

1 STATE OF OKLAHOMA

2 1st Session of the 53rd Legislature (2011)

3 SENATE BILL 113

By: Ivester

4
5 AS INTRODUCED

6 An Act relating to seismic exploration; amending 52
7 O.S. 2001, Section 318.22, which relates to
8 permitting and regulation of seismic exploration;
9 modifying procedures for surety requirements;
10 requiring surety to be filed with the Secretary of
11 State in certain amount prior to issuance of permit;
12 requiring the Corporation Commission to determine
13 amount of bond and duration of certain surety;
14 authorizing certain interagency agreement and
15 authorizing promulgation of rules; providing for
16 noncodification; and providing an effective date.

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

18 SECTION 1. AMENDATORY 52 O.S. 2001, Section 318.22, is
19 amended to read as follows:

20 Section 318.22 A. The Corporation Commission is hereby
21 directed and authorized to promulgate rules governing the operations
22 of seismographic exploration for the purpose of protecting the
23 interests and property of the citizens of this state.

24 B. Any person, firm, corporation or entity desiring to commence
any seismographic exploration in this state shall, prior to any such
activity, be duly registered with the Corporation Commission and

1 shall be required to apply for a permit for each separate seismic
2 exploration.

3 C. Rules promulgated by the Commission governing all seismic
4 exploration operations shall include, but not be limited to,
5 requirements for:

6 1. Applicants to post a form of financial surety guarantee, the
7 form and amount to be determined by the Commission and to follow the
8 requirements set forth subsection G of this section, which shall
9 remain in effect until release is authorized by the Commission;

10 2. Applicants to notify all surface owners of property where
11 seismic exploration will occur at least fifteen (15) days prior to
12 commencement of seismic exploration. If the applicant has obtained
13 specific written permission and has given actual notice of intent to
14 conduct seismic exploration any time before fifteen (15) days prior
15 to conducting seismic exploration, such action shall be considered
16 sufficient notification for the purposes of this section.

17 Notification by U.S. mail shall be sufficient for the purposes of
18 this section, provided the notice is postmarked at least fifteen
19 (15) days prior to commencement of any seismic exploration; and

20 3. Applicants to be permitted for each seismic exploration
21 operation.

22 D. The notice required in subsection C of this section shall be
23 sent by U.S. mail, include a copy of the oil or gas lease or seismic
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1 permit authorizing the use of the surface for seismic exploration
2 and contain the following information:

- 3 1. Name of the company conducting seismic exploration;
- 4 2. Anticipated date of seismic exploration; and
- 5 3. Any other pertinent information the Commission deems
6 appropriate and relevant for the protection of surface owners.

7 E. The Commission is further directed to promulgate rules to
8 implement a system to register complaints against any person, firm
9 or corporation conducting seismic exploration. The Commission may
10 determine if and when a complaint has been adequately resolved.

11 F. Any person, firm, corporation or entity which conducts any
12 seismic exploration without a permit by the Commission, or in any
13 other manner violates the rules of the Commission governing such
14 exploration shall be subject to a penalty of One Thousand Dollars
15 (\$1,000.00) per violation per day by the Commission, in addition to
16 any other legal remedy provided by law.

17 G. 1. Prior to seeking a permit from the Commission as
18 required by subsection B of this section and performing any seismic
19 activity, an applicant shall file with the Secretary of State a
20 surety bond, cash, certificate of deposit, or other instrument
21 acceptable to the Secretary of State in an amount determined by the
22 Commission to indemnify the owners of property within this state for
23 physical damages to the property resulting from any seismic
24 exploration.

1 2. The applicant shall be required to show proof such surety is
2 on file with the Secretary of State before the Commission shall
3 issue a permit for any seismic activity.

4 3. The Commission shall notify the Secretary of State when a
5 permit holder's liability has expired and the permit holder's bond
6 or other surety may be released.

7 H. In the event of property damage due to seismic exploration
8 activities, partial or complete forfeiture of the surety bond or
9 other instrument on file with the Secretary of State shall be
10 determined by the appropriate court of civil jurisdiction.

11 SECTION 2. NEW LAW A new section of law not to be
12 codified in the Oklahoma Statutes reads as follows:

13 The Secretary of State and the Corporation Commission shall
14 enter into interagency agreements and are authorized to promulgate
15 any rules necessary to implement the provisions of this act.

16 SECTION 3. This act shall become effective November 1, 2011.

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