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February 19, 2015

SENATE BILL NO. 809

By: Bingman and Crain of the
Senate

An Act relating to oil and gas; stating regulatory authority over certain drilling, completing, fracture stimulating, and operation of oil and gas wells and produced water disposal wells; prohibiting certain regulation by municipalities, counties or political subdivisions; stating exception; authorizing Corporation Commission to make certain determination; providing certain rebuttable presumption; authorizing Corporation Commission to implement rules; repealing 52 O.S. 2011, Section 137, which relates to powers of cities and towns; providing for codification; providing for noncodification; 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:

The drilling, completing, fracture stimulating, and operations of oil and gas wells, and produced water wells related thereto, are of statewide importance and concern wherein primary regulation is by the State of Oklahoma through this title and the jurisdiction granted the Corporation Commission pursuant to Section 139 of Title 52 of the Oklahoma Statutes and Section 52 of Title 17 of the

1 Oklahoma Statutes. State regulation does not prohibit
2 municipalities, counties or other political subdivisions from
3 enacting reasonable ordinances, rules, and regulations relating to
4 the local aspects of the oil and gas operations within its
5 boundaries, provided such ordinances, rules, and regulations are
6 reasonable and consistent with, and not in opposition to, the
7 regulation established by this title and the Corporation Commission.
8 No municipal, county or other political subdivision ordinance, rule
9 or regulation may prohibit or ban the drilling, completing, fracture
10 stimulating or operations of oil and gas wells, or produced water
11 disposal wells related thereto, within its boundaries without the
12 approval of the Corporation Commission, except that the municipal,
13 county or other political subdivision may enact reasonable setbacks
14 for surface operations based upon the necessity to protect the
15 health, safety, and welfare of its citizens. Upon application and
16 notice, the Corporation Commission shall have the authority and
17 jurisdiction to determine whether a municipal, county or other
18 political subdivision ordinance, rule or regulation related to the
19 drilling, completing, fracture stimulating, and operations of oil
20 and gas wells, and produced water disposal wells related thereto, is
21 reasonable and consistent with, and not in opposition to, regulation
22 by the Corporation Commission. Any municipal, county or other
23 governmental subdivision ordinance, rule or regulation enacted prior
24 to the effective date of this act shall be subject to a rebuttable

1 presumption of validity. Any municipal, county or other political
2 subdivision ordinance, rule or regulation found by the Corporation
3 Commission to be unreasonable or inconsistent with, or in opposition
4 to, state law or regulation by the Commission shall be void and
5 unenforceable.

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

8 The Corporation Commission is authorized to promulgate any rule
9 or issue orders as necessary to implement the provisions of this
10 act.

11 SECTION 3. REPEALER 52 O.S. 2011, Section 137 , is
12 hereby repealed.

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

17 COMMITTEE REPORT BY: COMMITTEE ON ENERGY
18 February 19, 2015 - DO PASS
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