

# Red Top News

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## Kansas Oil / Gas Industry Trends: APRIL 2012

<b>Kansas</b>	<b>Apr.</b>	<b>Yr</b>	<b>%</b>
<b><u>New Locations</u></b>	<b><u>2012</u></b>	<b><u>Ago</u></b>	<b><u>Chg</u></b>
Statewide	607	465	+30.5
West Ranges (1W-42W)	229	195	+17.4
East Ranges (1E-25E)	378	270	+40.0
Wildcat Wells	64	50	+28.0
Coal Gas YTD	9	37	-75.7
Horz Wells YTD	63	8	+687.5
Permits YTD	2,111	1,585	+33.2

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<b>Kansas Well</b>	<b>Apr.</b>	<b>Yr</b>	<b>%</b>
<b><u>Completions</u></b>	<b><u>2012</u></b>	<b><u>Ago</u></b>	<b><u>Chg</u></b>
New Wells Mo.	487	228	+113.6
Oil Wells YTD	943	572	+64.9
Gas Wells YTD	89	77	+15.6
Total Wells YTD	1,683	1,177	+43.0
West Ranges YTD	883	720	+22.6
East Ranges YTD	800	457	+75.1
Infield Success Rate (% 10 yr avg)	78.3	77.5	
Wildcat Success Rate (% 10 yr avg)	29.7	29.4	

<b>AVG MO POSTINGS (\$)</b>	<b>Apr.</b>	<b>Yr</b>	<b>%</b>
<b><u>Crude Oil (Mo Aver)</u></b>	<b><u>2012</u></b>	<b><u>Ago</u></b>	<b><u>Chg</u></b>
Kansas Common	93.12	99.91	-6.8
Kansas Eastern	87.87	94.66	-7.2
Nebraska	91.37	98.16	-6.9
Oklahoma Sweet	93.87	100.66	-6.7
West Texas Int'l	93.87	100.66	-6.7
<b><u>Natural Gas (\$ per MMBtu)</u></b>			
FERC Spot Price (PEPL)	1.95	4.12	-52.7

<b>Rotary</b>	<b>Apr.</b>	<b>Yr</b>	<b>%</b>
<b><u>Rig Counts</u></b>	<b><u>2012</u></b>	<b><u>Ago</u></b>	<b><u>Chg</u></b>
Kansas	121	96	+26.0
Colorado	65	72	-9.7
Oklahoma	198	183	+8.2
Nebraska	2	2	-
Mid-Continent (total above)	386	353	+9.3
USA	1,945	1,790	+8.7
<b><u>Kansas Oilfield Activity</u></b>			
IOGsi Red Top Active Wells	1,242	1,097	+13.2

<b>U.S. Production (API)</b>	<b>Latest</b>	<b>Yr Ago</b>	<b>% Chg</b>
Crude Oil (B/D)	5,899,000	5,633,000	+4.7
Mktd Natural Gas (Bil Cft/D)	69.3	63.6	+9.0
Crude Oil Stocks (Mil Bbl)	379.5	366.5	+3.5
Refinery Utilization (%)	86.4	82.8	
<b><u>U.S. Imports (API)</u></b>			
Petroleum Imports (B/D)	10,638,000	11,390,000	+6.6
Import % of Supply	56.0 %	59.2 %	
<b><u>Leading U.S. Crude Supplier Countries (from most to least):</u></b>			
Top 10: Canada, Saudi Arabia, Venezuela, Mexico, Russia, Nigeria, Iraq, Angola, Colombia and Kuwait. OPEC: 50.5% of imports.			

**NEWS BRIEFS:** The Kansas Geological Society's Nomenclature Committee has named 11 new oil and gas fields in Kansas at a recent May 2012 meeting held in Wichita, Kansas. This brings the total number of new fields recognized in 2012 to 45, or 19 more fields than was reported for the same period a year ago, a gain of nearly 74 percent. The Committee also extended the boundaries of 29 existing fields, noted 10 new pay sources in various established fields, and recognized the revival of production in a previously abandoned field ..... The Kansas Geological Survey at the University of Kansas, Lawrence (KS) reports that oil production in Kansas rose and natural gas production dropped in 2011 as crude oil prices remained high and gas prices fell, according to estimates from Kansas oil production increased about 2.5 percent between the end of 2010 and the end of 2011, from approximately 40.5 million barrels to 41.5 million barrels. Over the same period natural gas production in the state was down 6.6 percent, from about 333.2 billion cubic feet (bcf) in 2010 to 311.6 bcf in 2011. Meanwhile, higher crude oil prices have spurred increased activity, particularly horizontal drilling, in a tier of south-central Kansas counties along the Oklahoma border where nearly all of the 37 horizontal wells drilled in the state in 2011 are located.