

HOUSE BILL NO. HB0102

Pooling orders-good faith negotiation requirement.

Sponsored by: Representative(s) Clausen and Barlow and
Senator(s) Boner

A BILL

for

1 AN ACT relating to oil and gas; requiring applicants for
2 pooling orders to offer leasing terms to unleased mineral
3 interest owners within the proposed pooling area;
4 specifying applicability; requiring rulemaking; and
5 providing for effective dates.

6

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

8

9 **Section 1.** W.S. 30-5-109(f) is amended to read:

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11 **30-5-109. Rules and regulations governing drilling**
12 **units.**

13

14 (f) When two (2) or more separately owned tracts are
15 embraced within a drilling unit, or when there are

1 separately owned interests in all or a part of the drilling
2 unit, then persons owning such interests may pool their
3 interests for the development and operation of the drilling
4 unit. In the absence of voluntary pooling, the commission,
5 upon the application of any interested person, may enter an
6 order pooling all interests in the drilling unit for the
7 development and operation thereof. Each interested person
8 applying for a pooling order under this subsection shall in
9 good faith offer lease terms to each unleased nonconsenting
10 mineral interest owner within the area of the proposed
11 pooling order and shall provide evidence of the lease
12 offers to the commission before the commission enters a
13 pooling order. Each such pooling order shall be made after
14 notice and hearing and shall be upon terms and conditions
15 that are just and reasonable. Operations incident to the
16 drilling of a well upon any portion of a unit covered by a
17 pooling order shall be deemed for all purposes to be the
18 conduct of such operations upon each separately owned tract
19 in the unit by the several owners thereof. That portion of
20 the production allocated or applicable to each tract
21 included in a unit covered by a pooling order shall, when
22 produced, be deemed for all purposes to have been produced
23 from such tract by a well drilled thereon. A pooling order

1 issued under this subsection shall expire twelve (12)
2 months after issuance if the person authorized to drill and
3 operate a well fails to commence operations within twelve
4 (12) months of issuance of the pooling order.

5

6 **Section 2.** This act shall apply to all applications
7 for pooling orders under W.S. 30-5-109(f) filed on and
8 after the effective date of this act.

9

10 **Section 3.** The oil and gas conservation commission
11 shall promulgate all rules necessary to implement this act.

12

13 **Section 4.**

14

15 (a) Except as provided in subsection (b) of this
16 section, this act is effective July 1, 2022.

17

18 (b) Sections 3 and 4 of this act are effective
19 immediately upon completion of all acts necessary for a
20 bill to become law as provided by Article 4, Section 8 of
21 the Wyoming Constitution.

22

23

(END)