

# ***OIL PATCH HOTLINE***

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## **INSIDE THE PATCH**

by Dennis Blank, Editor



The turnout for the **Williston Basin Petroleum Conference**, the leading Bakken oil industry trade show, exceeded expectations with registrations topping over 2,000 coming into Bismarck from several states. **Former Secretary of State Mike Pompeo** was a huge keynote speaker success as a parade of top industry executives such as Continental Chairman Harold Hamm and Energy Transfer CEO Darcy Warren brought great insight to the future development of the oil and gas industry.

Billionaire Bill Gates, whose new book, **How To Avoid A Climate Disaster**, has become a champion for liberals as an expert who should be listened to for advice as he plows through a contentious divorce. So now, we have industry leaders such as Hess Chairman John Hess listening to him as well. Here is what Hess told Wall Street analysts recently on the quarterly conference call: **"Climate**

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## **200,000 BOPD TARGET For Hess Bakken Production**

On the heels of a first quarter \$308 million net profit, Hess Corp. estimated it could elevate Bakken oil production up to 200,000 BOPD by increasing its rig count from two to four. Current oil production is at 158,000 BOEPD.

### **Enbridge Battles Mich Gov Over Line**

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"By doing so at \$60 WTI, the Bakken would be a \$1 billion a year free cash flow generator at 200,000 barrels a day," said President Greg Hill. "Now, if prices remain strong in the second half of this year, we're considering the addition of a third rig in the fourth quarter of 2021."

**"The other nice thing about the 200,000 barrels a day is it optimizes efficient use of the infrastructure**

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## **Excess Water Prevents Three Forks Drilling**

Excess water is stopping some North Dakota producers from drilling Three Forks horizontal wells with EOG Resources disclosing last month that the water cut in proposed wells in Mountrail County exceeded 50%.

"It is much more economic to go after Middle Bakken wells," said Bruce Hicks, assistant director of the ND Dept. of Mineral Resources. "Water production is a real expense that can hurt lease operating expenses."

**The cost of hauling water from the well site to injection wells cuts into profits from the oil production at the well.**

In its latest applications for overlapping 2560-acre spacing in the Deep Water Creek Bay-Bakken Pool in Mountrail and McLean counties in sections 34 & 35, T151N-R91W and sections 2 & 3, T150N-R91W, EOG said the water cut exceeded 54%.

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