GAS FLARING

August 9, 2017

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	1	1	0	1	1
Petro-Hunt	2	2	0	0	0
Whiting	1	0	0	2	0
Totals	4	3	0	3	1

Flaring Requests

Summary

There are 4 wells flaring over 100 MCFG per day based on current production numbers.

1 of the 4 wells have approved exceptions due to distance, pipeline capacity issues, or time to connection.

There are 3 exceptions requested at this time.

Continental – Approved for 6 months

Revere 1-31H – API #25-083-22953, 27N-53E-31

1. Flaring 114 MCF/D. Sixth exception request.
2. Completed: 2/2013.
3. Estimated gas reserves: 293 MMCF.
4. Proximity to market: Connected to pipeline
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 8 MCF/D.
7. Justification to flare: Unable to sell due to H2S. Currently uneconomic to treat H2S and insufficient capacity issues at Grasslands Plant. It is estimated that it would cost $2.92/MCF to treat the gas and could then only be sold for $2.7/MCF.

Whiting Oil & Gas – Approved for 6 months

Iversen 34-32-4H – API #25-083-23238, 26N-58E-32

1. Flaring 87 MCF/D. Fifth exception request.
2. Completed: 7/2014.
3. Estimated gas reserves: 315 MMCF.
4. Proximity to market: 5280 ft to pipeline.
5. Estimated gas price at market: ~$1.80/MCF.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 2 MCF/D.
8. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Sundheim 21-27-3H – API #25-083-23215, 25N-58E-27

1. Flaring 110 MCF/D. Third exception request.
2. Completed: 7/2014.
3. Estimated gas reserves: 480 MMCF.
4. Proximity to market: Connected.
5. Estimated gas price at market: ~$1.80/MCF.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 2 MCF/D.
8. Justification to flare: Insufficient compression capacity on Oneok's system in this area.