

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

HOUSE BILL NO. 2609

By: Rice

AS INTRODUCED

An Act relating to oil and gas; amending 52 O.S.

1991, Section 552, which relates to escrow accounts; deleting provision relating to the deposit of certain amount of monies; and providing an effective date.

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

SECTION 1. AMENDATORY 52 O.S. 1991, Section 552, is amended to read as follows:

Section 552. A. The Corporation Commission shall require the establishment of an escrow account by each holder of monies in each case where:

1. Royalties, bonus payments, or other monies are directed to be paid under a pooling order, issued under the provisions of Section 87.1 of Title 52 of the Oklahoma Statutes; and

2. Persons entitled to the receipt of such monies are unknown or cannot be located after exercise of due diligence.

B. The escrow account shall be for the benefit of the rightful recipient of the monies. Any person showing to the holder sufficient proof of identity and proof of ownership of the property shall be promptly paid the sum accumulated for his benefit in the escrow account.

C. The Corporation Commission shall require reports of each such account be filed within one (1) year after the pooling order.

The reports shall include, but not be limited to:

1. The name and last-known address of the property owner;
2. The legal description of the property interest subject to the pooling order;
3. The location and account number of the escrow account;
4. The person authorized to order withdrawals from the account;
5. The date of the pooling order; and
6. Such other information as the Commission may require.

D. If any holder of monies is required to establish more than one escrow account by operation of any section of this act, then the monies accruing may all be commingled in a single account. Separate records of each deposit and withdrawal on behalf of specific persons shall be maintained.

E. One (1) year after the date of the pooling order, the holder shall submit the report of funds that have been held in escrow, and shall transmit to the Corporation Commission the funds that have been so held. If additional monies covered by this act are subsequently generated from mineral interests included in a pooling order, they shall likewise be held in escrow and transmitted annually by the holder, along with the names of mineral owners who have in the intervening year submitted proper claims of ownership to mineral interests covered by this act.

~~Provided, however, that payment of such monies shall be optional with the holder if the amount held for any one person is One Hundred Dollars (\$100.00) or less. This exemption does not relieve the holder of filing the required reports, regardless of the amount.~~

SECTION 2. This act shall become effective November 1, 1998.

