

**\*\*The Encouraging Energy Act\*\***

**\*\*Whereas\*\***, the oil and gas sector is vital to the Dixie economy

**\*\*Whereas\*\***, some current regulations are burdensome and unnecessary

Be it enacted by the Assembly of The State of Dixie

**\*\*SECTION I. SHORT TITLE.\*\***

This bill may be cited as The Encouraging Energy Act

**\*\*SECTION II. DEFINITIONS\*\***

(a) "Dixie Statutes" are the Florida Statutes

**\*\*SECTION III. PROVISIONS\*\***

(a) Dixie statutes Title XXVIII Chapter 377.23 is amended to

1. Every producer of oil or gas in the state shall submit to the division, on forms prescribed by the division, a report every 6 weeks of the actual production from each and every oil and gas well operated by him or her. Such producer shall submit a duplicate copy of such report at the same time to the Department of Financial Services.

(b) Dixie statutes Title XXVIII Chapter 377.241 has the following added

1. (5)The public policy of the State of Dixie to encourage the oil and gas sector and the recognition that many Dixians rely on the sector for employment and other means.

(c) Dixie statutes Title XXVIII Chapter 377.2411 (1)(a) is amended to

1. Any operator who has obtained a permit to drill shall give notice of a proposal to drill a well to those mineral owners who would be deemed "notified owners" holding a minority interest within the drilling unit and who are:
  1. Unleased mineral owners; or
  2. Owners of mineral leases which have not entered into a farmout agreement or any other agreement to drill or produce a well with the operator.

(d) Dixie statutes Title XXVIII Chapter 377.2411 (1)(c) is amended to

1. The notice must be given at least 30 days prior to the commencement of drilling of the well.

(e) Dixie statutes Title XXVIII Chapter 377.2411 (2)(a) is amended to

1. The notified owner must respond within 30 days after receipt of said notice if the notified owner elects to lease, farm out, or participate in the well. All notified owners who fail to

respond in writing to the applicant's notice within 30 days after receipt of said notice shall be deemed to be a carried leasehold working interest owner or "carried owner."

(f) Dixie statutes Title XXVIII Chapter 377.2411 (2)(b) is amended to

1. A carried owner shall receive no revenue until the applicant and its joint working interest owners have been paid from the sale of production from the well an amount equal to 250 percent of the actual costs of drilling, developing, and producing the well.

(g) Dixie statutes Title XXVIII Chapter 377.242 1, 2, 3, 4, 5 is stricken

(h) Dixie statutes Title XXVIII Chapter 377.242 has the following added

1. 6. The Department should be satisfied when considering any structure intended for the drilling for, or production of, oil, gas, or other petroleum products that the natural resources of such bodies of water and shore areas of the state will be adequately protected in the event of accident or blowout.

(i) Dixie statutes Title XXVIII Chapter 377.2431 (1) is amended to

1. A natural gas storage facility permit shall authorize the construction and operation of a natural gas storage facility and must be issued for the life of the facility, subject to recertification every 15 years.

(j) Dixie statutes Title XXVIII Chapter 377.2431 (5) is amended to

1. A permit may be issued for a natural gas storage facility that includes a natural gas storage reservoir located beneath an underground source of drinking water if the applicant demonstrates that the injection, storage, or recovery of natural gas will not cause or allow natural gas to migrate into the underground source of drinking water; in any offshore location in the Gulf of Mexico, the Straits of Florida, or the Atlantic Ocean; or in any solution-mined cavern within a salt formation.

(k) Dixie statutes Title XXVIII Chapter 377.2432 (2), (3), (4), (5), (6), is stricken

(l) Dixie statutes Title XXVIII Chapter 377.30 is stricken

**\*\*SECTION IV. ENACTMENT\*\***

(a) This act shall take effect 6 months following its passage into law.

(b) The provisions of this act are severable. If any part of this act is declared invalid or unconstitutional, that declaration shall not affect the part which remains

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This bill is authored and sponsored by Assemblyman PrelateZeratul (R-DX1)