## Chapter 147

H.B. No. 3246

1	AN ACT
2	relating to the treatment and recycling for beneficial use of
3	certain waste arising out of or incidental to the drilling for or
4	production of oil or gas.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
6	SECTION 1. Section 122.002, Natural Resources Code, is
7	amended to read as follows:
8	Sec. 122.002. OWNERSHIP OF FLUID OIL AND GAS WASTE
9	TRANSFERRED FOR TREATMENT AND SUBSEQUENT BENEFICIAL USE. Unless
10	otherwise expressly provided by <u>an oil or gas lease</u> , a surface use
11	$\underline{\mathtt{agreement}}$ , a contract, $\underline{\mathtt{a}}$ bill of sale, or $\underline{\mathtt{another}}$ [other] legally
12	binding document:
13	(1) when fluid oil and gas waste is produced and used
14	by or transferred to a person who takes possession of that waste for
15	the purpose of treating the waste for a subsequent beneficial use,
16	the $\underline{\text{waste}}$ [ $\underline{\text{transferred material}}$ ] is considered to be the property
17	of the person who takes possession of it for the purpose of treating
18	the waste for subsequent beneficial use until the person transfers
19	the waste or treated waste to another person for disposal or use;
20	and
21	(2) when a person who takes possession of fluid oil and
22	gas waste for the purpose of treating the waste for a subsequent
23	beneficial use transfers possession of the treated product or any
24	treatment byproduct to another person for the purpose of subsequent

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- 1 disposal or beneficial use, the transferred product or byproduct is
- 2 considered to be the property of the person to whom the material is
- 3 transferred.
- 4 SECTION 2. This Act takes effect September 1, 2019.

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President of the Senate

Speaker of the House

Identify that H.B. No. 3246 was passed by the House on April

16, 2019, by the following vote: Yeas 137, Nays 1, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3246 was passed by the Senate on May

10, 2019, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED:

Date

Governor

FILED IN THE OFFICE OF THE SECRETARY OF STATE

Secretary of State