



Wyoming Oil & Gas Fair
September 2018

Introduction

- **Data**

- Production
- Permits
- Hearings

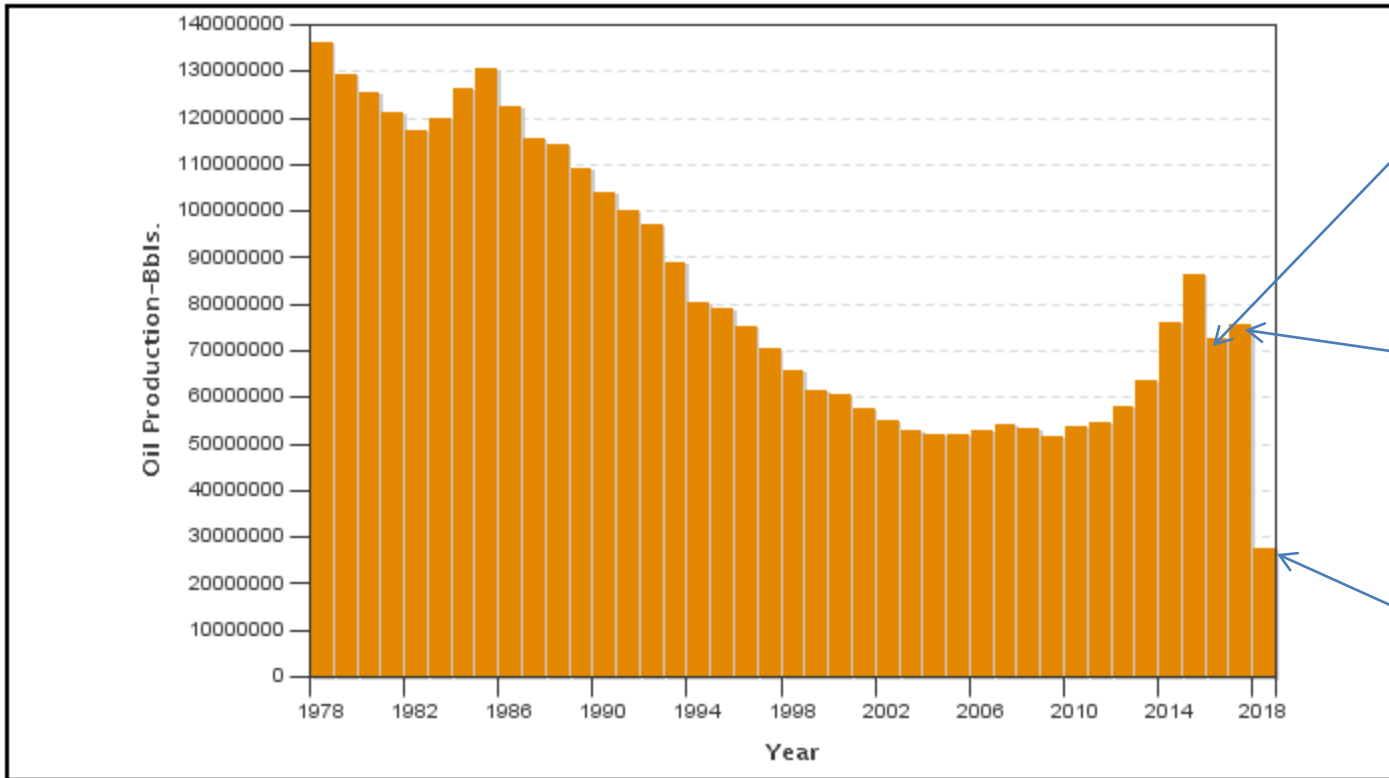
- **Rules & Policies**

- State
- Federal

- **Commission Issues**



Production



72.5 mm

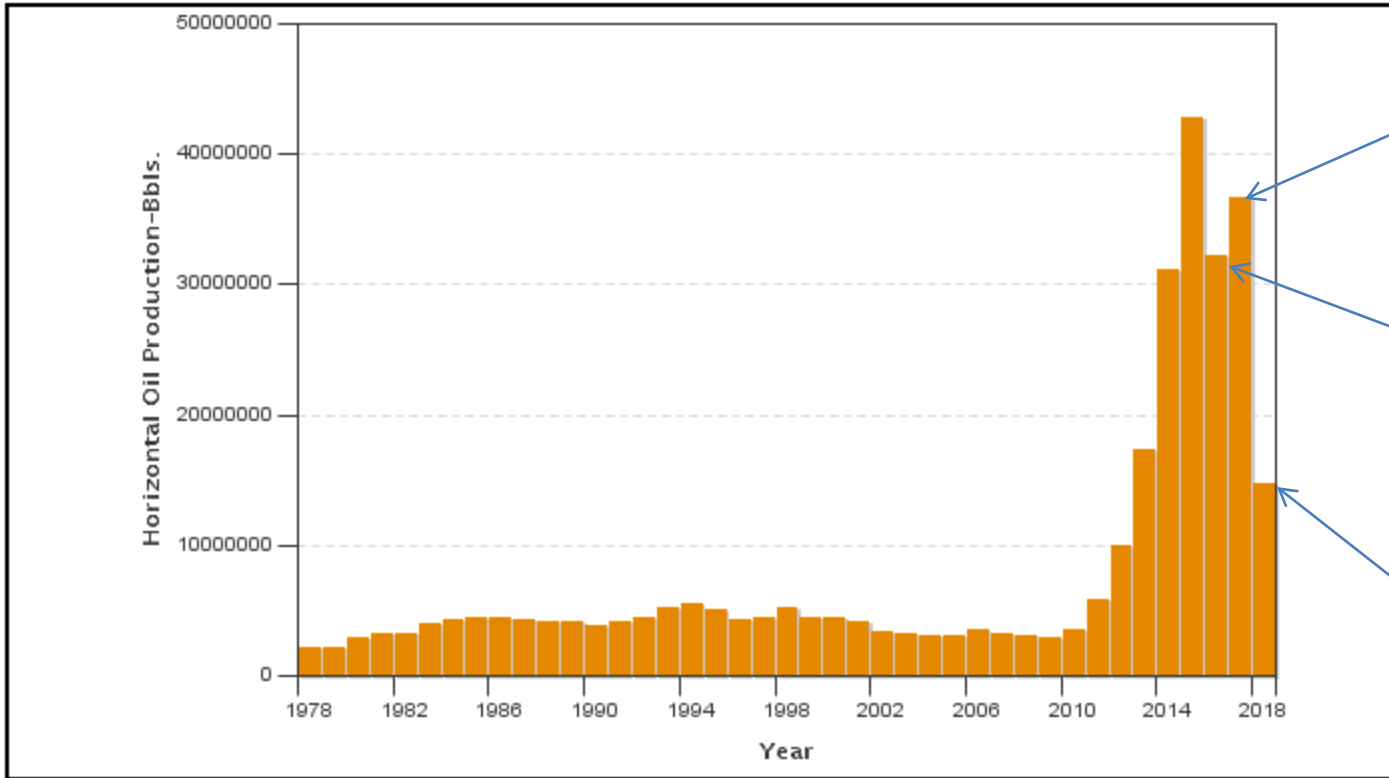
76.7 mm

46 mm

Annual Oil Production
(2018 partial through June)



Production



36.6 mm

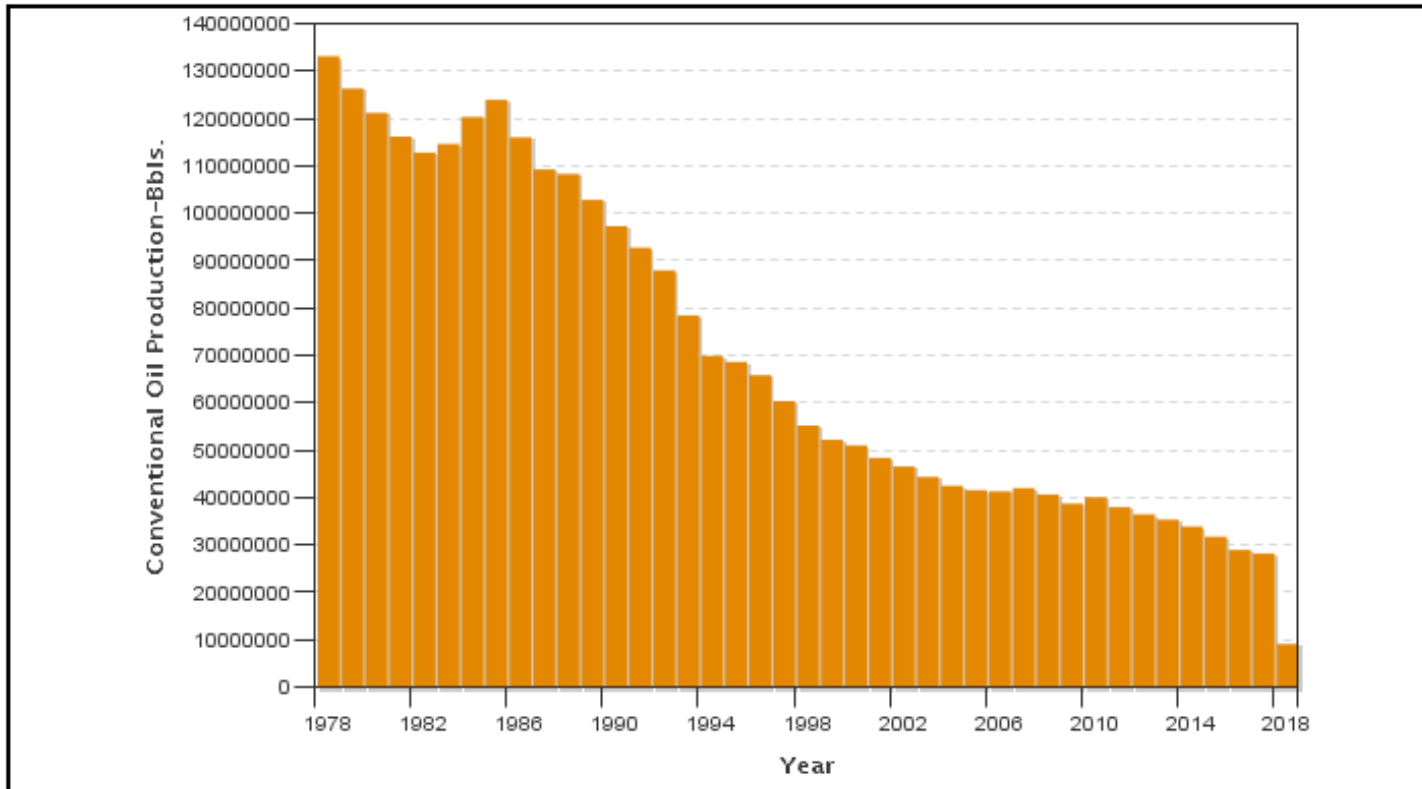
32.2 mm

25 mm

Annual Horizontal Oil Production
(2018 partial through June)



Production



Annual Conventional Well Oil Production
(2018 partial through June)



Production

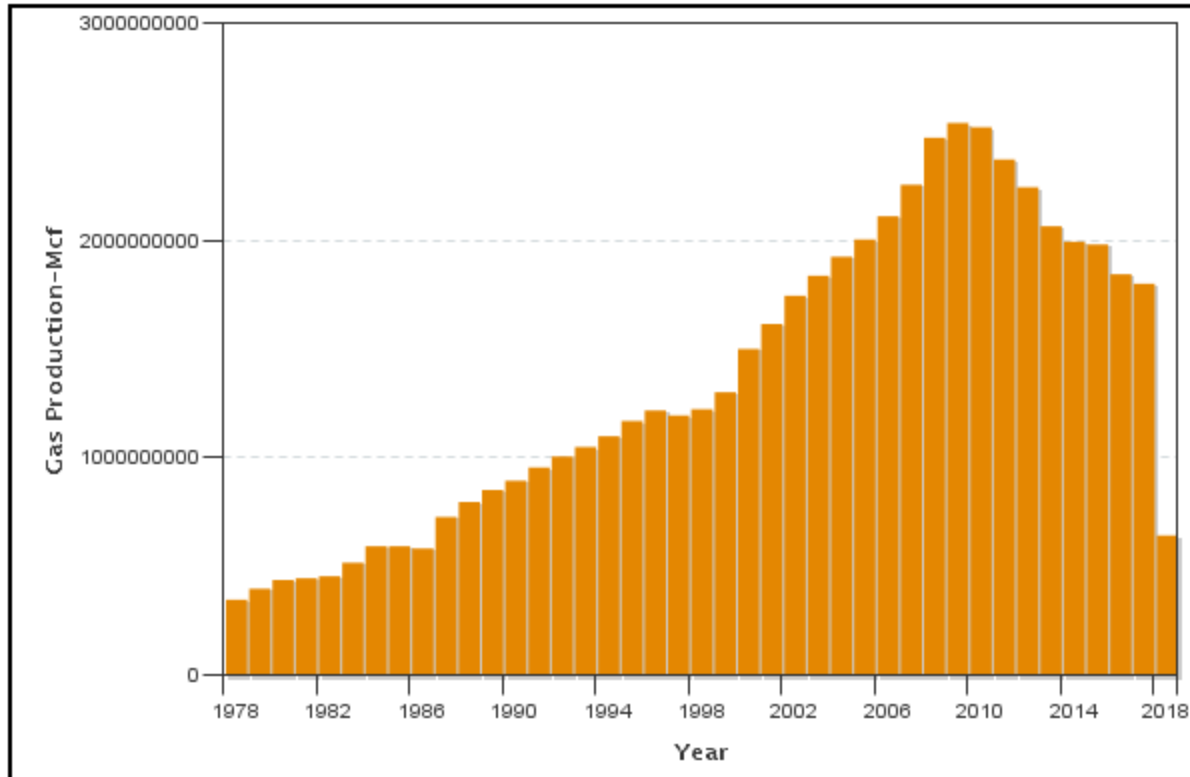
Rankings: Crude Oil Production, April 2017 (thousand barrels)

Rank	State	Crude Oil Production (thousand barrels)
1	Texas	129,203
2	North Dakota	35,665
3	New Mexico	19,371
4	Oklahoma	16,800
5	Alaska	15,878
6	California	14,324
7	Colorado	13,422
8	Wyoming	7,173
9	Louisiana	4,051
10	Utah	3,251

Source: Energy Information
Administration



Production













Annual Gas Production
(2018 partial through June)



Production

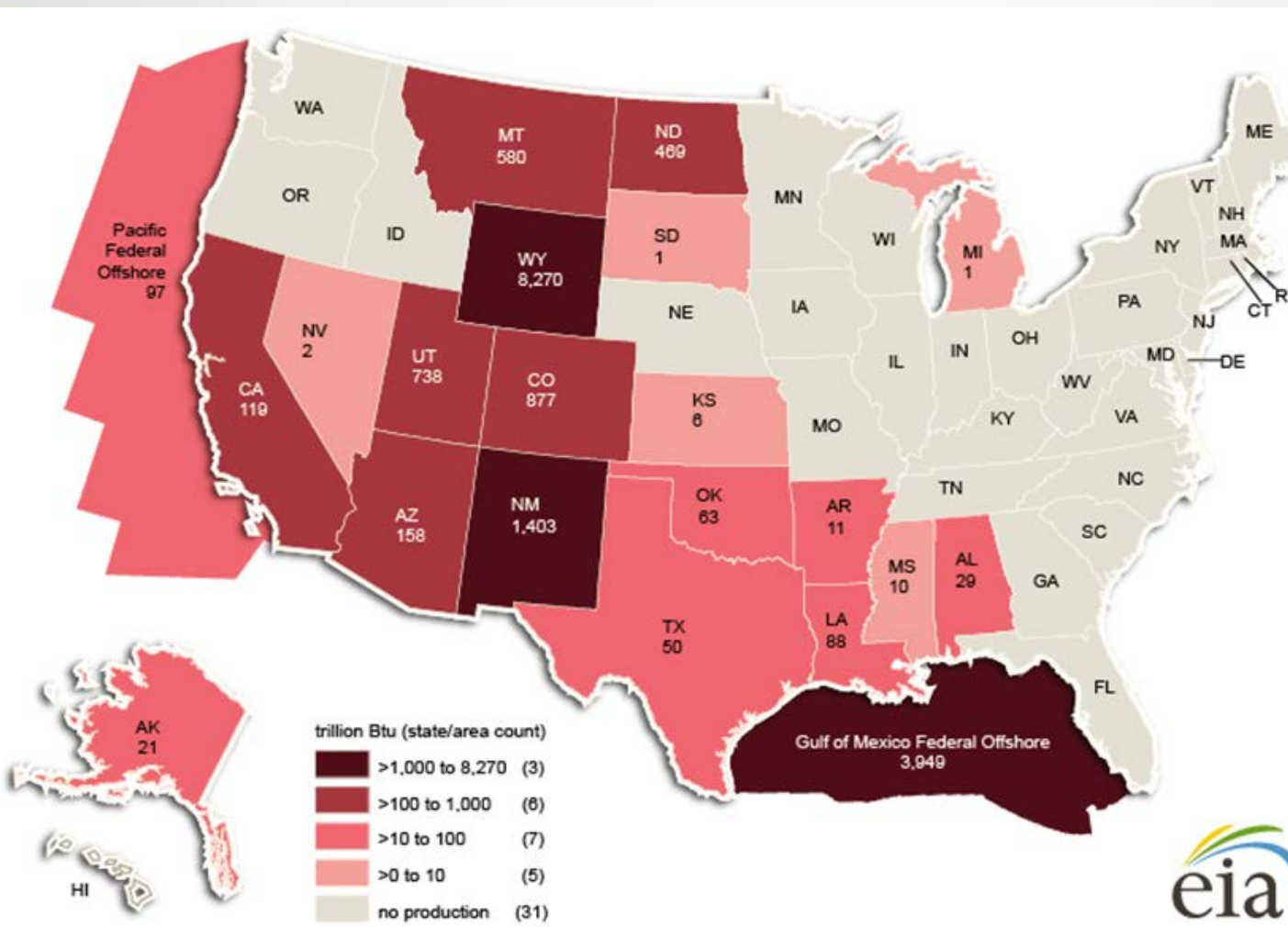
Rankings: Natural Gas Marketed Production, 2016 (million cu ft)

Rank	State	Natural Gas Marketed Production (million cu ft)	
1	Texas	7,203,012	
2	Pennsylvania	5,313,258	
3	Oklahoma	2,468,312	
4	Louisiana	1,743,259	
5	Colorado	1,701,735	
6	Wyoming	1,664,604	
7	Ohio	1,439,905	
8	West Virginia	1,375,108	
9	New Mexico	1,251,013	
10	Arkansas	823,223	

Source: Energy Information
Administration

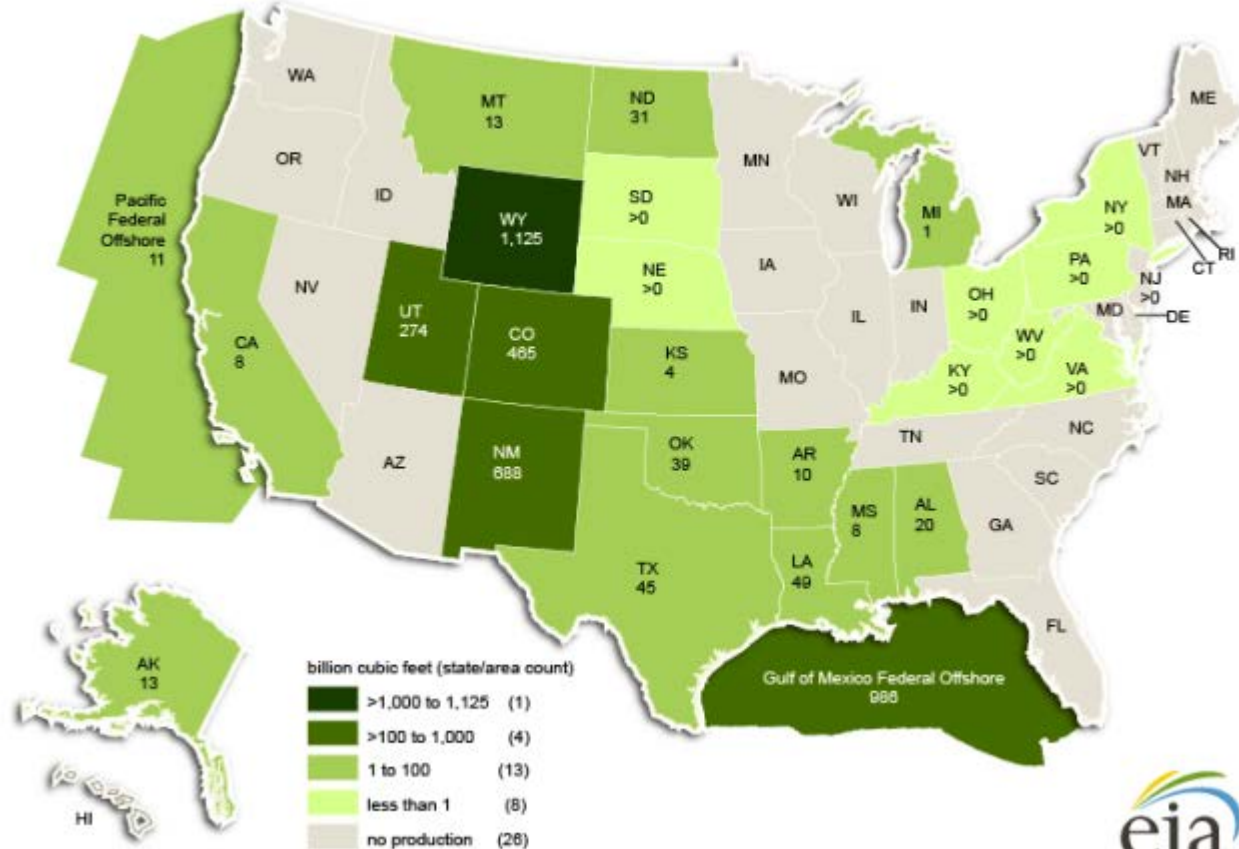


Fossil Fuel Production on Federal/BIA Lands



Natural Gas Production on Federal/BIA Lands

Figure A5. Natural gas production on federal and Indian lands, FY 2014



Drilling Permits (Top 10)

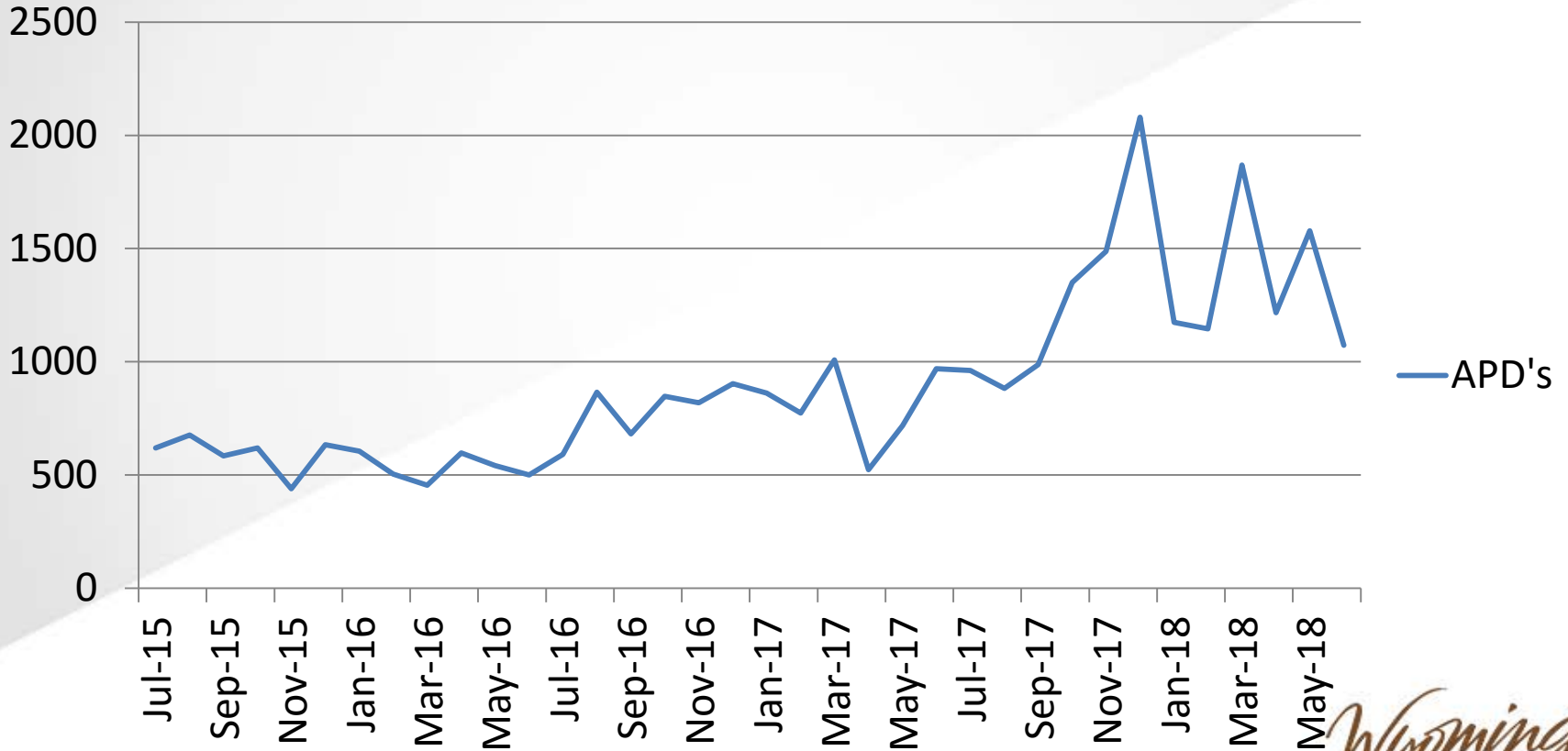
<u>Operator</u>	<u>APD's</u>
EOG	5209
Anadarko	5031
Wold	2490
Anschutz	1421
Devon	1062
Samson Resources	999
Navigation	519
Impact	464
Titan	463
Samson Exploration	425

Top 10 operators by permits have 18,083 total drilling permits

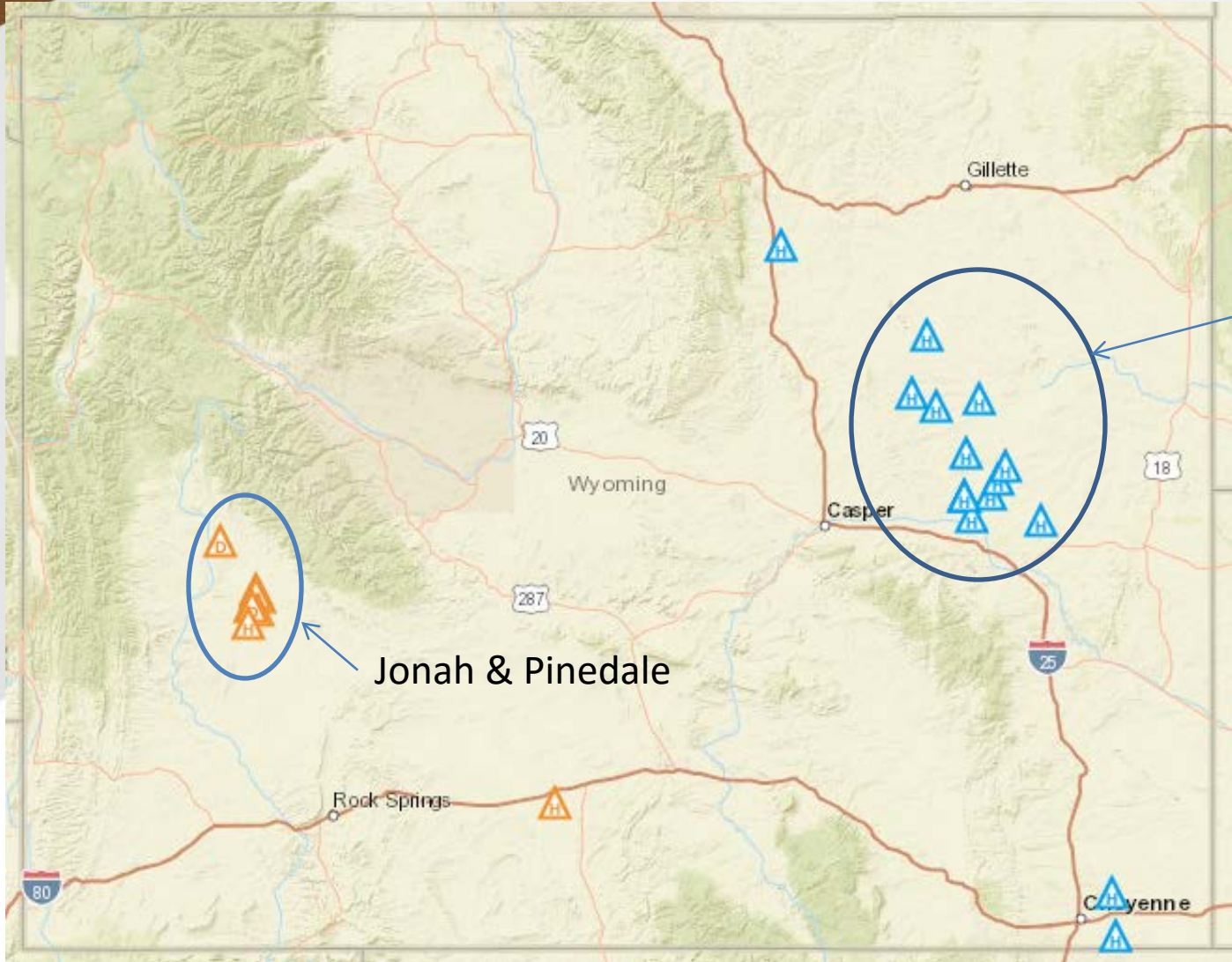


Drilling Permits Received

APD's



Rig Locations

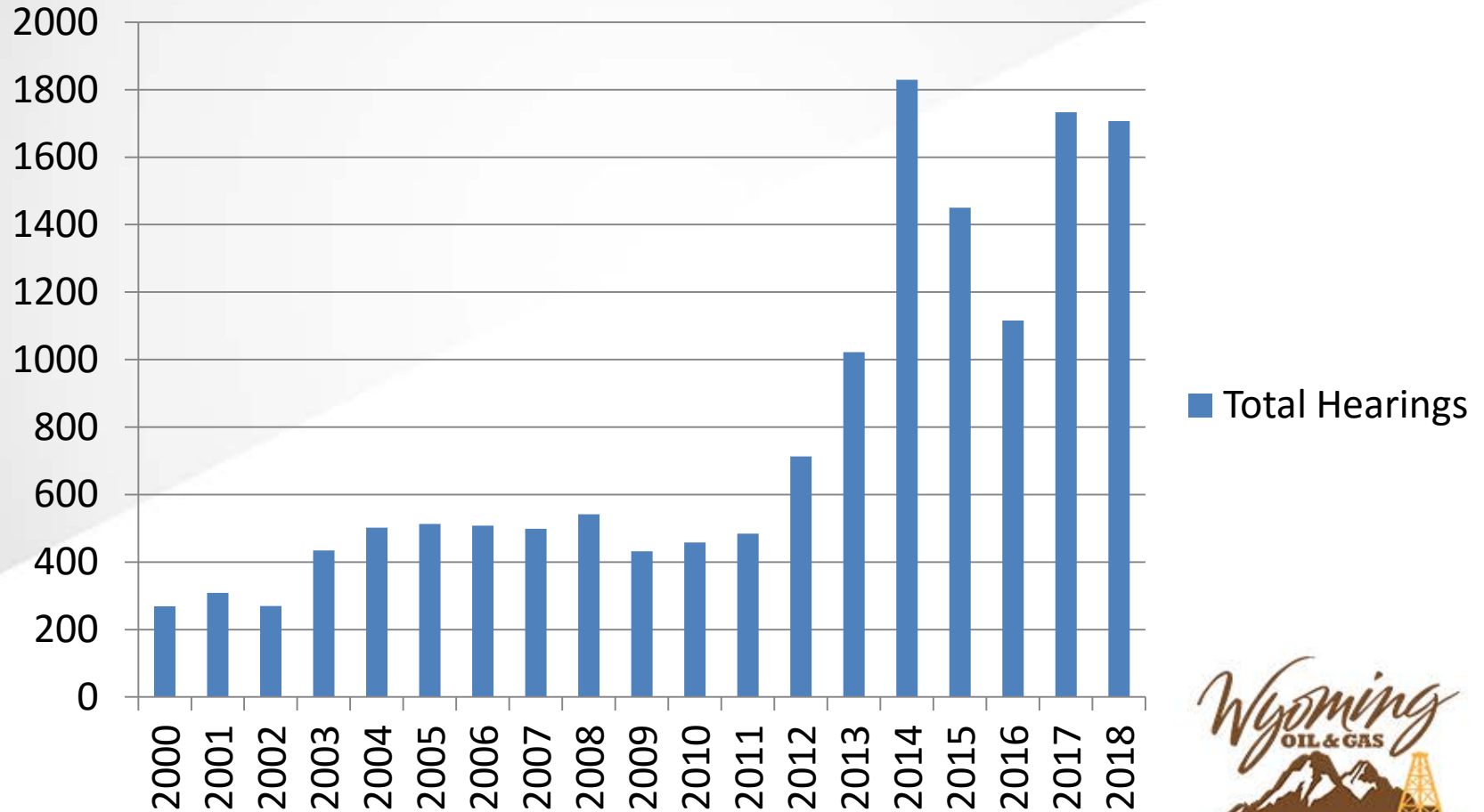


PRB

Jonah & Pinedale

Hearings

Total Hearings



State Rules

- WOGCC
 - Groundwater Baseline (Ch 3, Sec 46) – Mar 2014
 - Setback Rule (Ch 3 Sec 47) – Apr 2015
 - Bonding (Ch 3 Sec 4) – Feb 2016
 - Apd fees (Ch 3 Sec 8) – Feb 2016
 - Flaring/Venting (Ch 3 Sec 39) – Apr 2016
 - Administrative Hearings (Ch. 5) – 2018
 - Public Records (Ch. 6) – 2018



State Rules

- Well Stimulation (Ch 3 Sec 45) - Governor D. Freudenthal
- Wyoming Energy Strategy - Governor M. Mead
 - Rules from 2014 to present
- Future Rules – Governor, Commission or Legislature



WOGCC Policies

- ❑ A policy is a statement of intent, and is implemented as a procedure or protocol. Policies are used to assist in objective decision making and are usually operational in nature.”
- ❑ Thirteen (13) policies introduced over the past 4 years for clarification of rules as well as managing influx of drilling permits and spacing applications.
- ❑ Most policies are written to manage, not solve, the “fight for operatorship” issue.





[Protest Policy for Spacing Related Hearings \(06/12/2018\)](#)

[Application for Permit to Drill Processing Policy \(03/13/2018\)](#)

[Protest Policy for Applications for Permit to Drill \(APD\) \(07/11/2017\)](#)

[Memorandum for Extra copies submitted with Applications for Permits to Drill \(11/06/2016\)](#)

[Docket Order \(10/12/2016\)](#)

[Flaring Memo \(04/25/2016\)](#)

[Accepting APDs \(03/15/2016\)](#)

[Sage Grouse Core Protection Policy \(09/18/2015\)](#)

[Trade Secret Information and Requests \(01/23/2015\)](#)

[AA Letters Memo \(10/16/2014\)](#)

[HF with Diesel Fuel Policy Memo \(06/11/2014\)](#)

[Suspension on Verbal Approval To Drill a Well \(04/28/2014\)](#)

[Water Well Transfers Revised \(01/21/2014\)](#)

[New Form Memo \(04/12/2013\)](#)

[Confidentiality Policy \(07/19/2012\)](#)



Three most Recent Policies

1. Protest policy for drilling permit's (07/11/17)

- Matter set for hearing at the request of the protestant.
- If continuance is requested, application is moved to “B” docket for up to six months.
- No application concerning a protested APD has ever come before the full Commission since 2013.



2. Processing of Drilling Permits (03/13/18)

- Policy written when there were 10,000 apd's submitted but not processed.
- Completeness check performed prior to receiving API number.
- Wells placed on the rig schedule spreadsheet will be processed first.
- APD's will expire (approved or unapproved) after two year period following the issuance of the API number.



3. Protest policy for spacing related hearings (06/12/18)

- Some protested spacing related hearings continued monthly monthly for two years without resolution.
- Protested spacing related application moved to “B” docket upon 2nd request from either party for continuance.
- If matter is not resolved after one year, the protest will be dismissed and the matter will be set for hearing before an examiner.



Trump's Red Tape Rollback

A year after Trump's energy order, rollbacks inch forward



Hydraulic Fracture Rule

- ❑ Jan '18 – State of California/environmental groups file suit in US District Court of the Northern District of California.
- ❑ BLM violated the Administrative Procedures Act (APA) by failing to give a good reason for The rule “rollback”.
- ❑ March '18 - BLM/States/Industry file motion to move venue to Wyoming.
- ❑ July '18 – California judge rejects request.

Fracking rule's winding path

NOVEMBER 2010

Interior announces plans to consider disclosure rules for fracking

MARCH 2015

After considering two draft versions, Interior finalizes fracking rule for public and tribal lands; industry groups file suit, followed by states and tribes

SEPTEMBER 2015

Wyoming district court issues preliminary injunction freezing rule

JUNE 2016

Wyoming district court strikes down rule; Interior and environmental groups appeal to 10th Circuit

JANUARY 2017

10th Circuit pushes planned oral arguments to March

MARCH 2017

Interior announces plans to roll back rule; court delays oral arguments

JULY 2017

Trump administration formally begins process to rescind fracking rule; 10th Circuit hears oral arguments

SEPTEMBER 2017

10th Circuit dismisses appeal and scraps district court ruling

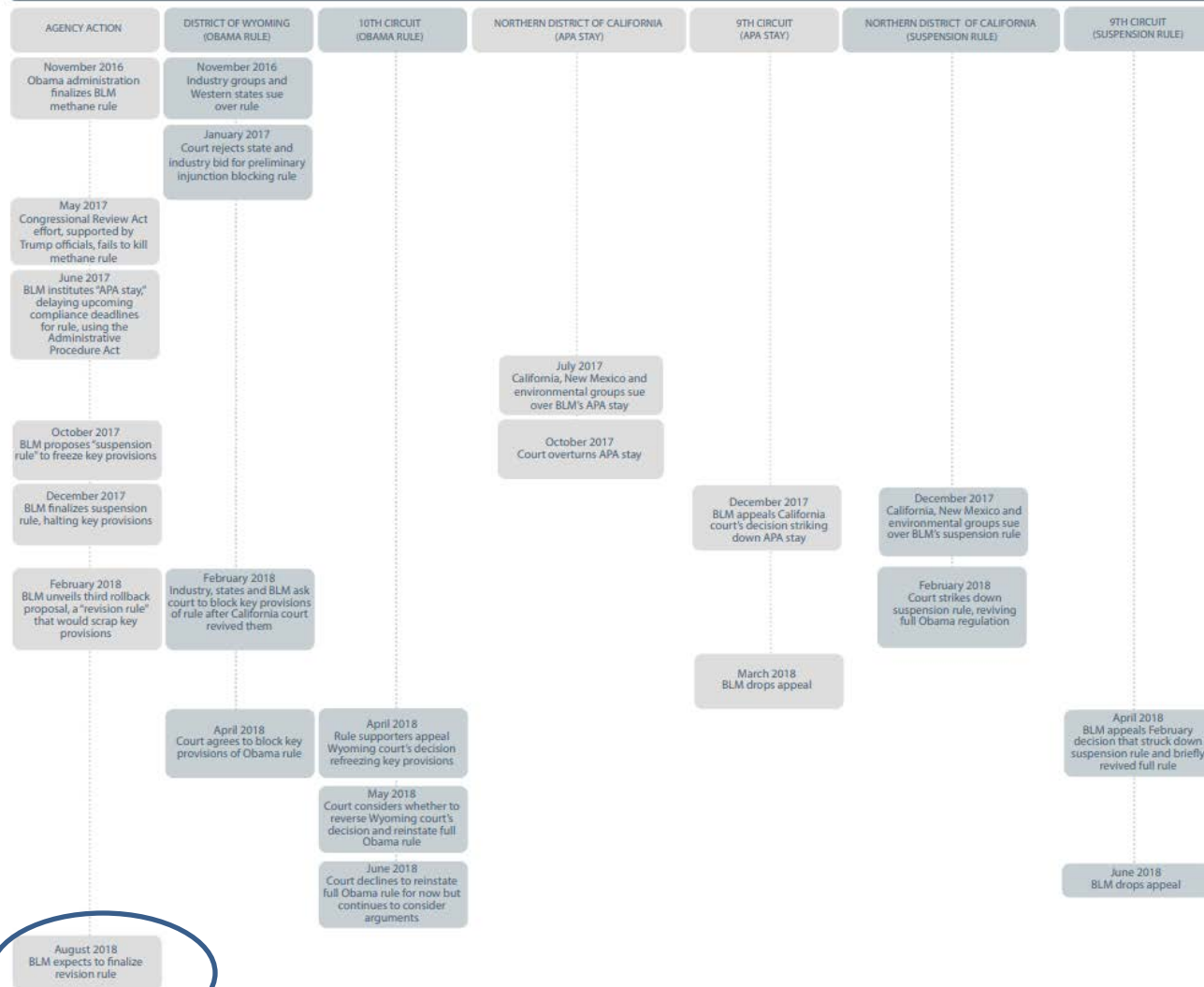
DECEMBER 2017

Trump administration completes rescission of fracking rule



Methane Rule

BLM'S METHANE RULE IN THE COURTS



Methane Rule Continued

- Current status - First phase of the BLM rule is in effect.
i.e.- restrictions on venting and liquid loading
- Second phase has been “stayed” by appeals.
i.e.- requirements for leak detection and repair.
- What’s next - BLM’s final revision of rule ...Fall 2018.



Potential Federal Actions

H.R. 6088 – “Streamlining Permitting Efficiencies in Energy Development Act”



[John Curtis](#)

Sponsor. Representative for Utah's 3rd congressional district. Republican.

History

JUN 13, 2018



Introduced

Bills and resolutions are referred to committees which debate the bill before possibly sending it on to the whole chamber.

[Read Text »](#)

JUN 20, 2018



Considered by House Committee on Natural Resources

A committee held a hearing or business meeting about the bill.

JUN 27, 2018



Ordered Reported

A committee has voted to issue a report to the full chamber recommending that the bill be considered further. Only about 1 in 4 bills are reported out of committee.



H.R. 6106 – “Common Sense Permitting Act”



Stevan “Steve” Pearce

Sponsor. Representative for New Mexico's 2nd congressional district. Republican.

History

JUN 14, 2018



Introduced

Bills and resolutions are referred to committees which debate the bill before possibly sending it on to the whole chamber.

[Read Text »](#)

JUN 20, 2018



Ordered Reported

A committee has voted to issue a report to the full chamber recommending that the bill be considered further. Only about 1 in 4 bills are reported out of committee.



H.R. 6107 – “Ending Duplicative Permitting Act”



Stevan “Steve” Pearce

Sponsor. Representative for New Mexico's 2nd congressional district. Republican.

History

JUN 14, 2018



Introduced

Bills and resolutions are referred to committees which debate the bill before possibly sending it on to the whole chamber.

[Read Text »](#)

JUN 20, 2018



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Electronic Database Development

- **RBDMS** (Risk Based Data Management System)



RBDMS Core



RBDMS WellBore



RBDMS eForms



RBDMS Seismic



RBDMS Data Explorer



RBDMS WellFinder



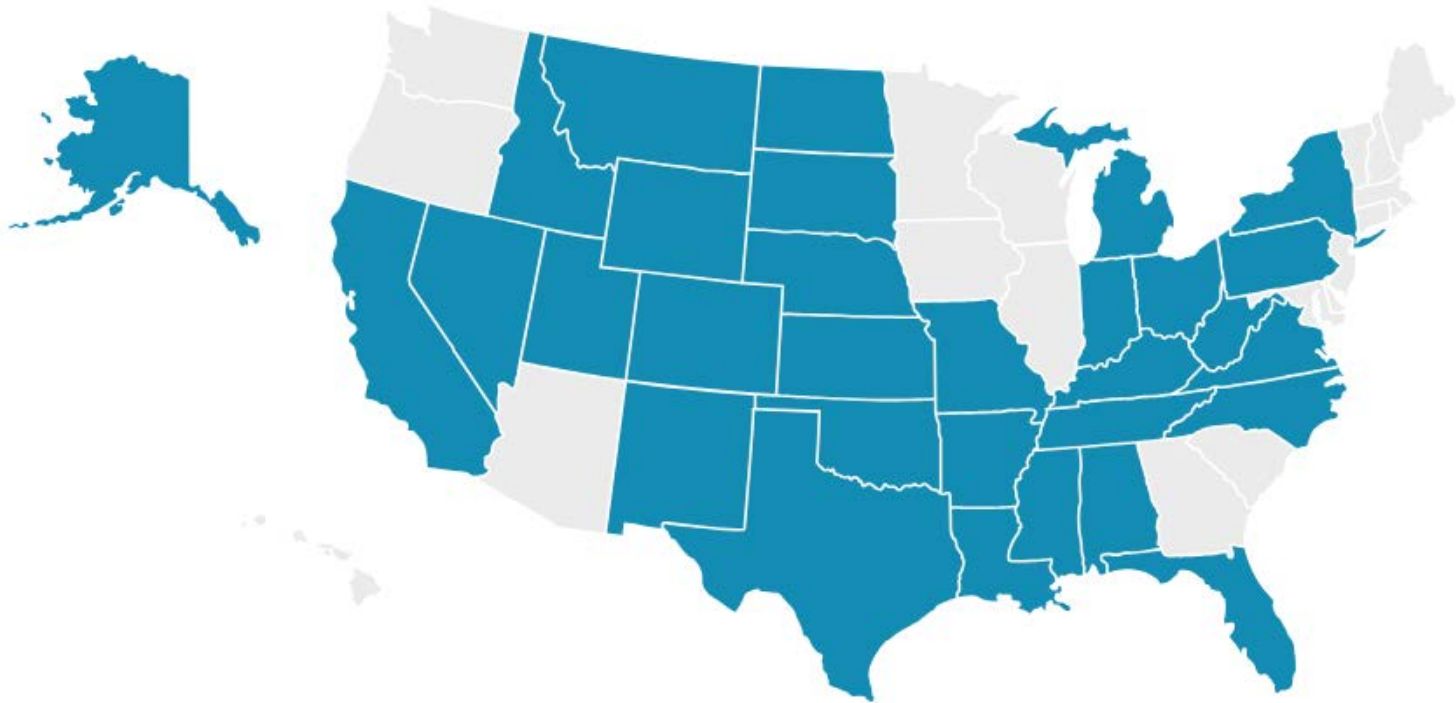
RBDMS Environmental



RBDMS Field Inspection



RBDMS Partner States



RBDMS Development Progress

- WY eForm went live July 5, 2018
 - Electronic submittal of APD, Spud, BOP, and BWQ plans and results
 - As of August 15, 2018
 - 2,840 total filings either in draft status or submitted to WOGCC
 - 2,225 APDs
 - 447 in draft status
 - 1778 submitted, accepted, or approved status



RBDMS Development Progress

- Phase 2 underway
 - WOGCC staff testing Field Inspection Application
 - Field Inspection will be internal application to log/track inspections
 - Document inspections, upload photographs, follow up on corrective actions
 - eForm for Rig Schedule – Development ongoing
 - Will replace the Google Sheets Rig Schedule currently used by operators and staff
 - Integrate with WY eForm dashboard for efficient sorting/filtering of permits that WOGCC staff need to review
 - Reduce multiple data entry or tracking mechanisms by integrating into WY eForm
 - Underground Injection Control (UIC)
 - Replace multiple legacy WOGCC spreadsheets or data to manage, track and report UIC data
 - Internal application for WOGCC UIC staff



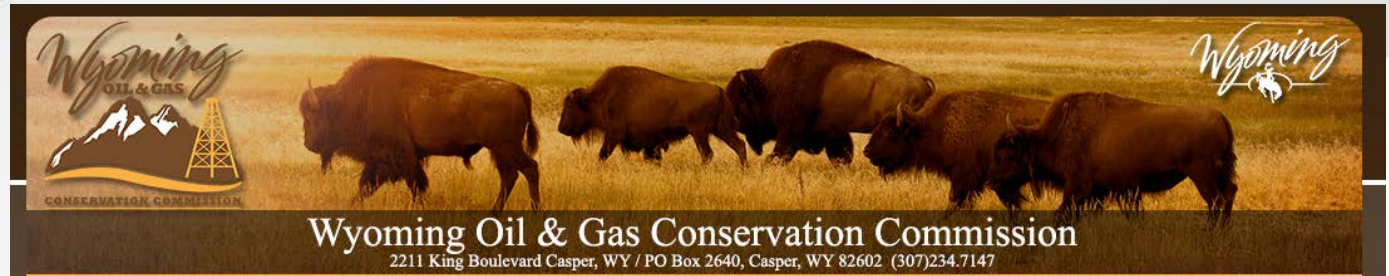
Orphan Plugging

ALPHA COAL ORPHAN PROJECT
PLUGGIN ALONG
CEMENT & COIL TUBING UNIT
BULK CEMENT TRUCK
WATER TRUCK



Two Ongoing Projects in 2018

- Sweetwater County 12 deep wells (2 remaining)
- Kuhn Ranch 200 CBM wells (approx half remaining)



Panels Agenda – 1-3 pm

Panel 1 – The Case for Public Relations

Panel 2 – Well Spacing Issues, Examiner Hearings & Operations

Panel 3 – Hearings and related issues



Table Top Discussions – 3:15 – 4:30 pm

- Your chance to have one on one discussions with the WOGCC staff



Thank You

