

1 **SENATE FLOOR VERSION**

2 April 10, 2019

3 **AS AMENDED**

4 ENGROSSED HOUSE

5 BILL NO. 2111

6 By: O'Donnell of the House

7 and

8 Allen of the Senate

9 [energy - creating the Oklahoma Oil and Natural Gas
10 Regulatory Modernization Task Force -

11 emergency]

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

13 SECTION 1. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 318.11 of Title 52, unless there
15 is created a duplication in numbering, reads as follows:

16 A. There is hereby created the "Oklahoma Oil and Natural Gas
17 Regulatory Modernization Task Force".

18 B. The Task Force shall consist of nine (9) members as follows:

19 1. Two members of the Oklahoma House of Representatives as
20 appointed by the Speaker of the Oklahoma House of Representatives;

21 2. Two members of the Oklahoma State Senate as appointed by the
22 Speaker Pro Tempore of the Oklahoma State Senate;

1 3. A member of the Oklahoma Corporation Commission appointed by
2 a vote of the three members of the Corporation Commission, or a
3 designee from the Oklahoma Corporation Commission;

4 4. The Governor, or a designee from the Office of the Governor;

5 5. **Three members** from a local oil and gas trade association as
6 designated by the Speaker of the Oklahoma House of Representatives;

7 6. **Three members** from a local oil and gas trade association as
8 designated by the Speaker Pro Tempore of the Oklahoma State Senate;
9 and

10 7. The Secretary of Energy and Environment of the State of
11 Oklahoma who shall serve as chairperson of the Task Force and shall
12 be a nonvoting member. However, in the event of a tie, the
13 chairperson shall cast the deciding vote.

14 C. The Task Force shall conduct an inquiry into the impact of
15 new drilling activity on existing wells, both vertical and
16 horizontal. The purpose of this inquiry is to determine and
17 recommend possible changes, if needed, to current regulations. This
18 shall include, but not be limited to:

19 1. Reviewing existing procedures for resolving disputes as they
20 relate to well communication between two or more wells;

21 2. Identifying additional resource needs of the Oklahoma
22 Corporation Commission for timely enforcement of administrative or
23 judicial orders; and
24

1 3. Examining alternatives used by other states to resolve
2 disputes as they relate to well communication between two or more
3 wells and making recommendations for adoption of best practices.

4 D. The Task Force shall hold an organizational meeting no later
5 than September 1, 2019. In furtherance of performing the duties
6 ascribed in subsection C of this section, the Task Force may seek
7 input from stakeholders, including the various businesses regulated
8 by the Corporation Commission.

9 E. The Task Force may conduct business without a quorum of its
10 membership being present, but a quorum shall be required to be
11 present for the purposes of adoption of the final report, as
12 detailed in subsection H of this section, of the Task Force.

13 F. The Task Force shall be staffed by the staff of the Office
14 of the Secretary of Energy and Environment of the State of Oklahoma.

15 G. The Task Force may request the assistance of any state
16 agency, board, commission, department or other entity of state
17 government to acquire relevant information.

18 H. The Task Force shall develop a final report with specific
19 recommendations and transmit the report not later than September 1,
20 2020, to the Governor, the Speaker of the Oklahoma House of
21 Representatives and the President Pro Tempore of the Oklahoma State
22 Senate.

23 I. Each member of the Task Force shall serve without
24 compensation or reimbursement for travel related to Task Force

1 duties, aside from the compensation they might otherwise receive as
2 authorized by law.

3 J. The Task Force shall terminate effective the day following
4 the transmission of the report required by subsection H of this
5 section.

6 K. The Task Force shall be exempt from the Oklahoma Open
7 Records Act and the Oklahoma Open Meeting Act.

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

12 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
13 April 10, 2019 - DO PASS AS AMENDED

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