

1 ENGROSSED SENATE AMENDMENT
TO
2 ENGROSSED HOUSE
BILL NO. 2651

By: Scott and Morrisette of
the House

and

Griffin of the Senate

8 An Act relating to oil and gas; creating the Oil and
9 Gas Waste Efficiency and Recycling Act; stating
10 policy; defining oil and gas waste; requiring certain
11 agencies to work in conjunction to implement certain
12 recommendations and take certain actions; providing
13 for codification; and providing an effective date.

13 AMENDMENT NO. 1. Page 1, strike the title, enacting clause and
14 entire bill and insert

15 "An Act relating to oil and gas; amending 52 O.S.
16 2011, Section 86.2, which relates to waste and water
17 protection; requiring agencies to encourage
18 industrial use of certain produced water; and
19 updating statutory reference.

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

20 SECTION 1. AMENDATORY 52 O.S. 2011, Section 86.2, is
21 amended to read as follows:

22 Section 86.2. A. The term "waste", as applied to the
23 production of oil, in addition to its ordinary meaning, shall
24 include economic waste, underground waste, including water

1 encroachment in the oil or gas bearing strata; the use of reservoir
2 energy for oil producing purposes by means or methods that
3 unreasonably interfere with obtaining from the common source of
4 supply the largest ultimate recovery of oil; surface waste and waste
5 incident to the production of oil in excess of transportation or
6 marketing facilities or reasonable market demands. The production
7 of oil in the State of Oklahoma in such manner and under such
8 conditions as to constitute waste, as in this act defined in Section
9 86.1 et seq. of this title, is hereby prohibited, and the
10 Corporation Commission shall have authority, and is charged with the
11 duty, to make rules, regulations, and orders for the prevention of
12 such waste, and for the protection of all fresh water strata and oil
13 or gas bearing strata encountered in any well drilled for oil or
14 gas.

15 B. Provided, the Commission shall work in conjunction with the
16 Secretary of Energy and Environment, the Oklahoma Water Resources
17 Board and the Department of Environmental Quality to encourage
18 industrial use of water produced in oil and natural gas operations."

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1 Passed the Senate the 13th day of April, 2016.

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Presiding Officer of the Senate

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5 Passed the House of Representatives the ____ day of _____,
6 2016.

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Presiding Officer of the House
of Representatives

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1 ENGROSSED HOUSE
2 BILL NO. 2651

By: Scott and Morrissette of the House
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7 An Act relating to oil and gas; creating the Oil and Gas Waste Efficiency
8 and Recycling Act; stating policy; defining oil and gas waste; requiring
9 certain agencies to work in conjunction to implement certain
10 recommendations and take certain actions; providing for codification; and
11 providing an effective date.

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

12 SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma
13 Statutes as Section 318.11 of Title 52, unless there is created a duplication in numbering,
14 reads as follows:

15 This act shall be known and may be cited as the "Oil and Gas Waste Efficiency and
16 Recycling Act".

17 SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma
18 Statutes as Section 318.12 of Title 52, unless there is created a duplication in numbering,
19 reads as follows:

20 A. It is the policy of the State of Oklahoma to:

- 21 1. Reduce and recycle oil and gas waste whenever feasible; and
22 2. Treat in an environmentally safe manner the oil and gas waste that cannot be
23 reduced or recycled.

1 B. As used in the Oil and Gas Waste Efficiency and Recycling Act, "oil and gas waste"
2 shall mean saltwater, mineral brines, waste oil and other deleterious substances produced
3 from or obtained or used in connection with the drilling, development, producing and
4 operating of oil and gas wells.

5 SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma
6 Statutes as Section 318.13 of Title 52, unless there is created a duplication in numbering,
7 reads as follows:

8 The Corporation Commission shall work in conjunction with the Secretary of Energy and
9 Environment, the Oklahoma Water Resources Board and the Department of Environmental
10 Quality to:

- 11 1. Implement recommendations of the Water for 2060 Produced Water Working Group
12 as appointed by the Governor;
- 13 2. Continue developing an energy and industry water-use best-practices guidance and
14 recognition program; and
- 15 3. Continue promoting and supporting initiatives to increase the use of marginal-quality
16 water supplies in energy and industrial applications.

17 SECTION 5. This act shall become effective November 1, 2016.

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1 Passed the House of Representatives the 7th day of March, 2016.

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3 _____
4 Presiding Officer of the House
5 of Representatives

6 Passed the Senate the ____ day of _____, 2016.

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8 _____
9 Presiding Officer of the Senate