

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               1st Session of the 58th Legislature (2021)

4   HOUSE BILL 2029

                              By: O'Donnell

7                               AS INTRODUCED

8           An Act relating to oil and gas; amending 52 O.S.  
9           2011, Section 570.11, which relates to division  
10          orders, amending the definition of division order;  
                and providing an effective date.

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

13           SECTION 1.       AMENDATORY       52 O.S. 2011, Section 570.11, is  
14   amended to read as follows:

15           Section 570.11   A division order is an instrument for the  
16   purpose of directing the distribution of proceeds from the sale of  
17   oil, gas, casinghead gas or other related hydrocarbons which  
18   warrants in writing the division of interest and shall include the  
19   name, address and tax identification number of each interest owner  
20   with a provision requiring notice of change of ownership.   A  
21   division order is executed to enable the first purchaser of the  
22   production or holder of proceeds to make remittance of proceeds  
23   directly to the owners legally entitled thereto and does not relieve  
24   the lessee of any liabilities or obligations under the oil and gas

1 lease. Terms of a division order which conflict with the terms of  
2 any oil and gas lease are invalid, unless previously agreed to by  
3 the affected parties. This subsection shall only apply to division  
4 orders executed on or after July 1, 1989.

5 SECTION 2. This act shall become effective November 1, 2021.

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7 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND NATURAL RESOURCES,  
8 dated 02/25/2021 - DO PASS.

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