Budget, Staffing, and Funding of State and Provincial Oil and Gas Regulatory Programs

INTERSTATE
Oil & Gas
COMPACT COMMISSION

2024 Update

TABLE OF CONTENTS

BACKGROUND

This report is a project of the Council of Regulatory Officials (CRO) of the Interstate Oil and Gas Compact Commission (IOGCC).

Many IOGCC member states and international affiliates continue to face challenges in providing adequate, stable funding for their oil and gas regulatory programs. To help address those challenges, IOGCC conducted surveys on program funding in 2006, 2009, 2011, 2015, 2019, 2020, and 2024. This report summarizes the survey results as reported early in 2024.

IOGCC sent the survey to 29 member states and one associate member state that have oil and gas production, and to six affiliated Canadian provinces. Twenty-nine states and four provinces responded. CRO and IOGCC thank the states and provinces for the time they invested in responding to the survey. We hope this report will be helpful to states and provinces in assessing their respective agency funding systems and identifying other potential approaches to managing funding challenges.

The survey results are compiled into five tables summarizing budget and staffing, funding sources, and narrative responses for the states and provinces.

The following acronyms are used in this report:

BLM:	Bureau of Land Management
CRO:	Council of Regulatory Officials
EOR:	Enhanced Oil Recovery
EPA:	Environmental Protection Agency
FTE:	Full-Time Equivalent Employee
IOGCC:	Interstate Oil and Gas Compact Commission
P&A:	Plug and Abandon or Plugging and Abandonment
UIC:	Underground Injection Control

SUMMARY

Tables 1 and 2 show the annual state and provincial budgets and Full-Time Equivalent Employee (FTE) counts for oil and gas regulatory programs, excluding plugging and restoration funds. For information on funding for plugging and restoration, see the IOGCC publication entitled *Supplemental Information on Orphan Well Plugging and Site Restoration* (2024).

State budgets ranged from $121,000 to over $100,000,000. Budgets for the four participating Canadian provinces ranged from C$1,928,000 to C$233,774,000.

FTE counts for state programs ranged from 1.5 to over 600, with about half of the reporting states having counts between 10 and 75. FTE counts for the four participating provinces ranged from six to 1,048.

Figure 1 reflects the range in size of state program budgets.

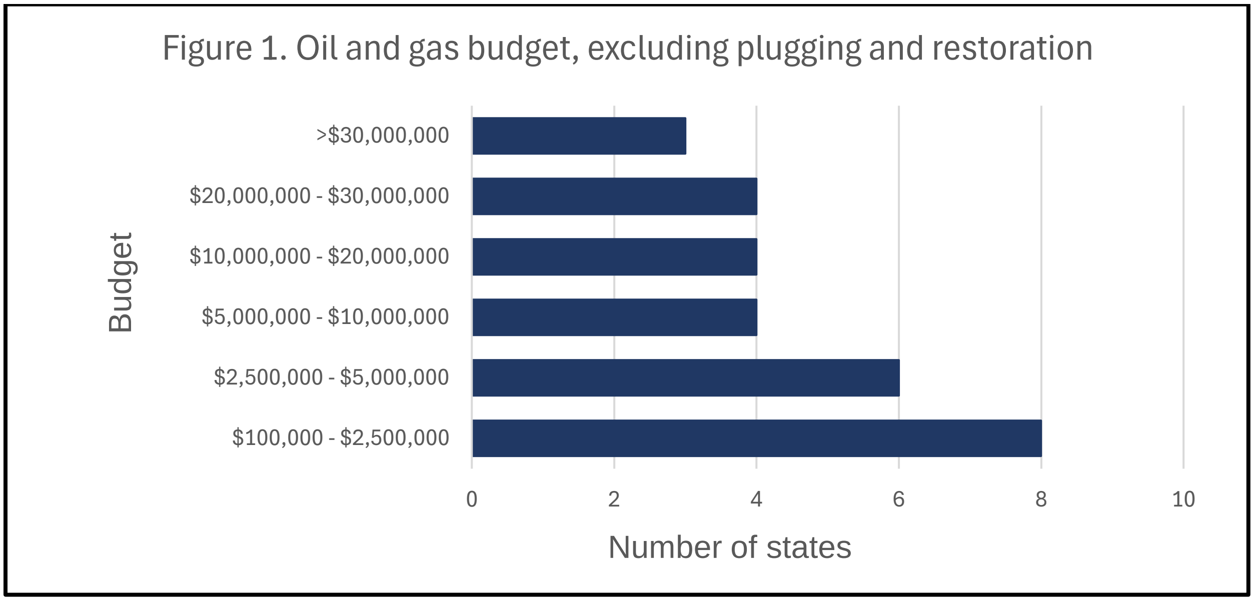
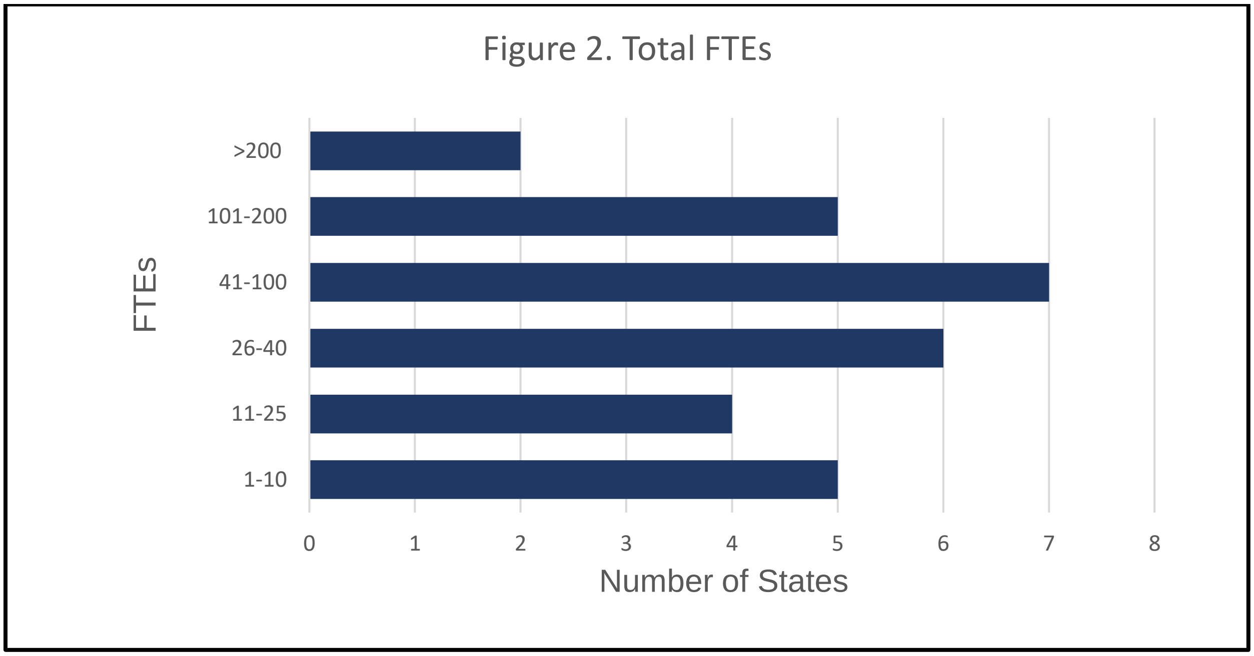


Figure 2 reflects the range in number of FTEs in state oil and gas programs.

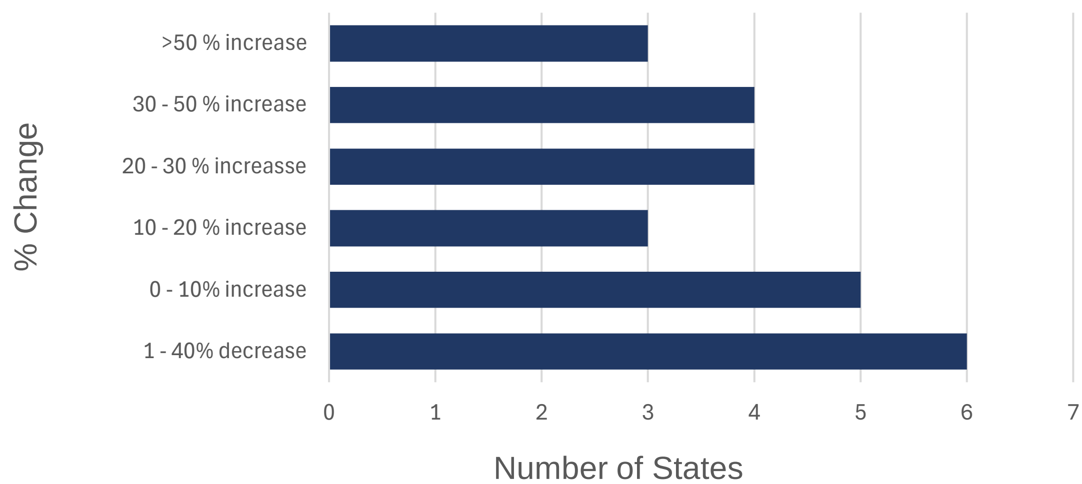


The differences in oil and gas regulatory program budgets and FTEs among the states and provinces are due to many factors, including the number of producing, idle, and orphan wells; the depths and characteristics of the wells; levels of drilling activities; and the extent of associated operations covered by the program. States and provinces vary in the extent of health, safety, and environmental factors that are covered under the oil and gas program versus other state programs. Some states and provinces include activities under the oil and gas program budget that are not strictly related, such as geothermal well operations. Any comparison must take these factors into account.

Figure 3 reflects the change in funding for state oil and gas regulatory programs, excluding plugging and restoration funds, between 2020 and 2024. This data is from 25 states; four states did not report budget information for 2020. For the 2020 data, see the IOGCC publication entitled *Budget, Staffing, and Funding of State and Provincial Oil and Gas Regulatory Programs (2020)*.

Most states saw increases in their oil and gas budgets from 2020 to 2024, ranging from six percent to over 100 percent. Six states saw their budgets decrease over that period. The budget totals for all states reporting over the period increased by 13.1 percent.

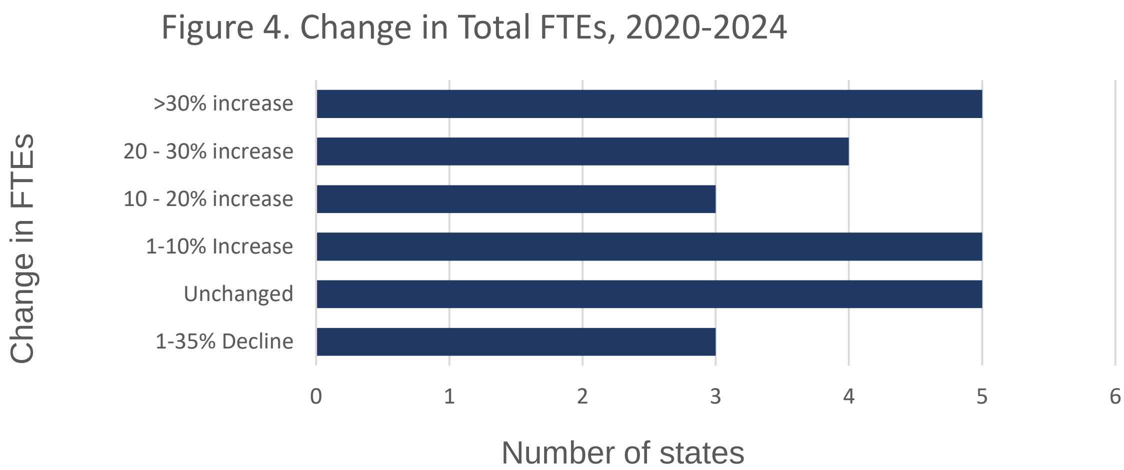
Figure 3. Change in State Budgets, 2020-2024
(excluding plugging and restoration funds)



25 states reporting.

One Canadian province reported no change in its budget between 2020 and 2024. The other three provinces saw increases of five to 40 percent.

Figure 4 shows the change in total FTEs between 2020 and 2024 in the states' oil and gas regulatory programs. The total FTEs for all states increased from 2020 to 2024 by 24.4 percent. Two states saw a decrease in FTEs over that period and several had no change, but most states saw increases of three to 30 percent.



25 states reporting.

Two of the Canadian provinces reported no change in their FTE count between 2020 and 2024. The other two had increases of six and 11 percent.

Tables 3 and 4 summarize the varied sources of funding for state and provincial oil and gas regulatory programs. For more detail, see the narrative descriptions in **Table 5**.

TABLES

Table 1. State Budget and Staffing

State	2024 Total oil and gas program budget, excluding plugging and restoration funds	Total FTEs	Inspector FTEs
Alabama	$3,918,910	23	6
Alaska	$7,611,363	33	8
Arizona	$420,000	4.9	0.1
Arkansas	$4,762,760	34	12
California [1]	$103,466,000	403	135
Colorado	$23,004,865	195	73
Idaho	$522,000	1.7	0.1
Illinois	$13,549,600	35	14
Indiana	$1,980,754	20.3	8
Kansas	$10,159,046	73	43
Kentucky	$4,125,300	32	18
Louisiana	$17,453,173	179	58
Michigan	$8,290,200	60	24
Mississippi	$2,971,947	34	8
Montana	$2,363,649	19.5	6
Nebraska	$669,520	12	3
Nevada [2]	$121,000	1.5	1.5
New Mexico	$12,015,619	87	18
New York	$3,167,367	40.9	23.4
North Dakota	$27,262,371	76	43
Ohio	$31,350,572	128	33
Oklahoma	$21,904,904	147	79
Pennsylvania	$24,250,000	190	84
Tennessee	$445,900	4	2
Texas	$64,352,056	614	185
Utah	$5,822,200	34	10
Virginia	$1,724,237	9	6
West Virginia	$3,000,000	41	20
Wyoming	$5,741,394	41	12

Table 2. Provincial Budget and Staffing

Province	2024 Total oil and gas program budget, excluding plugging and restoration funds	Total FTEs	Inspector FTEs
Alberta [3]	C$233,774,000	1048	81
British Columbia [4]	C$70,648,000	290	21
Northwest Territories	C$1,928,000	6	<1
Saskatchewan [5]	C$25,230,000	119	25

Notes for Tables 1 and 2

1. California numbers cover the oil, natural gas, and geothermal energy regulatory program.
2. Nevada numbers cover the oil, natural gas, and geothermal energy regulatory program.
3. Alberta numbers cover the oil, gas, coal, geothermal, and brine-hosted mineral regulatory program.
4. British Columbia numbers cover regulated energy resource activities, including petroleum, natural gas, geothermal, hydrogen, methanol, and ammonia.
5. Yearly levy for the dedicated Saskatchewan Oil and Gas Orphan Fund

Table 3. State Funding Sources

States	Industry Fees					Other Revenue Sources					
	Permit application[1]	Hearings	Temporary abandon-ment	Production or injection[2]	Other fees[3]	Severance tax[4]	General tax revenue	EPA UIC grant	Other federal grant	Fines and penalties	Other non-fee[5]
Alabama	X	X			X			X	X		
Alaska				X				X			
Arizona											
Arkansas	X	X		X	X					X	X
California			X	X	X			X			
Colorado				X		X		X	X	X	
Idaho	X					X	X			X	
Illinois	X		X		X			X	X	X	
Indiana	X				X					X	
Kansas	X			X	X			X	X		X
Kentucky	X				X			X			
Louisiana	X	X	X	X	X		X	X	X	X	X
Michigan	X			X	X	X	X	X			
Mississippi	X	X	X	X	X			X	X	X	
Montana	X			X	X	X		X			X
Nebraska	X	X			X	X		X			
Nevada	X			X	X						X
New Mexico	X	X				X	X	X	X		
New York	X						X		X		X
North Dakota	X		X		X			X		X	
Ohio	X	X		X	X	X		X		X	X
Oklahoma	X				X		X	X	X	X	X
Pennsylvania	X				X						
Tennessee	X		X		X						X
Texas	X			X	X	X	X	X	X	X	X
Utah	X			X		X	X	X			
Virginia	X				X						
West Virginia	X				X	X	X	X		X	
Wyoming	X	X			X	X		X			
Number of States	25	8	6	13	22	11	9	20	10	12	10

Table 4. Provincial Funding Sources

Provinces	Industry Fees					Other Revenue Sources					
	Permit application [1]	Hearings	Temporary abandon-ment	Production or injection [2]	Other fees [3]	Severance tax [4]	General tax revenue	EPA UIC grant	Other federal grant	Fines and penalties	Other non-fee [5]
Alberta					X						X
British Columbia	X			X	X						
Northwest Territories					X		X				
Saskatchewan					X						
Number of Provinces	**1**	**0**	**0**	**1**	**4**	**0**	**1**	**0**	**0**	**0**	**1**

Notes for Tables 3 and 4

1. “Permit application” may include the following: production well permits, facility permits, underground storage permits (including gas storage), enhanced recovery permits, site construction permits, and other related permits; permit renewals, amendments, and modifications; and reworks, testing, and reclassification. Four states reported permit fees for injection or disposal wells as a separate category; these were included under permit application fees.
2. “Production or injection,” where details were provided by states or provinces, is described as based on the volume or value of oil and/or gas produced, or the volume of fluid injected.
3. “Other fees” includes plugging and abandonment fees (six states and one province); annual operator, well, or facility fees (six states and two provinces); and permit transfer fees (seven states). There are 14 other fees and administrative charges, each of which is levied by one state or province, described as: hydraulic fracturing, surface owner notification, calculation of Enhanced Oil Recovery production, cash bond administration, salt water haulers, erosion and sediment control, gathering lines, organization registration, rule exception, surcharges, miscellaneous fees for copies and research, Pennsylvania “Impact Fee,” administration fees, and other unspecified items.
4. “Severance tax” includes "production tax" or "conservation tax" as described by some states.
5. "Other non-fee” comprises ten types of funding sources, each of which is levied by one state and described as: federal royalties, interagency transfers, mining claim filings, grant for plugging federal wells, state royalties, bond act, certificates of non-development, subsidies from other environmental programs, investment/ information sales/services, and other unspecified items. Most states and provinces require some form of well or facility bonding and are able to recover costs incurred for plugging and restoration; however, they may not list those as separate funding sources.

Table 5. State and Provincial Narrative Responses

Alabama
Industry fees
Permitting fee ($300/permit application); hydraulic fracturing fee for conventional wells ($250/formation, not to exceed $750/well); hydraulic fracturing fee for horizontal wells ($250/segment or stage, not to exceed $750/well); hydraulic fracturing fee for coalbed methane wells ($175 per coal group, not to exceed $525/well); Board petition filing fee ($150/petition).
Other sources of revenue

Alaska
Industry fees
The AOGCC (Alaska Oil and Gas Conservation Commission) charges no additional fees. The AOGCC does charge operators for the yearly budget through the Regulatory Cost Charge authorized by AS 31.05.093. This is the pro rata each operator pays based on the volumes of fluid produced and injected into wells.
Other sources of revenue
The AOGCC also receives federal funding to support the Underground Injection Control (UIC) program that is approximately $120,000 each fiscal year.
Other comments
The AOGCC does hold bonds for each operator to ensure that each well is drilled, operated, maintained, repaired, and abandoned and each location is cleared according to AOGCC statutes and regulations.

Alberta
Industry fees
The AER (Alberta Energy Regulator) is primarily funded through an industry levy (administration fees) on oil and gas, oil sands, coal, pipelines, and facilities. The amount is calculated based on the AER's revenue requirement, prior calendar years production volume, the number of wells and schemes, pipeline classes, facility type/inlet rates, and the number of operators within each sector.
Other sources of revenue
In addition to an industry levy, the AER has other minor revenue streams; these revenue streams are as follows:
Investment (interest earned on funds held), Information Sales, Services, Fees, and Government grants.

Arkansas
Industry fees
Production assessments (oil and gas), various permit application fees, various annual well fees, hearing docket fees.
Other sources of revenue
Revenue from interest earned on funds held.

British Columbia
Industry fees
Production levies, application fees, infrastructure levies, and orphan site restoration levy.
Other sources of revenue
Interest.
Other Comments
The BC Energy Regulator is the provincial agency responsible for regulating energy resource activities in British Columbia including petroleum, natural gas, geothermal, hydrogen, methanol,

and ammonia. Information stated here corresponds to total regulatory activities for the fiscal year ending March 31, 2025.

California

Industry fees

CalGEM (California Geologic Energy Management Division) collects a production assessment fee on production and fees from operators for idle wells.

Other sources of revenue

Federal grant funding for Underground Storage and Underground Injection Control. $50,000,000 from the General Fund. $25,000,000 Federal grant US Department of Interior.

Other Comments

There is a separate budget line item for this activity that is called the Hazardous and Idle Deserted Well Abatement Fund (HIDWAF). This is funded by the Legislature and by Idle Well fees. There is currently more than $25 million in this account. In addition, there is specific funding in the Budget Act appropriating $5 million annually for remediation of orphan wells and facilities.

Colorado

Industry fees

A fee set as a levy rate paid by oil and gas operators on the market value of the oil and gas produced.

Other sources of revenue

Severance tax on gross production of natural gas.

Other comments

In Colorado, the fiscal year runs from July 1 to June 30. The budget for FY24 is $32,504,865 which is an appropriation from the legislature. This budget is evaluated annually to ensure that it is proportional to workload and revenue collections. Federal funds of $6,700,000 are from the BLM to plug orphan wells and are separate from the IIJA federal funding received.

Idaho

Industry fees

Application fees. For reference, see https://legislature.idaho.gov/statutesrules/idstat/Title47/T47CH3/SECT47-316/

In the past five years most fees have come from Well Permit Fees ($2000 per application) and applications for an Integration Order or Spacing Order ($1300 per application).

Other sources of revenue

Severance tax is 2.5% on gross production, 60% of which is allocated to the Oil & Gas Conservation Fund.

Other comments

In Idaho, the fiscal year runs from July 1 to June 30. For FY 2023 industry fees totaled $7,900. The budget for FY24 is approximately $522,000 which is a combination of fees, severance taxes and an appropriation from the legislature. This amount is evaluated annually to ensure that it is proportional to income to the Department from severance tax revenue and program fees.

Indiana

Industry fees

Application fees ($15-$750), Annual Well Fees ($150-4000)

Other sources of revenue

Penalties (amounts vary)

Kansas

Industry fees

License application fee, injection well application fees, well plugging fees, surface owner notification fees, and production fees.

Other sources of revenue
EPA UIC grant
50% of Kansas' Federal Royalty money is used for abandoned well plugging
Other comments
$2,147,892 is the amount included in the budget for well plugging and site restoration based on actual revenues; however, approximately $5.1 million is available in the plugging fund to use if necessary.

Kentucky
Industry fees
New Permit application Fee $350
Well Transfer Fee $50/well
Permit Extension Fee $300
Testing Permit Fee $25
Oil Flow Line Permit Fee $100
Gas Flow Line Permit Fee $200
Gathering Line Permit Fee $500
Annual Operator License Fee of $100 for each operating company
Annual Domestic Gas Well License Fee $25
Other sources of revenue
We have an EPA UIC Program Grant ($142,000) due to having primacy over UIC Class II injection wells, but it pays only a portion of the actual program cost.
Other comments
Well plugging and tank removal account is an offline statutory fund account. Estimate spending $500,000 will be spent this year.

Louisiana
Industry fees
See http://www.dnr.louisiana.gov/assets/OC/Rules/29-RFY1920FWD.pdf
Statewide Order No. 29-R-19/20 and Forward, §703. Fee Schedule for Fiscal Year 2019-2020 and thereafter

A. Application Fees	Amount
Application for Alternate Unit Well	$ 504
Application to Amend Permit to Drill - Minerals	$ 126
Application to Amend Permit to Drill - Minerals (LUW, Stripper, Incapable, Other)	$ 50
Application to Amend Permit to Drill - Injection or Other	$ 126
Application for Automatic Custody Transfer	$ 252
Application for Commercial Class I Injection Well	$1,264
Application for Commercial Class I Injection Well (Additional Wells)	$ 631
Application for Commercial Class II Injection Well	$ 631
Application for Commercial Class II Injection Well (Additional Wells)	$ 314
Application for Commercial Facility Exclusive of an Associated Well	$3,000
Application to Commingle	$ 252
Application for Critical Date Order	$ 504
Application for Downhole Combinations	$ 504
Application for Exception to 29-E	$ 504
Application for Exception to 29-B	$ 504
Application for Multiple Completion	$ 126
Application for Noncommercial Injection Well	$ 252
Application for Permit to Drill - Minerals: 0' - 3,000' (6 months)	$ 126
Application for Permit to Drill - Minerals: 3,001' - 10,000'(6 months)	$ 631
Application for Permit to Drill - Minerals: 10,001' + (6 months)	$1,264

Drill Minerals Deeper (> 3,000') (6 months)	$ 504
Drill Minerals Deeper (> 10,000') (6 months)	$ 632
Application for Permit to Drill - Minerals: 0' - 3,000' (1 year)	$ 252
Application for Permit to Drill - Minerals: 3,001' - 10,000' (1 year)	$1,262
Application for Permit to Drill - Minerals: 10,001' + (1 year)	$2,528
Drill Minerals Deeper (> 3,000’) (1 year)	$1,008
Drill Minerals Deeper (> 10,000’) (1 year)	$1,264
Application for Pilot Projects	$ 504
Application for Public Hearing	$ 755
Application for Reuse Material not Associated with a Commercial Facility	$ 400
Application for Selective Completion	$ 504
Application for Severance Tax Relief	$ 504
Application for Substitute Unit Well	$ 252
Application for Surface Mining Exploration Permit	$ 65
Application for Surface Mining Development Operations Permit	$ 94
Application for Surface Mining Permit	$2,212
Application for Emergency Clearance Form R-4	$ 65
Application to Process Form R-4	$ 36
Application to Reinstate Suspended Form R-4	$ 65
Application for Site Clearance	$ 600
Application for Waiver of Production Test	$ 504
Application for Well Product Reclassification	$ 504
Application for Work Permit - Injection or Other	$ 125
Application for Work Permit - Minerals	$ 75
Application for Unit Termination	$ 252
Class II Hydrocarbon Storage and E and P Waste Cavern Annual Compliance Review Fee.	$2,000
Class II CO2 EOR Project (AOR Review and Updates)	$5,000
Class III Solution Mining Cavern Annual Compliance Review Fee	$2,000
Class V Permit Waiver/Exemption Request	$ 250
Community Saltwater Disposal System Initial Notification	$ 125
E and P Waste Determination	$ 300
Operator Registration	$ 105
Requests to Modify Well Permit - change the Maximum Surface Injection Pressure (MASIP), work prognosis, etc.	$ 300
Request to Transport E and P Waste to Commercial Facilities or Transfer Stations.	$ 150
Witnessed Verification of MIT Tests	$ 250
Work permit to Plug and Abandon a Well utilized for NORM disposal	$ 500

E. Production Fees: Operators of record of capable oil wells and capable gas wells are required to pay according to the requirements of La. R.S. 30:21. B(1)(a). Based on the required calculation and cap established in said statute, taking into account the production of capable wells for the given year, including credits given to exempt incapable wells, a tiered schedule stating the exact fees due for the particular year will be published annually on the DNR/Conservation website.

Other sources of revenue

Federal Grants, State General Funds, Inactive Well Assessment, Fines and Civil Penalties, Interagency Transfers.

Other comments

Oilfield Site Restoration (OSR) is a DNR program managed by the Office of Conservation. Funding is primarily from the OSR fee charged on production, supplemented by a portion of the

Inactive Well Assessment and Financial Security collected. For the current fiscal year total revenue available for orphan well plugging and site restoration is about $23,000,000.

Michigan

Industry fees

$300 Permit Application Fee, 1% Surveillance Fee on Gross Production, $20/Well Annual Gas Storage Well Fee.

Other sources of revenue

OGMD (Oil, Gas, and Minerals Division) Oil and Gas Regulatory Fund also receives some general fund appropriation and collects $20/well for gas storage wells. The Orphan Well program also receives $1,000,000 or 2% of severance tax, whichever is larger annually. OGMD receives approximately $130,000 from the US EPA for Class II UIC Primacy/Administration.

Other comments

Oil and Gas Regulatory Program $ 8,290,200 ($3,794,500 Oil and Gas Restricted/$4,495,700 General Fund) Appropriation/Orphan Well Program $2,340,300 Appropriation.

Michigan spends a minimum of $1,000,000 annually on Orphan Well Plugging, Restoration, Cleanup, and orphan well program administration (not including federal plugging programs).

Mississippi

Industry fees

The State Oil and Gas Board levies/assesses a maintenance fee against each barrel of oil produced and sold (.044) and for each MCF of gas produced and sold (.005).

Additional fees assessed by the agency include: new permits to drill, conversion or commingle $600.00, Workover, Change of Operator $100.00, filing fee for docketed matters $100.00, and miscellaneous fees for copies, research, etc.

The Emergency Plugging Fund is funded by an annual unplugged well fee assessed against each unplugged production well $100.00 as well as annual Facility fees $100.00 plus $50.00 per unplugged storage well and $50.00 for each unplugged salt water disposal well and any fines levied by the State Oil and Gas Board.

Other sources of revenue

The Oil and Gas Board has a separate non-budgeted fund for the plugging of wells (Emergency Plugging Fund). The State Oil and Gas Board receives a grant from the Environmental Protection Agency for the oversight of Class II wells and also current operates a grant from the U.S. Department of the Interior for the plugging and remediation of orphaned wells.

Montana

Industry fees

Drilling permit fee; fee for calculation of incremental production for new/modified enhanced recovery projects; Class II injection well fee ($200 per class II injection well per year).

Other sources of revenue

Tax on sales of oil and natural gas is the primary funding source.

EPA UIC Class II grant.

Interest from Resource Indemnity Trust (set up from resource extraction taxes) to fund orphan well plugging and restoration.

Nebraska

Industry fees

Hearing Fee: $250, Drilling Intent $200, P&A fee $100

Other sources of revenue

Conservation Tax currently 12 mil. Federal UIC grant $75K

Nevada

Oil and Gas Industry fees

Application Fee:
Conventional well on public or private land, $1,000
Hydraulic fractured well on public land, $3,500; on private land, $4,500
Sundry Fee: for administrative changes, $100; all other changes, $300
Production Fee (monthly): $0.15/per barrel of oil or per 50,000 cubic feet of natural gas.

Geothermal Industry Fees

Application Fee:
Domestic permit, $50
Commercial permit, $200
Industrial permit, $500
Annual fee (excluding domestic), $600
Sundry Fee: for administrative changes, $100; all other changes, $300
A onetime fee is also charged based on well completion depth

Other comments

The budget for the fluid mineral regulatory program is dominated by geothermal well permits and inspections, oil and gas only represent one fifth of our fluid minerals program budget. Nevada is a dual permitting state for wells drilled/operated on public land, with the BLM acting as primary permitting agency. For wells on public land additional state bonding is not required. Wells drilled/operated on private land are permitted, and bonded, solely by the Division of Minerals. Coordination between the BLM and the Division regarding sharing of information, permitting, inspections, and enforcement is provided through an MOU.

New Mexico

Industry fees

Permit application and hearings fees - funds IT and hearing support.
Portion of oil and gas severance taxes go to funding the Reclamation Fund.

Other sources of revenue

Primarily General Fund.
UIC Grant.
Reclamation Fund can only be utilized to fund one FTE, and the remainder must be utilized on things to assist with well plugging and reclamation.
Well plugging grant can only be utilized to plug federal wells.
Permit Fee Fund can only be utilized for IT and hearing expenses.

Other comments

[The budget for the oil and gas regulatory program comprises:]
UIC Grant - $329,119
General Fund - $9,230,300
Reclamation Fund - $18,417,700
Well Plugging Grant (Grant from BLM to plug wells on Fed Land) - $500,000
Permit Fee Fund (only to be used for IT and hearing expenses) - $2,456,200

New York

Industry fees

Permit fees for well drilling.

Other sources of revenue

State's general fund, drilling permit fees go into our Oil and Gas Account, and funds from a bond act. In December 2023, we were awarded just over $8mm in Inflation Reduction Act funds through EPA/DOE's Methane Emissions Reduction Program (shown as other federal above). Note that our budget for plugging and restoration is exclusive of DEC salaries.

North Dakota

Industry fees

$100 drilling permit and permit renewal
$100 SWD permit and permit renewal
$100 Temporary abandon and temporary abandon renewal
$25 change of operator or well name change – per well
1% cash bond administration

Other sources of revenue

UIC Class II grant $139,000 for 2023 fiscal year.

Northwest Territories

Industry fees

C$25 / annual operating license

Other sources of revenue

We are completed funded by the Government of the Northwest Territories.

Ohio

Industry fees

Primarily drilling permit fees, salt water hauler fees, cost recovery assessment fees, brine disposal fees, mandatory pooling fees, unitization fees, natural gas storage fees, and a small amount of various other fees.

Other sources of revenue

Severance taxes for oil and natural gas, civil penalties, various other reimbursements

Oklahoma

Industry fees

Certificates of Non-Development
Land Application Permits
Saltwater Pit Permits
Seismic Operations Application
Vent/Flare Gas Permit
UIC Application
UIC/LPG Storage Well Annual Report
Multi-Zone / Commingling Application
Temporary Exemption from Well Plugging Application
Well Pluggers License - Administrative Approval
Well Transfers
Commercial Disposal Well Application
Commercial Disposal Well Semi-Annual Report
Commercial Earthen Pit Application
Commercial Earthen Pit Facility Annual Fee
Commercial Recycling Facility Application
Commercial Recycling Facility Annual Fee
Commercial Soil Farming Facility Application
Commercial Soil Farming Facility Annual Fee
Intent to Plug
Notification of Intent to Drill
Intent to Drill (Normal, expedited, and temporary
Intent to Drill (Directional, horizontal, vertical, and multi-well)
Operator Agreement Annual Fee
Microfilm Copies

Other sources of revenue

Appropriations

Oil and Gas Fines, Forfeits and Penalties
Oil and Gas - Surety Bond Forfeits
Cost Recovery (OERB)
Well Plugging-Direct Transfers
Well Plugging-MOEA Interest
Federal Grant-Brownfields
Federal Grant-UIC

FY2024 BUDGET

Fund	Department	Budget	
19401	1000001	$607,298.00	*Indirects (AJLS)*
19401	2000001	$9,277,777.00	*Oil and Gas*
19401	8820120	$2,932,221.00	*Oil and Gas -IT*
19401	8820820	$6,037.00	*ISD - IT*
21500	2000002	$1,270,421.00	*Well Plugging*
23000	2000001	$6,736.076.00	*Oil and Gas*
23000	2000002	$500,000.00	*Well Plugging*
23000	2000008	$513,532.00	*ISD*
23000	2100001	$183,671.00	*UIC*
40000	2000005	$243,006.00	*Oil and Gas Brownfields Grant*
40000	2100001	$451,292.00	*Oil and Gas UIC Grant*
41000	2000005	$883,753.00	*Oil and Gas Brownfields (other)*

Pennsylvania

Industry fees

$12,500 well permit fee. Approximately $1,500 Erosion and Sediment Control well pad construction fee. $100 an acre for gathering line construction fee.

Other sources of revenue

$6 million annually from the PA "Impact Fee".

Saskatchewan

Industry fees

Ministry of Energy and Resources (ER) assesses an annual Administrative Levy against all licensees of wells and pipelines in accordance with provisions outlined in The Oil and Gas Conservation Regulations, 2012.

The amount of the annual payment is tied to the number of wells in the various well classes (these are based on the volume of oil and gas produced from the well) and the length in kilometers for various classes of pipelines in operation in the previous calendar year. For example, the Administrative Levy calculated and invoiced for the 2023-24 fiscal period was based on the performance of wells and the length of pipelines operating during the 2022 calendar year.

An annual adjustment factor established by an Order in Council adjusts each year's payment to account for changes in the revenue requirements of the Government of Saskatchewan for the provision of regulatory services. Administrative Levy invoices are typically issued in the second fiscal quarter of the year, after approval of the provincial budget.

Each well and pipeline is charged a base fee multiplied by an adjustment factor. The adjustment factor is set annually to ensure that 90 per cent of forecast regulatory expenses are recovered. The provincial budget for regulatory services affects the Administrative Levy rates, as do changes in the number of wells, volume of production, and pipeline lengths.

Other sources of revenue

None

Other comments

The oil and gas regulatory program budget of C$26.44M covers regulatory cost for the regulation of the upstream oil and gas industry by the ER, Ministry of Environment, and the Ministry of

Agriculture. Also includes non-capital costs related to maintenance and upgrades of our Integrated Resources Information System. All of those costs are borne by industry with ER providing regulatory oversight. It is difficult to break out ER's oversight costs.

Industry portion of the regulatory budget levied at 90 per cent was $23.8M in 2023-24.

The Saskatchewan Oil and Gas Orphan Fund (SOGOF) was created in 2007 to ensure that the costs associated with abandonment/decommissioning and reclamation of orphaned sites is borne by the oil and gas industry and that those costs do not get passed on to the taxpayers of Saskatchewan. Each oil and gas company operating in Saskatchewan pays into SOGOF through an orphan fund fee, an annual orphan fund levy, and security deposits where applicable.

As the program is completely funded by industry, a Saskatchewan Oil and Gas Orphan Fund Advisory Committee (FAC) was established to advise the minister with respect to any matter related to the administration of SOGOF. FAC was first established in 2008, and its membership has been reviewed/renewed every two years as required under *The Oil and Gas Conservation Regulations*, 2012 (OGCR).

The FAC membership consists of industry persons representing the interests of the oil and gas industry and ER officials who carry out the administration of SOGOF. The industry members on the FAC represent the interests of both the largest and smallest companies operating in Saskatchewan as the members are nominated by the Canadian Association of Petroleum Producers (CAPP), Saskatchewan Headquartered Oil Producers (SHOP) and the Explorers and Producer Association of Canada (EPAC).

The Orphan Fund Procurement Program (orphan program) was implemented in 2007 to manage the risks posed to environment and public safety where sites no longer have a legally responsible and financially able party to deal with the abandonment and/or reclamation responsibilities. The program coordinates the safe abandonment, decommissioning, and reclamation of these sites including the surface and subsurface. Using the orphan fund, the orphan program secures vendors to restore these orphaned oil and gas sites to their original state in a cost-effective manner that adheres to the current provincial regulations.

Tennessee

Industry fees

Application for Permit to Drill fees - $500

Change of Operator fees (well transfers) - $100/well

Application Amendments - $100/well

Temporary Abandonment fees - $100/well

Other sources of revenue

The Oil and Gas Program is subsidized by other revenue-generating environmental programs in the state.

Other comments

The Tennessee Oil and Gas Program maintains a separate fund for well plugging and site restoration. The Oil and Gas Plugging Fund has a current balance of $366,957.

Texas

Industry fees

Application fees, permit fees, organization registration fees, fees for rule exceptions, surcharges, production taxes, and regulatory fees on oil and gas produced.

Other sources of revenue

General Revenue, federal grants, penalties, reimbursements from responsible parties for plugging and cleanup work performed by the state, and sale of salvage equipment and hydrocarbons from well plugging.

Utah

Industry fees

Conservation fee – 0.2% of the value of production, currently generates $6.5 million in FY2024; no other individual fees are charged.

Other sources of revenue

$0 from the Utah State General Fund

$650,000 federal grant funding

$4,300,000 from carryover reserve funds accumulated in previous years.

$4,500,000 in severance tax.

a. 3% of the value of the oil up to and including the first $13 per barrel for oil; and
b. 5% of the value of the oil from $13.01 and above per barrel.

Virginia

Industry fees

Permit Fees $800.00 - ($200.00 of the permit fee is allocated to the orphan well fund).

Permit Modifications - $300.00 (This occurs when significant changes are required from the original permit).

Permit Renewals $325 - (This fee is collected if the well is not drilled in two years from issue date).

Permit Transfers $75.00 - (This fee is collected if wells are purchased by another company).

No other Fees

Other sources of revenue

None

West Virginia

Industry fees

West Virginia has various well work permit application fees that are dependent on the type of well for which the activity will occur, well and permit transfer fees, and annual well fees.

Other sources of revenue

In addition to industry fees, the Office of Oil and Gas receives a very small portion of severance taxes. We also receive limited funding through the State's general revenue, from EPA through the Department's Division of Water and Waste Management, and from fines/penalties.

Other comments

Funding diversification through legislative action has allowed the Office of Oil and Gas to fill vacancies that were created a few years ago during budget shortfalls. Legislation has provided a significant increase in state funding for abandoned well plugging.

Wyoming

Industry fees

Drilling Permit ($500), Hearing Fee ($250), Class II UIC Well Fee ($75 per Class II well per year), Federal UIC Grant ($225,000)

Other sources of revenue

Conservation Tax (5 mils)