ENGROSSED

ENROLLED ACT NO. 44, SENATE

FIFTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING 2004 BUDGET SESSION

AN ACT relating to oil and gas; creating an enhanced and improved oil recovery commission; specifying functions of the commission; providing for research programs; providing appropriation; and providing for an effective date.

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

Section 1. W.S. 30-8-101 is created to read:

CHAPTER 8 ENHANCED OIL RECOVERY

30-8-101. Enhanced and improved oil recovery commission created; duties.

The Wyoming enhanced and improved oil recovery commission is created. The commission shall consist of eight (8) members. The governor and the state geologist shall serve as ex officio members of the commission. One (1) legislative member shall be appointed by the management council of the legislature who shall serve as an ex officio member of the commission. The governor shall appoint the remaining members of whom one (1) shall be from the public at large with experience in the oil and gas industry, one (1) shall be a member of the oil and gas conservation commission, two (2) shall represent the oil and industry and one (1) shall be a representative of the University of Wyoming. The gubernatorial appointments shall be confirmed by the senate. Appointed members shall serve three (3) year terms. Members of the commission shall not receive any fees, salary or other compensation for services rendered but are entitled to receive per diem and mileage on the same basis and at the same rate as state employees and reimbursement for any other actual and necessary expenses incurred in the performance of commission duties.

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The governor may remove any appointed member as provided in W.S. 9-1-202. Except for the legislative member, initial appointments or any vacancy occurring between sessions of the legislature may be filled by the governor in accordance with W.S. 28-12-101(b). The commission shall be staffed by executive branch agencies as designated by the governor.

- (b) The commission, in conjunction with the University of Wyoming and oil and gas industry research entities, shall develop:
- (i) A research program at the institute for energy research and enhanced oil recovery at the University of Wyoming. The program shall focus on oil and gas recovery technological issues, including carbon dioxide separation, reservoir sweep performance and reservoir displacement efficiency;
- (ii) An expanded program at the institute focusing on technology transfer, to help industry with access to and application of existing enhanced oil recovery and improved oil recovery technology. The program shall be designed to promote research and technology transfer efforts, including polymer and surfactant flooding, horizontal drilling, zone specific fracturing and three dimensional seismic infill drilling;
- (iii) A research program to identify and evaluate all potential sources of carbon dioxide for the purpose of reducing emissions in the state, increasing potential source points for use of industrial carbon dioxide and decreasing the cost of carbon dioxide to industrial users:
- (iv) A research program for chemical engineering research on carbon dioxide separation from power plant flue

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gas, including experiments, theoretical models, laboratory and prototype testing.

(c) In developing programs under subsection (b) of this section, the commission shall direct development to economically viable solutions.

(d) The commission:

- (i) Shall oversee and direct development of the programs developed pursuant to subsection (b) of this section;
- (ii) May seek and utilize government and private grants to further the duties of the commission and purposes of this section:
- (iii) Shall facilitate the development of formal agreements between the institute and the oil and gas industry through which the industry is provided access to the institute's geologic and engineering reservoir modeling and reservoir characterization work in exchange for providing data access and testing facilities;
- (iv) Shall promote and facilitate the transfer of new technologies developed at the institute throughout the oil and gas industry in this state;
- (v) May establish advisory task forces to evaluate the responsiveness of programs developed under this section, the effectiveness of technology transfer and funding from nonstate sources.
- (e) The commission shall provide preliminary progress reports to the joint minerals, business and economic

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development interim committee by November 1, 2004 and November 1, 2005.

- (f) As used in this section:
- (i) "Commission" means the Wyoming enhanced and improved oil recovery commission;
- (ii) "Enhanced oil recovery and improved oil recovery" means all existing and potential technology to recover oil beyond traditional primary and secondary methods;
- (iii) "Institute" means the institute for energy research and enhanced oil recovery at the University of Wyoming.
- **Section 2.** W.S. 9-2-1704(d) by creating a new paragraph (xvi) is amended to read:

9-2-1704. Reorganization plan; structure; time frame.

- (d) The entities of state government specified in this subsection are designated as separate operating agencies, which are separate and distinct from the departments and offices specified in subsection (a) of this section because of their quasi-judicial responsibility or because of their unique, specialized function which precludes their inclusion in another department. This act does not otherwise apply to separate operating agencies. Separate operating agencies are as follows:
- (xvi) Wyoming enhanced and improved oil recovery commission.

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Section 3. Notwithstanding W.S. 30-8-101, of the initial appointments to the enhanced and improved oil recovery commission, the one (1) public at-large member, one (1) member representing the oil and gas industry and the legislative member shall be appointed to an initial term of two (2) years.

Section 4. There is appropriated to the University of Wyoming from the general fund, two million four hundred eleven thousand five hundred dollars (\$2,411,500.00). This appropriation shall be used solely to fund activities of the institute for energy research and enhanced oil recovery at the University of Wyoming taken in furtherance of this act.

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Section 5. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

(END)

| 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 | |