

1 ENGROSSED SENATE
2 BILL NO. 297

By: Bingman of the Senate
and
Thompson of the House

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7 [oil and gas - operators in violation -
8 codification -

9 emergency]
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11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 318.1b of Title 52, unless there
14 is created a duplication in numbering, reads as follows:

15 The Corporation Commission shall not accept an agreement to
16 drill, operate or plug wells submitted by an operator if the
17 operator has outstanding violations of a Commission rule, order,
18 license, permit or certificate relating to safety or the prevention
19 or control of pollution, or if the operator has an affiliate or
20 insider, as defined by Section 318.1 of Title 52 of the Oklahoma
21 Statutes, who was an affiliate or insider of another entity at the
22 time such other entity committed such a violation that remains an
23 outstanding violation. For the purpose of this section an
24 "outstanding violation" means a violation for which:

1 1. A Commission order finding a violation has been entered and
2 all appeals have been exhausted, or an agreed order has been entered
3 by the operator responsible for the violation; and

4 2. One or more of the following conditions still exist:

5 a. the conditions that constituted the violation have not
6 been corrected,

7 b. all penalties imposed for the violation have not been
8 paid, or

9 c. all reimbursements of any costs and expenses assessed
10 by the Commission relating to the violation have not
11 been paid.

12 A violation that is corrected or a penalty or reimbursement that is
13 paid in accordance with a schedule established in a Commission order
14 is not an "outstanding violation" for purposes of this section.

15 SECTION 2. It being immediately necessary for the preservation
16 of the public peace, health and safety, an emergency is hereby
17 declared to exist, by reason whereof this act shall take effect and
18 be in full force from and after its passage and approval.

1 Passed the Senate the 2nd day of March, 2009.

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4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2009.

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9 Presiding Officer of the House
10 of Representatives