

# Wyoming Oil and Gas Conservation Commission

## PAW Annual Meeting



Casper, WY

August 2016



# Outline

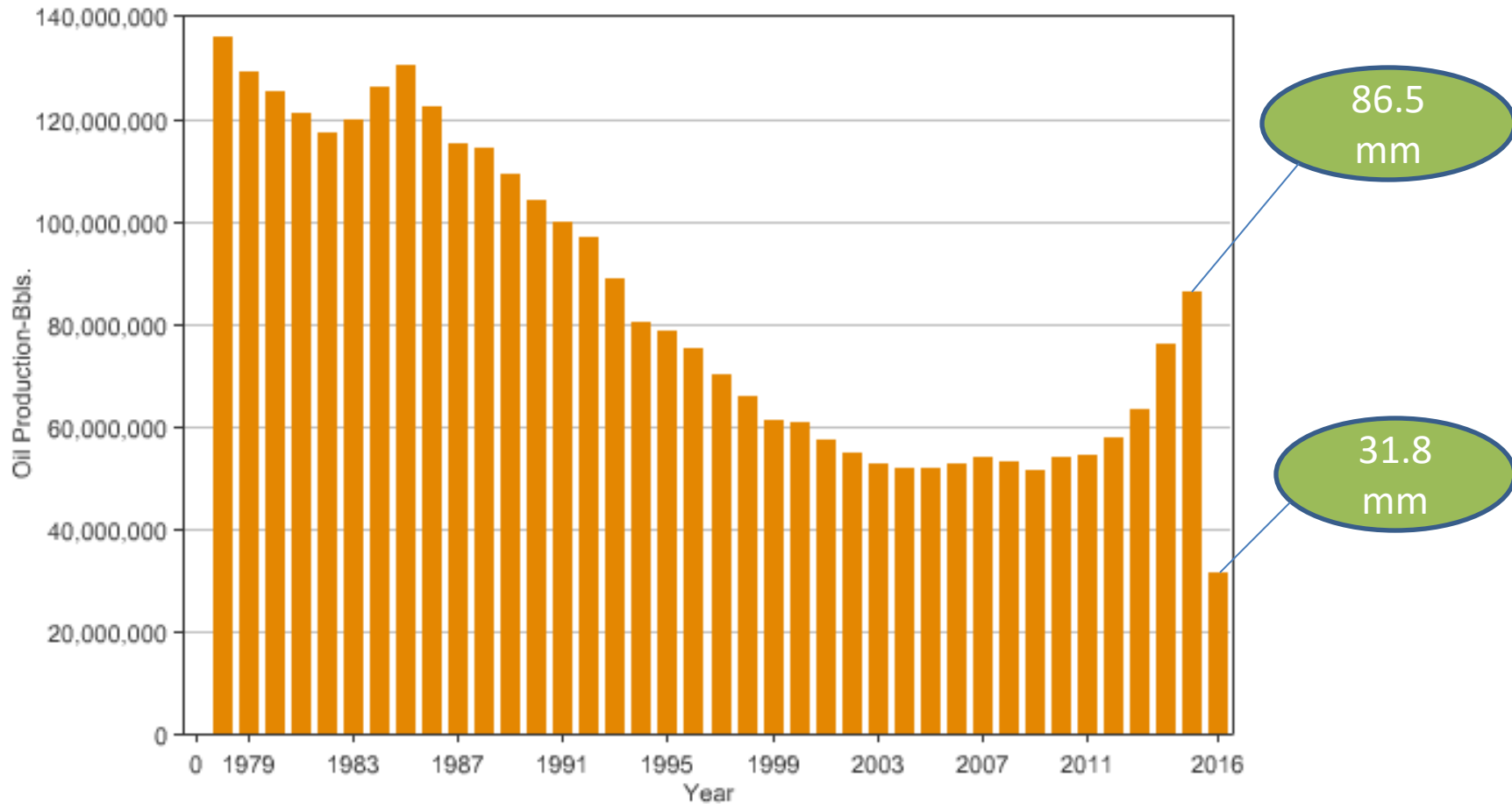
- **Statistics**
  - Oil & Gas Production
  - Drilling Permits/Rig count
  - Hearings
  
- **New Rules Review**
  
- **Current & Future Issues**



# Wyoming Oil and Gas Conservation Commission

Mark Watson  
State Oil & Gas Supervisor

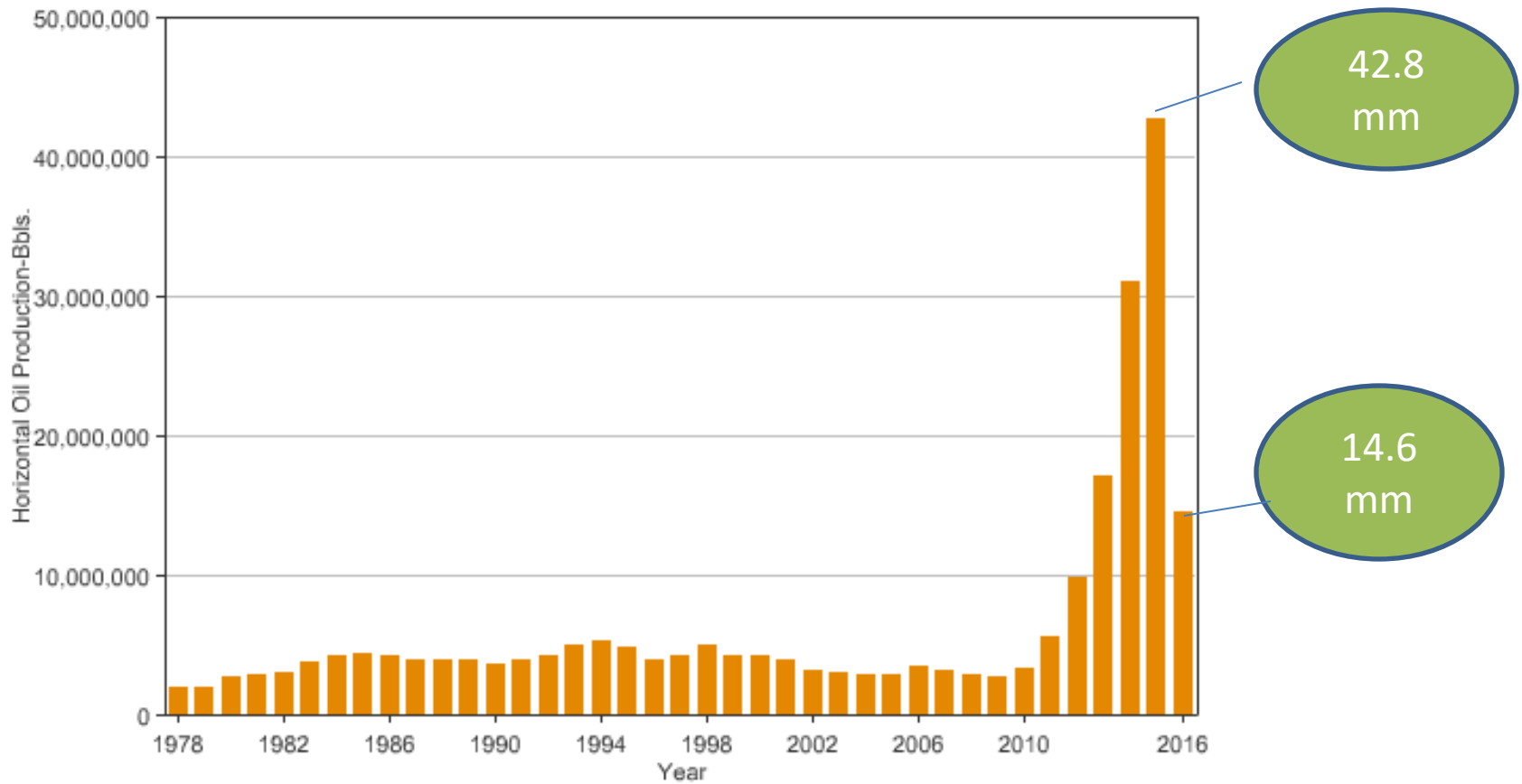
## Yearly Oil Production



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## Yearly Horizontal Oil Production

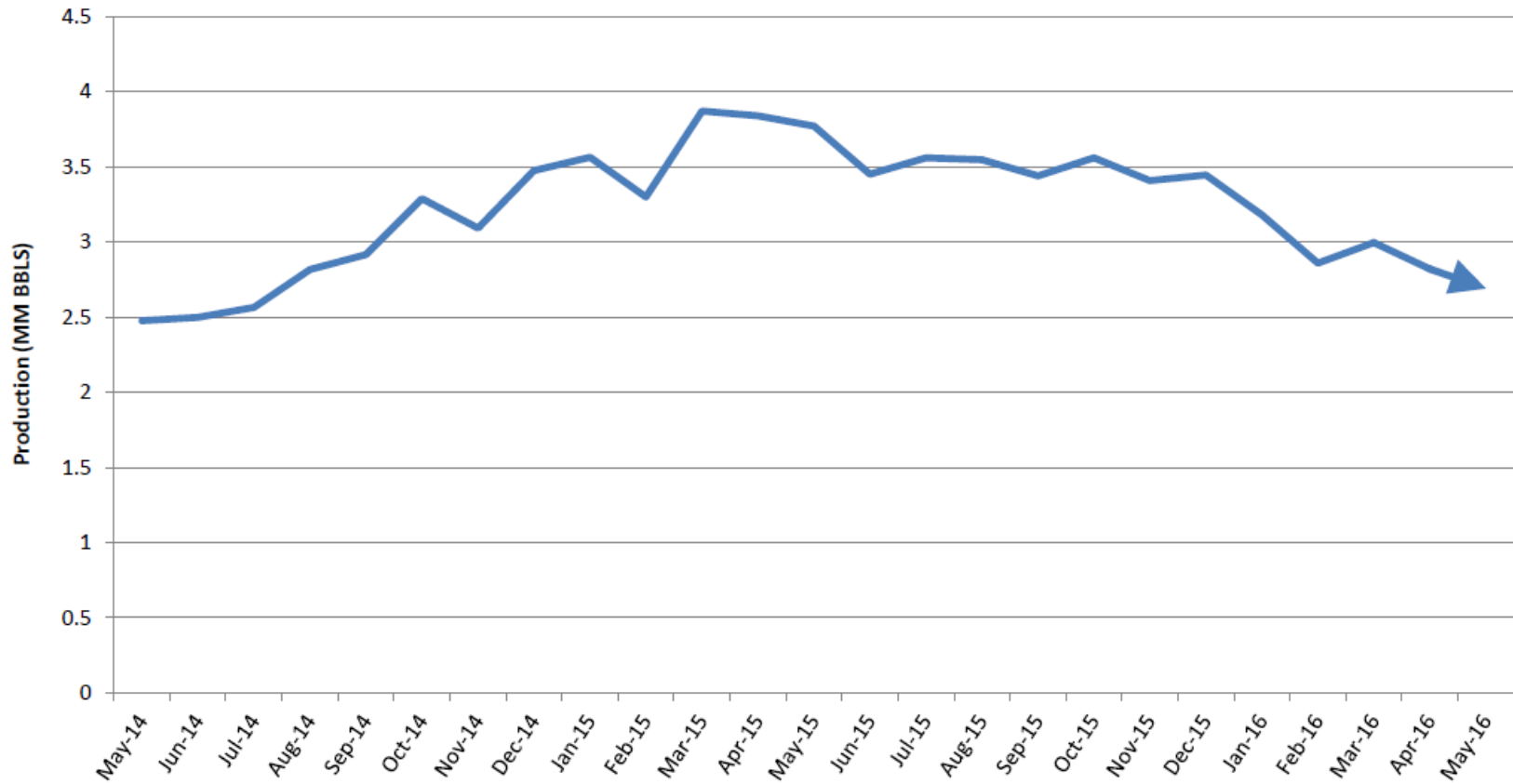




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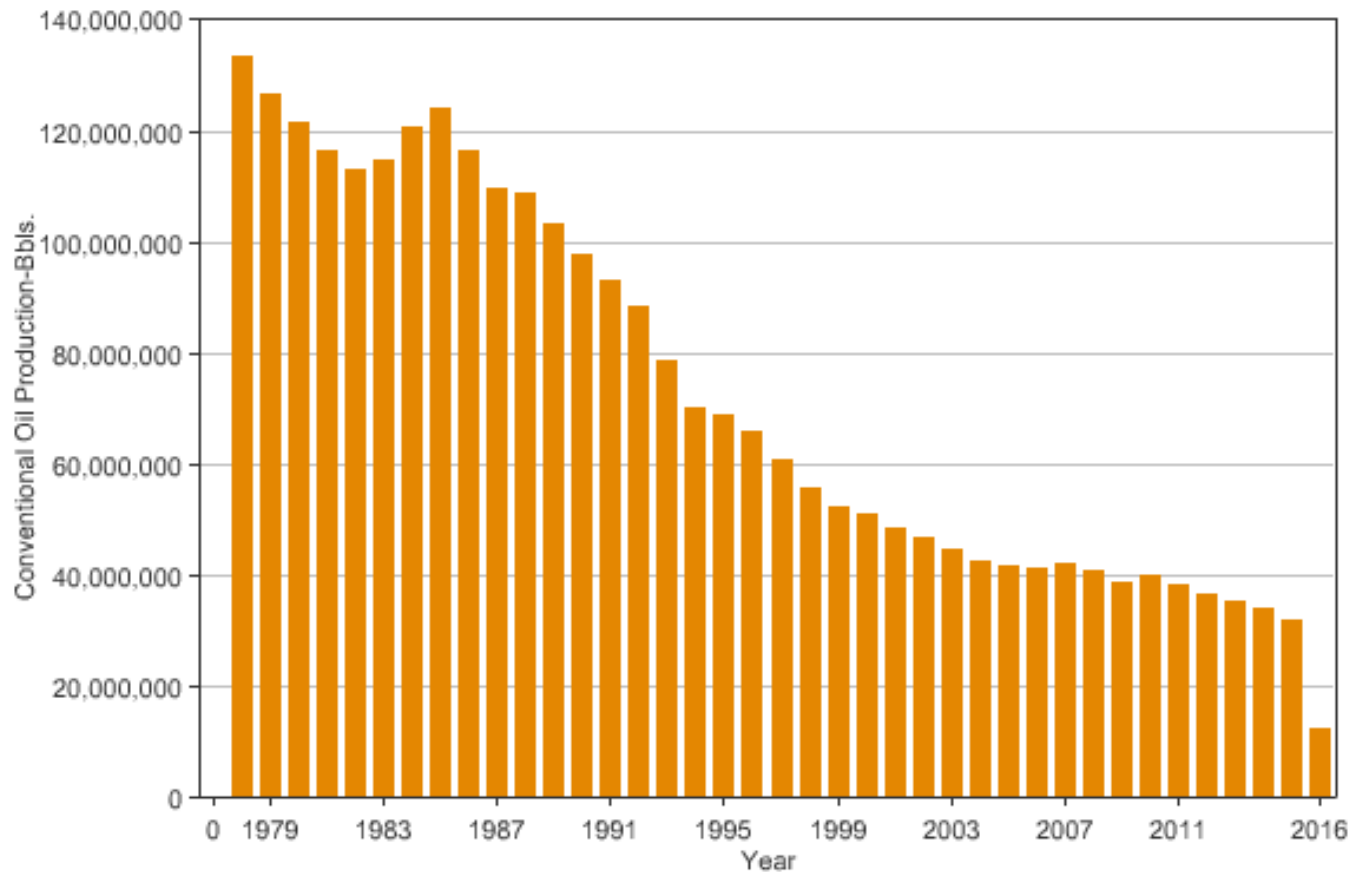
## Horizontal Production May 2014 - May 2016



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## Yearly Conventional Oil Production















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## Rankings: Crude Oil Production, April 2016 (thousand barrels)

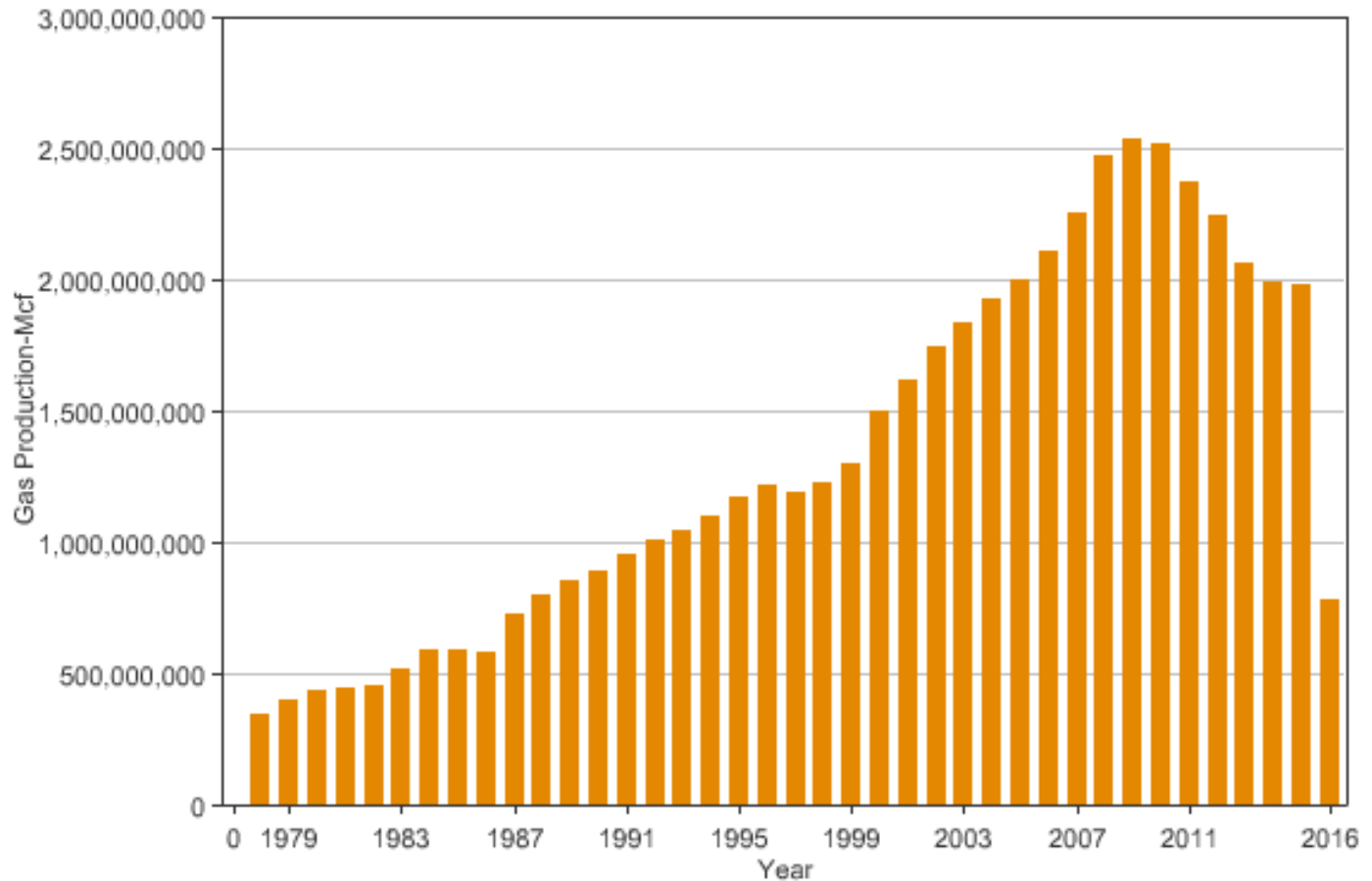
 [Download Table Data as CSV](#)

Rank 	State 	Crude Oil Production (thousand barrels)	
1	Texas	96,908	
2	North Dakota	31,212	
3	California	15,676	
4	Alaska	14,667	
5	Oklahoma	12,810	
6	New Mexico	12,337	
7	Colorado	9,496	
8	Wyoming	6,179	
9	Louisiana	4,903	
10	Kansas	3,104	

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## Yearly Gas Production

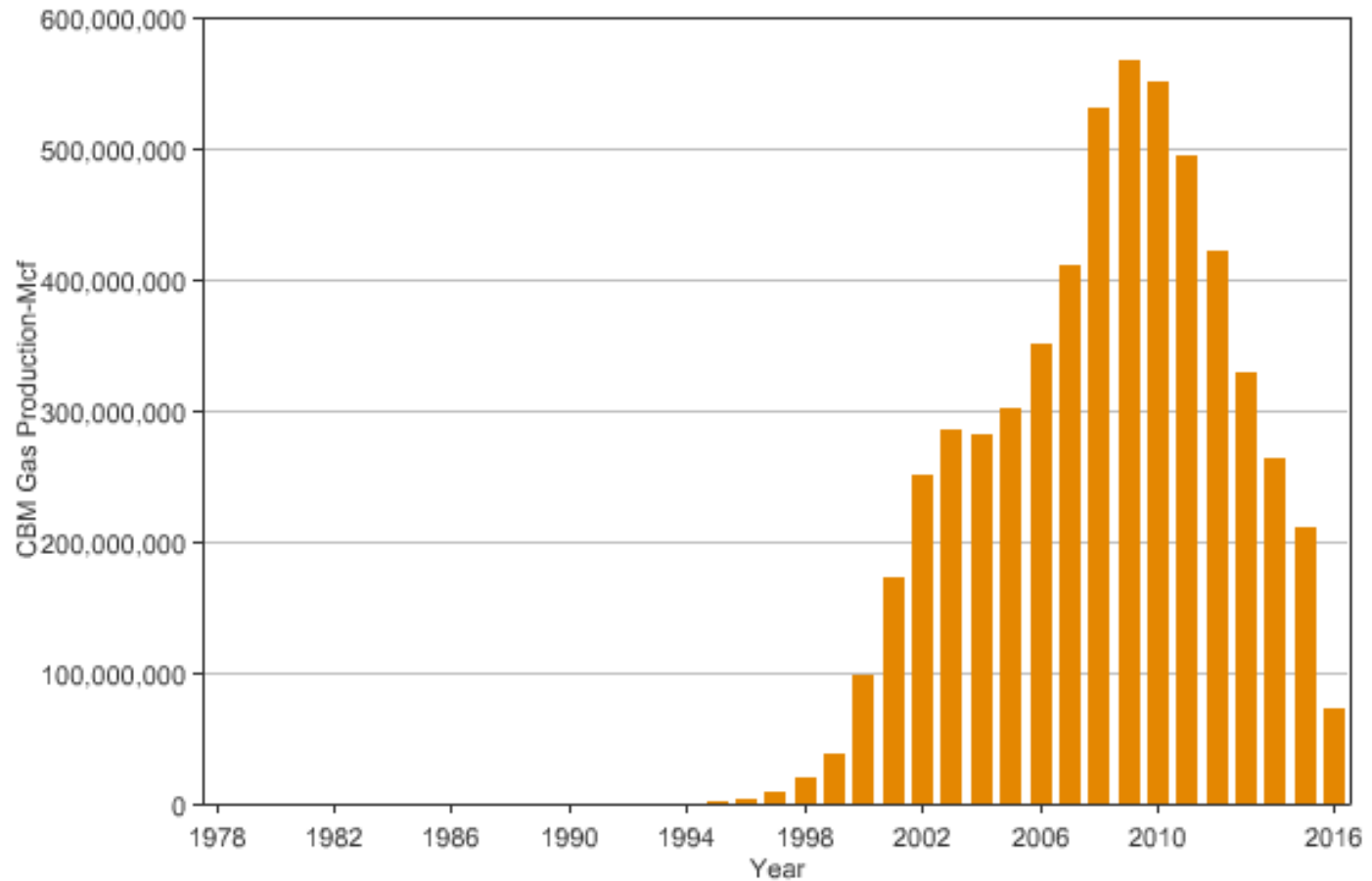




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## CBM Gas Production















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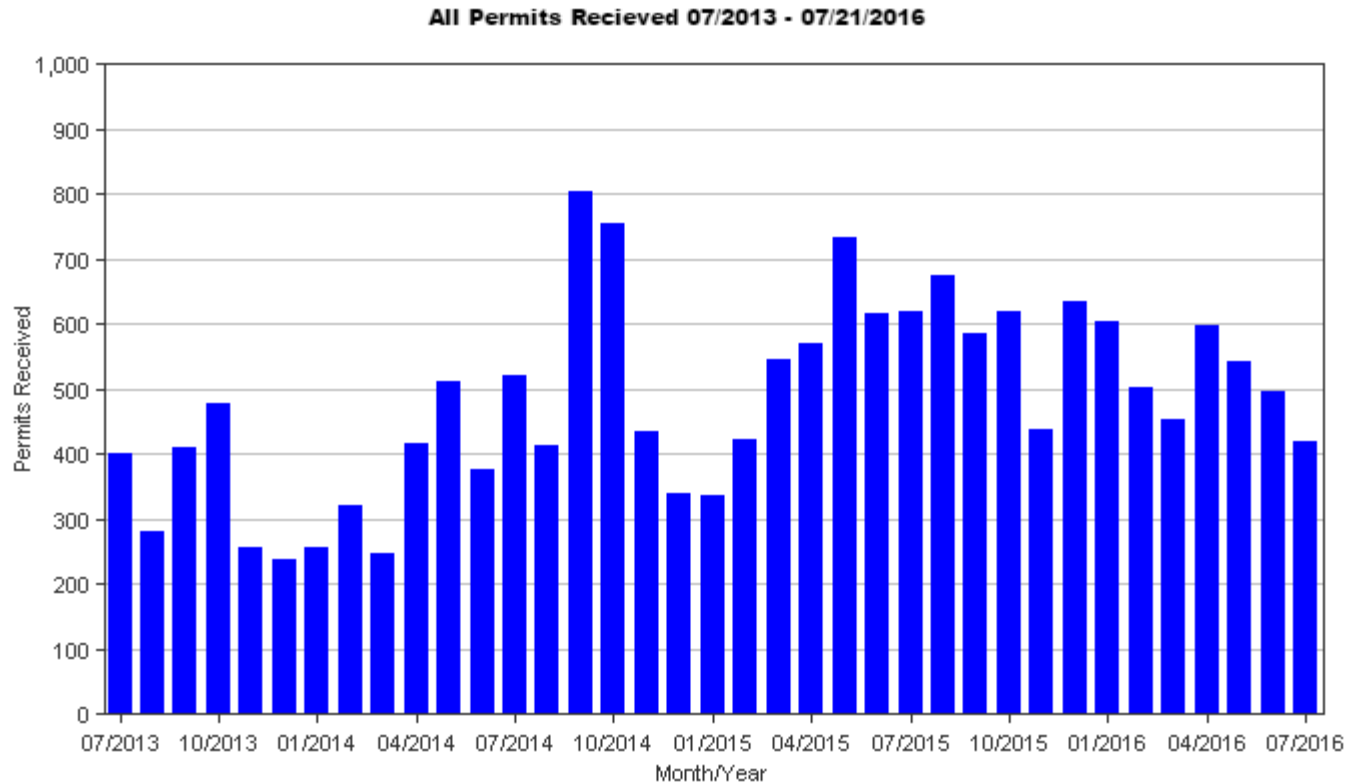
## Rankings: Natural Gas Marketed Production, 2014 (million cu ft)

 [Download Table Data as CSV](#)

Rank 	State 	Natural Gas Marketed Production (million cu ft)	
1	Texas	7,953,343	
2	Pennsylvania	4,214,643	
3	Oklahoma	2,310,114	
4	Louisiana	1,980,287	
5	Wyoming	1,791,235	
6	Colorado	1,631,390	
7	New Mexico	1,180,808	
8	Arkansas	1,123,678	
9	West Virginia	1,040,250	
10	Ohio	518,767	

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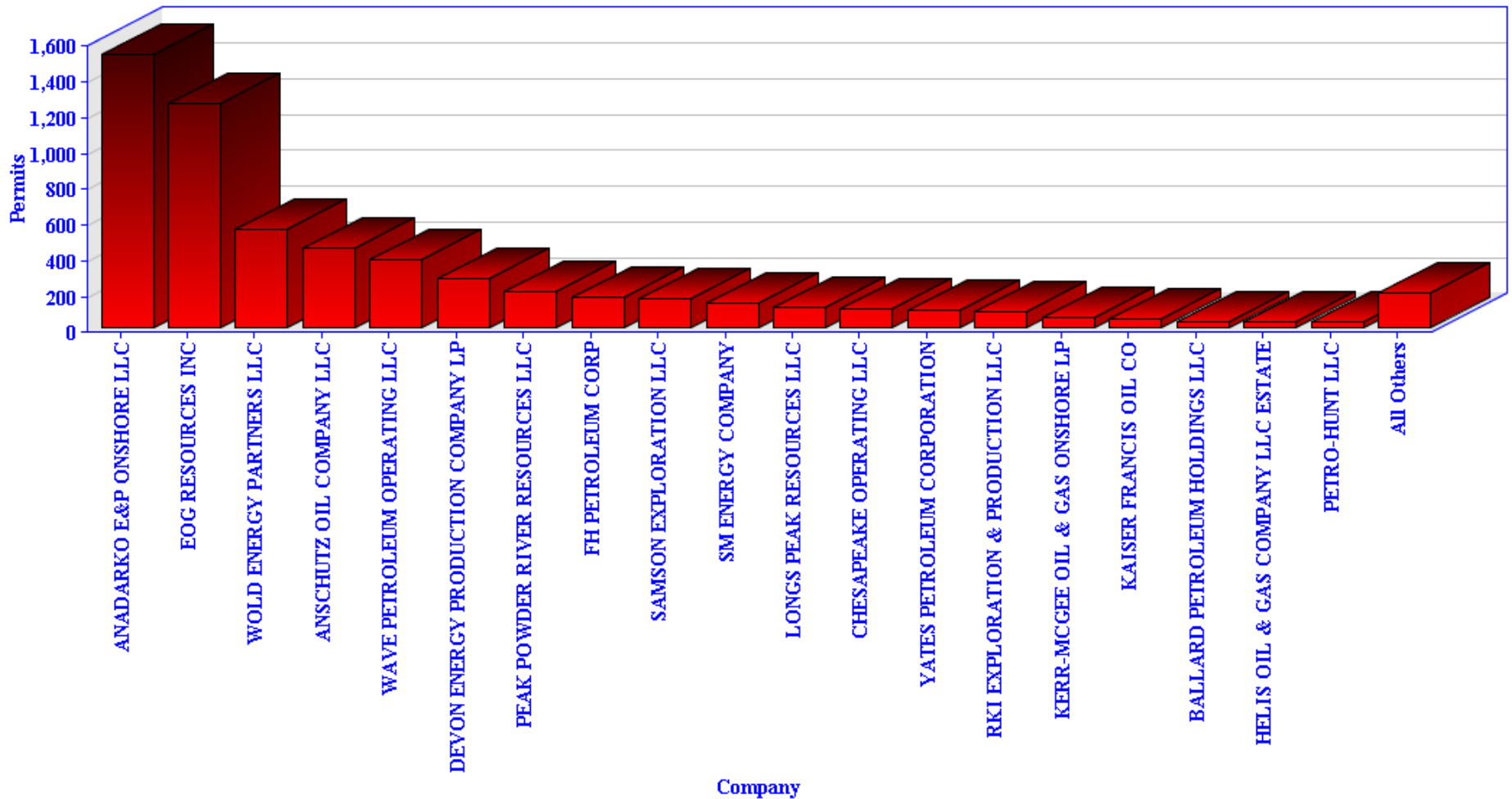
➤ 2015 (Jan-June) - 533

➤ 2016 (Jan-June) - 539

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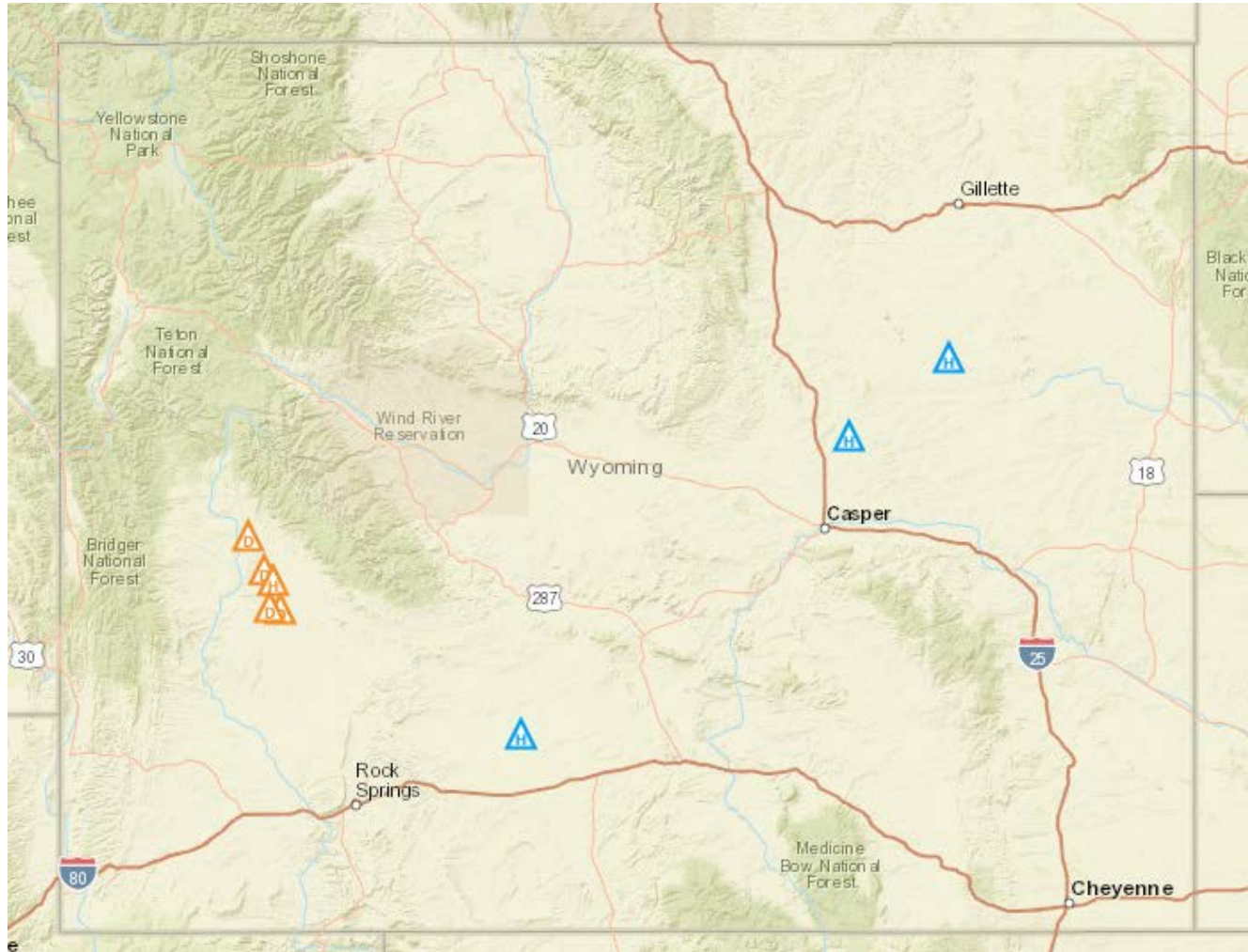
## Horizontal APD's by Company (7/15- 7/16)



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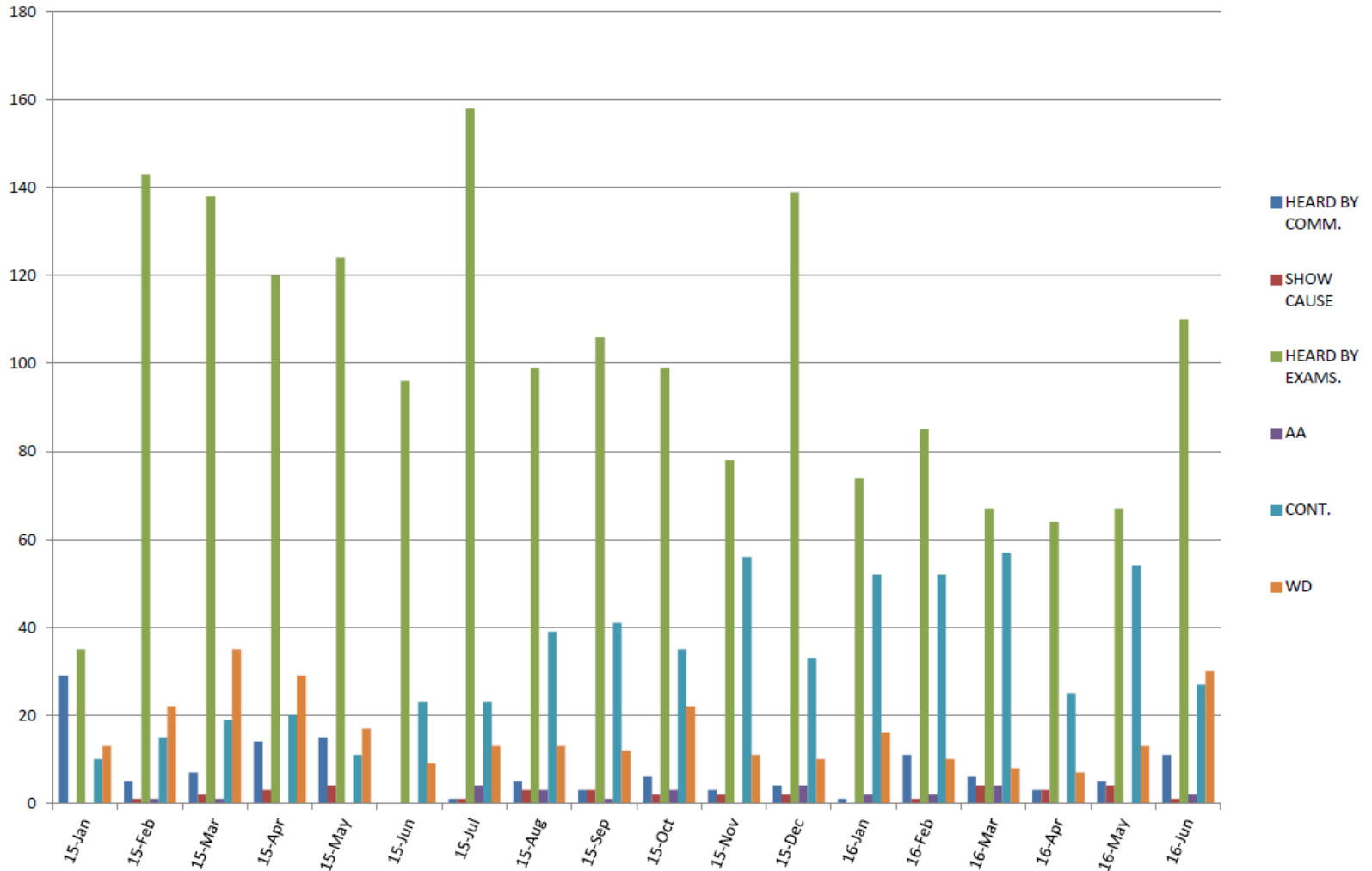
## Rig Count , summer 2016 = 8



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## 2015/2016 Docket Matters

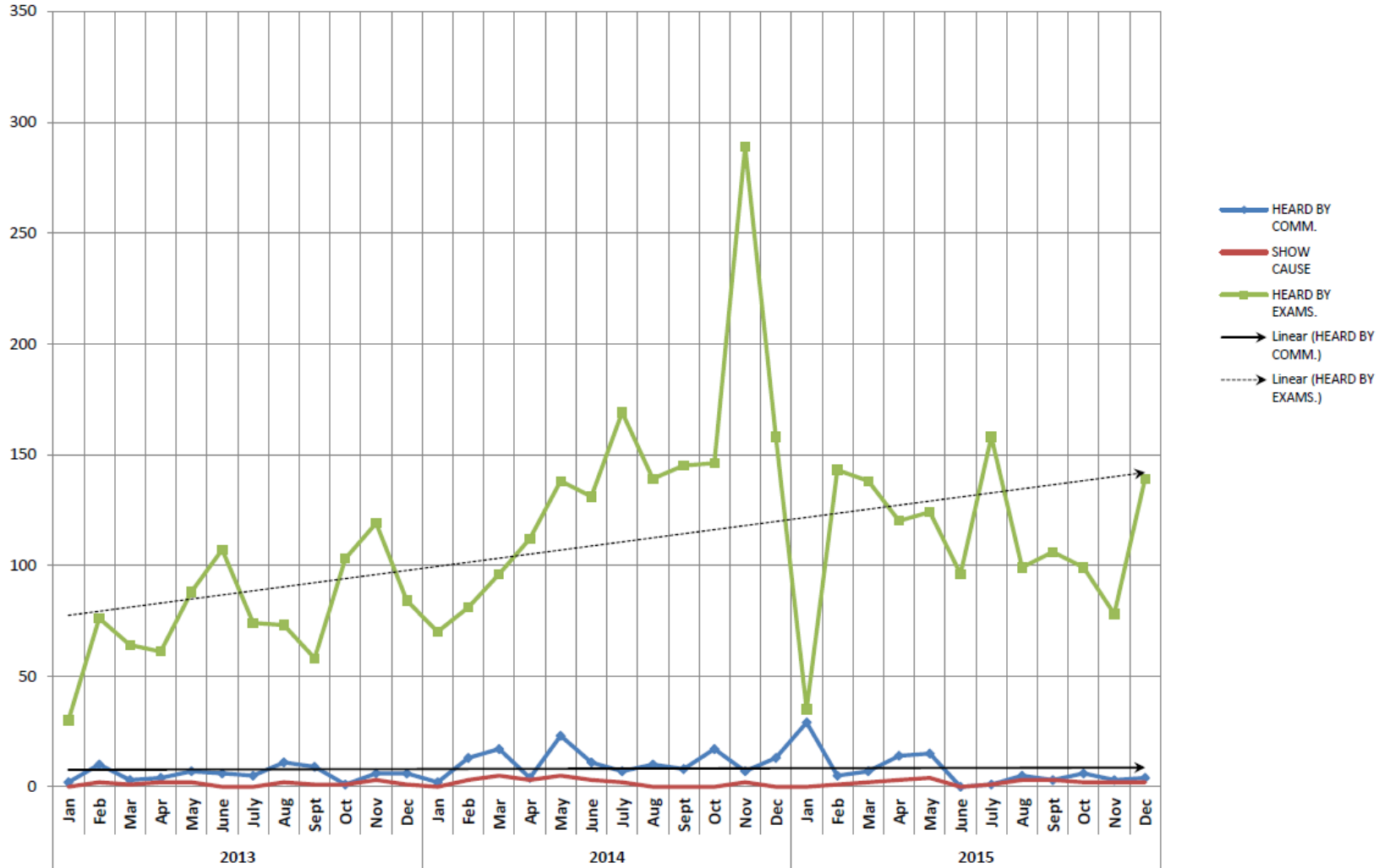




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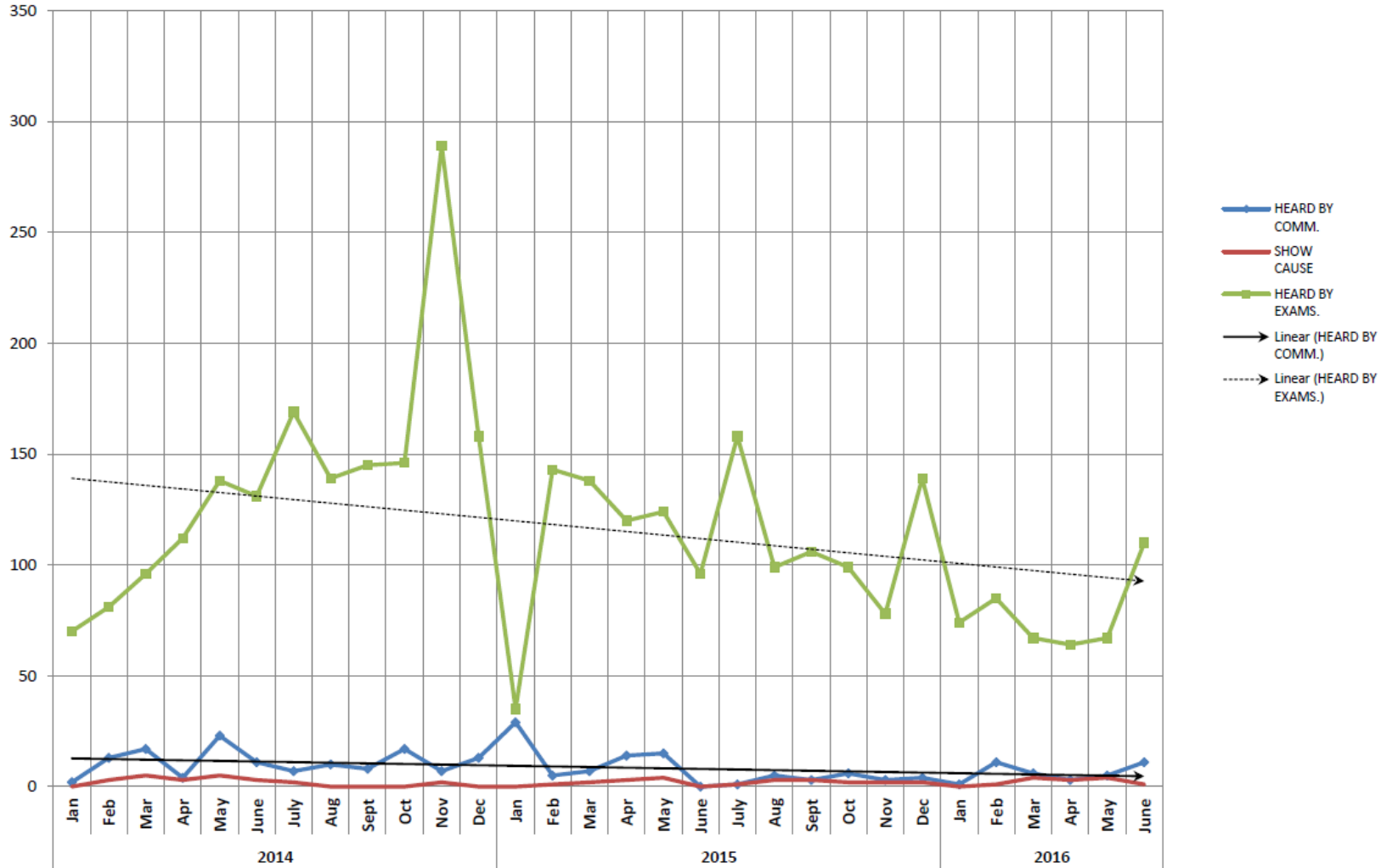
## WOGCC Hearings, 2013 - 2015



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## WOGCC Hearings, 2014 - 2016





# New WOGCC Rules

- **Chapter 3, Section 46** – Groundwater Baseline Sampling, Analysis & Monitoring (March 2014)
- **Chapter 3, Section 47** – Setback Rule (April 2015)
- **Chapter 3, Section 4** – Bonding (February 2016)
- **Chapter 3, Section 8** – APD fees and approval period (February 2016)
- **Chapter 3, Section 39** – Authorization for flaring and venting of gas (April 2016)



# Water Testing



- Samples from four (4) water sources within  $\frac{1}{2}$  mile.
- Sample and test within twelve (12) months of spuding well.
- Post drilling sample and test schedule:
  1. Twelve (12) to twenty four (24) months.
  2. Thirty six (36) to forty eight (48) months.

# Surface Setbacks



- Wellhead located no closer than five hundred (500) feet to occupied structure.
- Wellhead located 500' to 1,000 ft to occupied structure(s) requires:
  1. Notification to offset owner(s) of occupied structure(s).
  2. Mitigation Plan i.e. light control, noise minimization, etc.





# Bonding

- Increase blanket bond to \$100,000.
- Individual bond set at \$10/ft per well.
- Split estate bonds set at \$10,000 per well site.
- Transfer of well(s) requires:
  1. Thirty (30) days notice to WOGCC prior to transfer date.
  2. Supervisor has discretion to hold prior operator bond for six (6) months.







# APD Fee's



- \$500 (includes administrative approval fee for horizontal wells).
- Application for permit to drill (apd) valid for two (2) years.
- Average APD's received per month

2014	450
2015	567
2016	540

# Flaring & Venting



- Requires accurate measurement of all gas vented or flared.
- Gas analysis to be submitted every five (5) years.
- Allows up to sixty (60) mcf/day for flaring and twenty (20) mcf/day for venting.
- Flaring allowed for 180 days at a maximum rate of 250 mcf/day (monthly average) not to exceed 45 mmcf with prior approval and gas capture plan.



# Federal Rules

## BLM



- Fracking rule struck down in Federal Court. Next - Appeal in 10<sup>th</sup> Circuit Court
- Proposed Rulemaking for Waste Prevention Production Subject to Royalties & Resource Conservation.

# Federal Rules



## EPA

- Rules for new & modified sources, May '16
- Information request to study current sources



## PHMSA

- Rules for Natural Gas Storage ?
- Rules for pipelines within fields ?

# Staffing

- WOGCC fully staffed vs 2 years ago
- Total staff of 40 (N Dakota approx. 89, Colorado approx. 100)
- Industry Issues - The “*Great Crew Change*”
  - Industry layoffs





## Orphan Well Plugging Program

- 2014 -2015 Plugged 1028 wells
- 2016 Plans – 987 wells ,  
3-4 contractors





The End

Questions or Comments