

GAS FLARING

October 12, 2022

Flaring Requests

Summary

There are 12 wells flaring over 100 MCFG per day based on current production numbers.

There are six exceptions requested at this time.

Kraken Operating – all approved for 6 months

Altuve 26-23 #1H – API #25-083-23400, 26N-59E-35

1. Flaring 197 MCF/D.
2. Completed: 6/2022.
3. Estimated gas reserves: 135 MMCF.
4. Proximity to market: Currently connected.
5. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 540 MCF/day is being sold through the project.
6. Amount of gas used in lease operations: 7 MCF/D.
7. Justification to flare: Generator capacity constraints at Leviathan CDP limit amount that can be used/sold. Additional generators were planned to be added in September 2022.

Altuve 26-23 #2H – API #25-083-23401, 26N-59E-35

1. Flaring 187 MCF/D.
2. Completed: 6/2022.
3. Estimated gas reserves: 135 MMCF.
4. Proximity to market: Currently connected.
5. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 514 MCF/day is being sold through the project.
6. Amount of gas used in lease operations: 7 MCF/D.
7. Justification to flare: Generator capacity constraints at Leviathan CDP limit amount that can be used/sold. Additional generators were planned to be added in September 2022.

Altuve 26-23 #3H – API #25-083-23405, 26N-59E-35

1. Flaring 207 MCF/D.
2. Completed: 6/2022.
3. Estimated gas reserves: 135 MMCF.
4. Proximity to market: Currently connected.
5. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 571 MCF/day is being sold through the project.
6. Amount of gas used in lease operations: 7 MCF/D.
7. Justification to flare: Generator capacity constraints at Leviathan CDP limit amount that can be used/sold. Additional generators were planned to be added in September 2022.

Altuve 26-23 #4H – API #25-083-23403, 26N-59E-35

1. Flaring 185 MCF/D.
2. Completed: 6/2022.
3. Estimated gas reserves: 135 MMCF.
4. Proximity to market: Currently connected.
5. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 506 MCF/day is being sold through the project.
6. Amount of gas used in lease operations: 7 MCF/D.
7. Justification to flare: Generator capacity constraints at Leviathan CDP limit amount that can be used/sold. Additional generators were planned to be added in September 2022.

Altuve 25-24 #5H – API #25-083-23404, 26N-59E-35

1. Flaring 183 MCF/D.
2. Completed: 6/2022.
3. Estimated gas reserves: 135 MMCF.
4. Proximity to market: Currently connected.
5. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 502 MCF/day is being sold through the project.
6. Amount of gas used in lease operations: 7 MCF/D.
7. Justification to flare: Generator capacity constraints at Leviathan CDP limit amount that can be used/sold. Additional generators were planned to be added in September 2022.

Altuve 25-24 #6H – API #25-083-23406, 26N-59E-35

1. Flaring 192 MCF/D.
2. Completed: 6/2022.
3. Estimated gas reserves: 135 MMCF.
4. Proximity to market: Currently connected.
5. Flaring alternatives: Kraken is selling gas to Crusoe Energy Systems. The gas is used for power generation and computing and remote networking systems in a Digital Flare Mitigation project. Currently 527 MCF/day is being sold through the project.
6. Amount of gas used in lease operations: 7 MCF/D.
7. Justification to flare: Generator capacity constraints at Leviathan CDP limit amount that can be used/sold. Additional generators were planned to be added in September 2022.