

SENATE FILE NO. SF0013

Oilfield services-taxation.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to taxation and revenue; providing for the
2 taxation of certain oilfield services as specified; and
3 providing for an effective date.

4

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

6

7 **Section 1.** W.S. 39-15-101(a) by creating a new
8 paragraph (xviii), 39-15-103(a) (i) (K) and
9 39-15-105(a) (viii) (B) are amended to read:

10

11 **39-15-101. Definitions.**

12

13 (a) As used in this article:

14

15 (xviii) "Well site" means an area within a two
16 hundred fifty (250) foot radius of the wellbore.

17

1 **39-15-103. Imposition.**

2

3 (a) Taxable event. The following shall apply:

4

5 (i) Except as provided by W.S. 39-15-105, there
6 is levied an excise tax upon:

7

8 (K) The sales price paid for ~~contract~~
9 ~~seismographic surveying, contract geophysical surveying and~~
10 ~~other contract geophysical exploration operations~~
11 ~~calculated to reveal the existence of geologic conditions~~
12 ~~favorable to the accumulation of oil or gas, and for all~~
13 ~~services rendered in and all types of coring, logging,~~
14 ~~testing, stimulating, perforating, cementing, completing,~~
15 ~~recompleting, repairing, equipping for production or~~
16 ~~abandonment, and all other services in completing or~~
17 ~~attempting to complete any well for production of oil or~~
18 ~~gas or as an injection or disposal well for the injection~~
19 ~~of water, gas, air, steam or other substances into any~~
20 ~~underground stratum, including but not limited to all types~~
21 ~~of logging, testing, stimulating, perforating or cementing~~
22 ~~any such well or formation encountered therein~~ all services
23 rendered to real or tangible personal property within a
24 well site beginning with and including the setting and

1 cementing of production casing and continuing with all
2 activities sequentially required for the production of any
3 well regardless of the chronological occurrence of the
4 activity. All services required during the entire
5 productive life of the well, including recompletion, all
6 the way through abandonment shall be subject to this
7 subparagraph;

8
9 **39-15-105. Exemptions.**

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11 (a) The following sales or leases are exempt from the
12 excise tax imposed by this article:

13
14 (viii) For the purpose of exempting sales of
15 services and tangible personal property as an economic
16 incentive, the following are exempt:

17
18 (B) Sales of the services of professional
19 engineers, geologists or members of similar professions ~~and~~
20 ~~charges made by contractors, whether on a per diem, lineal~~
21 ~~footage, fee or other contract basis for the drilling of~~
22 ~~any wells for the production or attempted production of oil~~
23 ~~or gas, or for the deepening of any wells previously~~
24 ~~drilled for oil or gas below the maximum depth to which~~

1 ~~they were initially drilled, or for the drilling of~~
2 ~~stratigraphic test or core holes for the sole purpose of~~
3 ~~obtaining geologic information~~ including the sales price
4 paid for all services leading to building location,
5 drilling and all related activities that must be completed
6 prior to setting the production casing, including
7 seismographic, geophysical surveying, coring, logging and
8 testing done prior to the setting of production casing for
9 the drilling of any well;

10

11 **Section 2.** This act is effective July 1, 2002.

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13

(END)