

1 ENGROSSED SENATE
2 BILL NO. 809

By: Bingman, Crain, Marlatt and
Shortey of the Senate

3 and

4 Hickman of the House
5

6 An Act relating to oil and gas; authorizing
7 regulatory by municipalities, counties and other
8 political subdivisions of certain oil and gas
9 operations and establishing setbacks; providing
10 certain limitation; prohibiting certain regulations;
11 making certain operations subject to jurisdiction and
12 regulation of the Corporation Commission;
13 establishing right to compensation for certain taking
14 of interest from a local government regulatory
15 restriction; repealing 52 O.S. 2011, Section 137,
16 which relates to powers of cities and towns to
17 regulate oil and gas drilling or production;
18 providing for codification; and declaring an
19 emergency.

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

21 SECTION 1. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 137.1 of Title 52, unless there
23 is created a duplication in numbering, reads as follows:

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

1 municipality, county, or other political subdivision may also
2 establish reasonable setbacks and fencing requirements for oil and
3 gas well site locations as are reasonably necessary to protect the
4 health, safety, and welfare of its citizens, but may not effectively
5 prohibit, or ban any oil and gas operations, including oil and gas
6 exploration, drilling, fracture stimulation, completion, production,
7 maintenance, plugging and abandonment, produced water disposal,
8 secondary recovery operations, flow and gathering lines or pipeline
9 infrastructure. All other regulation of oil and gas operations
10 shall be subject to the exclusive jurisdiction of the Corporation
11 Commission.

12 SECTION 2. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 137.2 of Title 52, unless there
14 is created a duplication in numbering, reads as follows:

15 Whenever a municipality or county or other political subdivision,
16 other than the Corporation Commission, adopts or implements an
17 ordinance, resolution, rule, regulation or other form of official
18 policy concerning oil and gas operations that has the effect of: (1)
19 substantially interfering with use and enjoyment of the mineral
20 estate, as defined in section 802 of this title, or (2) exercising
21 dominion and control over the mineral estate, thereby substantially
22 increasing the costs of the oil and gas operations or substantially
23 reducing the fair market value of the mineral estate, it shall be
24

1 considered a taking pursuant to section 24 of article 2 of the
2 Oklahoma Constitution.

3 SECTION 3. REPEALER 52 O.S. 2011, Section 137, is hereby
4 repealed.

5 SECTION 4. It being immediately necessary for the preservation
6 of the public peace, health and safety, an emergency is hereby
7 declared to exist, by reason whereof this act shall take effect and
8 be in full force from and after its passage and approval.

9 Passed the Senate the 11th day of March, 2015.

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11 _____
12 Presiding Officer of the Senate

13 Passed the House of Representatives the ____ day of _____,
14 2015.

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16 _____
17 Presiding Officer of the House
18 of Representatives