

Enhanced Oil Recovery Commission



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MINUTES

January 15, 2015 – 7:30 AM
Grand Monaco Salon, Woolley's Classic Suites
Aurora, Colorado

Commission Members Present:

Tom Fitzsimmons, Chairman, via Teleconference
Aaron Otteman, Vice Chair
Rob Hurless, Representing Governor Mead, Acting EORI Director
Tom Drean, State Geologist
Jimmy Goolsby
Ron Baugh
Eric Easton, Senior Assistant Attorney General

Commission Members Excused:

Senator Eli Bebout
John MacPherson

Enhanced Oil Recovery Institute Technical Advisory Board Present:

George Hirasaki, Rice University
G. Paul Willhite, University of Kansas
Randall Seright, New Mexico Institute of Mining and Technology
Vicki Stamp, True Oil
Chuck Peterson, Devon Energy Corporation
Steve Melzer, Melzer CO2 Consulting

Enhanced Oil Recovery Institute Staff Present:

Pepper McClenahan, Business Manager
Laura Dalles, Outreach Manager
Nick Jones, Research Scientist, Senior (Technical Lead)
Allen Tanner, Computer Support Specialist, Senior
Chana Conley, Office Assistant, Senior
Peigui Yin, Research Scientist, Senior
Steven Fryberger, Research Scientist III

School of Energy Resources Present:

Mark Northam, Director

I. Call to Order

Vice Chairman Otteman called the meeting to order at 7:33 AM. A quorum was established.

II. Approval of Minutes

Vice Chairman Otteman asked for changes or corrections to the September 11, 2014 meeting minutes. There were no changes or corrections.

Motion: Commissioner Goolsby moved to approve the September 11, 2014 meeting minutes as published. Commissioner Baugh seconded the motion. **Motion passed unanimously.**

Vice Chairman Otteman asked for changes or corrections to the September 25th, 2014 meeting minutes. Vice Chairman Otteman noted that the list of attendees for the September 25, 2014 meeting did not include the School of Energy Resources (SER) Director, Mark Northam.

Motion: Commissioner Baugh moved to approve the September 25, 2014 meeting minutes as amended. Commissioner Dreaan seconded the motion. **Motion passed unanimously.**

III. Action Items

The action item from the May 15, 2013 meeting was reviewed.

- Contact the Wyoming Oil and Gas Conservation Commission (WOGCC) to coordinate an effort to centralize data and make the data available to operators. Nick Jones, Senior Research Scientist updated the EORC on progress of the action item. Mr. Jones stated he met with Rob Myer from the Wyoming Oil and Gas Conservation Commission in Casper, Wyoming. The meeting was successful. Mr. Jones and members of the Enhanced Oil Recovery Institute (EORI) received an invitation to return and present to the full WOGCC. The WOGCC will allow for EORI to make data requests in bulk for a more efficient process. The next step is to make the database available to operators and academics on the internet.

Action items from the June 19, 2014 meeting were reviewed:

- A representative of the EORC would attend EORI staff meetings. Vice Chairman Otteman noted that Chairman Fitzsimmons and Acting Director, Commissioner Hurlless, were present at the majority of staff meetings. Chairman Fitzsimmons would join the January 16, 2015 staff meeting via teleconference.
- Track deviations for budgeted salary amounts until vacancies at EORI are filled. Business Manager Pepper McClenahan noted this was an ongoing project that was updated each payroll cycle.

Action items from the September 11, 2014 meeting were reviewed:

- The development of protocols for approving new projects between regular EORC meetings. Acting Director Hurless stated development of protocols was in progress. Nothing has been formally prepared.
- Changes to legislation regarding EORI. Acting Director Hurless explained that there were no additional changes after the September 25, 2014 meeting. The statute amendments passed out of the Senate Minerals Committee on January 14, 2015 with a do pass recommendation. Senator Rothfuss is managing the bill on the senate floor. After three readings on the Senate Floor, the bill is sent to the House Minerals Committee for approval. Acting Director Hurless stated that the changes had a good chance of passing both the Senate and the House.
- Vice Chairman Otteman noted that results from the stakeholder listening sessions had been discussed at the September 25, 2014 meeting and did not require additional review.

Action items from the September 25, 2014 meeting were reviewed:

- Appointment of a different liaison from the Governor's Office to the EORC during Commissioner Hurless' time as Acting Director of the EORI. The direction given by the Governor's Office was that no conflict existed if Acting Director Hurless recused himself from voting. Chairman Fitzsimmons noted that the new Director for the EORI would be hired soon and that would allow Acting Director Hurless to return to his duties as the Governor's Representative.
- Vice Chairman Otteman requested an update regarding the new structure for the EORI. Acting Director Hurless stated some work had been completed on a conceptual structure with a different focus. Another workshop would have to be completed before the new structure could be finalized and brought forward for full discussion by the Commission. As an alternative to holding a workshop, individual meetings could be held with Commissioners, giving the Commission time for thought and reaction before the next regular business meeting. The goal would be completing the restructure plan prior to interviewing candidates for the Director of EORI.

****Technical Advisory Board member George Hirasaki joined the meeting at 7:51 AM****

IV. Director Search

Acting Director Hurless updated the Commission on the search for a new EORI Director. During the first five to six weeks of the search, only one candidate submitted a resume. Since that time eight additional applications have been received. The search committee reviewed the qualifications of the candidates and will arrange telephone interviews for the top candidates. In the forty-eight hours prior to the January 15, 2015, meeting two additional applications were received from reasonably qualified individuals. The decision to leave the director position open until filled would allow for additional qualified candidates to apply. New candidates will be forwarded to the search committee weekly.

****Technical Advisory Board Member G. Paul Willhite joined the meeting at 7:54 AM****

Commissioner Drean inquired if advertising was continuing and if more was required. Acting Director Hurless stated there had been an initial push in both electronic and print advertising, but some of the print advertising was costly. The position was still being advertised on the Enhanced Oil Recovery Institute web site, the University of Wyoming website, and other electronic media. Commissioner Drean inquired about the ability to track which advertisements were successful in drawing qualified candidates. Acting Director Hurless stated at that this time there was no way to be certain which advertisements were the most successful. Candidates had also resulted from professional networking, not just advertisements. When interviewed, candidates could state where the position was found. Business Manager McClenahan stated that a record of the advertisements and cost was being compiled and that the timing of resumes could be compared to the date of advertisements.

Commissioner Drean noted good people do not stay on the market long. If a really good candidate were to apply for the position of director, it would be best to hire and not keep the door open. EORI was in need of a strong team leader. If there was a strong candidate among the current candidates, then there would not be a need for continued advertising. SER Director Northam stated that the search for a Dean of Engineering at the University of Wyoming resulted in thirty one applicants, which were narrowed to eight for phone interviews and finally four for campus interviews. Director Northam recommended not reinvigorating advertising until after the current candidates had been interviewed. If the right candidate did appear, then hire that candidate.

****Technical Advisory Board Member Randall Seright joined the meeting at 8:02 AM****

V. Lab Decommissioning

Acting Director Hurless gave an update on the status of decommissioning the EORI laboratory. The last day for lab employees would be the first Monday in February, 2015. On January 16, 2015 there will be a meeting between lab employees, Acting Director Hurless, and SER Director Northam.

Vice Chairman Otteman stated he would entertain a motion to adjourn the Enhanced Oil Recovery Commission Meeting until after the Technical Advisory Board (TAB) meeting.

Motion: Commissioner Drean moved to adjourn the EORC Meeting until after the EORI TAB meeting. Commissioner Goolsby seconded the motion. **Motion passed unanimously.**

**** Adjourned 8:05 AM****

**** Reconvened into General Session 12:49 PM****

****Commission Members present; Jimmy Goolsby, Eric Easton, Rob Hurless, Tom Drean, Ron Baugh. No quorum was present. ****

Commissioner Drean called the meeting to order at 12:49 PM. Chairman Fitzsimmons and Vice Chairman Otteman were no longer present.

Consent Items

Project Updates

Technical Lead Nick Jones gave an update on current projects and prospects.

- Database development was ongoing. Current effort is focused on migrating data from paper media to electronic forms that can be integrated into multiple software programs. The final concept would be a central point for reservoir information and other enhanced oil recovery related data. The next step is to decide on a web host.
- The single well pilot test at Osage is complete. The test was a joint effort between EORI, TIORCO, Osage Partners, and Chem Tracers.
- Outcrop studies were moving forward with a planned Minnelusa workshop covering the Casper and Tensleep formations.
- Peigui Yin was still completing work for the Tensleep Residual Oil Zone and was looking to start a new Residual Oil Zone project in the Wind River Basin.
- The Wertz project to develop a static model of CO₂ projects for educational purposes from donated data was continuing. This project is being accomplished by University of Wyoming faculty member, Saman Aryana with assistance from EORI.
- Other projects in initial or planning stages include study of Cretaceous unconventional, outcrop flow model, core description of Minnelusa, and review of unitization docket at the Oil and Gas Commission. Data and sample acquisition process development was ongoing.

Commissioner Dreaan asked in times of uncertainty, how did EORI determine what projects were a priority. Mr. Jones stated the determination of priorities stemmed from feedback at prior workshops and continuation of projects that were ongoing. Commissioner Dreaan requested that a column be added to the projects spreadsheet that would state the estimated completion date for projects when available.

Outreach Update

Outreach Manager Laura Dalles presented an update on Outreach activities at EORI.

- The 2015 CO₂ conference is currently being scheduled and an agenda is being developed. The conference will be renamed the Wyoming Improved and Enhanced Oil Recovery Conference and will be expanded to cover more than CO₂. It will include four days with added workshops, field trips, and core study opportunities.
- A new workshop covering Permian and Pennsylvanian eolian sandstones of southeast Wyoming and Colorado is planned for the first week in June. Field trips to various sites in southeast Wyoming and Colorado are planned. Dr. Yin inquired about a boat trip to view the canyon, but was advised that due to liability concerns there would be no boats.
- An Outreach Advisory Board was established to assist EORI with expanding and enhancing outreach and technology transfer. The Outreach Advisory Board met once prior to the January 15, 2015 EORC meeting, and was currently developing outreach goals and objectives. The role and purpose of the board is still being fully developed.

- A membership database is in development to determine outreach contacts. A recent survey distributed by the outreach program resulted in a 10% return. The consensus from participants was the desire for more technology transfer. Ways suggested to complete the technology transfer included more workshops, field trips, core studies, and hands on opportunities.
- The EORI website is currently under development but is a lower priority.

Commissioner Drean advised EORI to focus on website development. The Geological Survey (GS) updated the GS website and now had access to who was accessing the site and what was being downloaded. Commissioner Drean stated that information helps direct the flow of work. People were more likely to access information utilizing tablets and phones instead of requesting paper copies.

Acting Director Hurlless asked where the GS site was hosted. Commissioner Drean stated that the Wyoming State servers hosted the web site, but that the Geological Survey developed the website and provided data. Inside the GS there is a dedicated web team comprised of the information technology staff member, the Outreach Manager, and geoscientists. Once a month the team meets to review what people are viewing through the website. Commissioner Drean recommended that studies done by EORI be placed online for public dissemination. Also, when entering into new projects, plan ahead to make the results web compatible.

Action Item: Representatives from the EORI will meet with the web team from the GS for advice on developing the EORI web site as well as the centralized enhanced and improved oil recovery database.

Ms. Dalles stated there were some limitations using the University of Wyoming servers. Acting Director Hurlless commented that the University was not the only web host available and alternatives, such as the State of Wyoming, could be researched.

Commissioner Drean also advised an expanded social media presence to include programs like Twitter.

Commissioner Drean inquired if the work on the Osage project will be publically released. Mr. Jones stated a press release had been distributed and the full case study report will be posted on the EORI website.

Financial/Budget Report

Business Manager Pepper McClenahan gave an update on the finances and budget for EORI.

- The University of Wyoming supplied additional funding to help cover increases in employer funded retirement plans.
- EORI was five months into the current fiscal year. At the January 15, 2015 meeting EORI was about 17% underspent. Some areas were overspent, but only slightly. The fringe rate for salaries was expected to increase. This increase would offset some of the underspending on payroll stemming from the vacant positions.


- A new Accounting Associate, Senior has been hired. Cherie Kelley came to EORI with six years of experience as an accounting associate with the University of Wyoming, Department of Civil Engineering.
- Allen Tanner completed the class compensation audit process and was reclassified from a computer support specialist, to a computer support specialist, senior.
- The business office for EORI would begin working with Acting Director Hurless to establish budget projections for fiscal year 2016. The new fiscal year would start in July of 2015. Ms. McClenahan hoped to have projections ready to present to the Commission at the April 15, 2015 business meeting.

Commissioner Drean noted on record that he wanted to express appreciation on behalf of the entire EORC to the staff of EORI for keeping going, keeping on projects and keeping noses to the grindstone. Commissioner Drean understood it was hard to see colleagues go, and he wanted to recognize those staying with EORI.

Acting Director Hurless stated three Commissioners who had terms expiring were all being submitted for reappointed by the Governor's Office. Acting Director Hurless expressed his appreciation to the EORC and the EORI TAB for having patience with the adjustments that were made to the January 15, 2015 meeting. The meeting proved very useful. Input from the TAB gave the EORC things to discuss before a job offer would be made to potential candidates for Director of EORI. Acting Director Hurless stated he hoped the new director would be in place by the April 15, 2015 EORC meeting, and if so, then members of the TAB would be invited to attend and meet the new director.

Commissioner Drean requested that Acting Director Hurless keep the EORC informed of any resistance to the legislative statute changes. Acting Director Hurless agreed, noting that he did not anticipate resistance.

**** Meeting Adjourned at 1:32 PM****


4-15-15

Tom Fitzsimmons, Chairman

