

Time for a Check-Up: Taking the Pulse of Wyoming's Energy Sector



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It is time for a check-up, or more appropriately, a check-in, on the Wyoming energy sector. I have spent quite a bit of time in Wyoming recently, and one troubling comment that I heard in a gas station has resonated with me – “Wyoming is still in a recession.” It got me thinking...is this true? It is time to take the pulse of Wyoming's Energy Sector...

Last week, I attended the Wyoming Oil and Gas Conservation Commission's ("WOGCC") hearings and was present for the Supervisor's Report to the Commission, which can also be found [here](#). In the Supervisor's Report, Mark Watson gives a status update on the oil and gas sector in the Cowboy State. It is a sort of monthly physical, a check-up of sorts, on the goings on in the oil and gas industry.

In summary, the October 2019 Supervisor's Report provides as follows -

The following numbers are down:

- APDs: The number of APDS received in the month of September by the WOGCC decreased about 20% from the previous month.
- Rig Count: The rig count is down from last month.

- Monthly gas production in Wyoming as of July 2019 was down approximately 17% from July 2018.
- **Good news:** Monthly oil production in Wyoming as of July 2019 was up approximately 17% from July 2018.
- 75 wells were removed from the Orphan Well Program list for the month of September, with 71 wells plugged and abandoned and 4 converted to water wells for landowners.

In addition, earlier this week, the Casper Star Tribune published its Energy Journal entitled, [Energy Journal: What to Expect this Winter in Energy](#). This article reports on the many aspects of the energy sector in the Cowboy State, including, but not limited to, the following:

- Natural gas output may be starting to taper off, and the consequences of low natural gas prices are already starting to emerge in Wyoming.
- Layoffs are starting to creep upwards.
 - Halliburton reportedly cut 650 jobs in the Rocky Mountain region.
- **Good news:** Wind energy development is expected to expand.

The article's perspective on the future of natural gas is troubling as, according to the U.S. Energy Information Administration's Wyoming State Profile and Energy Estimates, which can be found [here](#), Wyoming is among the top 10 natural gas producing states and has natural gas reserves among the top 5 states. The Supervisor's Report reported that monthly gas production was down 17% from July 2018 as well.

Layoffs in the coal sector and in the oil and gas sector are similarly troubling...

Thank goodness that the Casper Star Tribune's recent article entitled, [Wyoming Utility Leading Drive to Expand Wind and Solar](#), provides a **light at the end of the tunnel**. Wyoming has been struggling to diversify its economy in recent years, and this check-up seems to reflect a generally bleak prognosis. **However, the good news comes in the form of one of Wyoming's ever-present assets - the wind**. As the Cowboy State is ripe for wind development, it appears wind infrastructure will be the booster shot that the state needs.

Stay tuned for more on Wyoming wind...

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