

Enhanced Oil Recovery Commission



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MINUTES

April 6, 2016 - 10:00 AM

Big Horn Room, Wyoming Technology Business Center
Casper, Wyoming

Commission Members Present:

Tom Fitzsimmons, Chairman
Aaron Otteman, Vice Chairman
Matthew Fry, Representing Governor Matthew Mead (via Teleconference)
Tom Drean, State Geologist
Dave True
Senator Eli Bebout
Jimmy Goolsby
Ron Baugh

Commission Staff Present:

Eric Easton, Senior Assistant Attorney General

Enhanced Oil Recovery Institute Staff Members Present:

Steve Carpenter, Director
Rob Hurless, Deputy Director
Amol Bhavsar
Thao Pham McVay
Chana Conley
Christine Eyrich
Shuiquan Li
Nick Jones
Jordan Bebout
Matthew Johnson
Allen Tanner (via Videoconference)

University Of Wyoming Faculty Present:

Mark Northam, Director of the School of Energy Resources
Vladimir Alvarado (via Videoconference)
Saman Aryana
Ben Cook
Mohammad Sedghi, Representing Lamia Goual (via Videoconference)

I. Call to Order

Chairman Fitzsimmons called the meeting to order at 10:00 AM. A quorum was established.

II. Approval of Minutes

Motion: Senator Bebout moved to approve the minutes as published. Commissioner Baugh seconded. **Motion passed unanimously.**

III. New Business

Chairman Fitzsimmons requested agenda item eight to be discussed first. Senator Eli Bebout welcomed Commissioner True to the Enhanced Oil Recovery Commission (EORC). Commissioner True addressed the Commission, and requested any perceived conflicts of interest be discussed by the Commission. Chairman Fitzsimmons agreed and stated the same accountability applied to all Commission members. Senator Bebout suggest a formal letter be written thanking John MacPherson for his service.

Action Item: A formal letter to John MacPherson will be written thanking him for his service. Deputy Director Hurless to write.

Governor Mead would be represented on the Enhanced Oil Recovery Commission by Matthew Fry. Mr. Fry would join the meeting via teleconference at 1:00 PM.

Regarding the EORC term limits, Commissioner Goolsby agreed to accept reappointment. Chairman Tom Fitzsimmons stated he would be stepping down as Chairman. Commissioner Otteman was offered the position as Chairman. Vice Chairman Otteman expressed his desire to accept the opportunity, but his current work load does not allow him adequate time for the position. Chairman Fitzsimmons expressed his desire to have the next Chairman to be located in Casper, Wyoming, and opened the topic to discussion. Commissioner Goolsby said he would be happy to serve. Commissioner Baugh stated he was honored to be asked. Chairman Fitzsimmons stated discussion could be deferred until next meeting. Chairman Fitzsimmons would extend his term until a new chairman was agreed upon.

Commissioner Drean expressed concerns regarding the selection process. Commissioner True suggested Chairman Fitzsimmons and Vice Chair Otteman act as a nominating committee. Vice Chairman Otteman could continue as Vice Chairman if desired.

Motion: Commissioner Goolsby motioned to defer the election of a new Chairman until the following Commission meeting. Senator Bebout seconded the motion. **Motion passed unanimously.**

Action Item: Chairman Fitzsimons and Vice Chairman Otteman to work with Commissioners Goolsby and Baugh to draft a proposal to be presented at the next meeting.

IV. Financial Report

Enhanced Oil Recovery Institute (EORI) Director Carpenter discussed the redesigned organizational chart for EORI. The new chart realigned the technical staff of EORI into

two separate areas. Mr. Jones is the manager of conventional resources, and Mr. Bhavsar is the manager of non-conventional resources. Director Carpenter wanted geologists and engineers to work together in offices and on projects as a team.

New EORI staff member Jordan Bebout was introduced to the Commission. Mr. Bebout was hired as a full time geographic information system (GIS) technician. EORI will hire four additional staff to be located in Casper, Wyoming. Advertisements were posted on the EORI website and on social media platforms in addition to traditional recruitment sources for new positions of a senior and a junior reservoir engineer. Additionally applications were accepted for a junior and a senior level geologist. Senator Bebout inquired about the qualified applicants industry experience and location of experience. Director Carpenter stated there were local applicants and expected to receive applications with experience in Wyoming. Commissioner Dreaan inquired about relocation expenses for new hires. Commissioner Dreaan expressed concern regarding the best applicant be found regardless of current location. If the applicant is out of state but has Wyoming experience or is a Wyoming native, there was the possibility of bringing people back home to Wyoming.

Motion: Senator Bebout moved to make relocation funds available if needed. Commissioner Baugh seconded the motion. **Motion passed unanimously.**

Director Carpenter addressed increases in the proposed salary budget for fiscal years 2017 and 2018. Director Carpenter stated additional funds were moved from the School of Energy Resources (SER) budget to cover the EORI Director salary as well as the portion of the EORI Business Manager salary. Both the director salary and part of the business manager salary were historically paid through SER funding. Director Carpenter stated the priority for EORI budgets are salaries, then project work, followed by research. Commissioner Dreaan discussed funding and advised funding available in the past was not guaranteed in the future. SER Director Northam stated EORI and SER have similar goals.

Senator Bebout inquired about the rent EORI pays for space in the Wyoming Technology Business Center (WTBC). Who owned the building EORI was leasing space in, and who received the lease dollars. Deputy Hurless briefly discussed the WTBC management Contract.

Action Item: Deputy Director Hurless would determine who was the owner of the WTBC, what the rent pays, to whom does it go to, and who has the building title.

Motion: Senator Bebout moved to approve budget as presented. Vice Chairman Otteman seconded. **Motion passed unanimously.**

V. Faculty Research Updates

Mohammad Sedghi presented findings on formation damage prevention. Following Mr. Sedghi's presentation, Chairman Fitzsimmons asked how Wyoming fields and operators can benefit from this work. Chairman Fitzsimmons also asked what the cost per barrel to

develop the technology was estimated. The Commission expressed an interest in seeing the project being continued with core studies from Wyoming fields.

****11:30 AM Senator Bebout exited the meeting. A quorum was still present.****

Dr. Alvarado presented an update of his work regarding the West Gibbs field and modeling.

Dr. Aryana presented an update on his project regarding data-driven reservoir flood management. Chairman Fitzsimmons discussed doing a two day seminar to present the project to the operators. Commissioner Dreaan asked if Dr. Aryana's data could be applied to new wells, or only mature wells. Dr. Aryana stated his work was applicable to all wells.

Action Item: Director Carpenter and Dr. Aryana would develop an outreach two day seminar for presenting Dr. Aryana's work to Wyoming Operators.

****12:45 PM Matthew Fry joins commission meeting via teleconference.****

Dr. Cook presented his work on developing an economic model that related increasing electrical rates to actual cost per barrel of oil in any given field. Chairman Fitzsimmons invited Dr. Cook to the next EORC business meeting to present more information on the project.

Action Item: Dr. Cook to develop a white paper on electricity costs and the impact on production costs.

****1:20 PM Senator Bebout returns to the meeting.****

VI. Executive Session

No executive session took place.

VII. Situation Report

SER Director Northam presented a brief history of SER. Director Northam pledged SER funds to cover one half sponsorship of International Standards Organization (ISO) meeting scheduled to occur on the University of Wyoming Campus.

VIII. Reports and Updates

Going forward project descriptions would replace the word flaring with waste. The annual CO₂ / IOR Conference is scheduled for July 12-14, 2016 in Casper, Wyoming. The conference would start with a tour of geology in Fremont Canyon and

Alcova Lake. The 13th and 14th would follow the short course format that was highly successful in the 2015 conference.

Conventional Resources Manager Jones updated the Commission on the success regarding the interactive data platform (IDP). A demonstration of the IDP to operators was scheduled for April 27, 2016 with further demonstrations to be scheduled.

IX. Commission Open Discussion

No discussion at that time.

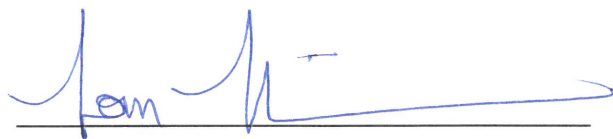
X. Future Meeting Dates

The next EORC Business meeting was scheduled for June 23, 2016. Discussion was held and it was determined scheduling the meeting at the same time as the annual CO2 / IOR conference would be more sensible due to travel constraints. The meeting was rescheduled for 8:00 am on July 15, 2016.

XI. Adjourn

Motion: Vice Chairman Otteman moved to adjourn the meeting. Commissioner Goolsby seconded the motion. **Motion passed unanimously.**

****Meeting adjourned at 3:20 PM****



Tom Fitzsimmons, Chairman

