

Enhanced Oil Recovery Commission



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MINUTES

Thursday, September 25, 2014 – 8:00 AM

Saratoga Inn, 601 East Pic Pike Road

Saratoga, Wyoming

Commission Members Present:

Tom Fitzsimmons, Chairman

Aaron Otteman, Vice Chair

Senator Eli Bebout, Commissioner

Rob Hurless, Representing Governor Mead, Acting EORI Director

Tom Drean, State Geologist

Ron Baugh, Commissioner

Jimmy Goolsby, Commissioner

John MacPherson, Commissioner

Eric Easton, Senior Assistant Attorney General

Enhanced Oil Recovery Institute Staff Present:

None

School of Energy Resources Staff Present:

Mark Northam, Director

I. Call to Order

Chairman Fitzsimmons called the meeting to order at 8:07 AM. A quorum was established. Director Northam joined the meeting at 8:55 AM.

II. Approval of Minutes

The Executive Session minutes for the June 19, 2014 meeting were presented.

Motion: Commissioner Drean made a motion to approve the minutes. Senator Bebout seconded the motion. **Motion passed unanimously.**

III. Situation Report

Acting Director Hurless presented a review of the current situation for the Enhanced Oil Recovery Institute.

- The Commission is looking at enabling legislation to update, align legislation with current activities, and reflect the changes in focus.

- The EORI has incurred a loss of six personnel since the middle of May, 2014. These losses impact the heart of operations at the EORI. The most recent resignation was of Aboozar Hesami. The most significant reason for the loss of the personnel is the offering of pay over the salaries that the EORI is paying.
- There are concerns about the lab group regarding the utilization of the lab equipment and the lab employees.

IV. Mission Statement

An update on the Mission Statement was discussed by Director Northam and Acting Director Hurless.

V. Strategy for Moving Forward

Director Northam presented a vision for the EORI. A general discussion began with the entire Commission regarding the following ideas:

- There will be a new model that will focus on regional work. The amount of work at field or individual company level will be decreased.
- It is suggested that the EORI lab be closed. Director Northam suggests a change in the function and mission of the EORI lab. The EORI will look to outside labs for testing. The cost to set up the lab is over \$1.0M. Transferring the lab work to other university labs and/or selling the current lab equipment can recoup some of that cost.
- Research needs to be transferred down to small operators.
- Outreach is still important to the Institute. Research findings should migrate down to small operators. The EORI can be a clearing house for new studies, both for the EORI and out of state.
- There should be a change of focus to address new ventures as well as existing oil fields. The EORI can look at newly developed fields to ensure maximum production. Currently, new venture models make the most sense. They provide a large incremental change that will impact the State's bottom line. Information and findings need to be put in the public domain, not held confidential. Sharing information will maximize resources.

Motion: Vice Chair Otteman moved to close the EORI lab pending a check of the status of the current work and then decommission the equipment and work with the University Human Resources staff to transfer employees to other positions. Motion was seconded by State Geologist Dreaan. **Motion passed unanimously.**

VI. Director Characteristics and Search

- The EORI Director position was discussed as well as the description of what the position will entitle. It was discussed that the position should be listed as "open until filled." The University of Wyoming requires specific minimum notice time. Commissioner Dreaan advised not to make too many specific qualifications, as Human Resources will screen out many qualified applicants.

- The EORC discussed whether the Director is a State employee directly employed by the EORC, or if the Director is a University employee supervised by the Director of the SER. The Commission decided that the Director would be appointed and supervised by the Director of the SER, and the appointment would be with the concurrence and guidance of the Commission.

Chairman Fitzsimmons appointed a search and interview subcommittee which will include: Acting Director Hurless; Chairman Fitzsimmons; Commissioner Baugh; Director Northam; Diana Hulme and EORI staff, Nick Jones.

VII. Budgets

The EORI budget is presented separately from the University, with input from the Commission, similar to the Carbon Management Institute at the SER. The advantages of employment at the University include: higher salary and flexibility with benefits and moving expenses.

VIII. Listening Sessions

Listening sessions are scheduled for October, 2014 in Gillette, Casper, and Cody, Wyoming. They will be organized by EORI staff Laura Dalles.

IX. Executive Session

Motion: State Geologist Drean moved that the Commission enter into Executive Session to discuss personnel. Motion was seconded by Vice Chair Otteman. **Motion passed unanimously.**

**** Adjourned into Executive Session 1:13 PM ****

**** Reconvened into General Session 2:08 PM ****

Action Items and Responsibilities

1. Organize the director search committee of Chairman Fitzsimmons, Acting Director Hurless, Commissioner Baugh, Director Northam, Diana Hulme and EORI staff Jones.
2. Discuss Acting Director Hurless' position as the Governor delegate with Jeremiah/Kari Gray.
3. Acting Director Hurless, Commissioner Drean, and Chairman Fitzsimmons will draft the updated Mission Statement.
4. Acting Director Hurless, Senator Bebout, and Senior Assistant Attorney General Easton will make suggested changes to the statutes and contact the appropriate legislative committees for consideration of the changes.
5. Acting Director Hurless and SER Director Northam will draft a proposed strategy and structure for the EORI.

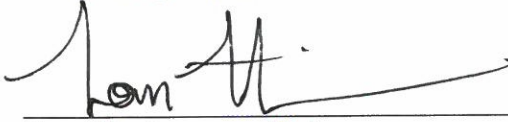
On January 14-15, 2015 the EORC will be meeting in Denver, Colorado.

There will be a change of focus for the meeting. Instead of presenting to the Technical Advisory Board (TAB), the TAB should discuss with the Commission new trends and opportunities for the Commission to consider as it rebuilds and moves into the future.

It has been suggested to move the venue for the normal Commission meetings to other locations in the State. The general consensus agreed to this suggestion.

X. Adjourn

**** Meeting Adjourned at 2:50 PM.**


Tom Fitzsimmons, Chairman

1/16/2015