

Enhanced Oil Recovery Commission



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MINUTES

July 16, 2015 – 1:00 PM

Oregon Trail Room, Casper Event Center

Casper, Wyoming

Commission Members Present:

Tom Fitzsimmons, Chairman (Via Teleconference)

Aaron Otteman, Vice Chair

Rob Hurless, Representing Governor Mead, Acting EORI Director

Senator Eli Bebout

Jimmy Goolsby

Ron Baugh

Commission Members Excused:

John MacPherson, UW Trustees

Tom Drean, State Geologist

Eric Easton, Senior Assistant Attorney General

Enhanced Oil Recovery Institute Staff Present:

Steve Carpenter, Incoming Director

Pepper McClenahan, Business Manager

Nick Jones, Research Scientist, Senior (Technical Lead)

Chana Conley, Office Assistant, Senior

Jordon Bebout, Research Assistant

I. Call to Order

Vice Chairman Otteman called the meeting to order at 1:05 PM. A quorum was established.

II. Approval of Minutes

It was noted the April 15, 2015 Enhanced Oil Recovery Commission (EORC) meeting minutes contained an error. The adjournment time was erroneously recorded as 11:51 PM instead of 11:51 AM.

Motion: Commissioner Baugh moved to approve the April 15, 2015 meeting minutes as corrected. Commissioner Goolsby seconded the motion. **Motion passed unanimously.**

III. Situation Report

Acting Director Hurless announced the search for a new director had concluded. Steve Carpenter was introduced to the Commission as the new Director of the Enhanced Oil Recovery Institute (EORI). Acting Director Hurless noted excitement among the staff regarding the choice for the director, and noted Mr. Carpenter would be taking over duties of director by the end of July, 2015. Acting Director Hurless committed to remain with EORI for the transition and to assist Mr. Carpenter.

Acting Director Hurless formally announced the new location for the Casper, Wyoming EORI Offices. EORI will be located in the Wyoming Technology Business Center (WTBC) Incubator, located next to the Wyoming Oil and Gas Conservation Commission (WOGCC). The lease for office space has been signed, and occupation is estimated to begin in August, 2015. Bids are being received for interior remodeling to accommodate more staff. Office furnishings have been received at no cost from the Carbon Management Institute and are being stored until renovations are completed.

****Chairman Fitzsimmons left the meeting at 1:23 PM. A quorum was no longer present.****

Acting Director Hurless and Business Manager McClenahan presented a report on the actual and estimated costs for the Casper relocation. Costs were separated into one-time expenses and expected reoccurring expenses.

****Senator Bebout entered the meeting at 1:33 PM. A quorum was present.****

Acting Director Hurless updated the Commission on planned distribution of lab equipment. An open house would be held to entertain proposals for other University of Wyoming (UW) departments to take possession of the lab. Vice Chairman Otteman asked if there were any issues concerning divestiture of lab equipment acquired with legislative appropriated funding. Senator Bebout stated he would research the issue and advise the Commission.

Action Item: Senator Bebout to research the options for distribution of lab equipment.

Senator Bebout advised Acting Director Hurless to update Governor Mead and other interested parties on the progress of relocation.

Action Item: Acting Director Hurless will update Governor Mead regarding the relocation to Casper, Wyoming. A letter will be written to the Joint Appropriations Committee detailing the reasons for relocation and the progress being made. When EORI appears before the Minerals Committee in August, the Committee will be updated in person regarding the relocation.

Acting Director Hurless noted EORI was working to increase transparency. All projects funded by EORI must be published or otherwise have data put into public domain.

Action Item: By September, 2015, a list will be developed detailing all Confidentiality Agreements and Nondisclosure Agreements in place with EORI. The list will be presented to the Commission at the September, 2015 meeting.

IV. Financial Report

Business Manager McClenahan presented the financial report through the mid-June reconciliation. Faculty spending for EORI funded projects is on track with under three percent of funds remaining in each faculty account.

****Chairman Fitzsimmons entered the meeting at 1:54 PM. A quorum was present.****

Ms. McClenahan continued the financial report stating that overall the technical and outreach budget for fiscal year 2015 had forty-five percent of the initial funds remaining. Ms. McClenahan noted that those remaining funds could still be utilized as they were part of the 2015-2016 biennium budget. The WyGISC contract for funding the data platform project would be taken entirely from 2015 funds. Sixty-thousand would come from reallocation of funds set aside for consultants, and twenty-thousand would be taken from the outreach line-item. The Commission Support budget will be approximately 19% underspent at the end of fiscal year 2015.

Motion: Senator Bebout moved to enter into executive session for the purpose of discussing personnel issues. Commissioner Goolsby seconded the motion. **Motion passed unanimously.**

V. Executive Session

**** Adjourned into Executive Session 2:03 PM****

**** Reconvened into General Session 2:45 PM ****

****Chairman Fitzsimmons left the meeting at 2:45 PM. A quorum was present.****

VI. New Business

Business Manager McClenahan presented the draft budget for fiscal year 2016 to the Commission. Changes from fiscal year 2015 to fiscal year 2016 included a reduction in the training budget sub-category to reflect the reduced number of staff. The project funding was increased in anticipation of additional new projects predicted to start with the hiring of a director. The sub-category for lab equipment had been eliminated as the lab was decommissioned and no equipment will be purchased. The sub-category for computer equipment was reduced to zero as there were funds remaining from fiscal year 2015 that could be utilized.

Senator Bebout recommended that when the EORI presented to the Minerals and Joint Appropriations Committees, expenses associated with the opening of the Casper office should be

separated into onetime and on-going costs. Also when the budget was presented, Senator Bebout advised that EORI articulate the reason for 2015-2016 biennium budget reversions was due to the lab closing and reductions in staffing. He further recommended that the EORC present a prioritized budget with sound justifications when making their 2017-2018 biennium funding request to the Joint Appropriations Committee.

Acting Director Hurless and Business Manager McClenahan stated that various budget scenarios have been prepared in anticipation of possible cuts in the fiscal year 2017-2018 biennium.

Action Item: Business Manager McClenahan will deliver a budget packet to Commissioners outlining the different budget reductions for review prior to meeting with the Minerals Committee in August.

Motion: Senator Bebout moved to approve the fiscal year 2016 budget as presented. Commissioner Goolsby seconded the motion. **Motion passed unanimously.**

Amendments to the memorandums of understanding (MOU) between the University of Wyoming, EORI and the EORC were reviewed. The amended MOUs removed all references to the University of Wyoming Enhanced Oil Recovery Institute and replaced them with the University of Wyoming, School of Energy Resources.

Motion: Senator Bebout moved to approve the amendments to the memorandum of understandings between the University of Wyoming and the Enhanced Oil Recovery Commission. Commissioner Goolsby seconded the motion. **Motion passed unanimously.**

VII. Consent Items

Technical Lead Jones updated the EORC on projects. The data platform has a development site which can be demonstrated. The “go-live” date for the site is slated for February, 2016. At that time the framework will be complete, and EORI will take control of the project. A maintenance contract and data storage will be maintained with WyGIS.

Commissioner Baugh noted a relationship should be established with the WOGCC to create uniformity. The WOGCC would collect data and EORI could interpret that data, reducing redundancy and lightening the load for WOGCC.

Acting Director Hurless stated the 2015 EOR/CO2 Conference had positive feedback on the field trip and the short courses. Attendee numbers were close to the same as 2014, which was notable due to the market drop in oil prices which occurred between the two conferences. Sponsorship money was on par with the prior year as well.

****Senator Bebout left the meeting at 3:13 PM. A quorum was no longer present.****

VIII. Commission Open Discussion

No further discussion was required.

IX. New Action Items

Outstanding action items from the April 15, 2015 meeting were reviewed and new action items added.

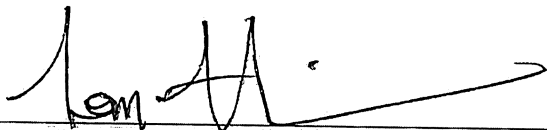
X. Future Meeting Dates

The next business meeting for the EORC was planned for September 18, 2015 in conjunction with the Wyoming Oil and Gas Fair. Some concern was expressed about the meeting falling on a Friday. A final date will be determined based on Commissioners' schedules.

XI. Adjournment

No quorum present to motion for adjournment.

**** Meeting ended at 3:25 PM****



Tom Fitzsimmons, Chairman