

# Red Top News

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## Kansas Oil / Gas Industry Trends: FEBRUARY 2018

<b>KANSAS</b>	<b>Feb.</b>		
<b>NEW LOCATIONS</b>	<b>2018</b>	<b>Yr Ago</b>	<b>% Chg</b>
Statewide	145	137	+ 5.8
West Ranges (1W-42W)	67	81	- 17.3
East Ranges (1E-25E)	78	56	+ 39.3
Wildcat Wells	25	22	+ 13.6
Coal Gas YTD	0	0	-
Horizontal / Deviated Wells YTD	3	0	-
New Locations YTD	252	249	+ 1.2

<b>KANSAS</b>	<b>Feb.</b>		
<b>WELL COMPLETIONS</b>	<b>2018</b>	<b>Yr Ago</b>	<b>% Chg</b>
New Completed Wells Mo.	136	142	- 4.2
Oil Wells YTD	121	103	+ 17.5
Gas Wells YTD	3	4	- 25.0
All Wells Completed YTD	249	259	- 3.9
West Ranges YTD	123	138	- 10.9
East Ranges YTD	126	121	+ 4.1
Infield Success Rate (% 5 yr aver)	59.6	60.9	
Wildcat Success Rate (% 5 yr aver)	28.7	29.0	

<b>ROTARY</b>	<b>Feb.</b>		
<b>RIG COUNTS</b>	<b>2018</b>	<b>Yr Ago</b>	<b>% Chg</b>
Kansas (IOGsi)	38	36	+ 5.6
Colorado (B-H)	33	25	+ 32.0
Nebraska (IOGsi)	2	0	+ 200.0
Oklahoma (B-H)	121	98	+ 23.5
Mid-Continent (total above)	194	159	+ 22.0
USA (B-H)	978	756	+ 29.4
<b>KANSAS OIL FIELD ACTIVITY</b>			
IOGsi Red Top Active Wells	361	325	+ 11.1

<b>KANSAS</b>	<b>Feb.</b>		
<b>DRILLING ACTIVITY YTD</b>	<b>2018</b>	<b>Yr Ago</b>	<b>% Chg</b>
Active Operators w/ Spuds	99	95	+ 4.2
Wells Spud	213	240	- 11.3
Wildcat Wells Spud	43	31	+ 38.7
<b>WELL FOOTAGE DRILLED YTD</b>			
West Ranges (ft)	475,338	564,507	- 15.8
East Ranges (ft)	71,491	139,526	- 48.8
Statewide (ft)	546,829	704,033	- 22.3

<b>AVER MO POSTINGS</b>	<b>Feb.</b>		
<b>CRUDE OIL (Mo Aver - CVR)</b>	<b>2018</b>	<b>Yr Ago</b>	<b>% Chg</b>
Kansas - Common	\$52.00	\$43.79	+ 18.7
Kansas - So. Central	53.75	45.54	+ 18.0
Kansas - Eastern	49.78	41.04	+ 21.3
Nebraska	48.78	40.04	+ 21.8
Oklahoma Sweet	58.62	49.96	+ 17.3
West Texas Int'l	58.87	49.96	+ 17.8
<b>NATURAL GAS (\$ per MMBtu)</b>			
FERC Spot Price (NGPL)	\$2.81	\$3.19	- 11.9

<b>KANSAS PRODUCTION (KDOR)</b>	<b>Latest</b>	<b>Yr Ago</b>	<b>% Chg</b>
Crude Oil (Mil bbl) - 11/17	2.985	2.983	+ 0.8
Natural Gas (Bil cfg) - 11/17	16.129	18.967	- 15.0
<b>U.S. PRODUCTION (EIA / API)</b>			
Crude Oil (Mil b/d) - 01/18	10.155	8.825	+ 15.1
Mktd Natural Gas (Bil cfg) - 11.17	83.2	77.0	+ 8.1
Crude Oil Stocks (Bil bbl) - 02/18	1,088.9	1,215.2	- 10.4
Refinery Utilization (%) - 02/18	87.8	85.9	
<b>U.S. PETROLEUM IMPORTS / EXPORTS (EIA)</b>			
Imports (Mil b/d) - 01/18	10.384	10.685	- 2.8
Exports (Mil b/d) - 02/18	5.669	5.335	+ 6.3

Sources courtesy of: Red Top News; CVR Refining; Baker-Hughes; Energy Information Administration; American Petroleum Institute; Bloomberg Energy Prices

**NEWS BRIEFS:** The U.S. Energy Information Administration (EIA), Washington, D.C., has released its February 2018 Short-Term Energy Outlook (STEO) Report. EIA estimates that U.S. crude oil production averaged 10.2 million barrels per day (b/d) in January, up 100,000 b/d from the December level. EIA estimates that total U.S. crude oil production averaged 9.3 million b/d in 2017 and will average 10.6 million b/d in 2018, which would mark the highest annual average U.S. crude oil production level, surpassing the previous record of 9.6 million b/d set in 1970. EIA forecasts that 2019 crude oil production will average 11.2 million b/d. ----- Natural gas accounted for 22% of commercial sector total energy consumption, petroleum accounted for 5%, and renewable energy accounted for 1%. ----- EIA estimates that U.S. dry natural gas production averaged 73.6 billion cubic feet per day (Bcf/d) in 2017. EIA forecasts that natural gas production will reach 80.3 Bcf/d in 2018, establishing a new record. ----- EIA expects natural gas prices to moderate in the coming months, based on a forecast of record growth in natural gas production. EIA expects Henry Hub spot prices to average \$3.34/MMBtu in February and \$3.20/MMBtu for all of 2018. ----- Crude oil inventories in the United States declined by 6 million barrels during the first four weeks of 2018 in contrast to a five-year average build of 14 million barrels during those four weeks.