

GAS FLARING

April 10, 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	12	8	4	8	12
Petro-Hunt	3	0	3	0	0
Totals	15	8	7	8	12

Flaring Requests

Summary

There are 15 wells flaring over 100 MCFG per day based on current production numbers.

7 of the 15 wells have approved exceptions due to distance, pipeline capacity issues, or time to connection.

There are 8 exceptions requested at this time.

Kraken – APPROVED 6 MONTHS

Farrah 35-36 #1H – API #25-085-21978, 27N-57E-27

1. Flaring 149 MCF/D.
2. Completed: 5/2017.
3. Estimated gas reserves: 618 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Based on location and gas production, none economical at this time.
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.

Jill 26-25 #1H – API #25-085-21993, 27N-57E-27

1. Flaring 183 MCF/D.
2. Completed: 8/2018.
3. Estimated gas reserves: 332 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Used mobile refrigeration unit from October 2018 through January 2019 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: 22 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.

Jill 26-25 #3H – API #25-085-21995, 27N-57E-27

1. Flaring 141 MCF/D.
2. Completed: 8/2018.
3. Estimated gas reserves: 336 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Used mobile refrigeration unit from October 2018 through January 2019 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: 22 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.

Jill 26-25 #5H – API #25-085-21997, 27N-57E-27

1. Flaring 290 MCF/D.
2. Completed: 8/2018.
3. Estimated gas reserves: 329 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Used mobile refrigeration unit from October 2018 through January 2019 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: 22 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.

Gehringer 24-13 LE #1H – API #25-085-21988, 28N-58E-25

1. Flaring 180 MCF/D.
2. Completed: 11/2018.
3. Estimated gas reserves: 495 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Using mobile refrigeration unit starting February 2019 to capture and process gas that would have been flared.
6. Amount of gas used in lease operations: 22 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.

Gehringer 24-13 #2H – API #25-085-21987, 28N-58E-25

1. Flaring 186 MCF/D.
2. Completed: 11/2018.
3. Estimated gas reserves: 469 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Using mobile refrigeration unit starting February 2019 to capture and process gas that would have been flared.
6. Amount of gas used in lease operations: 22 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.

Gehringer 24-13 #3H – API #25-085-21990, 28N-58E-25

1. Flaring 156 MCF/D.
2. Completed: 11/2018.
3. Estimated gas reserves: 529 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Using mobile refrigeration unit starting February 2019 to capture and process gas that would have been flared.
6. Amount of gas used in lease operations: 22 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.

Gehringer 24-13 #4H – API #25-085-21989, 28N-58E-25

1. Flaring 183 MCF/D.
2. Completed: 11/2018.
3. Estimated gas reserves: 469 MMCF.
4. Proximity to market: Connected to pipeline.
5. Flaring alternatives: Using mobile refrigeration unit starting February 2019 to capture and process gas that would have been flared.
6. Amount of gas used in lease operations: 22 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.