

GAS FLARING

June 12, 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	11	2	9	1	11
Petro-Hunt	3	0	3	0	0
Whiting	4	4	0	6	2
Totals	18	6	12	7	13

Flaring Requests

Summary

There are 18 wells flaring over 100 MCFG per day based on current production numbers.

12 of the 18 wells have approved exceptions due to distance, pipeline capacity issues, or time to connection.

There are 7 exceptions requested at this time.

Kraken – Approved 6 months

Jill 26-25 #2H – API #25-085-21994, 27N-57E-27

1. Flaring 123 MCF/D.
2. Completed: 8/2018.
3. Estimated gas reserves: 342 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.

Whiting Oil & Gas – Approved 6 months

Buxbaum 21-5-3H – API #25-083-23315, 24N-60E-5

1. Flaring 121 MCF/D.
2. Completed: 2/2015.
3. Estimated gas reserves: 798 MMCF.
4. Proximity to market: 11,000 ft to pipeline.
5. Estimated gas price at market: ~\$2.20/MCF.
6. Estimated cost of marketing the gas: ~\$250,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

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

1. Flaring 115 MCF/D.
2. Completed: 1/2015.
3. Estimated gas reserves: 410 MMCF.
4. Proximity to market: 1,500 ft to pipeline.
5. Estimated gas price at market: ~\$2.20/MCF.
6. Estimated cost of marketing the gas: ~\$250,000.

7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Buxbaum 21-5-2H – API #25-083-23316, 24N-60E-5

1. Flaring 145 MCF/D.
2. Completed: 2/2015.
3. Estimated gas reserves: 783 MMCF.
4. Proximity to market: 11,000 ft to pipeline.
5. Estimated gas price at market: ~\$2.20/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

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

1. Flaring 129 MCF/D.
2. Completed: 1/2015.
3. Estimated gas reserves: 406 MMCF.
4. Proximity to market: 12,500 ft to pipeline.
5. Estimated gas price at market: ~\$2.20/MCF.
6. Estimated cost of marketing the gas: ~\$200,000.
7. Flaring alternatives: None.
8. Amount of gas used in lease operations: 2 MCF/D.
9. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Iverson Bros 14-33-2H – API #25-083-23277, 26N-58E-33

1. Flaring 494 MCF/D.
2. Completed: 3/2019.
3. Proximity to market: Connected 5/11/19.
4. Estimated gas price at market: ~\$2.20/MCF.
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 1 MCF/D.
7. Justification to flare: Insufficient compression capacity on Oneok's system in this area.

Iverson Bros 14-33-3H – API #25-083-23278, 26N-58E-33

1. Flaring 456 MCF/D.
2. Completed: 3/2019.
3. Proximity to market: Connected 5/11/19.
4. Estimated gas price at market: ~\$2.20/MCF.
5. Flaring alternatives: None.
6. Amount of gas used in lease operations: 1 MCF/D.
7. Justification to flare: Insufficient compression capacity on Oneok's system in this area.