



INDUSTRY UPDATE

PAW Wildlife and Reclamation Conference

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December 1, 2021



Outline

- Industry Activity/Statistics
- 8m APD Rule Update
- Legislative Update
- Other Commission Activity

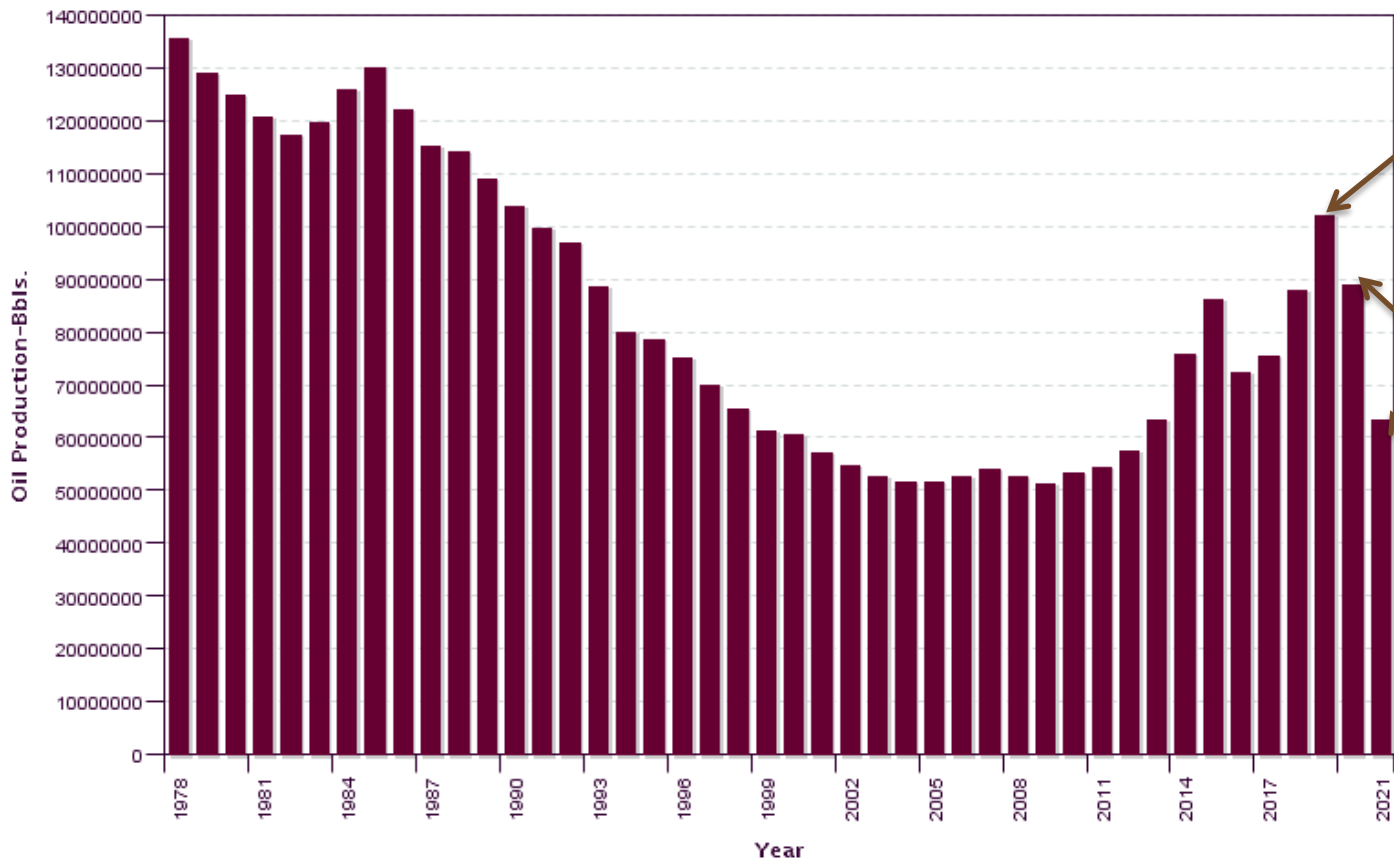




WOGCC Office is Open for Business

- Staff are working as normal – in office and in field
- Office is open to the public
 - file room reviews
 - meetings with staff
- Commission and Examiner hearings are preferably in person
 - Commission hearing is broadcast on YouTube
 - Witnesses may appear via Zoom by request

Oil Production



2019
102 mm

2020
89.1 mm

2021*
63.7 mm

*2021 partial through September – if production remains same through remainder of year will end 2021 at 84.4 mm



National Oil Production Ranking

Rank	State	Crude Oil Production (thousand barrels per day)	
1	Texas	4,834	<div></div>
2	New Mexico	1,346	<div></div>
3	North Dakota	1,089	<div></div>
4	Alaska	409	<div></div>
5	Colorado	391	<div></div>
6	Oklahoma	380	<div></div>
7	California	359	<div></div>
8	Wyoming	235	<div></div>
9	Utah	105	<div></div>
10	Louisiana	84	<div></div>
11	Kansas	77	<div></div>
12	West Virginia	55	<div></div>
13	Montana	51	<div></div>
14	Ohio	46	<div></div>
15	Mississippi	34	<div></div>

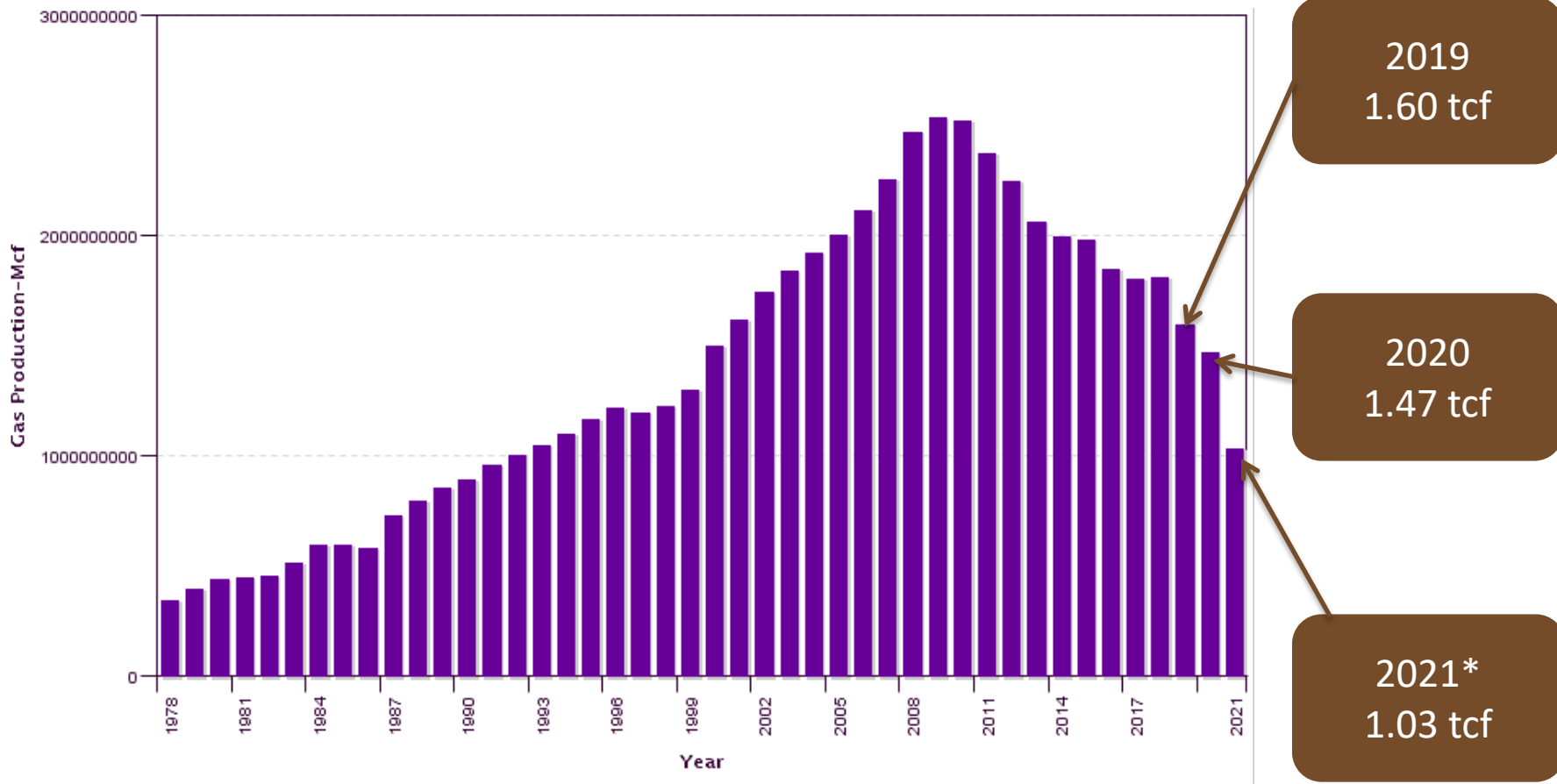
Top 15 States (August 2021 Production) from EIA.GOV



Top 15 Companies Oil Production 2020

Company	Oil Bbls
EOG RESOURCES INC	15,934,120
DEVON ENERGY PRODUCTION COMPANY LP	12,128,313
CHESAPEAKE OPERATING LLC	7,165,252
MERIT ENERGY COMPANY	6,659,956
FDL OPERATING LLC	6,106,681
ANADARKO E&P ONSHORE LLC	2,687,950
BALLARD PETROLEUM HOLDINGS LLC	2,605,993
SAMSON RESOURCES COMPANY LLC	2,201,888
PEAK POWDER RIVER RESOURCES LLC	2,173,111
JONAH ENERGY LLC	1,893,161
ULTRA RESOURCES INC	1,559,231
IMPACT EXPLORATION & PRODUCTION LLC	1,468,231
AMPLIFY ENERGY OPERATING LLC	1,393,732
NORTHWOODS OPERATING LLC	1,332,303
VERMILION ENERGY USA LLC	1,131,902

Gas Production



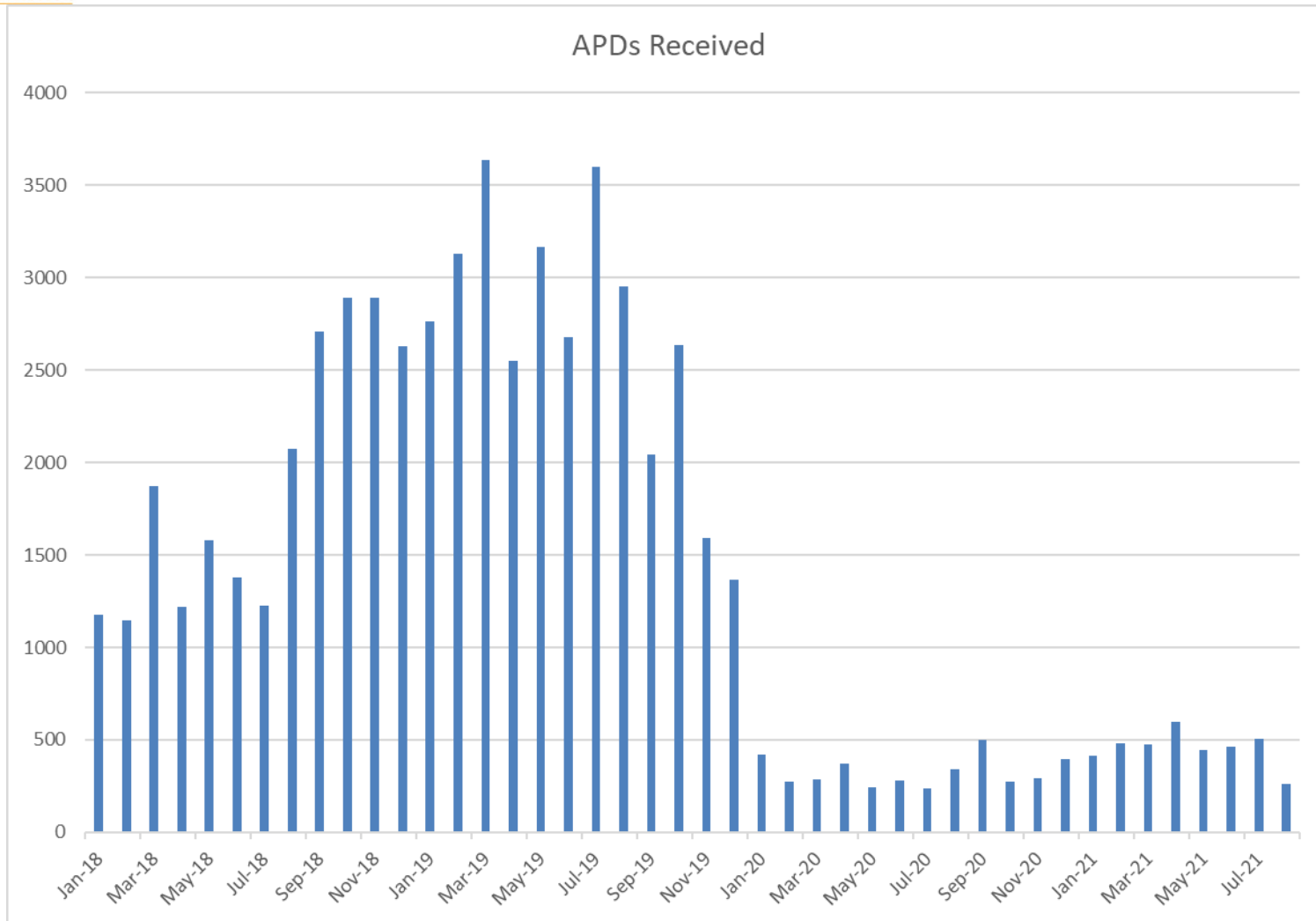
*2021 partial through Sept – if production remains same through remainder of year will end 2021 at 1.38 tcf

National Gas Production Ranking

Rank	State	Natural Gas Marketed Production (million cu ft)	
1	Texas	9,336,110	<div></div>
2	Pennsylvania	7,148,295	<div></div>
3	Louisiana	3,206,163	<div></div>
4	Oklahoma	2,786,366	<div></div>
5	West Virginia	2,592,319	<div></div>
6	Ohio	2,378,902	<div></div>
7	Colorado	1,990,462	<div></div>
8	New Mexico	1,948,168	<div></div>
9	Wyoming	1,306,368	<div></div>
10	North Dakota	882,443	<div></div>
11	Arkansas	480,982	<div></div>
12	Alaska	338,329	<div></div>
13	Utah	241,989	<div></div>
14	California	170,579	<div></div>
15	Kansas	163,356	<div></div>

Top 15 States (2020 Production) from EIA.GOV

APDs Received by the WOGCC





APDs Received by the WOGCC

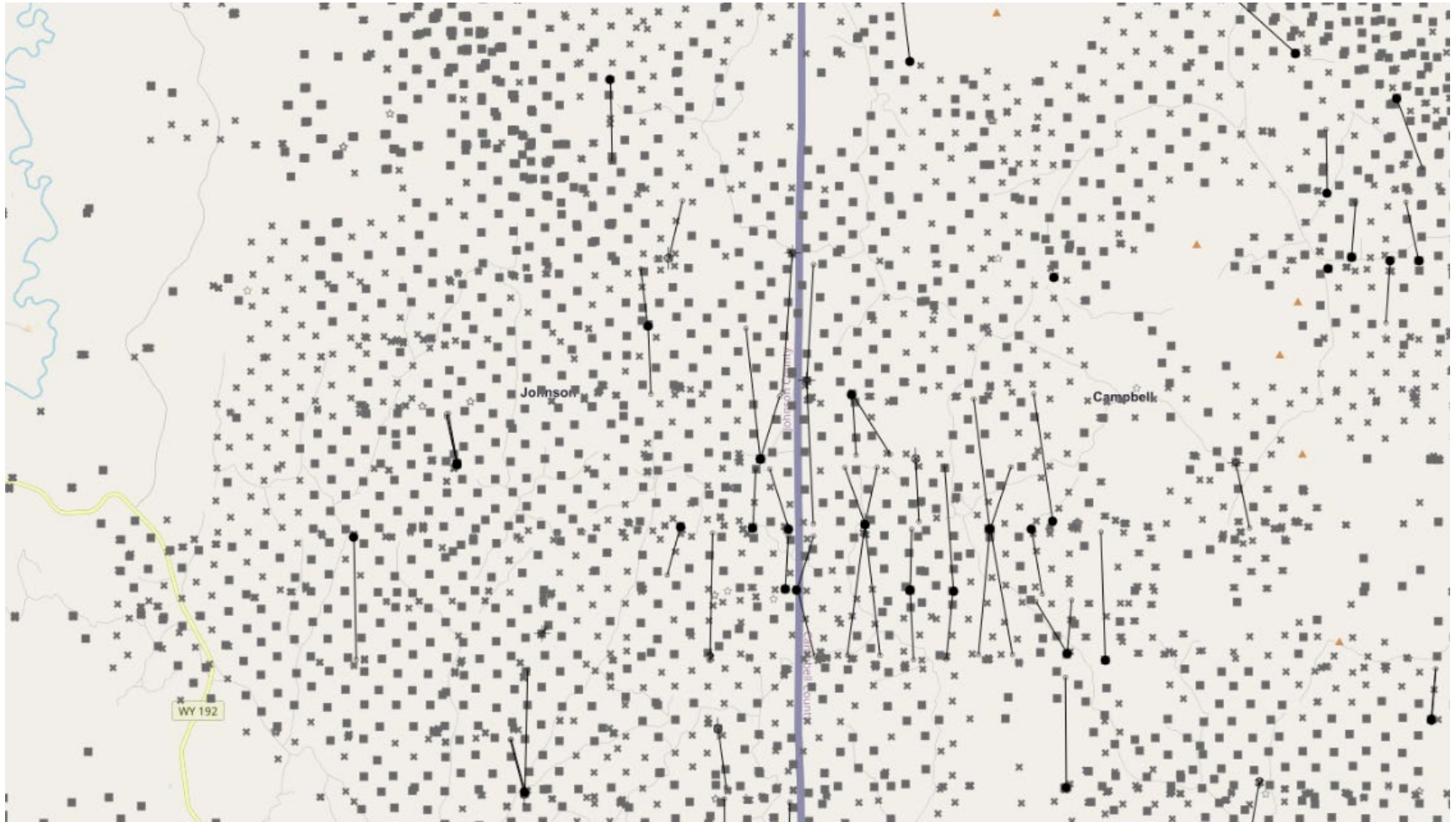
Top 20 Companies – Permits Received 2019	COMPANY	# of APDs
	EOG RESOURCES INC	3830
	ANADARKO E&P ONSHORE LLC	2604
	ANSCHUTZ EXPLORATION CORP	1755
	WOLD ENERGY PARTNERS LLC	1516
	ATX ENERGY PARTNERS LLC	1489
	DEVON ENERGY PRODUCTION CO	1383
	OSSIDIANA OPERATING LLC	1368
	PINE HAVEN RESOURCES LLC	1253
	SOUTHLAND ROYALTY COMPANY LLC	1143
	SAMSON RESOURCES COMPANY	1116
	CENTURY OIL AND GAS LLC	913
	BLACK OAK ENERGY LLC	876
	ANSCHUTZ OIL COMPANY LLC	833
	NORTHWOODS OPERATING LLC	829
	WAVE PETROLEUM OPERATING LLC	789
	NORTH SILO RESOURCES LLC	757
	TITAN EXPLORATION LLC	702
	BALLARD PETROLEUM HOLDINGS LLC	690
	HINDSIGHT OIL & GAS LLC	679
	PANTHER ENERGY COMPANY III LLC	617



APDs Received by the WOGCC

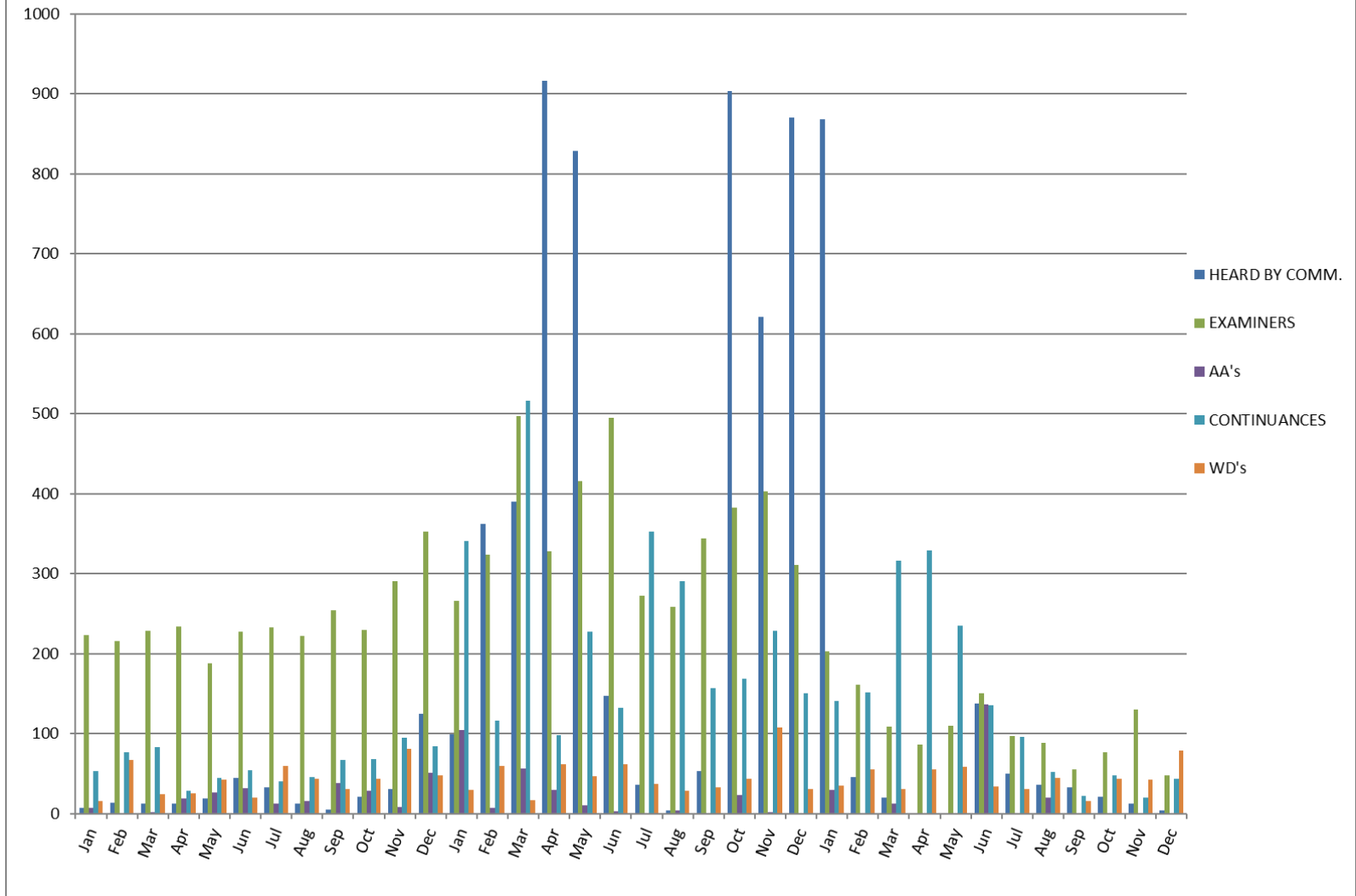
	COMPANY	# APDs
Top 20 Companies – Permits Received 2021	EOG RESOURCES INC	791
	ANADARKO E&P ONSHORE LLC	293
	ANSCHUTZ EXPLORATION CORPORATION	286
	IMPACT EXPLORATION & PRODUCTION LLC	202
	PEAK POWDER RIVER RESOURCES LLC	165
	PINE HAVEN RESOURCES LLC	107
	WOLD ENERGY PARTNERS LLC	106
	ATX ENERGY PARTNERS LLC	101
	BALLARD PETROLEUM HOLDINGS LLC	100
	TITAN EXPLORATION LLC	95
	ANSCHUTZ OIL COMPANY LLC	84
	HELIS OIL & GAS COMPANY LLC ESTATE	83
	EME WYOMING LLC	75
	REBELLION ENERGY II LLC	71
	ROCKIES HOLDINGS LLC	70
	WAVE PETROLEUM OPERATING LLC	68
	NOBLE ENERGY INC	66
	SEVEN SISTERS OIL & GAS LLC	65
	BP AMERICA PRODUCTION COMPANY	54
	CENTURY OIL AND GAS LLC	54

APDs vs Wells



Hearing Activity

2018-2020 Docket Matters

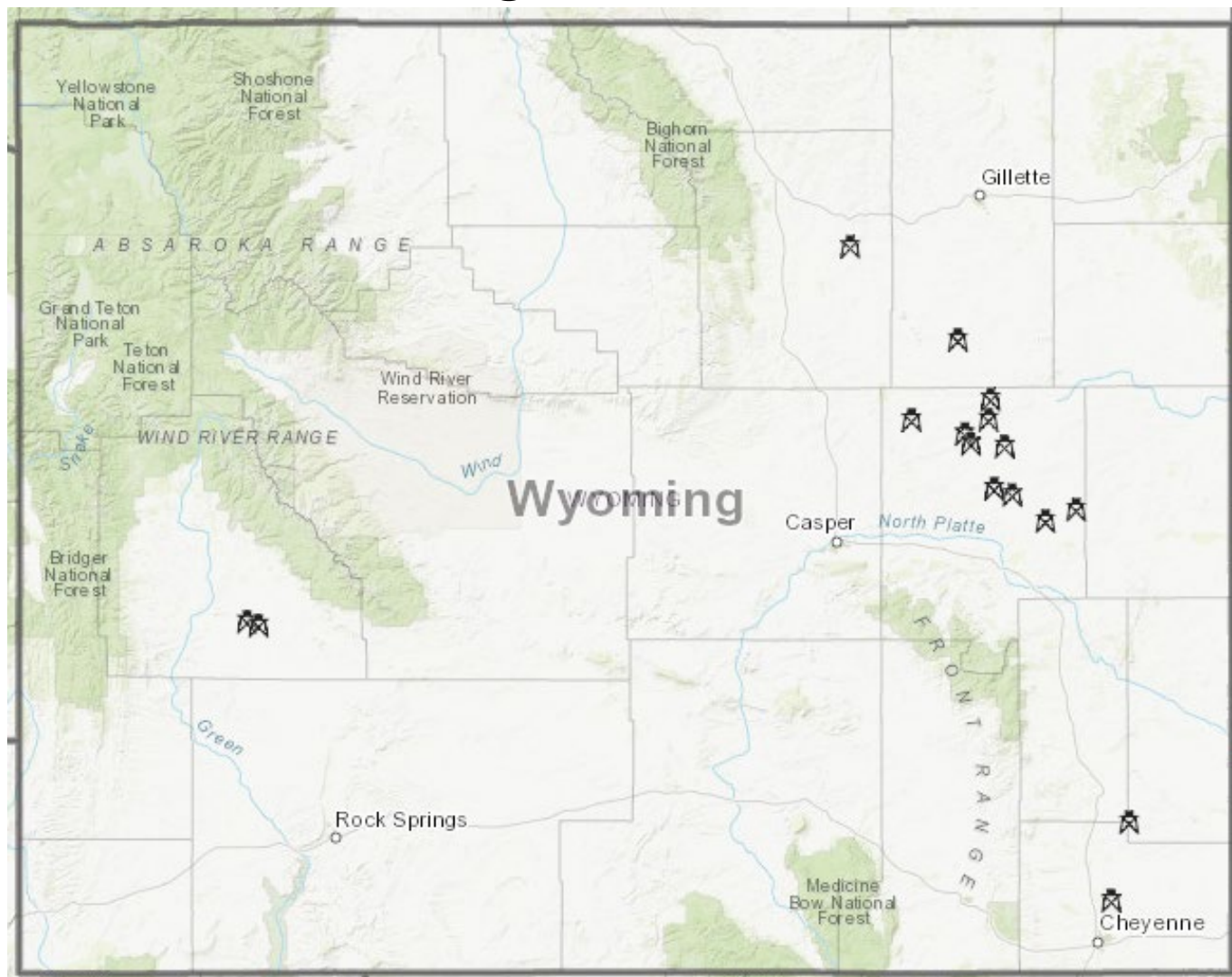




APD Rule

- Chapter 3 Section 8 (l) and (m)
 - Section 8(l) states that in a DSU for horizontal wells only APDs from owner/operator of spud or completed well may be submitted or extended. If no spud or completed well exist, then only APDs from owner/operator of oldest pending or approved APD may be submitted or extended.
 - Section 8(m) then provides an opportunity for owner/operator whose APDs could not be submitted or extended due to 8(l) to file an application with Commission when the 8(l) operator submits or extends an APD or on the 2 year spud anniversary of the most recent well in the DSU
 - Notice of intent to file 8(m) application within 15 days
 - Full 8(m) application submitted within 30 days
 - Owner/operator of completed well or oldest APD in DSU may file protest of the 8(m) application within 30 days of receipt of the 8(m) applicants 15 day notice of intent
 - If 8(m) application is filed and protested, Commission hears as a contested case
 - If 8(m) application is filed but not protested, Examiners will hear matter.
 - Commission has heard several, examiners have heard several, but most are worked out among parties prior to going to hearing

Rig Locations



*from Enverus –11/26/2021

Orphan Wells

- Since 2014 – 5,917 wells orphaned
- 4,587 removed from list
- 2020 – 1,107 removed from list
- 2021 – 652 removed from list





Recent Legislation

- 2019 – mostly on split estate issues
 - SF 0036 – Reduce 300 % penalty on Force Pooling Statute
 - HB 0208 – WOGCC to determine if good faith negotiation occurred
 - 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
- 2020 – mostly split estate issues
 - HB0014 – Statutory Pooling risk penalty and mandatory royalties
 - HB0111 – Split estate measure of damages
 - HB0116 – Split estate good faith negotiations
 - HB0159 – Monthly payment of ad valorem tax on mineral production
 - HB0221 – Oil and gas drilling notice
 - HB0243 – Oil and gas tax – new production
 - SF0045 – Underground disposal wells – regulation
- 2021 – mostly tax issues
 - HB0011 – Oil and gas production tax exemption
 - HB0145 – Stripper well tax exemption
 - HB0189 – Mine product taxes for natural gas consumed onsite
 - HB0224 – Severance and sales and use tax
 - SF0149 – Oil and gas royalty and tax rates
 - SJ0003 – Federal suspension and orders on oil and gas production





Other Commission Activity

- Commercial Class II Disposal Well Rulemaking
 - Result of legislation in 2020 (SF0045)
 - Commission Rules adopted Dec 2020
 - Submitted to EPA and approval granted in April 2021
 - Reviewing initial applications currently
- Energy Rebound Program
 - Assisted Wyoming Business Council on first program – December 2020
 - \$30 million approved drilled but uncompleted wells, recompletions/workovers, and P&As
 - Administering second version of program – work completion from July 5, 2021 through Dec. 31, 2021
 - \$12 million approved recompletions/workovers and P&As

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 major 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

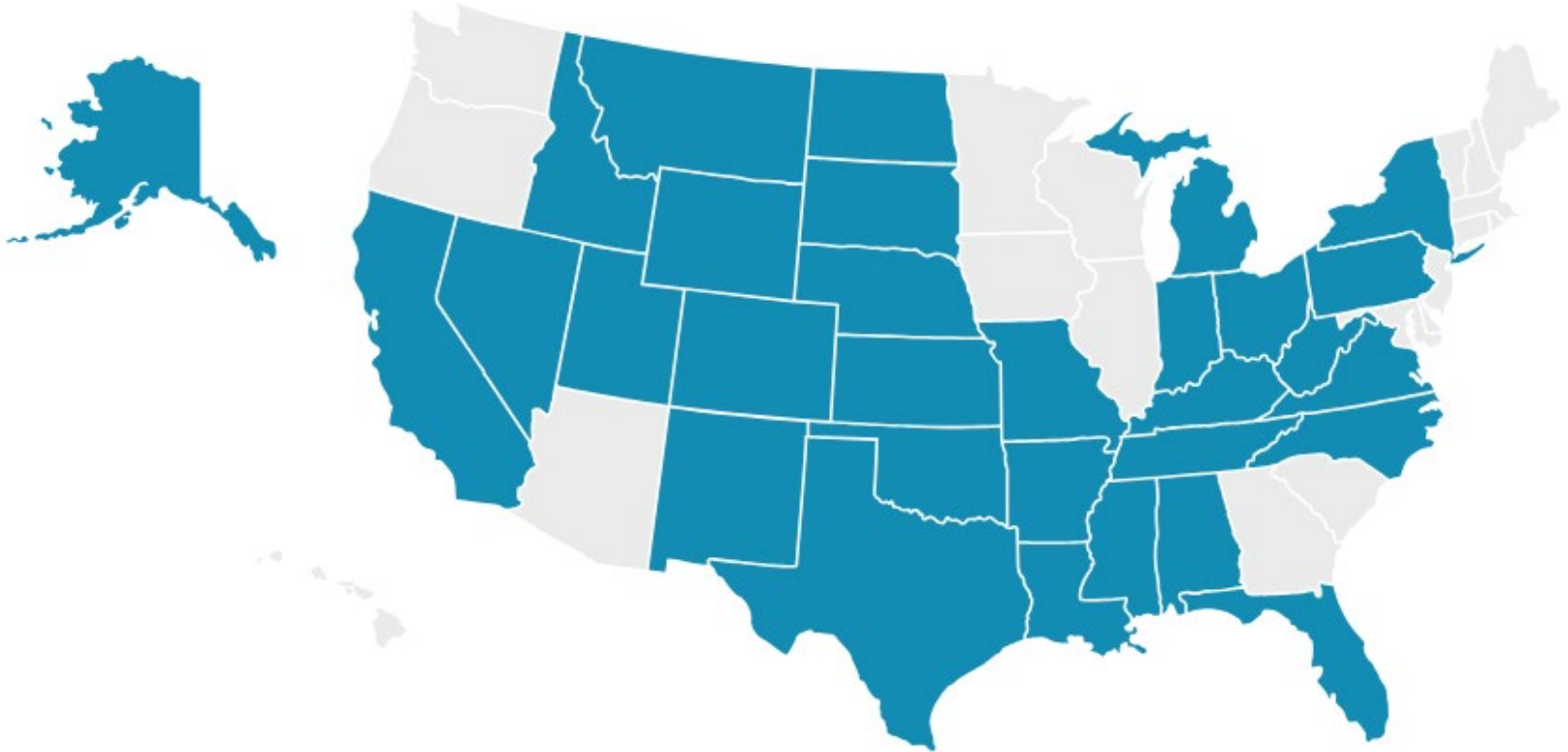
The Wellbore Diagram Tool is a visual add-on to RBDMS that generates cross-section diagrams of a well from stored data, showing well features and construction.



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 Member States



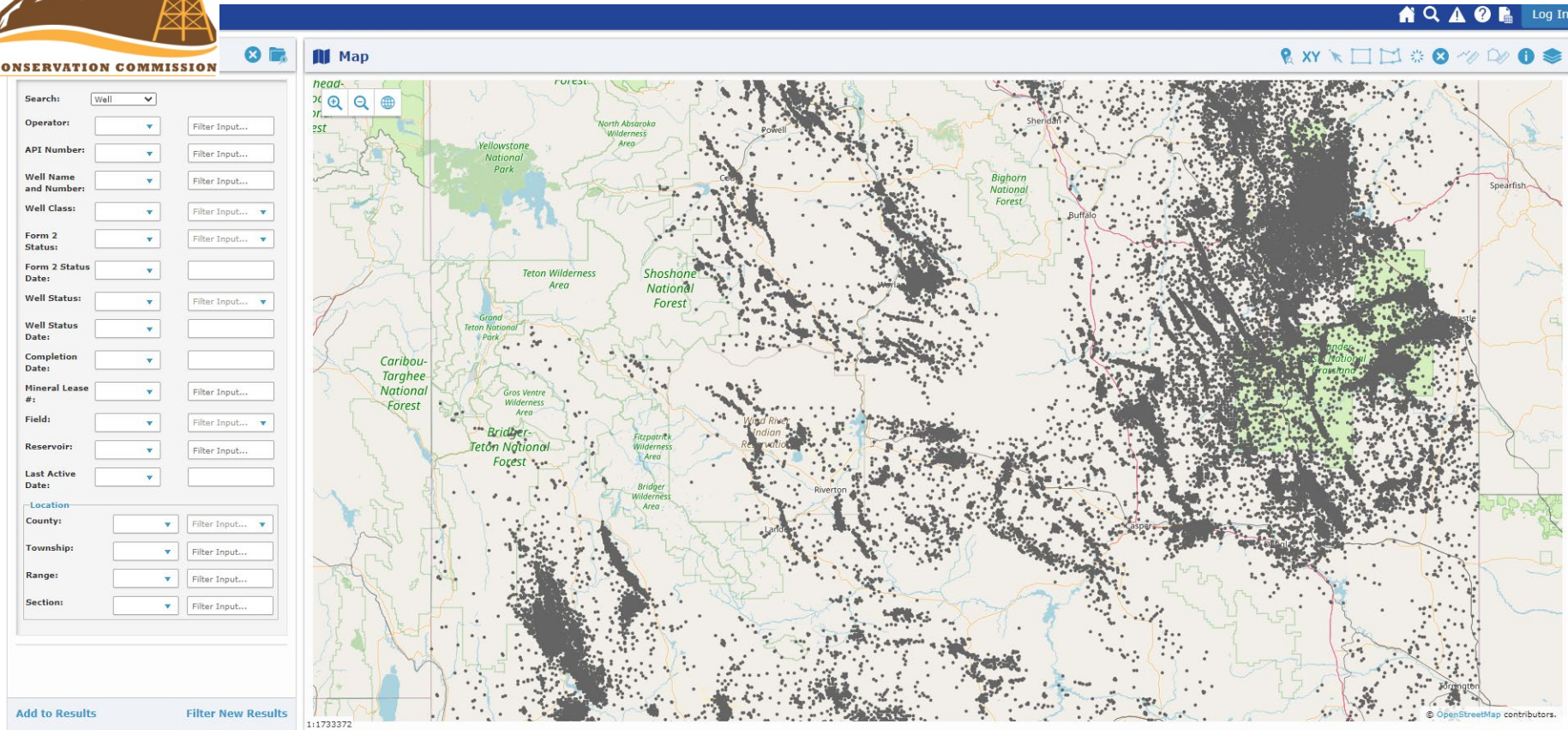


RBDMS Update Status

- Phase 1 Complete –
 - Includes electronic submission of:
 - APDs
 - Spud notices
 - BOP test notices
 - Baseline GW monitoring plans
 - Baseline GW monitoring reports
- WYeForm went live in July 2018
- 53,974 APDs submitted electronically in WYeForm since July 2018

The image shows the login interface for the Wyoming eForm system. The title "Wyoming eForm" is at the top. Below it are three input fields: "Login Name:", "Password:", and "Operator #:". To the right of the "Password:" field is a link "Forgot Password?". To the right of the "Operator #" field is the text "Industry users only.". Below the input fields is a blue "Login" button. Further down is a link "Need to add a user? Register User". At the bottom, it says "Service Version: 1.0.6.0 (@OGCCRBDMMS)". The RBDMS logo is at the bottom, featuring a stylized oil derrick inside a circular graphic with green and blue segments, and the text "RBDMS" in large blue letters, with "Energy & Water Software | Data Solutions" in smaller text below it.

RBDMS Update Status



- Phase 2 currently in use or in testing
 - WYFI – WY Field Inspection – currently in use
 - WYDE – WY Data Explorer – currently in use
 - Rig Schedule - currently in use
 - UIC – currently in testing



RBDMS Update Status

- Phase 3
 - Currently in development
 - Entities and bonds
 - Change of operator (Form 6)
 - Change of owner (Form 7)
 - Next
 - Completion reports (Form 3)
 - Sundry notices (Form 4)
 - Production reports (Form 2)
 - Application for Hearings

A screenshot of the Wyoming Online Forms web application. The interface has a blue header with the Wyoming Oil & Gas Conservation Commission logo. Below the header is a navigation bar with "Links" and a user profile "Hello Ikropa, WOGCC". The main content area shows a "Home" section with tabs for "Online Forms", "Forms In Progress", and "Forms Submitted". Under "Online Forms", there is a table with the following data:

Form Name	Form Category	Purpose	Version	Count
Rig Schedule	Well	Rig Schedule	1	63

The table has a pagination bar at the bottom showing "1" of 1 results. The footer of the application states "© 2019 - Wyoming Online Forms".



Questions

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