

State of Arkansas
85th General Assembly
Regular Session, 2005

A Bill

HOUSE BILL 2416

By: Representative Mahony

For An Act To Be Entitled

AN ACT TO CREATE THE ABANDONED AND ORPHANED WELL
PLUGGING FUND FOR THE PURPOSE OF PROVIDING MORE
FLEXIBLE AUTHORITY TO THE OIL AND GAS COMMISSION
TO GUARANTEE PROPER OPERATION OF OIL WELLS; AND
FOR OTHER PURPOSES.

Subtitle

AN ACT TO CREATE THE ABANDONED AND
ORPHANED WELL PLUGGING FUND.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1 Arkansas Code Title 15, Chapter 71, Subchapter 1 is amended
to add additional sections to read as follows:

15-71-115. Abandoned and Orphaned Well Plugging Fund.

(a) There is created on the books of the Treasurer of State, Auditor
of State, and Chief Fiscal Officer of the State a special revenue fund to be
known as the "Abandoned and Orphaned Well Plugging Fund".

(b) The fund shall be used by the Oil and Gas Commission to:

(1) Make expenditures through contracts to plug abandoned and
orphaned wells and to remediate associated production facilities;

(2) Award grants to landowners to plug abandoned and orphaned
wells and to remediate associated production facilities; and

(3) Make expenditures for emergency repairs to wells or
production facilities endangering the public health and safety.

(c) The Abandoned and Orphaned Well Plugging Fund shall receive funds
from:



1 (1) Fees assessed by the commission;

2 (2) Forfeited bonds;

3 (3) Proceeds from the sale of hydrocarbons and production
4 equipment located at the site of abandoned and orphaned wells;

5 (4) Grants and gifts from private and public sources; and

6 (5) Any other revenue as may be authorized by law.