the manner and method by which the production from the oil property is produced, stored, or delivered from the possession or control of that person.

Acts 1977, 65th Leg., p. 2550, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.094. PROHIBITED GIFT OR GRATUITY. No person may corruptly give, offer, or promise to give a member of the governmental agency, chief supervisor, deputy supervisor, or any agent or employee of the governmental agency a gift or gratuity with intent to influence the officer or person in his acts or conduct with respect to:

(1) enforcing any provision of the law applicable to oil and gas in force at the time in this state;

(2) enforcing any order or rule of the governmental agency adopted under the power and authority given to it; or

(3) the discharge of any duty imposed on him by the oil and gas laws, orders, and rules duly promulgated and in force at the time in this state.

Acts 1977, 65th Leg., p. 2550, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

SUBCHAPTER E. ENFORCEMENT; PENALTIES

Sec. 88.131. VENUE. The courts of the county in which the oil property or any part of the oil property is located and with respect to which a violation of the provisions of this chapter is charged, the courts of Travis County, or the courts of the county of the residence of any defendant, have jurisdiction of all prosecutions for violations of the provisions of this chapter.

Acts 1977, 65th Leg., p. 2550, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977. Amended by Acts 1983, 68th Leg., p. 5251, ch. 967, Sec. 1, eff. Sept. 1, 1983.

Sec. 88.132. SERVICE OF PROCESS. (a) In a suit or action

involving the enforcement of the conservation laws of this state or the orders of the commission affecting the conservation of the natural resources of this state, a Texas Ranger or an agent of the commission may serve civil or judicial process, citation, notice, warrant, subpoena, or writ, including process of every character in contempt proceedings, the same and as fully as a sheriff or constable of a county to whom the process, writ, notice, citation, subpoena, or warrant might be directed could within the limits of his own county.

(b) A ranger or an agent of the commission may serve the process anywhere in the State of Texas although it may be directed to "any sheriff or constable" of a particular county. He shall make the same return as any other officer, sign his name, and add under his name the title of "State Ranger" or "Agent, Railroad Commission of Texas," as the case may be, which is sufficient to make it valid if the writ otherwise is properly prepared.

(c) No fees are allowed the rangers or agents of the commission other than their regular salary or compensation.

Acts 1977, 65th Leg., p. 2550, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.133. RESPONSIBILITY FOR COMPLIANCE AND LIABILITY TO PROSECUTION. The president of each corporation, the chief managing executive of each association, all active members of each firm and partnership, and all trustees of each trust subject to the provisions of this chapter shall be responsible for the compliance with the terms of this chapter by the corporation, association, firm, partnership, or trust of which he is, respectively, president, chief managing executive, member, or trustee, and he shall be liable to prosecution under and subject to the criminal penalties provided in this chapter for violations of this chapter by the respective corporation, association, firm, partnership, or trust of which he has actual knowledge or to which he assents.

Acts 1977, 65th Leg., p. 2551, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Sec. 88.134. PENALTIES. (a) A person who violates any of

the provisions of Sections 88.091 through 88.093 of this code, or any person who fails to comply with any of the provisions of those sections, is guilty of a misdemeanor and on conviction shall be subject to a fine of not more than \$500, or by confinement in the county jail for not more than six months, or by both.

(b) A person who violates any other provision of this chapter other than those covered by Subsection (a), a person who fails to comply with any of the other terms of this chapter, a person who fails to comply with the terms of a rule or order adopted by the governmental agency under the terms of this chapter, or a person who violates any of the rules or orders of the governmental agency adopted under the provisions of this chapter on conviction is considered guilty of a felony and on conviction shall be punished by imprisonment in the Texas Department of Criminal Justice for a term of not less than two nor more than four years.

Acts 1977, 65th Leg., p. 2551, ch. 871, art. I, Sec. 1, eff. Sept. 1, 1977.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 25.135, eff. September 1, 2009.

Sec. 88.135. CIVIL PENALTIES AND INJUNCTIONS. In addition to the powers specifically granted to the commission under this chapter, the commission may enforce this chapter or any rule, order, or permit of the commission adopted under this chapter in the same manner and subject to the same conditions as provided by Chapters 81 and 85 of this code, including recovering civil penalties and seeking injunctive relief as provided by those chapters.

Added by Acts 1983, 68th Leg., p. 5260, ch. 967, Sec. 7, eff. Sept. 1, 1983.