

Wyoming Panel OKs Flaring at Chesapeake Oil Wells

CASPER, Wyo. (AP) — Wyoming regulators have approved Chesapeake Energy Corp.'s request to burn off natural gas from five oil wells north of Douglas, while lamenting there isn't a pipeline in the area to take the natural gas to market.

The Wyoming Oil and Gas Conservation Commission on Tuesday capped the amount that could be flared at 150,000 cubic feet of gas per well per day, the [Casper Star-Tribune](#) [1] reported.

Companies often flare natural gas from oil wells if there aren't pipelines to move the gas out of the area. Some landowners, conservationists and politicians want the gas to be sold at market, so the state could earn tax revenues on it and emissions could be reduced. A state legislative committee is considering taxing flaring.

Chesapeake at one point had considered a pipeline to help move natural gas from the area. By the time access to the land was negotiated with a landowner, Chesapeake determined it wasn't economical to build the pipeline, said Tom Reese, an attorney representing the Oklahoma City-based company.

"It puts us in this position, had that deal been done, we'd be talking about money for the state," said Gov. Matt Mead, a member of the commission.

State geologist and commission member Tom Drean asked commission staff in the future to require companies seeking permission to flare to identify in paperwork other companies working in the area. Commissioner Ryan Lance, director of the Office of State Lands and Investments, agreed and said the oil and gas industry needs to work together to build pipelines and infrastructure.

Chesapeake has been flaring gas from some of the five wells since September, while others have been flared since February.

Chesapeake originally sought permission to flare three more wells, but it says each of those burns off less than 60,000 cubic feet of natural gas daily, which is below the threshold that requires commission approval.

Information from: Casper (Wyo.) Star-Tribune, <http://www.trib.com> [2]

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