

### **WOGCC UPDATE**

**PAW Reclamation Conference** 

Tom Kropatsch
Deputy Oil and Gas Supervisor
December 12, 2019





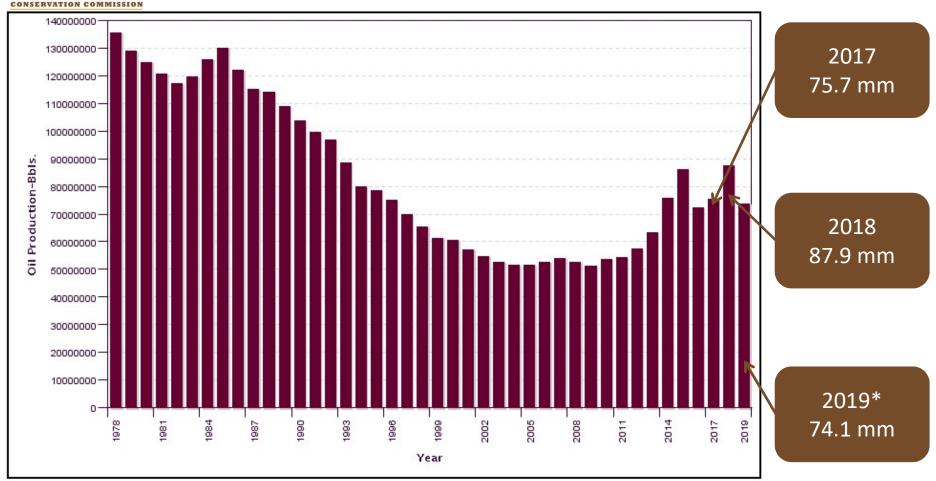
### Outline

- Statistics
- 2019 Minerals Committee
- APD Rule/Operatorship
- Other Commission Activity





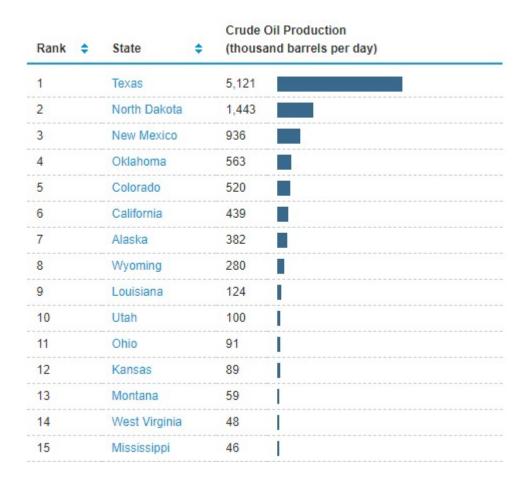
### Oil Production



\*2019 partial through Sept – if production remains same through remainder of year will end 2019 at 98.8 mm



# **National Oil Production Ranking**



Top 15 States (August 2019 Daily Production) from EIA.GOV



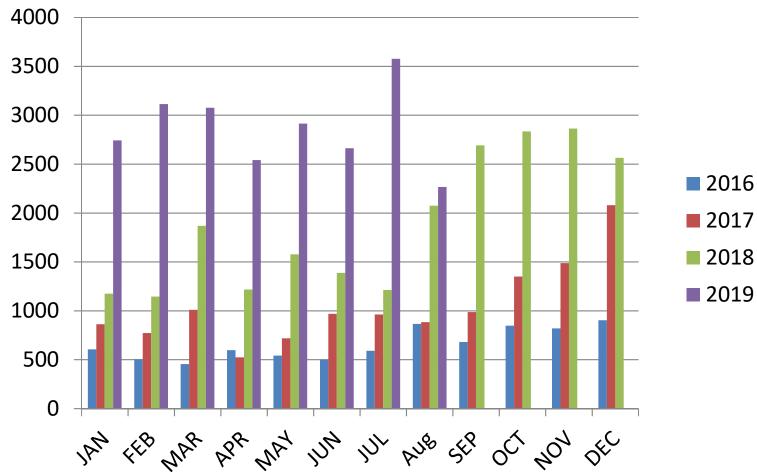
# **Top 15 Companies Oil Production**

Company	Wells	Oil
		Bbls.
EOG RESOURCES INC	2,970	15,519,533
CHESAPEAKE OPERATING LLC	324	8,369,663
DEVON ENERGY PRODUCTION COMPANY LP	659	7,352,789
MERIT ENERGY COMPANY	1,730	5,876,386
FDL OPERATING LLC	1,274	4,079,095
PEAK POWDER RIVER RESOURCES LLC	90	2,245,380
BALLARD PETROLEUM HOLDINGS LLC	116	2,090,880
ANSCHUTZ OIL COMPANY LLC	33	1,745,718
ULTRA RESOURCES INC	2,266	1,670,526
HELIS OIL & GAS COMPANY LLC ESTATE	13	1,531,853
JONAH ENERGY LLC	2,407	1,480,110
SAMSON RESOURCES COMPANY	202	1,431,651
SOUTHLAND ROYALTY COMPANY LLC	978	1,240,815
AMPLIFY ENERGY OPERATING LLC	172	1,122,978
NORTHWOODS OPERATING LLC	87	1,034,153

2019 through current production reporting



# APDs Received by the WOGCC





# APDs Received by the WOGCC

Top 20 Companies –

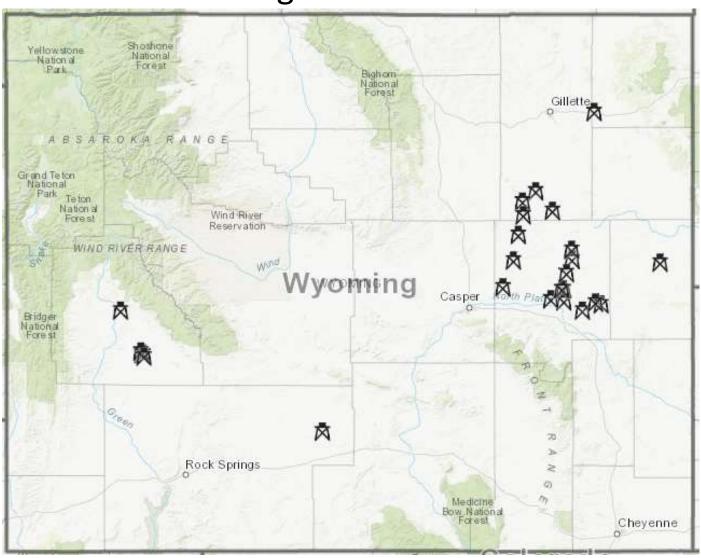
**Permits Received** 

2019

Company	APDs
EOG RESOURCES INC	3179
ANADARKO E&P ONSHORE LLC	2223
ANSCHUTZ EXPLORATION CORPORATION	1686
WOLD ENERGY PARTNERS LLC	1494
ATX ENERGY PARTNERS LLC	1489
SAMSON RESOURCES COMPANY	1279
OSSIDIANA OPERATING LLC	1278
PINE HAVEN RESOURCES LLC	1253
SOUTHLAND ROYALTY COMPANY LLC	1136
DEVON ENERGY PRODUCTION COMPANY LP	1130
CENTURY OIL AND GAS LLC	912
BLACK OAK ENERGY LLC	880
ANSCHUTZ OIL COMPANY LLC	800
WAVE PETROLEUM OPERATING LLC	788
NORTHWOODS OPERATING LLC	771
NORTH SILO RESOURCES LLC	757
BALLARD PETROLEUM HOLDINGS LLC	682
HINDSIGHT OIL & GAS LLC	680
TITAN EXPLORATION LLC	639
PANTHER ENERGY COMPANY III LLC	621



# **Rig Locations**





### 2019 Proposed Legislation

HB 0036 – Reduce 300 % penalty on Force Pooling Statute

HB 0208 – WOGCC to determine the issue of negotiating in good faith (Split Estate)

HB 0209 – Determine fair market value for surface damages

HB 0224 – Split Estate Act to apply to lands outside of a DSU

HB 0261 – Increase APD filing fee to \$10,000





### 2019 Interim Minerals Committee

- Minerals Committee Interim Topics Priority #1 is "Oil and Gas Issues:"
  - Operatorship
  - Force Pooling
  - Split Estate
  - Examine industry management of produced water including disposal and reuse
  - WOGCC and WDEQ have proposed a statute modification that would allow WOGCC to regulate commercial Class II disposal wells
- Committee is sponsoring bills in the 2020 Session
  - Modification to 30-5-104 would remove restriction from Commission's authority for regulating commercial Class II wells
  - Changes to 30-5-109 forced pooling would reduce the risk penalty for an unleased owner and would require a royalty for the unleased owner



### 2020 Legislative Session

- Committee is sponsoring at least 2 oil and gas related bills in the 2020 Session
  - Modification to 30-5-104 Commission's authority to regulate would remove restriction from Commission's authority for regulating commercial Class II wells
  - Changes to 30-5-109 forced pooling would reduce the risk penalty for an unleased owner and would require a royalty for the unleased owner
- Other bills that may be introduced
  - Split estate
  - Tax payments/liens
    - Schedule for ad valorem payments
    - Transfer of mineral interests tax obligations
    - Tax lien enforcement
  - 355



### Operatorship

Proposed Policy Memo Regarding Preliminary Matters (02/19/2019)

Well Location Move Requires Post APD Approval (02/09/2019)

Survey Plats Memo (12/19/2018)

Hearing Application Amendments & Exhibits (12/11/2018)

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)



### **APD Rule**

- Process
  - Rule proposed July 9
  - Public comment period July 25 September 14
    - Received 228 pages of written comments
  - Response to comments complete, final rule proposed to Commission November 12
  - Final rule packet provided to Governor's Office and Legislature
- Implementation date?



### **APD Rule**

- Ch 1, Sec 2 defines spacing unit as land and pool.
- <u>Ch 3, Sec 8(I)</u> only the Owner/Operator of a spud or completed well may file an APD in a DSU, or if no wells then oldest pending or approved APD
- <u>Ch 3, Sec 8(m)</u> Owner/Operator (applicant) who is not allowed to file APD under 8(l) may file an application with the Commission requesting approval of an APD
  - Must file NOI to file within 15 days and full application as part of 8(m)(i) within 30 days of receipt of horizontal well application notice or of each 2 year anniversary of most recent spud in the DSU
  - Owner/operator who currently has the APD or spud/completed well has 30 days to file complete protest which includes same 8(m)(i) criteria
- <u>Ch 3, Sec 8(m)(i)</u> requires minimum set of criteria to be in application,
   Commission will consider these and other relevant information to determine
- Ch 3, Sec 8(m)(ii) staff will review APDs prior to hearing



### APD Rule

- <u>Ch 3, Sec 8(m)(iv)</u> If all evidence considered by Commission is deemed equal, largest working interest will be the tiebreaker.
- Ch 3, Sec 8(m)(v) If Commission denies an 8(m) application then the applicant's APDs are denied
  - If Commission approves 8(m) application related to initial APD application then protestant's APDs (or original filed APDs) are denied
  - If Commission approves 8(m) application related to an APD extension then protestant's APDs are denied and they have an exclusive right to refile the APD if the 8(m) applicant's APDs expire or are withdrawn



### **Database Upgrade Status**



### STATE-DRIVEN SOLUTIONS



#### Core

RBDMS Core is the primary information storage system for agency oil, gas and UIC data. It provides reliable and time-tested storage for the data needed to make informed decisions. RBDMS 3.0, a mojor upgrade to RBDMS Core will be web-enabled once complete and mobile friendly.



#### **eForms**

eForm allows for electronic permitting and reporting. It integrates seamlessly with RBDMS Core and other products, allowing agencies to collect accurate and timely information from the oil and gas industry.



#### Data Explorer

Data Explorer provides an interactive mapping interface and robust data exploration options for both internal and public users to view and understand RBDMS data.



#### Produced Water Tracker

Water Tracker manages field observations and water sampling data from oil and gas, mining, and other activities.



#### WellFinder Application

WellFinder is a free, publicly-available mobile application (iOS & Android) that displays high-level information regarding nearby oil, gas, and injection wells.



#### Seismic Monitoring Tool

The Seismic/UIC App queries extensive data from multiple databases about specific underground injection wells and earthquakes. Results are visualized on a map, allowing for quick regulatory agency analysis.



#### WellBore Analysis

The Wellbore Diagram Tool is a visual add-on to RBDMS that generates cross-section diagrams of a well from stored data, showing well features and construction.



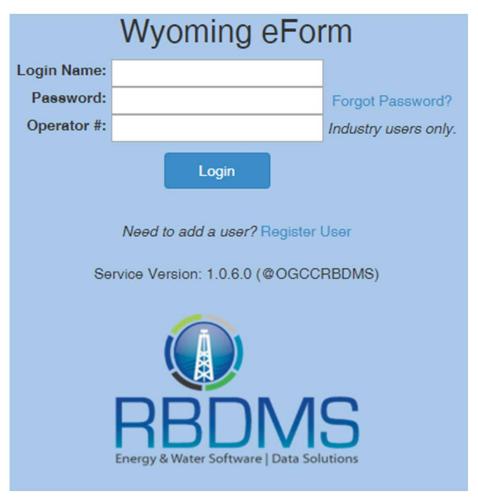
#### Field Inspection (Coming Soon)

Currently in development, the new Field Inspection application is a web-enabled and mobile-friendly product that will allow agency field inspectors to make real-time critical decisions while they are performing a field inspection.



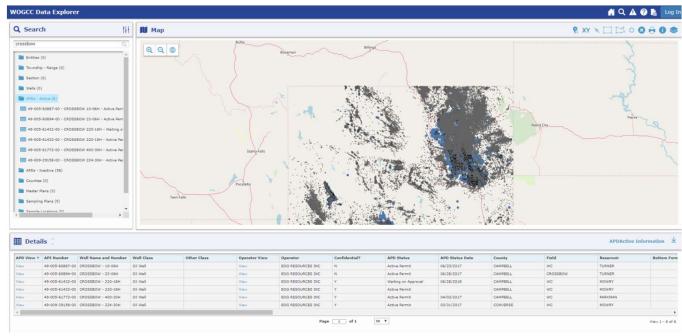
### **RBDMS Update Status**

- Phase 1 Complete
  - Includes electronic submission of:
    - APDs
    - Spud notices
    - BOP test notices
    - Baseline GW monitoring plans
    - Baseline GW monitoring reports
  - WYeForms went live in July 2018
  - 45,547 APDs submitted in WYeForms since July 2018





# **RBDMS Update Status**



- Phase 2 currently in development:
  - WYFI WY Field Inspection currently in use
  - WYDE WY Data Explorer –
  - Rig Schedule Testing production version, release in early January
  - UIC phase released throughout next year



# Online Forms – Rig Schedule

Production version live in January 2020

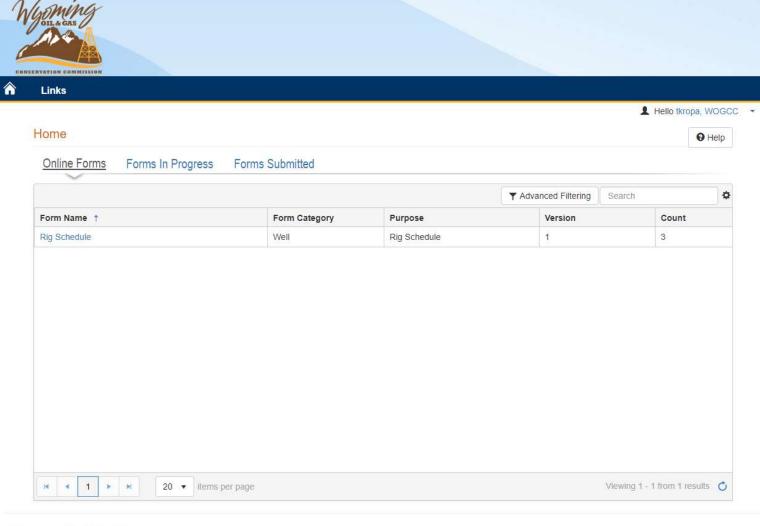




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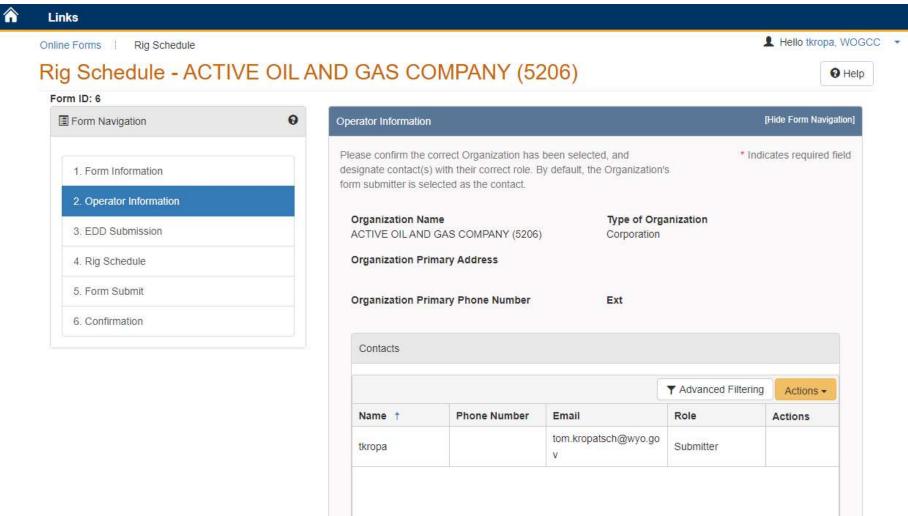
# Online Forms – Rig Schedule



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# Online Forms – Rig Schedule





# eForm Modifications

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Data Dictiona	aries																					
Reports																						
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# **RBDMS Update Status**

- Phase 3
  - Development begins late 2020
    - Hearing applications
    - Remaining forms (completion, sundry, change owner/operator, bonding, production reports, etc)
    - Further development of WYDE to incorporate data sharing of new electronic forms



# **Orphan Well Activities**

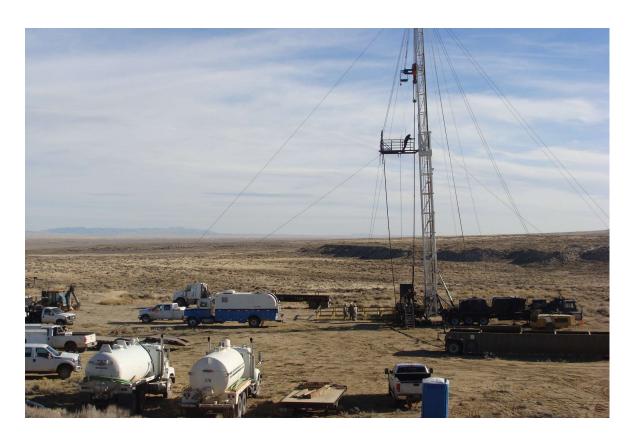
- Continue to accelerate plugging of orphan wells
  - 9 projects in 2019
    - Total of 681 wells were in 2019 orphan project
      - 516 of those wells have been P&A'd or converted to water wells
      - 165 remain in two of the 9 projects





# **Orphan Well Activities**

- BLM partnership to facilitate federal orphan well plugging
  - Grant from BLM
  - WOGCC bids/contracts/pays plugging contractor
  - BLM grant reimburses WOGCC





# **Orphan Well Activities**

- Current Activities
  - Mostly shut down on current projects due to site conditions
  - Working on package and bid preparation for 2020 projects





# Questions

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