Contract No. G-040-080

"Bakken Production Optimization Program - 2.0"

Submitted by: Energy & Environmental Research Center Principal Investigator: John A. Harju

PARTICIPANTS

SponsorCost ShareMarathon Oil Company\$ 7,280,000 (In-kind)North Dakota Industrial Commission/OGRC Funding\$ 6,000,000 (cash)Total Project Cost\$13,280,000

Project Schedule – 3 years Project Deliverables:

Contract Date – December 14, 2016 Quarterly Report: January 15, 2017
Start Date – November 1, 2016 Quarterly Report: April 15, 2017
Final Report: November 1, 2019 Quarterly Report: July 15, 2017
Appual Report: October 15, 2017

October 15, 2017 Annual Report: Quarterly Report: January 15, 2018 April 15, 2018 Quarterly Report: Quarterly Report: July 15, 2018 October 15, 2018 Annual Report: Quarterly Report: January 15, 2019 Quarterly Report: April 15, 2019 Quarterly Report: July 15, 2019 Final Report: November 1, 2019

OBJECTIVE/STATEMENT OF WORK:

The EERC proposes a 3-year extension of the existing and highly successful Bakken Production Optimization Program (BPOP) to continue addressing emerging threats and issues to petroleum production in North Dakota. The goal of the project is to employ a "system of systems" approach to enhance overall production efficiency, recognizing that improved coordination among various design factors (reservoir management, well design, surface processing, gas management, waste management) can lead to significant improvements in resource recovery efficiency.

Some of the activities that would be considered under BPOP 2.0 include Rich-Gas EOR; Refrac Optimization; Produced Fluid Characterization; Fugitive Emissions; Hydrocarbon Sampling; Reservoir Performance Modeling; Water Injection Reservoir Assessments; Facility Process Modeling; Aromatic/Aliphatic Study; Site Equipment Survey; Regulatory Review; Assessment of Stormwater Management Practices; Saltwater Disposal Capacity Modeling; and High-Value Minerals in Produced Fluids.

Expected results include increased well productivity and economic output of North Dakota's oil and gas resources, decreased environmental impacts of wellsite operations, and reduced demand for infrastructure construction and maintenance. Specific results will include improved resource recovery efficiency, reduced land use impacts, increased royalties and tax revenue from harnessed associated gas and natural gas liquid streams, and increased revenue from added product streams captured earlier in the well life cycle.

STATUS

Contract has been executed.

Updated 1/9/2017