

Enhanced Oil Recovery Commission



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MEETING MINUTES

Friday, September 9, 2022, 9:00 -10:40 AM MST

EORI Conference Room, 2435 King Blvd, Casper

Or via ZOOM: <https://uwyo.zoom.us/j/95543314437>

I. Call to Order – Chairman Hendricks

a. Roll Call/Quorum – Chairman Hendricks

EORI Conference Room: Chairman Ken Hendricks, Commissioner Robert King, Commissioner Dave True, Representative Don Burkhart. EORI staff present include Director Lon Whitman, Gabe Tullis and Roger Hillibush

ZOOM Attendees: EORC Commissioners: Eli Bebout, Chad Brister-Merit Energy, Erin Campbell – State Geologist. Other attendees include SER Director Holly Krutka, Randall Luthi – Governor’s Office, Kellie Cairns Vlastos—EORI, Graeme Finley – EORI, Amy Freye - EORI

II. Minutes – Chairman Hendricks

a. June 1, 2022 minutes provided for perusal and approved.

III. Director’s Report – Director Lon Whitman

Director Whitman thanked everyone for attending the meeting. He also explained his new presentation format that focuses on what the Director’s current and central priorities are.

Current Central Priorities

- **Focus on Team Building and Unity at EORI**
 - Professional, collaborative teamwork
 - Individual Accountability
 - Open, respectful channels of communication
 - Mission-focused priority and individual contribution to assure success of the Institute
 - Additional personnel discussion in the Executive Session
 - SMART Goals for all EORI team members in development with support from UW HR
 - Written with Teamwork and EORI Mission as cornerstone
 - An essential element for each team member: **Less “ME” More “WE”**

Commissioner Bebout asks about the progress of teamwork and if there are any stumbling blocks we may be dealing with. Director Whitman mentions that the University and HR have been extremely

present, supportive, and helpful and will be discussed in depth during Director Whitman's report. The MOU will be discussed in the Executive Session.

- **Re-Building and Re-Energizing the EORI Technical Advisory Board (TAB)**

- The EORI TAB has been a key support and industry link for EORI since 2005
- The Director of EORI "manages" the organization and meetings with the TAB
- The TAB provides industry insight to EORI (EORC, Director and Team) on industry trends and direction, perspective on developing technologies, review of project work at EORI and avenues to grow engagement with key industry contacts
- Confirmed TAB members include:
 - Brad Bauer (Merit Energy) has been on the TAB since the beginning. Vicki Stamp (retired Petroleum Engineer) replaced original member Hank True. True Companies is looking to see if she will continue or if they will add an additional person. Steve Melzer (Melzer CO₂ Consulting) has been on the TAB since the beginning and will continue. Sallie Greenberg (Univ. of Illinois) was brought on by Steve Carpenter and is committed to stay on. Charlie Carlisle (Chem Tracers, Inc.) will commit, Robby Rockey (Frontier Carbon) will commit, George Koperna (ARI) will commit, Richard Middleton (Carbon Solutions, LLC) is not quite sure this board is the right place for him and will decide during our meeting on October 18. Mike Blincow (Elysian Ventures) and is committed to continue.

Director Whitman states EORI is also looking to expand the TAB. There has been almost no action from the TAB during the last several years and input has significantly dropped off. The TAB became an inactive and disconnected group, and some members were frustrated because they were brought on but not given a role.

- Potential TAB Members:
 - Bryan Hassler (CIMA Energy) is considering it, Bill Wehrum (Wehrum Environmental Law) will likely not stay on, True Oil (Replacement for Vicki or additional representation) is still in discussions. EORI is pleased to have Viki on the board until she is ready to leave our TAB. We are in discussions with potential TAB members which include Denbury, OXY, Contango and Glen Murrell (WEA).

Chairman Hendricks stated the TAB had grown unwieldy and cautions having too many members could be less effective.

Director Whitman inserts that the TAB has brought insight to the Director, Team, and the Commission. The TAB is a good reference point for the Commission about the direction of EORI in industry trends and where we should be focusing and they've been quite helpful in the past and we would like to have TAB's involvement.

- **Updates for EORC on Issues of Importance**

- MOU with UW

- Returned by UW to Eric Easton for additional negotiation and that's where it still stands
 - Additional discussion in the Executive Session
 - Budget and Finance Issues
- **Finances, EORI Project Work, Industry Partner Relationships, DOE Interface**

Director Whitman states that DOE interface has become a central part of his role and he receives strong support from Director Krutka and SER. Roger Hillibush, Gabe Tullis, and Director Whitman are developing a strong team and finding their roles to support the bigger team. Roger Hillibush is in the process of moving into a manager role and Gabe Tullis has received his completed job classification.

TEAMWORK AND PROJECT HIGHLIGHTS

- **Developing CO₂-EOR and Associated Storage Within the Residual Oil Zone Fairways of the Powder River Basin, Wyoming**
(Graeme Finley, PI) Primary Partner: Contango Oil and Gas
 - This project will evaluate the potential recoverable oil reserves and estimate the CO₂ volume potential in the residual oil zone (ROZ) at Salt Creek Field.
 - **DOE recently approved a 6 month no-cost technical extension (NCTE) to extended Budget Period One through December 31, 2022.**
Allows us to bring Contango fully into the project.
 - DOE Clarifies "Open" Position and Support for CO₂-EOR as "Acceptable" CO₂ storage option, and that CO₂-EOR will potentially grow and develop in Wyoming. DOE contacted EORI to state that the DOE has backed off from the position of no oil. DOE may not fund oil projects, but ROZ (termed no blank zone) accommodate the no oil position of DOE. They are in support of CO₂EOR, specifically this project.
- **Unlocking the Tight Oil Reservoirs of the Powder River Basin, Wyoming**
(Eric Robertson, PI) Primary Partner: OXY
 - This project will evaluate optimal drilling and completion designs for lateral wells in tight reservoirs of the Powder River Basin by establishing a working field laboratory (one pilot hole and two paired lateral wells).
 - The primary formations of interest are the Niobrara, Frontier/Turner, Belle Fourche, and Mowry Shale.
 - The project is on track to receive continued DOE funding for Budget Period 3 (1 Oct 2022 through 30 Sep 2023) when two horizontal wells will be drilled, completed with enhanced data collection devices

EORI has taken some additional budget money from the project for a core project with Dr. Piri at Piri Tech. He will look at the Turner and Niobrara specifically with how CO₂ interacts with the reservoir. OXY is interested in CO₂-EOR in tight reservoirs and storage potential in shales.

Representative Burhart asked if the project is with Piri Tech's private company or his work through UW. Director Whitman explains the project is with COIFPM, his UW company. Director Krutka explains Piri Tech is a private, for-profit company; both Piri Tech and Piri Research both are under the Center. Commissioner True verifies that Piri Tech is a partner with UW. Director Krutka states that the University owns a share of the company.

Representative Burkhart asks if we are the private, state and DOE funds with Dr. Piri separate or are we mixing them. Director Whitman responds that this project is funded by the DOE through COIFPM and we are unclear how Dr. Piri handles it. All paperwork has been with COIFPM and additional discussion is needed during the Executive Session.

Randall Luthi joins the meeting via Zoom.

Commissioner True asks if the Mowery is included in the report and Director Whitman replies yes and that it is also a zone. Mowery will likely be the core flooded section.

Commissioner True mentions that DOE is backing away from oil and asks how that applies to Unlocking Tight Oil Reserves. Director Whitman answers that both reports were funded through the CCUS sector of DOE. The meeting in Pittsburg pressed that project needs to be completed without issues. Project will move forward with funding with no foreseeable retraction. Director Whitman believes most of the DOE people are from the oil side with a personal interest in these projects. The first one on the ROZ was part of the original design of the project studying the ROZ and the amount of oil in the ROZ. Initially DOE wanted to focus on the storage, now DOE likes CO₂-EOR, and encourages us to move forward. Shift may be due to Brad Crabtree asking the DOE to be realistic about oil.

Representative Burkhart asks if DOE wants to know about CO₂-EOR and if DOE wants to know about the oil and Lon says they've not been concerned. EORI will call it the "no blank zone" and have eased back. Representative Burkhart advocates for accepting funding from the DOE if we can include CO₂-EOR.

- **CarbonSAFE III with SER – CO₂-EOR Working Group**

- EORI, ARI, Denbury, and OXY LCV

- EORI was asked to lead the working group on CO₂-EOR and the economic part of that for the bigger picture for opportunities for commercialization of CO₂-EOR using CO₂ from capture at the Dry Fork Station
 - Lon Whitman and Eric Robertson
 - Evaluate the Role of CO₂ Sales for EOR in the Project's Economic Model
 - Evaluation of fields near Dry Fork Station/ITC/Denbury Pipeline
 - Meeting in D.C. with ARI Minnelusa and Muddy Focus
 - **Kitty Field (Muddy) of high interest**

There are problems associated with water hitting the reservoir and CO₂ looks like a viable option for upper and lower Muddy with some interest in CO₂-EOR. EORI will advance Kitty Field/Muddy with ARI. We have sent invitations to meet with Denbury and Oxy but little interaction so far. Significant work has been done prior to this with additional work to continued.

Goal is to form a Muddy Consortium because it's an underproduced reservoir because of clay issues. Our initial angle was to develop a brine solution to improve waterflooding. This brought the field back up. It was originally selected by ARI and EORI agreed with them. This could lead to project support from the University of Wyoming Petroleum Department who are looking for Senior student projects involved in the Brine and Muddy study. The University has the lab facilities, and a meeting is scheduled later today about Kitty and North Kitty fields and how we can get them involved with this brine study.

- **Skull Creek Field** (Muddy/Newcastle) **Operator – Sunshine Valley** with X-Oil (SURTEK) and ONEOK
 - Development of an NGL EOR flood (Graeme Finley, Shuiquan Li)

We have had several meetings and the last meeting was highlighted by a presentation by X-Oil as an upside and NGL EOR flood potential. ONEOK has a pipeline along the east side of Wyoming, and they are willing to provide the NGLs and are looking at a successful pilot flood study completed in the DJ Basin. EORI's Graeme Finley is leading the geology and Shuiquan Li will do the modeling. The pilot should start in Spring 2023 with additional information to come. It is considered a high-profile project with tremendous upside.

Chairman True predicts the team may have some problems with the landowner and Director Whitman suggests opening communications with the landowner.

- **Alpha Field** (Minnelusa) **Operator – Principle Petroleum ATR (Cost Share Pilot)**
 - 3D Seismic will be shot on the field to improve waterflood efficiency and direct field development (Stephen Whitaker)
 - Should be shooting seismic week of September 12th

Results should be back by October 2022. They are working with John Frederick who works 3D seismic Minnelusa at Little Mitchell Creek. Mr. Frederick is a great connection for EORI and the work should be quite interesting. We hope to have an update for the next Commission meeting.

REPORTS AND PUBLICATIONS

- **Rozet Field** –(Muddy) **Operator - Osborn Heirs**
 - Stephen Whitaker, Shuiquan Li
 - The report is in final review and should be published within a few weeks
 - Examining the methodology used in determining the potential for additional reserves in a mature oil field that lacks porosity data.
 - The field has been waterflooded since 1968 and contains nine 5-spot injection patterns that provide an opportunity to compare recovery factor calculations using:
 - Basic geologic assumptions
 - StreamSim software

- **Both methods indicate a recovery factor of under 30% with significant remaining recoverable reserves in the field**
- **Hirsch Field – (Muddy) Operator – Maximus Operating, LLC**
 - Stephen Whitaker
 - The report is in final review and details and evaluation of possible additional reserves in an area that contains 3 recent discovery wells drilled based on proprietary 3D Seismic data
 - Reservoir modeling and simulations present 72 scenarios for possible additional drilling and injection.

INCREASED COLLABORATIVE WORK WITH SER AND UW DEPARTMENTS

- **SER**
 - Support from and close work with Holly to align all positions and salaries for EORI staff with similar job classifications at SER
 - Exceptional support from Rachel Farrell
 - Project Collaboration and Development
- **HR**
- **Finance/Accounting** work with UW (Ashlie Reese and Tim Keller)
- **OSP/ORED** with DOE projects and budgets
- **Raises for EORI Staff were completed and implemented effective July 1, 2022**
 - Alignment with SER staff compensation levels

Support came from Commissioner King, Chairman Hendricks, Director Krutka and Director Whitman finalized the job classifications and salaries so employees could understand how EORI is situated within the SER. EORI continues to get support from Rachel Ferrell, our cost center approver and an invaluable source for help and guidance. Director Whitman says it was hard to find who to talk to, but we now have the UW Controller, Tim Keller, who works monthly with Gabe Tullis to provide the reports he asks for and has been extremely helpful. Both Ashlie Reese (UW Vice President of Finance) and Tim Keller are our primary contacts for all budget related inquiries.

Director Whitman explains that this is the first time, that he's aware of, that EORI's balance agrees with UW - down to the penny. EORI was \$11 under what UW had recorded because UW doesn't round. UW gave us \$10 back which corrected the balance.

Chairman True noticed that pipe aid was not listed as one of our cooperatives. Director Whitman says it will be discussed in further detail later in the meeting.

- **Job Re-Classifications**
 - Gabe to Business Manager Completed
 - Roger to Program Manager is in process

All employees received a raise except for the Director which left us with about \$10,000 out of the \$218,000 provided by the Governor through his raise program. EORI understands that this raise would be the first of three. That did not occur, it was one-time only and therefore \$218,000 had to apply to everybody at EORI for the biennium budget. This was done in alignment with SER and Director Krutka's compensation levels and staff titles.

- **ALL EORI Account Balances in Agreement with UW Finance and Accounting**

DOLLARS AND SENSE

- **FY23-24 Biennium Budget - \$4.2MM**

2023 - 2024 BIENNIUM DEPARTMENT BUDGET SUMMARY TABLE 3

DEPARTMENT ENHANCED OIL REC COMM							DEPT 070
1	2	3	4	5	6	7	
Description	Code	Base Budget 2023-2024	Standard Budget	Total Dept Exception Request	Total Budget Request	Governor Exception Changes	Governor Recommendation
DIVISION							
COMMISSION & SUPPORT	0100	486,780	451,553	0	451,553	0	451,553
TECHNICAL OUTREACH & RESEARCH	0200	3,946,853	3,748,737	0	3,748,737	0	3,748,737
TOTAL BY DIVISION		4,433,633	4,200,290	0	4,200,290	0	4,200,290
OBJECT SERIES							
PERSONNEL	0100	0	0	0	0	0	0
GRANTS & AID PAYMENT	0600	4,433,633	4,200,290	0	4,200,290	0	4,200,290
TOTAL BY OBJECT SERIES		4,433,633	4,200,290	0	4,200,290	0	4,200,290
SOURCES OF FUNDING							
GENERAL FUNDS/RA	G	4,433,633	4,200,290	0	4,200,290	0	4,200,290
TOTAL BY FUNDS		4,433,633	4,200,290	0	4,200,290	0	4,200,290
AUTHORIZED EMPLOYEES							
TOTAL AUTHORIZED EMPLOYEES							

- **FY22 End of Year Deficit**
 - **Final Adjusted Amount: -\$31,034**
 - **Original Calculation: -\$19,510**
 - **June Fringe Adjustment: -\$21,497 (Steve C. Vac/Sick Leave Payout)**
 - **Floating PO Credit: +\$10,900**
 - **Accounts Payable: -\$ 487 (13th Month Correction)**
 - \$31,034**
- **\$1.9MM Non-Reverted Budget Dollars**
 - Now in an account for EORI use
 - More discussion on the history in the Executive Session

Director Krutka mentions EORI should not be paying the fringe adjustment. Director Whitman explains EORC chose not to participate in the UW fringe account where every department puts in "X" amount at a required time frame. When events occur, such as retirement, or someone goes on leave we don't take a hit on our budget. This decision was made long ago, and we don't see the issue until it's time to

payout for leave or retirement. Chairman Hendricks asks when we made that decision and asks if we should re-evaluate our position.

Erin Campbell asks what the EORC overhead rate is. Maybe the choice to not contribute to the UW fringe account at about 42% whereas the State fringe is closer to 10%. EORC's overhead was 38.5%. WSGS comes in at about 10-12%. EORC is not required to participate in the 42% overhead by not contributing to the fringe. This may be something to consider.

Chairman Hendricks asks why EORC overhead is more than 10%, we calculate 38%. Chairman Hendricks finds it odd that a state agency cannot contribute and be at 10% and another does not contribute but be at 38%. Overhead for WSGS is very low. Director Whitman would like to investigate it more.

Commissioner Burkhart is curious if we are just letting this accumulate as a deficit that we must take care of at year's end or should we be setting money aside in an account for those occurrences.

Director Whitman says Tim Keller suggests an option that EORC take a portion of this and put it into another account for these events. Commissioner Burkhart feels EORC should look at it to avoid a year-end deficit that we need to clear and suggests we figure out a way to account for that.

Commissioner True agrees and says this commission likes sitting on our money rather than letting it sit idle. This may not be the best approach but that's where it stems from back in the time when the relationship with this commission wasn't quite as good as it is now, therefore the commission wants to keeping control of the money if it can.

Commissioner Burkhart suggest the commission use a separate account to put the money aside a certain amount that we keep track of ourselves. The Commission can take care of those issues for future sick leave or vacation payout and advises the commission to look closely at that.

Commissioner True asks if we can take look at a projection on normal, anticipated events, what would fund the next 5 years. Steven Carpenter's payout was about \$45,000, we only came up with a deficit of \$22,000 from that, we had some in there but not enough to cover all of it. Director Whitman agrees that a project would be helpful and that we are into some projection work that we will discuss in a minute.

Commissioner Bebout adds that the quasi definition of EORI relative to the issue of state funds vs. university funds may be better since the university dictated some of their own policies that affected our people that work at EORI that we decided that we should leave it that way. Commissioner Bebout says when he sees it pop up like that it appears as though the Commission is not planning on it which wasn't accurate. They left it up to the university, but he doesn't believe there is money there to cover it because they take it out of our budgets. It needs further discussion and Commissioner Bebout can't remember why or when but that it is related to the difference between state funds for EORI and how it goes through the university.

The \$1.9M non-reverted budget created a lengthy and in-depth work with UW which began with Alex Keen when he received the legislative documentation that the \$1.9 M would be returned to the EORC and would have been back in May or June. EORI received the money a week prior, it's now in an

account only for the \$1.9M. It was suggested that it be put in with other accounts which Director Whitman fought against because there was no way to easily report to the commission expenditures out of the \$1.9M combined in other accounts. They found an empty account that had been created during WyoCloud transition that was active with no money in it. It was out account and they've put the \$1.9M into that account. It will be reviewed more later but, the original amount of non-revert funds was \$2.2M. We discovered with the assistance of Alex and Ashley and Tim Keller that there had been a deficit of around \$230,000 that had never been corrected. The number is not \$2.2 but \$1.9M and Director Whitman says we need to correct that. That was what needed to happen before they would give us the \$1.9M. It has been corrected, from \$2.2M to \$1.9M which is what we started with as directed by the legislature. We had a plan for expenditures out of the \$1.9M which we presented to the Joint Appropriations Committee before they would release that back to EORC. Some of the agreed to expenditures from the \$19,510 from our deficit from June 30, 2022, were expenditures that would have come out of the \$1.9M. The COVID Step III reduction was not included in the information we received from the University for our quarterly allocations which threw us into this deficit that we should never have had. Director Whitman does not anticipate another Covid reduction while he is Director. The \$1.9M will serve the purposes we've defined for the JAC and is open for discussion with what you'd like to do with that money. The money was largely spent on pilot projects and encourage field work with operators. Money was also spent on TAB, the Commission, Outreach and training. Director Whitman says \$19,510 would not have existed without the COVID Step III reduction that EORI was not anticipating.

OUTREACH

- **Working with Senator Barrasso's office on a draft letter to Jennifer Granholm, Secretary of the Department of Energy to secure loan guarantees through the Loans Program Office (LPO) for companies seeking financing for CO₂-EOR.**
 - The originating statute, the Energy Policy Act of 2005 (EPACT) set forth two criteria for the issuance of loan guarantees
 - the project must "avoid, reduce, utilize, or sequester" air pollutants, and
 - "employ new or significantly improved technologies as compared to commercial technologies in service

Senator Barrasso is trying to understand why there are no longer any loan guarantees specific to CO₂-EOR and what must be in place for the guarantee. He is asking for consideration for loan guarantees for companies that are wanting to invest in CO₂-EOR projects.

- **Attended the Celebration of Life for former EORI Director, Steve Carpenter in Cincinnati, OH on September 3rd.** Steve's wife Michele and her family were very touched and thankful to see EORI presence at the memorial service

Director felt it was very important that he was there and discussed Dr. Carpenter's family and his recent health issues medical difficulties. Steve went to the hospital in Cincinnati for tests and was diagnosed with advanced kidney cancer and blocked arteries. They were informed that the procedure would need to be done at the Cleveland clinic. Dr. Carpenter and his family was advised that the surgery was extremely risky but ultimately decided to have it done. Steve passed away on August 23, one day after his 58th birthday. The doctors had success removing his cancer but could not control Steve's bleeding which caused him to bleed out. Director Whitman and Michele Carpenter had a conversation and both agreed that Steve loved EORI and EORI loved Steve. EORI was honored to have had Steve as Director and explained there was a lot of support for Steve in Wyoming.

- **PAW Annual Meeting**

- Eric Robertson presented on Carbon Neutral Oil/WY CO₂-EOR Update Report
- Joined by Contango
-

Eric Robertson recognized that when you do CO₂-EOR more CO₂ is stored than what is produced from the barrel that's taken out of the field. Leaving, at minimum, carbon neutral and often carbon negative oil. This is a promotion line that is being developed at EORI. Oxy and Denbury have both done extensive work on this. Denbury's tag line is #blueoil and been confirmed by a variety of agencies that their work is accurate that the oil is carbon negative. Carbon negative depends on the field and success of the utilization factor for CO₂ per barrel, but it's at a minimum carbon neutral which is an important emphasis moving forward when we talk about CO₂-EOR and the oil we're getting. EORI was joined by Contango for the presentation; it was in front of a large group and well received. Both Denbury and Exxon were both invited but declined. It was the last presentation before the cocktail hour and the presentation had to be ended due to a lot of questions from the audience. This will be repeated at the Steve Melzer CO₂ Conference with a panel like Cheyenne.

- **PCOR Regulatory Roundup – Deadwood – September 13-14**

Started in about 2007 and has grown from a boutique meeting to possibly the premiere regulatory meeting in the country. DOE is present as well as representation from North Dakota, Wyoming, Canada, Colorado, Texas, Louisiana, and Oklahoma and very much a premier group. Lily Barkau of DEQ attends the meeting and is a presenter. Director Whitman will do a presentation with Steve Melzer on Carbon Neutral oil and will be followed up with a much-anticipated SER WOLD Family Foundation Energy Conference. It was questioned how many people would attend and registration was shut off at 250 attendees. There is a power line up including Bill Berry from Continental. Director Whitman will lead a panel with Bill Berry, Steve Melzer and the new UW Petroleum Department Head. It will be a fireside chat including coal and nuclear with very good speakers and different panels. The EORC was invited to attend the meeting if they are interested.

- **Wold Family Foundation Energy Future Conference – Laramie – Sept 15th**

- I will be moderating an Oil and Gas Panel
 - Bill Barry, Continental Resources
 - Steve Melzer

- Vamegh Rasouli – New UW PE Department Head

- **SPE ATCE Houston** – October 3-7

Director Whitman and Eric Robertson will both attend the meeting and engage in outreach and meet important contacts. The meeting is set up with Exxon and there is work moving forward with that.

- **Midland CO₂ Conference** – December 5-8

- Eric will present the Carbon Neutral Oil/WY CO₂-EOR Update Report
- Denbury, Contango and Exxon invited to join panel
- Lon will moderate the Panel

Eric Robertson will present the CO₂-EOR update report and Director Whitman will moderate the panel.

Commissioner True jokingly advises Director Whitman if you are the one reviewing the expense report for September the Roundup Meeting in Deadwood, please be aware and cognizant of the expenses.

Chairman Hendricks asks about replacing the Outreach role and Director Whitman says it will be discussed later during the Executive Session.

IV. Financial Report – Gabe Tullis

Gabe Tullis describes the July financial report and that most of our expenses are salaries. There are no fringe charges yet for July which will post the following month, in August.

Commissioner True asks on non-state appropriation accounts and if there are any plans for the expenditure of the \$86,000. Director Whitman explains it covers sponsorships for meetings and that we try to guard the money. Director Whitman did not submit an expense report for attending Steve Carpenter's Celebration of Life and it was suggested that the trip should come out of that money because that's what it's for. We use that money for things we do not want to put into out of State money. Director Whitman and Gabe Tullis say the figure will grow every quarter and hasn't been updated since last quarter.

Re-Allocated \$1.9M Fund

Starting money is \$1.9M and covers all deficit transfers to cover all our short falls from all previous years. We haven't spent any money out of it yet, we do have projects set aside to come out of it, but we've not received any invoices yet.

Gabe Tullis says it started with our \$2.2M transfer and deficits to cover and left the remaining balance at \$1,871,046. Director Whitman explains the deficit transfer of \$298,036 (referred to as \$230,000) was from 2018 and was floating in the books. The deficit transfer of \$31,034 is the total for end of year 2022.

Chairman Hendricks asks what the final reckoning was for the audit. The audit showed we overspent, and they took that money out but told EORI they never took the money out of it. Director Whitman explains that was the root of the conversation because we are all going off the same numbers, we were all working off the audit report only to find out that what was in the report, date of transaction, which never occurred and led to lengthy discussions. There was a journal entry that had not been completed with nothing to sign or to do. The journal entry needed to be completed that had not occurred since 2018. Chairman Hendricks struggles with the fact that a prepared audit showed the transaction happening, but the EORC finds out later that the transaction never happened and causing the Chairman great concern.

Director Whitman mentions the discussions with the Joint Appropriations Committee they wanted to go after the \$2.2M and Director Whitman assured them the correct transfer is \$1.9M which we didn't know until one month ago.

Director Krutka mentions it would be acceptable to request an explanation of how that happened. Chairman Hendricks agrees with the advice. Director Whitman confirms for Commissioner True that Danika (Salmans) did the audit. It was agreed and confirmed that EORI should go to Danika for the audit information.

Non-State Appropriation Accounts

Updates will be available after the UW audit is complete then those starting numbers will update as well as any other postings.

EORI July 2022 Financial Observations

The reallocated \$1.9M expense correction is pending for the ATR Energy 3D seismic project as cost-share project with EORI. The expense has been transferred off the state budget project expense and moved to \$1.9M since that was where it was from originally.

Gabe has also moved Zion Energy project money which has not been paid out yet since it is a monthly charge. Gabe Tullis moved his expenses that will be coming out of that money as well. Dell's expenses for the laptop upgrade have been moved to the \$1.9M since it originally comes from there also. We have not received invoices for Dell or Zion Energy yet so those expenses will come from the \$1.9M but we haven't paid them yet.

Non-State appropriation account balances will not be updated until UW audit is complete next month. The accounts payable adjustment of the \$487 are invoices paid in July and August 2022, however the services were rendered before June 30 but must accrue money back into the prior fiscal year.

We will receive the quarterly draw schedule amounts through the University which is small. Director Whitman informed the Commission that there are no COVID reduction in this budget cycle.

Federal Grants Financial Report

This includes all the DOE projects we handle and are always shown from inception to current. EORI's share covers salaries and travel, the rest of the money goes to contractors or subawards for the actual project itself, paid directly to the contractors and not money we see.

Graeme Finley's Storage and Residual Zones PRB project shows almost all is going towards salaries. Still working on getting Contango on board and ready to go and therefore not a lot of project movement lately.

Eric Robertsons project is moving along with most of his hours billed to consulting and contracting work. Gabe Tullis is writing additional contracts for the next well drilling that's coming up in November or December 2022 and expenses will go up with most money going to salaries and travel.

Southern States Energy Board (SSEB)

SSEB has had no activity yet and EORI is still waiting to be approached.

Blue Bison ATR Advanced CCUS System

Blue Bison is an SER project that we work with and have very few expenses. Jeff Brown's work is expected to increase as he finishes his part in that project.

Adjusted June Financial Report

Adjusted June Financial Report with corrections was posted with Time Keller and Ashlie Reese's help. End of year shows \$10 deficit more than UW recorded. This report reflects that deficit rather than the \$31,034 deficit we had with UW.

Gabe Tullis shows what the adjusted dollars were, and the previous reports still stands as we're just making small adjustments. FY 2022 EORI Expenses reflects the almost \$11,000 credit back from 2018.

EORI Expenses for June 2022

Gabe Tullis explains the EORI Expenses for June 2022 adjustment period showing small charges. This is the accounts payable project completed to push some of the invoices back. Invoice for Computer Logic backup server fee, copier and cleaning always arrives at the end of the month.

Our fringe expense is \$21,947. Gabe Tullis shows a chart outlining how it was itemized rather than just the totals from the Director's report. The accounts payable file shows exactly what they were and where they went.

Alex Keen's quarterly draw showing no COVID reductions that hit us late in the 4th quarter.

V. IT and Data Updates – Roger Hillibush

EORI Website Update

Roger Hillibush presents the IT and data updates and explains we're back on track for our website update project. A component of that has been completed which includes a branding kit and updated and revised logos and icons. We have the assets for use right now and helps us stay consistent with our print and online publishing. We expect to have an initial review of the redesigned website in mid-September with anticipated completion and public facing by end of year.

Casper Log Library

Casper Log Library project has been cleaned out and shut down. The lease was up by August 31, 2022, and was cleaned out by end of July and keys have been turned in. We have retained all the materials that we want to digitize, and scan located here in room 246. Roger Hillibush shows some examples of visual aids we've decided to digitize.

WPA to EORI Technology Migrations and Transfer

WPA to EORI technology migration with a little work to finish up specifically the server platform over to the new EORI technology servers from the old WPA for hosting online interactive map applications. It is the last piece of custom formatting for the website that manages the subscriber portal and is currently being implemented in conjunction with the new redesigned web site. We should have something working to test and develop very soon which is the last piece of the project.

EORI Internet Portal

The intranet portal is on hold until other projects are completed.

EORI End User Hardware Refresh

We did receive all our hardware for the end user hardware refresh which includes new workstations for every member plus all new laptops. All workstations have been deployed except three workstations left to deploy for staff and about 80% of laptops need to be deployed yet.

WyRIT 3.0

Kellie Vlastos has been working on the new WyRIT map application. It is an updated version of the older one that we still host on our website. It is a scaled down version with a newer interface.

Visual Aids

Roger Hillibush shows the branding kit and new digital assets. He describes our new font, logo, and guidelines on how logos should be used for consistent branding. We also developed an icon kit to support our consistent branding and can be used for digital and print. We also developed a 307-logo following Wyoming's trend in the 307 brands.

Visual aids also included materials from the Casper Log Library of what will be digitized and scanned. We are still working with UW Digital Collections and have scanned all the production reports from 1975 and prior. Roger Hillibush shows an example of what scans we're making to help give you an idea of what content and quantity.

Roger Hillibush has a meeting scheduled with the Library Digital Collections on Monday, September 12 will be expecting a quote from a 3rd party vendor that Digital Collections work with for scanning all the scout cards and microfiche. Roger Hillibush shows a picture of the moved well logs, completion reports, and scout cards stored here at EORI and shows what the work center looks like and the amount of materials we've moved over.

EORI kept a couple shelves of well logs and completion reports, seven file cabinets filled with miscellaneous items, handwritten notes, geologic and well reports which will take the longest to go through to decipher what we will keep. Other file cabinets have scout cards and three cabinets full of microfiche which is basically all the logs in the library that we'll have scanned.

Roger Hillibush showed images of WyRIT and models the new interface compared to the old.

We've also been developing our own internal well database including custom reports for internal researchers. Roger Hillibush explains it is a web-based utility that our researchers can use to perform custom search and queries against the data base which provides them with results they are looking for and then they can export into multiple file formats.

Commissioner King asks if attention has been given to what the WOGCC has scanned over the years. Mr. Hillibush interviewed the EORI staff to develop a plan of what we thought the best information retain was not duplicated by the WOGCC. We learned we need a better inventory and idea of exactly what the paper assets include. We are planning on a meeting with WOGCC to try to have them run an analysis on what they have and what they need and what we can provide for them. Our best guess is the older information from 1975 and prior. We kept all logs from the perimeter of the state, surrounding states and well logs from the reservation. As we go through those, we can determine what we want to run an analysis on to do the comparison.

Director Whitman injects we are trying to set up meetings with Commissioner Campbell and Supervisor Kropatch to see how we could collaborate a more and want everyone in concurrence with our direction. Commissioner King would like the users to know there is one resource, one central website they have

confidence is the best data and summary. Mr. Hillibush states that's an admirable goal would be to achieve would be a consolidated website that everyone has confidence in. EORI is not the source of legal record but that we could fine-tune the data in-house for accuracy and plug in any data gaps.

Commissioner True asks how we are going to promote that this tool exists. Director Whitman explains we send out press releases, email campaigns and possibly host a Lunch and Learn to promote what we have. Chairman Hendricks thinks it would be helpful for the WOGCC to post it on their well-utilized website, too. Commissioner Campbell says that at the state level they are working to get data out to the public and create a centralized location where people can retrieve all the data, but WSGS is still a few years out from that long-term goal.

Director Whitman requests to set a date for the next meeting via email. The public session went over time and the EORC is late for the Executive Session with lots still to cover.

Commissioner True asks is there has been any movement on the pipeline expert appropriation and where the permanent site is for the pipeline information. Director Whitman explains that we've composed numbers for the proposal to re-animate the WPA and what it would cost. There has been no advancement we are aware of. The Joint Minerals Committee is not interested in discussing it and recommend leaving it where it is. It is suggested that the EORI request money to fund and staff the WPA. Currently Supplemental Budget request are being prepared and suggests that EORI should request a supplemental budget that is carried over into future budgets. Commissioner True emphasizes we don't want to lose the pipeline data.

Commissioner True asks about the FERC expert for WEA and Director Whitman explains that the WEA pays for a contract expert to monitor the FERC. Commissioner True mentions that it is currently a temporary position and asks if it will transition into long-term position and if it will stay with the WEA or where it will be housed. Chairman Hendricks recommends the expert should go with the pipeline data and be housed here at EORI and that a supplemental budget should include that individual to be within EORI.

Commissioner Burkhart mentions there wasn't a lot of interest from anybody on the Joint Minerals Committee. The WEA wants to keep it but not host it, but they should be because that was what the WEA was set up to do, to combine the two agencies. The WEA has moved away from that and aren't sure what they want to do with it. Commissioner Burkhart summarizes that everybody wants the data, but no one wants to take responsibility for it. Director Whitman explains that EORI is happy to take it if there is a budget allocation for it we would be able to move on it next week. We also have DOE projects developing funding for CO₂ pipeline infrastructure where EORI will take a lead role with SER. It is anticipated that there will be a greater need for CO₂ pipeline information and the timing is good.

Director Whitman explains that EORI has always been interested in maintaining the pipeline information but was reluctant to try to cover it with our budget. Director Whitman feels a supplemental budget request, for the right amount and right people, would enable us to roll as early as next week because we have the people and the computers. Both Brian Jeffries and Bryan Hassler would be willing to contract for EORI, but we need a budget first.

Commissioner Burkhart requests that we put all that information in the supplemental budget request in a package with a good explanation of why and what we gain if we keep it and what we lose if we don't. Commissioner Burkhart feels it's paramount to understand and stay on top of what the FERC is doing, and that we can't get products out without pipelines. The Joint Appropriations Committee appreciates lots of detail and the ability for it to be included in future budgets moving forward.

Commissioner Burkhart explains that supplemental budget requests are due right now and that the State and the Governor's office are currently putting together the supplemental budgets. Commissioner Burkhart asks if Randall Luthi could add any additional information.

Director Krutka mentions the need for a DOE discussion. The FOA will come out next month and cost share is needed. WEA is now administering the cost share pool and is aware of this. Given the importance of CO₂ transport she believes they will be supportive. Director Krutka believes the DOE money should come to Wyoming and we should go after it.

Commissioner True asks if there has been any movement on EORI hiring an administrative assistant and an outreach coordinator. Director Whitman explains that it will be discussed during the Executive Session.

Commissioner True encourages members to read Alex Epstein's book called A Moral Case for Fossil Fuels and Fossil Future. Alex Epstein was a philosophy student and raised in an affluent large city and late in his college studies and he began considering energy. Alex Epstein is non-technical with a liberal background and seems to be good at tying things down. The author will be visiting Casper on December 2, 2023. Commissioner True is interested in partnering with Casper College or someone to provide him a forum for Mr. Epstein to speak. Commissioner Bebout agrees with Commissioner True and received the book and will read it.

Commissioner Bebout explains what will happen in the legislature with the loss of Senator Perkins as sitting chairman of the Senate Appropriations Committee. Representative Nicholas may run and be re-elected but the leadership issues in the Senate and House always operate in "what if" discussions going on. We should be asking the current appropriations committee if there is something EORI needs to do and asks if either Commissioner Burkhart or Randall Luthi knows what Governor Gordon thinks about this to move to submit a supplemental budget request. Randall Luthi offers to intervene or wait till executive session when we have more information on the budget process.

Chairman Hendricks says we don't need to wait for Executive Session but to act now. Randall Luthi explains that if there isn't a supplemental request then there is not a budget hearing scheduled with the governor and currently EORI does not have a supplemental budget request and therefore there is no hearing scheduled. Luthi met with a knowledgeable budget expert who has now notified the budget office that EORI may very well have a supplemental budget request, emphasizes time is of the essence.

Hendricks suggests we call Brian Jeffries to help with this justification for a supplemental budget request.

Chairman Hendricks motions to go into executive session to discuss personnel and contractual matters. The Public Meeting was adjourned at 10:45 am on September 9, 2022.

The Public Meeting was Adjourned at 10:45 am.



Ken Hendricks, Chairman

Date