

STATE OF OKLAHOMA

2nd Session of the 43rd Legislature (1992)

SENATE BILL NO. 894

BY: GILES

AS INTRODUCED

AN ACT RELATING TO LIENS; STATING THE STATE OF OKLAHOMA SHALL HAVE A LIEN UPON ABANDONED WELL-SITE EQUIPMENT, STRUCTURES AND CONTENTS; DEFINING ABANDONED WELL-SITES; STATING WHEN LIEN IS DEEMED PERFECTED; STATING PRIORITY OF LIEN OVER OTHER ENCUMBRANCES; STATING LIEN SHALL BE ASSIGNABLE; PROVIDING FOR CODIFICATION; 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 53.3 of Title 17, unless there is created a duplication in numbering, reads as follows:

A. The State of Oklahoma shall have a lien upon all abandoned oil and gas well-site equipment, including but not limited to production and storage structures, along with their contents.

B. Well-site equipment is presumed abandoned if, for longer than one (1) year, the well has shown no activity in terms of production, injection, disposal or testing, and has not otherwise been maintained in compliance with plugging rules.

C. The lien created by this section shall be perfected against the equipment when notice of the lien is filed pursuant to Sections 9-401 through 9-407 of 12A of the Oklahoma Statutes.

D. The lien created by this section, once perfected, shall have priority over all inchoate and subsequently recorded encumbrances.

E. The lien created by this section shall be assignable.

SECTION 2. 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.

43-2-1631

MJM