

SENATE FILE NO. SF0093

Coalbed natural gas-water use.

Sponsored by: Senator(s) Geis, Job, Townsend and Vasey

A BILL

for

1 AN ACT relating to coal bed natural gas water use; creating
2 a task force; providing an appropriation; providing for a
3 report and recommendations; and providing for an effective
4 date.

5

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

7

8 **Section 1.**

9

10 (a) There is created a coal bed natural gas water use
11 task force consisting of eight (8) members and a chairman
12 all appointed by the governor.

13

14 (b) Four (4) members of the task force, including the
15 chairman shall be appointed from the following agencies:

16

17 (i) One (1) member from the department of

1 environmental quality;

2

3 (ii) One (1) member from the state engineer's
4 office;

5

6 (iii) One (1) member from the oil and gas
7 commission; and

8

9 (iv) One (1) member from the Wyoming natural gas
10 pipeline authority.

11

12 (c) The remaining five (5) members shall include at
13 least one (1) individual with strong managerial skills from
14 each of the following communities:

15

16 (i) The coal bed natural gas industry;

17

18 (ii) The agricultural community; and

19

20 (iii) The environmental community.

21

22 (d) The task force shall meet at the call of the
23 chairman to review and evaluate alternative uses of water
24 produced as a result of coal bed natural gas operations.

1

2 (e) The task force shall issue a report to the
3 governor and the joint agriculture, public lands and water
4 resources interim committee no later than October 1, 2006,
5 that includes the following:

6

7 (i) A review of produced-water management
8 options currently available to or used by the coal bed
9 natural gas industry, statewide, including but not limited
10 to direct discharge, treatment prior to discharge,
11 discharge to reservoirs, re-injection, irrigation, dust
12 control, stock watering and environmental uses;

13

14 (ii) A review of the statutory language, and
15 rules and regulations, currently in place that allow
16 current water management practices;

17

18 (iii) A review of the report prepared for the
19 United States department of energy entitled "Feasibility
20 Study of Expanded Coal Bed Natural Gas Produced Water
21 Management Alternatives in the Wyoming Portion of the
22 Powder River Basin, Phase One," (January, 2006) and any
23 subsequent phases of this study that may be available while
24 the task force is sitting;

1

2 (iv) A review of the report entitled "Water
3 Production from Coalbed Methane Development in Wyoming: A
4 Summary of Quantity, Quality and Management Options,"
5 prepared by the Ruckelshaus Institute of Environment and
6 Natural Resources (December, 2005);

7

8 (v) Draft legislation that requires the water
9 that would otherwise be discharged to the surface from coal
10 bed natural gas operations be made available to other
11 potential beneficial uses of the water based on analysis of
12 the benefits obtained by:

13

14 (A) Existing in-basin uses;

15

16 (B) Out-of-basin delivery for Wyoming's use
17 either in-state or to assist in compliance with interstate
18 water agreements;

19

20 (C) Supplementing municipal supplies;

21

22 (D) Supplementing other industrial
23 supplies; and

24

1 (E) Any other uses as determined by the
2 task force.

3

4 (f) The task force shall be staffed by the governor's
5 office. The task force may contract for administrative
6 services to aid in preparation of the task force report.

7

8 (g) The task force shall exist until October 30,
9 2006. Members of the task force shall not receive a salary
10 but shall receive reimbursement for necessary travel and
11 per diem expenses in the manner and amount provided for
12 state employees under W.S. 9-3-102 and 9-3-103.

13

14 **Section 2.** There is appropriated fifty thousand
15 dollars (\$50,000.00) from the general fund to the
16 governor's office for expenses incurred pursuant to this
17 act.

18

19 **Section 3.** This act is effective immediately upon
20 completion of all acts necessary for a bill to become law
21 as provided by Article 4, Section 8 of the Wyoming
22 Constitution.

23

24 (END)