

SENATE FILE NO. SF0028

Carbon capture, storage and sequestration permit.

Sponsored by: Joint Minerals, Business & Economic
Development Interim Committee

A BILL

for

1 AN ACT relating to environmental quality; specifying
2 criteria for the conversion of an enhanced oil and gas
3 recovery carbon dioxide injection permit to a geologic
4 sequestration permit; providing authority to the director
5 of the department of environmental quality for conversion
6 of a permit as specified; providing for findings and
7 recommendations of the conversion of a permit by the oil
8 and gas conservation commission supervisor; providing
9 notice and opportunity for hearing; and providing for an
10 effective date.

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

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14 **Section 1.** W.S. 35-11-313(c) is amended to read:

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1 **35-11-313. Carbon sequestration; permit requirements.**

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3 (c) If an oil and gas operator converts to geologic
4 sequestration upon the cessation of oil and gas recovery
5 operations, or injects carbon dioxide for the primary
6 purpose of long term storage that results in an increased
7 risk to an underground source of drinking water as compared
8 to enhanced oil recovery operations, then regulation of the
9 geologic sequestration facility and the geologic
10 sequestration site shall be transferred to the department.
11 If the oil and gas operator does not convert to geologic
12 sequestration, the wells shall be plugged and abandoned
13 according to the rules of the Wyoming oil and gas
14 conservation commission. When determining whether an oil
15 and gas recovery operation is injecting carbon dioxide for
16 the primary purpose of long term storage that results in an
17 increased risk to an underground source of drinking water
18 as compared to enhanced oil recovery operations, the
19 director shall base his determinations on the findings and
20 recommendations of the supervisor of the Wyoming oil and
21 gas conservation commission. The supervisor shall provide
22 the operator with notice of the supervisor's findings and
23 recommendations under this subsection and an opportunity

1 for a public hearing before the Wyoming oil and gas
2 conservation commission. Within fifteen (15) days of
3 receiving notice as provided in this subsection, the
4 operator may request a hearing before the Wyoming oil and
5 gas conservation commission. The director may participate
6 in any hearing held under this subsection. If both a
7 change in primary purpose to long term storage and an
8 increased risk to an underground source of drinking water
9 as compared to enhanced oil recovery operations are found
10 to have occurred, the commission shall transfer regulation
11 of the operation to the department for consideration of a
12 geologic sequestration permit.

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14 **Section 2.** This act is effective July 1, 2016.

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(END)