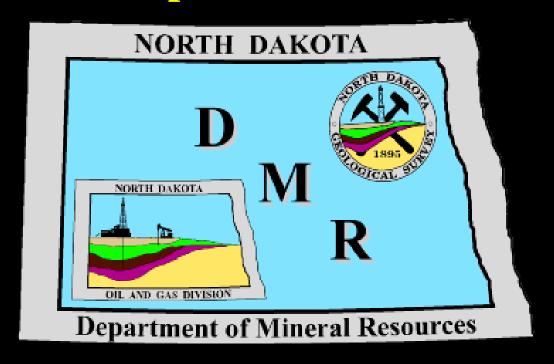


# BUREAU OF INDIAN AFFAIRS GAS CAPTURE / ROW

Bismarck, ND - April 25, 2018

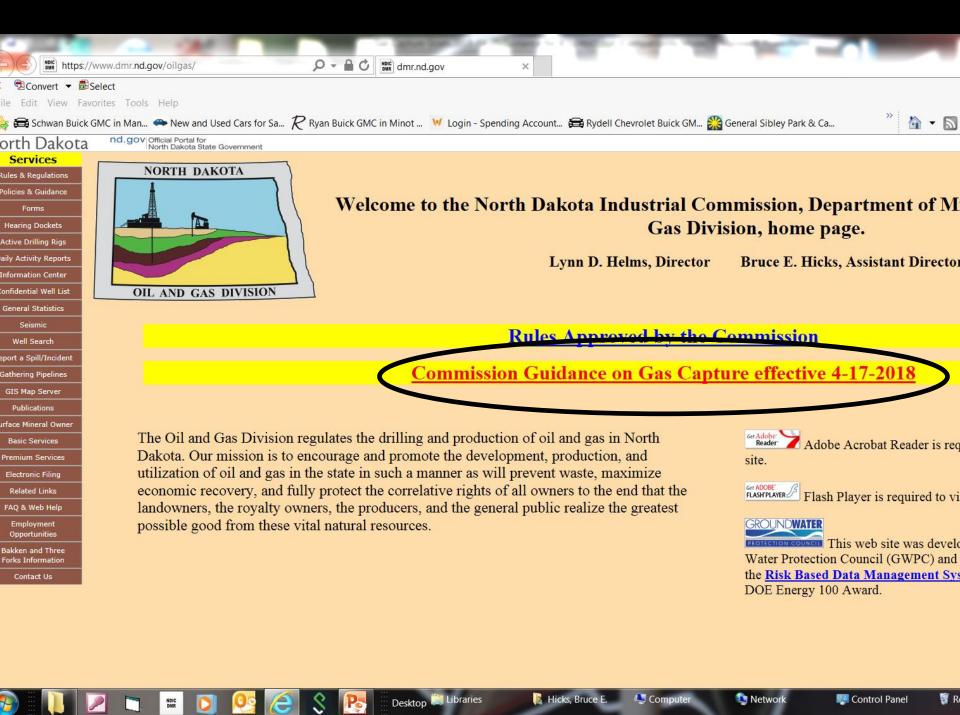
Bruce E. Hicks Assistant Director NDIC-DMR-OGD Bismarck, ND

#### North Dakota Department of Mineral Resources

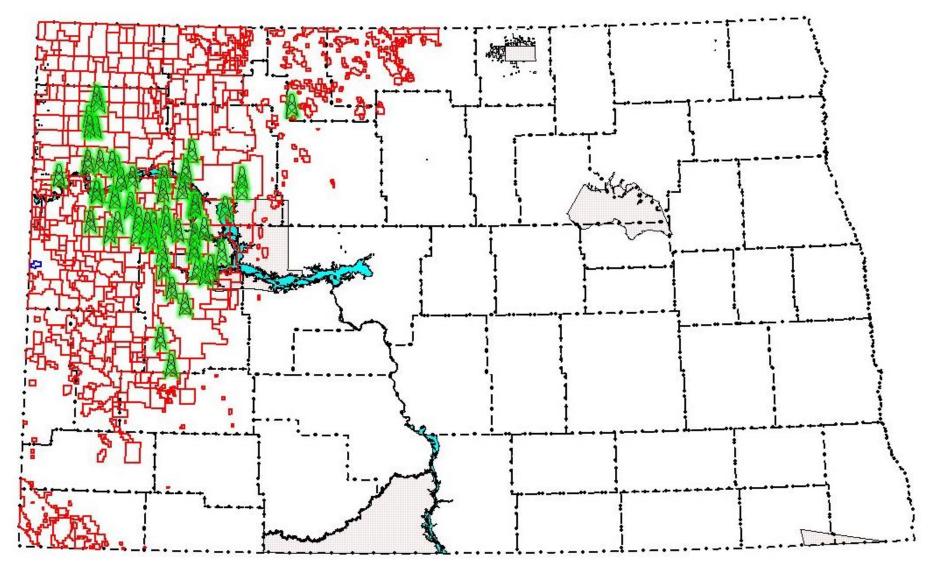


https://www.dmr.nd.gov/oilgas/ https://www.dmr.nd.gov/ndgs/

600 East Boulevard Ave. - Dept 405 Bismarck, ND 58505-0840 (701) 328-8020 (701) 328-8000



#### **NORTH DAKOTA – 60 DRILLING RIGS – APRIL 2018**

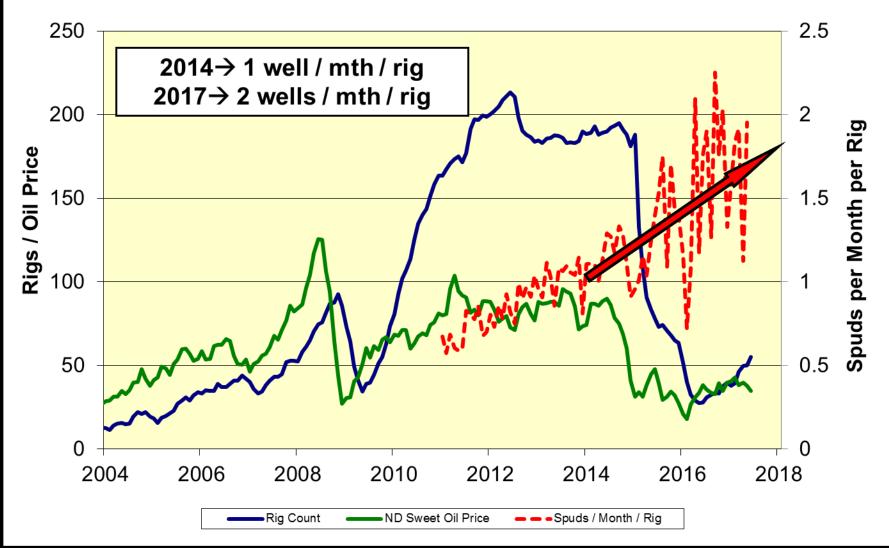


Current drilling activity is focused

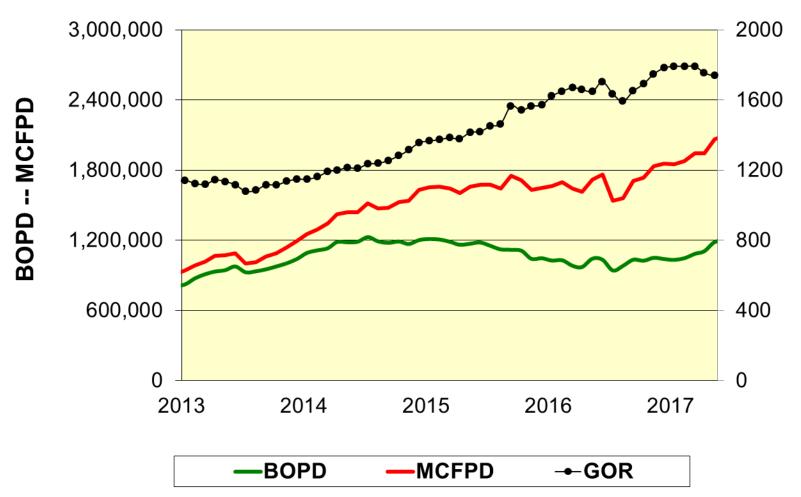
in Mountrail, Dunn, McKenzie, and Williams Counties.



#### **North Dakota Average Monthly Rig Count**



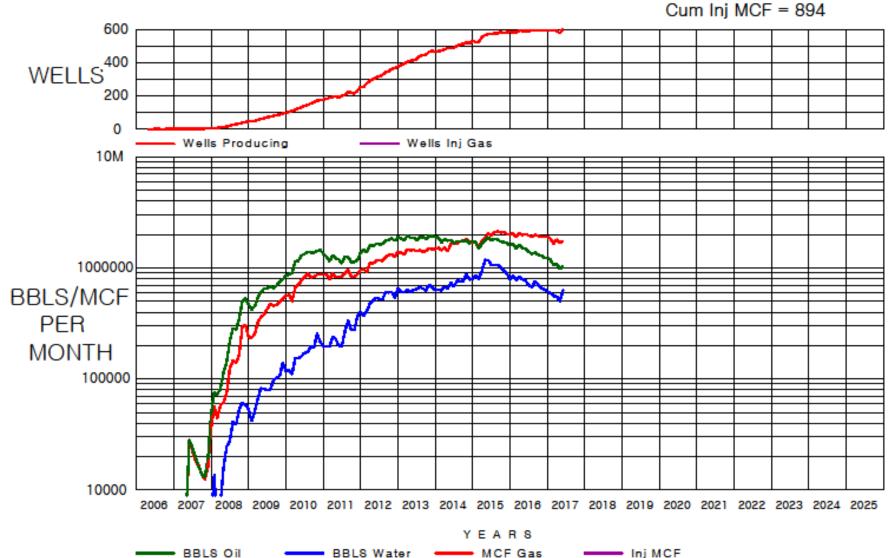
#### North Dakota Gas-Oil Ratio



Gas-Oil Ratio

SANISH-BAKKEN

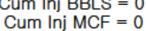
Cum Oil = 147307688 Cum Water = 53054111 Cum Gas = 133126306 Cum Inj BBLS = 0

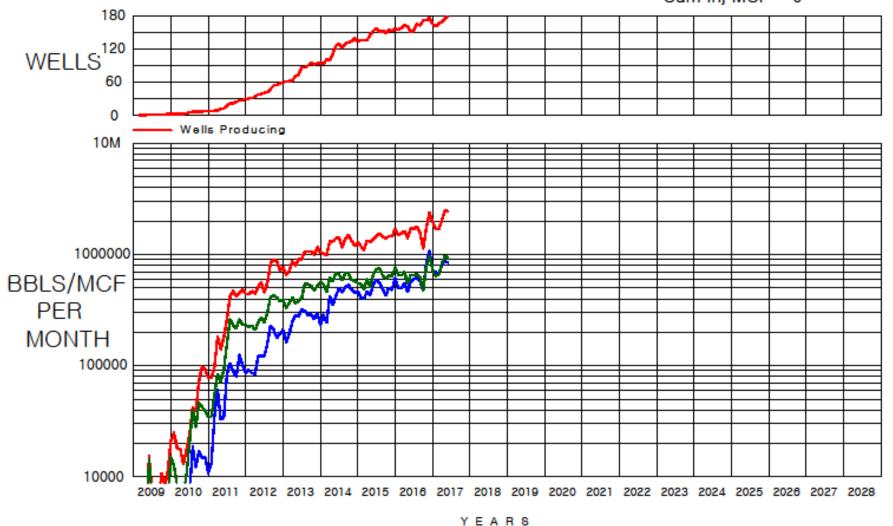


BANKS-BAKKEN

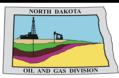
BBLS Oil

Cum Oil = 38422430 Cum Water = 28403534 Cum Gas = 85587932 Cum Inj BBLS = 0

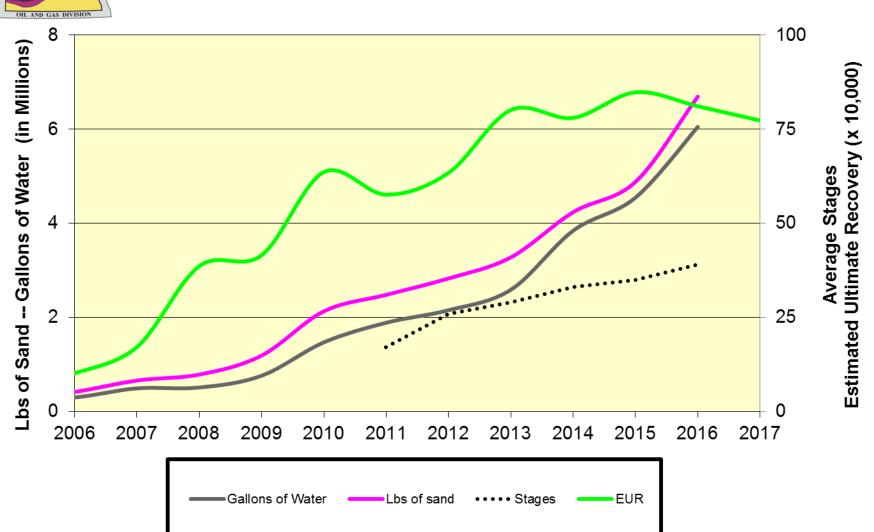




BBLS Water



#### **North Dakota Stimulations**

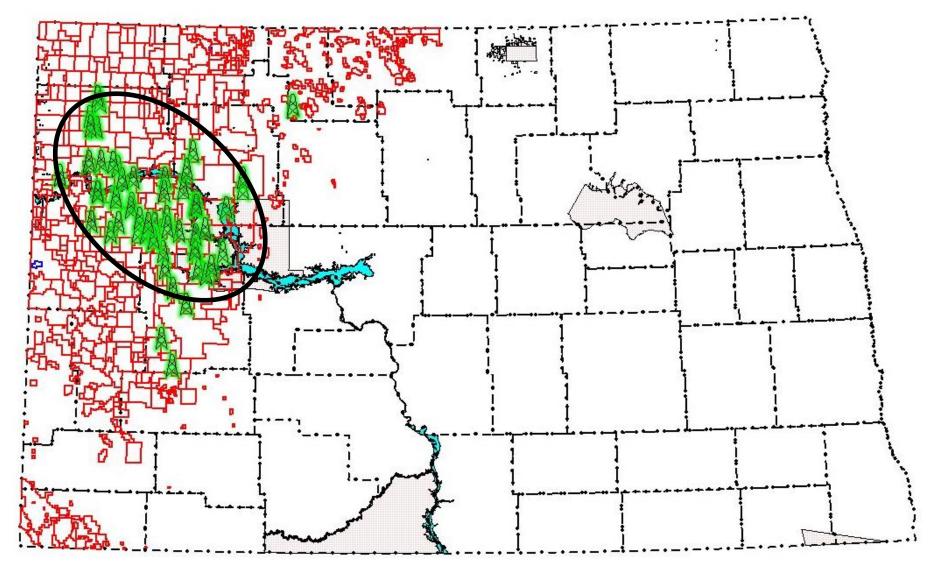


- ICO 24665—effective 7-1-2014
  - Policy Goals
    - Reduce the flared volume of gas
    - Reduce the number of wells flaring
    - Reduce the duration of flaring from wells
- Guidance f/ICO 24665
  - Original approved 4-3-15
  - Revised 10-22-15
  - **Revised 4-17-18**

- Producers must
  - Provide Gas Prod Forecast to midstreamers
    - GCP not required at temp-proper-infill hearings
    - Maintain a GCP f/development plans
  - GCP w/APD if < goal in last 3 mths</li>
  - Improvement meeting w/IC if < goal in 3/6 mths</li>

- Stranded Gas Allowance
  - 6 new hor per twp outside Bak core area
  - Prod MER & remove 12 mths from flare calc
  - Undrilled twp or capture < 60% in past 2 mths</li>

#### **NORTH DAKOTA – 60 DRILLING RIGS – APRIL 2018**



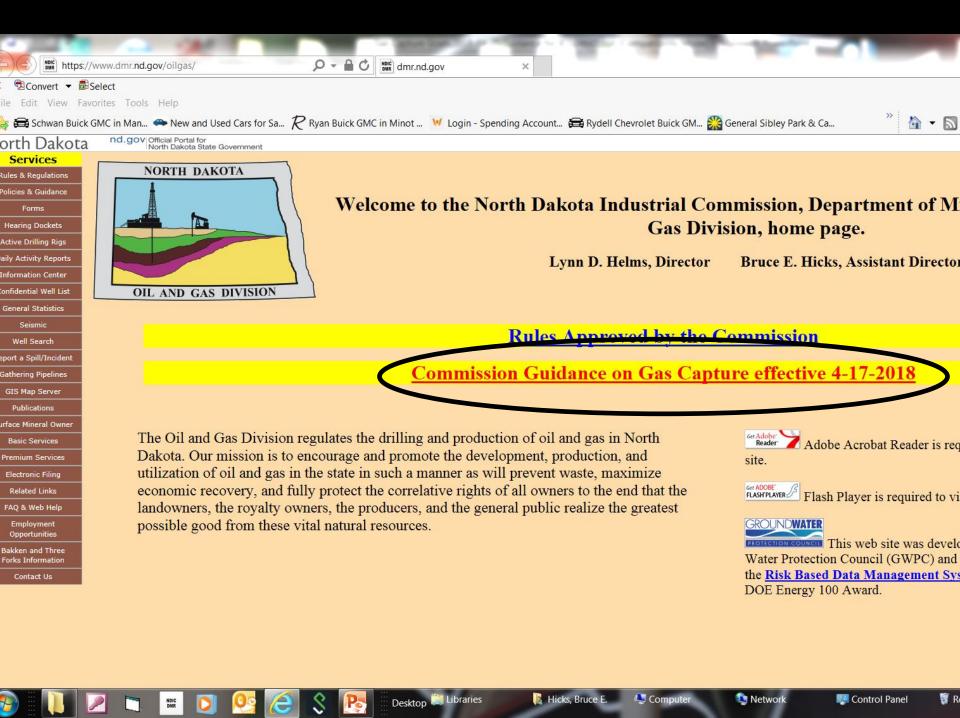
Current drilling activity is focused

in Mountrail, Dunn, McKenzie, and Williams Counties.

- MER for new hor Bak/TF wells
  - 46 days >14-day flowback removed from calc
    - Midstreamers can't build f/peak prod rates

- Gas Credits
  - Six-month rollover
  - Liquid Natural Gas (LNG) used in operations
  - Compressed Natural Gas (CNG) used
  - Gas above capture goals

- Temporary Exemptions
  - One year duration
  - Administrative approval
  - Quarterly Report to IC will detail requests





#### NDIC – DMR - OGD

https://www.dmr.nd.gov/oilgas/

600 East Boulevard Ave. - Dept 405 Bismarck, ND 58505-0840 (701) 328-8020

> Bruce E. Hicks Assistant Director NDIC-DMR-OGD