

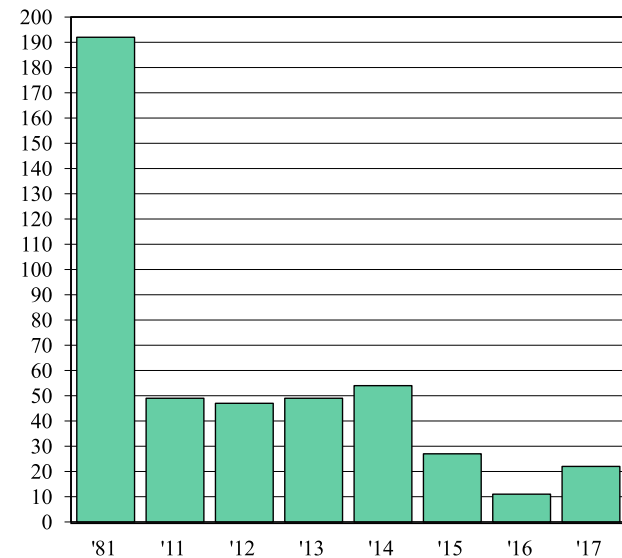
EXPLORATION

The petroleum industry has been exploring for oil and gas in Wyoming for over 134 years. In 1884 the first oil well was drilled southeast of present day Lander. During 2017, 636 wells were drilled and completed. Of that number, 217, or 34% found oil, 355 or 56% found gas, and 64 or 10% were dry holes. 45 new field wildcat wells, those drilled in unproven areas, were drilled in 2017. In 2017, 69% of wildcat wells found oil or gas.

The deepest well drilled in Wyoming to date was a 25,764-foot dry hole. The deepest producing well is a gas well drilled to 24,877 feet.

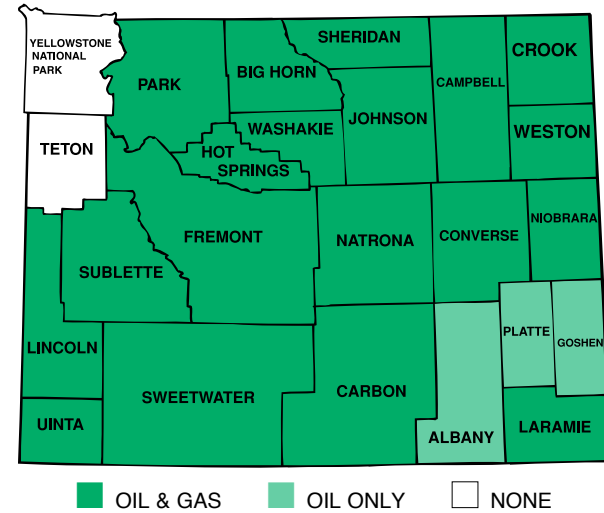
The 2017 monthly average rig count was 22. The 2016 average of 11 is the lowest recorded rig count. In 1981, the all-time record year for rotary rig activity in Wyoming, was an average of 192 units working monthly.

AVERAGE MONTHLY RIGS WORKING



PRODUCTION

Crude oil and/or natural gas were produced in 22 of Wyoming's 23 counties during 2017. Teton County produced neither.



In 2017, sales of crude oil production totaled 76 million barrels, up 4.5% from 2016. Sales of natural gas production in 2017 totaled 1,562 trillion cubic feet down 4.6% from 2016.

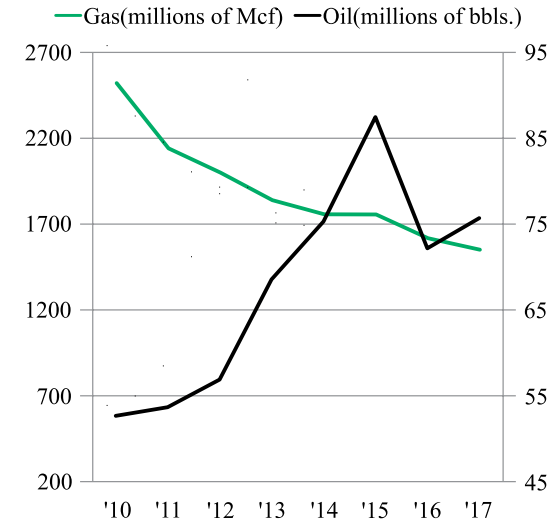
Nationally, Wyoming ranked 6th in production of crude oil in 2017 and 8th in natural gas production during 2017. In 2009 Wyoming recorded its highest level of natural gas production, while 2009 marked the lowest level of crude oil production since 1954. 1970 was the year of highest crude oil production in the state, producing 141,546,503 barrels.

Campbell County was the leading crude oil producer in 2017 followed by Converse and Laramie Counties. Sublette County was the largest natural gas producer, with Sweetwater and Fremont Counties following.

During 2017, 355 companies/operators produced Wyoming's crude oil and 228 produced natural gas. There were 25,116 producing wells. In 2017 approximately 10,598 wells produced oil and 14,518 produced gas of that number 6,505 were coal bed natural gas wells. The average daily production for an oil well was 19.6 barrels. For a gas well, the average was 204 Mcf per day.

Wyoming had 41 operating gas plants in 2017 processing nearly 97% of the state's gas production.

GROSS SALES UNITS



Source: WOGCC

REFINING AND TRANSPORTATION

Wyoming's first refinery was constructed in Casper in 1895. In 2017 there were five operating refineries in the state with a capacity to refine 177,500 barrels of crude oil each day. In 1981 there were 14 active refineries in the state.

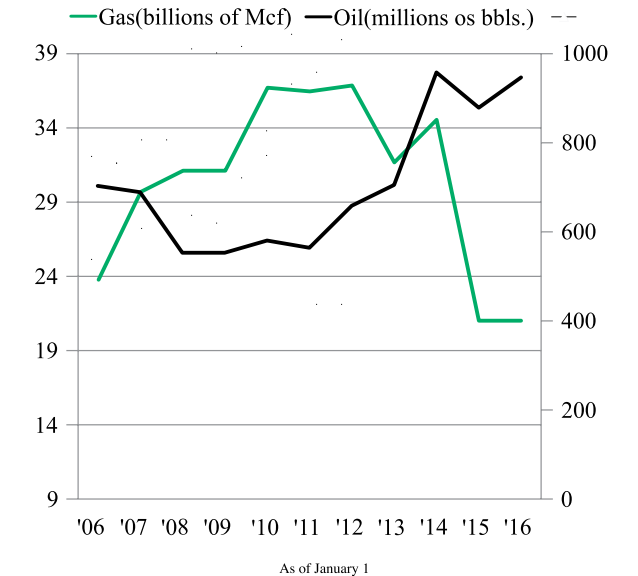
The first crude oil pipeline was constructed in 1911. Today, there are approximately 100 companies operating approximately 30,000 miles of pipelines in Wyoming, not including all gathering systems or all inactive or abandoned pipelines. Pipelines are located in all of Wyoming's 23 counties and carry crude, natural gas, natural gas liquids, carbon dioxide and petroleum products.

RESERVES

At the beginning of 2017, Wyoming ranked 7th in the nation in proved reserves of crude oil and 5th in natural gas proved reserves. Crude oil reserves for

2017 are 944 million barrels. Natural gas reserves for 2017 are 21 trillion cubic feet. 1960 was the largest year for crude oil reserves. 2009 was the largest year for natural gas reserves.

PROVED RESERVES



As of January 1

PROPERTY TAXES

Oil and gas production, by itself, accounted for over 25% of the total property taxes levied in Wyoming and more than 58.7% of the property taxes levied on all minerals.

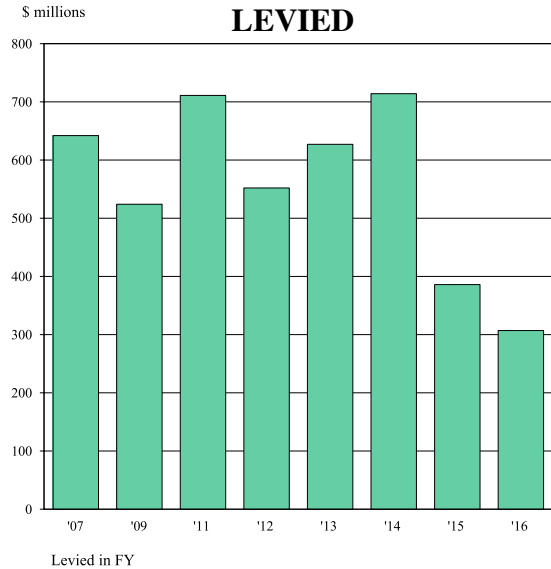
Property taxes levied – 2016 Mineral Production

Crude Oil	\$ 157,559,340
Natural Gas	149,491,001
Oil and Gas Total	\$ 307,050,341
Coal	\$ 175,548,218
Trona	31,516,841
All others	8,854,293
Total All Minerals.....	\$ 522,969,693

Total All State Property..... \$ 1,223,267,627

Minerals are the only class or kind of property in Wyoming valued and taxed at 100% of their actual value. Minerals are also the only class or kind of property which pay two direct taxes (property and severance).

OIL & GAS PROPERTY TAXES LEVIED



SEVERANCE TAXES

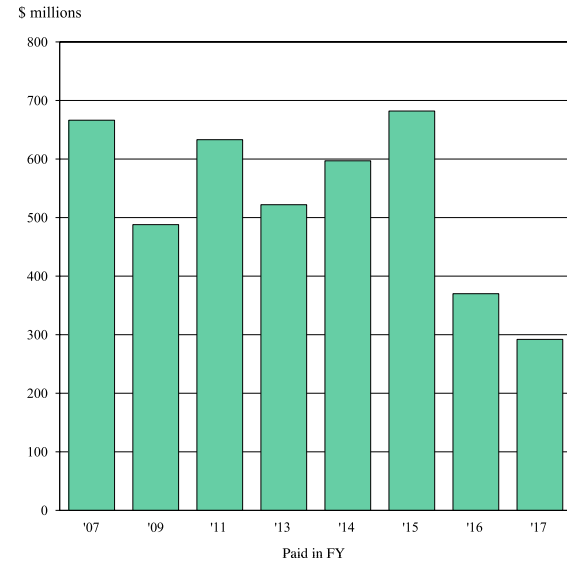
Crude oil and natural gas production paid over \$292 million in severance taxes, about 55% of all the severance taxes paid by minerals produced in 2017.

Severance Taxes - 2017 Production

Crude Oil.....	\$ 147,933,678
Natural Gas.....	144,407,308
Oil and Gas Total.....	\$ 292,340,986
Coal.....	\$ 215,469,300
Trona.....	18,704,634
All Others.....	3,397,189
Total All Minerals.....	\$ 529,912,110

Currently, a 6% severance tax rate applies to crude oil and natural gas production (4% on stripper). Severance tax revenues are distributed to a variety of funds including: **General Fund, Permanent Mineral Trust Fund, schools, cities, towns, highways, counties and water development.**

OIL & GAS SEVERANCE TAXES



ROYALTIES

In addition to property and severance taxes, Wyoming collects a royalty for petroleum produced on state owned lands along with certain fees and rentals. The state also receives one-half of the royalties paid to the federal government for leasing, production and fees on federal lands. Typically, the royalty rate on state leases is 16 2/3%. On federal lands, the rate is 12 1/2%.

STATE OIL & GAS ROYALTY AND LEASING INCOME



GENERAL

In 2017 Wyoming's petroleum industry directly employed over 7,000 people with an annual payroll of over \$668 million. In 1981 employment peaked with more than 32,000 individuals working in the industry.

In fiscal year 2017 oil and gas production contributed the following to state and local governments:

Property Taxes.....	\$ 307.0 million
Severance Taxes.....	292.0 million
Federal Royalties.....	1.2 million
Federal Lease Revenues.....	174.0 million
State Royalties.....	117.0 million
Sales and Use Taxes.....	8.2 million
Conservation Mill Levy.....	3.2 million
TOTAL FOR STATE.....	\$ 902.6 Million

That is a **direct** payment of nearly \$1,542 for every person living in Wyoming.

The Oil & Gas Industry's Share of Property Assessed for Taxation by County Fiscal Year 2017

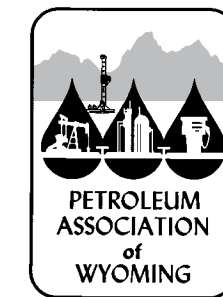
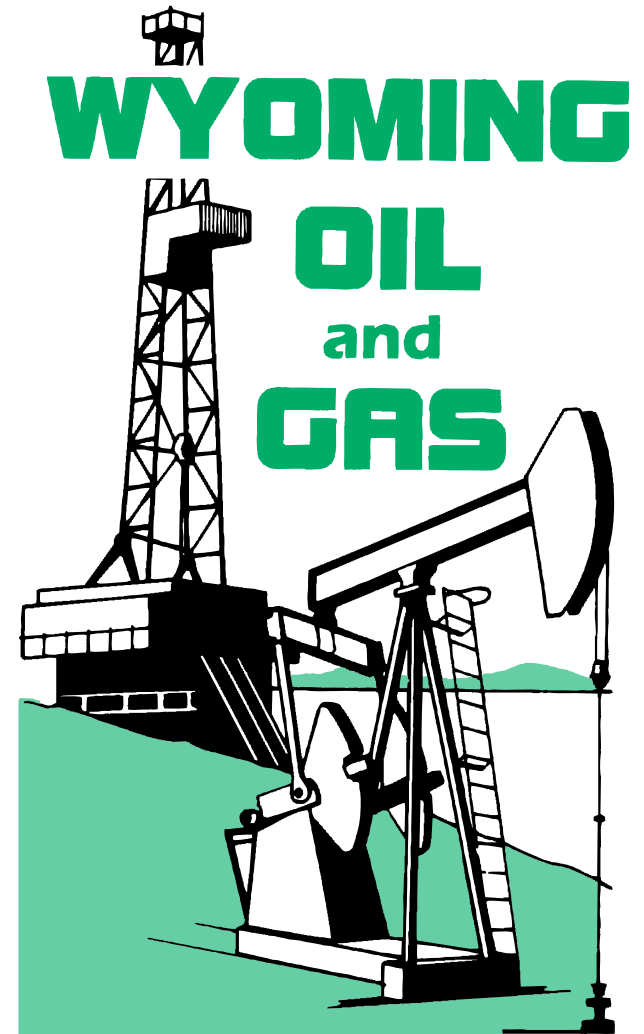
Albany.....	3.15	Natrona.....	26.40
Big Horn.....	25.58	Niobrara.....	43.03
Campbell.....	22.25	Park.....	33.88
Carbon.....	61.28	Platte.....	13.68
Converse.....	47.76	Sheridan.....	2.35
Crook.....	30.43	Sublette.....	92.22
Fremont.....	43.62	Sweetwater.....	36.95
Goshen.....	11.30	Teton.....	0.11
Hot Springs.....	54.91	Uinta.....	43.75
Johnson.....	66.44	Washakie.....	21.24
Laramie.....	19.57	Weston.....	41.12
Lincoln.....	38.47		
TOTAL FOR STATE.....	35%		

All data obtained from the State of Wyoming and/or federal agencies.

For further information or additional copies contact:

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FACTS and FIGURES

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