

1 **SENATE FLOOR VERSION**

2 February 26, 2018

3 SENATE BILL NO. 1257

By: Paxton

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6 An Act relating to oil and gas; amending Section 1,
7 Chapter 341, O.S.L. 2015 (52 O.S. Supp. 2017, Section
8 137.1), which relates to regulation of oil and gas
9 activities by municipalities; authorizing
10 municipalities to enact ordinances in certain
11 circumstances; establishing monetary limit on certain
12 regulations enacted by certain entities; providing
13 certain exception to enforcement; and providing an
14 effective date.

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

16 SECTION 1. AMENDATORY Section 1, Chapter 341, O.S.L.
17 2015 (52 O.S. Supp. 2017, Section 137.1), is amended to read as
18 follows:

19 Section 137.1. A. A municipality, county or other political
20 subdivision may enact reasonable ordinances, rules and regulations
21 concerning road use, traffic, noise and odors incidental to oil and
22 gas operations within its boundaries, provided such ordinances,
23 rules and regulations are not inconsistent with any regulation
24 established by ~~Title 52 of the Oklahoma Statutes~~ this title or the
Corporation Commission.

1 1. If an oil and gas operation is to be built within one
2 thousand (1,000) feet of an occupied residence or commercial
3 building, a municipality may enact ordinances, rules and regulations
4 concerning the regulation and mitigation of nuisances concerning
5 light pollution, noise, and air pollution, subject to the following
6 limitations:

7 The financial burden of the ordinances, rules and regulations
8 enacted by any municipality, county, or other political subdivision
9 pursuant to this subsection shall not exceed Twenty-five Thousand
10 Dollars (\$25,000.00) for each permit issued for the drilling and
11 operation of oil and gas wells, with an additional Ten Thousand
12 Dollars (\$10,000.00) allowed per wellbore in excess of one within
13 the permitted location and an additional Five Thousand Dollars
14 (\$5,000.00) for every acre in excess of five (5) acres within the
15 permitted location.

16 2. If the owners of the oil and gas operation and the owners of
17 all affected occupied residences or commercial buildings, within the
18 distance provisions pursuant to subsection A of this section,
19 execute a written agreement for the siting and operation, then any
20 ordinances, rules and regulations a municipality may otherwise have
21 concerning the mitigation of nuisances shall not be enforced by the
22 request of such occupant or property owner or by the municipality.

23 B. A municipality, county or other political subdivision may
24 also establish reasonable setbacks and fencing requirements for oil

1 and gas well site locations as are reasonably necessary to protect
2 the health, safety and welfare of its citizens but may not
3 effectively prohibit or ban any oil and gas operations, including
4 oil and gas exploration, drilling, fracture stimulation, completion,
5 production, maintenance, plugging and abandonment, produced water
6 disposal, secondary recovery operations, flow and gathering lines or
7 pipeline infrastructure.

8 C. All other regulations of oil and gas operations shall be
9 subject to the exclusive jurisdiction of the Corporation Commission.
10 Provided, notwithstanding any provision of law to the contrary, a
11 municipality, county or other political subdivision may enact
12 reasonable ordinances, rules and regulations concerning development
13 of areas within its boundaries which have been or may be delineated
14 as a one-hundred-year floodplain but only to the minimum extent
15 necessary to maintain National Flood Insurance Program eligibility.

16 SECTION 2. This act shall become effective November 1, 2018.

17 COMMITTEE REPORT BY: COMMITTEE ON GENERAL GOVERNMENT
18 February 26, 2018 - DO PASS
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