

**BILL SUMMARY**  
1<sup>st</sup> Session of the 55<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>HB2177</b>
<b>Version:</b>	<b>SAHB</b>
<b>Request Number:</b>	<b>5688</b>
<b>Author:</b>	<b>Rep. Hickman</b>
<b>Date:</b>	<b>5/18/2015</b>
<b>Impact:</b>	<b>Corporation Commission: \$0</b>

**Research Analysis**

HB 2177 amends the 2011 Shale Reservoir Development Act. Its new name would be the Extended Lateral Horizontal Well Development Act. The scope of the act is extended beyond the Marmaton common source of supply, to any source designated by the Corporation Commission as one suited for a multiunit horizontal well.

If a planned horizontal well would extend beyond the boundaries of the existing units in that common source of supply, the option is given to use a multiunit horizontal well. The Corporation Commission would allocate costs and proceeds related to the multiunit horizontal well to each of the units it affects.

Senate Amendments to HB 2177 grant an owner who participates in a horizontal well the right to participate in subsequent wells under the same pooling order. If the owner does not participate, relinquishes that portion of the interest of the well. The owner would still retain the right to participate in future wells under the same pooling order. If the pooling order is authorized as a multiunit horizontal well, the relinquished rights would only be for the targeted reservoir.

Prepared By: Sean Webster

**Fiscal Analysis**

Upon review of the SA to HB 2177, which deals with land owners and pooling orders, it is determined to have no fiscal or revenue considerations for the state.

Prepared By: Kristina King

**Other Considerations**

None.