

Senator Kevin T. Van Tassell proposes the following substitute bill:

**CONCURRENT RESOLUTION SUPPORTING NEW
TECHNOLOGIES AND FACILITIES THAT ENHANCE THE
PRODUCTION AND VALUE OF UINTAH BLACK WAX**

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kevin T. Van Tassell

House Sponsor: John G. Mathis

LONG TITLE

General Description:

This concurrent resolution of the Legislature and the Governor expresses support for new technologies and facilities that allow for, and enhance the production and value of, Uintah Black Wax in the Uintah Basin.

Highlighted Provisions:

This resolution:

- ▶ expresses support for new technologies and facilities that allow for, and enhance the production and value of, Uintah Black Wax in the Uintah Basin; and
- ▶ encourages the cooperation and consideration of local, state, and federal officials in efforts to develop an oil upgrading facility in the Uintah Basin in a manner that is prudent, ethical, and lawful.

Special Clauses:

None

Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:

WHEREAS, the United States is seeking energy development opportunities;



26 WHEREAS, using natural resources from all possible energy producing sources is
27 integral to economic growth;

28 WHEREAS, within the Uintah Basin of the state of Utah, there is an abundance of
29 crude oil commonly referred to as Black and Yellow Wax crude;

30 WHEREAS, geological estimates put the potential of this resource on equal footing
31 with the largest oil developments in the United States;

32 WHEREAS, on average, the United States imports from foreign sources more than half
33 of all oil sold in America;

34 WHEREAS, a significant amount of imported oil comes from countries and regions
35 hostile to the interests of the United States;

36 WHEREAS, conservative estimates indicate that there is more recoverable oil on
37 federal lands in the United States than in Saudi Arabia, a major source of imported oil;

38 WHEREAS, a significant amount of the oil in the Uintah Basin is found beneath tribal
39 lands;

40 WHEREAS, the Ute Indian Tribes receive significant compensation from oil
41 production on tribal lands;

42 WHEREAS, the United States Treasury receives significant revenues from severance
43 taxes paid from oil extraction on federal and tribal lands;

44 WHEREAS, the state of Utah receives significant revenues from severance taxes paid
45 from oil extraction on lands within the state;

46 WHEREAS, the Utah School and Institutional Trust Lands (SITLA) receives
47 significant revenues from oil extracted on SITLA lands in the Uintah Basin;

48 WHEREAS, the economies of the counties in the Uintah Basin depend upon the oil and
49 gas industry;

50 WHEREAS, the major producers of oil in the Uintah Basin are actively pursuing
51 opportunities to increase production;

52 WHEREAS, because of the molecular nature of the wax crude in the Uintah Basin, the
53 refineries in North Salt Lake are currently the only viable market for producers of the wax
54 crude;

55 WHEREAS, an oil upgrading facility could change the molecular structure of the wax
56 crude to liquefy it and allow the wax to be delivered to market via pipeline;

57 WHEREAS, an oil upgrading facility in the Uintah Basin would allow for increased
58 production of the wax crude in the Uintah Basin, to the benefit of all Utahns; and

59 WHEREAS, private companies are willing and anxious to build an oil upgrading
60 facility on private land in the Uintah Basin:

61 NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the
62 Governor concurring therein, supports and encourages new technologies and facilities that
63 allow for, and enhance the production and value of, Uintah Black Wax.

64 BE IT FURTHER RESOLVED that the Legislature and the Governor urge that the
65 development of an oil upgrading facility in the Uintah Basin, through the cooperation and
66 consideration of local, state, and federal officials, be conducted in a manner that is prudent,
67 ethical, and lawful.

68 BE IT FURTHER RESOLVED that a copy of this resolution be sent to the United
69 States Secretary of the Interior, the Utah Petroleum Association, the Utah Department of
70 Natural Resources, the Public Service Commission, and the members of Utah's congressional
71 delegation.