

Wyoming Oil and Gas Conservation Commission Hearing Wrap-up Report April 2021



The Wyoming Oil and Gas Conservation Commission held its monthly hearing in a hybrid in-person and virtual format on April 13, 2021, beginning at 9 a.m. Commissioners attending were the Honorable Governor Gordon, Acting Chair Jen Scoggin, Erin Campbell, Jimmy Goolsby, and Supervisor Mark Watson. Also attending were Sr. Assistant Attorney General Eric Easton and Assistant Attorney General Micah Christensen.

The April 2021 Hearing docket showed:

- 120 total applications
- 40 applications and protests to be heard before the Commission
- 63 examiner hearings
- 0 aquifer/unit hearings
- 0 pit treatment hearings
- 0 returned for admin processing
- 11 applications continued
- 6 applications withdrawn

Preliminary Matters

The WOGCC heard comments from the oil and gas industry as to how industry operations may be affected by the new administration's Executive Orders pausing federal lease sales and suspending authority of certain decisions at the local level of the Bureau of Land Management.

Before the Commission

These are the matters that were heard before the Commission. All other matters that were scheduled to be heard before the Commission were either withdrawn or continued.

- ***Docket Matter 205-2021** Black Diamond Energy of Delaware, Inc. (Black Diamond) was fined \$5,000, was ordered to submit correct production and sales information for 2020 to the Commission, and was ordered to post a \$25,000 compliance bond for its failure to accurately report production and conservation taxes and for purposely withholding its conservation taxes in violation of Commission Rules, Chapter 3, Section 13 and 41 in Sublette County. Black Diamond will have 60 days to pay its fine, post the guarantee bond, and correct its forms from last year. If Black Diamond

fails to comply with these orders in the next 60 days, an additional \$5,000 per day fine will commence beginning on day 61 until Black Diamond comes into compliance.

- ***Docket Matter 206-2021** Crowheart Energy was fined \$3,000 for its failure to obtain approval prior to stimulation for the East Echo Springs in violation of Commission Rules, Chapter 3 Section 45(a) in Carbon County. The fine was reduced by the Commission from \$5,000 for good cause.
- ***Docket Matter 207-2021** EOG Resources was issued a \$5,000 fine for its failure to obtain approval for recompletion of the Maple 0310-03H in violation of Commission Rules, Chapter 3, Section 11 in Campbell County. An additional \$5,000 will be held in abeyance for one year. If EOG does not commit another violation that results in a show cause action within the next year, the fine held in abeyance will be waived.
- **Docket Matter 208-2021** The Commission approved the Staff recommendation to revoke Coronado Oil Company's bond in the amount of \$51,010 and authorized the WOGCC staff to plug and abandon Coronado Oil Company's wells in Weston and Hot Springs Counties.
- **Docket Matter 209-2021** The Commission authorized the WOGCC staff to plug and abandon Warrego Oil & Gas, LLC's fee wells for its failure to provide idle well bonding in violation of Commission Rules and regulations, Chapter 3, Section 4(b)(ii), and failure to perform MIT's in violation of Commission rules, Chapter 3 Section 16 in Fremont County.
- **Docket Matter 109-2021** The Commission approved Cassidy American Resources, LLC's request to flare the Hondo Lane Fed 35-26 NH Well to not exceed 1,000 MCF per day on a monthly average, for up to 180 days from first production of the subject well in Johnson County, Wyoming, pursuant to Chapter 3, Section 39.
- **Docket Matters 95 thru 102-2021 and 130 & 131 – 2021** The Commission denied the APD protests on the grounds that it does not have jurisdiction over trespass claims and that alleged rule violations including an inaccurate or missing Form 1a should be referred to the staff for rule compliance; and that the Commission will not exercise jurisdiction to determine the validity of the lease in question that was presented but would rely on the certification of the APD applicant.
- **Docket Matters 140 thru 151-2021 and 156 thru 167 – 2021** The Commission ruled that Anadarko will have until June 15, 2021, to sign its election to participate in the WOV's wells. The parties agreed to continue Docket Matters 148 thru 151-2021 until May. The parties will notify the Commission as to Anadarko's election in the wells in question.

**Fines collected by the WOGCC are given to the school district where the violation occurred.*