Update of the Idle and Orphan Wells Report

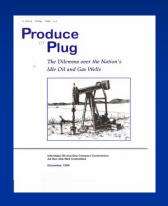


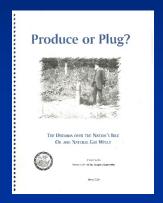
2021

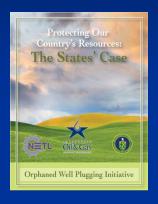
Hal Fitch

PREVIOUS REPORTS











PURPOSE OF REPORT

- Help states and provinces develop effective regulatory strategies and funding sources
- Provide information for support from federal and state/provincial governments
- Promote informed decisions by state & provincial legislators, Congress/ Parliament, federal agencies, other interested parties

2019 REPORT

Reported on numbers at end of 2018 Contents:

- Idle wells
- Documented orphan wells
- Undocumented wells
- Plugging funds
- Financial assurance
- Incentives
- Innovations and successes

2021 UPDATE

Format similar to 2019 Report with updates on:

- Current status of programs and funding
- Trends in well numbers
- Clarity and confirmation of state & provincial data
- Further analysis on undocumented wells
- Discuss potential uses of orphan wells

CURRENT FEDERAL LEGISLATION

- Senate Bill 1076 Introduced April 12
- House Bill 2415 Introduced April 8
- Amend Energy Policy Act of 2005
- Provide funds to states and tribes to plug orphaned oil and gas wells and restore sites

Congressional Briefing

Questionnaire to States - 2019 and 2020 Data

- Wells drilled and not plugged
- Documented orphan wells
- Orphan wells plugged
- Total wells plugged (including orphans)

Survey of States & Provinces for 2021 Updated Report

- Similar to 2018 survey. Incorporates numbers from recent questionnaire for 2019 & 2020
- Some wording changes for clarity and consistency
- Additional questions:
 - Total known wells drilled active, idle, abandoned, plugged
 - ▶ Orphan well site restoration 2019, 2020
 - Documented orphans on state/provincial, federal, or tribal land – 2019, 2020
 - Comments on trends in idle and orphan wells
 - Comments on repurposing of idle or orphan wells

Survey Example

IDLE AND ORPHAN WELLS SURVEY

If your state or province provided information for 2018 or for the recent updates for 2019 and 2020, that information is shown in the response to the question. If the information is not current, please update it.

State or Provincial Regulatory Agency

1. Agency with regulatory authority over idle and orphan wells:

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State Oil and Gas Commission
PO Box 12345
City, State, Zip Code
www.oilgascommission.state.us
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2. Agency contact for follow-up if needed:

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Joe Regulator, 123-456-7890, joe@state.us
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- 3. Regulations or Statutes that cover idle and orphan wells:
 - a. Citation: State Statutes 123.456 Administrative Rules 123.101 – 1099
 - b. Last update: April 2018

Definitions

The following definition s are used for purposes of this report:

- "Documented orphan well" means an orphan well for which your agency has a permit or other record.
- "Idle well" means an oil or gas well, or an oil and gas-related injection or monitoring well, that is not producing or injecting, or otherwise being used for its intended purpose.
- "Orphan well" means "a well that is not producing or injecting and for which the operator is unknown or insolvent."
 - a. Does your state or province define "orphan well"? Yes.
 - b. Your state's or province's definition, if substantially different:

Survey Example

Orphan wells plugged

19. Please provide numbers for each of the calendar years listed:

	2018	2019	2020
Total wells plugged (including orphans)	147	179	214
Orphan wells plugged	23	32	19
Amount expended to plug orphan wells	\$421,000		

- How many orphan wells have been plugged since the inception of your <u>state's</u> or province's orphan well program? 0
- 20. Please provide numbers for each of the calendar years listed:

	2018	2019	2020
Orphan well sites that underwent site restoration	17		
Amount expended for site restoration	\$32,000		

- Orphan sites that underwent site restoration since the inception of your <u>state's</u> or province's orphan well program: 312
- 21. Please list the number of documented orphan wells (i.e., wells for which your agency has a record) as of the end of each calendar year:

	2018	2019	2020
Total documented orphan wells	547	468	417
Documented orphan wells on state lands	3		
Documented orphan wells on private lands	516		
Documented orphan wells on federal/tribal lands	28		

22. Please list the number of wells as of the end of each calendar year:

	2018	2019	2020
Documented orphan wells that require site	347		
restoration			

- The report will address the issue of undocumented orphan wells (i.e., orphan wells for which no permit or other documentation exists.
 - a. Does your state or province have an estimate of the number of undocumented orphan wells? If so, please provide it. 1,000
 - What is the basis for the estimate? Review of historical records from before regulations were in place.

QUESTIONS?

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2021

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