

# BURLINGTON PROSPECT

**Targets: Hackberry 3 and 4 Sands (Net 20 MMBO Potential)**

**LOCATION: SW LOUISIANA Onshore (Conventional Play/Vertical)**

**BASIS FOR PROSPECT:** The Burlington Prospect is a 4-way structural closure mapped using 3-D seismic data. Untested Middle and Basal Hackberry reservoirs lie below a shallower Upper Hackberry field that produced approximately 3 MMBO. The shallow Upper Hackberry field occupies the subtle low relief crest of a deeper high-relief main structure. Both prospect target reservoirs have good sand development as seen in nearby wells off structure. The presence of deeper reservoir sands is also supported by a Direct Hydrocarbon Indicator produced by Simultaneous Inversion seismic processing. This processing technique accurately identifies the Upper Hackberry field above the prospect as well as other Upper Hackberry production within the 3-D survey, including the prospect. The conservative reserve potential for the Burlington Prospect's two objectives is 27 MMBO and 25 BCFG. Additional potential exists immediately below the two primary targets, on structure, beneath the Hackberry unconformity.

**SEISMIC:** Approximately \$2.5 million spent acquiring, reprocessing and evaluation 135 square miles of 3-D. The Burlington Prospect is deemed to be the most attractive prospect identified within the 135 sq. mile area.

**RESERVE POTENTIAL:**

|                        |                   |
|------------------------|-------------------|
| Zone 1 – 11,700,000 BO | 10.7 BCF (8/8ths) |
| Zone 2 – 15,600,000 BO | 14.8 BCF (8/8ths) |

**TD:** 11,700 Vertical Well (pipe @ approximately 10,000' required to see objectives)

|   |                                      |              |
|---|--------------------------------------|--------------|
| <b><u>EST'D 1<sup>st</sup> WELL COST:</u></b> | Lease Cost, G&A, Prospect Fee        | \$ 785,000   |
|   | Dry Hole Cost                        | 4,273,555    |
|   | Total 1 <sup>st</sup> Well Dry Hole  | 5,058,555    |
|   | Completion                           | 1,569,425    |
|   | Total Completed 1 <sup>st</sup> Well | \$ 6,627,980 |

**IPs:** 230 BOPD, 175 MCFD (Based on the non-pressured H-1 production but could be significantly higher in the pressured H-3 and Basal Hackberry)

**NRI:** 75%

**TRADE:** 20% BI APO (first well); 80% WI heads up on subsequent wells

**ECONOMICS:** Est. Single Well Based on 100% WI, 75% NRI, \$80 oil, \$3.50 gas

|                                       |
|---------------------------------------|
| <u>Hackberry-1 (actual)</u>           |
| 25 acre spacing – 245 MBO, 200 MMCF   |
| Pay Out = 15 mo, ROI = 2.7, ROR = 61% |
| <u>Hackberry-3/Basal (est)</u>        |
| 100 ac spacing – 455 MBO, 350 MMCF    |
| Pay Out = 14 mo, ROI = 7.1, ROR = 84% |

**OPERATIONS:** Available, or will provide with participating contract operator.

**For More Info Contact: Fred Haston (281) 389-7507 or Greg Martinez (713) 400-6656**

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