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On March 4, 2008, Wyoming Governor Dave Freudenthal signed into law two bills intended to resolve ownership and regulation issues associated with the underground storage of carbon dioxide. With the Governor's signature, Wyoming became the first state to enact comprehensive carbon sequestration legislation establishing a legal framework for underground storage of carbon dioxide and other emissions from coal-fired power plants.

House Bill 89 addresses the ownership of "Pore Space," which is the space in subsurface geologic formations that can be used as storage space for carbon dioxide or other substances. The bill establishes that Pore Space underneath the surface estate is owned by the surface owner. The bill allows that the Pore Space is conveyed upon the conveyance of the surface, unless the space has been previously conveyed or is explicitly excluded in the surface conveyance. The bill states explicitly that it does not affect the common law regarding the dominance of the mineral estate.

House Bill 90 rests regulation of Wyoming's carbon sequestration program with the Department of Environmental Quality (DEQ). The bill requires the DEQ to create an advisory board and rules to expand the Underground Injection Control program to include carbon sequestration. Under the bill, a working group including the supervisor of the oil and gas commission, the state geologist, and the director of the DEQ will set bonding procedures. Jurisdiction over the subsequent extraction of sequestered carbon dioxide rests with the Wyoming Oil and Gas Conservation Commission. The bill does not impact the oil and other mineral interest owners' right to drill or bore through sequestration sites, nor does it include within its scope the regulation of enhanced oil recovery operations using carbon dioxide.

The laws take effect July 1, 2008, and are a component of Wyoming's efforts to lead the nation in developing new clean coal technologies. Other components of this effort include a legislative committee's proposal to study clean coal incentives during the interim between the 2008 and 2009 legislative sessions and the recently announced \$100 million coal research plant to be developed by General Electric in partnership with the University of Wyoming.

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