

**FILED**  
FEB 07 2018

BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

COURT CLERK'S OFFICE - OKC  
CORPORATION COMMISSION  
OF OKLAHOMA

IN THE MATTER OF A PERMANENT  
RULEMAKING OF THE OKLAHOMA  
CORPORATION COMMISSION  
AMENDING OAC 165:5, RULES OF  
PRACTICE

CAUSE NO. RM 201800001

**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 Rules of Practice (OAC 165:5), the Oklahoma Corporation Commission submits the following:

**I. ECONOMIC IMPACT OF THE PROPOSED RULES:**

It is anticipated that the proposed rules implementing SB 867 will encourage the drilling of horizontal wells, and will result in cost savings to owners and operators of oil and gas wells doing business in the State. Well owners and operators and royalty owners ought to experience increased revenues associated with production from such wells. Because of ongoing reductions in general appropriations to the Commission, as the current fee structure does not cover Division operating costs, to assist in staffing the Commission and to invest in needed information system upgrades, increases in fees and new fees are being proposed. Although the proposed rules regarding new and increased fees could have an economic impact on entities regulated by the Commission, it is anticipated that expenses associated with such proposed rules should be offset by benefits such as increased efficiency by the Commission in processing applications and permits due to greater amounts of revenue provided by such rules.

**II. ENVIRONMENTAL BENEFIT OF THE PROPOSED RULES:**

The proposed rules, in particular the amendments to OAC 165:5-21-3.1 regarding an administrative review procedure concerning applications for variances to Petroleum Storage Tank Division rules, and OAC 165:5-3-1 and OAC 165:5-3-2 providing additional revenue to assist in funding vital Division functions, 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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