

## Senate Fiscal Summary

2<sup>nd</sup> Session of the 60<sup>th</sup> Legislature



### Senate Bill 1418

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| <b>Version:</b>          | <b>Introduced</b>                      |
| <b>Agency:</b>           | <b>Oklahoma Corporation Commission</b> |
| <b>Senate Author:</b>    | <b>Boren</b>                           |
| <b>House Author:</b>     |  |
| <b>FY'27 Impact:</b>     | <b>\$109,008</b>                       |
| <b>Full Year Impact:</b> | <b>\$108,708</b>                       |

#### **Bill Summary and Fiscal Analysis:**

SB 1418 provides that the successor to an oil and gas well shall be jointly liable and severally liable with the transferring operator for all associated plugging and site-restoration obligations. Successors are required to conduct reasonable due diligence on the condition of each well and their associated liabilities. Transferring owners are required to provide accurate and complete information regarding well condition, production status, mechanical integrity, and estimated plugging costs. Surface rights owners are also entitled to such information upon request.

The Corporation Commission estimates a fiscal impact of approximately \$108,708 annually for an additional FTE who would need to be familiar with well construction, field operations, well plugging and site restoration costs, and \$300 for filing of new rules. Therefore, the total fiscal impact for FY'27 is \$109,008.

Fiscal impact provided by the Oklahoma Corporation Commission and Senate Fiscal Staff.