

ENROLLED HOUSE
BILL NO. 1913

By: Peters and Adkins of the
House

and

Lamb and Branam of the
Senate

An Act relating to oil and gas; amending 52 O.S. 2001, Section 86.1, which relates to oil and gas definitions; updating statutory language; adding certain definition; and declaring an emergency.

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

SECTION 1. AMENDATORY 52 O.S. 2001, Section 86.1, is amended to read as follows:

Section 86.1 For the purposes of this act:

~~(a) The term 1. "Commission" shall mean~~ means the Corporation Commission;

~~(b) The word "person" shall include 2. "Person" includes~~ any individual, copartnership, corporation, common law or statutory trust or association of whatever character;

~~(c) The term "common 3. "Common source of supply" shall comprise and include~~ comprises and includes that area which is underlaid or which, from geological or other scientific data, or from drilling operations, or other evidence, appears to be underlaid, by a common accumulation of oil or gas or both; ~~provided, that, if.~~ If any such area is underlaid, or appears from geological or other scientific data, or from drilling operations, or other evidence, to be underlaid by more than one common accumulation of oil or gas or both, separated from each other by a strata of earth and not connected with each other, then such area, as to each said common accumulation of oil or gas or both, shall be deemed a separate common source of supply;

~~(d) The term "owner" shall mean 4. "Owner" means~~ a person who has the right to drill into and to produce from any common source of supply and to appropriate the production, either for ~~himself~~ that person or for ~~himself~~ that person and others;

~~(e) The word "oil" shall mean 5. "Oil" means~~ crude petroleum oil, and any other hydrocarbons, regardless of gravity, which are produced at the well in liquid form by ordinary production methods;

~~(f) The word "gas" shall mean 6. "Gas" means all natural gas, including casinghead gas, and all other hydrocarbons not defined as oil in the subsection above paragraph 5 of this section;~~

~~(g) The term "producer" shall mean 7. "Producer" means any person who, along or in association with another person or persons, shall have the right to drill into and produce from, or who has any interest in production from, any common source of supply in this state;~~

~~(h) The term "operator" shall mean 8. "Operator" means any producer of oil or gas who has drilled a well or wells into a common source of supply and is engaged in operating ~~such the~~ well or wells for the purpose of producing oil or gas therefrom;~~

~~(i) The term "taker" shall include 9. "Taker" includes any person, who, acting alone, or jointly with any person or persons, is directly or indirectly purchasing or transporting by any means whatsoever or otherwise removing oil or gas from any common source of supply in this state; and~~

10. "Hearing" means any proceeding before an Administrative Law Judge, Appellate Referee or the Corporation Commission en banc, after notice and opportunity to be heard, by which the Commission may exercise its authority under Chapter 3 of this title and as set forth in the Rules of Practice of the Commission. Any evidence as defined, authorized, and permitted by the Oklahoma Constitution, the laws of the State of Oklahoma, and rules of the Commission in support of an application for Commission action or relief shall be received as evidence.

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.

Passed the House of Representatives the 20th day of May, 2005.

Presiding Officer of the House of
Representatives

Passed the Senate the 22nd day of May, 2006.

Presiding Officer of the Senate

