

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

SENATE BILL 200

By: Rader

AS INTRODUCED

An Act relating to carbon sequestration; amending 27A O.S. 2021, Section 3-5-104, which relates to permits and orders; requiring certain state agencies to compile and submit certain report to certain state officials by specified date; and declaring an emergency.

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

SECTION 1. AMENDATORY 27A O.S. 2021, Section 3-5-104, is amended to read as follows:

Section 3-5-104. A. The Corporation Commission and the Department of Environmental Quality shall execute a Memorandum of Understanding to address areas in which the implementation of this act will require interagency cooperation or interaction, including procedures for directing applicants through the application process.

B. The operator of a CO₂ sequestration facility shall obtain a permit pursuant to this act from the Agency having jurisdiction prior to the operation of a CO₂ sequestration facility, after the Operator provides notice of the application for such permit pursuant to subsection D of this section, and the Agency has a hearing

1 thereon upon request; provided that no permit pursuant to this act
2 is required if the facility operator obtains permission, by permit
3 or order, by the Agency pursuant to the rules and regulations of the
4 state's federally approved Underground Injection Control Program and
5 such permission authorizes carbon sequestration or injection of
6 carbon dioxide underground and incorporates any additional
7 requirements adopted pursuant to subsection C of this section.

8 C. To the extent not already authorized by laws governing the
9 state's federally approved Underground Injection Control Program,
10 the Agency having jurisdiction may issue and enforce such orders,
11 and may adopt, modify, repeal and enforce such rules, including
12 establishment of appropriate and sufficient fees, financial sureties
13 or bonds, and monitoring at CO₂ sequestration facilities, as may be
14 necessary, for the purpose of regulating the drilling of CO₂
15 injection wells related to a CO₂ sequestration facility, the
16 injection and withdrawal of carbon dioxide, the operation of the CO₂
17 sequestration facility, CO₂ injection well plugging and abandonment,
18 removal of surface buildings and equipment of the CO₂ sequestration
19 facility and for any other purpose necessary to implement the
20 provisions of this act.

21 D. The applicant for any permit to be issued pursuant to this
22 act shall give all surface owners and mineral owners, including
23 working interest and royalty owners, of the land to be encompassed
24 within the defined geographic boundary of the CO₂ sequestration

1 facility as established by the Agency, and whose addresses are known
2 or could be known through the exercise of due diligence, at least
3 fifteen (15) days' notice of the hearing by mail, return receipt
4 requested. The applicant shall also give notice by one publication,
5 at least fifteen (15) days prior to the hearing, in some newspaper
6 of general circulation published in Oklahoma County, and by one
7 publication, at least fifteen (15) days prior to the date of the
8 hearing, in some newspaper published in the county, or in each
9 county, if there be more than one, in which the defined geographic
10 boundary of the CO₂ sequestration facility, as established by the
11 Agency, is situated. The applicant shall file proof of publication
12 and an affidavit of mailing with the Agency prior to the hearing.

13 E. In addition to all other powers and duties prescribed in
14 this act or otherwise by law, and unless otherwise specifically set
15 forth in this act, the Agency having jurisdiction shall have the
16 authority to perform any and all acts necessary to carry out the
17 purposes and requirements of the federal Safe Drinking Water Act, as
18 amended, relating to this state's participation in the federal
19 Underground Injection Control Program established under that act
20 with respect to the storage and/or sequestration of carbon dioxide.

21 F. Any state environmental agency, the Corporation Commission,
22 and Department of Environmental Quality, that is required to comply
23 with the federal Safe Drinking Water Act, 42 U.S.C. 300f et seq., as
24 amended shall evaluate the regulatory and statutory framework that

1 governs the agency and identify and report any areas in which
2 modifications may be needed to the Secretary of Energy and
3 Environment to provide for the development of Underground Injection
4 Control Class VI wells. The agencies reporting under this
5 subsection shall consult the Secretary and work in conjunction with
6 the Office of Energy and Environment to ensure timely analysis.
7 Identified areas and recommended modifications to the regulatory and
8 statutory framework of the agency shall be submitted in a report to
9 the Governor, Secretary of Energy and Environment, President Pro
10 Tempore of the Senate, and the Speaker of the House of
11 Representatives not later than August 1, 2023.

12 SECTION 2. It being immediately necessary for the preservation
13 of the public peace, health or safety, an emergency is hereby
14 declared to exist, by reason whereof this act shall take effect and
15 be in full force from and after its passage and approval.

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