

STATE OF OKLAHOMA

2nd Session of the 45th Legislature (1996)

HOUSE BILL NO. 2991

By: Rice

AS INTRODUCED

An Act relating to oil and gas; requiring certain reports and records relating to the plugging of any oil, gas, injection or disposal well; providing for administrative penalties; making certain actions unlawful; setting penalties; making certain actions a misdemeanor; defining terms; providing for codification; and providing an effective date.

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 108.1 of Title 17, unless there is created a duplication in numbering, reads as follows:

A. The Corporation Commission may require the establishment, maintenance and submission of any well plugging record, well plugging inspection record, or any other record or report necessary to implement the provisions of this title relating to the plugging of any oil, gas, injection or disposal well.

B. In addition to other penalties as may be imposed by law, on and after the effective date of this act, any person who knowingly:

1. Makes any false statement, representation or certification in, or omits material data from, any notice, well plugging record,

well plugging inspection record, or any other record or report required by this title relating to the plugging of any oil, gas, injection or disposal well, or rules promulgated thereunder or any permit, license, certificate or other authorization issued pursuant thereto, or

2. Misrepresents or omits material data in such records or reports to any person relying on such records or reports, or

3. Renders inaccurate any monitoring device or method required to be maintained by this title relating to the plugging of any oil, gas, injection or disposal well, rules, permits, licenses, certificates or authorization,

shall, upon conviction, be guilty of a misdemeanor and shall be subject to a fine of not more than Five Thousand Dollars (\$5,000.00) for each such violation.

C. 1. Any person who has been determined by the Commission to have violated any provisions of this title relating to the plugging of any oil, gas, injection or disposal well shall be liable for an administrative penalty of not more than One Thousand Dollars (\$1,000.00) for each day that said violation continues. The maximum administrative penalty shall not exceed Ten Thousand Dollars (\$10,000.00) for any related series of violations.

2. The amount of the penalty shall be assessed by the Commission pursuant to the provisions of paragraph 1 of this subsection, after notice and hearing. In determining the amount of the penalty, the Commission shall include but not be limited to consideration of the nature, circumstances, and gravity of the violation and, with respect to the person found to have committed the violation, the degree of culpability, the effect on ability of the person to continue to do business, and any show of good faith in attempting to achieve compliance with the provisions of this title relating to the plugging of any oil, gas, injection or disposal well.

D. For purposes of this section the terms "well plugging", "well plugging inspection record", or other record or report shall include but is not limited to maps, drawings, statements, monetary reports, field notes and records required by the Commission from any employee of the Commission inspecting the plugging of oil, gas, injection and disposal well, any person who drills or operates any well for the exploration, development or production of oil or gas or as an injection or disposal well within this state who plugs his own wells, or any person who provides well-plugging services.

SECTION 2. This act shall become effective November 1, 1996.

45-2-8652

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