

# **GAS FLARING**

**June 24, 2015**

Company	Wells Flaring over 100	Wells Flaring over 100 w/o Exception	Current Exceptions (over 100)	Exception Requests	Wells over 100 Hooked to Pipeline
Continental	5	1	4	3	4
EOG Resources	2	0	2	0	1
Kraken	1	0	1	0	0
Oasis Petroleum	3	0	3	0	0
Petro-Hunt	4	1	3	1	1
Whiting	29	17	12	17	15
<b>Totals</b>	<b>44</b>	<b>19</b>	<b>25</b>	<b>21</b>	<b>21</b>

# Flaring Requests – All approved for 6 months

## *Summary*

There are 44 wells flaring over 100 MCF/D based on current production numbers. There were a number of completions at the start of this year that we are just now getting production for leading to the increased number of wells over the limit. It is expected that this number will continue to drop based on the reduced number of completions expected throughout this year.

25 of the 44 wells have approved exceptions due to distance, pipeline access issues, or time to connection.

There are 21 exceptions requested at this time. Of the 21, 20 are flaring due to pipeline/gas plant capacity issues and 1 is flaring due to gas composition. 4 of the 21 wells are connected to a pipeline.

## *Continental*

### **Williams 1-12H – API # 25-085-21917, 27N-57E-12**

1. Flaring 60 MCF/D. Second exception request. First expired 4/15/15.
2. Completed: 2/2014.
3. Connected to pipeline: Yes.
4. Estimated gas reserves: 415 MMcf.
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 20 Mcf/d
7. Justification to flare: Connected to pipeline, however, Gas plant and capacity issues preventing sales. Hoping new plant will come on in 2015/2016 and alleviate issues.

### **Dodger 1-36H – API # 25-083-23245, 27N-52E-36**

1. Flaring 96 MCF/D. First exception request.
2. Completed: 6/2014.
3. Connected to pipeline: Yes.
4. Estimated gas reserves: 186 MMcf
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 7.5 Mcf/d
7. Justification to flare: High H2S content. H2S scrubbing would cost more than gas is worth.

### **Sterling 1-3H – API # 25-083-23176, 24N-52E-3**

1. Flaring 125 MCF/D. First exception request.
2. Completed: 12/2013.
3. Connected to pipeline: Yes.
4. Estimated gas reserves: 171 MMcf.
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 7.5 Mcf/d

7. Justification to flare: Connected to pipeline, however, high pressure in pipeline preventing sales. Working with Hiland to reduce pressure and resume sales.

## ***Petro-Hunt***

### **CP 33D-3-1 – API #25-083-22639, 24N-54E-33**

1. Flaring 122 MCF/D. First exception request expired 6/3/2015.
2. Completed: 7/2007.
3. Proximity to market: Connected to gathering system.
4. Flaring alternatives: None.
5. Justification to flare: Well is hooked up to gas sales line, but is flaring due to high line pressure. Waiting on repairs to pipeline to reduce pressure.

## ***Whiting***

### **Skov 31-28-4H – API # 25-083-23201, 25N-59E-28**

1. Flaring 107 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 478 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Prewitt 21-25-1H – API # 25-083-23318, 25N-58E-25**

1. Flaring 153 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 353 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Prewitt 21-25-2H – API # 25-083-23317, 25N-58E-25**

1. Flaring 153 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 474 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

**Prewitt 21-25-3H – API # 25-083-23319, 25N-58E-25**

1. Flaring 133 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 497 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

**Prewitt 21-25-4H – API # 25-083-23257, 25N-58E-25**

1. Flaring 130 MCF/D. Second exception request.
2. Completed: 8/2014.
3. Estimated gas reserves: 294 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

**Palmer 24-21-4H – API # 25-083-23250, 26N-57E-21**

1. Flaring 102 MCF/D. Second exception request.
2. Completed: 7/2014.
3. Estimated gas reserves: 701 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

**Buxbaum 21-5-1H – API # 25-083-23256, 24N-60E-5**

1. Flaring 238 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 515 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

**Buxbaum 21-5-2H – API # 25-083-23315, 24N-60E-5**

1. Flaring 282 MCF/D. First exception request.
2. Completed: 2/2015.

3. Estimated gas reserves: 587 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Buxbaum 21-5-3H – API # 25-083-23316, 24N-60E-5**

1. Flaring 378 MCF/D. First exception request.
2. Completed: 2/2015.
3. Estimated gas reserves: 574 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Malsam 14-18-1H – API # 25-083-23263, 24N-60E-18**

1. Flaring 175 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 341 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Malsam 14-18-2H – API # 25-083-23264, 24N-60E-18**

1. Flaring 210 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 1122 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Malsam 14-18-3H – API # 25-083-23265, 24N-60E-18**

1. Flaring 180 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 532 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Malsam 14-18-4H – API # 25-083-23266, 24N-60E-18**

1. Flaring 203 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 424 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Skov 31-27-1H – API # 25-083-23293, 25N-59E-27**

1. Flaring 120 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 646 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Skov 31-27-2H – API # 25-083-23294, 25N-59E-27**

1. Flaring 123 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 456 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Skov 31-27-3H – API # 25-083-23295, 25N-59E-27**

1. Flaring 122 MCF/D. First exception request.
2. Completed: 1/2015.
3. Estimated gas reserves: 524 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.
6. Flaring alternatives: None.
7. Justification to flare: ONEOK does not have the compression capacity on this portion of their system to gather the gas. Until they do it would be uneconomic to connect to gathering system.

### **Sundheim 21-27-1H – API # 25-083-23141, 25N-58E-27**

1. Flaring 128 MCF/D. Second exception request.
2. Completed: 8/2013.
3. Estimated gas reserves: 536 MMCF.
4. Estimated gas price at market: ~\$4.66/MCF.
5. Estimated cost of marketing the gas: \$200,000 range.

6. Flaring alternatives: None.
7. Justification to flare: Connected to gathering system. ONEOK does not have the compression capacity on this portion of their system to gather the gas.