
OIL & GAS CONSERVATION DIVISION

Robyn Strickland, Director

RE: JOINT ACCOUNTS BETWEEN COMMISSION AND OPERATOR

Some operators seek to comply with the statutory surety requirements by depositing a sum of money in a joint account with the Commission. The Office of General Counsel has advised that, in order to comply with the statutory requirement that “any instrument shall constitute an unconditional promise to pay and be in a form negotiable by the Commission”; joint accounts should be clearly designated as joint accounts and titled as follows:

“(NAME OF THE OPERATOR) AND OKLAHOMA CORPORATION COMMISSION OR OKLAHOMA CORPORATION COMMISSION.”

If the joint account is so titled, the Commission will be able to withdraw the money by itself, but the operator will have to obtain the signature of an authorized agent of the Commission before it can withdraw the money. A joint account which is merely titled “Commission and (Name of Operator)”, “Commission or (Name of Operator)” nor “Commission and/or (Name of Operator)” does not comply with the statute because the Commission has to obtain the signature of the operator in order to withdraw the money.

NOTE: No paperwork will be processed without a Form 1006B (Operator’s Agreement To Plug Oil, Gas, And Service Wells Within The State Of Oklahoma) attached along with a copy of the Certificate of Deposit.