

HB0141 - State land oil and gas leases-operator requirement.

The current version of the bill text is displayed below. To view all versions of the bill with page and line numbers, use the PDF documents located to the right, under "Bill Versions & Resources."

ORIGINAL HOUSE
BILL NO. HB0141

ENROLLED ACT NO. 34, HOUSE OF REPRESENTATIVES

SIXTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING
2024 BUDGET SESSION

AN ACT relating to state lands; specifying evaluation and review requirements before issuance of oil and gas leases on state lands; requiring rulemaking; specifying applicability; and providing for an effective date.

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

Section 1. W.S. 36-6-101 by creating a new subsection (p) is amended to read:

36-6-101. Terms of leases; extensions; lessees specified; rules and regulations; rent and royalties; assignment of leases; grazing and agricultural leases; cooperation with United States or its lessees, in cooperative or unit plans.

(p) Before issuing a lease of any state lands or state school lands for oil and gas production under this article, the director, subject to criteria established by the board, shall review the highest bid offered by an applicant to determine if the applicant is a qualified oil and gas lease applicant in accordance with rules of the board. If the highest bidder is not a qualified bidder, then the board shall consider the second highest bidder to determine whether that bidder is a qualified applicant, upon which the board may issue the lease if the applicant agrees to lease the lands for the highest amount bid before the disqualified applicant entered the lease auction or process or for the amount that the second highest bidder bid, whichever is lower. Any applicant whose bid is rejected under this subsection because the applicant is not a qualified oil and gas lease applicant shall be subject to a civil penalty in the amount of the applicant's highest bid. The

attorney general may bring an action in a court of competent jurisdiction to recover the penalty specified in this subsection from the applicant.

Section 2. The board of land commissioners shall promulgate all rules necessary to implement this act, including defining the term "qualified bidder" or "qualified oil and gas applicant" for purposes of bidding on oil and gas production leases on state land.

Section 3. Nothing in this act shall be construed to alter, amend or impair any oil or gas lease for state lands or state school lands or lease assignment issued or made before the effective date of this act.

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

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the House.

Chief Clerk

1

Sponsor:






Representative Western

Co-Sponsor:

Representative(s) Banks, Burkhart, Conrad, Henderson, Walters

Senator(s) Anderson, Boner, Ellis

Bill Versions and Resources:

- Introduced  Version initially introduced on the floor for debate.
 - Enrolled  Version passed in both chambers with all adopted amendments.
 - Fiscal note  Estimate of the fiscal and personnel impact to the state for the bill.
 - Digest  A summary of proceedings for the bill as it moves through the process.
 - Summary  A high level synopsis of the bill once it is signed into law.
-

Last Action:

Assigned Chapter Number 64

Last Action Date:

03/08/2024

Scheduled Committee Meetings

No Meetings Currently Scheduled

Scheduled Floor Sessions

No Floor Sessions Currently Scheduled

Session Laws Chapter Number:

CH0064

Adopted: 3/8/2024

Effective: 3/8/2024

Date	Action	Location	Vote
03/08/2024	Assigned Chapter Number 64	LSO	
03/08/2024	Governor Signed HEA No. 0034	Governor	
03/05/2024	S President Signed HEA No. 0034	Senate	
03/04/2024	H Speaker Signed HEA No. 0034	House	
03/04/2024	Assigned Number HEA No. 0034	LSO	
03/04/2024	S 3rd Reading:Passed 25-3-3-0-0	Senate	Details
03/01/2024	S 2nd Reading:Passed	Senate	
02/29/2024	S COW:Passed	Senate	
02/28/2024	S Placed on General File	Senate	
02/28/2024	S09 - Minerals:Recommend Do Pass 3-2-0-0-0	Senate	Details
02/23/2024	S Introduced and Referred to S09 - Minerals	Senate	
02/23/2024	S Received for Introduction	Senate	
02/23/2024	H 3rd Reading:Passed 61-1-0-0-0	House	Details
02/22/2024	H 2nd Reading:Passed	House	
02/21/2024	H COW:Passed	House	
02/19/2024	H Placed on General File	House	

02/19/2024 H09 - Minerals:Recommend Do Pass 8-0-1-0-0	House	Details
02/14/2024 H Introduced and Referred to H09 - Minerals 55-6-1-0-0	House	Details
02/12/2024 H Received for Introduction	House	
02/09/2024 Bill Number Assigned	LSO	

House Amendments

[Amendment](#)  [Origin](#) [Sponsor](#) [Status](#)

Senate Amendments

[Amendment](#)  [Origin](#) [Sponsor](#) [Status](#)

State land oil and gas leases-operator
requirement.

24LSO-0221, 1.0

FISCAL NOTE

No significant fiscal or personnel impact.

Prepared by: Taylor DuPont, LSO Phone: 777-7881
(Information provided by Jason Crowder, Office of State Lands and Investments, 777-3428)

HB0141

H Introduced and Referred to H09 - Minerals 55-6-1-0-0

Vote recorded: 2/14/2024 3:36PM

Ayes: Allemand, Allred, Andrew, Banks, Bear, Berger, Brown, Burkhart, Jr, Byron, Chadwick, Clouston, Conrad, Crago, Davis, Eklund, Haroldson, Harshman, Heiner, Henderson, Hornok, Knapp, Larsen, Lloyd, Larson, JT, Locke, Lawley, Neiman, Nelson, Nicholas, Niemiec, Northrup, Oakley, Obermueller, O'Hearn, Olsen, Ottman, Pendergraft, Penn, Rysgaard, Williams, Singh, Stith, Stroock, Storer, Stith, Styvar, Tatters, Uss, J, D, West, Washut, Western, Winter, Wylie, Zwonitzer, Dan, Zwonitzer, Dave, Speaker Sommers

Nays: Chestek, Jennings, Provenza, Sherwood, Storer, Yin

Excused: 0

Absent: Angelos, Allred, Andrew, Angelos, Banks, Bear, Berger, Brown, Burkhart, Jr, Byron, Chadwick, Chestek, Clouston, Conrad, Crago, Eklund, Haroldson, Henderson, Davis, Harshman, Heiner, Hornok, Jennings, Knapp, Larsen, Locke, Lawley, Neiman, Nelson, Nicholas, Obermueller, Oakley, Northrup, Olsen, Ottman, Pendergraft, Penn, Rysgaard, Williams, Singh, Stith, Stroock, Storer, Stith, Styvar, Tatters, Uss, J, D, West, Washut, Western, Winter, Wylie, Yin, Zwonitzer, Dan, Zwonitzer, Dave, Speaker Sommers

State land oil and gas leases-operator

Ayes: Anderson, Baldwin, Biterman, Boner, Brannaman, Cooper, Dockstader, Ellis, French, Furphy, Gierau, Hicks, Jennings, Ide, Jones, Kolb, Landen, Laursen, McKeown, Nethercott, Salazar, Schuler, Scott, Steinmetz, President

Nays: 3
Excused: 0
Absent: 0
Conflict: 0
Total: Ayes: 25 Nays: 3 Excused: 3 Absent: 0 Conflict: 0
AN ACT relating to state lands; specifying evaluation and review requirements before issuance of oil and gas leases on state lands; requiring rulemaking; specifying applicability; and providing for an effective date.

- 2/9/2024 Bill Number Assigned
- 2/12/2024 H Received for Introduction
- 2/14/2024 H Introduced and Referred to H09 - Minerals 55-6-1-0-0

ROLL CALL

Ayes: Representative(s) Allemand, Allred, Andrew, Banks, Bear, Berger, Brown, Burkhart, Jr, Byron, Chadwick, Clouston, Conrad, Crago, Davis,

Eklund, Haroldson, Harshman, Heiner, Henderson, Hornok, Knapp, Larsen, Lloyd, Larson, Jt, Lawley, Locke, Neiman, Newsome, Nicholas, Niemiec, Northrup, Oakley, Obermueller, O'hearn, Olsen, Ottman, Pendergraft, Penn, Rodriguez-Williams, Singh, Slagle, Smith, Speaker Sommers, Stith, Strock, Styvar, Tarver, Trujillo, Walters, Ward, Washut, Western, Winter, Wylie, Zwonitzer, Dan, Zwonitzer, Dave

Nays: Representative(s) Chestek, Jennings, Provenza, Sherwood, Storer, Yin

Excused: Representative Angelos

Ayes 55 **Nays** 6 **Excused** 1 **Absent** 0 **Conflicts** 0

2/19/2024 H09 - Minerals:Recommend Do Pass 8-0-1-0-0

ROLL CALL

Ayes: Representative(s) Banks, Burkhart, Jr, Conrad, Heiner, Knapp, Larson, Tarver, Western

Excused: Representative Lawley

Ayes 8 **Nays** 0 **Excused** 1 **Absent** 0 **Conflicts** 0

2/19/2024 H Placed on General File

2/21/2024 H COW:Passed

2/22/2024 H 2nd Reading:Passed

2/23/2024 H 3rd Reading:Passed 61-1-0-0-0

ROLL CALL

Ayes: Representative(s) Allemand, Allred, Andrew, Angelos, Banks, Bear, Berger, Brown, Burkhart, Jr, Byron, Chadwick, Chestek, Clouston, Conrad, Crago, Davis, Eklund, Haroldson, Harshman, Heiner, Henderson, Hornok, Jennings, Knapp, Larsen, Lloyd, Larson, Jt, Lawley, Locke, Neiman, Newsome, Nicholas, Niemiec, Northrup, Oakley, Obermueller, O'hearn, Olsen, Ottman, Pendergraft, Penn, Rodriguez-Williams, Sherwood, Singh, Slagle, Smith, Speaker Sommers, Stith, Storer, Strock, Styvar, Tarver, Trujillo, Walters, Ward, Washut, Western, Winter, Wylie, Yin, Zwonitzer, Dan, Zwonitzer, Dave

Nays: Representative Provenza

Ayes 61 **Nays** 1 **Excused** 0 **Absent** 0 **Conflicts** 0

2/23/2024 S Received for Introduction

2/23/2024 S Introduced and Referred to S09 - Minerals

2/28/2024 S09 - Minerals:Recommend Do Pass 3-2-0-0-0

ROLL CALL

Ayes: Senator(s) Cooper, Ellis, Jones

Nays: Senator(s) Dockstader, Rothfuss

Ayes 3 **Nays** 2 **Excused** 0 **Absent** 0 **Conflicts** 0

2/28/2024 S Placed on General File

2/29/2024 S COW:Passed

3/1/2024 S 2nd Reading:Passed

3/4/2024 S 3rd Reading:Passed 25-3-3-0-0

ROLL CALL

Ayes: Senator(s) Anderson, Baldwin, Biteman, Boner, Brennan, Cooper,

Dockstader, Ellis, French, Furphy, Gierau, Hicks, Hutchings, Ide, Jones, Kolb, Landen, Laursen, Mckeown, Nethercott, President Driskill, Salazar, Schuler, Scott, Steinmetz

Nays: Senator(s) Barlow, Case, Rothfuss

Excused: Senator(s) Bouchard, Kinskey, Pappas

Ayes 25 **Nays** 3 **Excused** 3 **Absent** 0 **Conflicts** 0

3/4/2024 Assigned Number HEA No. 0034
3/4/2024 H Speaker Signed HEA No. 0034
3/5/2024 S President Signed HEA No. 0034
3/8/2024 Governor Signed HEA No. 0034
3/8/2024 Assigned Chapter Number 64

Chapter No. 64 Session Laws of Wyoming 2024

Bill No.: HB0141 **Effective:** **Immediately**

LSO No.: **24LSO-0221**

Enrolled Act No.: HEA No. 0034

Chapter No.: 64

Prime Sponsor: Western

Catch Title: **State land oil and gas leases-operator requirement.**

Has Report: No

Subject: Requiring review of oil-and-gas state land lease bidders for qualifications.

Summary/Major Elements:

- This act requires the Director of the Office of State Lands and Investments to use criteria that the Board of Land Commissioners establish to review the highest bid for an oil-and-gas lease on state lands to ensure that the applicant is a qualified oil-and-gas lease applicant.
- Under this act, if the highest bidder is not qualified, then the Board of Land Commissioners must consider the second highest bidder to determine whether that bidder is a qualified applicant. If the applicant is qualified, then the Board may issue the lease if the applicant agrees to lease the lands for the highest amount bid before the disqualified applicant entered the lease auction or process or for the amount that the bidder bid, whichever is lower.
- Any applicant whose bid is rejected for failing to meet the specified qualifications is subject to a civil penalty in the amount of that applicant's highest bid. The attorney general may bring an action to recover the civil penalty from that bidder.
- The act requires the Board of Land Commissioners to promulgate rules to implement the act, including promulgating rules to define "qualified bidder" or "qualified oil-and-gas applicant" for purposes of bidding on an oil-and-gas lease on state land.
- Nothing in the act is to be construed to impair or amend any lease or lease agreement for oil-and-gas

production on state lands before the effective date of this act.

The above summary is not an official publication of the Wyoming Legislature and is not an official statement of legislative intent. While the Legislative Service Office endeavored to provide accurate information in this summary, it should not be relied upon as a comprehensive abstract of the bill.