

BILL SUMMARY
2nd Session of the 57th Legislature

Bill No.:	SB 1875
Version:	ENGR
Request Number:	
Author:	Rep. O'Donnell
Date:	5/10/2020
Impact:	Corporation Commission: \$0 anticipated

Research Analysis

SB 1875 provides that the operator(s) and those contributing to its operation are the owners of water and waste produced from the borehole of an oil or gas well, and that they have the right to use, possess, handle, dispose of, transfer, sell, recycle or treat the produced water and waste as well as the exclusive right to proceeds from any of its uses. The measure also provides that the water or waste is transferred to a person for the purpose of treating or processing for subsequent use, it is the property of that person until its disposal or there is a further transfer.

The bill shields a person from tort liability for consequences of subsequent use of recycled water or treated constituent components of waste if that person processes the produced water or waste in ways considered to be suitable for use in connection with oil and gas drilling or production operations, or transfers it to another person for use in connection with drilling or production.

Finally, produced water and waste used for the purpose of processing by mechanical or chemical means to extract certain elements for commercial purposes is to be considered brine pursuant to the Oklahoma Brine Development Act, and that act does not apply to produced water and waste reused or recycled solely for use in oil and gas operations.

Prepared By: Sean Webster

Fiscal Analysis

The measure relates to the Oklahoma Corporation Commission, agency rules in oil and gas production, and creates the Oil and Gas Water and Waste Recycling and Reuse Act. The bill defines ownership and responsibilities for wastewater production, use, extraction and disposal in accordance with the Corporation Commission rules. There is no negative fiscal impact anticipated to the agency.

Prepared By: Jenny Mobley

Other Considerations

None.