

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 consider the findings and recommendations of
20 the supervisor of the Wyoming oil and gas conservation
21 commission. The supervisor shall make his determination
22 following a hearing of the oil and gas conservation
23 commission examiners held under the commission's rules and

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

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

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(END)