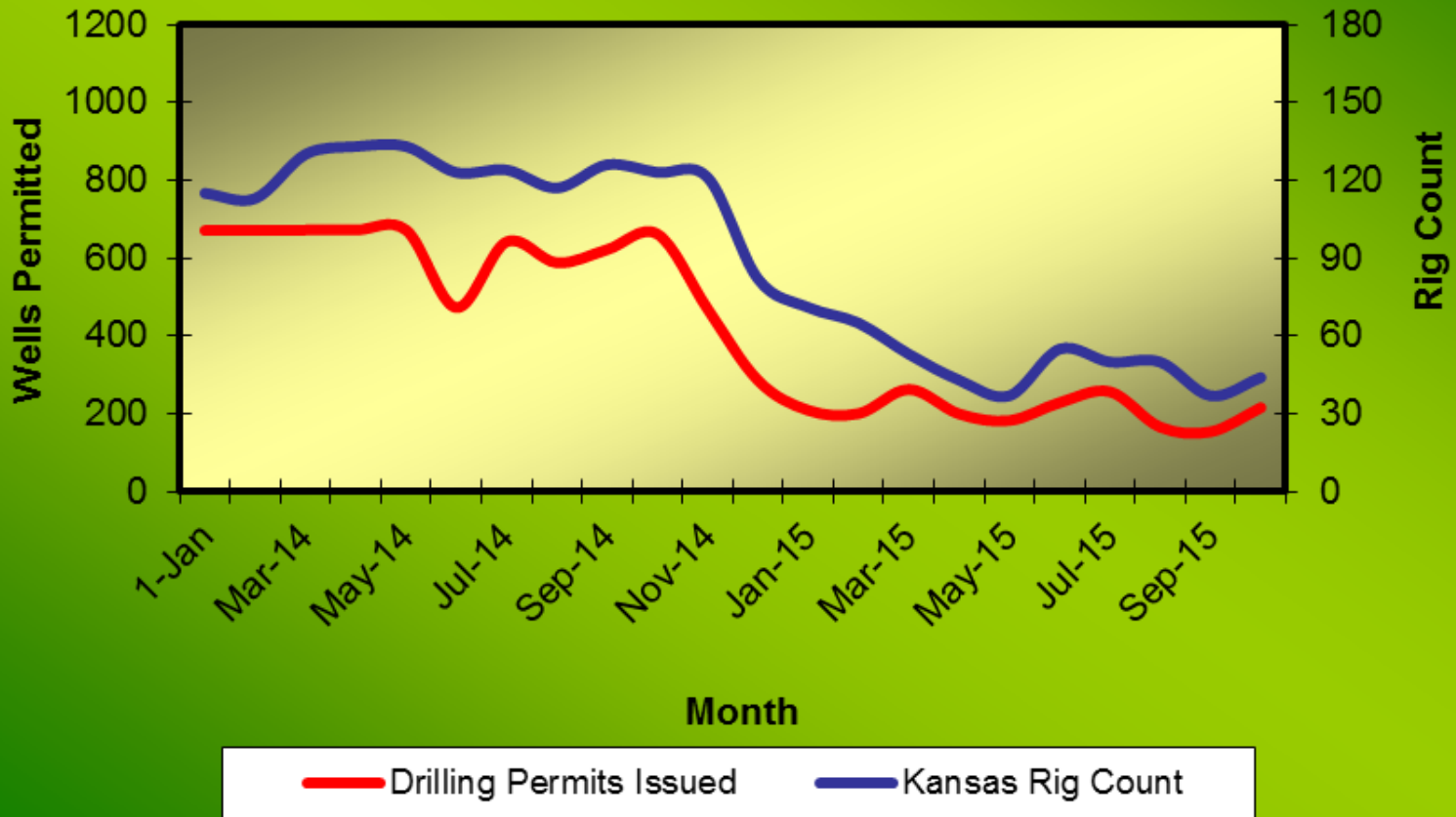
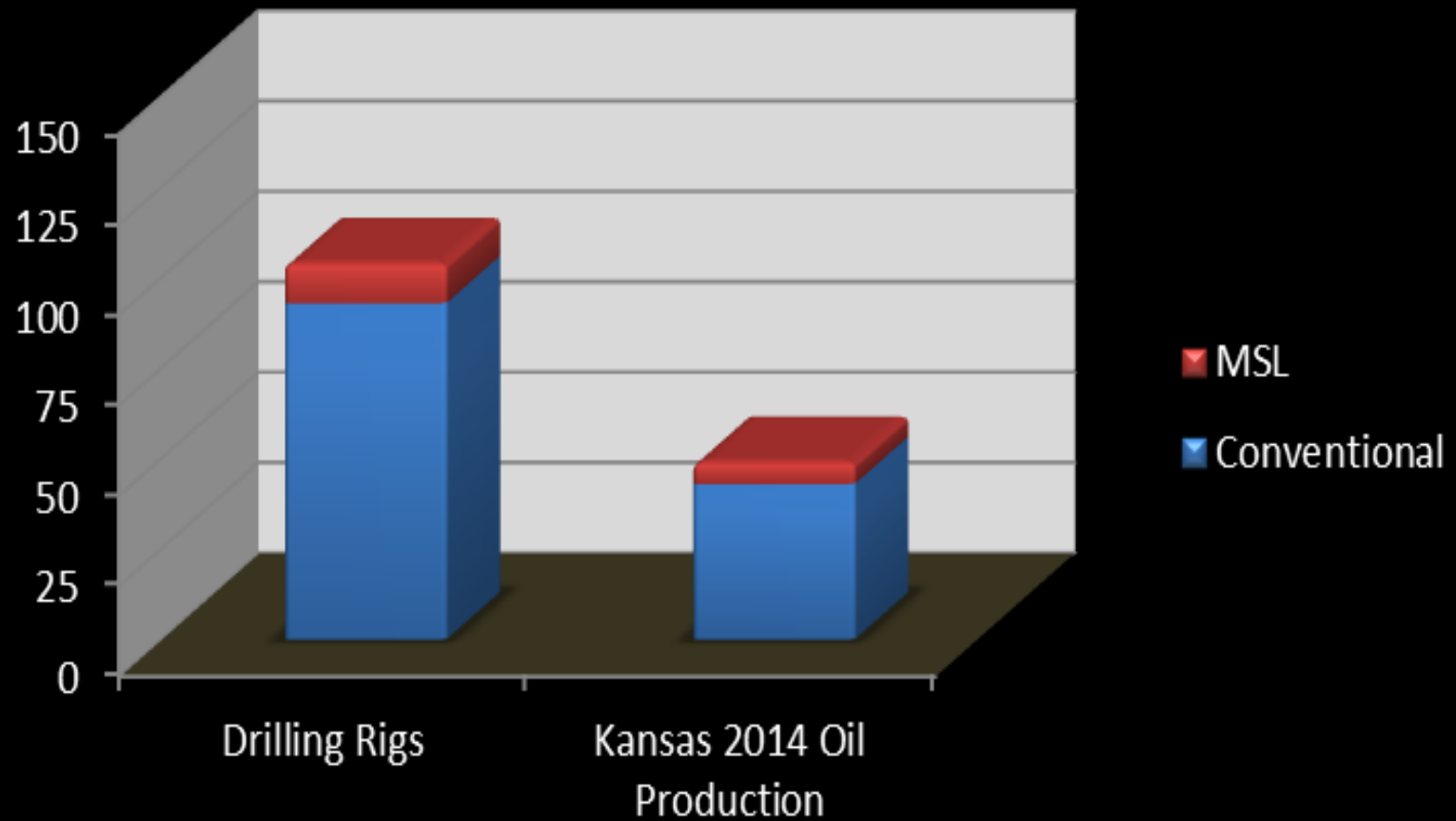


Kansas Oil & Gas Industry Activity

Wells Permitted vs. Kansas Rig Count



Kansas 2014 Oil & Gas Activity



Who are Independents?

- ▶ Small Businesses
- ▶ Drill and produce crude oil and natural gas
- ▶ Not integrated
 - Sell crude and natural gas to purchasers
 - Do not generate and market end-products

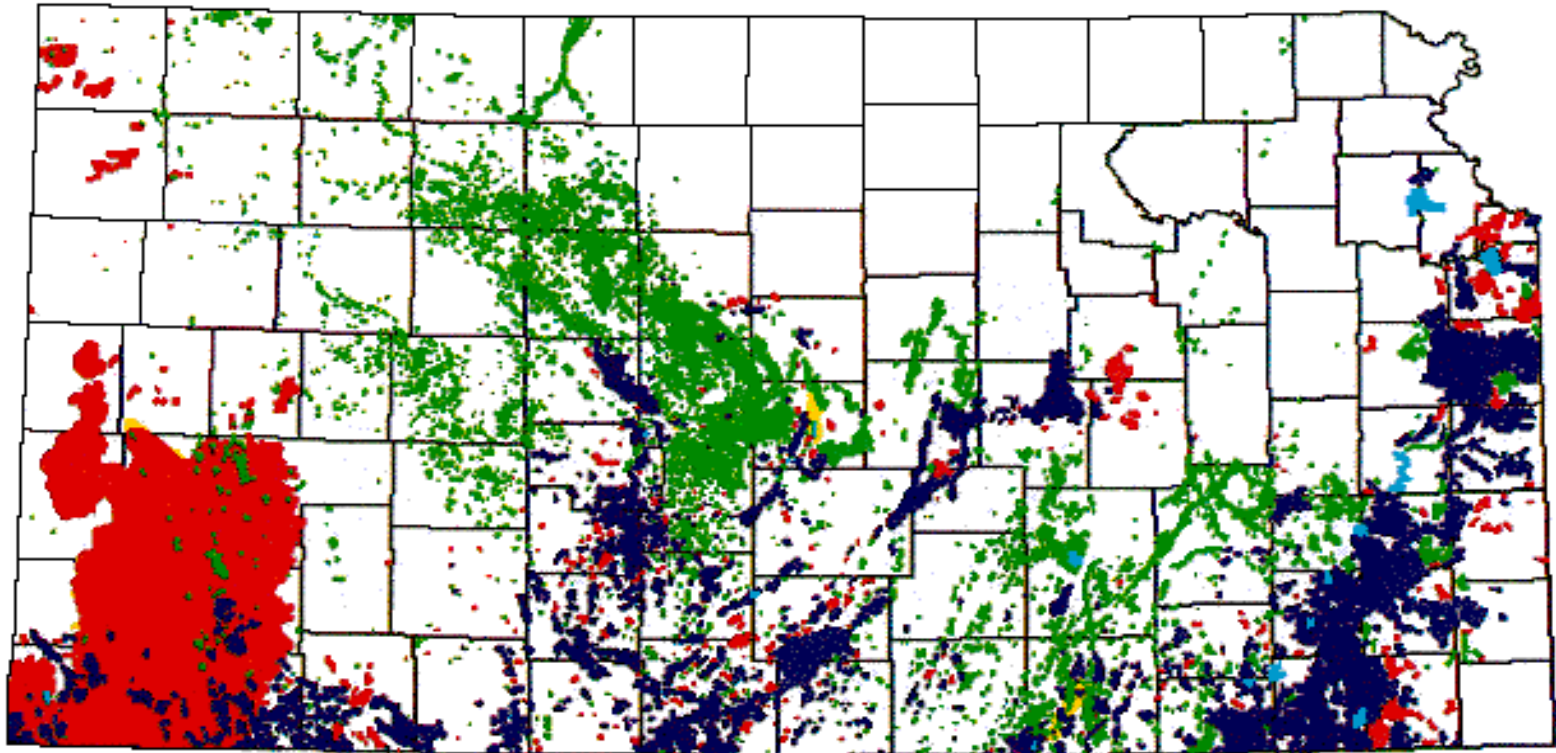
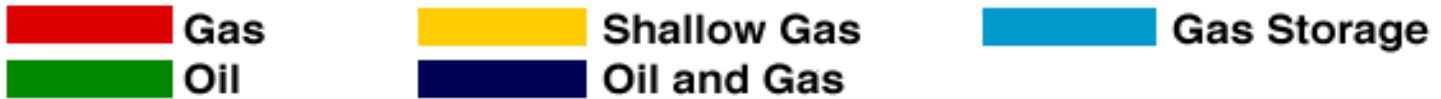


Kansas Oil & Gas Industry Statistics

- ▶ First Oil Well = 1860 (Miami County)
- ▶ First Gas Well = 1873 (Montgomery Co.)
- ▶ Current # of Oil Wells = 40,850
- ▶ Current # of Gas Wells = 18,639
- ▶ Current # of Injection Wells = 15,428
- ▶ Current # of Operators = 2,113
- ▶ Drilling Permits Issued in 2015 = 2,078 (through October)
 - 2014 = 7,100
 - 2013 = 6,367
 - 2012 = 6,991
- ▶ Current Oil Production
 - 49.5 Million Barrels Annually
 - 135,000 Barrels per Day
 - Increased 8 of last 9 years
 - Up 4.75% in 2014
 - Up 45% over last 10 years
 - Ranked 9th among 32 Oil Producing States
- ▶ Current Natural Gas Production
 - 281 Billion Cubic Feet Annually
 - 770 million Cubic Feet per Day
 - Ranked 12th among the 33 Natural Gas Producing States
- ▶ Number of Active Drilling Rigs = 44

Kansas Oil & Gas Fields

Oil and Gas Fields in Kansas



0 50 mi

Kansas Oil & Gas Industry Statistics

- ▶ Supports 118,000 Kansas Jobs and \$3 billion in family income
- ▶ Invests over \$1 billion in rural Kansas annually
- ▶ Average Daily Oil Well Production = 3.2 BOPD
 - 72% of Total Kansas Crude Oil Production from Marginal Wells
 - 94% of Total Kansas Oil Wells
- ▶ Average Daily Natural Gas Well Production = 41 Mcf/Day
 - 74% of Total Kansas Natural Gas Production from Marginal Wells
 - 81% of Total Kansas Natural Gas Wells