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COURT CLERK'S OFFICE - OKC
CORPORATION COMMISSION
OF OKLAHOMA

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

IN THE MATTER OF A PERMANENT
RULEMAKING OF THE OKLAHOMA
CORPORATION COMMISSION
AMENDING OAC 165:10, OIL & GAS
CONSERVATION

CAUSE NO. RM 201800002

ECONOMIC IMPACT AND ENVIRONMENTAL BENEFIT STATEMENT

Pursuant to 27A O.S. §1-1-206 pertaining to the statement of the economic impact and environmental benefit of the proposed amendments to the Oil & Gas Conservation rules (OAC 165:10), the Oklahoma Corporation Commission submits the following:

I. ECONOMIC IMPACT OF THE PROPOSED RULES:

It is anticipated that proposed rules extending the time period to commence permitted drilling operations, clarifying procedures for permits to commingle production from wells from separate common sources of supply, affording alternate testing procedures for enhanced recovery injection wells and disposal wells, and allowing land application of deleterious substances from single pads containing multiple wells will result in cost savings for operators. Operators of oil, gas, disposal and injection wells, working interest owners and royalty owners will benefit from the proposals to conform the Commission's rules to SB 867. The increase in oil and gas production from horizontal wells should result in increased tax revenue to the State of Oklahoma, and benefit the citizens of the State.

II. ENVIRONMENTAL BENEFIT OF THE PROPOSED RULES:

Proposed amendments to OAC 165:10-1-7 and OAC 165:10-3-10 regarding reporting by operators whose wells have been impacted by hydraulic fracturing operations, and OAC 165:10-11-6 concerning plugging procedures will have a positive effect on public health, safety and the environment.

III. DATE OF PREPARATION OF ECONOMIC IMPACT AND ENVIRONMENTAL BENEFIT STATEMENT:

This Economic Impact and Environmental Benefit Statement was prepared on February 7, 2018.

Prepared by:

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