ORIGINAL SENATE FILE NO. SF0028

ENROLLED ACT NO. 26, SENATE

SIXTY-THIRD LEGISLATURE OF THE STATE OF WYOMING 2016 BUDGET SESSION

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

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

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

## 35-11-313. Carbon sequestration; permit requirements.

(c) If an oil and gas operator converts to geologic sequestration upon the cessation of oil and gas recovery operations, or injects carbon dioxide for the primary purpose of long term storage that results in an increased risk to an underground source of drinking water as compared to enhanced oil recovery operations, then regulation of the geologic sequestration facility and the qeologic sequestration site shall be transferred to the department. If the oil and gas operator does not convert to geologic sequestration, the wells shall be plugged and abandoned according to the rules of the Wyoming oil and qas conservation commission. When determining whether an oil and gas recovery operation is injecting carbon dioxide for the primary purpose of long term storage that results in an increased risk to an underground source of drinking water as compared to enhanced oil recovery operations, the director shall consider the findings and recommendations of

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the supervisor of the Wyoming oil and gas conservation commission. The supervisor shall make his determination following a hearing of the oil and gas conservation commission examiners held under the commission's rules and regulations promulgated under Title 30, Chapter 5 of the Wyoming statutes. The supervisor shall provide the operator and director with notice of the supervisor's findings and recommendations under this subsection and an opportunity for a public hearing before the Wyoming oil and gas conservation commission. Within fifteen (15) days of receiving notice as provided in this subsection, the operator may request a hearing before the Wyoming oil and gas conservation commission. If both a change in primary purpose to long term storage and an increased risk to an underground source of drinking water as compared to enhanced oil recovery operations are found to have occurred, the commission shall recommend transfer of regulation of the operation to the department.

ENGROSSED

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

(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