

GAS FLARING

February 13, 2019

Company	Wells Flaring over 100	Wells Flaring over 100 w/o Exception	Current Exceptions (over 100)	Exception Requests	Wells over 100 Hooked to Pipeline
Kraken	7	2	5	2	5
Petro-Hunt	3	0	3	0	0
Totals	10	2	8	2	5

Flaring Requests

Summary

There are 10 wells flaring over 100 MCFG per day based on current production numbers.

8 of the 10 wells have approved exceptions due to distance, pipeline capacity issues, or time to connection.

There are 2 exceptions requested at this time.

Kraken – APPROVED 6 MONTHS

Fletch 5-8 #1H – API #25-083-23347, 26N-59E-33

1. Flaring 210 MCF/D.
2. Completed: 2/2018.
3. Estimated gas reserves: 446 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Used mobile refrigeration unit from May through October 2018 to capture and process gas that would have been flared. Declining production has made the MRU no longer economic.
6. Amount of gas used in lease operations: 7 MCF/D.
7. Justification to flare: Contracted/connected with ONEOK Rockies Midstream, Kraken has had very limited success selling gas into the line due to sales line pressure.

Eagle 4-9 #2H – API #25-083-23345, 26N-59E-33

1. Flaring 130 MCF/D.
2. Completed: 2/2018.
3. Estimated gas reserves: 426 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Used mobile refrigeration unit from May through October 2018 to capture and process gas that would have been flared. Declining production has made the MRU no longer economic.
6. Amount of gas used in lease operations: 7 MCF/D.
7. Justification to flare: Contracted/connected with ONEOK Rockies Midstream, Kraken has had very limited success selling gas into the line due to sales line pressure.