

HOUSE BILL NO. HB0101

Drilling units-mandatory royalty amendment.

Sponsored by: Representative(s) Clausen and Barlow and
Senator(s) Boner and Wasserburger

A BILL

for

1 AN ACT relating to oil and gas; clarifying the amount of
2 the cost-free royalty interest to which a nonconsenting
3 owner in a drilling unit is entitled; requiring rulemaking;
4 specifying applicability; and providing for an effective
5 date.

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

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9 **Section 1.** W.S. 30-5-109(h)(ii) is amended to read:

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11 **30-5-109. Rules and regulations governing drilling**
12 **units.**

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14 (h) During the time the person or persons drilling
15 and operating a well are recovering costs from a

1 nonconsenting owner as authorized in a pooling order issued
2 pursuant to subsection (g) of this section, a nonconsenting
3 owner of a tract or interest in a drilling unit that is not
4 subject to a lease or other contract for oil and gas
5 development shall be entitled to a cost-free royalty
6 interest equal to the greater of:

7

8 (ii) The acreage weighted average fee royalty
9 interest of the leased tracts within the drilling unit.

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11 **Section 2.** This act shall apply to all pooling orders
12 issued on and after the effective date of this act.

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14 **Section 3.** The oil and gas conservation commission
15 shall promulgate all rules necessary to implement this act.

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

21

22

(END)