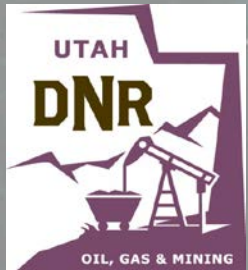


UTAH DIVISION OF OIL, GAS AND MINING



John Rogers

Associate Director – Utah Division of Oil, Gas and Mining

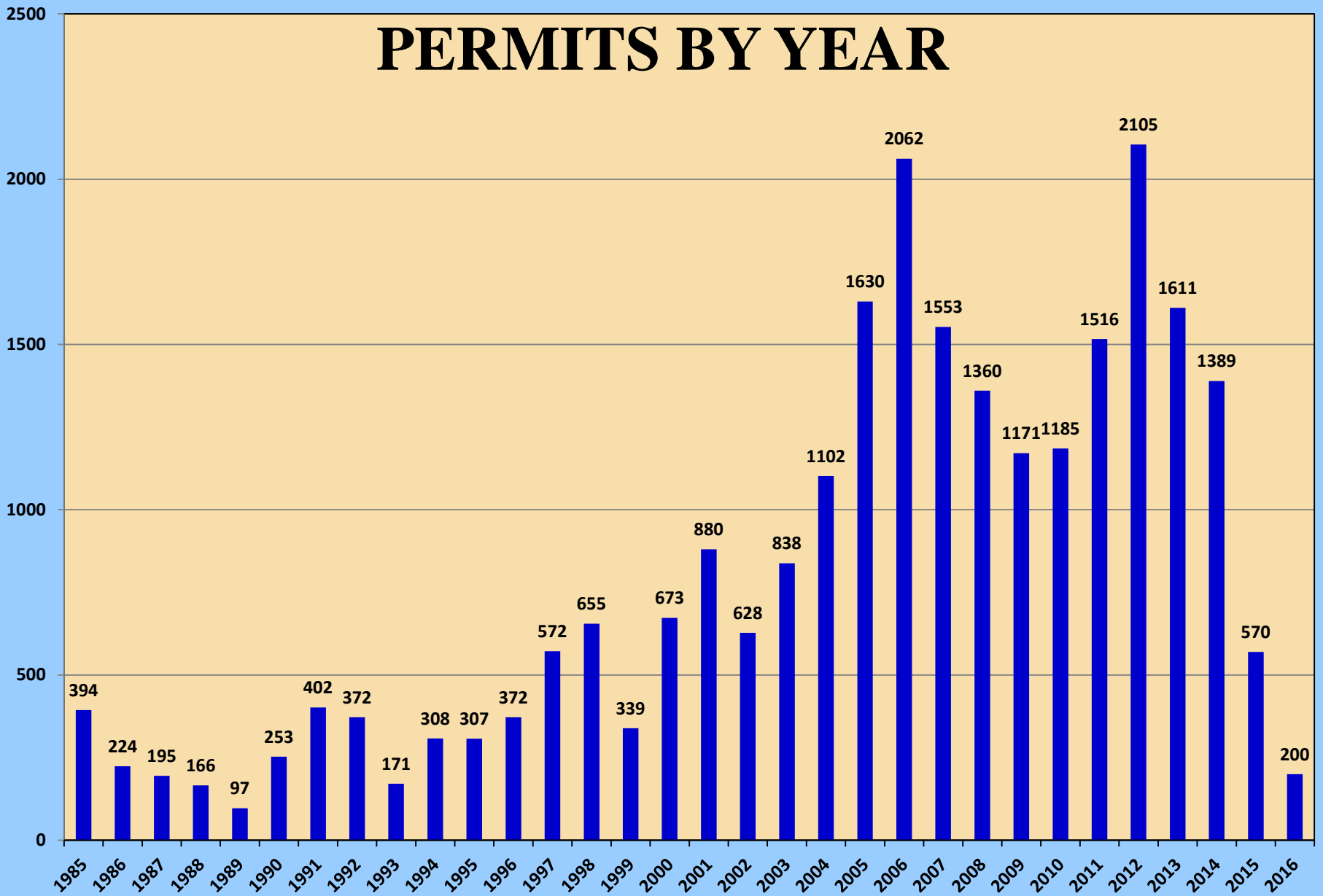
johnrogers@utah.gov

801-538-5349

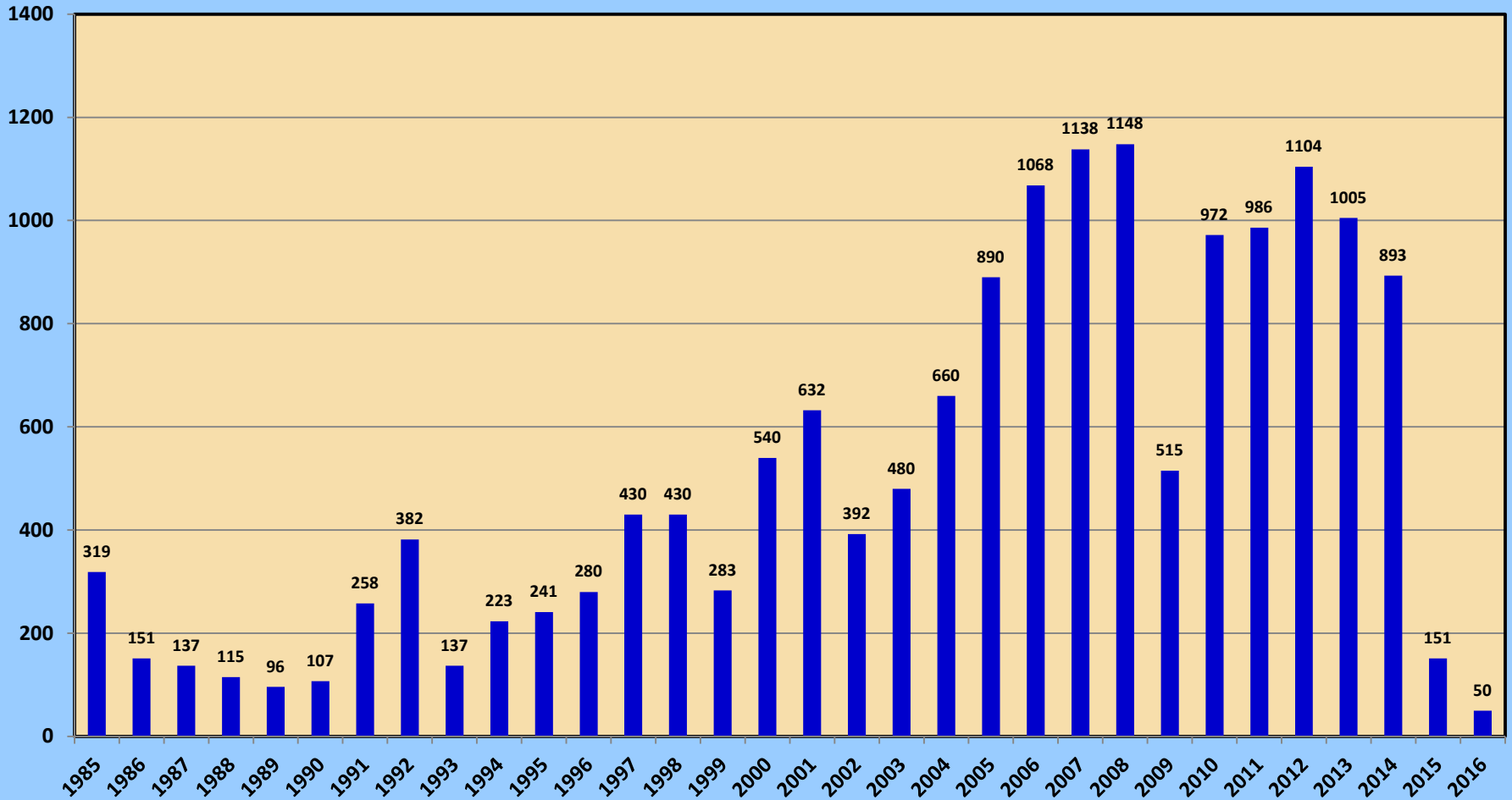
WTI CRUDE OIL PRICE LAST 45 YEARS



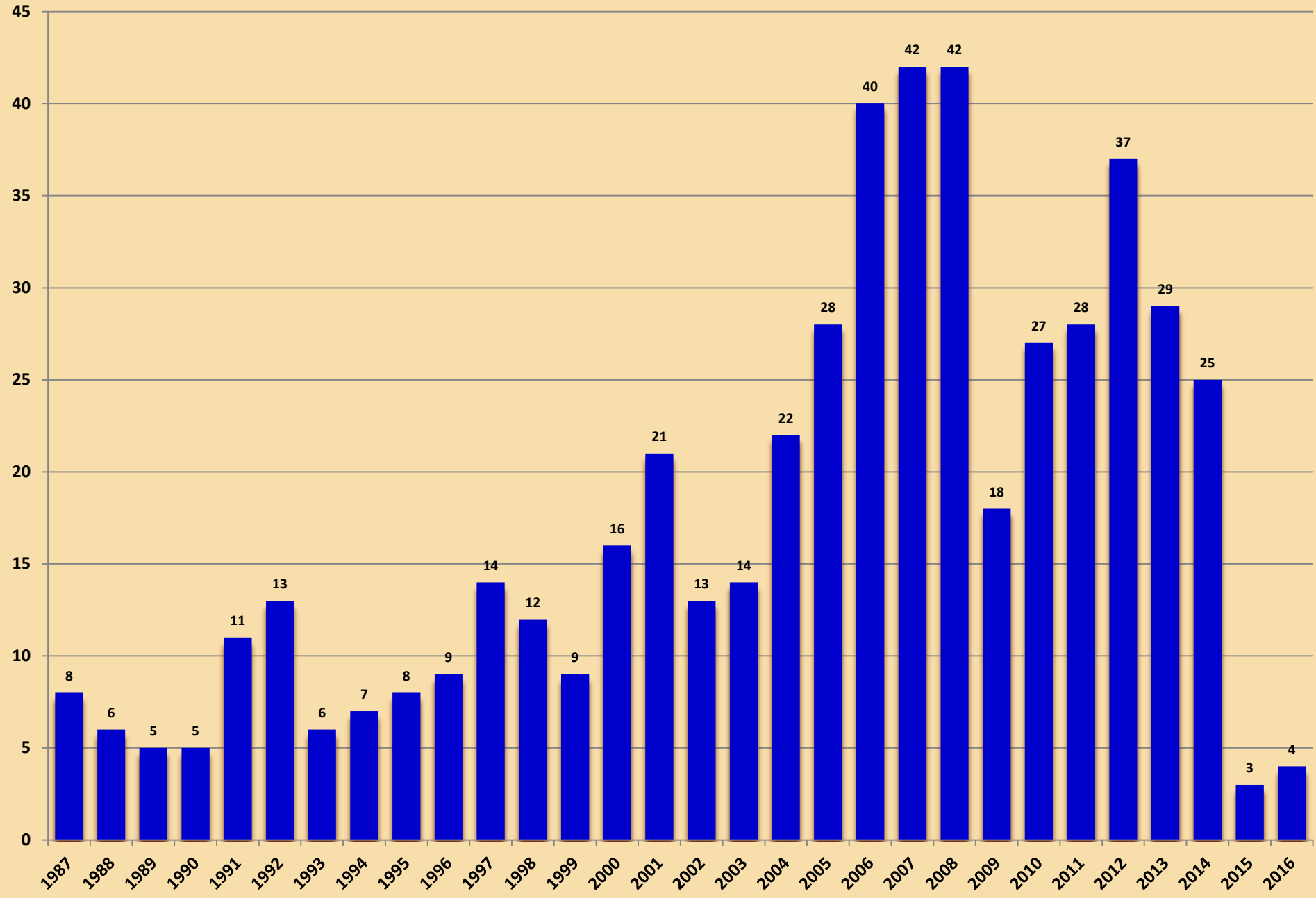
PERMITS BY YEAR



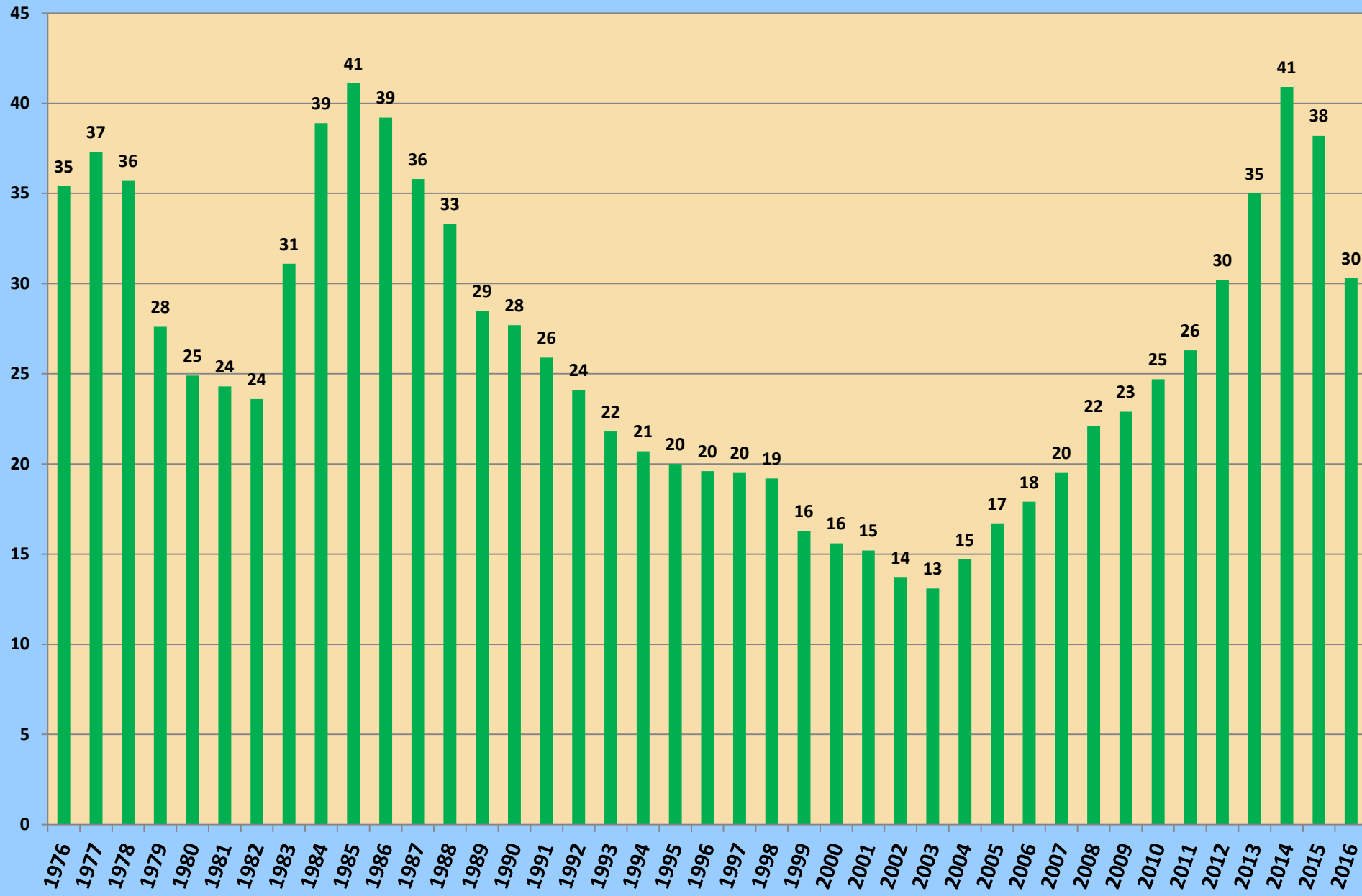
WELLS SPURRED BY YEAR



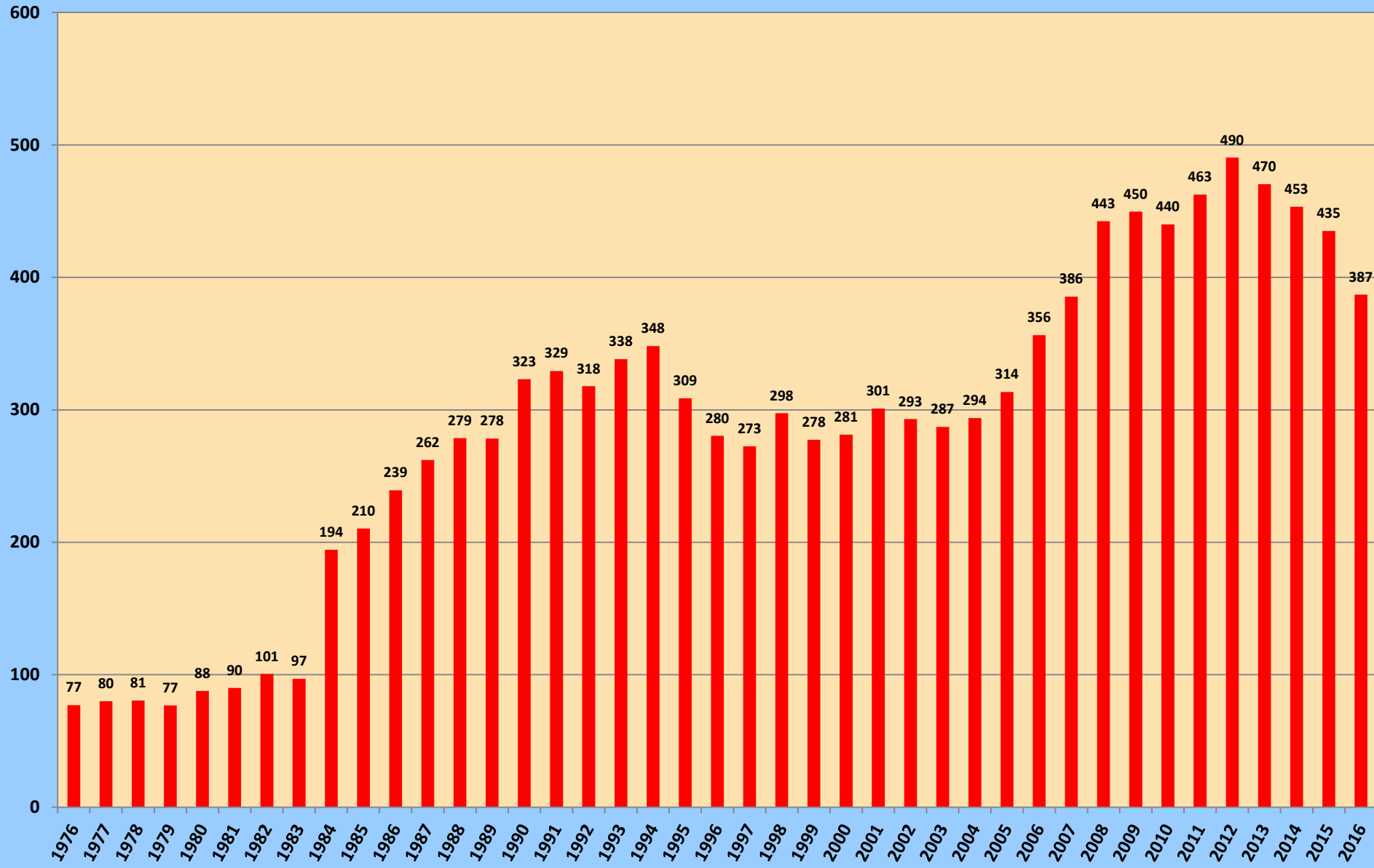
UTAH RIG COUNT BY YEAR

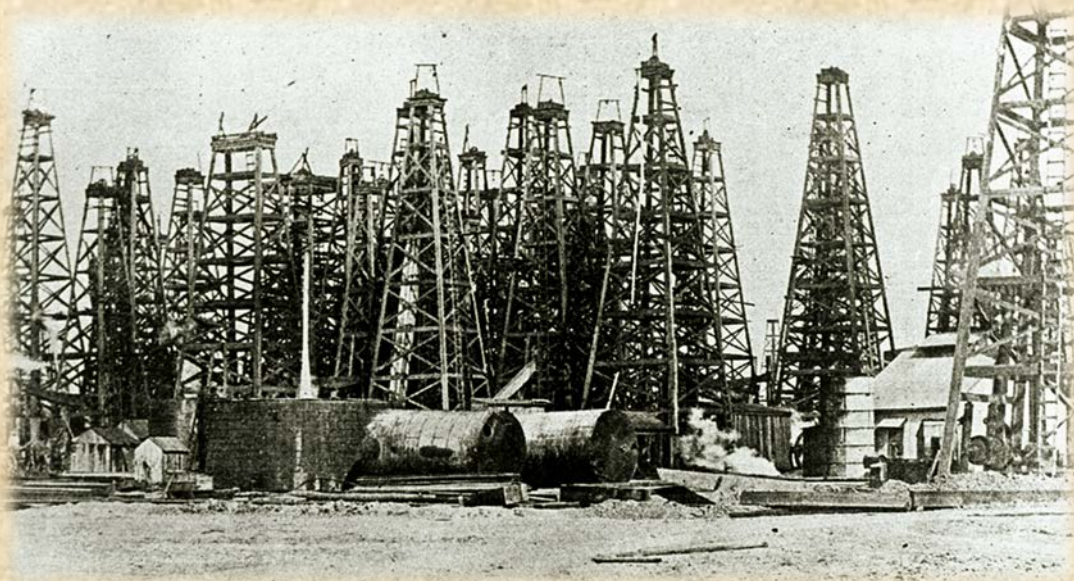


UTAH ANNUAL OIL PRODUCTION IN BARRELS (MILLION)



ANNUAL UTAH GAS PRODUCTION MCF (MILLION)





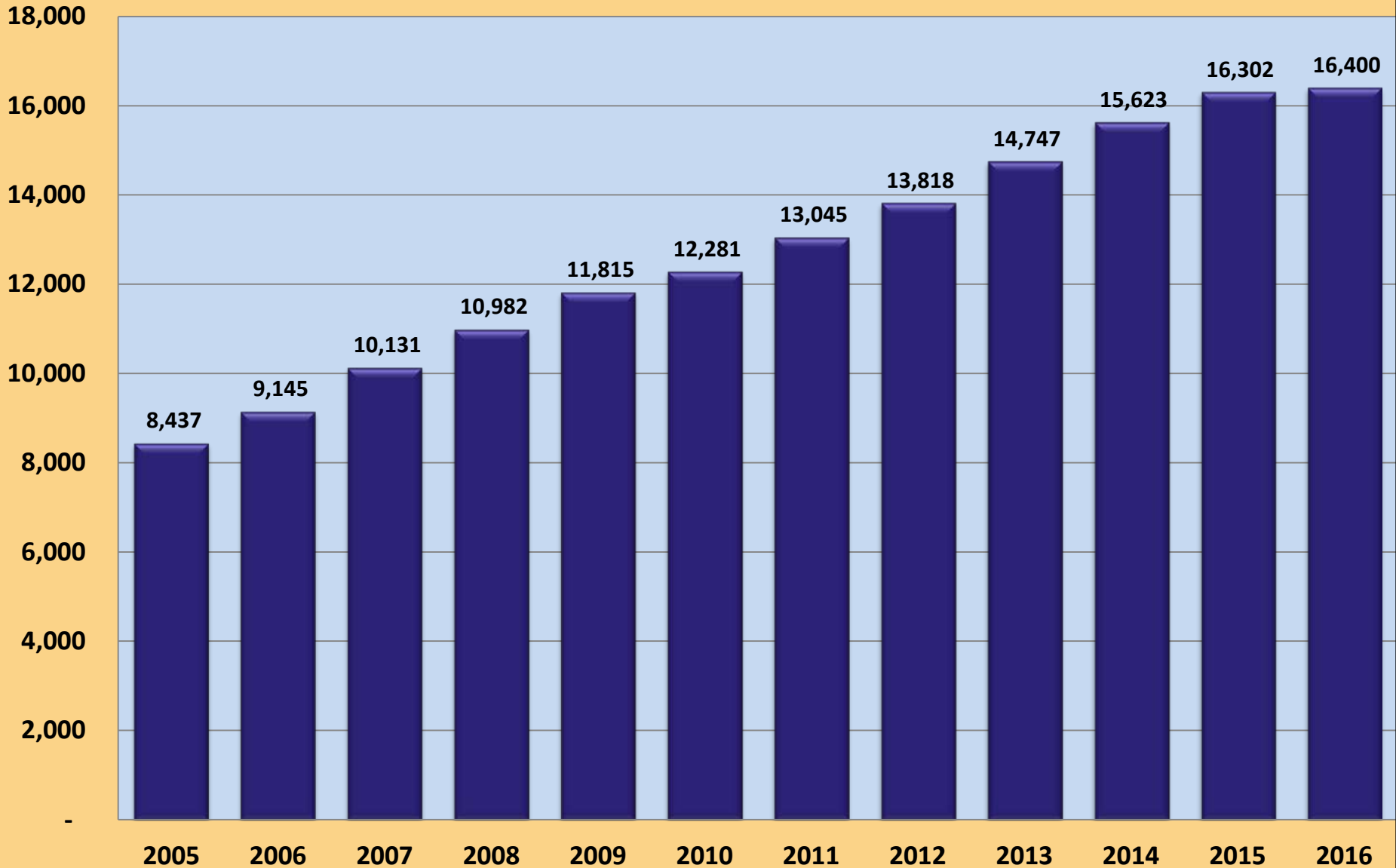
WHY REGULATION?



The Division of Oil, Gas and Mining

- Foster responsible development
- Protect the public health and safety
- Preserve the environment

UTAH -- INSPECTABLE UNITS



What the DOGM's Oil & Gas Program does

DEPENDENT ON OIL DRILLING AND PRICING

- Permit oil and gas wells & disposal facilities

INDEPENDENT OF OIL DRILLING AND PRICING

- Inspect wells and disposal facilities
- Permit, monitor and inspect gas storage facilities
- Approve engineering plans for work on existing wells
- Monitor MIT (mechanical integrity tests) of well bores
- Respond to environmental spills and releases
- Work with public about concerns
- Establish & witness plugging procedures
- Ensure compliance of oil & gas rules & statutes
- Maintain database for all well information
- Maintain environmental integrity of industry
- Ensure adequate bonding
- Audit for accuracy of reporting
- Represent the Division before the Board Oil, Gas & Mining

SPILLS AND ACCIDENTS





ANY TIME

ANYWHERE

ANY WEATHER



CHALLENGES FOR THE OIL AND GAS PROGRAM

- Depressed oil & gas prices and production
- Budget and Funding
- Education – overall negative perception of petroleum industry
- Hydraulic Fracturing
- Air Quality
- Endangered Species
- Split Estate
- Information Systems –Development
- Federal Land Issues
- Preparing for “rebound”



New 4,000-well drilling project proposed for Uinta Basin

By Brian Maffly The Salt Lake Tribune
Published: April 11, 2016 12:33PM
Updated: April 8, 2016 09:45PM

Crescent Point Energy • Canadian firm seeks to intensify development on 174-square-mile project area along Duchesne and Green rivers.



(Trent Nelson | The Salt Lake Tribune) Equipment in the oil fields of the Uintah Basin Tuesday, February 7, 2012, southeast of Vernal, Utah. Government agencies and industry announced the Uintah Basin Winter Ozone Study, which intends to better understand why ozone levels occasionally soar above health-based standards in the winter.

Despite the current downturn in oil and gas development, the Bureau of Land Management this week announced a massive drilling proposal spanning the heart of the Uinta Basin, covering three unincorporated towns, several rivers and two reservoirs and requiring hundreds of miles of new roads and pipelines.

Crescent Point Energy, a Canadian firm that has been investing heavily in the basin since 2012, is seeking approvals to drill up to 3,925 wells on a 35-mile-long swath running east from Myton to beyond the Green River. On Thursday, the BLM posted a scoping notice on the Federal Register, opening a public comment period through May 9 that will guide an environmental impact statement (EIS).

DOGM ?

Planning for the future

BLM poised to OK 5,750 new wells for Utah oilfield

By Brian Maffly | The Salt Lake Tribune
Published: June 29, 2016 05:44PM
Updated: June 30, 2016 02:09PM

The Bureau of Land Management last week wrapped up a six-year environmental analysis of a massive infill drilling program for the Uinta Basin's Monument Butte unit, which holds the state's largest proven oil reserves.



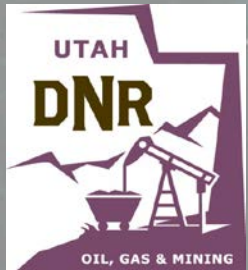
(Tribune File Photo) Oil pumpers dot the landscape of Newfield Exploration Company's oil fields in Monument Butte near Roosevelt, Utah on August 9, 2012.

Under the BLM's preferred alternative, Newfield Exploration

Co. would, over a period of 16 years, drill all 5,750 oil and gas wells it proposed. That plan relies on directional drilling to reduce the project's footprint in an already affected field covering 119,000 acres south of Myton. The infill project is needed to recover remaining oil and gas with new wells and by injecting water into hydrocarbon-bearing formations to coax further production over the 40- to 50-year life of the project.

Utah's largest oil producer, Newfield already operates about 3,400 wells there, on 40-acre spacings. By drilling many new wells from existing pads, the infill project would concentrate its impacts to spots already served by existing roads and pipelines. These provisions are needed to protect habitat and the Pariette Wetlands.

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