

1 STATE OF OKLAHOMA

2 2nd Session of the 53rd Legislature (2012)

3 SUBCOMMITTEE RECOMMENDATION
4 FOR

5 HOUSE BILL NO. 2496

6 By: Hardin

7 SUBCOMMITTEE RECOMMENDATION

8 An Act relating to oil and gas; directing an operator
9 of a commercial injection or disposal well or land
10 application site to collect an additional fee on
11 deleterious substances from another state; providing
12 for calculation of the additional fee; providing for
13 payment of the additional fee to the Corporation
14 Commission; establishing schedule for payment;
15 directing the Commission to distribute the fees to
16 certain entities; allowing the Commission to retain
17 certain amount for administration; directing the
18 Commission to establish reporting and payment
19 procedures; defining terms; providing for
20 codification; providing an effective date; and
21 declaring an emergency.

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

23 SECTION 1. NEW LAW A new section of law to be codified
24 in the Oklahoma Statutes as Section 158 of Title 52, unless there is
created a duplication in numbering, reads as follows:

A. In order to protect public health and preserve the
expectation of future disposal capabilities of areas local to
commercial injection or disposal well sites and land application
sites, the operator of a commercial injection or disposal well or

1 the operator of a service that applies deleterious substances to
2 land sites shall collect an additional fee on any deleterious
3 substance which originated in another state and is disposed of in
4 the injection or disposal well or the land site.

5 B. The additional fee shall be assessed on each gallon of
6 liquid deleterious substance or each cubic yard of solid deleterious
7 substance which originated in another state and is disposed of in a
8 commercial injection or disposal well or on a land application site
9 located in the state. The fee shall be calculated by adding an
10 additional ten percent (10%) to the fee assessed to other similar
11 deleterious substance which originated in-state and is disposed of
12 at the well or the site. If in-state deleterious substances are not
13 disposed of at the well or land application site, the fee shall be
14 calculated by adding an additional ten percent (10%) on to the fee
15 that was being assessed to out-of-state deleterious substances prior
16 to implementation of the additional fee.

17 C. 1. The additional fee assessed as provided for in this
18 section shall be paid to the Corporation Commission on a quarterly
19 basis within one (1) month following the close of each quarter, for
20 each gallon of liquid deleterious substance or each cubic yard of
21 solid deleterious substance disposed of during the preceding
22 quarter.

23 2. The Commission shall distribute the fee to the:
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1 a. board of county commissioners in the county in which
2 the disposal well or land application site from which
3 the fee is paid is located for purposes of road repair
4 and construction, and

5 b. Department of Transportation for purposes of road
6 repair and construction in the county in which the
7 disposal well or land application site from which the
8 fee is paid is located.

9 3. The Commission may retain not more than five percent (5%) of
10 the fees collected for administration.

11 D. The Corporation Commission shall establish reporting and
12 payment procedures, including forms and applications, which shall be
13 submitted with the payment of the fee as provided for in this
14 section.

15 E. For purposes of this section:

16 1. "Land application" means the application of deleterious
17 substances or soils contaminated by deleterious substances to the
18 land for purposes of disposal or land treatment, also known as soil
19 farming; and

20 2. "Deleterious substances" means any chemical, salt water, oil
21 field brine, waste oil, waste emulsified oil, basic sediment, mud or
22 injurious substance produced or used in the drilling, development,
23 production, transportation, refining, and processing of oil, gas or
24 brine mining.

1 SECTION 2. This act shall become effective July 1, 2012.

2 SECTION 3. It being immediately necessary for the preservation
3 of the public peace, health and safety, an emergency is hereby
4 declared to exist, by reason whereof this act shall take effect and
5 be in full force from and after its passage and approval.

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