

STATE OF OKLAHOMA

2nd Session of the 48th Legislature (2002)

HOUSE BILL HB2788

By: Glover of the House

and

Capps of the Senate

AS INTRODUCED

An Act relating to oil and gas; amending 52 O.S. 2001, Section 570.12, which relates to the Production Revenue Standards Act; requiring certain information be provided with payments; allowing for a written request for information; requiring payor to provide information within a certain period; authorizing interest owners to bring a civil action for information; providing for recovery of costs; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 52 O.S. 2001, Section 570.12, is amended to read as follows:

Section 570.12 A. The following information for each property and month of sale shall be included with each payment made to an interest owner from the sale of oil or gas:

1. Lease or well identification including section, township, range, county, and state in which the lease or well is located, and a telephone number at which additional information regarding the payment may be obtained and questions may be answered;

2. Month and year of sales included in the payment;

3. Total barrels or MCF attributed to such payment;

4. Price per barrel or MCF, including British Thermal Unit adjustment of gas sold;

5. Total amount attributed to such payment of severance and other production taxes, with the exception of windfall profit tax;

6. Net value of total sales attributed to such payment after taxes are deducted;

7. Owner's interest, expressed as a decimal, in production from the property;

8. Owner's share of the total value of sales attributed to such payment prior to any deductions;

9. Owner's share of the sales value attributed to such payment less owner's share of the production and severance taxes; and

10. A specific listing of the amount and purpose of any other deductions from the proceeds attributed to such payment due to the owner upon request by the owner.

B. For purposes of the Production Revenue Standards Act:

1. All revenue decimals shall be calculated to not less than the nearest sixth decimal place, which is the nearest part in one million; and

2. Gas volumes reported to any owner shall be measured as required by Section 474 of Title 52 of the Oklahoma Statutes.

C. If an interest owner does not receive in a timely manner all of the information required under subsection A of this section with a payment, the interest owner may send a written request for the information to the payor by certified mail. The payor shall provide the requested information to the interest owner by certified mail within sixty (60) days after receiving the written request. If the payor does not provide the requested information to the interest owner within the sixty-day period, the interest owner may bring a civil action against the payor to enforce the provisions of this section, as applicable. The prevailing party shall be entitled to recover reasonable court costs and attorney fees and any other recovery as provided for in Section 570.14 of this title.

SECTION 2. This act shall become effective July 1, 2002.

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.

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