

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

HOUSE BILL 2029

By: O'Donnell

AS INTRODUCED

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

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

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

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

1 any oil and gas lease are invalid, unless previously agreed to by  
2 the affected parties. This subsection shall only apply to division  
3 orders executed on or after July 1, 1989.

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

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