



Wyoming Oil & Gas Conservation Commission

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Commissioners

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Governor Matthew H. Mead, Chairman Robert A. King, Interim State Oil & Gas Supervisor

Date: July 19, 2012

To: All Owners and Operators

From: Robert A. King, Interim Oil and Gas Supervisor

Re: Determination of "Confidential" Well Status

Presently, over 900 approved "Confidential" Applications for Permits to Drill are filed with the Commission, most of which apply to horizontal wells in eastern Wyoming. As set out in W.S. §§ 30-5-104(d)(i)(B) and Chapter 3, Section 21(d) of the Commission's Rules and Regulations, the Commission has authority to authorize confidential status based on the determination that a well is an "exploratory or wildcat" well. Wildcat wells are defined in Chapter 1, Section 2(iii) of the rules as wells located "outside known fields or new wells which are determined by the Commission to have discovered oil or gas in a pool not previously proven productive."

The Commission feels that many wells now being permitted are in or near areas and formations already proven to be productive. The large amount of confidential wells hampers the Commission's efforts to accurately evaluate appropriate well drilling and spacing unit requests, and inhibits the timely dissemination of well information to the public. The broad application of "Confidential" status also conflicts with the Wyoming Public Records Act, W.S. §§ 16-4-202, whose purpose is disclosure, not secrecy, of public records and filings. The Wyoming Supreme Court has interpreted the Public Records Act liberally in favor of disclosure.

Therefore, effective August 1, 2012 APDs will not be approved as "Confidential" without written request from the applicant, including adequate technical and other justification supporting the request for confidentiality. In addition, effective August 1, 2012, any completed confidential well located within one (1) mile of a section line boundary of established production from the same reservoir or defined pool is presumed to no longer qualify as "Confidential." The Commission will also continue to review previously approved "Confidential" APDs, and revise the status if appropriate.

If, after review of an applicant's request for confidential status, an APD is determined by the Supervisor to qualify as "Confidential", the provisions of Chapter 3, Section 21(d) will be followed. Note the request and justification for confidentiality is not confidential, and will be considered a public record subject to disclosure. An owner or operator may appeal the Supervisor's determination to the Commission by filing a Request for Review, pursuant to Chapter 5, Section 11(a). It is the Commission's interpretation that the proper time to file a Request for Review is within ten (10) days of the determination by the Supervisor that a request for "Confidential" status is not approved.

Upon approval as "Confidential", well information to be held confidential includes drilling reports, sample descriptions, drill stem test results, lithologic and electric logs, formation fluid and core analyses, reservoir pressure data, and completion reports. As prescribed under Chapter 3, Section 21(c), directional deviation and measurement-while-drilling (MWD) surveys will not be held confidential. Production and sales data will not be held confidential unless authorized by the Supervisor. Information deemed confidential will be held confidential for six (6) months after electric logs are received by the Commission or six (6) months after the Completion Report (WOGCC Form 3 or BLM Form 3160-4) is received, whichever is earlier. Requests for extension of confidential status will be considered by the Supervisor subject to Chapter 3, Section 21(d).