

ENGROSSED HOUSE
BILL NO. 1230

BY: LUCAS, BOECKMAN, BEGLEY,
DAVIS, GLOVER, GRIESER,
HOWARD, KOUBA, LEIST,
MADDUX (Elmer), REESE,
ROBERTS (Larry) and
WIDENER of the HOUSE

and

SHURDEN and KERR of the
SENATE

AN ACT RELATING TO REVENUE AND TAXATION; REQUIRING
AUDIT OF CERTAIN WELLS AND AUTHORIZING THE AUDIT OF
CERTAIN WELLS BY THE OKLAHOMA TAX COMMISSION;
STATING PURPOSE OF AUDIT; AUTHORIZING PROMULGATION
OF CERTAIN RULES AND REGULATIONS; PROVIDING FOR
LIMITED RELEASE OF AUDIT INFORMATION; PROVIDING FOR
CODIFICATION; PROVIDING AN EFFECTIVE DATE; AND
DECLARING AN EMERGENCY.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 1025 of Title 68, unless there
is created a duplication in numbering, reads as follows:

A. The Oklahoma Tax Commission shall audit each gas well with
an open-flow rating of at least nine hundred thousand (900,000)
cubic feet (MCF) per day drilled in this state as often as necessary
and at least one time every five (5) years for the purpose of
auditing reported production for tax purposes and verification of
the information which may be released by the Commission to the

public pursuant to the provisions of Section 1024 of this title. Provided, nothing in this subsection shall be construed to prevent the Tax Commission from auditing any gas well with an open-flow rating of less than nine hundred thousand (900,000) cubic feet (MCF) per day drilled in this state.

B. The Oklahoma Tax Commission is authorized to promulgate necessary rules and regulations for the purpose of performing the audits required by subsection A of this section.

C. The Commission may, upon written request, release any information obtained in an audit of a gas well made pursuant to subsection A of this section to any person, firm, association or corporation or its designee if such information may be released by the Commission pursuant to Section 1024 of this title.

SECTION 2. This act shall become effective July 1, 1991.

SECTION 3. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 26th day of February, 1991.

Speaker of the House of
Representatives

Passed the Senate the ____ day of _____, 1991.

President of the Senate