

HOUSE FLOOR AMENDMENT

Second Reading

BY REPRESENTATIVE Galindo

1 Amend reengrossed bill, page 29, line 13, strike "FIFTY" and substitute
2 "FORTY-FIVE".

3 Page 29, line 16, after the period add "MINERAL INTERESTS THAT ARE
4 OWNED BY A PERSON WHO CANNOT BE LOCATED THROUGH REASONABLE
5 DILIGENCE ARE EXCLUDED FROM THE CALCULATION."

6 Page 30, strike lines 19 through 25 and substitute:

7 "(c) (I) A nonconsenting owner of a tract in a drilling unit that is
8 not subject to any lease or other contract for ~~the development thereof for~~
9 oil and gas DEVELOPMENT shall be deemed to have a landowner's
10 proportionate royalty of:

11 (A) ~~twelve and one-half~~ FOR A GAS WELL, THIRTEEN percent until
12 ~~such time as~~ the consenting owners recover, only out of the
13 nonconsenting owner's proportionate ~~seven-eighths~~
14 EIGHTY-SEVEN-PERCENT share of production, the costs specified in
15 subsection (7)(b) of this section; OR

16 (B) FOR AN OIL WELL, SIXTEEN PERCENT UNTIL THE CONSENTING
17 OWNERS RECOVER, ONLY OUT OF THE NONCONSENTING OWNER'S
18 PROPORTIONATE EIGHTY-FOUR-PERCENT SHARE OF PRODUCTION, THE
19 COSTS SPECIFIED IN SUBSECTION (7)(b) OF THIS SECTION.

20 (II) After".

** ** ** ** **