

SENATE TAXATION

EXHIBIT NO. 4

DATE 3-5-2013

BILL NO. 295

Bloomberg

Bakken Oil Output Fell in November for First Time in 18 Months

By Dan Murtaugh - Jan 11, 2013

Oil output from [North Dakota](#)'s portion of the Bakken shale formation slipped in November for the first time in 20 months after producers began pulling rigs out of the state.

Production declined 2.2 percent from October to 669,000 barrels a day, according to the North Dakota Industrial Commission. It was the first month-to-month drop since April 2011. The decline closely followed a [decline in rig counts](#) in the state, from 210 on Oct. 19 to 181 on Nov. 30, according to data compiled by Smith Bits, a drilling products and services provider owned by Houston- and Paris-based [Schlumberger Ltd. \(SLB\)](#)

Bakken wells tend to have steep decline rates because they're created with directional drilling and hydraulic fracturing, [James Williams](#), president of WTRG Economics in [London, Arkansas](#), said by telephone.

"The question is, are you drilling enough new wells to make up for the decline?" he said. "With a little decline in the rig count, and the very fast depletion rate of the wells, it's not terribly surprising that the Bakken production leveled off."

Increased production out of the Bakken, the Eagle Ford formation in South Texas and the Permian Basin in West Texas helped [U.S. oil output](#) exceed 7 million barrels in the week ended Jan. 4 for the first time since 1993.

Production in the Williston basin, which includes the Bakken, will rise to 1.19 million barrels a day by December 2014 from 840,000 in December 2012, the U.S. Energy Information Administration said in its Short-Term Energy Outlook Jan. 8.

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Bakken Normalized Production Type Curve (HZ Wells Since 2005)

Filter: gDC Bakken Wells (HZ since 2005) (2013 Wells) - Group By: On Production Year - CD Avg Oil (bbl/day/well)



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- 2005 (41)
- 2006 (103)
- 2007 (228)
- 2008 (579)
- 2009 (419)
- 2010 (492)
- 2011 (151)
- Mean Production Rate