

CHAPTER 1

AUTHORITY AND DEFINITIONS

Section 1. **Authority.** WYO. STAT. ANN. §§ 30-5-101 through 30-5-126.

Section 2. **Definitions.**

(a) **Aquifer** shall mean a geological formation, group of formations, or part of a formation that is capable of yielding a significant amount of water to a well or spring.

(b) **Abandoned Oil Field Equipment** means equipment and the contents thereof used in drilling or producing oil and gas wells and left on the lease where a dry hole or well is located as to which reports on the Form 2, Operator's Monthly Report of Wells, have not been filed with the Commission for the preceding twenty-four (24) months.

(c) **Authorized Agent** shall mean a representative of the Supervisor as authorized by the Commission.

(d) **Average Daily Production** means the qualified maximum total production of domestic crude petroleum and petroleum condensates including natural gas liquids produced from a property or lease during the preceding calendar year divided by the number of calendar days in that year times the number of wells which produced and wells which injected substances for the recovery of crude petroleum and petroleum condensates including natural gas liquids from that property or lease in that year. To qualify as maximum total production each well must have been maintained at the maximum feasible rate of production in accordance with recognized conservation practices and not significantly curtailed by reason of mechanical failure or other disruption in production.

(e) **Barrel** shall mean 42 (US) gallons of 60° Fahrenheit at atmospheric pressure.

(f) **Casing Pressure** shall mean the pressure within the casing or between the casing and tubing at the wellhead.

(g) **Class II Well** shall mean any non-commercial well used to dispose of water and/or fluids directly associated with the production of oil and/or gas, any well used to inject fluids or gas for enhanced oil recovery, or any well used for the storage of liquid hydrocarbons. Non-hazardous gas plant wastes may be disposed of in a Class II well pending Environmental Protection Agency co-approval.

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(h) **Client Company** means the entity on whose behalf and for whose benefit the geophysical/seismic company does its work or the entity who hires the geophysical/ seismic company.

(i) **Closed System** includes, but is not limited to, the use of a combination of solids control equipment (e.g., shale shakers, flow line cleaners, desanders, desilters, mud cleaners, centrifuges, agitators, and necessary pumps and piping) incorporated in a series on the rig's steel mud tanks, or a self-contained unit that eliminates the need for a reserve pit for the purpose of dumping and dilution of drilling fluids for the removal of entrained drilling solids. A closed system for the purpose of the Commission's rules does not automatically include the use of a small pit, even to receive cuttings.

(j) **Collection Wells** means reservoir access holes drilled from underground shafts or tunnels from which oil or gas is produced.

(k) **Commercial Disposal Well or Commercial Water Retention Pit.** A commercial disposal well or commercial water retention pit is one that:

(i) is operated primarily for profit from the disposal of produced water and/or deleterious substances for a fee; or

(ii) is a disposal well or pit for which none of its owners is an owner in any of the oil and gas wells which produce the water and/or other deleterious substances which will be disposed into said disposal well or pit.

(l) **Commission** shall mean the Wyoming Oil and Gas Conservation Commission.

(m) **Complete Application or Complaint** means a document or documents which:

(i) identifies the applicant or complainant;

(ii) identifies the subject matter of the application or complaint and the statutory or regulatory provisions under which relief is requested;

(iii) contains a brief statement of the circumstances supporting the application or complaint; and

(iv) contains a plat map which identifies at a minimum:

(A) the well or wells that are the subject of or may be affected by the application or complaint; and

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(B) the governmental sections or portions thereof that are the subject of or may be affected by the application or complaint; and

(C) adjacent or surrounding secondary recovery units, federal exploratory units, and existing drilling units if pertinent to the application or complaint.

(n) **Completion.** An oil well shall be considered completed when the first new oil is produced through wellhead equipment into lease tanks from the producing interval after the production string has been run. A gas well shall be considered completed when the well is capable of producing gas through wellhead equipment from the producing zone after the production string has been run. A dry hole shall be considered completed when all provisions of plugging are complied with as set out in these rules. A coalbed methane well shall be considered completed after the production casing has been run.

(o) **Cubic Foot** of gas shall mean the volume of gas contained in one cubic foot of space at a standard pressure base and a standard temperature base. The standard temperature base shall be 60° Fahrenheit.

(p) **Day** shall mean a period of twenty-four (24) consecutive hours.

(q) **Designated Agent or Operator** shall mean the designated local representative of the lessee or of the owner.

(r) **Dormant Well** shall mean a well which is no longer actively producing, monitoring or injecting; or which does not qualify as permanently abandoned, shut-in, or temporarily abandoned.

(s) **Fresh Water and Potable Water** are defined as water currently being used as a drinking water source or having a total dissolved solids (TDS) concentration of less than 10,000 milligrams per liter (mg/l) and which:

(i) can reasonably be expected to be used for domestic, agricultural, or livestock use;
or

(ii) is suitable for fish or aquatic life.

(t) **Gas** shall mean all natural gases and all hydrocarbons not defined herein as oil.

(u) **Gas Well** shall mean a well the principal production of which, at the mouth of the well, is gas, as defined by the Wyoming Conservation Law.

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(v) **Geophysical/Seismic Company** means an entity that performs any geophysical operation to explore for oil, gas, or associated hydrocarbons. These operations include, but are not limited to, drilling seismic shot holes for placing or detonating explosives, vibroseis, or surface shots.

(w) **Hearing** shall mean any matter heard before the Commission or its examiners.

(x) **Horizontal Well** shall mean a wellbore drilled laterally at an angle of at least eighty degrees (80°) to the vertical and with a horizontal projection exceeding one hundred feet (100') measured from the initial point of penetration into the productive formation through the terminus of the lateral in the same common source of hydrocarbon supply.

(y) **Injection or Disposal Well** shall mean any well used for the injection of air, gas, water or other substance into any underground stratum.

(z) **Legal Subdivision** shall mean any regularly surveyed governmental quarter-quarter section or lot of approximately 40 acres.

(aa) **Lien Holder** means those who have liens, on file with the Secretary of State and County Clerk of the county where the property is located, on the property of the owner of a well or operator, as reflected by the Commission records.

(bb) **Log or Well Log** shall mean the written record progressively describing the strata, water, oil or gas encountered in drilling a well with such additional information as to give volumes, pressures, rate of fill-up, water depths, caving strata, casing record, etc., as is usually recorded in the normal procedure of drilling; also to include electrical, radioactive, or other similar logs run, a lithologic description of all cores, and all drill stem tests, including depth tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.

(cc) **Multiple Zone Completion** shall mean one in which two or more separate zones, mechanically segregated one from the other, are produced simultaneously from the same well.

(dd) **Oil** shall mean crude petroleum oil and any other hydrocarbons, regardless of gravities, which are produced at the well in liquid form by ordinary production methods, and which are not the result of condensation of gas before or after it leaves the reservoir.

(ee) **Oil and Gas Operations** means the surface disturbing activities associated with drilling, producing and transporting oil and gas, including the full range of development activity from exploration through production and reclamation of the disturbed surface.

(ff) **Oil Mining** shall mean operations associated with the production of oil or gas from reservoir access holes drilled from underground shafts or tunnels.

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(gg) **Oil Well** shall mean a well the principal production of which, at the mouth of the well, is oil, as defined by the Wyoming Conservation Law.

(hh) **Owner** means the person who has the right to drill into and produce from a pool and to appropriate the oil or gas he produces therefrom either for himself or others.

(ii) **Permanently Abandoned Well** shall mean a well which is no longer considered active and has been permanently plugged and abandoned, as provided by these rules, in such a manner as to prevent migration of oil, gas, and water or other substances from the formation or horizon in which it originally occurred.

(jj) **Person** means and includes any natural person, corporation, association, partnership, receiver, trustee, executor, administrator, guardian, fiduciary or other representative of any kind, and includes any department, agency or instrumentality of the State or of any governmental subdivision thereof. The masculine gender, in referring to a person, includes the feminine and the neuter genders.

(kk) **Pits in critical areas.** Sites considered for the placement of all pits are critical areas if they meet any of the following criteria:

(i) locations which are within one-quarter (1/4) mile of water supplies, residences, schools, hospitals, or other structures where people are known to congregate;

(ii) areas when groundwater at the location is less than twenty feet (20') from the surface;

(iii) locations which are within five hundred feet (500') of wetlands, ponds, lakes, perennial drainages or within a floodplain;

(iv) areas where pit fluids are greater than 10,000 milligrams per liter (10,000 mg/l) total dissolved solids; or

(v) locations in pervious subsoils such as sands, scoria, river bottom gravel, loams, etc.

(ll) **Pool** shall mean an underground reservoir containing a common accumulation of oil or gas or both. Each zone of a general structure, which zone is completely separated from any other zone, is covered by the word "pool" as used herein.

(mm) **Producer** means the owner of a well or wells capable of producing oil or gas or both.

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(nn) **Recompletion** for the purpose of WYO. STAT. ANN. § 39-14-205(g), and Commission Rule Chapter 3, Section 42, means any downhole operation in an existing oil or gas well that is conducted to establish production of oil or gas from any geological interval not currently completed or producing in said existing oil or gas well.

(oo) **Seismic Hole** is one which will be used for geophysical purposes only.

(pp) **Shut-In Well** shall mean a well not currently considered active in which the completion interval has not been isolated from the wellbore above and where the wellbore condition is such that its utility may be restored by opening valves or by energizing equipment involved in operating the well.

(qq) **Special Sodium Drilling Area – A (SSDA – A)** shall mean the designated area where trona mining operations are or will occur where special drilling rules apply to protect the Trona Mineral Resources and insure miner safety which location is described as containing:

Township 21 North, Range 108 West, 6th P.M.

Sections 16, 17, 19 through 22, and 27 through 34 all, inclusive.

Township 21 North, Range 109 West, 6th P.M.

Sections 24 through 27, and 34 through 36 all, inclusive.

Township 20 North, Range 108 West, 6th P.M.

Sections 6 through 8, 17 through 20 and 29 through 32 all, inclusive.

Township 20 North, Range 109 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 20 North, Range 110 West, 6th P.M.

Sections 1, 8, 9, 12, 13, 15 through 22 and 24 through 36 all, inclusive.

Township 20 North, Range 111 West, 6th P.M.

Sections 13, 14, 22 through 27, and 33 through 36 all, inclusive.

Sections 21 and 28 E2

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Township 19 North, Range 108 West, 6th P.M.

Sections 5 and 6 all.

Township 19 North, Range 109 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 19 North, Range 110 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 19 North, Range 111 West, 6th P.M.

Sections 1 through 4, 9 through 16, 21 through 28, and 33 through 36 all, inclusive.

Township 18 North, Range 108 West, 6th P.M.

Sections 6, 7, 18 through 20, and 29 through 32 all, inclusive.

Township 18 North, Range 109 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 18 North, Range 110 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 18 North, Range 111 West, 6th P.M.

Sections 1 through 4, 9 through 16, 21 through 28 and 33 through 36 all, inclusive.

Sections 5, 8, 17, 20, 29, and 32 E1/2

Township 17 North, Range 108 West, 6th P.M.

Sections 5 through 9, 16 through 22 and 26 through 35 all, inclusive.

Township 17 North, Range 109 West, 6th P.M.

Sections 1 through 36 all, inclusive.

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Township 17 North, Range 110 West, 6th P.M.

Sections 1 through 6, 8 through 17, 22 through 27, 35 and 36 all, inclusive.

Township 17 North, Range 111 West, 6th P.M.

Sections 1 through 3 all, inclusive.

Township 16 North, Range 108 West, 6th P.M.

Sections 3 through 10, 15 through 22, and 26 through 35 all, inclusive.

Township 16 North, Range 109 West, 6th P.M.

Sections 1 through 30, 35 and 36 all, inclusive.

Township 16 North, Range 110 West, 6th P.M.

Sections 1, 2, 11 through 15, and 22 through 27 all, inclusive.

Township 15 North, Range 108 West, 6th P.M.

Sections 2 through 10, 15 through 22, and 27 through 34 all, inclusive.

Township 15 North, Range 109 West, 6th P.M.

Sections 1, 2, 11 through 14, 23 through 25, and 36 all, inclusive.

Township 14 North, Range 108 West, 6th P.M.

Section 4 through 7, and 18 all, inclusive.

Township 14 North, Range 109 West, 6th P.M.

Sections 1, 12, and 13 all.

(rr) **Special Sodium Drilling Area – B (SSDA – B)** shall mean the designated area where Trona Mining Resources exist outside the SSDA – A and special drilling rules apply to protect the resource which location is described as containing:

Township 21 North, Range 109 West, 6th P.M.

Sections 28 through 33 all, inclusive.

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Township 21 North, Range 110 West, 6th P.M.

Sections 25, and 34 through 36 all, inclusive.

Township 20 North, Range 110 West, 6th P.M.

Sections 2 through 7, 10, 11, 14, and 23 all, inclusive.

Township 20 North, Range 111 West, 6th P.M.

Sections 1, 11, 12, and 15, all.

Township 19 North, Range 108 West, 6th P.M.

Sections 7, 18, 19, 30, and 31 through 35 all, inclusive.

Township 18 North, Range 108 West, 6th P.M.

Sections 1 through 5, 8 through 17, 21, 22, 27, 28, 33, and 34 all, inclusive.

Township 17 North, Range 107 West, 6th P.M.

Sections 30 through 32 all, inclusive.

Township 17 North, Range 108 West, 6th P.M.

Sections 3, 4, 10, 11, 13 through 15, 23 through 25, and 36 all, inclusive.

Township 17 North, Range 110 West, 6th P.M.

Sections 7, 18 through 21, and 28 through 34 all, inclusive.

Township 17 North, Range 111 West, 6th P.M.

Sections 4, 5, and 8 through 36 all, inclusive.

Township 17 North, Range 112 West, 6th P.M.

Sections 13, 14, 22 through 28, and 33 through 36 all, inclusive.

Township 16 North, Range 107 West, 6th P.M.

Sections 6, 7, 18, 19, 30, and 31 all.

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Township 16 North, Range 108 West, 6th P.M.

Sections 1, 2, 11 through 14, 23 through 25, and 36 all, inclusive.

Township 16 North, Range 109 West, 6th P.M.

Sections 31 through 34 all, inclusive.

Township 16 North, Range 110 West, 6th P.M.

Sections 3 through 10, 16 through 21, and 28 through 36 all, inclusive.

Township 16 North, Range 111 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 16 North, Range 112 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 15 North, Range 107 West, 6th P.M.

Sections 6, 7, 18, 19, 30, and 31 all.

Township 15 North, Range 108 West, 6th P.M.

Sections 1, 11 through 14, 23 through 26, 35 and 36 all, inclusive.

Township 15 North, Range 109 West, 6th P.M.

Sections 3 through 10, 15 through 22, and 26 through 35 all, inclusive.

Township 15 North, Range 110 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 15 North, Range 111 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 15 North, Range 112 West, 6th P.M.

Sections 1 through 36 all, inclusive.

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Township 14 North, Range 108 West, 6th P.M.

Sections 1 through 3, 8 through 17, and 19 through 36 all, inclusive.

Township 14 North, Range 109 West, 6th P.M.

Sections 2 through 11, and 14 through 36 inclusive.

Township 14 North, Range 110 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 14 North, Range 111 West, 6th P.M.

Sections 1 through 36 all, inclusive.

Township 14 North, Range 112 West, 6th P.M.

Sections 1 through 16, and 22 through 26 all, inclusive.

(ss) **Spud** means the commencement of operations for the first boring of a hole for the drilling of an oil, gas or injection well. This includes setting conductor.

(tt) **Stratigraphic Test or Core** hole shall mean any hole drilled for the sole purpose of obtaining geological information.

(uu) **Stripper Production** means a property or lease whose average daily production of crude petroleum and petroleum condensate including natural gas liquids did not exceed ten (10) barrels per day per well during the preceding calendar year.

(vv) **Sump** is a buried, or partially buried, vessel constructed of man-made material including, but not limited to, steel, fiberglass, and/or concrete, which is used for the temporary collection of fluids. A sump can be closed top or open top.

(ww) **Supervisor** shall mean State Oil and Gas Supervisor.

(xx) **Surface Owner** means any person holding any recorded interest in the legal or equitable title, or both, to the land surface on which oil and gas operations occur, as filed of record with the county clerk of the county in which the land is located. Surface owner does not include any person or governmental entity that owns all of the land surface and all of the underlying oil and gas estate, or any person or governmental entity that owns only an easement, right-of-way, license, mortgage, lien, mineral interest or nonpossessory interest in the land surface.

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(yy) **Temporarily Abandoned Well** shall mean a well in which the completion interval has been isolated from the wellbore above and the surface. The completion interval may be isolated by a retainer, bridge plug, cement plug, tubing and packer with tubing plug, or any combination thereof.

(zz) **Temporary Spacing Unit** shall mean a specified area of land designated by the Commission for purposes of determining well density and location. A temporary spacing unit is not a drilling unit as provided for in WYO. STAT. ANN. § 30-5-109, and does not provide a basis for pooling the interests therein as does a drilling unit.

(aaa) **Tertiary Production** means the crude oil recovered from a petroleum reservoir by means of a tertiary recovery project to which one (1) or more tertiary enhanced recovery techniques meeting the certification requirements of the Wyoming Oil and Gas Conservation Commission or the United States Government are being applied.

(bbb) **Trona Mineral Resource** shall mean a concentration or occurrence of trona mineral in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Trona Mineral Resource is known, estimated or interpreted from specific geological evidence and knowledge.

(ccc) **Trona Interval** shall mean that stratigraphic interval contained within the Special Sodium Drilling Area – A or – B, (SSDA – A or – B) as defined in Chapter 1, Section 2(qq) or (rr) that lies between the base of the Laney Member of the Green River Formation and the Top of the main body of the Wasatch Formation.

(ddd) **Underground Source of Drinking Water.** USDW means an aquifer or its portion:

- (i) which supplies any public water system; or
- (ii) which contains a sufficient quantity of ground water to supply a public water system; and
 - (A) currently supplies drinking water for human consumption; or
 - (B) contains fewer than 10,000 mg/l total dissolved solids; and
- (iii) which is not an exempted aquifer.

(eee) **Well**, when used alone in these rules and regulations, shall refer to an oil or gas well, injection or disposal well, or to a hole drilled for the purpose of producing oil or gas or both. It shall not include seismic, stratigraphic test, core or other exploratory holes drilled for the purpose of obtaining geologic information only.

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(fff) **Wildcat Well** for the purposes of WYO. STAT. ANN. § 39-14-205(e), means any oil or gas well designated as a wildcat well by the Wyoming Oil and Gas Conservation Commission. Wildcat wells are wells outside known fields or new wells which are determined by the Commission to have discovered oil or gas in a pool not previously proven productive.

(ggg) **Workover**, for the purposes of WYO. STAT. ANN. § 39-14-205(g), and Commission Rule Chapter 3, Section 42, means any downhole operation in an existing oil or gas well that is designed to sustain, restore or increase the production rate or ultimate recovery in a geologic interval currently completed or producing in said existing oil or gas well. Workover includes but is not limited to: acidizing, reperforating, fracture treating, sand/paraffin removal, casing repair, squeeze cementing, or setting bridge plugs to isolate water productive zones from oil or gas productive zones, or any combination thereof. Workover does not mean the routine maintenance, repair, or replacement of downhole equipment such as rods, pumps, tubing, packers, or other mechanical devices.

(hhh) **Wyoming Conservation Law** shall mean WYO. STAT. ANN. §§ 30-5-101 through 30-5-126.

(iii) **Wyoming Split Estates Act** shall mean WYO. STAT. ANN. §§ 30-5-401 through 30-5-410.