

GAS FLARING

February 12, 2020

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	20	7	13	0	15
Petro-Hunt	3	3	0	3	0
Whiting	1	1	0	1	0
Totals	24	11	13	4	15

Flaring Requests

Summary

There are 24 wells flaring over 100 MCFG per day based on current production numbers.

13 of the 24 wells have approved exceptions due to distance, pipeline capacity issues, or time to connection.

There are 4 exceptions requested at this time.

Petro-Hunt – Approved for one year

Borntrager 2C-2-1 – API #25-021-21193, 19N-54E-2

1. Flaring 116 MCF/D.
2. Completed: 9/2012.
3. Proximity to market: >25 miles pipeline.
4. Estimated gas price at market: ~\$2/MCF.
5. Estimated cost of marketing the gas: ~\$3.2 million.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 25-30 MCF/D.
8. Justification to flare: Uneconomic to connect due to lack of infrastructure in the area.

Walter Senner 19-54 – API #25-021-21192, 19N-54E-18

1. Flaring 120 MCF/D.
2. Completed: 8/2012.
3. Proximity to market: >25 miles pipeline.
4. Estimated gas price at market: ~\$2/MCF.
5. Estimated cost of marketing the gas: ~\$3.2 million.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 25-30 MCF/D.
8. Justification to flare: Uneconomic to connect due to lack of infrastructure in the area.

Boje Farms 19-54 – API #25-021-21184, 19N-54E-17

1. Flaring 115 MCF/D.
2. Completed: 2/2011.
3. Proximity to market: >25 miles pipeline.
4. Estimated gas price at market: ~\$2/MCF.
5. Estimated cost of marketing the gas: ~\$3.2 million.
6. Flaring alternatives: None.
7. Amount of gas used in lease operations: 25-30 MCF/D.
8. Justification to flare: Uneconomic to connect due to lack of infrastructure in the area.

Whiting Oil & Gas – Approved for six months

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

1. Flaring 120 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: <\$0.30/MCF after fees.
6. Estimated cost of marketing the gas: ~\$500,000.
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. Oneok has stated that the infrastructure that they currently have in MT would not support growth production in the area and that they would need to install all new lines. For Whiting the economics do not support pipeline connections with insufficient capacity if they did.