

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 HOUSE BILL 1900

By: Calvey

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6 AS INTRODUCED

7 An Act relating to oil and gas; creating the Oil and
8 Gas Water Recycling and Reuse Act; defining term;
9 defining ownership of fluid oil and gas waste;
10 stating liability in tort for use of certain fluid
oil and gas waste; clarifying liability in certain
actions; providing for codification; and providing an
effective date.

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 155 of Title 52, unless there is
16 created a duplication in numbering, reads as follows:

17 A. This act shall be known and may be cited as the "Oil and Gas
18 Water Recycling and Reuse Act".

19 B. As used in this act, "fluid oil and gas waste" means waste
20 containing salt or other mineralized substances, brine, hydraulic
21 fracturing fluid, flowback water, produced water or other fluid that
22 arises out of or is incidental to the drilling for or production of
23 oil or gas.

1 C. Unless otherwise expressly provided by a contract, bill of
2 sale or other legally binding document:

3 1. When fluid oil and gas waste is transferred to a person who
4 takes possession of that waste for the purpose of treating the waste
5 for a subsequent beneficial use, the transferred material is
6 considered to be the property of the person who takes possession of
7 it for the purpose of treating the waste for subsequent beneficial
8 use until the person transfers the waste or treated waste to another
9 person for disposal or use; and

10 2. When a person who takes possession of fluid oil and gas
11 waste for the purpose of treating the waste for a subsequent
12 beneficial use transfers possession of the treated product or any
13 treatment byproduct to another person for the purpose of subsequent
14 disposal or beneficial use, the transferred product or byproduct is
15 considered to be the property of the person to whom the material is
16 transferred.

17 D. 1. Except as provided in paragraph 2 of this subsection, a
18 person who takes possession of fluid oil and gas waste, produces
19 from that waste a treated product generally considered in the oil
20 and gas industry to be suitable for use in connection with the
21 drilling for or production of oil or gas and transfers the treated
22 product to another person with the contractual understanding that
23 the treated product will be used in connection with the drilling for
24 or production of oil or gas is not liable in tort for a consequence

1 of the subsequent use of that treated product by the person to whom
2 the treated product is transferred or by another person.

3 2. This section does not affect the liability of a person that
4 treats fluid oil and gas waste for beneficial use in an action
5 brought by a person for damages for personal injury, death or
6 property damage arising from exposure to fluid oil and gas waste or
7 a treated product.

8 SECTION 2. This act shall become effective November 1, 2017.

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