

FOR IMMEDIATE RELEASE Wednesday, March 5, 2025

Contact: Mattie Garland mattie.garland@senate.texas.gov

Ph: 512-463-0131

# STATE SENATOR SPARKS FILES FINAL 89th PRIORITY LEGISLATIVE PACKAGE ON OILFIELD THEFT

[Austin, TX] – Senator Kevin Sparks (R-Midland) announced his final legislative priority package, addressing the theft of petroleum products and oil and gas equipment. Texas is a leader in oil and gas production and continues to provide funding for our state's public schools, universities, roads, first responders, and essential services. Senator Sparks' legislative package on oilfield theft addresses criminal activity in the industry and ensures the future for Texans. Senator Sparks' 89<sup>th</sup> Legislative Priorities on 'Oilfield Theft' consist of the following pieces of legislation:

**SB 494: Industry & Law Enforcement Task Force:** Forms a statewide task force to examine the impact of organized oilfield theft and provide recommendations to address these ongoing challenges and enhance coordination between energy stakeholders and law enforcement agencies.

SB 1320: Organized Oilfield Theft Prevention Unit: Specialized Department of Public Safety (DPS) unit that will target criminal organizations profiting from the oil and gas industry, particularly in the Permian Basin.

**SB 1806: Energy Resources Theft Reform:** Authorizes trained law enforcement officers to inspect cargo tanks transporting petroleum products on public roads or railroads, collect samples for forensic analysis, enhances penalties for unlawful appropriation of petroleum products and equipment, and establishes criminal penalties for operating disposal wells without a permit.

"Protecting our energy resources is essential to the Permian Basin and the state as a whole," stated Senator Sparks. "Oilfield theft has been a persistent problem throughout Texas, impacting the state for years, and it's time we take a collaborative approach to fighting organized criminal activity through the establishment of an industry task force, DPS prevention unit, and increasing penalties to deter these crimes and strengthen prosecution efforts."

"Oilfield theft has long been a serious issue across the state of Texas which causes significant losses to producers on a yearly basis. We thank Senator Sparks for his interest to address the issue and look forward to working with him on it." – Todd Staples, President - Texas Oil and Gas Association

The following pages detail each bill regarding background, key provisions, and statements of supports.



KEVIN SPARKS
DISTRICT 31

#### SB 494 – INDUSTRY & LAW ENFORCEMENT TASK FORCE

# **Background**

Oilfield theft has become a growing issue, targeting valuable resources such as oil, gas equipment, and infrastructure like pipelines and storage tanks. Criminals are increasingly stealing petroleum products and vital equipment, which not only disrupts the oil and gas industry but also poses significant financial risks. These thefts are often carried out by cartels and other organized criminal groups, using sophisticated methods to avoid detection. Despite efforts by lawmakers and law, the problem continues to escalate, leading to concerns among local businesses and communities.

# **Key Provisions**

SB 494 requires the Railroad Commission of Texas to establish a statewide task force, effective September 1, 2025, to investigate and analyze organized oilfield theft and recommend solutions. The task force will meet quarterly to assess theft impacts, improve coordination between law enforcement, enhance security, transparency, consumer protections, theft prevention, and the long-term economic effects, and submit a report with findings and recommendations every even-numbered year.

# **Statements of Support**

"The Permian Basin powers the world, and we cannot let organized crime threaten the industry that drives Texas' success. Cracking down on oilfield theft is critical to protecting Texas jobs and our economy, and I'm proud to work together with Senator Sparks on legislation to strengthen security and defend the integrity of our energy sector." – **Brooks Landgraf**, **State Representative** – **District 81** 

"The Permian Basin is an energy-producing powerhouse. Across West Texas and the Permian Basin region, large and small oil producers are dealing with widespread oil theft. In addition to taking oil, criminals have hijacked trucks and stolen expensive equipment to extract copper pieces to sell," said Congressman Tony Gonzales. "It's past time to hold criminals accountable for coming into West Texas to steal our energy resources. In the U.S. House of Representatives, I introduced the Protect the Permian Act to protect our oil and gas resources. I am encouraged to see Senator Kevin Sparks introduce similar legislation in the Texas Legislature." – Congressman Tony Gonzalez

"Crude oil and equipment theft has increased significantly in recent years in a well-organized manner that makes it difficult to prosecute these crimes. On behalf of our members, TIPRO has engaged with law enforcement and state and federal policymakers to identify solutions to mitigate this growing problem. We applaud Texas State Senator Kevin Sparks for introducing Senate Bill 494, which will create a higher degree of collaboration with key stakeholders to address this type of criminal activity." – Ed Longanecker, President, Texas Independent Producers & Royalty Owners Association



DISTRICT 31

# SB 1320 – ORGANIZED OILFIELD THEFT PREVENTION UNIT

#### **Background**

Oilfield theft continues to be a critical issue in the Permian Basin, targeting valuable resources such as tankers, high-quantity loads of oil, and pumpjacks. The 85<sup>th</sup> legislature passed SB 1871 (Zaffirini), creating a new felony offense addressing the theft of petroleum products and oil and gas equipment. In that legislation, a person would be guilty if they unlawfully appropriated petroleum products or oil and gas equipment with the intent to deprive the owner, including actions like possessing, transporting, or tampering with pipelines or tanks used for storage or transport. Despite this previous legislation, organized criminal activity continues to rise throughout the Permian Basin and the state, with complex systems resulting in legitimate industry and regional concern.

# **Key Provisions**

The creation of this specialized unit targets and pursues criminal organizations that profit from the oil & gas industry, primarily in the Permian Basin. Additionally, DPS shall provide a report to the Legislature no later than December 1 of each fiscal year on the unit's activities, including local and federal partnership updates, investigations conducted, apprehensions, establishments advised, and geographical data. Funding will be appropriated from the general revenue fund to the DPS for the 2026-2027 biennium to establish and operate the Organized Oilfield Theft Prevention Unit.

# **Statements of Support**

"I am proud to file House Bill 3035, the House companion to Senate Bill 1320, to combat the alarming surge of organized oilfield theft in the Permian Basin. These aren't petty crimes—they are sophisticated, high-stakes operations worth millions, often with cartel ties, directly threatening Texas' economic backbone. Our landowners and operators deserve to work without fear, backed by a dedicated, expert team. It's time to end these attacks on our resources and secure the future of Texas energy by giving the Department of Public Safety the ability to hold cartels and thieves to account. I look forward to working with Senator Sparks to enact this initiative." – **Drew Darby, State Representative** – **District 72** 

"PBPA has been working aggressively over the years to identify practices and devote resources to addressing the existing and growing threat against organized crime aimed at our nation's greatest energy source. Combating this threat will take engagement and support at the local, state and national levels. We greatly appreciate the work of Senator Kevin Sparks and his staff regarding state initiatives to combat oilfield crime. Senator Sparks has been a leader in representing the prolific oil and gas industry in the Permian Basin and in working with all interested parties to fight oilfield crime. We look forward to seeing his efforts become law and help us combat this very real threat." – Ben Shepperd, President - Permian Basin Petroleum Association

"Oilfield theft has become a large problem for not only the oil companies, but law enforcement as well. The problem is not only the amount of theft but the ability of law enforcement to effectively work these cases. Not only does Law Enforcement struggles to have the manpower to dedicate to working strictly oilfield cases, but the knowledge and understanding of how the oil field operates. I, as Sheriff support the creation of a task force to give law enforcement the resources it badly needs to be able to effectively work oil field theft cases." – Stan Parker, Sheriff - Howard County



DISTRICT 31

## SB 1806 – ENERGY RESOURCES THEFT REFORM

#### **Background**

Oilfield theft is a serious problem that not only costs businesses untold amounts but also threatens the economic backbone of Texas. Saltwater disposal companies are the primary channel for laundering stolen oil in the Permian Basin, a problem exacerbated by insufficient state regulations and weak penalties. Mexican cartels have been increasingly stealing oil and equipment as one of their sources of income in Texas. This creates a challenging environment for law enforcement to combat organized crime in the oil and gas industry.

#### **Key Provisions**

This bill strengthens Texas' response to petroleum theft by requiring law enforcement to sell seized crude oil or condensate at market price, with proceeds handled like other seized assets. It grants specially trained officers authority to inspect cargo tanks transporting petroleum and collect samples for forensic analysis. The bill also increases penalties for theft of petroleum products and oil and gas equipment, making offenses felonies with escalating severity based on value. Additionally, it criminalizes operating an unauthorized oil and gas waste disposal well.

# **Statements of Support**

"Texas leads the nation in energy production, and with that leadership comes the responsibility to ensure the integrity and safety of our oil and gas industry. HB 3707 and SB 1806 establish necessary regulations to combat illegal activity, protect our natural resources, and support responsible industry practices."—**Tom Craddick, State Representative**—**District 82** 

"Oilfield theft is a serious problem that not only costs businesses untold amounts but also threatens the economic backbone of Andrews County and the Permian Basin. Strengthening the laws against these crimes helps protect our hardworking communities and ensure that those who exploit our vital resources are held accountable. I fully support Senator Sparks' bill and appreciate his efforts to provide law enforcement and prosecutors with the tools needed to combat this growing issue." – Sean Galloway, Andrews County District Attorney

"Senator Sparks bill is a critical step toward ensuring the safety and integrity of our state's petroleum transportation system. These measures not only protect Texas resources but also support law-abiding businesses and enhance public safety. By setting clear standards and enhancing penalties for oil field theft it ensures that those who steal oil in Ector County will be prosecuted to the fullest extent of the law." – **Dusty Gallivan, Ector County District Attorney** 

"Theft in the oil field has increased significantly in recent years in a well-organized and sophisticated manner that makes it difficult to prosecute. On behalf of our members, TIPRO has engaged with law enforcement and state and federal policymakers to identify solutions to mitigate this growing problem. We believe Senate Bill 1806 thoughtful approach to addressing the primary method by which a significant portion of crude oil and condensate is stolen will give Texas' law enforcement officers the tools needed to better identify, prevent and prosecute this type of criminal activity. We applaud Texas State Senator Kevin Sparks for introducing Senate Bill 1806 and his leadership on this important issue." – Ed Longanecker, President – Texas Independent Producers & Royalty Owners