An Act

ENROLLED SENATE BILL NO. 132

By: Burns and Green of the Senate

and

Boles and Waldron of the House

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.

SUBJECT: Corporation Commission

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

- B. 1. Any operator responsible for idle gas wells shall plug or produce from such wells that have not produced gas for a consecutive time period of twenty (20) years or more prior to the effective date of this act pursuant to the following schedule:
 - a. not later than July 1, 2028, the operator shall reduce its number of idle gas wells by at least twenty-five percent (25%),
 - b. not later than July 1, 2031, the operator shall reduce its number of idle gas wells by at least fifty percent (50%), and
 - c. not later than July 1, 2035, the operator shall plug or produce from all remaining idle gas wells.
- 2. Any operator with an idle gas well that has not produced gas for a consecutive time period of less than twenty (20) years prior to the effective date of this act or with a gas well that is deemed an idle gas well on and after the effective date of this act shall have ten (10) years from the effective date of this act to either plug or produce from the well.
- C. Nothing in this section shall be construed to allow an alteration or modification of the time frames prescribed in subsection B of this section following the sale, lease, or transfer of an idle gas well. The time frame commencing under subsection B of this section shall be continual in nature.
- D. The operator, owner, or other responsible parties may be granted an exception to the provisions of subsection B of this section for an idle gas well by demonstrating good cause to the Commission. Good cause may include, but is not limited to, evidence regarding the gas well's future use for production, injection, carbon storage, and geothermal energy generation, pursuant to Commission rules.

E. As used in this section:

1. "Idle gas well" means a nonproducing gas well with respect to which there has been no commercial production (i.e., from which there has been no sale of natural gas) for the preceding ten (10)

years; and no reasonable case of good cause is made by the named operator for its future use, including, without limitation, for production, injection, carbon storage, and geothermal energy generation;

- 2. "Nonproducing well" means a well that was drilled for the purpose of producing hydrocarbons and that is currently shut-in or temporarily abandoned;
- 3. "Shut-in" means a well that is completed, not producing, but is mechanically capable of production and has requisite surface facilities; and
- 4. "Temporarily abandoned" means a well that is completed, not producing, and is not shut-in.
- F. The Commission shall promulgate rules to effectuate the provisions of this section and establish any necessary enforcement measures.

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

Passed the Senate the 21st day of May, 2025.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this ______ day of _____, 20 ____, at ____ o'clock _____ M.

By: _____