

OIL PATCH HOTLINE

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INSIDE THE PATCH

by Dennis Blank, Editor



The Board of University and School Lands took action at a closed meeting earlier this year that ended up with State Land Commissioner Jodi Smith sending a letter to operators that they were behind in paying previous demands for royalties produced from their lands in which the state had partial or full ownership of the minerals. **The letter angered the oil and gas industry, contending that the 90-day deadline to research some properties that went back 40 years was an outrage.** "This is not the way we conduct business in North Dakota," said Ron Ness, president of the ND Petroleum Council at the time. "The outrage and frustration I am seeing from the oil and gas industry comes at a time when we are trying to keep economics affordable." **The governor, Doug Burgum, who is chairman of the Land Board, reacted to what he described as an "overly**

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Marathon Wells Set Low Cost Record

Marathon Oil said four new wells on a McKenzie County pad produced a 30-day initial production rate of 3,160 BOEPD with completion costs coming in at a record low \$4.3 million.

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The company said Bakken fourth quarter production averaged 108,000 BOEPD with oil averaging 86,000 net BOPD.

The 16 wells brought on line in the Myrmidon and Hector areas in the fourth quarter set new quarterly records for both drilling feet per day and completion stages per day, the company said.

"We will continue delivering strong financial return, free cash flow and oil growth. Our 2019 Bakken development program will pay out in

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Calumet Wants To Dispose Of Its Great Falls Refinery

As Calumet Specialty Products refocuses on its specialty lubricants business, the company disclosed that it is looking at different options including selling its 25,000 BOPD refinery in Great Falls, MT.

At the same time, CEO Timothy Go announced he was also leaving the company in June.

"As I've mentioned before, we'll look at all options, sale included," Go told Wall Street analysts earlier this month. "We have retained an adviser. And our objectives are simply to do a credit-accretive transaction that helps us focus our capital and our efforts on our specialties business."

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