



## One of many Chimney Buttes



VERN WHITTEN PHOTOGRAPHY

This one is in the Blue Buttes oil and gas field in northeast McKenzie County, North Dakota looking northwest. Another is actually in the "Chimney Butte" field in central Dunn County. But there are yet two other topographical features in western North Dakota with the same name, one in southern Billings County and the other in central Golden Valley County.

## Gathering pipeline conversion would open more export options

Hiland Crude, a pipeline company, has applied to the North Dakota Public Service Commission to allow conversion of a 197-mile gathering pipeline to a crude transmission line. The pipeline would have the capacity to transport 65,000 barrels of oil per day, but the pipeline is unique in its ability to connect to four rail terminals and potentially four export pipelines. The pipeline is located in the heart of the Bakken running across northern McKenzie and southern Williams counties and extending into western Mountrail County where it has the capability to collect oil from some of the Bakken's highest producing wells.

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## Muncrief leaving Continental to chart new WPX Energy course

WPX Energy appointed Richard E. "Rick" Muncrief as the company's next president and chief executive officer. The appointment is effective May 15. He also will join the WPX board following the company's annual meeting of shareholders on May 22.

Muncrief joins WPX six months after former CEO Ralph Hill left the company, following two years of disappointing financial results. WPX lost \$1.185 billion in 2013.



RICK MUNCRIEF

James J. Bender, who has served as WPX president, CEO

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## NDTL May auction averages \$908 with four bids as high as of \$14,000

At \$14,000 per acre, Denver-based non-operator Vitesse Oil came in with the highest bid during the North Dakota Department of Trust Lands Minerals Management Division's quarterly oil and gas lease auction held in Bismarck on May 6. Vitesse Oil paid that price for leases on four Missouri River riverbed tracts in McKenzie County that ranged in size from 23.91 to 159.77 acres. Vitesse Oil also paid \$13,700 per acre for two four-acre tracts and one 60-acre tract, also in McKenzie County, and \$12,000 per acre for a 40-acre tract in Williams County. Vitesse Oil picked up all of the leases offered in McKenzie County.

The only other five-figure bid was \$13,100 per acre that

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### COMPANY UPDATE

# Beating winter

Oasis Petroleum has strong first quarter as it moves to more slickwater

By MIKE ELLERD

Petroleum News Bakken

Oasis Petroleum weathered a North Dakota winter in the first quarter to post a production increase over the fourth quarter 2013 as it closed on the sale of its non-operated Sanish assets and successfully tested new completion techniques, all while lowering well costs.

For the first quarter, the Bakken-focused independent's output was up 5 percent over the fourth quarter 2013 to 42,856 barrels of oil equivalent per day, excluding the sale of its Sanish assets. That increase puts Oasis on track to grow its



THOMAS NUSZ

production to between 43,000 and 46,000 boepd which at the midpoint and adjusted for the sale of its non-operated Sanish assets would represent a quarter-over-quarter production growth of around 8 percent.

Contributing to that output are the successes the company has seen in new completion methods, most importantly a shift to slickwater fracturing in much of its West Williston core area where Chief Executive Officer Thomas Nusz says the company has seen "material uplift" in production resulting from that completion method. Oasis is looking to

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### COMPANY UPDATE

# Production surge coming

Whiting unveils positive results from 'coiled tube' completion technology tests

By RAY TYSON

For Petroleum News Bakken

Whiting Petroleum is projecting a huge surge in second quarter production as deployment of new well completion techniques in the Williston Basin begin to bear fruit.

Meanwhile, production test results from the company's latest completion design utilizing coil tubing, unveiled during a May 1 conference call with industry analysts, were even greater than from the heralded and transformational cement liners method now being widely deployed by Whiting in the basin.



JAMES VOLKER

## Production to jump 9 percent

Whiting is forecasting second quarter 2014 production of up to 108,791 boepd, a nearly 9 percent increase over first quarter 2014 production of 100,065 boepd.

Of the total, 73,325 boepd or about three fourths of production in the first quarter came from the Williston Basin, where Whiting has been busy drilling, testing and deploying new completion techniques, especially cement liners and plug-and-perf technology, and shortening the distance between wells, known as high-density drilling or

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### COMPANY UPDATE

# Pushing density limits

Kodiak's Williams County downspacing tests looking at separations of 600-650 feet

By STEVE SUTHERLIN

For Petroleum News Bakken

Kodiak Oil and Gas is staying the course in its Bakken downspacing pilot programs, and it is looking beyond early well results to the horizon.

In 2014, Kodiak will push its downspacing envelope further at its Polar 2.0 pilot in lower Williams County, North Dakota, drilling 16 wells in a 1,280-acre drilling spacing unit testing 600 foot to 650 foot spacing between wellbores.

The first four-well pad at Polar 2.0 was completed during the first quarter of 2014.

Kodiak reported that its two Polar 2.0 middle Bakken wells produced a 30 day average of 1,040



LYNN PETERSON

barrels of oil equivalent per day, and a 60 day average of 790 boepd. Two Three Forks wells produced an average of 792 boepd over 30 days and an average of 606 boepd over 60 days.

Russ Cunningham, Kodiak executive vice president of exploration, told analysts in a May 2 conference call that it is far too early in the pilot to extrapolate meaningful conclusions based on production from the wells to date.

"We have received numerous questions about these wells as people are trying to compare it to our first pilot program and draw immediate conclusions," Cunningham said. "Please keep in mind that these wells were completed during

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