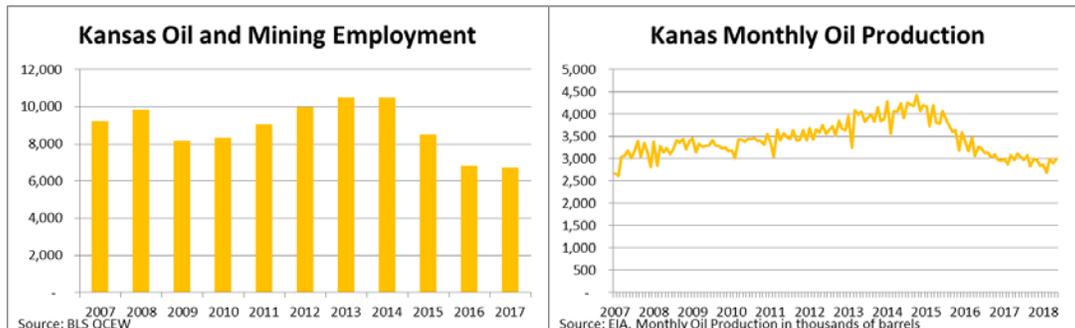


Kansas Oil and Mining News and Developments

Employment and Wages

In 2017, employment in Kansas' mining, quarrying, and oil and gas extraction sector leveled off after two years of sharp employment declines. The sector added more than 2,000 jobs as it expanded from 2009 to 2013, but by 2016, employment had declined by more than 3,500 jobs to its lowest level since 2003. The sector lost an additional 100 jobs over the course of 2017.

The largest subsector in Kansas' oil and mining sector in 2017 was support activities for mining, which includes exploration for mining, drilling for oil, and other mining support activities and comprised 48.1 percent of total Kansas employment in the sector. This subsector was the most affected by the declines from 2014 to 2016, declining by more than 3,400 jobs in that time. Oil and gas extraction employment comprised 29.8 percent of total sectoral employment in 2017 after declining by 200 jobs relative to 2016. Mining, excluding oil and gas extraction, was the smallest of the three Kansas subsectors in 2017, with approximately 1,500 employees and 22 percent of the total share. Mining employment remained relatively flat after 2015 and had grown by 500 employees from 2009 to 2015.



Oil and mining wages in Kansas tend to be higher than the state average, with average weekly wages of \$1,043 in 2017 in the sector. Workers in the oil and gas extraction subsector had the highest average weekly wages in 2017 at \$1,228, though they declined by 9.3 percent, after adjusting for inflation, relative to 2016 wages. Even the lowest wages in the sector, in the support activities for mining subsector, were higher than the state average in 2017 with an average weekly wage of \$924.

Kansas oil production in 2017 declined 6 percent relative to 2016 following production increases from 2012 to 2015. Ellis County led the state in oil production despite a 1.3 percent decline in production. Haskell County had the largest increase in production, adding more than 700,000 barrels of new production for a 42 percent increase. Production in Harper County declined by 52 percent, the single largest decline in the state.

Natural gas production contracted by approximately 12 percent statewide in 2017 to 216 billion cubic feet, with declines in all of the top-ten producing counties. Stevens County led production with 26 billion cubic feet, while Harper County had the largest decline, contracting 26 percent.

