Introduction

- **Data**
  - Production
  - Permits
  - Hearings

- **Rules & Policies**
  - State
  - Federal

- **Commission Issues**
Annual Oil Production
(2018 partial through June)

Production

- 72.5 mm
- 76.7 mm
- 46 mm
Production

Annual Horizontal Oil Production
(2018 partial through June)

- 36.6 mm
- 32.2 mm
- 25 mm
Annual Conventional Well Oil Production
(2018 partial through June)
### Production

#### Rankings: Crude Oil Production, April 2017
(THOUSAND BARRELS)

<table>
<thead>
<tr>
<th>Rank</th>
<th>State</th>
<th>Crude Oil Production (THOUSAND Barrels)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Texas</td>
<td>129,203</td>
</tr>
<tr>
<td>2</td>
<td>North Dakota</td>
<td>35,665</td>
</tr>
<tr>
<td>3</td>
<td>New Mexico</td>
<td>19,371</td>
</tr>
<tr>
<td>4</td>
<td>Oklahoma</td>
<td>16,800</td>
</tr>
<tr>
<td>5</td>
<td>Alaska</td>
<td>15,878</td>
</tr>
<tr>
<td>6</td>
<td>California</td>
<td>14,324</td>
</tr>
<tr>
<td>7</td>
<td>Colorado</td>
<td>13,422</td>
</tr>
<tr>
<td>8</td>
<td>Wyoming</td>
<td>7,173</td>
</tr>
<tr>
<td>9</td>
<td>Louisiana</td>
<td>4,051</td>
</tr>
<tr>
<td>10</td>
<td>Utah</td>
<td>3,251</td>
</tr>
</tbody>
</table>

Source: Energy Information Administration
Annual Gas Production
(2018 partial through June)
## Production

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

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

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

- Billion cubic feet (state/area count):
  - >1,000 to 1,125 (1)
  - >100 to 1,000 (4)
  - 1 to 100 (13)
  - less than 1 (8)
  - no production (26)
# Drilling Permits (Top 10)

<table>
<thead>
<tr>
<th>Operator</th>
<th>APD’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>EOG</td>
<td>5209</td>
</tr>
<tr>
<td>Anadarko</td>
<td>5031</td>
</tr>
<tr>
<td>Wold</td>
<td>2490</td>
</tr>
<tr>
<td>Anschutz</td>
<td>1421</td>
</tr>
<tr>
<td>Devon</td>
<td>1062</td>
</tr>
<tr>
<td>Samson Resources</td>
<td>999</td>
</tr>
<tr>
<td>Navigation</td>
<td>519</td>
</tr>
<tr>
<td>Impact</td>
<td>464</td>
</tr>
<tr>
<td>Titan</td>
<td>463</td>
</tr>
<tr>
<td>Samson Exploration</td>
<td>425</td>
</tr>
</tbody>
</table>

Top 10 operators by permits have 18,083 total drilling permits
Drilling Permits Received

APD's


Wyoming Oil & Gas Conservation Commission
Rig Locations

Jonah & Pinedale

PRB
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
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 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.
Methane Rule

BLM’S METHANE RULE IN THE COURTS

AGENCY ACTION

November 2016
Obama administration finalizes BLM methane rule.

DISTRICT OF WYOMING
(OMAHA RULE)

November 2016
Industry groups and Western states sue over rule.

11TH CIRCUIT
(OMAHA RULE)

January 2017
Court rejects state and industry bid for preliminary injunction blocking rule.

NORTHERN DISTRICT OF CALIFORNIA
(APA STAY)

May 2017
Congressional Review Act effort, supported by Trump officials, fails to kill methane rule.

5TH CIRCUIT
(APA TIMET)

June 2017
BLM institutes “APA stay” delaying compliance deadlines for rule, using the Administrative Procedure Act.

NORTHERN DISTRICT OF CALIFORNIA
(SUSPENSION RULE)

October 2017
BLM proposes “suspension rule” to freeze key provisions.

5TH CIRCUIT
(SUSPENSION RULE)

December 2017
NOMMS seeks third rebuff, proposing a “motion rule” that would scrap key provisions.

February 2018
NOMMS seeks third rebuff, proposing a “motion rule” that would scrap key provisions.

April 2018
Court agrees to block key provisions of Obama rule.

April 2018
Rule supporters appeal Wyoming court’s decision resolving key provisions.

May 2018
Court considers whether to reverse Wyoming court’s decision and reinstate full Obama rule.

June 2018
Court declines to reinstate full Obama rule for now but continues to consider arguments.

July 2017
California, New Mexico and environmental groups sue over BLM APA stay.

October 2017
Court overturns APA stay.

December 2017
BLM appeals California court’s decision striking down APA stay.

December 2017
California, New Mexico and environmental groups sue over BLM’s suspension rule.

February 2018
Court strikes down suspension rule, restoring full Obama regulation.

March 2018
BLM drops appeal.

April 2018
BLM appeals February decision that struck down suspension rule and briefly revived full rule.

June 2018
BLM drops appeal.

August 2018
BLM expects to finalize rule.

Wyoming Oil & Gas Conservation Commission
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.

**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

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

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

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