



**Application for Overlapping Temporary Spacing Unit
Increased Well Density
200' Heel/Toe & 500' Lateral Setback**

**All of Sections 4, 9 & 16 - T26N - R59E
Richland & Roosevelt County, Montana**

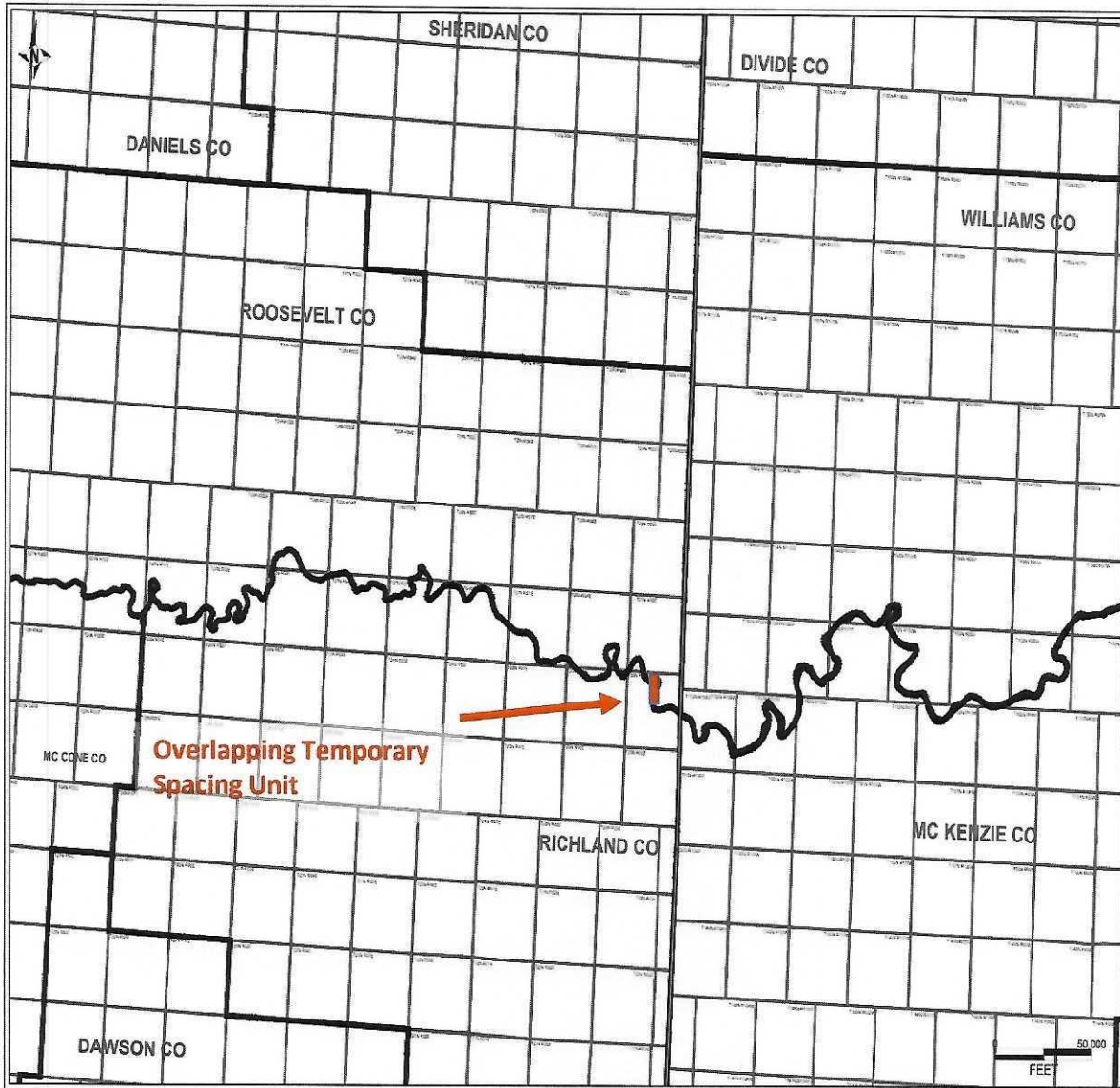
**Department of Natural Resources
And Conservation
Board of Oil & Gas Conservation
Of the State of Montana
Docket No. 19-2021
April 08, 2021**



Docket No. 19-2021

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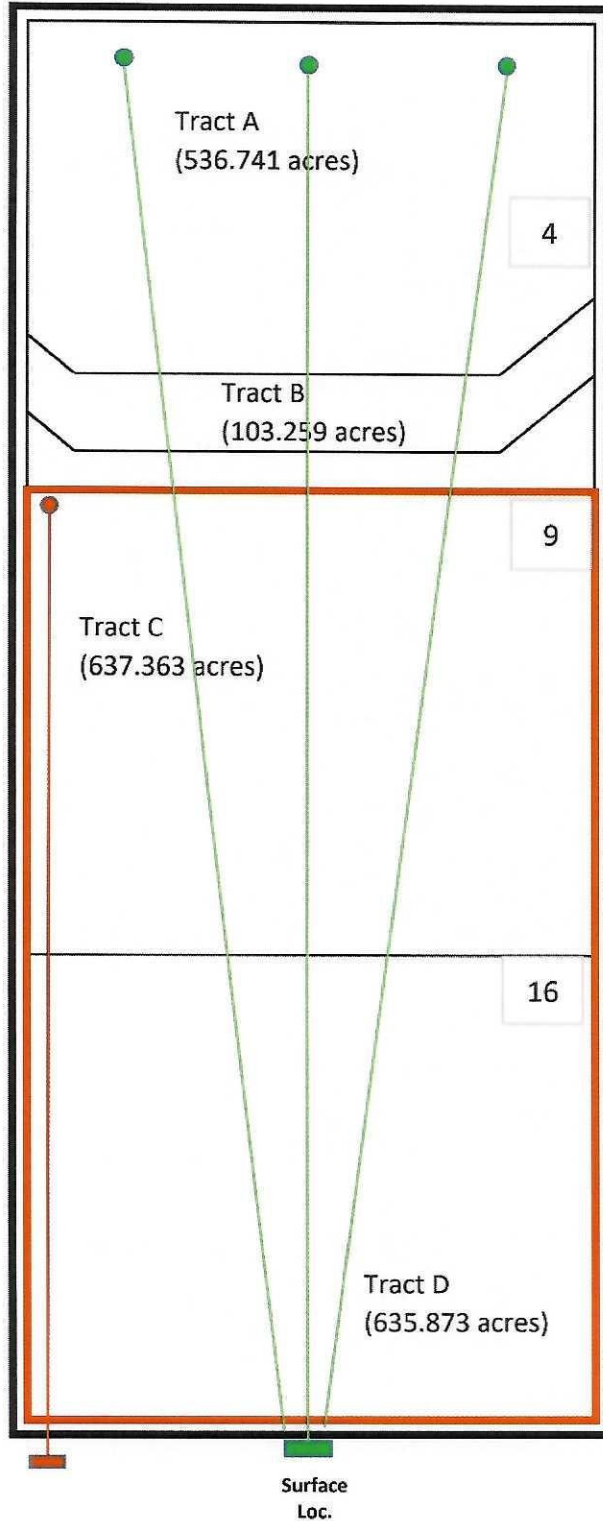


Regional Locator Map
Overlapping Temporary Spacing Unit
T26N-R59E-Sections 4, 9, & 16
Richland & Roosevelt County , Montana



Kraken
OIL & GAS

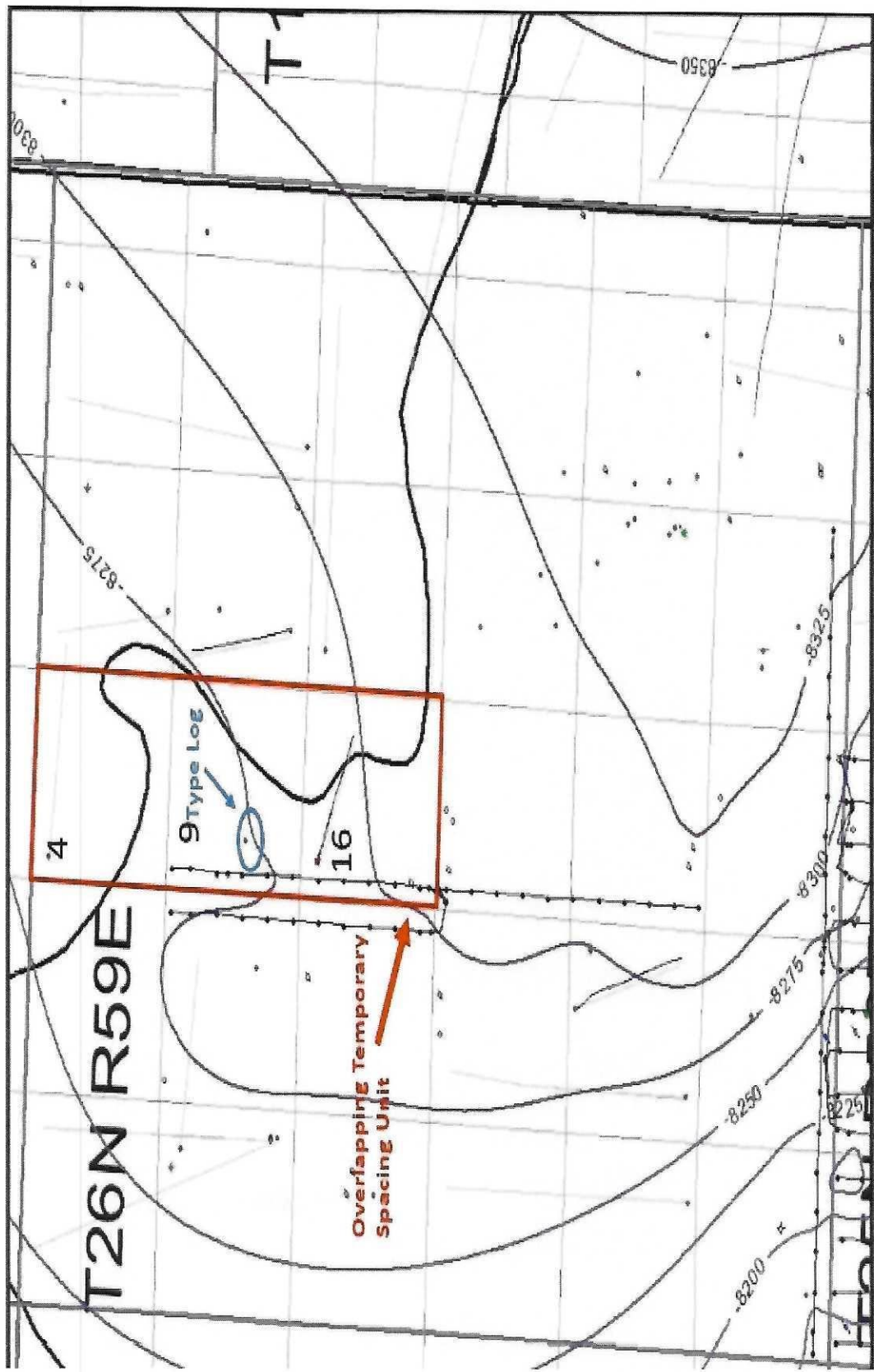
T26N-R59E-4, 9 & 16
Richland & Roosevelt County, Montana
(1920.00 Acres)





Ownership Schedule
T26N-R59E- Sections 4, 9 & 16
Richland & Roosevelt County, Montana

Working Interest Summary	NMA	WI
Kraken Oil & Gas LLC	959.43	49.97%
OTHERS	960.57	50.03%
	1920	100.00%



Top of Middle Bakken Shale Structure
 T26N-R59E-Section 4, 9 & 16
 Richland & Roosevelt County, Montana

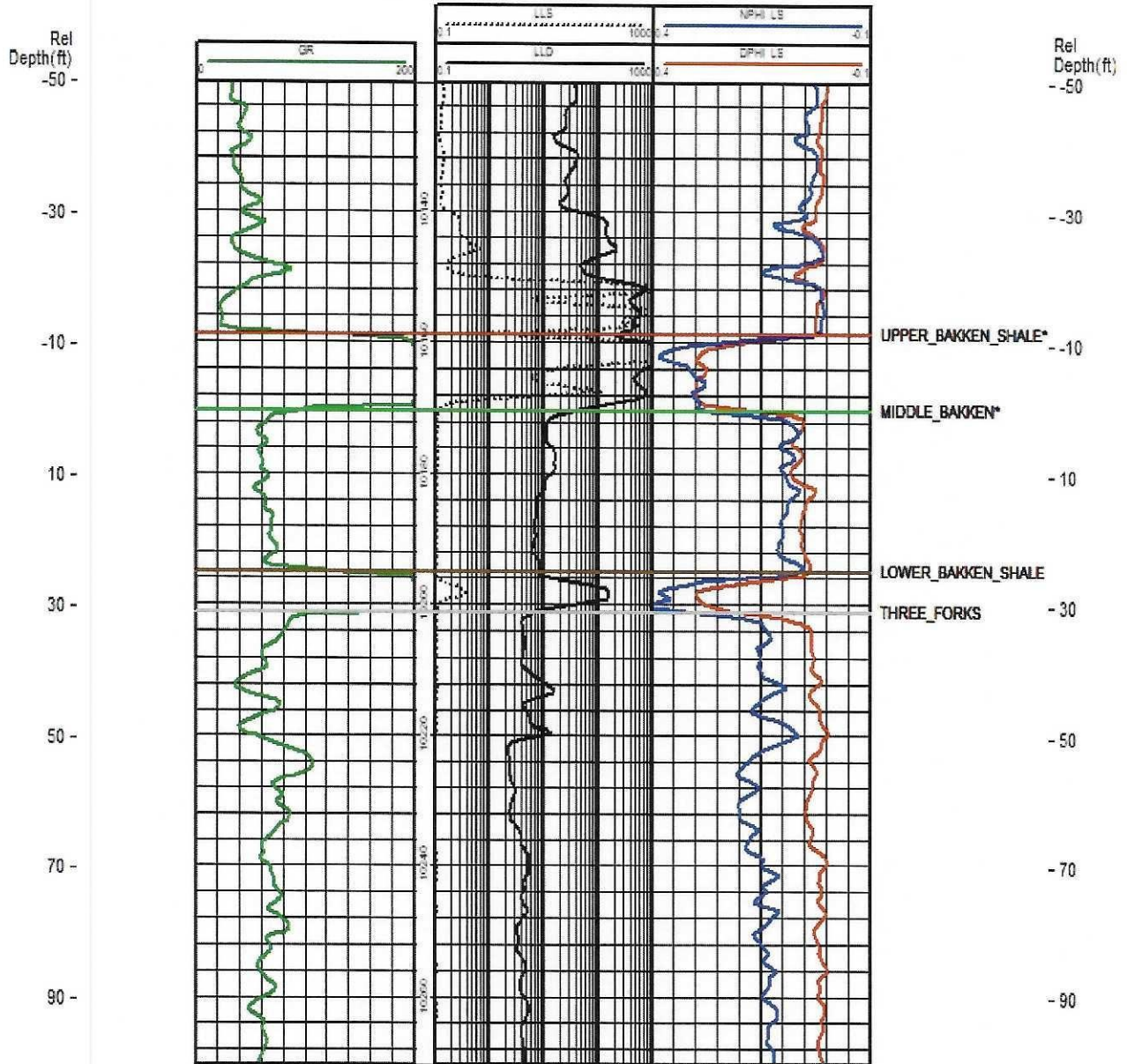


Middle Bakken Gross Isopach
 T26N-R59E-Sections 4, 9 & 16
 Richland & Roosevelt County, Montana



250832171700
DOYLE #1-9

EARTHSTONE ENERGY INCORPORATED
RICHLAND
T26N R59E S9



Type Log - Bakken Section
Temporary Spacing Unit
T26N-R59E- Sections 4, 9 & 16
Richland & Roosevelt County, Montana



Kraken Operating LLC
Overlapping Temporary Spacing
KAI 16-4 #2H; #3H; #4H
T26N R59E Sections 16 & 9 & 4
Richland County, Montana

Reserves and Economic Analysis

Reservoir Properties

Formation Type	Dolomitic Limestone
Vertical Thickness (ft)	38
Water Saturation	30%
Porosity	7%
Reservoir Temperature (deg F)	220
Oil Gravity (deg API)	42
Gas Gravity	0.95
GOR (SCF/STB)	1,000
Oil Formation Volume Factor	1.4 RB/STB

OOIP and Recovery

Spacing Unit Size (Ac)	1,920
OOIP (bbl/sec)	11,400,000
EUR - Decline Curve Analysis (bbl)	2,835,000
Oil Recovery Factor	8.3%

Project Economics

Number of Wells		3
Product Pricing	3/17/2021 NYMEX Strip	
Working Interest		100.00%
Net Revenue Interest		80.00%
Net Sales (M)	\$	114,440
Operating Expense (M)	\$	17,541
Severance Tax (M)	\$	6,017
Net Income (M)	\$	90,881
Net Investment (M)	\$	22,770
Undiscounted Net/Investment		3.99