

Helium plant planned

By The Associated Press

CASPER - As lawmakers in Cheyenne debate whether to tax helium production in Wyoming, a joint venture plans to build the state's second helium plant.

Matheson Tri-Gas Inc. and Air Products announced recently that they intend to build and operate a liquid helium plant near Big Piney.

An existing helium plant is operated by ExxonMobil in Sublette County and produces an estimated 25 percent of the world's supply.

Last year, the Wyoming Supreme Court ruled that helium produced under a 1920 law is not subject to the state severance tax and the ad valorem tax levied by Sublette County.

During this session, legislators are considering whether to levy a tax on helium produced from some federal land.

The Big Piney plant is designed to produce 200 million standard cubic feet per year at startup. It will process crude helium produced by a natural gas processing facility owned by Cimarex Energy Co. and Riley Ridge LLC.

Production is expected to begin in 2009.

Rod De Bruin, manager of the Energy and Water Resources Division with the Wyoming State Geological Survey, said the ExxonMobil plant produces natural gas and helium from a huge underground structure called the LaBarge Anticline. The Riley Ridge area is part of the same structure.

Helium makes up about 0.5 percent of the LaBarge plant's gas stream, which is about two-thirds carbon dioxide and 22 percent methane, he said.

Helium is a light inert gas and the second-most-common element in the known universe. It is used in a variety of niche applications, including magnetic resonance imaging, blimps, semiconductor manufacturing and analytical chemistry.