

STATE OF OKLAHOMA

2nd Session of the 43rd Legislature (1992)

SENATE BILL NO. 699

BY: GILES

AS INTRODUCED

AN ACT RELATING TO OIL AND GAS WELLS; AMENDING 17

O.S. 1991, SECTIONS 53, 53.1 AND 53.2, WHICH RELATE
TO OKLAHOMA CORPORATION COMMISSION RULES; DEFINING
RESPONSIBILITY FOR WELL PLUGGING; STATING
RESPONSIBILITIES AND REQUIREMENTS OF LEASE OWNERS;
AND DECLARING AN EMERGENCY.

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

SECTION 1. AMENDATORY 17 O.S. 1991, Section 53, is
amended to read as follows:

Section 53. A. Any leasehold owner or operator of any oil, gas, disposal, injection, or other service well, or any seismic, core, or other exploratory hole, whether cased or uncased, shall be jointly and severally liable and responsible for the plugging thereof in accordance with the rules of the Corporation Commission. Every successive lease owner or operator of a well bore considered abandoned under the rules of the Corporation Commission is liable for the plugging thereof in the same manner as the lease owner or operator at the time the well became abandoned.

B. The Corporation Commission is hereby authorized to prescribe rules and regulations for the plugging of all abandoned oil and gas wells. The same shall be plugged under the direction and supervision of the conservation agents of the Corporation Commission as may be prescribed by the Corporation Commission. All ~~orders and~~

~~regulations~~ rules in reference to plugging wells shall be made after general hearing as now prescribed by law for the promulgation of ~~orders~~ rules by the Corporation Commission.

SECTION 2. AMENDATORY 17 O.S. 1991, Section 53.1, is amended to read as follows:

Section 53.1 A. The Corporation Commission shall prescribe and promulgate rules and regulations to require all owners or operators of oil and gas wells or leases upon which oil and gas wells are located to remove all surface trash and debris, occasioned by their operations, from the vicinity of their operations and to keep such premises free and clear of such trash and debris.

B. For the purposes of this act, "surface trash and debris" means all discarded material directly connected with the drilling or producing of or exploration for hydrocarbons including, but not limited to, garbage, rubbish, junk or scrap.

SECTION 3. AMENDATORY 17 O.S. 1991, Section 53.2, is amended to read as follows:

Section 53.2 A. The Corporation Commission shall prescribe and promulgate rules ~~and regulations~~ which require the lease owner or operator to remove all unnecessary operating equipment, structures, surface debris, abutment or obstacles used in the operation of the well from the land upon which the well is located, and shall grade or terrace the surface of the soil as required in this section unless the owner of the land and the lease owner or operator have entered into a contract providing otherwise. Provided, however, the provisions of this section shall not apply to Osage County.

B. Within twelve (12) months after the completion of a producing well, the lease owner or operator shall fill all the pits for containing muds, cuttings, salt water or oil that are not needed for production purposes or are not required by state or federal law or regulation and shall remove all concrete bases, drilling supplies and drilling equipment and all other equipment not necessary for

producing said well, excluding guy line anchors. Within such period, the lease owner or operator shall grade or terrace the land surface within the area disturbed in siting, drilling, completing and producing the well which land is not required in production of the well.

C. Within twelve (12) months after a well that has produced oil or gas is plugged or after the plugging of a dry hole, the lease owner or operator shall remove all production and storage structures, supplies and equipment and any oil, salt water and debris and fill any remaining excavations. Within such period, the lease owner or operator shall grade or terrace the area disturbed.

D. The lease owner or operator shall be released from responsibility to perform any or all requirements of this section on any part or all of the area disturbed upon the filing of a request for a waiver with and obtaining the written approval of the Commission, which request shall be signed by the surface owner to certify the approval of the surface owner of the release sought. The Commission shall approve such requests unless it finds upon inspection that the waiver would be likely to result in substantial damage to adjoining property, substantial contamination of surface or underground water or substantial erosion or sedimentation. If the Commission refuses to approve a request for waiver, it shall do so by order.

E. This act shall also apply to the operators of a secondary or enhanced oil recovery unit that is or has been operated under a plan of unitization approved by order of the Oklahoma Corporation Commission and established by a proper certificate of effectiveness. Nothing herein contained shall be construed to repeal the statutes governing the establishment and operation of such secondary or enhanced recovery unit.

F. The Commission may, upon written application by ~~an~~ a lease owner or operator showing reasonable cause, extend the period within

which restoration shall be completed, but not to exceed a further six-month period, except under extraordinarily adverse weather conditions or when essential equipment, fuel or labor is unavailable to the operator. If the Commission refuses to approve a request for waiver or extension, it shall do so by order.

G. The provisions of this section shall also apply to the drilling of or conversion to a saltwater disposal or injection well and to any operation in connection with reentering or reworking any oil and gas well or saltwater injection or disposal well.

SECTION 4. 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.

43-2-1630

MJM