



## **OKOGA praises passage of HB2775**

**OKLAHOMA CITY** (April 9, 2018) – The Oklahoma Oil and Gas Association (OKOGA) commended the Legislature Monday afternoon for passing HB 2775. The bill provides reforms for the Production Revenue Standards Act when dealing with unmarketable title royalty payments to mineral owners.

“This bill goes a long way toward stopping unwarranted costs that have saddled oil and natural gas well operators with extra expenses for years,” OKOGA Vice President of Government Affairs and Policy Zack Lee said.

The bill changes the amount of interest accrued related to unmarketable mineral titles from a 6 percent compounding rate to the prime interest rate as reported by the Wall Street Journal, effective Nov. 1, 2018.

“The passing of this bill marks a common-sense approach to the unmarketable title issue between well operators and mineral right’s owners,” State Rep. Mike Osburn said. “I’m pleased the Legislature, OKOGA and the Coalition of Surface and Mineral Owners were able to compromise and get this done.”

Streamlining the process is also a key attribute of HB2775.

“This will cut down on abuse in the system and speed up the process of true mineral and surface rights owners receiving their proper compensation in a timely manner,” State Sen. Adam Pugh said. “This is a good piece of legislation, and I am just grateful to all involved who worked collaboratively to fix this.”

Gov. Mary Fallin signed the bill Monday morning.

### About the Oklahoma Oil and Gas Association

*The Oklahoma Oil & Gas Association (OKOGA), founded in 1919, is the oldest energy trade association in the United States. Nearly a century later, the association remains dedicated to the advancement and improvement of the oil and natural gas industry within the state of Oklahoma and throughout the nation. It is a non-profit association composed of oil and gas producers, operators, purchasers, pipelines, transporters, processors, refiners, marketers and service companies which represent a substantial sector of the oil and natural gas industry within Oklahoma. The activities of OKOGA include support for legislative and regulatory measures designed to promote both the well-being and best interests of the citizens of this state and a strong and vital petroleum industry within the State of Oklahoma and throughout the United States.*

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