

1 STATE OF OKLAHOMA

2 2nd Session of the 51st Legislature (2008)

3 HOUSE BILL 3003

By: Johnson (Rob)

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6 AS INTRODUCED

7 An Act relating to oil and gas; creating the
8 Sustaining Oklahoma's Energy Resources Act; providing
9 short title; stating legislative findings; creating
10 board; stating purpose; stating membership; providing
11 for travel reimbursement; stating terms; providing
12 for appointments by certain date; providing for
13 vacancies; authorizing the Secretary of Energy to
14 determine meeting schedule; authorizing board to
15 promulgate rules; designating Secretary of Energy
16 responsible for administration of certain funds;
17 providing for codification; and declaring an
18 emergency.

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

20 SECTION 1. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 290.1 of Title 52, unless there
22 is created a duplication in numbering, reads as follows:

23 This act shall be known and may be cited as the "Sustaining
24 Oklahoma's Energy Resources Act".

SECTION 2. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 290.2 of Title 52, unless there
is created a duplication in numbering, reads as follows:

1 The State Legislature finds that while oil and gas exploration
2 has long been associated with the growth of our state and is
3 responsible for supplying over twenty percent (20%) of our state's
4 annual tax revenues, there is no reinvestment mechanism to help
5 ensure that current production levels, and thus high levels of tax
6 revenues which support critical governmental functions, are
7 sustained.

8 Resources devoted to upstream oil and gas research and
9 development and advances in production technologies are very
10 limited, even by large producers, and that information is largely
11 proprietary and unavailable to others in the industry.

12 The development of new technologies in oil and gas exploration
13 and production will facilitate the recovery of vast reserves of oil
14 and gas located in new and previously discovered fields and new
15 technologies will be critical for the continued development of gas
16 shale's, coaled methane and tight sands which are found in our
17 state.

18 In addition to seeking new oil and gas fields, maintaining and
19 increasing our marginal well production is critical to our state's
20 energy future. Advances in oilfield technology which will lower
21 costs and maximize production will ensure sustained oil and gas
22 revenues for our state.

23 By creating and funding the Sustaining Oklahoma's Energy
24 Resources Board, our state will be recognized nationally and

1 internationally for developing new technologies that will create
2 additional wealth for our citizens and increase our nation's energy
3 security.

4 SECTION 3. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 290.3 of Title 52, unless there
6 is created a duplication in numbering, reads as follows:

7 A. There is hereby created the Sustaining Oklahoma's Energy
8 Resources Board. The purpose of the Board is to direct state and
9 private funds for oil and gas research and development projects.
10 The Board shall oversee projects to develop new technologies capable
11 of maximizing the existing oil and gas production in this state and
12 facilitate the discovery and development of new exploration fields.

13 B. The Board shall be composed as follows:

14 1. Two independent producers, one small oil producer and one
15 larger natural gas producer, to be appointed by the President Pro
16 Tempore of the State Senate;

17 2. Two independent producers, one small oil producer and one
18 larger natural gas producer, to be appointed by the Speaker of the
19 Oklahoma House of Representatives;

20 3. Three well service industry representatives appointed by the
21 Governor;

22 4. Three representatives appointed by the Presidents of the
23 University of Oklahoma, Oklahoma State University and the University
24 of Tulsa; and

1 5. The Secretary of Energy, who shall serve as the chair of the
2 Board.

3 C. Members of the Board shall receive no compensation for their
4 service but may be eligible for necessary and actual travel
5 reimbursement in accordance with the State Travel Reimbursement Act.
6 Appointments to the Board shall be made within ninety (90) days
7 following the effective date of this act. Appointments to the Board
8 shall be for two-year terms, and appointees shall be eligible to
9 serve for no more than two consecutive terms. Members shall serve
10 at the pleasure of their appointing authority. Vacancies on the
11 Board shall be filled by the original appointing authority within
12 thirty (30) days following such vacancy. The Secretary of Energy
13 shall call the first meeting of the Board and determine a meeting
14 schedule.

15 D. The Board is authorized to promulgate rules and shall be
16 responsible for establishing procedures and operations of the Board.
17 Such procedures and operations shall be established as rules
18 promulgated by the Board pursuant to the requirements of the
19 Administrative Procedures Act. Such rules may provide for
20 protection from public disclosure of trade secrets and proprietary
21 information of any kind, including, but not limited to, data,
22 processes and technology, as the Board determines necessary.

23 E. The Secretary of Energy shall be responsible for
24 administration of public and private funds appropriated or donated

1 to this Board pursuant to the requirements of state law and the
2 provisions of this act. The Board may receive assistance and
3 cooperation from any other state entity as they deemed necessary and
4 appropriate.

5 SECTION 4. It being immediately necessary for the preservation
6 of the public peace, health and safety, an emergency is hereby
7 declared to exist, by reason whereof this act shall take effect and
8 be in full force from and after its passage and approval.

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