

SENATE FILE NO. SF0013

Oilfield services-taxation.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to taxation and revenue; providing for the  
2 taxation of certain oilfield services as specified; and  
3 providing for an effective date.

4

5 *Be It Enacted by the Legislature of the State of Wyoming:*

6

7 **Section 1.** W.S. 39-15-101(a) by creating a new  
8 paragraph (xviii), 39-15-103(a) (i) (K) and  
9 39-15-105(a) (viii) (B) are amended to read:

10

11 **39-15-101. Definitions.**

12

13 (a) As used in this article:

14

15 (xviii) "Well site" means an area within a two  
16 hundred fifty (250) foot radius of an oil or gas wellbore.

17

1           **39-15-103. Imposition.**

2

3           (a) Taxable event. The following shall apply:

4

5                   (i) Except as provided by W.S. 39-15-105, there  
6 is levied an excise tax upon:

7

8                           (K) The sales price paid for ~~contract~~  
9 ~~seismographic surveying, contract geophysical surveying and~~  
10 ~~other contract geophysical exploration operations~~  
11 ~~calculated to reveal the existence of geologic conditions~~  
12 ~~favorable to the accumulation of oil or gas, and for all~~  
13 ~~services rendered in and all types of coring, logging,~~  
14 ~~testing, stimulating, perforating, cementing, completing,~~  
15 ~~recompleting, repairing, equipping for production or~~  
16 ~~abandonment, and all other services in completing or~~  
17 ~~attempting to complete any well for production of oil or~~  
18 ~~gas or as an injection or disposal well for the injection~~  
19 ~~of water, gas, air, steam or other substances into any~~  
20 ~~underground stratum, including but not limited to all types~~  
21 ~~of logging, testing, stimulating, perforating or cementing~~  
22 ~~any such well or formation encountered therein~~ all services  
23 rendered to real or tangible personal property within an  
24 oil or gas well site beginning with and including the

1 setting and cementing of production casing, or if  
2 production casing is not set as in the case of an open hole  
3 completion, after the completion of the underreaming or the  
4 attainment of total depth of the oil or gas well and  
5 continuing with all activities sequentially required for  
6 the production of any oil or gas well regardless of the  
7 chronological occurrence of the activity. All services  
8 required during the entire productive life of the well,  
9 including recompletion, all the way through abandonment  
10 shall be subject to this subparagraph;

11

12 **39-15-105. Exemptions.**

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14 (a) The following sales or leases are exempt from the  
15 excise tax imposed by this article:

16

17 (viii) For the purpose of exempting sales of  
18 services and tangible personal property as an economic  
19 incentive, the following are exempt:

20

21 (B) Sales of the services of professional  
22 engineers, geologists or members of similar professions ~~and~~  
23 ~~charges made by contractors, whether on a per diem, lineal~~  
24 ~~footage, fee or other contract basis for the drilling of~~

1 ~~any wells for the production or attempted production of oil~~  
2 ~~or gas, or for the deepening of any wells previously~~  
3 ~~drilled for oil or gas below the maximum depth to which~~  
4 ~~they were initially drilled, or for the drilling of~~  
5 ~~stratigraphic test or core holes for the sole purpose of~~  
6 ~~obtaining geologic information~~ including the sales price  
7 paid for all services to real or tangible personal property  
8 leading to building location, drilling and all related  
9 activities that must be completed prior to setting the  
10 production casing, including coring, logging and testing  
11 done prior to the setting of production casing for the  
12 drilling of any oil or gas well. The exemption in this  
13 subparagraph shall also apply to any and all seismographic  
14 and geophysical surveying, stratigraphic testing, coring,  
15 logging and testing calculated to reveal the existence of  
16 geologic conditions favorable to the accumulation of oil or  
17 gas;

18

19 **Section 2.** This act is effective July 1, 2002.

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21

(END)