

Figure: 16 TAC §3.107(e)(1)

Table 1. Penalty Guideline

Oil & Gas Rule/Statute	General Description	Guideline Minimum Penalty Amount or Range
16 TAC §3.2	Commission denied access	\$1,000
16 TAC §3.3	failure to comply with well sign requirements	\$500
16 TAC §3.3	failure to comply with entrance sign requirements	\$1,000
16 TAC §3.3	failure to comply with tank battery sign requirements	\$1,000
16 TAC §3.5(a)	no drilling permit approved	\$5,000
16 TAC §3.5(a)	no drilling permit: no application filed	\$10,000
16 TAC §3.8(b)	pollution of surface or subsurface water	\$1,000 minimum
16 TAC §3.8(d)(1)	improper disposal of oil and gas waste; enhance for actual or threatened pollution: dry pit area	\$500 base penalty plus \$0.30/sq. ft.
16 TAC §3.8(d)(1)	improper disposal of oil and gas waste; enhance for actual or threatened pollution: wet pit area	\$500 base penalty plus \$0.50/sq. ft.
16 TAC §3.8(d)(2)	use of prohibited pits: fresh water pit area	\$2,500 base plus \$0.25 sq. ft.
16 TAC §3.8(d)(2)	use of prohibited pits: salt water or other fluid area	\$2,500 base plus \$0.75 sq. ft.
16 TAC §3.8(d)(4)(G)(i)(I), (II)	reserve pits: fresh water pit area	\$2,500 base plus \$0.25 sq. ft.
16 TAC §3.8(d)(4)(G)(i)(I), (II)	reserve pits: salt water or other fluid pit area	\$2,500 base plus \$0.75 sq. ft.
16 TAC §3.8(d)(4)(G)(i)(III), (IV)	workover and other pits: dry	\$2,500
16 TAC §3.8(d)(4)(G)(i)(III), (IV)	workover and other pits: wet	\$5,000
16 TAC §3.9(1)	no permit to dispose or inject	\$5,000
16 TAC §3.9(9)(A)	failure to comply with tubing and packer requirements	\$2,000
16 TAC §3.9(9)(B)	no pressure observation valve	\$1,000 per valve
16 TAC §3.9(12)	no test, failed test, or no Form H-5	\$5,000
16 TAC §3.13(b)(1)(B)	open casing/tubing	\$1,000 to \$5,000
16 TAC §3.13(b)(1)(C)	failure to comply with wellhead control requirements	\$5,000
16 TAC §3.13(b)(2)	failure to comply with surface casing requirements	\$2,000
16 TAC §3.14(a)(2)	failure to file Form W-3A	\$2,500
16 TAC §3.14(a)(3)	failure to notify of setting plugs	\$1,500

Oil & Gas Rule/Statute	General Description	Guideline Minimum Penalty Amount or Range
16 TAC §3.14(b)(1)	failure to file Form W-3	\$5,000
16 TAC §3.14(b)(2)	failure to plug onshore well	\$2,000 plus \$1/ft. of total depth
16 TAC §3.14(b)(2)	failure to plug bay, estuary, or inland waterway well	\$15,000 plus \$2 per foot of total depth, subject to statutory maximum
16 TAC §3.14(b)(2)	failure to plug offshore well	\$50,000 plus \$5 per foot of total depth, subject to statutory maximum
16 TAC §3.14(d)(1)-(11)	failure to follow general plugging requirement	\$1,000
16 TAC §3.14(d)(12)	failure to remove miscellaneous loose junk and trash	\$1,000
16 TAC §3.14(d)(12)	failure to remove tanks, vessels, and related piping	\$2,500
16 TAC §3.14(d)(12)	failure to empty tanks, vessels, and related piping	\$5,000
16 TAC §3.15(l)(7)	failure to test prior to reactivating well	\$1,000
16 TAC §3.15(f)(2)(A)	failure to disconnect electricity	\$5,000
16 TAC §3.15(f)(2)(A)	failure to purge vessels	\$7,500
16 TAC §3.15(f)(2)(A)	failure to remove equipment	\$10,000
16 TAC §3.16(b) and (c)	failure to file completion records/logs	\$2,500
16 TAC §3.17	Bradenhead violations: no valve; no access; or pressure on it	\$1,000 to \$2,500
16 TAC §3.20(a)(1)	failure to notify of incident	\$2,500 to \$5,000
16 TAC §3.21(a)-(i)	improper fire prevention	\$1,000
16 TAC §3.21(j)	failure to comply with dike/firewall requirements	\$2,500
16 TAC §3.21(k)	swabbing without authority	\$1,000 per well
16 TAC §3.21(l)	failure to comply with electric power line requirements	\$2,000
16 TAC §3.22	no nets	compliance
16 TAC §3.35(a)	failure to notify of lost logging tool	\$5,000
16 TAC §3.35(b)	failure to properly abandon lost logging tool	\$5,000
16 TAC §3.36(c)(5)(B)	improper storage tank signs in a non-public area	\$1,000
16 TAC §3.36(c)(5)(B)	improper storage tank signs in a public area	\$2,000
16 TAC §3.36(c)(6)(A)	improper entry signs in a non-public area	\$1,000
16 TAC §3.36(c)(6)(A)	improper entry signs in a public area	\$2,000

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16 TAC §3.36(c)(6)(A)	improper entry signs in a populated public area	\$5,000
16 TAC §3.36(c)(6)(B)	failure to fence specific area at a well	\$5,000
16 TAC §3.36(c)(6)(B)	failure to fence specific area at a battery	\$10,000
16 TAC §3.36(c)(6)(C)	materials provision	\$2,500
16 TAC §3.36(c)(8)	failure to maintain H ₂ S equipment	\$5,000
16 TAC §3.36(c)(9)(Q)	failure to update contingency plan	\$2,500
16 TAC §3.36(c)(9)(N)	failure to notify of H ₂ S contingency plan activation	more than 6 hours up to 12 hours-\$5,000
16 TAC §3.36(c)(9)(N)	failure to notify of H ₂ S contingency plan activation	12 hours or more-\$10,000
16 TAC §3.36(c)(14)	failure to notify of H ₂ S release	more than 6 hours up to 12 hours-\$5,000
16 TAC §3.36(c)(14)	failure to notify of H ₂ S release	12 hours or more-\$10,000
16 TAC §3.36(c)(11)-(12), except (12)(F)	failure to follow requirements at drill/workover site; no injury	\$5,000
16 TAC §3.36(c)(11)-(12), except (12)(F)	failure to follow requirements at drill/workover site; injury or death	\$10,000
16 TAC §3.36(c)(12)(F)	failure to notify of drill stem test in H ₂ S formation	\$2,000
16 TAC §3.36(c)(13)	failure to have H ₂ S trained personnel	\$5,000 per person
16 TAC §3.36(d)(1)(E)	failure to file Form H-9; non-public area	\$1,000
16 TAC §3.36(d)(1)(E)	failure to file Form H-9; public area	\$10,000
16 TAC §3.36(d)(2)	failure to identify well as sour on completion report	\$10,000
16 TAC §3.36(d)(3)	intentional failure to file written report of H ₂ S release	\$3,000
16 TAC §3.36(d)(3)	failure to file written report of emergency H ₂ S release	\$5,000
16 TAC §3.46(a)	no permit to dispose or inject	\$5,000
16 TAC §3.46(g)(1)	failure to comply with tubing and packer requirements	\$2,000
16 TAC §3.46(g)(2)	no pressure observation valve	\$1,000 per valve
16 TAC §3.46(j)	no test, failed test, or no Form H-5	\$5,000
16 TAC §3.57	reclamation plant operation violation	\$1,000
16 TAC §3.65 (c), (d), or (f)	failure to file Form CI-D or Form CI-X	\$1,000
16 TAC §3.65(g)	failure to provide critical customer information	\$2,500
16 TAC §3.73(a)	failure to notify of pipeline connection	\$1,000

Oil & Gas Rule/Statute	General Description	Guideline Minimum Penalty Amount or Range
16 TAC §3.73(h)	reconnecting, transporting from well/lease without approved Form P-4	\$1,000 minimum; see Table 1A for additional amount
16 TAC §3.73(j)	reporting, producing, injecting, disposing without approved Form P-4	\$1,000 minimum; see Table 1A for additional amount
16 TAC §3.81	failure to comply with brine mining injection well operation requirements	\$1,000
16 TAC §3.95	failure to comply with underground salt formation liquid or liquefied hydrocarbon storage facility operation requirements	\$2,000
16 TAC §3.96	failure to comply with underground productive or depleted reservoir gas storage facility operation requirements	\$2,000
16 TAC §3.98	failure to comply with hazardous waste disposal operation requirements	\$2,000
16 TAC §3.99(d)(2)	failure to comply with protection/isolation of usable quality water requirements	\$2,500 per well
16 TAC §3.99(e)	failure to comply with cathodic protection well construction requirements	\$1,000 per well
16 TAC §3.99(g)	failure to file completion report	\$1,000 per well
16 TAC §3.100(d)(2)	failure to permit seismic/core holes penetrating usable quality water	\$1,000 per hole
16 TAC §3.100(f)	failure to properly plug seismic/core holes	\$1,000 per hole
16 TAC §3.100(g)	failure to file final survey report	\$5,000 per survey
16 TAC §3.106(b)	commenced construction of a sour gas pipeline facility without a permit	\$10,000
16 TAC §3.106(e)	published notice with egregious errors/omissions	\$5,000
16 TAC §3.106(f)	provided pipeline plat with egregious errors/omissions	\$5,000