Stripper Oil Wells in Nebraska 2008

The Interstate Oil and Gas Compact Commission (IOGCC) defines stripper wells as those wells producing 10 barrels of oil or less per day. Stripper oil wells produce marginal oil which is oil produced from wells that operate on the lower edge of profitability. Nebraska had 1,471 stripper oil wells in 2008 (0.39 percent of the nation's reported 375,589 stripper wells). Shown in the table below, these 1,471 stripper wells produced 1,644,062 barrels of oil or 69 percent of Nebraska's oil production. Using 2008's average wellhead oil price in Nebraska of \$87.99 per barrel, without the stripper oil wells' production, an additional \$145 million would have been spent on crude oil imports. While each individual well in Nebraska contributed only a small amount of oil (3.10 barrels a day, on average), combined with the rest of the nation, stripper well production was nearly 262 million barrels of oil (or 20.0 percent of the total 1.31 billion barrels of oil produced in the United States) saving \$26.087 billion on additional imports to the nation. (The nation's average wellhead oil price in 2008 was \$99.57 per barrel.)

Rank

Twenty-eight states produce oil from stripper wells: Alabama, Arizona, Arkansas, California, Colorado, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Michigan, Mississippi, Montana, Nebraska, Nevada, New Mexico, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, South Dakota, Texas, Utah, Virginia, West Virginia, and Wyoming. Within this group, in 2008, Nebraska was ranked tenth highest in average daily production per well, 19th highest in oil production from stripper wells, and 21st highest in the number of stripper oil wells.

Plugged and Abandoned Stripper Wells

Many states have programs that allow a well to temporarily stop production. These <u>idle wells</u> are not included in the abandoned well column of the table below; only wells that have been permanently plugged are included. Also, <u>orphaned wells</u> are not included in the table's abandoned well figures. These are wells that are not producing, have not been plugged, and whose owners are either insolvent or cannot be located.

Stripper Oil Wells in Nebraska, 1970 – 2008

| Year | Number of Stripper Wells | Production (Barrels) | Plugged and Abandoned Stripper Wells | Average Daily Production per Well (Barrels) | Percent of <u>Total</u> <u>Crude Oil</u> <u>Production</u> |
|------|-----------------------------|-------------------------|--|--|---|
| 2008 | 1,471 | 1,644,062 | 27 | 3.10 | 68.69% |
| 2007 | 1,473 | 1,634,975 | 20 | 3.04 | 70.01% |
| 2006 | 1,487 | 1,579,404 | 15 | 2.91 | 68.29% |
| 2005 | 1,478 | 1,598,224 | 19 | 2,96 | 66,22% |
| 2004 | 1,450 | 1,654,195 | 54 | 3.12 | 65.98% |
| 2003 | 1,423 | 1,651,923 | 80 | 3.18 | 59.96% |
| 2002 | 1,451 | 1,717,983 | 100 | 3,24 | 61.82% |
| 2001 | 1,475 | 1,765,208 | 83 | 3,28 | 60.42% |
| 2000 | 1,483 | 1,831,497 | 67 | 3.37 | 61.97% |
| 1999 | 1,498 | 1,828,293 | 66 | 3.34 | 68.70% |
| 1998 | 1,646 | 2,113,098 | 90 | 3,52 | 66.54% |
| 1997 | 1,699 | 2,366,278 | 66 | 3.82 | 70.91% |
| 1996 | 1,004 | 1,948,710 | 112 | 5.30 | 55.00% |
| 1995 | 1,114 | 1,899,004 | 36 | 4,67 | 50,06% |
| 1994 | 1,185 | 2,147,655 | 50 | 4.97 | 50.92% |
| 1993 | 1,274 | 2,214,607 | 65 | 4.76 | 45.49% |
| 1992 | 1,209 | 2,023,359 | 55 | 4.59 | 36.96% |
| 1991 | 1,190 | 1,871,474 | 43 | 4,31 | 32.09% |
| 1990 | 1,269 | 2,011,219 | 60 | 4.34 | 34.15% |
| 1989 | 1,247 | 2,110,732 | 43 | 4.64 | 33,87% |
| 1988 | 1,505 | 2,446,275 | 30 | 4.44 | 40.92% |
| 1987 | 1,589 | 2,687,697 | 39 | 4.63 | 44.13% |
| 1986 | 1,637 | 2,617,159 | 45 | 4,38 | 36.87% |
| 1985 | 1,716 | 2,947,347 | 36 | 4.71 | 42.45% |
| 1984 | 1,707 | 2,974,420 | 36 | 4.76 | 45.97% |
| 1983 | 1,672 | 3,417,977 | 18 | 5.60 | 53.52% |
| 1982 | 1,585 | 2,878,602 | 15 | 4.97 | 41.89% |
| 1981 | 1,414 | 2,510,329 | 11 | 4.86 | 37.63% |
| 1980 | 1,223 | 2,236,500 | 18 | 5.00 | 35.84% |
| 1979 | 1,037 | 1,865,695 | 17 | 4.93 | 30.74% |
| 1978 | 987 | NA | 59 | NA | NA |
| 1977 | 919 | NA | 14 | NA | NA |
| Year | Number of Stripper Wells | Production (Barrels) | Plugged and Abandoned Stripper Wells | Average Daily Production per Well (Barrels) | Percent of Total Crude Oil Production |

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|------|-----------------------------|-------------------------|--|--|---------------------------------------|
| 1976 | 812 | NA | 10 | NA | NA |
| 1975 | 638 | NA | 9 | NA | NA |
| 1974 | 577 | NA | 74 | NA | NA |
| 1973 | 526 | NA | 72 | NA | NA |
| 1972 | 417 | NA | 50 | NA | NA |
| 1971 | 484 | NA | 50 | NA | NA |
| 1970 | 437 | NA | 47 | NA | NA |
| Year | Number of Stripper Wells | Production (Barrels) | Plugged and Abandoned Stripper Wells | Average Daily Production per Well (Barrels) | Percent of Total Crude Oil Production |

 $\textbf{Sources:} \ "marginal \ wells: fuel for economic growth." \ Interstate \ Oil \ and \ Gas \ Compact \ Commission, \ Oklahoma \ City, \ OK. \ Nebraska \ Energy \ Office, \ Lincoln, \ NE.$

Notes: The number of wells is estimated for 1997. NA = no data available.

This table was updated on July 2, 2015.