

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

HOUSE BILL 3173

By: Archer

AS INTRODUCED

An Act relating to energy; creating the Well Repurposing Act; defining terms; allowing Corporation Commission to authorize certain conversion of particular oil and gas wells; authorizing the establishment of fees and financial assurance; making certain distinction for well used for energy storage; requiring plugging and abandonment of wells if storage operations cease; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 950 of Title 52, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Well Repurposing Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 951 of Title 52, unless there is created a duplication in numbering, reads as follows:

As used in the Well Repurposing Act:

1 1. "Energy storage" means the ability to capture energy sources
2 at one time for use at a later time;

3 2. "Geothermal energy development" means the development of
4 geothermal resources; and

5 3. "Geothermal resources" means the natural heat of the earth
6 in excess of two hundred fifty degrees (250°) Fahrenheit, or the
7 energy, in whatever form, below the surface of the earth present in,
8 resulting from, created by, or that may be extracted from this
9 natural heat in excess of two hundred fifty degrees (250°)
10 Fahrenheit, and all minerals in solution or other products obtained
11 from naturally heated fluids, brines, associated gases and steam, in
12 whatever form, found below the surface of the earth, but excluding
13 oil, hydrocarbon gas and other hydrocarbon substances, and excluding
14 the heating and cooling capacity of the earth not resulting from the
15 natural heat of the earth in excess of two hundred fifty degrees
16 (250°) Fahrenheit, as may be used for the heating and cooling of
17 buildings through an onsite geo-exchange heat pump or similar onsite
18 system.

19 SECTION 3. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 952 of Title 52, unless there is
21 created a duplication in numbering, reads as follows:

22 The Corporation Commission may authorize the conversion of an
23 oil or gas well into a facility that provides or supports energy
24 storage or geothermal energy development. When authorizing such a

1 conversion, the Commission may establish fees and financial
2 assurance requirements specific to the energy storage or geothermal
3 development uses.

4 SECTION 4. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 953 of Title 52, unless there is
6 created a duplication in numbering, reads as follows:

7 A. An oil or gas well that is authorized by the Corporation
8 Commission pursuant to the Well Repurposing Act to be used for
9 energy storage and that is actively operated for energy storage
10 shall not be considered an inactive or abandoned well and shall be
11 considered a well that is being used for beneficial purposes.

12 B. If an oil or gas well authorized for energy storage ceases
13 storage operations for twelve (12) months or longer, the well shall
14 be plugged and abandoned pursuant to state law and rules issued by
15 the Corporation Commission.

16 SECTION 5. This act shall become effective November 1, 2026.
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