

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

CONFERENCE COMMITTEE SUBSTITUTE

FOR ENGROSSED

SENATE BILL 132

By: Burns and Green of the
Senate

and

Boles of the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to the Corporation Commission;
amending 17 O.S. 2021, Section 53, which relates to
plugging of oil and gas wells; clarifying
jurisdiction of Corporation Commission; directing
operators of idle gas wells to plug or produce from
certain wells by certain date; establishing maximum
time period for plugging certain idle gas wells;
defining terms; directing rule promulgation; and
declaring an emergency.

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

SECTION 1. AMENDATORY 17 O.S. 2021, Section 53, is
amended to read as follows:

Section 53. A. The Corporation Commission is hereby authorized
to promulgate rules for the plugging of all ~~abandoned oil and gas~~
wells subject to its jurisdiction. ~~Abandoned~~ All wells shall be
plugged under the direction and supervision of Commission employees
as may be prescribed by the Commission. Provided, however, the

1 Commission shall not order any oil ~~or gas~~ well to be plugged or
2 closed if the well is located on an otherwise producing oil ~~or gas~~
3 lease as defined by the Commission, unless such well poses an
4 imminent threat to the public health and safety which shall be
5 determined by the Commission after conducting a public hearing on
6 the matter.

7 B. 1. Any operator responsible for idle gas wells shall plug
8 or produce from such wells that have not produced gas for a
9 consecutive time period of twenty (20) years or more prior to the
10 effective date of this act pursuant to the following schedule:

11 a. not later than July 1, 2028, the operator shall reduce
12 its number of idle gas wells by at least twenty-five
13 percent (25%),

14 b. not later than July 1, 2031, the operator shall reduce
15 its number of idle gas wells by at least fifty percent
16 (50%), and

17 c. not later than July 1, 2035, the operator shall plug
18 or produce from all remaining idle gas wells.

19 2. Any operator with an idle gas well that has not produced gas
20 for a consecutive time period of less than twenty (20) years prior
21 to the effective date of this act or with a gas well that is deemed
22 an idle gas well on and after the effective date of this act shall
23 have ten (10) years from the effective date of this act to either
24 plug or produce from the well.

1 C. Nothing in this section shall be construed to allow an
2 alteration or modification of the time frames prescribed in
3 subsection B of this section following the sale, lease, or transfer
4 of an idle gas well. The time frame commencing under subsection B
5 of this section shall be continual in nature.

6 D. The operator, owner, or other responsible parties may be
7 granted an exception to the provisions of subsection B of this
8 section for an idle gas well by demonstrating good cause to the
9 Commission. Good cause may include, but is not limited to, evidence
10 regarding the gas well's future use for production, injection,
11 carbon storage, and geothermal energy generation, pursuant to
12 Commission rules.

13 E. As used in this section:

14 1. "Idle gas well" means a nonproducing gas well with respect
15 to which there has been no commercial production (i.e., from which
16 there has been no sale of natural gas) for the preceding ten (10)
17 years; and no reasonable case of good cause is made by the named
18 operator for its future use, including, without limitation, for
19 production, injection, carbon storage, and geothermal energy
20 generation;

21 2. "Nonproducing well" means a well that was drilled for the
22 purpose of producing hydrocarbons and that is currently shut-in or
23 temporarily abandoned;

1 3. "Shut-in" means a well that is completed, not producing, but
2 is mechanically capable of production and has requisite surface
3 facilities; and

4 4. "Temporarily abandoned" means a well that is completed, not
5 producing, and is not shut-in.

6 F. The Commission shall promulgate rules to effectuate the
7 provisions of this section and establish any necessary enforcement
8 measures.

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

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