

1 STATE OF OKLAHOMA

2 1st Session of the 55th Legislature (2015)

3 HOUSE BILL 1395

By: Murdock

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5  
6 AS INTRODUCED

7 An Act relating to oil and gas; recognizing that the  
8 operation of oil and gas and water disposal wells is  
9 of statewide importance; stating intent to prohibit  
10 certain laws adopted by municipalities, counties and  
11 other governmental subdivisions regulating oil and  
12 gas operations; specifying primary regulation of oil  
13 and gas operations; allowing municipalities, counties  
14 and other governmental subdivisions to enact certain  
15 reasonable laws; prohibiting municipalities, counties  
16 and other governmental subdivisions from banning oil  
17 and gas operations; allowing reasonable setbacks for  
18 surface operations; granting the Corporation  
19 Commission authority to determine if certain laws are  
20 reasonable and consistent; providing for validity of  
21 certain laws; making laws found by the Commission to  
22 be unreasonable and inconsistent void; authorizing  
23 the Commission to promulgate rules and issue orders;  
24 repealing 52 O.S. 2011, Section 137, which relates to  
the powers of cities and towns to regulate oil and  
gas drilling or production; and declaring an  
emergency.

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

SECTION 1. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 137.1 of Title 52, unless there  
is created a duplication in numbering, reads as follows:

1           A. The drilling, completing, fracture stimulating and  
2 operations of oil and gas wells and produced water disposal wells  
3 related to oil and gas wells are of statewide importance and  
4 concern. The State Legislature, by adopting this act, intends to  
5 prohibit any other law, ordinance, rule or regulation promulgated to  
6 regulate drilling, completing, fracture stimulating and operations  
7 of oil and gas wells and produced water disposal wells that  
8 municipalities, counties or other governmental subdivisions may  
9 adopt that is inconsistent with state laws establishing statewide  
10 regulation of oil and gas operations and the prevention of waste and  
11 the conservation of oil and gas.

12           B. Primary regulation of oil and gas operations shall be by the  
13 state as set forth in state law and through the jurisdiction granted  
14 the Corporation Commission pursuant to Section 139 of Title 52 of  
15 the Oklahoma Statutes and Section 52 of Title 17 of the Oklahoma  
16 Statutes.

17           C. Municipalities, counties or other governmental subdivisions  
18 shall not be prohibited from enacting reasonable laws, ordinances,  
19 rules and regulations relating to the local aspects of the oil and  
20 gas operations within its boundaries, so long as the laws,  
21 ordinances, rules and regulations are reasonable, consistent with,  
22 or not in opposition to that established by state law and  
23 regulations adopted by the Corporation Commission. No municipal,  
24 county or other governmental subdivision may enact a law, ordinance,

1 rule or regulation which effectively prohibits or bans the drilling,  
2 completing, fracture stimulating or operations of oil and gas wells  
3 or produced water disposal wells related to oil and gas wells within  
4 its boundaries without the approval of the Commission. Nothing in  
5 this section shall be construed to prevent the municipal, county or  
6 other governmental subdivision from enacting reasonable setbacks for  
7 surface operations based upon the necessity to protect the health,  
8 safety and welfare of its citizens. Upon application and notice,  
9 the Commission shall have the authority and jurisdiction to  
10 determine whether a municipal, county or other governmental  
11 subdivision law, ordinance, rule or regulation related to the  
12 drilling, completing, fracture stimulating and operations of oil and  
13 gas wells and produced water disposal wells related to oil and gas  
14 wells is reasonable, consistent with, or not in opposition to, state  
15 law or regulations adopted by the Corporation Commission. Any  
16 municipal, county or other governmental subdivision law, ordinance,  
17 rule or regulation enacted prior to the effective date of this act  
18 shall be subject to a rebuttable presumption of validity. Any  
19 municipal, county or other governmental subdivision law, ordinance,  
20 rule or regulation found by the Commission to be unreasonable,  
21 inconsistent with or in opposition to state law or regulations  
22 adopted by the Commission shall be void.

23 D. The Commission is authorized to promulgate any rule or issue  
24 orders as necessary to implement the provisions of this act.

1 SECTION 2. REPEALER 52 O.S. 2011, Section 137, is hereby  
2 repealed.

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

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