

STATE OF OKLAHOMA

2nd Session of the 59th Legislature (2024)

SENATE BILL 1514

By: Paxton

AS INTRODUCED

An Act relating to the Commissioners of the Land Office; amending 52 O.S. 2021, Section 570.14, which relates to the Production Revenue Standards Act; providing certain statutes of limitations be applied to the Office; amending 64 O.S. 2021, Section 1073, which relates to oil and gas leases of the Office; conforming language; and providing an effective date.

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

SECTION 1. AMENDATORY 52 O.S. 2021, Section 570.14, is amended to read as follows:

Section 570.14. A. The district courts within this state shall have the sole and exclusive jurisdiction to determine the entitlement of any owner in a well to:

1. Its share of proceeds from production; or
2. Damages, interest, court costs, ~~attorneys'~~ attorney fees or allowable litigation expenses incurred as a result of the violation of ~~this act~~ the Production Revenue Standards Act.

B. Any rulemaking power granted to the Corporation Commission by the Production Revenue Standards Act shall neither preclude nor

1 impair the right of any owner to obtain through the district courts
2 remedies available under existing law or additional remedies herein
3 granted to any owner injured in business or property by reason of
4 any action in violation of the provisions of the Production Revenue
5 Standards Act.

6 C. Any owner injured in business or property by reason of any
7 action in violation of the provisions of the Production Revenue
8 Standards Act shall have the right to:

9 1. Recover actual damages so sustained; and

10 2. Obtain specific performance where equitable.

11 The prevailing party in any court proceeding brought pursuant to the
12 Production Revenue Standards Act shall be entitled to recover the
13 costs of the suit, including but not limited to reasonable attorney
14 and expert witness fees.

15 D. 1. For purposes of the Production Revenue Standards Act,
16 the statute of limitations on actions brought pursuant to the
17 provisions of the Production Revenue Standards Act shall be five (5)
18 years from the date the cause of action shall have accrued⁷ⁱ
19 provided, however, nothing shall create, limit or expand any statute
20 of limitations applicable to production occurring prior to September
21 1, 1992.

22 2. The statute of limitations provided for pursuant to this
23 subsection shall also apply to the Commissioners of the Land Office.
24

SECTION 2. AMENDATORY 64 O.S. 2021, Section 1073, is

amended to read as follows:

Section 1073. A. The royalty proceeds derived from the sale of oil or gas production under any oil and gas lease granted by the Commissioners of the Land Office shall be paid to the Commissioners pursuant to the terms of the Production Revenue Standards Act.

B. The statute of limitations established pursuant to Section 570.14 of Title 52 of the Oklahoma Statutes shall apply to the Commissioners of the Land Office as it relates to the Production Revenue Standards Act.

SECTION 3. This act shall become effective November 1, 2024.

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