

ENROLLED ACT NO. 23, SENATE

FIFTY-SIXTH LEGISLATURE OF THE STATE OF WYOMING  
2002 SPECIAL SESSION

AN ACT relating to the Wyoming oil and gas conservation commission; specifying types of security the commission may accept for certain purposes; and providing for an effective date.

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

**Section 1.** W.S. 30-5-101(a) by creating a new paragraph (x) and 30-5-104(d)(i)(D), (v) and (vii) are amended to read:

**30-5-101. Definitions.**

(a) As used in this act unless the context otherwise requires:

(x) The term "surety bond or other guaranty" means a surety bond, a first priority security interest in a deposit of the proceeds of a collected cashier's check, a first priority security interest in a certificate of deposit or an irrevocable letter of credit, all in an amount and including other terms, conditions and requirements determined by the commission.

**30-5-104. Oil and gas conservation commission; powers and duties; investigations; rules and regulations.**

(d) The commission has authority:

(i) To require:

(D) The furnishing of a ~~reasonable bond with good and sufficient~~ surety bond or other guaranty, conditioned for or securing the performance of the duty to plug each dry or abandoned well or the repair of wells

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causing waste and compliance with the rules and orders of the commission;

(v) To adopt rules and regulations to regulate the plugging, sealing or capping of seismic shot holes, and to require, and fix the amount of, ~~bonds or deposits~~ a surety bond or other guaranty to ensure compliance with regulations governing all geophysical operations;

(vii) To use funds collected under W.S. 30-5-116(b) to plug wells and seismic holes and reclaim the surrounding area affected by them, if the commission is unable to enforce its regulations and laws requiring the owner, seismic contractor or hole plugger to plug and reclaim and if the owner, seismic contractor or hole plugger does not have an adequate surety bond or other guaranty to cover the cost of plugging and reclamation. Nothing in this paragraph shall be construed to create any liability by the state for failure to adequately plug or reclaim wells or holes. If oil field equipment appears to have been abandoned in the area of a well or hole which is plugged or reclaimed under this paragraph, the commission may, after notice and a hearing as provided in W.S. 30-5-105 and 30-5-106 and a finding that the equipment is abandoned, dispose of the equipment. The commission may dispose of the equipment by public sale or by transferring it to the contractor who performs the plugging and reclamation for the commission. The transfer or proceeds of the sale shall be used to defray the cost of plugging or reclamation. The commission shall promulgate rules to implement this paragraph.

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

(END)

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Speaker of the House

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Governor

TIME APPROVED: \_\_\_\_\_

DATE APPROVED: \_\_\_\_\_

I hereby certify that this act originated in the Senate.

\_\_\_\_\_  
Chief Clerk