

1 ENGROSSED SENATE AMENDMENT  
2 TO  
3 ENGROSSED HOUSE  
4 BILL NO. 2230  
5 By: Moore of the House  
6  
7 and  
8 Taylor of the Senate  
9

10 An Act relating to oil and gas; amending 52 O.S.  
11 2011, Sections 570.1 and 570.11, which relate to the  
12 Production Revenue Standards Act; updating statutory  
13 references; renaming the Production Revenue Standards  
14 Act; providing for transfer orders and substitute  
15 division orders; and providing an effective date.

16 AMENDMENT NO. 1. Page 1, strike the title to read

17 "[ oil and gas - Production Revenue Standards Act -  
18 transfer orders and substitute division orders -  
19 effective date ]"

20 Passed the Senate the 21st day of April, 2021.

21 \_\_\_\_\_  
22 Presiding Officer of the Senate

23 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
24 2021.

25 \_\_\_\_\_  
26 Presiding Officer of the House  
27 of Representatives

1 ENGROSSED HOUSE  
2 BILL NO. 2230

By: Moore of the House

3 and

4 Taylor of the Senate

5  
6  
7 An Act relating to oil and gas; amending 52 O.S.  
8 2011, Sections 570.1 and 570.11, which relate to the  
9 Production Revenue Standards Act; updating statutory  
10 references; renaming the Production Revenue Standards  
11 Act; providing for transfer orders and substitute  
12 division orders; and providing an effective date.

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

14 SECTION 1. AMENDATORY 52 O.S. 2011, Section 570.1, is  
15 amended to read as follows:

16 Section 570.1 Sections ~~4~~ 570.1 through ~~15~~ 570.15 of this ~~act~~  
17 title shall be known and may be cited as the "Production Revenue  
18 ~~Standards~~ and Royalty Standardization Act".

19 SECTION 2. AMENDATORY 52 O.S. 2011, Section 570.11, is  
20 amended to read as follows:

21 Section 570.11 A division order or transfer order is an  
22 instrument prepared by the operator, the first purchaser of the  
23 production or holder of proceeds for the purpose of directing the  
24 distribution of proceeds from the sale of oil, gas, casinghead gas

1 or other related hydrocarbons which warrants in writing the division  
2 of interest and the name, address and tax identification number of  
3 each interest owner with a provision requiring notice of change of  
4 ownership. Any owner legally entitled to receive a distribution of  
5 production proceeds may prepare and submit to the operator, the  
6 first purchaser of the production or holder of proceeds a substitute  
7 division order or transfer order which warrants in writing the  
8 division of interest and the name, address and tax identification  
9 number of each interest owner with a provision requiring notice of  
10 change of ownership. A division order or transfer order is executed  
11 to enable the first purchaser of the production or holder of  
12 proceeds to make remittance of proceeds directly to the owners  
13 legally entitled thereto and does not relieve the lessee of any  
14 liabilities or obligations under the oil and gas lease. Terms of a  
15 division order or transfer order which conflict with the terms of  
16 any oil and gas lease are invalid, unless previously agreed to by  
17 the affected parties. This ~~subsection~~ section shall only apply to  
18 division orders or transfer orders executed on or after July 1,  
19 1989.

20 SECTION 3. This act shall become effective November 1, 2021.  
21  
22  
23  
24

1 Passed the House of Representatives the 2nd day of March, 2021.

2  
3  
4 Presiding Officer of the House  
of Representatives

5 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2021.

6  
7  
8 Presiding Officer of the Senate