



# Alabama Coalbed Methane Monthly

March 1998

## Coalbed methane production hit all time high in October

Production from Alabama's coalbed methane industry hit a record for October of 1997. Complete production data, which runs several months behind, shows that the total industry production for October of last year was 9.82 BCF beating the previous high of May 1995 when production topped 9.71 BCF.

The average daily total production from the basin was more than 316 MMCF. The average well produced 115 MCF.

November production came in slightly less (30 producing days instead of 31) at 9.7 BCF, but the average daily total production jumped to more than 323 BCF!

The number of wells producing gas has remained in the 2,740 to 2,790 range for the last several years. Until November of 1997 the average daily total production had stayed around 310 MMCF.

Coalbed methane production represents about one fourth of all gas produced in the state, including the vast natural gas reserved offshore. Cumulative coalbed production is 834 BCF from the November data. This represents an oil equivalent of more than 139 million barrels.

Although coalbed methane has been produced in Alabama commercially since 1980, almost 90 percent of the production has

## Oil & gas workshop set for March 27 in Tuscaloosa

Want to get current on several hot issues in the oil and gas industry? Then Tuscaloosa will be the place for you on Friday, March 27, as the Oil & Gas Board, the Black Warrior Association of Professional Landmen and the Oil & Gas Section of the Alabama Bar Association sponsor an informative seminar and workshop.

The event, which is free, will be held in the Board Hearing Room at Jones Hall on campus. A computer workshop and facilities tour will round out the event.

Topics to be covered during the seminar include: Federal Mineral Drainage Issues, Federal Coal Reservations and Coalbed Methane Ownership, Seismic Trespass and Class Action Oil & Gas Pricing Cases.

There will also be a reception on Thursday evening for the seminar/workshop participants. This event will take place at the University Club in Tuscaloosa.

The OGB has mailed out reservation forms and they have asked that they be returned by March 23.

The CMAA also has these forms and can send you one by email or fax if needed.

## EPA conducts hydraulic fracturing study

The U. S. Environmental Protection Agency has begun a study of hydraulic fracturing. The purpose of the study is to provide the EPA with information about the practice which is at the center of a recent 11th Circuit ruling.

The EPA must review its regulation of underground injection authorized by the Safe Drinking Water Act. Eventually the UIC Class II program run by

the State Oil & Gas Board will be modified to meet the new requirements of the EPA. This issue was the subject of a lawsuit by the LEAF group out of Florida.

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## Coalbed methane rules meeting set

Remember those new coalbed methane rules we were working on a few years ago, well they are back. After a delay, the Oil & Gas Board staff is ready to resume the review process.

The last version of the rules is known as the 4th\_mark. This will be the version the staff will work from.

A meeting with the OGB staff to discuss the staff comments on the 4th\_mark will be held on Monday, April 6, 1998 in Tuscaloosa. The meeting will begin at 1:30 p.m. in the conference room on the second floor.

If you need a copy of the 4th\_mark, please contact the CMAA office in Birmingham or email us at [gail@coalbed.com](mailto:gail@coalbed.com) or

## Stormwater board votes to leave NP

The Board of Directors of the Stormwater Management Authority in Jefferson County met recently to approve its program outline. The key part of that outline is that those with NPDES stormwater permits in Jefferson County will remain under the primary supervision of the ADEM. In addition, permit holders who can demonstrate that they do not discharge any stormwater to the combined city/county system will not be covered by the program at all. This outline will form the basis for a stormwater and erosion control

## Review of industry BMPs underway at ADEM request

The Alabama Department of Environmental Management has asked the CMAA to begin a review process for industry best management practices (BMPs) for the control of non-point source pollution. The revised plan will be published by ADEM, along with other industry specific BMPs, in a non-point source manual for the state.

The CMAA Environmental Committee has scheduled a meeting on April 28 immediately following the membership meeting to begin the review process and discuss other issues.

If you need a copy of the current BMP, please contact the CMAA office in Birmingham.

## Alabama coalbed stats at a glance

### Production:

Nov 97 Total: 9.70 BCF  
2,785 Wells Producing Gas  
Daily Production  
Average Well: 116 MCF  
All Wells: 323 MMCF  
Cumulative Coalbed  
Production: 834 BCF

### Spot Market Gas:

Average Black Warrior Basin  
Sep 97 \$2.48  
Oct 97 \$3.03  
Nov 97 \$3.23  
Dec 97 \$2.50  
Jan 98 \$2.25  
Feb 98 \$1.99  
Mar 98 \$2.23

## Events & Meetings

### March 27

Oil and Gas Seminar and Workshop  
State Oil & Gas Board  
Tuscaloosa, AL  
Contact: Irene Thompson  
(205) 349-2852

### April 4

Alabama Environmental Management Commission  
1:30 p.m. / Hearing Room  
Montgomery, AL

### April 6

Oil & Gas Board/Coalbed Methane Rules  
1:30 p.m. / Tuscaloosa, AL

### April 8 & 10

State Oil & Gas Board  
10:00 a.m.  
Tuscaloosa, AL

### April 28

CMAA Membership Meeting  
NOON/Cypress Inn  
Tuscaloosa, AL

### April 28

CMAA Environmental Comm.  
1:30 p.m. Cypress Inn  
Tuscaloosa, AL

### April 14

Legislative Shrimp & Crawfish Boil  
Pete Peterson Lodge  
Montgomery, AL

### July 15, 16, 17

CMAA Annual Meeting  
Gulf Shores, Alabama

EMAIL: [dlathem@concentric.net](mailto:dlathem@concentric.net)