

ENROLLED SENATE
BILL NO. 318

By: Helton of the Senate

and

Brannon and Askins of the
House

An Act relating to public lands; amending 64 O.S. 2001, Section 92, which relates to sale of certain leases; modifying notice requirement for sale of certain leases by the Commissioners of the Land Office; amending 64 O.S. 2001, Section 281, which relates to oil and gas leases; modifying procedure for entering into certain leases; requiring the Commissioners of the Land Office to pay fee for certain licenses; providing for codification; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 64 O.S. 2001, Section 92, is amended to read as follows:

Section 92. The Commissioners of the Land Office are hereby authorized to sell oil and gas or other mineral leases on any of the public lands under their control and supervision whether the same was acquired by federal grant, donation, foreclosure or otherwise. ~~Prior to every sale of oil and gas or other mineral lease covering such lands, the~~ The Commissioners of the Land Office shall cause notice of such sale to be published for thirty (30) days in a newspaper of general circulation in the county where such lands are situated and in publish notice of the lease sale one time not less than thirty (30) days prior to the lease sale date in two newspapers authorized by law to publish legal notices. One of the newspapers shall be published in the county where the land is located or other newspaper as authorized by Section 106 of Title 25 of the Oklahoma Statutes. The other shall be a newspaper of general circulation in the State of Oklahoma this state. The leasing shall require and the advertisement shall specify in each case a fixed royalty to be paid by the successful bidder, in addition to any bonus offered for the lease, and all proceeds from leases shall be covered into the fund to which that shall properly belong, and no transfer or assignment of any lease shall be valid or confer any right in the assignee without the consent of the Commissioners of the Land Office in writing; provided, however, that agricultural lessees in possession of such lands shall be reimbursed by the mining lessees for all damage done to said agricultural lessees' interest therein by reason

of such mining operations. The Commissioners of the Land Office have the right to reject any and all bids for such leases. The Commissioners of the Land Office shall provide any other notice of oil and gas lease sales to all interested parties by any means it determines is needed to attract the best competition.

SECTION 2. AMENDATORY 64 O.S. 2001, Section 281, is amended to read as follows:

Section 281. The Commissioners of the Land Office are authorized to lease for oil and gas purposes any of the school or other lands owned by the State of Oklahoma, which such Commissioners may deem valuable for oil and gas. Each such lease shall be a commence-type lease and shall provide for a term not less than one ~~(1)~~ year and not to exceed five (5) years and as long thereafter as oil or gas may be produced therefrom in paying quantities, upon such terms and conditions and in such quantities as the Commissioners shall by rules and regulations prescribe. Each such lease shall provide for the delivery to the state of a royalty of not less than one-eighth (1/8) part of the oil or gas produced from the leased premises or in lieu thereof the payment to the state of the market value of said royalty interest, as the Commissioners may elect. The leases shall be offered by public competition after notice of the lease auction published one time not less than thirty (30) days prior to the lease auction date in two newspapers authorized by law to publish legal notices. One of the newspapers shall be published in the county where the land is located or other newspaper as authorized by Section 106 of Title 25 of the Oklahoma Statutes. The other shall be a newspaper of general circulation in this state. Such leasing shall be made public competition after not less than fifteen (15) days' notice by publication in two (2) newspapers authorized by law to publish legal notices, one (1) of which newspapers shall be published at the State Capital, and the other in the county where the land is situated, such leasing shall be let by sealed bids and each lease awarded to the highest responsible bidder, such oil and gas leases may be assigned only with the consent and approval of the Commissioners of the Land Office. ~~Provided that;~~ provided, the Commissioners have the right to reject any and all bids. The Commissioners of the Land Office shall provide any other notice of oil and gas lease sales to all interested parties by any means it determines is needed to attract the best competition.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 16 of Title 64, unless there is created a duplication in numbering, reads as follows:

The Commissioners of the Land Office shall be responsible for and pay the fee for obtaining a real estate appraiser license for any employee who is required to obtain such license to perform job duties.

SECTION 4. This act shall become effective July 1, 2003.

SECTION 5. 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.

Passed the Senate the 5th day of May, 2003.

Presiding Officer of the Senate

Passed the House of Representatives the 21st day of April, 2003.

Presiding Officer of the House
of Representatives