



A&D Transactions

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Unit doubles down on Granite Wash in \$617MM Noble deal

In a \$617.1 million cash deal that increased its proved reserves and production by about a third each, **Unit Petroleum** bought 84,000 net acres of Anadarko Basin assets from **Noble Energy**. The acreage in the Texas Panhandle and western Oklahoma primarily targets the Granite Wash, Cleveland and Marmaton plays.



The deal adds ~44 MMboe of proved reserves and ~10,000 boepd (65% gas) from ~900 wells. It more than doubles the acreage in Unit's core Granite Wash area in the Texas Panhandle to over 46,000 net acres and more than triples its inventory of Granite Wash horizontal drilling locations to 840. Overall, Unit said its acquired acreage is 95% HBP and 67% operated with an average 45% WI.

PLS estimates the value of the ~25,000 undeveloped Granite Wash acres acquired to be \$175 million at \$7,000/acre. This estimate is based on comparison to **Apache's** \$2.85 billion acquisition in January of **Cordillera Energy Partners III**, which after subtracting the estimated value of proved reserves came to \$6,969/acre. **► Continues On Pg 18**

QPi For metrics, visit *The Global M&A Database*.

Mystery backer puts \$556MM in Anadarko's Lucius field

Anadarko will get more than half a billion dollars from an unidentified investor to completely fund its share of spending on the Lucius development in the deepwater Gulf of Mexico. In exchange for the \$556 million commitment, the investor will gain 7.2% WI in the project, leaving operator Anadarko with 27.8%. Other partners are **Plains E&P** (23%), **ExxonMobil** (15%), **Apache** (12%), **Petrobras** (10%) and **Eni** (5%).



Lucius is located ~230 miles south of Louisiana in ~7,200 ft of water within portions of Keathley Canyon blocks 874, 875, 918 and 919. A truss spar floater is under construction to develop the project, with capacity to produce more than 80,000 bopd and 450 MMcf/d. First production is slated for 2H14. Anadarko estimates Lucius to hold more than 300 MMboe of gross potential.

The deal implies a total value of \$7.7 billion for the Lucius project, or \$2.15 billion net to Anadarko's remaining interest. Analysts at **Wells Fargo Securities** called the deal "positive" for Anadarko, which operates many deepwater assets around the world where it could raise cash through similar deals. **► Continues On Pg 7**

Buyer secures 7.2% in high-impact GoM project expected online in 2H14.

Linn Energy buys Jonah field from BP for \$1.03B

Linn Energy struck its second billion-dollar deal with **BP** for gas assets—this time spending \$1.025 billion for Jonah field properties in the Green River Basin of southwest Wyoming. The acquired assets add ~145 MMcf/d of primarily liquids-rich gas (23% NGLs, 4% oil) from 750 wells across 12,500 acres and 730 Bcfe of proved reserves (56% PDP).



More specifically, BP said it sold Linn its operations center in Sublette Co. and all of its interests in ~260 operated wells with recent net production of 80 MMcf/d and non-operated wells with recent net production of 66 MMcf/d. BP's upstream production operations in the Moxa and Wamsutter areas are unaffected by the sale.

Linn's deal with BP—the \$1.2 billion acquisition in March of Kansas' Hugoton field—added ~110 MMcf/d (63% gas, 37% NGLs) from ~2,400 operated wells on over ~600,000 contiguous net acres. **► Continues On Pg 8**

QPi Visit *www.plsx.com/ma* for metrics.



www.plsx.com/news

More on Linn's Planned IPO in this week's Capital Markets

US deal activity slumps in Q2 in face of weak markets

Upstream M&A activity in the US slowed during Q2 to \$10.5 billion in 61 transactions vs. \$18.6 billion in 81 deals during Q1 according to research by **PLS** and international partner **Derrick Petroleum Services**. In terms of total deal value, the US market suffered worse than other countries, plunging 44% compared with Canada's fall of 31% and the rest of the world's 14% decline. Year over year, US activity was down 39% by value and 45% by deal count in Q2.



US deal count of 61 compares to 81 in 1Q12 & 112 in 2Q11.

Declines in WTI spot oil prices from a March peak of \$108.09/bbl to less than \$78/bbl in June, concerns US gas storage might reach capacity, and a 10% downward move in public markets generally from early May to early June all impacted oil and gas deal markets. **► Continues On Pg 2**

FEATURED DEALS

SOUTH LOUISIANA PACKAGE **PLS**

21-Wells. 18,300-Acres.
CAMERON PARISH
SHALLOW MIOCENE. 3,500 FT
Planulina. 6,500-8,500 Ft.
SURFACE WATER NEARBY
100% OPERATED WI: 75% NRI
Gross Prod: 670 BOPD & 1.2MMCFD
Est. Net Cash Flow: \$1,200,000/Mn
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JACKSON CO., TX SALE PKG **PLS**

13 PDP; 5 SWD; 1 SI Wells. 1,790 Net Acres.
HORNBuckle; TEXANA; N. LAWARD
Frio Sands; Hornbuckle Main; Miocene
Stacked Frio Production; >90% Oil
3 Low Risk PUDs; Planned To Drill 09/12
Total AFE for 3 PUDs ~\$4.6mm
100% OPERATED WI: 75% NRI
Gross Prod: 186 BOPD & 620 MCFD
Net Prod: 140 BOPD & 465 MCFD
May 12' Net Cash Flow: ~\$397,000
Hornbuckle PUDs: ~\$24.59mm PV10
Hornbuckle Rsvs: ~532 MBO & ~1.44 BCF
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PP 150 BOED

US deal activity slumps in Q2 < Continued From Pg 1

That said, strong US buyers including MLPs, private equity-backed companies and Asian investors continue actively seeking high-quality assets.

The largest property deal of the quarter was the \$1.025 billion purchase by MLP leader **Linn Energy** of **BP's** interest in Wyoming's Jonah gas field. The purchased asset produces a net 106 MMcfd and 6,600 bpd of oil and NGLs. The deal implies metrics of \$1.40/Mcfe of proved reserves and \$7,000/Mcfe produced. Two other billion-dollar deals were corporate takeovers. **Halcon Resources** acquired **GeoResources** for \$1.03 billion and **Concho Resources** acquired privately held **Three Rivers Operating Co.** for \$1.00 billion.

Property deals rose 57% by value & corporate deals fell 80% vs. Q1.

Looking at US deals by type, property deals accounted for 62% of deal value in Q2, reversing the preference for corporate acquisitions seen over the previous three quarters. The Rockies were the busiest region with 17% of US deal value worth ~\$1.77 billion. Other high-grossing regions, excluding multi-region deals, were the Permian with \$1.24 billion (12% of all US deal value), the Woodford with \$1.03 billion (10%), \$990 million in the Eagle Ford (9%), and \$789 million in the Mid-Continent (8%).

Taking a global view, North America continued to lead the world in oil and gas transactions with total deal volume of \$17.5 billion or ~70% of transactions by dollar volume. However, this was down from the continent's ~80% share in Q1. The US accounted for 45% of the global deal count and 42% of deal value.

Canadian activity remains relatively robust as foreign interests continue to chase natural gas assets at attractive prices. Canada accounted for 31 deals during Q1 or 23% of the global deal count and 28% of global deal value. The latter is similar to Canada's share of deal value in Q1 and is up from an average 10% of global market share in 2011. The country's M&A activity got a big boost late in the quarter when Malaysian NOC **Petronas** bought **Progress Energy Resources** for \$5.4 billion.

US E&P Deals By Quarter

	No.	Value (\$MM)
2Q12	61	\$10,505
1Q12	81	\$18,646
4Q11	112	\$25,709
3Q11	79	\$25,992
2Q11	112	\$17,137

Source: **The Global M&A Database**

US accounted for 45% of global deal count & 45% of deal value.

A&D Briefs

• **Bakken Resources** purchased 17% WI in the 3A oil well in Archer Co., Texas, from operator **Holms Energy Development Corp.** Following the \$68,000 deal which closed July 3, Holms retains ~34% WI in the well.

• **Caza Oil & Gas** sold its San Jacinto property in Midland Co., Texas, to an undisclosed buyer for \$6.1 million. The property produces 720 Mcfed via two Wolfberry wells—Elkins 3401 (85% WI) and 3402 (75% WI)—and has ~4.09 Bcfe of proved reserves. Caza said it is divesting the property to take advantage of attractive Wolfberry property sale prices.

• **Circle Star Energy** took 100% WI in two oil-prospective northwest Kansas leases totaling ~12,500 and ~1,500 acres in Sheridan and Trego Cos., respectively. The cash and stock deals totaling \$1.82 million (less than \$130/acre) also include ~6.5 sq mi of processed 3D seismic.



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Q2 US Upstream M&A Activity By Deal Type

	2Q12		1Q12		4Q11		2Q11	
	\$MM	%	\$MM	%	\$MM	%	\$MM	%
Acreage	\$394	4%	\$749	4%	\$1,134	4%	\$3,487	20%
Corporate	\$2,217	21%	\$11,301	61%	\$13,614	53%	\$3,449	20%
JV	\$650	6%	\$2,200	12%	\$3,359	13%	\$1,026	6%
Property	\$6,642	62%	\$4,238	23%	\$7,535	29%	\$8,253	48%
Royalty	\$38	0%	\$158	1%	\$17	0%	\$71	0%
VPP	\$745	7%	\$0	0%	\$50	0%	\$850	5%
	\$10,505	100%	\$18,646	100%	\$25,709	100%	\$17,137	100%

Note: Totals may not add due to rounding.

Source: **The PLS Global M&A Database** www.plsx.com/ma

A&D Briefs

• **Enterprise Energy Resources** sub **Evolution Oil Group** agreed to sell 53% of its undeveloped Williston Basin leasehold in Daniels and Sheridan Co., Montana—or ~15,975 net mineral acres—to an unnamed purchaser for ~\$19 million. After the deal closes around July 25, Evolution will retain 14,108 net acres.

• Mineral acquirer **The Graystone Co.** branched into oil and gas with an agreement to buy 50% WI in up to 100 Kansas oil and gas wells from **Avenill Ventures** for ~\$700,000. Graystone plans to rework and re-drill the wells at an expected cost of \$25,000-\$75,000 each, after which it expects them to generate revenues of ~\$2 million annually.

• **Lighthouse Petroleum** agreed to pay **HCE Operating** \$1.2 million for 100% WI in producing leases at Lindsea Bea field in Haskell Co., Texas. Based on a 1998 geological report and subsequent production of ~22,000 bbl, the property is believed to contain ~450,000 bbl of proved undeveloped oil reserves. Current production is ~6 bopd and 22 Mcfd from two active wells out of 13 total.

• **Magnolia Petroleum** agreed to buy interests in three Oklahoma oil wells: the **Chesapeake**-operated Brandt 31-28-12 1H and Otis 2-27-12 1H wells (~4.2% WI each) and the **Newfield**-operated Campbell 1-H well (~.07% WI). The seller and consideration were not disclosed.

• **Sun River Energy** agreed to sell ~650 gross acres of shallow rights in its Neal Heirs gas unit in Panola Co., Texas, to **Katy Resources**. In exchange, Sun River's debt to Katy will be reduced by \$2.0 million. Following the deal Sun River will retain ~3,900 net acres in East Texas.

• **Treaty Energy** recently acquired four East Texas leases totaling 580 acres from **3K Oil Trust** and a private individual for ~\$7.4 million. On one of the purchased leases in Shelby Co., Treaty plans to re-complete the Madeley-F1H well.

• **X-Change Corp.** sub **Cress Oil** acquired 15,000 net acres targeting the Bakken in Roosevelt and Daniels Cos., Montana, from **Diverse Energy Investments** for ~\$8.8 million. The company now has a ~150,000-net-acre footprint in northeast and central Montana.

A&D News

Voyager enters Sandwash Niobrara in \$40MM Emerald buy

Williston Basin-focused **Voyager Oil & Gas** agreed to acquire **Emerald Oil** in a share transaction valued at \$39.5 million including \$19 million in debt. In addition to increasing its Bakken and Three Forks acreage by 32%, the deal gives Voyager access to the emerging Sandwash Basin portion of the Niobrara, farther west than the established Niobrara play in



the DJ Basin. Emerald holds ~45,000 net Sandwash Niobrara acres in a JV with **Entek Energy**, in Mofatt and

Routt Cos., Colorado, and Carbon Co., Wyoming. Existing Voyager shareholders will own ~80% of the combined company, which will take the Emerald Oil name and plans to combine the management teams and expertise of both companies.

In the Williston Basin, the acquisition adds ~58 net unrisked Middle Bakken and Three Forks locations on ~10,600 net acres (65% operated) in Dunn Co., N.D., with working interest ranging 1.5-75.0% to Voyager's existing Bakken/Three Forks acreage in North Dakota and Montana. Voyager also brings into the deal its positions in two other Montana plays: ~33,500 net acres prospective for the Heath shale and 74,700 acres prospective for the Tiger Ridge gas play.

The combined company plans to transition from a non-op business model to an operating model with its first operated well expected to spud in Dunn Co., N.D., during early 2013 followed by a continuous single-rig drilling program throughout the year.

Combined firm, which takes Emerald name, has 45,000 net acres in Williston.

QPi See The Global M&A Database for metrics.

Mississippi Lime player Petro River to merge with Gravis Oil

In a reverse merger, privately held **Petro River Oil** agreed to merge with public pink sheet company **Gravis Oil**. Petro River will own a majority of the new company and hold four of five board seats. Petro River owns 100,000 acres and legacy wells in the southeast Kansas portion of the Mississippi Lime.

Petro River is led by a management team consisting of Co-CEOs Ruben Alba and Daniel Smith along with senior advisor Louis Vierma. Alba joined in 2011 after 13 years with **Halliburton** and **Superior Well Services**. Smith was formerly an operations engineer with **XTO Energy**, and Vierma comes from **PdVSA** where he served in numerous leadership roles including VP of E&P and external director. In addition, Vierma served as Venezuela's deputy oil minister to OPEC.

Petro River is backed by New York private equity firm **Iroquois Capital**, where its management served as Iroquois' technical team. Iroquois specializes in US onshore E&P investments and currently manages in excess of \$300 million.

Privately held Petro River to go public via reverse merger.

Top 5 US Upstream A&D Transactions since June 25*

Date	Buyer	Seller	Value (\$MM)	Type	Location
July 11	Unit Corp.	Noble Energy	\$617.10	Property	Mid-Con
July 2	Undisclosed	Anadarko	\$556.00	Property	GoM
July 17	Undisclosed	Penn Virginia	\$100.00	Property	Eastern
July 9	Voyager Oil & Gas	Emerald Oil & Gas	\$40.00	Property	Multiple
July 16	Firma Inc.	Canco Energy	\$25.00	Acreage Only	Mid-Con

*Based on deals with values disclosed.

Source: **The PLS Global M&A Database** www.plsx.com/ma

A&D News

Credo's merger with Forestar is on as 'go shop' period ends

Credo Petroleum said the 30-day "go shop" period relative to its planned merger with **Forestar Group** expired with no other acquisition offers for the company, which Forestar agreed to buy in June for ~\$146 million. The deal is expected to close before the end of the year.

The acquisition of Credo's assets in North Dakota, Nebraska, Kansas, Oklahoma, Texas and Wyoming will increase Forestar's reserves by more than 135% to 7.1 MMboe (43% oil) and roughly doubles its production to more than ~1,980 boepd.

Forestar is also gaining ~125,000 net mineral acres (76% undeveloped), including ~6,000 acres in the core Parshall field area of the Bakken-Three Forks play and ~85,000 acres targeting the Lansing and Kansas City formations in Kansas and Nebraska. Across all its assets Credo holds working interest in 340 producing wells and royalty interest in ~1,200 wells, most of which target coalbed methane in Wyoming.

Korean firms eager for US shale gas to send home as LNG

Korea National Oil Corp. said it is teaming with **Korea Gas Corp.** to invest in US shale gas projects with a goal of obtaining enough gas to provide 3.0-3.15 million tons per annum of LNG. Chang Sungjin, VP of KNOC's New Ventures division, said the E&P assets are prized because there's hardly any risk at the exploration stage. KNOC has spent more than \$2.0 billion on shale gas assets, most notably as part of the **Apollo Global Management**-led consortium that paid \$7.15 million for **El Paso's** E&P unit earlier this year.

KNOC took a 15% stake in those assets for \$500 million.

Kogas, already one of the world's biggest LNG importers, agreed in January to buy around 3.5 mtpa from a sub of **Cheniere Energy Partners** for 20 years starting in 2017. And Resources EVP Park Young-sung told Dow Jones last month that Kogas "will actively seek opportunities to buy good [shale gas] assets" and would open its first U.S.-based office in Houston by July.

The South Korean government is eager to acquire overseas oil and gas assets and diversify its energy sources. According to some news reports, it said in December that state-run companies, primarily KNOC and Kogas, would invest \$7.8 billion in oil and gas assets in 2012 to improve energy security. How much of that will be spent in the US remains to be seen, but Chang said the next investment "isn't likely to be small."

QPi For metrics, visit www.plsx.com/ma.

KNOC & Kogas hope to buy enough shale interests to provide 3.0-3.15 mtpa.

US Natural Gas offers bid on West Virginia gas assets

Appalachian producer **US Natural Gas Corp.** entered into the bidding process to acquire operations of an unnamed gas producer in Wayne Co., West Virginia. If successful, the acquisition would add 40 producing gas wells and 9,000 acres of mineral rights leases to USNG's portfolio bringing the total to 162 gas wells and 21,000 acres of mineral rights under lease all within the same county. The property's 40 wells produce ~170 Mcfd.

USNG is in negotiations with two potential JV partners on the acquisition. The company would retain operations while the partner would retain the acquired mineral rights. USNG would simultaneously lease the acquired mineral rights from its partner. The winning bidder will be notified before the end of July with the closing to take place in August. Terms have not been disclosed.

The winning bidder will be notified this month.



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Closings

Vanguard closes \$434 million gas purchase from Antero

Vanguard Natural Resources finalized the purchase of Woodford and Fayetteville assets from **Antero Resources** for \$434.4 million, down from the initially announced \$445 million. The acquisition added proved reserves of ~420 Bcfe (58% proved developed, 82% gas) and ~76 MMcfed from 833 gross wells—of which 134 producing Woodford wells will be operated by Vanguard.



Vanguard gets 1,100 HBP Woodford locations to drill once gas prices turn.

The deal also adds ~66,000 net acres in the Woodford and 5,300 net acres in the Fayetteville, with ~180 proved drilling locations averaging 22.5% WI that Vanguard expects to generate superior returns even in a low-gas-price environment. Vanguard has also identified an additional 1,100 future proved drilling locations on HBP acreage that can be developed should gas prices return to the \$4-\$5 range. The acquisition includes existing natural gas hedges with a book value of ~\$100 million.

PDC wraps up \$327 million Wattenberg deal with Merit

PDC Energy closed the purchase of Wattenberg assets from **Merit Energy** for \$327.0 million, with the price tweaked slightly from the original value of \$330.6 million. The properties are largely contiguous with PDC's existing Wattenberg assets and bring its total position to ~109,000 net acres, 94% of which is in what the company calls the "core" Wattenberg field.

The acquired assets produce ~2,800 boepd net from ~700 wells, growing PDC's total to ~15,600 boepd (60% liquids). They also add 180 horizontal Niobrara locations for a total of 546. At the time the deal was announced, PDC said the assets included ~35,000 net acres prospective for horizontal drilling of the Niobrara and Codell formations.

A&D News

Penn Virginia sheds \$100 million of Appalachian assets

To help fund 2012 capex, **Penn Virginia** agreed to sell substantially all its Appalachian assets with the exception of Marcellus properties to an undisclosed buyer for \$100 million. The properties sold include net production of ~20 MMcfed (almost 100% gas) from vertical and horizontal coalbed methane and conventional properties, as well as royalty interests. As a result of the divestiture, Penn Virginia's 2012 production will decrease by ~2.9 Bcfe. Proved reserves associated with the divested properties, as determined by third-party engineers at year-end 2011, were 105.7 Bcf (96% proved developed).



CEO H. Baird Whitehead said the deal will fund further investment in the oily part of the Eagle Ford, where the company has had continuing success through exploitation of its ~24,900 net acres in Gonzales and Lavaca Counties. Within this area the company is seeing IP and 30-day rates of 1,001 boepd and 645 boepd, respectively, and a type curve EUR of ~400,000 boe (88% oil). In total, Penn Virginia has 47 Eagle Ford wells currently online and holds a multi-year inventory of ~200 remaining locations.

QPi See The Global M&A Database for metrics.

BreitBurn closes three acquisitions totaling \$313 million

BreitBurn Energy Partners completed two separate acquisitions of properties in Texas' Permian Basin from **Element Petroleum** and **CrownRock** for ~\$150 million and \$70 million, respectively. The partnership also closed the \$93 million purchase of Wyoming assets from **NiMin Energy**.



The Element and CrownRock deals marked BreitBurn's entry into the Permian and added 2,100 boepd in production and ~9.5 MMboe in proved reserves. These assets in Martin and Howard Cos. offer a net position of 4,600 acres and ~40 existing wells. The two deals are structured for BreitBurn to operate Element and CrownRock's existing oil and liquids-rich gas producing assets, while CrownRock will continue to operate the majority of the ~160 potential drilling locations.

One of the sellers, NiMin, also divested California assets for ~\$26 million.

The assets BreitBurn acquired from NiMin are situated in the Big Horn Basin in Park Co., Wyoming, and include 97% stakes in four mature heavy oil fields—Ferguson Ranch, Hunt, Willow Draw and Sheep Point—with ~3,200 net acres (37% undeveloped), 600 boepd and 12.8 MMbbl of proved oil reserves. NiMin also closed the sale of its assets in California's San Joaquin Basin to **Southern San Joaquin Production** for ~\$26 million.

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What's On the Market

Bopco offers leasehold with Wolfberry & Wolfbone upside

Fort Worth-based **Bopco LP** retained **Meagher Energy Advisors** to market operated production and HBP leasehold in Andrews Co., Texas, and additional mostly HBP leasehold in Gaines, Loving, Pecos, Reeves and Ward Cos., Texas. The rights offered in the package are limited and focused on the Wolfberry and Wolfbone trends.

The Andrews Co. part of the package, at Hutex and Andrewmag fields, features ~72.6% WI in eight operated vertical producing wells (337 bopd and 180 Mcfd gross operated production projected for September), ~995 net acres, 29 Wolfberry locations based on 40-acre spacing and one immediate Devonian PUD location. The Gaines Co. portion consists of ~23% WI in 11,496 acres in a combination of leasehold and mineral ownership at Wescott and Tobe Foster fields. More than 90 vertical Wolfberry locations have been identified on the acreage. Bopco is offering limited rights from the top of the Upper Spraberry to the top of the Strawn formation. The seller is retaining all existing wellbores and certain leasehold rights.

Additional leasehold is available at Moore-Hooper field in Loving Co. in the heart of the Wolfbone trend (860 net acres; 10 Wolfbone locations), at Gomez field in Pecos Co. (1,675 net acres; 131 Wolfbone, 33 Bone Spring and 33 Delaware locations), in the TXL fee unit and Mi Vida field in Reeves Co. (544 net acres plus 211 net mineral acres available for lease) and at Phantom, Pyote and Herring fields in Ward Co. (1,120 acres; four Wolfbone horizontal, 32 Wolfbone vertical, three Bone Spring and eight Wolfcamp locations).

Andrews Co. portion has \$464,711 net cash flow projected for September.

Rosewood marketing western Mississippian acreage

Rosewood Resources has retained **Energy Spectrum Advisors** to assist in the sale of Mississippian Lime assets in northwest Kansas and eastern Colorado. The Dallas-based company is offering 90,496 gross acres (79,460 net) in Cheyenne, Rawlins, Sheridan, Sherman, and Thomas Cos., Kansas, and Yuma Co., Colorado. About half of the acreage is HBP by shallow Niobrara gas production which is not included in the sale.

The seller will convey all rights below the base of the Niobrara including the Mississippian Lime and Morrow sands across the entire position, and will also grant a license to use its 3D seismic data covering ~73% of the leasehold. Mississippian thickness is estimated to be up to 450 ft in the area. According to the agent, most of acreage is included in recent Mississippian fairway maps published by **SandRidge Energy**, a leader in the play with more than 1.0 million acres under lease.

To learn more, request **PLS Listing No. L 1325DV** or contact the agent.

Mississippi Lime prospect with 123,000 net acres for sale

Cade Production and partners are offering Mississippi Lime interests in the Sedgwick Basin prospect predominantly in Harvey and McPherson Co., Kansas. The ~126,000 gross acres offered (97.6% WI, 80% NRI) lie north and east of but on trend with established horizontal drilling and production in the play. The package includes 570 potential operated drilling locations. All of the leases included in the sale are paid up, include all depths, and average over 40



months of remaining primary term. Some leases include provisions for extensions.

The Sedgwick Basin prospect is part of a thick Mississippian trend whose southern end lies in Harper Co., Kansas, where play leader **SandRidge Energy** has its highest recent IP rates, averaging 487 boepd vs. 317 boepd across its entire leasehold in the play according to Cade's agent **Albrecht & Associates**. It is likely that this thick Mississippian interval is the primary pathway for the Woodford oil migration that filled the large Mississippian fields encircling the Sedgwick Basin and ultimately assisted in filling the Arbuckle oil accumulations on the Central Kansas Uplift.

For more information, request **PLS Listing No. L 9986DV** or contact the agent.

Central Kansas package includes 570 potential operated drilling locations.

What's On the Market Briefs

• **Amberjack Royalties** has retained **PLS** to market 12,495 gross acres (1,590 net royalty acres) targeting the Mississippi Lime in Comanche Co., Kansas. The seller is offering royalties ranging 6.25-7.10% in Haas, Saddle and Bird East fields. For more information, request **PLS Listing No. RR 8270DV** or call 713-650-1212.

• **Chevron Midcontinent LP** retained **EnergyNet** to sell its interest in Noelke Creek field located in Crockett Co., Texas. Chevron holds a non-op 75% WI in five wells with six-month average production of 55.7 boepd (75% oil).

• **Corvus LLC** retained **PLS** to market 11,000 acres (100% WI) in Pawnee Co., Oklahoma. The acreage is in a multipay fairway with primary targets in the Mississippi Lime, Arbuckle and Woodford. All depths are available. To learn more, request **PLS Listing No. L 9193DV** or call 713-650-1212.

• **Dore Energy** and its operating company **Apollo Energy Operating** retained **PLS** to market their holdings in Cameron Meadows field located in southwest Cameron Parish, Louisiana. Assets offered include 18,300 acres (100% WI), gross production of 870 boepd (77% oil) and net proved reserves of 1.86 MMboe (65% oil). Upside includes five proved behind-pipe opportunities. For more information, request **PLS Listing No. PP 8258DV** or call 713-650-1212.

• **Goldston Oil** has retained **PLS** to divest its 83% WI in Quitman field in Wood Co., Texas. The field in the East Texas Salt Basin targets formations such as the Sub-Clarksville, Eagle Ford, Paluxy, Derr, Woodbine and Rodessa-Kirkland. Net production is ~170 boepd from 11 active wells (three with recent high-volume lifts) and reserves are estimated at ~1.0 MMboe (99% oil). To learn more, request **PLS Listing No. PP 4395DV** or call 713-650-1212.

• **Hanna Oil & Gas** retained **EnergyNet** to sell non-producing leasehold in Montana's Sweet Grass Arch Basin. Hanna is offering 38,292 net acres in Pondera, Toole and Chouteau Counties. Two wells on the leases (Carlhom 1-27 and Offerdal 1-2) have been completed in the Blackleaf formation and are shut in waiting on pipeline. Request **PLS Listing No. L 1402** or contact the agent.

What's On the Market Briefs

• **Indigo II Louisiana Operating** is offering Austin Chalk assets in central Louisiana, and has retained **BMO Capital Markets** as advisor. Net production is ~2,010 Mcfed (~34% NGLs) from 10 operated and 47 non-operated wells. The 110,000 net acres on offer are ~27% HBP and ~73% undeveloped. More than 500 drilling locations have been identified with EURs ranging ~1.92-3.60 Bcfe. To learn more, request **PLS Listing No. PP 1483DV** or contact the agent.

• **Kentucky Blue Gas** engaged **Energy Capital Solutions** to market its western Kentucky project consisting of 100% WI in 53,000 net acres in Warren, Ohio, Butler and Grayson Counties. Net oil production is 30 bopd and proved reserves are 6.3 Bcfe (65% gas). More than 100 drilling locations have been identified. For more information, request **PLS Listing No. DV 1334PP/G** or contact the agent.

• **Kriti Exploration** retained **The Oil & Gas Asset Clearinghouse** to sell assets in Lake Long field, located in Lafourche Parish, Louisiana. On offer is ~91% WI in six PDP oil wells, two PDP gas wells, 10 shut-in wells and one saltwater disposal well. Projected August net production is 260 boepd. To learn more, request **PLS Listing No. PP 7780DV** or contact the agent.

• **Walter Oil & Gas** retained **EnergyNet** to sell six Permian well packages in Crockett Co., Texas. Assets include 1,500 acres HBP in Buckhorn field with six PDP Ellenburger wells (four horizontal and two vertical). Production is ~144 boepd (69% gas). For more information, request **PLS Listing No. PP 1180AU** or contact the agent.

• **PLS** is representing a private seller in the disposition of 33,000 acres with Mississippian targets within the Las Animas Arch in Bent Co., Colorado. Offset production is 567 bopd and 4.5 MMcfd. Request **PLS Listing No. L 5391DV** or call 713-650-1212.

What's On the Market

GMXR selling off a portion of its Cotton Valley assets

GMX Resources retained **Global Hunter Securities** as its advisor in connection with the proposed sale of some of the company's liquids-rich gas properties in the Cotton Valley sand of East Texas. While GMXR has not provided details on the assets for sale, at year-end 2011 the company's Cotton Valley assets consisted of more than 36,000 net acres (55,000 gross, 65% operated) of which 17,200 net acres are located in the company's core area. The company had drilled 302 wells (average ~57% WI) of which 35 (~85% WI) are productive in the shallower, conventional Rodessa, Travis Peak, Hosston and Pettit formations.

GMXR's total Cotton Valley proved reserves are ~82 Bcfe (81% gas) and potential reserves are estimated at 500 Bcfe (82% gas). GMX holds 83 net horizontal drilling locations with average EURs of ~7.5 Bcfe and estimated well costs of \$7.5 million.

For more information, request **PLS Listing No. PP 9749** or contact the agent.

Mystery backer in Anadarko's Lucius field ◀ Continued From Pg 1

In fact, Anadarko has also been adept at capturing capital from onshore resource plays using joint ventures including last month's JV with **Linn Energy** at Salt Creek field. Linn acquired 23% WI in the field in Wyoming's Powder River Basin for future funding of at least \$400 million (possibly up to \$600 million) of Anadarko's development costs.

Anadarko also closed one of the largest joint ventures in the business in 2011, selling ~33% of its Eagle Ford assets to a sub of **KNOC** for ~\$1.55 billion. The South Korean firm's investment—entirely in the form of a drilling carry—funded ~100% of Anadarko's 2011 post-closing

Deal implies \$7.7B total value for Lucius, or \$2.15B net to Anadarko's interest.

capital costs in the basin and will fund up to 90% thereafter until the carry is exhausted (expected by year-end 2013). KNOC received ~80,000 net acres in the liquids-rich Eagle Ford and ~16,000 additional net acres prospective for the deeper dry-gas Pearsall shale, as well as Pearsall opportunities underlying the Eagle Ford acreage.

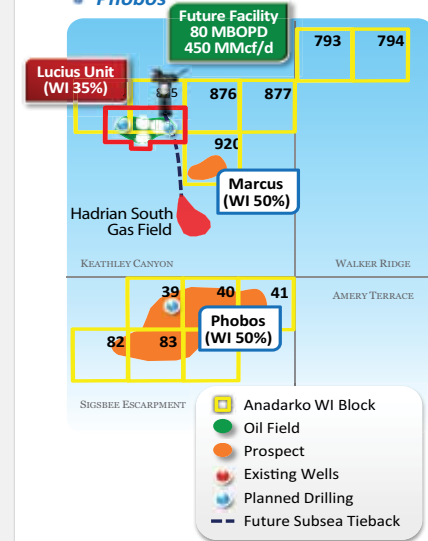
Another deepwater Gulf of Mexico deal is in the works with Exxon at Phobos.

The KNOC deal was preceded in 2010 by Anadarko's \$1.4 billion Marcellus JV with **Mitsui**, which took a 32.5% stake in Anadarko's assets or ~100,000 net acres in exchange for funding 100% of Anadarko's development costs in 2010 and 90% thereafter. Mitsui is expected to complete its obligations by 2013.

Anadarko also has another deal working in the GoM. According to John Colglazier, Anadarko's VP of investor relations, the company is in talks to sell a portion of its Phobos deepwater project to ExxonMobil, where the costs of the first exploration well would be shouldered by the world's largest major. Speaking during a **Global Hunter Securities** conference webcast June 26, Colglazier said Anadarko is looking to reduce its operated 50% in the project to 30%. Plains E&P, which owns the other 50%, is on record that Phobos could hold resource potential of 306 MMboe.

Lucius & Phobos Projects

- **Lucius: Sanctioned**
 - 300+ MMBOE Resource
 - Capital-Efficient Project
 - First Production Planned in 2014
- **2012 Drilling Plan**
 - 2 Lucius Delineation Wells
 - Phobos



Source: Anadarko June 25 Presentation via **PLS docFinder** www.plsx.com/finder

Linn Energy buys Jonah field from BP ◀ Continued From Pg 1

In that deal Linn also added ~500 recompletion opportunities in the Chase formation and 100% ownership in the Jayhawk gas processing plant.

The Jonah field deal advances Linn's acquisitions this year to ~\$2.8 billion including not only the BP deals but also a \$600 million JV with **Anadarko** on a CO₂-based enhanced oil recovery project at Salt Creek field in Wyoming's Powder River Basin (~1.0 Bbbl remaining in place). Linn acquired 23% WI in exchange for funding \$400 million of Anadarko's development costs over three to six years. Besides carrying Anadarko, Linn expects to spend an additional \$200 million developing its own interest in the project. The remaining \$175 million was spent acquiring mature East Texas gas assets (~24 MMcfed and 136 Bcfe proved) from **Southwestern Energy**.

Meanwhile, BP has been an active seller divesting \$24 billion since the start of 2010. The day after the Jonah Field sale, BP sold some North Sea assets to **Mitsui** for \$280 million.

BP has sold \$24 billion in assets since the start of 2010.

BP plans to reinvest a portion of the Wyoming sale's proceeds in higher-growth opportunities in its North America gas business and elsewhere, said CEO Bob Dudley. The company expects to raise a total of \$38 billion by the end of next year, in a divestment program aimed at covering the costs of the Deepwater Horizon explosion and oil spill in 2010. Dudley said BP will still invest in growth opportunities in North American natural gas, such as liquid-rich shales that contain light oil as well as gas. Assets considered for growth will be those offering a stable, predictable decline and low-risk recompletions and development.

Linn has \$2.8 billion in acquisitions so far this year, with 80% from BP.



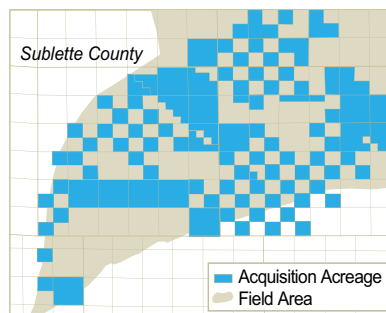
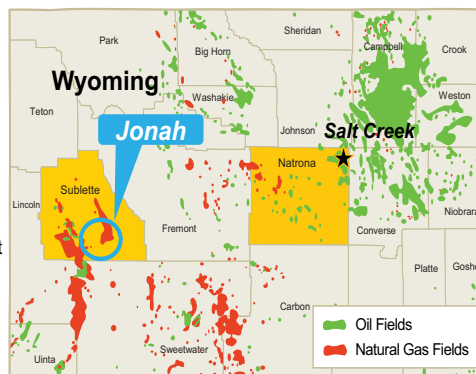
Overview of Linn's Jonah Field Acquisition

Acquisition Overview

- Contract price: \$1.025 billion
- Estimates for Jonah Field assets (first 12 months)
 - EBITDA of ~\$160 million
 - Maintenance capital of \$40 million - \$50 million
- Immediately accretive to distributable cash flow per unit
- Expected closing date on or before July 31, 2012

Asset Overview

- Production of ~145 MMcfe/d
 - 55% operated by production
- Low decline rate of ~14%
- Proved reserves of approximately 730 Bcfe (56% PDP)
 - 73% natural gas, 23% NGL and 4% oil
- ~1.2 Tcfe of identified resource potential from ~650 future drilling locations
- ~750 gross wells on >12,500 net acres



Source: Linn Energy June 25 Presentation via **PLS docFinder** www.plsx.com/finder

EAST TEXAS

EAST TEXAS NONOP PACKAGE

PLS

~15,000 Acres; 2 HZ Producers
MADISON & LEON COUNTY
 58,400 Acre AMI With Operator
 WOODBINE PLAY
 Potential For Up to 36 Wells Drilled
 Package Includes Carry on 3rd Well
 Buyer Has Well By Well Election In AMI
10% NonOp & APO WI On 3 Wells
 Production: 400 BOPD & 1.2 MMCFD
 6.25% Well By Well Election in AMI
 EURS/ Well; 300-520 MBO
 Operated By Major Independent
 Seller Has Additional Acreage For Sale
 CONTACT PLS TO LEARN MORE
PP 8881DV

PP

WOODBINE
PLAY

HENDERSON CO., TX PROJECT

1,526-Net Acres. 16-PUD Locations.
EAST TEXAS
MARTHA JO FIELD
 Obj 1: Pettet. 10,100 Ft.
 Obj 2: Travis Peak. 10,300 Ft.
 POSSIBLE RODESSA 9,200 Ft.
 2D Seismic Data Available
100% OPERATED WI; 81% NRI
 Net Production: 60 BOPD & 125 MCFD
 LOW RISK DRILLING & COMPLETION
 Estimated Reserves: 105 MBOE per PUD
 Estimated Reserves/Project: 1,500 MBOE
 INFRASTRUCTURE IN PLACE
 DHC: \$838,500; Compl: \$854,200
 CALL GENERATOR FOR SHOWING
PP 7683DV

PP

DEVELOP

NORTH LOUISIANA

RICHLAND PH., LA PROPERTY

2-Active. 4-ShutIn. 1,150-Net Acres.
DELHI FIELD
 Mengel Formation. 3,200 Ft.
 WATER INJECTION SYSTEM
95.8% OPERATED WI; 82.7% NRI
 Gross Prod: 12 BOPD & 300 BWPD
 Avg Cash Flow: \$20,000 - \$30,000/Mn
 CONTACT SELLER FOR DETAILS
PP 8633

PP

12
BOPD

ALABAMA

LAMAR CO., AL PROJECT

5-PDP. 3-SWD. 2-PUD. 2-Water Supply.
NORTHWEST ALABAMA (1,160-Acres)
BLACK WARRIOR BASIN
 North of Vernon, AL
 Carter Sands. 2,500 Ft.
 Subsurface Geology Data Available.
52.72% OPERATED WI; 40.1% NRI
 Estimated Reserves/Wells: 330 MBO
 CALL GENERATOR FOR MORE INFO
PP 9695DV

PP

BLACK
WARRIOR

SOUTH LOUISIANA

LAFAYETTE PH., LA NONOPERATED

3-Active & 1-SWD. 800-Gross Acres.
BROUSSARD FIELD
NEAR LAFAYETTE
 Leases Cover +/-150-Acres (Unitized).
 Bol Perca Sand: Clean, Normal Pressure
 -- w/Excellent Porosity & Permeability.
 Well & Facilities Accessible By Road.
~10.5% NonOperated WI; 7.9% NRI
 Gross Prod: 295 BOPD & 324 MCFD
 Net Production: ~23 BOPD & 26 MCFD
 Net Cash Flow: \$61,000/Mn
 Net Prov Rsrvs: 33 MBO & 34 MMCF
 Future Net Cash Flow: ~\$1,950,000
 Oil Production Sold On The Spot.
 Negotiated Sale Process.
 CALL BURKS FOR MORE INFO
PP
349 BOED
PP 2897DV

LAFOURCHE PH., LA PROPERTY

1-Active Wells.
LAKE LONG FIELD
 1-Behind Pipe Zone Identified.
 1-Identified Drilling Location.
~80% OPERATED WI; ~60% NRI
 Net Production: 60 BOPD & 36 MCFD
 Net Cash Flow: \$147,000/Mn
 Net Proved Reserves: 15 MMCF
 CONTACT BURKS FOR MORE
Burks
PP
66 BOED
PP 5828DV

ST MARY PH., LA PROPERTY

3-Active Wells. 1-SWD.
PATTERSON & SHADYSIDE FIELDS
NORTHEAST AREA OF PARISH
 Proven Behind Pipe Intervals.
 Relinquishing Operations.
~97&98% OPERATED WI; ~71&64% NRI
 Gross Prod: 26 BOPD & 720 MCFD
 Net Operating Income: \$46,200/Mn
 Proved Reserves: 4.2 MBO & 349 MMCF
 Proved BHP: 99 MBO & 3,267 MMCF
 Probable BHP: 118 MBO & 7,840 MMCF
 CONTACT AGENT FOR DETAILS
PP
146 BOED
PP 1495DV

SOUTH/SOUTHEAST TEXAS

DUVAL CO., TX PROPERTY

1-Oil Well. 1-ShutIn Gas Well.
HAGIST RANCH NORTH - 80 ACRES
 Yegua Formation. 2,800-Ft.
 Successful Workover Completed May 2011.
 Awaiting Permits For Water Injection--
 --Into 2 DownDip Wells For Waterflood.
 Operator: Texas Southern Petroleum Corp
100% OPERATED WI; 75% NRI
 Gross Prod: 4 BOPD & 20-30 BWPD
 Potential Production: 10-12 BOPD
 Average Net Cash Flow: \$4,000/Mn
 SELLER HAS ADDITIONAL INFO
PP
YEGUA
PP 4365DV

SOUTH/SOUTHEAST TEXAS

FRIO CO., TX PROPERTY

~1,200-Gross & 963-Net Acres.
PEARSALL ARCH
 Rights Down To Chalk Available.
Operations Avail: Will Deliver 75.56% NRI
 Current (Austin Chalk) Prod: 20 BOED
 Offset IP's >500 BOPD Each
 Est Reserves (Buda): 150+ MBO/Well
 Est Rsrvs (E-Bench): 150+ MBO/Well
 CALL PLS FOR MORE INFO
PLS
PP
AUSTIN CHALK
PP 8718DV

GALVESTON CO., TX PROPERTY

1-Well. 40-Acres.
HASSIE HUNT FIELD
 Shank Sand Oil. 9,800 Ft.
90% OPERATED WI; 75% NRI
 Gross Production: 15.5 BOPD
 CONTACT GENERATOR FOR DETAILS
PP
-16 BOED
PP 2990DV

JACKSON CO., TX PROPERTY

374-Acres.
TEXAS GULF COAST
WEST RANCH FIELD
 FRIO. 7,600 Ft.
NonOperated WI Available
 Gross Prod: ~60 BOPD & 285 MCFD
 CONTACT SELLER FOR MORE INFO
PP
FRIO
PP 9069

KARNES CO., TX DISPOSAL

10-Net Acres. 1-Commercial SWD.
EAGLE FORD WATER + DISPOSAL
OIL WINDOW
 Wilcox Formation. 5,500 Ft.
100% OPERATED WI AVAILABLE.
 7,500 BWPD Permitted.
 CONTACT SELLER FOR DETAILS
SWD
SWD
SWD 8653

KARNES CO., TX SWD PERMIT

SWD Permit. 10-Acre Tract For Lease.
EAGLE FORD SHALE
 Injection Interval: 6,150-6,680 Ft.
 Commercial SWD Permit For Sale.
 Dispose of Salt Water & Other --
 -- NonHazardous Oil & Gas.
OPERATED WI FOR LEASE
 Seller Wants To Sell Asset & Lease --
 -- 10-Acre Tract of Land To 1 Buyer For
 -- Commercial SWD Facility.
 CONTACT AGENT FOR DETAILS
SWD
PERMIT/LEASE
SWD 2923L

PHDWINTM
 Integrated Economics &
 Decline Curve Analysis
www.phdwin.com

BidWatch

Pertinent Pkg(s) From Selected Agent(s)

BEAUREGARD PH., LA PROPERTY

22-Active (1-NonOperated).
SHOATS CREEK COCKFIELD UNIT
WILCOX GAS UNIT
PP
 2-Gas Lines Adjacent To Units.
 Regional 3D Seismic Covers Leasehold.
 UpSide: Rec Completions, New Drilling --
 -- & Enhanced Recovery.
OPERATED & NonOperated WI (Lease)
 GrossPro:63 BOPD,124BWPD,139MCFD
 Net Sales Volumes:26 BOPD& 50 MCFD
 Net Cash Flow: \$25,790/Mn
 Add'l UpSide: Implement Water Injection
 Data Package With Signed CA.
 AGENT WANTS OFFERS JULY 19, 2012
PP 7480DV
OP/NONOP

LAFOURCHE PH., LA PROPERTY

8-Active Wells. 10-ShutIn & 1-SWD.
GULF COAST LOUISIANA
LAKE LONG FIELD
 Behind Pipe Possible w/1 Recent --
 -- Successful Recompletion.
Avg 91% OPERATED WI; 74% NRI
 Est Net Prod: 215 BOPD & 270 MCFD
 Est Net Cash Flow: \$545,000/Mn
 AGENT WANTS OFFERS AUG 3, 2012
PP 7780DV
PP
260 BOED

LOUISIANA PROPERTIES

57-Active Wells. 110,000-Net Acres.
AUSTIN CHALK
FIELDS INCL: MASTERS CREEK
 -- MONCRIEF & N BAYOU JACK FIELD
 ~30,000-Net Acres HBP. 4-Active Rigs.
 > 500-Drilling Locations Identified.
OPERATED & NonOperated WI
 Net Production: ~335 BOED
 IPs As High As 4,000 BOED
 EURs Range: 320-600 MBOE/Well
 AGENT WANTS OFFERS LATE JULY
PP 1483DV
PP
-335 BOED

TEXAS NONOPERATED

7-Active Wells. 1-SI. 1-Disposal Well.
GALVESTON & HIDALGO COUNTIES
ALTA LOMA EAST ANDRAU FIELD
SOUTH WESLACO FIELD
 Drilling & Recompletion UpSide.
NonOperated WI Available
 Gross Prod: 181 BOPD & 6,259 MCFD
 Net Production: 50 BOPD & 1,478 MCFD
 Net Cash Flow: \$287,338/Mn
 AGENT WANTS OFFERS JULY 24, 2012
PP 1374DV
PP
NONOP

As part of the listing service, PLS regularly aggregates other broker listings and reports them to clients via listings and news briefs.

SOUTH/SOUTHEAST TEXAS

MCMULLEN CO., TX PROPERTY

7,581-Net Acres. 80-Acre PUD.
SOUTH TEXAS
 4-Active Horizontal Eagle Ford Wells. **PP**
 EAGLE FORD SHALE
 Average 98% OPERATED WI
 Future Net Prod:340 BOPD & 800 MCFD
 (Including 76 BO NGLs)
 93% Revenue from Oil and NGL
 NetProv: 25MMBO, 6MMBO NGL, 57BCF
 Total PV12 (Proved): \$456,000,000
 Net PDP Reserves: 623 MBO & 1.6BCF
 (Including 151 MBO NGLs)
 Total PV12 (PDP): \$28,000,000
[PP 8784DV](#)

SOUTH TEXAS SHALLOW OIL FIELD **PLS**

1,210-Net Acres; 60 Producing Wells.
CALDWELL & BASTROP CO., TX
 Dale Lime, Austin Chalk, Buda
 Long-Life Shallow Oil Production.
 Recompletion Candidate.
 Significant Upside Development.
 58 Vertical Drilling Locations
 100% OPERATED WI; ~78% NRI
 Current Production: ~44 BOPD
 Average IP Rate 20-70 BOPD
 Waterflood Potential
 Optimization w/ Downspacing Acreage.
 75 Refurbished Pumping Units
 CONTACT PLS FOR INFORMATION
[PP](#)
~40 BOPD
[PP 6605DV](#)

SOUTH EAST TEXAS PACKAGE

4-Active Wells (WI). 2-Wells (ORRI).
MONTGOMERY & LEON
 ~1,698-Acres. **PP**
 Cotton Valley Lime. 17,000 Ft.
 Bossier Sand. 15,200 Ft.
 Eagle Ford Shale Potential.
 Giddings Austin Chalk. 13,800 Ft (Vert)
 Varying WI/NRI: Operated & NonOperated
 Est Daily production: 900 MCFD
 July 2011 Production: ~28 MMCF
 Existing Wellbore For Additional Drilling.
 Est Chalk Well Recomplete: \$4,990,000
 CALL SELLER FOR ADDITIONAL INFO
[PP 7074RR](#)

TEXAS COMMERCIAL DISPOSAL

2-Facilities. 2-Injection Wells.
MATAGORDA & WHARTON CO., TX
 Both Wells Drilled & Completed For -- **SWD**
 -- Injection Purposes.
 100% OPERATED WI FOR SALE
 Facilities Cumm Ave: >51,000 BBLs/Mn
 Sell Average : 475 BBLs Skim Oil/Mn
 Net EBITDA Matagorda YTD: \$33,500/Mn
 Net EBITDA Wharton YTD: \$11,500/Mn
 Additional Well Files Available.
 CONTACT AGENT FOR ACCESS
[SWD 7297](#)
51 MBO/MN

SOUTH/SOUTHEAST TEXAS

WILLACY CO., TX OVERRIDE **PLS**

5 Active Wells; 1 SI Well; 4 PUDs
 ~1,000 Acres HBP
 Recompletion --- **RR**
 --- & Workover Potential.
 Roughly 1% ORRIs
 Gross Production: ~1.7 MMCFED
 Net Production: ~16 MCFED **RECOMPLETION**
 6 Month Avg. Cashflow: ~\$3,000
 Seller Will Consider Offer Wellbore Only
 CONTACT PLS FOR DETAILS
[RR 4711](#)

WOOD CO., TX PROPERTY **PLS**

11-Active. 4-SWD. 5-ShutIn. 1-Injection.
EAST TEXAS QUITMAN FIELD
 HVL - Additional Potential Remaining
 Sub-Clarksville, Eagle Ford, Paluxy, Derr,
 Woodbine, Rodessa-Kirkland.
 2 Permitted Development Locations
 ~83% OPERATED WI; ~78% Lease NRI
 Gross (May Production): 275 BOED
 Net(May Production): 170 BOED
 May Net Cash Flow ~ \$360,000
 Estimated Reserves: 1.0 MMBO & 70 MMCF
 WORKOVER POTENTIAL
 ---HIGH VOLUME LIFT
 VISIT DATAROOM AT PLSX.COM
[PP](#)
NET 170 BOED
[PP 4395DV](#)

GULF COAST MULTISTATE

GULF COAST PROPERTIES

3-Packages. 13-Active. 12,257-Acres.
MISSISSIPPI, ALABAMA & TEXAS
 Company Operated Gas Plant.
 Acreage Is 100% Held By Production.
 Significant Development Potential.
 ~98% OPERATED WI AVAILABLE
 (Total Pkg)Net Production: 1,038 BOED
 (Total Pkg)Net Cash Flow: \$2,190,000/Mn
 Reserves Report-Supporting Docs w/CA.
 CONTACT AGENT FOR DETAILS
[PP](#)
1,038 BOED
[PP 8490PKG](#)

GULF COAST ROYALTY

>13,500-Gross Acres. 501-O&G Wells.
TEXAS & LOUISIANA
 15-Fields. 156-Leases. 10-Parishes/Co.
 16-New Permits & 6-Recent Well Compl
 Deeper Formations & Future --
 -- Expansion Rights of the Leases
 Includes All Behind Pipe Assets.
 97% OIL & 3% NATURAL GAS
 ORRI Cash Flow: >\$175,000/Mn
 CALL TEXAS GENERATOR FOR INFO
[RR](#)
ROYALTY
[RR 9793PP](#)

GULF COAST MULTISTATE

GULF COAST PROPERTY

3-Wells. 2-SWD. 60-Net Acres.
WILKINSON CO., MS. LASALLE PH., LA
 SOAPSTONE & LITTLE CREEK FIELD **PP**
 MS Well: Wilcox. ~ 7,400 Ft.
 LA Well: Shallow Wilcox. 2,000-2,700 Ft.
 10% NonOperated WI; 7.5% NRI
 Gross Production: 13.5 BOPD
 Net Production: 1.35 BOPD
 Net Cash Flow: \$3,000/Mn
 CALL SELLER FOR MORE INFO
[PP 9755](#)
WILCOX

PERMIAN / WEST TEXAS

RUNNELS CO., TX PROPERTY

2-Active Wells. 1-SWD Well. ~99-Acres.
PERMIAN BASIN. GOEN REEF
 OPERATED WI AVAILABLE **PP**
 Gross Production: 33 BOPD & 17 MCFD
 Avg Cash Flow: \$44,715/Mn
 CONTACT AGENT FOR MORE INFO
[PP 2831DV](#)
35 BOED

SCHLEICHER CO., TX PROPERTY

1-Producing Well. 1,750-Acres.
 Producing Wolfcamp Oil & Canyon Gas.
 Total Depth: 5,200 Ft.
 Five 5,200' PUD Wolfcamp Oil Locations.
 18% NonOperated WI; ~12.9% NRI
 Gross Production: 45 BOPD & 130 MCFD
 CALL MIDLAND AGENT FOR INFO
[PP](#)
~67 BOED
[PP 3420DV](#)

SUTTON CO., TX DEVELOPMENT

5,500-Acres. 32-Existing Wells.
MULTIPAY OPPORTUNITY
 Wolfcamp, U. Canyon Sand, **PP**
 M. Canyon Shale/Sand, L. Canyon Sand,
 Strawn Lime, Strawn Detritals, Ellenberger.
 100-Drilling Locations, 40-Acre Spacing.
 100% OPERATED WI; 75% NRI
 FOR SALE OR FARMOUT
 Net Production: ~400 MCFD
 Est Reserves: 1.0-5.0+ BCF/Well
 Field Has Cumm'd ~40 BCF To Date.
 CALL SELLER FOR MORE INFO
[PP 8363DV](#)
MULTIPAY

WEST TEXAS HORIZONTAL RE-ENTRY

1-Producer. 1-SWD Permit. 153-Acres.
COKE COUNTY
EASTERN SHELF - PERMIAN BASIN **PLS**
 UPDIP STRAWN SAND & STRAWN REEF **PP**
 Re-Enter Strawn Sand Discovery Well.
 3-D Seismic, Sonic Logs & Porosity Survey.
 Net Cash Flow: ~\$4,100/Mn
 Strawn Sand Rsrvs (PUD): ~126 MBOE
 Strawn Reef Rsrvs (Prob): ~140 MBOE
 CALL PLS AGENT FOR DETAILS
[PP 8127RE/HZ](#)
RE-ENTRY

No Commission. List Today!

To get started, please call **713-600-0154**
 or e-mail listingmgr@plsx.com

PERMIAN / WEST TEXAS

ANDREWS CO., TX PROPERTY

5-Active Wells. 80-Acres.
PERMIAN BASIN
 Drill 3-InFill Wells (10-Acre Spacing).
 Several Recompletions of Existing Wells -
 -- From San Andres Thru Wichita-Albany.
 Horizontal UpSide Possible.
100% OPERATED WI: 75% NRI
 Gross Prod: ~95 BOPD & 482 MCFD
 Net Production: ~71 BOPD & 362 MCFD
 Net Income: \$188,014/Mn
[PP 9295DV](#)

PP

**131
BOED**

GLASSCOCK., CO TX NONOPERATED

7-Active. Permitted SWD. 2,073-Acres.
PERMIAN BASIN
 Wolfberry, Strawn, Atoka & Cline.
 19-Locations on 80-Acre Spacing.
NonOperated WI Available
 Net Prod:~727 BOPD & 2,241 MCFD
 Net Cash Flow: \$160,461/Mn
 CONTACT AGENT FOR UPDATES
[PP 8109DV](#)

PP

**1,100
BOED**

WEST TEXAS PROPERTY

41-Active; 9-SI,1-SWD. 37,800-Net Acres.
REEVES & CULBERSON COUNTIES
DELAWARE BASIN-TOYAH FIELD
 Mostly Woodford Shale Production.
 UpHole Potential: Delaware, Wolfcamp --
 -- & Bone Spring Intervals.
 100% WI In 4-Gathering Systems.
Avg 77% OPERATED WI: 58% NRI
 Net Production: 7.1 MMCFD
 Avg Net Cash Flow: \$186,223/Mn
 Net Proved Rsrvs: 390 MBO & 22.4 BCF
 Net Proved Rsrvs(PV12): \$23,500,000
 Net Proved Producing Rsrvs: 22 BCF
 Net Prov Prod Rsrvs(PV12): \$15,800,000
 QUALIFIED BUYERS ONLY
[PP 7865DV](#)

PP

**-7.1
MMCFD**

COCHRAN CO., TX PROPERTY

22-Active. 14-SI/TA. 3-Inj. 1,990-Acres.
LEVELLAND (SAN ANDRES) FIELD
 Infill Drilling & Waterflood Potential.
100% OPERATED WI: 75% NRI
 Net Production: 75 BOPD
 Net Income: \$124,533/Mn
[PP 1743DV](#)

PP

**76
BOPD**

DAWSON CO., TX PROPERTY

2-Active Wells. 3,168-Net Acres.
PERMIAN BASIN. DEPTH: ~12,500 Ft.
 Formations Include: Gin, Cline, Strawn
 5-Wolfberry PUD & 2-Fusselman PUD.
 >50-Potential Drilling Locations.
100% OPERATED WI: 78% NRI
 Current Production: 22 BOPD
 CALL MIDLAND AGENT FOR DETAILS
[PP 1482DV](#)

PP

**22
BOPD**

PERMIAN / WEST TEXAS

DAWSON CO., TX PROPERTY

8-Active Wells.
WEST LAMESA UNIT. SPRABERRY FIELD
 3-Gas Supply Pipeline Right-Of-Way --
 -- Easements (No Annual Fees)
 Field Access By Public Road FM 2052.
 Add'l Rights: NonProducing Leasehold
100% OPERATED WI AVAILABLE
 Avg Production: 17 BOPD
 Avg Cash Flow: \$30,320/Mn
 CONTACT AGENT
[PP 1253DV](#)

PP

**17
BOPD**

DAWSON CO., TX PROPERTY

30-Active Wells.
PERMIAN BASIN
GIN FIELD (OPERATIONS)
 ~49% GWI; ~42% NRI (Gin Unit)
100% GWI: 87.5% NRI (United Presby.)
 Avg Production: 98 BOPD & 46 MCFD
 Avg Cash Flow: \$77,678/Mn
 CONTACT AGENT
[PP 1571DV](#)

PP

**105
BOED**

ECTOR CO., TX PROPERTY

8-Active Wells. 4-Leases. 1,160-Acres.
PERMIAN BASIN
TXL & GOLDSMITH FIELD
 WEST HALF ECTOR COUNTY
 Formations Incl: San Andres, Clearfork --
 -- Tubb & Wolfcamp.
 Offset Infill Drilling & Restimulation.
~68-100% OPERATED WI: ~51-75% NRI
 Total Gross Prod: ~16 BOPD & 57 MCFD
 Net Income: \$30,836/Mn
[PP 1811DV](#)

PP

**4
LEASES**

HOWARD CO., TX PROPERTY

1-Well. 40-Gross/Net Acres.
PERMIAN BASIN
CHINA BEACH FIELD
 Canyon Reef Formation.
 Wolfberry UpSide.
~30.7% OPERATED WI: ~24% NRI
 Avg Gross Prod: ~11 BOPD & 1.0 MCFD
 CALL MIDLAND AGENT FOR INFO
[PP 7738DV](#)

PP

**-12
BOED**

LYNN CO., TX PROPERTY

2-Active. 2-PUD. 1-SWD. ~169-Acres.
PERMIAN BASIN
 Spraberry Formation.
 Acreages Held By Production.
 Opportunity To Reduce Opex.
100% OPERATED WI: ~76% NRI
 Gross Production: 35 BOPD
 Net Cash Flow: \$48,000/Mn+/-
 Net Proved Rsrvs (PV10): \$9,600,000
 --Convert Jet Pump To Rod Pump
 CONTACT AGENT
[PP 4681DV](#)

PP

**35
BOPD**

PERMIAN / WEST TEXAS

LYNN CO., TX SWD PERMIT

10-Acres Surface Lease.
PERMIAN BASIN
 Permitted for 25,000 BPD
 Increased Nearby Drilling Activity.
COMMERCIAL SWD PERMIT FOR SALE
 CONTACT JB FOR MORE DETAILS
[SWD PERMIT
SWD 1722](#)

SWD

PERMIT

PERMIAN BASIN PROPERTIES

9-Active. 11,544-Gross/9,642-Net Acres.
DAWSON & GAINES COUNTIES
 In Addition: 3-Wells Completing
 Extensive Geologic Review Offered.
100% OPERATED WI: 75% NRI
 Gross Production: ~175 BOPD
 Net Income: \$173,732/Mn
 CONTACT MIDLAND AGENT FOR INFO
[PP 1931DV](#)

PP

**-175
BOPD**

PERMIAN SALE PACKAGE

76-Wells. 11-Counties.
NEW MEXICO & TEXAS
MULTIPAY OPPORTUNITY
 Wolfberry, Strawn, Bone Springs
 SIGNIFICANT UPSIDE POTENTIAL
 SCATTERED PERMIAN OPERATIONS
Operated & NonOperated WI
 Net Production:~23 BOPD & 55 MCFD
 Avg Operated Cash Flow: ~\$54,800/Mn
 Avg Non-Op Cash Flow: ~\$8,100/Mn
 Total Net Rsrvs: ~160 MBO & ~300 MMCF
 Third Party Reserve Report
 --Russel K. Hall
 Rigs & Tool Rental Interest Also Available
 Company Portfolio For Sale
 GO TO WWW.PLSX.COM FOR INFO
[PP 8469DV](#)

PLS

PP

**WOLF-
BERRY**

KANSAS

ALLEN CO., KS PROPERTY

29-Active. 1-Lease. 640-Acres HBP.
SOUTHEAST KANSAS
 >10-Identified InFill Locations.
 >6-Behind Pipe Zones Possible.
100% OPERATED WI: 80% NRI
 Seller Will Consider Retaining Operations
 Current Net Production: 30 BOPD
 Net Cash Flow: ~\$60,000/Mn
 Low ReCompletion & Development Costs
 OnLine Data Room Opened.
 CONTACT AGENT FOR UPDATE
[PP 1542DV](#)

PP

**30
BOPD**

**35
BOPD**

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PERMIAN / WEST TEXAS

GOVE CO., KS PROPERTY

2-Active. ~12,700-Undeveloped Acres.
THIES RANCH-PYRAMIDS NORTH
 Lansing Kansas City. 4,400 Ft.
12.5% Royalty Interest For Sale.
 Gross Prod: 15 BOPD & 10 BWPD
 Net Production: ~2.0 BOPD
 Monthly Cash Flow: \$5,000
 Surface Rights, Undeveloped Minerals,
 Less 160 Acres. & 1/8 Interest In
 CALL LANDMAN FOR ADDITIONAL INFO
[RR 9862DV](#)

RR

ROYALTY

MISSISSIPPIAN ROYALTY PACKAGE **PLS**

12,266 Gross Acres; 1,560 Net Royalty Acres
COMANCHE COUNTY, KANSAS
 Haas, Saddle, & Bird East Fields
 Mississippian Play
 Operators: Sandridge & Chesapeake
Varying Royalty: 6.25% - 7.12%
 Minimum 5 Year Term Royalties (TR)
 Currently Drilling: 45 Net Royalty Acres
 Offset To Drilling: 211 Net Royalty Acres
 Sandridge: 26 Active Rigs; 32 Rigs Year End
 End of 2013: 45 Rigs & 675 Wells In Play
 CALL PLS FOR INTRO TO SELLER
[RR 8270DV](#)

RR

ROYALTY
ACREAGE

NORTH TEXAS

CROCKETT CO., TX PROPERTY

6-Active Wells. 1,500+/- Net Acres.
 PERMIAN BASIN
 Wolfcamp/Clearfork Formations.
 Horizontal & Vertical Wells.
 2-Proprietary 3D Seismic Data Sets.
 Additional Ellenburger Locations.
 Sidetrack Options For New Laterals.
OPERATED WI AVAILABLE
 Net Production: 44 BOPD & 600 MCFD
 Avg Net Income: \$97,082/Mn
 UnRisked Wolfcamp Potential: 5.0 MMBOE
 AUCTION FIRM BID DATE JULY 19, 2012
[PP 1180AU](#)

PP

PERMIAN

SHACKELFORD CO., TX PROPERTY

6-Active Wells. 1-New Drilled. 320-Acres.
SHALLOW OIL DEVELOPMENT
 Frye, Tannehill, & Hope Sand Upside.
 Proposed Depths: 500-800 Ft.
 Multiple Drill Sites Identified.
100% OPERATED WI; 75% NRI
 Net Production: ~7.0 BOPD
 CALL GENERATOR FOR MORE INFO
[PP 8057DV](#)

PP

DEVELOPMENT

NORTH TEXAS

TEXAS PANHANDLE PROPERTIES

3-Packages. Open Acreage & Production.
HUTCHINSON, GRAY & ROBERTS
& HOCKLEY COUNTIES
 Formations Incl: Cleveland, Morrow, Huton
 Deep Rights Open Acreage.
 3D Seismic Data Covering 163 Sq Mi.
OPERATED WI AVAILABLE
 (Area1) Gross Production: 192 BOED
 (Area1) Net Cash Flow: \$133,000/Mn
 Data Package-Data Room w/Signed CA
 CONTACT AGENT FOR DETAILS
[PP 8700PKG](#)

PP

192
BOED

WHEELER CO., TX NONOPERATED

3-Active. 1,920-Gross Acres (All HBP)
KELTON & WHEELER N FIELD
 Formations Incl: Morrow & Hunton
 Depth: ~16,500 Ft.
 >12-Potential Drilling Locations Identified.
 Horizontal Granite Wash.
 0.21% ORRI - Conwell Gas Unit
~15-16% NonOperated WI; ~12% NRI
 Est (Morrow) Production: 330 MCFD
 Est Net Income: ~\$2,675/Mn
 2-Active Drilling Permits.
 CONTACT SELLER TO LEARN MORE
[PP 1821DV](#)

PP

NONOP/
ORRI

TEXAS AND OKLAHOMA NONOP

15-Properties. 23,238-Gross Acres.
INCL: KINTA, VIKING, WORSHAM
 14-Counties.
 Offset Horizontal Wells Thru Devonian.
 Active Wolfcamp Reconnpl Program.
 3-Recompletions in Conger Field.
 Significant UpSide.
NonOperated WI Available
 Woodford Shale Offset Activity.
 Avg Cash Flow: \$107,000/Mn
 Net Proved Reserves: 622 MBOE
 Net Proved Rsrvs (PV10): \$13,860,000
 AGENT ACCEPTING OFFERS
[PP 4834DV](#)

PP

NONOP

OKLAHOMA

CARTER CO., OK PROPERTY

40-Wells In Completion. 3,000-Acres.
WOODFORD SHALE
 Target Depths: 16,000-18,000 Ft.
1.8-4.07% NonOperated WI; 1.4-3.1% NRI
 OPERATOR: XTO ENERGY
 CONTACT SELLER FOR MORE INFO
[PP 9719DV](#)

PP

WOOD-
FORD

OKLAHOMA

LEFLORE CO., OK PROPERTY

6-Operated Wells. ~3,500-Gross Acres.
OFFSET TO - POTATO HILLS
 19-Offset Drilling Opportunities Identified.
 All Rights - Including Deep Arbuckle.
 Gathering System/Compression/Pipeline.
 Operated Gas Wells, Leases, Prospects.
100% OPERATED WI; 75% NRI
 Current Production Minimal.
 Estimated Gas In Place: 293 BCF
 Net Proved Rsrvs (PV10): \$43,500,000
 \$1,500,000 Quickly Establishes More Vols.
 CONTACT BURKS FOR INFO
[PP 3825DV](#)

Burks

PP

293
BCF

OKLAHOMA PROPERTIES

36-Active Wells. ~1,368-Net Acres.
MOUNTAIN FRONT
 WASHITA, KIOWA & BECKHAM Cos
 Leasehold Acreage HBP or Producing --
 -- Majority Is Depth Restricted/Limited.
OPERATED & NonOperated WI
 Net Production: 1,014 MCFD
 Net Operating Income: \$64,397/Mn
 Average Gas Prices 91% of NYMEX --
 -- Net To Wellhead Volumes.
 Data Package Available With Signed CA.
[PP 2922DV](#)

PP

1,014
MCFD

OKLAHOMA WATERFLOOD PROJECT

8-Active Wells. 10-ShutIn. 5-Injection.
OKMULGEE CO.
BALD HILL
 Obj 1: Booch. 1,300 Ft.
 Obj 2: Redfork. 860 Ft. (50-Ft Thick)
100% OPERATED WI; 80% NRI
 Gross Production: 10 BOPD
 Net Cash Flow: \$20,000/Mn
 Horizontal Well Potential: 500 BOPD
 Est Booch Rsrvs: 200 MBO Recoverable
 Est Red Ford Rsrvs: 1.0 MMBO (In Place)
 CALL SELLER FOR MORE INFO
[PP 3048WF](#)

PP

10
BOPD

OKLAHOMA ROYALTY ACREAGE

1-Proposed Well. 776-Net Acres.
LOGAN, KINGFISHER, & PAYNE
 Obj 1: Mississippian Formation
 Obj 2: Woodford Shale
Varying Royalty Interest Available.
 CONTACT SELLER FOR DETAILS
[RR 9863DV](#)

RR

MISSISSIPPIAN

OKLAHOMA ROYALTY PACKAGE

123-Wells. ~1,500-Net Acres.
CANA WOODFORD
 Canadian, Custer, Dewey, & Blaine
Varying Royalty Interest Available.
 Avg Net Cashflow: \$38,400/Mn
 CONTACT SELLER FOR DETAILS
[RR 9831](#)

RR

WOODFORD

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OKLAHOMA

PAYNE CO., OK PROPERTY

1-Active Well. 320-Net Acres.

ANADARKO BASIN

FOR IMMEDIATE SALE

Relinquishing Operations.

OPERATED WI AVAILABLE

Net Production: 16 BOPD

Avg Net Revenue: \$21,705/Mn

CONTACT AGENT

[PP 1544DV](#)

PP

**16
BOPD**

STEPHENS CO., OK PACKAGE

Multiple Active. 227-PUD. 845-Acres.

ANADARKO BASIN. LOCO FIELD

S Location Undergoing Waterflood.

Significant UpSide Drilling Potential.

100% OPERATED WI; 81% NRI

Gross Production: 316 BOPD

Net Production: 258 BOPD

Net Proved Reserves: 2,675 MBOE

Net Proved Rsrvs (PV10): \$69,000,000

CONTACT AGENT FOR UPDATES

[PP 2872DV](#)

PP

ANADARKO

COLORADO

LARIMER CO., CO ROYALTY

3,000-Acres

DENVER BASIN

HORIZONTAL NIOBRARA

1% ORRI For Sale

Marathon Oil Drilling in Area

CONTACT SELLER FOR DETAILS

[RR 8506](#)

RR

NIOBRARA

NIOBRARA PACKAGE

5-Active Wells. ~2,600-Net (75% HBP)

WELD & MORGAN COUNTY

DJ BASIN ~8,000-Gross Acres

Niobrara Shale.

3-D Seismic Shot Over Entire Acreage

DEVELOPMENT UPSIDE

33% NonOperated WI; 80% NRI

Jan 2012 Net Production: ~200 BOED

Initial Prod Rates: ~400 to ~750 BOED


80% Liquids & 20% Rich Gas

CONTACT SELLER FOR DETAILS

[PP 8986DV](#)

PP

**-200
BOED**



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COLORADO

ROCKY MOUNTAINS PACKAGE

3-SubPackages. 31-Active. 11,760-Acres.

COLORADO & WYOMING

NIOBRARA, FORT COLLINS & SILO

Muddy, Niobrara, Codell & Dakota Zones.

14-PUD. 20-Water Injection. 6-InActive.

Horizontal Acreage.

Conventional Production.

100% OPERATED WI FOR SALE

Net Production: ~116 BOPD

Project 1-Month Net Production: 3,500 BBLs

Net Cash Flow: \$165,780/Mn

Net Proved Prod Reserves: 726 MBO

2,740-Net Acres Held By Production.

Negotiated Sale. CA to Access VDR.

[PP 6968PKG](#)

PP

**DJ
BASIN**

SAN MIGUEL CO., CO PROPERTY

3-Wells. 8-PUDs. 610-Net Acres.

COCKLEBUR DRAW

Obj 1: Cutler Honaker. 7,000 Ft.

Obj 2: Hermosa. 9,500 Ft.

50% OPERATED WI; 40% NRI

Gross Production: 800 MCFD

Net Production: 400 MCFD

8 PUD's w/ Possible 3.0 BCF Per Well.

CONTACT SELLER FOR DETAILS

[PP 2668DV](#)

PP

**400
MCFD**

WASHINGTON CO., CO PROJECT

5-Active Wells.

WHITE EAGLE FIELD

Niobrara Shale.

~0.021% NonOperated WI; 0.018% NRI

Avg Cash Flow: \$150/Mn

CONTACT SELLER FOR DETAILS

[PP 8122](#)

PP

NIOBRARA

WELD CO., CO PACKAGE

43-Wells; 11,910-Net Acres. 87% HBP

DENVER JULESBERG BASIN

NIOBRARA, CODELL & DJ SANDS

100% OPERATED WI; 80% NRI

Net Production ~360 BOED

CONTACT PLS FOR MORE INFO

[PP 8599DV](#)

PLS

PP

NIOBRARA

WELD CO., CO PROPERTIES

32-Active Wells. ~1,705-Net Acres.

DJ BASIN. WATTENBERG FIELD

[19-Operated & 13-NonOperated Wells]

Codell & Niobrara Reservoirs. 7,000 Ft.

Surface To Base of Codell.

OPERATED & NonOperated WI

Gross Production: 205 BOED

Net Production: 86 BOED

Net Cash Flow: \$130,095/Mn

Total Net Rsrvs: 2,005 MBO & 17 BCF

Net Reserves (PV10): \$71,455,000

Avg Drill & Completion Cost: \$705,000

[PP 1158DV](#)

PP

**OP/
NONOP**

NORTH DAKOTA

MCKENZIE CO., ND NONOPERATED

3-Active Wells. 864-Net Acres.

BAKKEN SHALE

Bakken/Three Forks Acreage.

4,770-Net Leasehold Acres --

-- w/5 Yr Opt.

No Depth Restrictions.

Lease Royalties From 12.5%-15%.

NonOperated WI Available

Gross Production: 23 BOPD & 17 MCFD

Avg 9 Month Net Cash Flow: \$12,315/Mn

CONTACT AGENT FOR MORE INFO

[PP 9987AU](#)

PP

NONOP

NORTH DAKOTA NONOPERATED

58-Active. 13,900-Net Acres.

HORIZ BAKKEN & THREE FORKS

DUNN, MCKENZIE, MOUNTRAIL --

-- & WILLIAMS CO., ND

346 Proved Undeveloped Locations

VARIOUS NONOPERATED WI

Proj Net Volumes:1,000 BOPD, 60 MCFD

Net Proved Reserves: 25 MMBO & 10 BCF

Total Proved Rsrvs (PV12): \$335,000,000

Negotiated Sale. Physical & VDR.

PHDWin Engineering Available.

CONTACT HOUSTON AGENT

[PP 1222DV](#)

PP

**1,010
BOED**

NORTH DAKOTA PROPERTY

109-Active Wells. ~8,600-Net Acres.

WILLISTON BASIN

Bakken/Three Forks Reservoir.

Conventional Including: --

---- Madison, Nisku

Acreage ~90% HBP.

UpSide Value Associated With NonOp --

-- Bakken/Three Forks Wells.

OPERATED & NonOperated WI

Total Net Production: 479 BOED

Operating Cash Flow: ~\$690,000/Mn

~700-Drilling Locations: 130 Spacing Units.

Conventional Reservoirs Are Significant--

-- Part of Current Production.

CGA RESERVE REPORT W/SIGNED CA

[PP 1382DV](#)

PP

**479
BOED**

NORTH DAKOTA PROPERTY

185-Wells.

WILLISTON BASIN

McKenzie & Mountrail Counties.

0.024805/0.001338 NonOperated WI

Operators: Hess, EOG, Whitting,

Slawson, & Continental.

Monthly Cash Flow: \$1,000,000.

CONTACT AGENT FOR DETAILS

[PP 8256](#)

PP

WILLISTON



PLS **\$4.0B in assets sold since 1988.** Hire PLS to execute your next negotiated sale, (713) 650-1212

UTAH

SOUTHEAST UTAH PACKAGE

11-Active. 80-Gross/Net Ac Leasehold
SAN JUAN COUNTY
PARADOX BASIN
 Gathering System & Leasehold Acreage
100% OPERATED WI FOR SALE
 Net Production: 24 BOPD & 69 MCFD
 Avg Net Cash Flow: \$45,072/Mn
 ORIGINAL OFFERS WANTED LATE APRIL
PP 8570AU

PP

LEASE-HOLD

WYOMING

CAMPBELL CO., WY PROPERTY

27-Wells. Incl 7-HZ Wells. 10,434 Acres
WATERFLOOD WITH RESPONSE
LOWER PARKMAN.
 Solid Pattern
 Horizontal Injectors & Vertical Producers.
67-80% OPERATED WI; 56% NRI
 Expected Peak Production: 4,000 BOPD
 State of The Art Central Facility.
 Incremental WF Recovery: ~15 MMBOE
 Reservoir Targetting 50 MMBOE In Place
 Third Party Reserve Report Available.
 CONTACT HOUSTON AGENT FOR DATA
PP 1672WF

PP

WATER-FLOOD

CARBON CO., WY PROPERTIES

286-Active Wells. 46,500-Net Acres.
ATLANTIC RIM-SIERRA MADRE
 50% Ownership Infrastructure Assets.
 No Depth Restrictions.
 59 Miles of 8 Sales Pipeline.
 1,143-Well Development Program.
 Many BHP & Horizontal Locations.
OPERATED & NonOperated WI
 (AR) Net Production: ~18 MMCFD
 (SM) Net Production: 141 BOED
 Total Net Cash Flow: \$479,166/Mn
 High Net Revenue Interest.
 Low Geologic Risk.
 Confidentiality Agreement.
 CONTACT AGENT FOR UPDATE
PP 1503DV

PP

LARAMIE CO., WY PROPERTY

5-Active Wells. ~10,183-Net Acres.
NORTHERN DJ BASIN
NIOBRARA OIL PLAY
 Add'l Horiz Potential in Codell Formation.
 Deeper Greenhorn & Penn Perm Targets.
 UpSide Potential: Low Risk Develop --
 -- & Down Spa; Niobrara On 160-Ac Sp
100% OPERATED WI; 80% NRI
 Projected Gross Production: ~440 BOPD
 Projected Net Production: ~263 BOPD
 Projected Net Cash Flow: \$673,000/Mn
 Net Prov Rsrvs: 550 MBO & 325 MMCF
 Net Prov Rsrvs (PV10): \$21,000,000
 CONTACT AGENT FOR DETAILS
PP 8289DV

PP

263 BOPD

WYOMING

LARAMIE CO., WY ROYALTY

1,400-Acres
DENVER BASIN
 HORIZONTAL NIOBRARA
1% ORRI For Sale
 Good Terms Remaining
 CONTACT SELLER FOR DETAILS
RR 8511

RR

NIOBRARA

WYOMING PROPERTIES

5-Active Wells. 26,091-Net Acres.
NIOBRARA - DJ BASIN
NEAR SILO & HEREFORD FIELD
 Acreage In Heart Of Thick High Resistivity
 -- Niobrara Chalk Trend Offsetting Silo
 Significant UpSide: Codell Formation
67% OPERATED WI; 82% NRI(22%HBP)
 Net Production: ~410 BOED
 IPs As High As 1,075 BOPD (10-day avg)
 Rig Under Contract To Drill First Well.
 Reserves Report With Signed CA.
PP 8967DV

PP

-410 BOED

WYOMING PROPERTY

Potential Sale: Producing Gas Properties
PINEDALE GAS FIELD
 To Date: 8-New Infill Wells Developed--
 -- At Mesa in Pinedale.
 Company Owns 23% WI in Mesa.
 32-Wells Per 1/4 Sec Potential at Lance.
EVAL STRATEGIC ALTERNATIVES
 CONTACT AGENT FOR DETAILS
PP 1793DV

PP

PP/DV

-290 BOED

ROCKIES MULTISTATE

BAKKEN NON-OPERATED PKG

44 Wells. 16-Counties.
NORTH DAKOTA & MONTANA
 Bakken & Sanish Production
 Some Acreage HBP.
Varying NonOperated WI; Avg NRI ~80%
 Net Production ~34 BOED
 Operators Include: Continental, EOG---
 ---Hess, Newfield, Hunt & Others
 Interest In 46 Active Drilling Units.
 Exposure To ~70 Additional Drilling Units.
 32 Wells Drilling, Permitted or Proposed.
 CALL PLS TO SCHEDULE A SHOWING
PP 8174DV

PP/WY

PP

BAKKEN

CALIFORNIA

KERN CO., CA PROPERTY

2-Active Wells. 1-Water Disposal Well.
BEAR VALLEY ASPHALTO FIELD.
 Depth Limit - Bottom Of Monterey.
 Antelope Shale (Monterey)~5,800-6,500Ft.
 Drill 5-Vertical Wells On 10-Acre Spacing--
 -- OR Significant Horizontal Well Potential
 UpHole & Behind Pipe Potential.
100% OPERATED WI; 80% NRI
 Gross Prod: ~3.5 BOPD & 544 MCFD **MONTEREY**
 Net Cash Flow: ~\$25,000/Mn
 Net Proved Rsrvs: ~163 MBO & 12 BCF
 Net Prov+Prob Undev: 670 MBO & 12 BCF
 Net Proved Rsrvs (PV10): \$19,000,000
 CONTACT AGENT FOR CA & REPORT
PP 7689DV

PP

GULF OF MEXICO

GULF OF MEXICO SALE PKG

10-Leases; 15 Blocks
EUGENE ISLAND. VERMILLION
 West & East Cameron, Ship Shoal
 New 3-D Shot Over Eugene Island
 SIGNIFICANT UPSIDE AT EI 32
3-27% NonOperated WI; 75% NRI
 Net Production ~290 BOED (Mostly Oil)
 Net Proved PV10 ~\$19,600,000
 Substantial PDNP & PUD Reserves
 New Drills Scheduled in 2012
 New Package As Of March 2012
 CONTACT PLS TO LEARN MORE
PP 8792DV

PLS

PP

-290 BOED

WANTED

COMPANY ACQUIRING PRODUCTION

E&P Company Seeks Onshore Properties.
APPALACHIAN, PERMIAN, FT WORTH
& WILLISTON BASINS
 Also MidContinent Region.
 Looking For PV10 \$1MM And Up.
 Established Primary Production Preferred.
 Likes Behind Pipe & Other Upside
OPERATED & NON-OP Interests
 Midstream Assets Also Welcomed.
 CALL PLS FOR INTRO TO BUYER
W 6420PP

W

WANTED

SEEKING OIL PROPERTIES

Prefers Operated.
TEXAS & WEST COAST
 Prefers Older Field w/ Production--
 --& Development Upside.
 Waterflood & Horizontal Drilling.
 Also Consider Significant NonOp Position.
 Seeking Values \$25MM - \$75MM.
 CONTACT PLS AGENT WITH DEALS
W 8076PP/DV

W

WANTED

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People Briefs

- **ConocoPhillips** has appointed *Jody Freeman* to its board of directors.

- **Cub Energy Inc.** has appointed *Frank Mermoud* to its board of directors.

- **CVR Energy Inc.** has appointed *Carl Icahn* as chairman of the board of directors.



- **Denbury Resources Inc.** has appointed *Craig McPherson* as senior vice-president and COO. *Charlie Gibson* has been appointed as senior vice-president, planning, technology, and business development. *Matt Elmer* has been appointed as vice-president of its west region.



- **Forest Oil Corp.**

announced the departure of *H. Craig Clark* as CEO. *Partick McDonald* will take over his duties until a permanent replacement is found.

- **InterOil Corp.** has appointed *Sir Rabbie Namaliu* and *Samuel Delcamp* to its board of directors. *Dr. Gaylen Byker* was appointed as chairman of the board of directors.

- **Lazard Ltd.** has appointed *Bill White* as chairman.

- **Petro Harvester** named *William M. Griffin* president and CEO.

- **Southwestern Energy Co.** has appointed *Elliot Pew* to its board of directors.

- **Texas Oil and Gas Corp.** has appointed *Tim Connolly* as CEO.

- **Weir Oil and Gas** has appointed *John Jameson* as president.

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What the Analysts Are Saying About A&D

Noble Energy (NBL; \$83.06 July 10; Outperform; Range \$105-\$110)

This morning, Unit Petroleum, a subsidiary of Unit Corporation (UNT), announced that it has entered into an agreement to purchase 84,000 net Mid-Con acres from Noble Energy ... The announcement is the second of NBL's previously expected 2012 divestitures of non-core assets. Together with the May sale of the Dumbarton and Lochranza properties in the North Sea, NBL has sold approximately 14.4 Mboe/d of the expected 23 Mboe/d and 47 MMboe of the planned 88 Mboe. We previously expected to hear updated on divestitures of onshore assets as several data rooms opened in April. Based on our reading of the divestiture map NBL provided during its late November Analyst Day, **we suspect that the remaining parcels include the Haynesville, Eagle Ford, Permian, Rockies (what appears to be the San Juan, Powder River and potentially Pinedale and non-Wattenberg DJ basins), and Southern Alberta Bakken.** The announcement offers a positive read through for QEP, LPI and FST.



—David Tameron, Wells Fargo

Royal Dutch Shell (ADR; \$72.03)

Shell bows out of Cove battle. Following five months of bidding for Cove Energy (including counteroffers and multiple approval extensions), Shell backed out of the takeover race for the company yesterday stating that it decided not to revise its 220p/share offer for the company. Therefore, PTTEP's 240p/share offer is currently the top bid with shareholder approval now extended until July 25th; Cove's Board also reaffirmed its recommendation of PTTEP's offer to shareholders this morning. **We view this outcome as a very modest negative for Anadarko Petroleum (APC), operator of Rovuma Area 1 in Mozambique in which Cove maintains an 8.5% WI,** as Shell is clearly a better partner for such a project, particularly given its background in LNG.

—Michael Hall, Baird Equity Research

Carrizo Oil & Gas (CRZO; \$24.62 July 3; Buy)

Currently, we expect CRZO is looking/willing to monetize \$270+mm worth of assets in the near-term (30+% of current market cap), including the North Sea Huntington project (TPHe \$140+mm net proceeds), Gulf Coast production (TPHe \$30-50mm), a Niobrara JV (TPHe \$80-120mm for 25% interest) and Utica acreage (TPHe \$10-40mm). **We expect CRZO will be able to sell Huntington at or above our current \$140mm valuation** given recent interest/transactions in region (last major transactions include Mitsui acquisition of BP's stakes in Alba and Britannia Fields for \$40k/boepd as well as Maersk's acquisition of NBL's North Sea for \$23/boe or \$29k/boepd vs. our valuation for Huntington at \$23/boe and \$32k/boepd), with bids due July 1st and TPHe timing of sale announcement <2 months.... Interestingly, in the Utica, CRZO willing to sell all current acreage (~29k gross acres) with recent neighboring transactions at \$4-7k/acre vs. CRZO buy-in price average \$1.5k/acre. We think proceeds of sales will be used primarily to accelerate Eagle Ford development and lease additional acreage.

—Matt Portillo & Jessica Chipman, Tudor, Pickering, Holt

Anadarko (APC; \$66.20 June 29; Outperform; Range \$56-89)

Anadarko announced a joint venture with an undisclosed third party in the company's Lucius project in the GOM. Under the agreement, APC will convey a 7.2% interest in the project in return for capital carry of \$556MM (approximately \$135MM upfront). The carry should cover the majority of APC's capital commitment in the project. **Following the deal, APC will retain a 27.8% interest in the project and will remain operator.** At a project estimate of 300 MMBOE and an assumed 8% royalty interest, the partner paid an estimated \$28/Boe.

—David Tameron, Wells Fargo

Oilfield Service A&D

GoM transport firm Harvey buys rival for ~\$275 million

Gulf of Mexico-focused transportation company **Harvey Gulf International Marine** bought assets of Louisiana competitor **BeeMar**. Details are sparse, but Harvey chief Shane Guidry told Upstream the pricetag was \$270-280 million cash. The deal adds 10 platform supply vessels to Harvey's fleet of 22.

BeeMar's global fleet gives Harvey five vessels operating abroad. However, Guidry appears to want to bring those vessels home

to the GoM to take advantage of tight markets and pricing, saying international contracts will be discontinued upon expiration unless customers are willing to pay higher rates.

The other five US-based vessels are under short-term contracts, which Harvey hopes to convert to long-term (two- to four-year) deals. The company hopes to pull \$28,000-\$35,000 dayrates per vessel. Closing is expected by August.

Deal adds 10 BeeMar platform supply vessel at average price of ~\$27.5 million.

Basic plays tough market in \$28 million well control buy

Making lemons out of lemonade, **Basic Energy** took advantage of continuing difficult market conditions and associated compression of valuation multiples to buy operating assets of surface well control rental equipment provider **Surface Stac** for \$27.9 million. Active in the Permian, Eagle Ford and Barnett, Surface Stac expands Basic's frac equipment rental capabilities, as well as providing pumping service and vertical integration opportunities.

Basic saw service rig utilization rates drop from 78% to 72% in May.

CEO Kenneth Huseman said activity levels were hurt by "further deterioration of gas markets and competitive pressures in our more active oil-oriented markets." He did note that June utilization levels had recovered somewhat and were closer to April's 78%.



Basic expects Surface Stac to add \$13MM in annualized revenue & \$6MM in EBITDA.

TGS goes onshore Canada with Arcis Seismic for \$72 million

TGS-**Nopec** is paying \$51 million in cash and an additional \$21 million in assumed debt for Canadian private geophysical company **Arcis Seismic Solutions**. Arcis has one of the most modern 3D seismic libraries of the Western Canadian Sedimentary Basin. Its 3D multi-client library covers ~4,900 sq mi including core Bakken, Horn River, Montney and Duvernay acreage. It also performs data processing, reservoir analysis, geo-consultancy and project management. Headquartered in Calgary with operations in Colombia and Cyprus, it had average annual revenues of ~\$49 million in both 2010 and 2011.

TGS chief Robert Hobbs called the Canadian market "very important" and noted that Arcis would be TGS's first foray there. Hobbs also said the deal will strengthen the company's processing and R&D capabilities, with Arcis playing "a vital role" in processing other TGS multi-client data.

PE firms buy E&P software leader Paradigm for \$1 billion

Leading private E&P software provider **Paradigm** was acquired for \$1.0 billion in cash by private equity firms **Apax Partners** and **JMI Equity**. Paradigm's offerings cover the upstream lifecycle from basin evaluation to production, serving over 700 customers including majors, NOCs, independents and seismic companies.

Paradigm CEO Eldad Weiss said the company plans to use the deal to accelerate revenue and market share growth and to better capitalize on Paradigm's market leadership and leading technologies. Apax senior partner and energy working group head Ian Jones said Paradigm is poised to benefit from strong industry tailwinds as upstream companies explore more challenging locations.



Oilfield Service A&D Briefs

• **Axon Pressure Products** is buying global pressure control equipment maker **Doyle's Valves** for an unspecified sum. Doyle's makes BOPs and control systems, choke and kill products, high-pressure valves, diverter controls, deepwater multiplex controls and other wellhead equipment. It also provides repair and remanufacture service on BOPs, valves and choke manifolds.

• **Consol** acquired a \$500,000 minority equity interest in **Epiphany Solar Water Systems**, which will assist Consol's efforts to treat Marcellus flowback. Epiphany's process separates flowback into distilled water, salt, other minerals and waste. The system will soon be tested in the Marcellus, with results expected this fall.

• **Do All Industries** is buying integrated oilfield services/equipment company **Hyduke Energy Services** for ~\$33.4 million, or double its recent average share price. Hyduke operates in four segments: manufacturing (rigs and equipment), distribution (supplies and pneumatic controls), truck-mounted equipment (cranes, winches and dump boxes) and other services (inspection and certification).

• **KBC Advanced Technologies** bought reservoir fluid modeling software provider **Infochem Computer Services** for ~\$14.8 million. Infochem plans to expand into KBC's larger global network while building on its technologies. Infochem had \$1.17 million in revenues last year, and \$2.03 million in cash when acquired.

• **Mason Dixon Energy, OGM Land and Percheron** will merge as **Percheron LLC**, "the first fully integrated land services provider capable of serving clients coast to coast" according to a press release. The company will specialize in land, right-of-way, surveying and environmental services, with over 1,000 employees. It will be headquartered in Houston, with 43 offices in 17 states.

• **Rignet** is buying Aberdeen-based telecommunications system integration provider **Nessco Group Holdings** in a \$46.4 million cash deal. Rignet will pay an additional \$2.5 million upon reaching certain post-closing benchmarks, bringing the total purchase price to \$48.9 million. The deal allows Rignet to provide on- and offshore life-of-field services.

Canadian A&D Briefs

• **Anglo Canadian Oil** will merge with **Tallgrass Energy** in a C\$4.04 million all-stock deal. Anglo owns rights to oil-prospective acreage targeting the Nordegg play in west-central Alberta, stacked formations in central Alberta and the Bakken and Mannville in southwest Saskatchewan. Concurrently, Tallgrass acquired Cardium light oil assets in central Alberta for C\$17 million from a seller identified by the Calgary Herald as **Compton Petroleum**.

• **Delphi Energy** agreed to sell an unnamed private oil and gas company its interests in Cardium assets in the Bigstone area of northwest Alberta for C\$23.0 million. The assets include 14,720 net acres (23% undeveloped) producing ~450 boepd (48% light oil).

• **Exito Energy** agreed to acquire **Bentley Oil & Gas** in an all-stock deal valued at ~C\$5.4 million and merge it with a recently incorporated, wholly owned sub to form a new company called **Artisan Energy**. Because of the number of Exito shares to be issued, Bentley shareholders will end up owning a majority of Exito's stock.

• **MFC Industrial** will acquire **Compton Petroleum** for C\$1.25/share in cash or C\$32.95 million. MFC will also assume Compton's working capital deficit and long-term debt, bringing the aggregate deal value to C\$194.23 million.

• **MGM Energy** entered a farm-out agreement with **Shell** under which the major will fund drilling and completion of up to two Canol shale wells in the Northwest Territories' central Mackenzie Valley to earn up to 75% interest in MGM's exploration license 466B.

• **Petrus Resources** entered Alberta's Peace River area in a C\$60 million cash asset acquisition from an undisclosed seller. The acquisition gives Petrus ~1,600 boepd (50% oil), ~70,300 net acres (61% undeveloped) and extensive inventory of Montney light oil drilling locations. A March 31 reserves reported pegged 2P reserves at 5.6 MMBoe.

• **Sure Energy** sold interests in central Alberta's Beaverhill Lake area including ~60 bopd of production for C\$9.0 million. Sure also added 6,400 acres to its Hutton heavy oil position in southwest Saskatchewan in the June 4 Crown land sale. It plans to drill an exploration well at Hutton this year.

Canadian A&D

Petronas' C\$5.5 billion Progress buy boosts LNG plans

Malaysian state oil firm **Petronas** agreed to buy Calgary-based **Progress Energy Resources** for C\$20.45/share in cash. Including debt, the deal is valued at ~C\$5.5 billion. Progress' board unanimously approved the offer.



The two companies established a JV last year to develop some of Progress' Montney shale assets in the Foothills of northeast British Columbia. Petronas bought 50% stakes in three Progress gas fields for ~\$1 billion. The companies are also looking at opportunities to develop an LNG terminal at Prince Rupert with an export capacity of 9.0 million tons per annum. Petronas and Progress join three other groups that are planning LNG export facilities in British Columbia.

Progress shares rose as much as 74% following announcement of the deal.

Peyto offer persuades Open Range to break Cequence deal

Open Range accepted what it called a "superior proposal" from **Peyto Exploration & Development** and backed out of a C\$171.2 million deal to be acquired by **Cequence Energy**. Peyto will swap 0.0696 of its shares for each Open Range share and assume C69.5 million of net debt. With ~74.7 million Open Range shares outstanding at C\$1.34/share, the deal is valued at C\$169.9 million. Open Range will pay a C\$4.6 million non-completion fee to back out of the Cequence deal.



QPi For metrics, please visit www.plsx.com/ma.

In explaining why it chose Peyto over Cequence, Open Range said the new deal provides "enhanced liquidity" and gives its shareholders the right to receive Peyto's C\$0.06/share monthly dividend (\$0.72/share annually) payable September 14—a month after the expected closing. Cequence declined to match Peyto's offer.

DNO drops \$215 million bid for Yemen explorer Calvalley

Norway's **DNO International** dropped its hostile bid for Calgary-based junior **Calvalley Petroleum** after Calvalley adopted a poison-pill takeover defense allowing it to issue new shares if any entity acquired 20% of its outstanding common shares. A run-up in the price of Calvalley's shares following the offer also helped scuttle the bid. DNO had offered to buy Calvalley for C\$215 million (C\$2.30/share) in cash.

Calvalley holds 100% WI in an 11.5 million-acre production sharing contract in the Metema and Gimbi exploration blocks in Ethiopia. It also holds an operated 50% WI in the production sharing agreement for the 552,000-acre block 9 in Yemen's Sayun-Masila Basin, which would have offered a bolt-on opportunity for DNO's five Yemeni assets in the same area.

**Twin Butte adds heavy oil with C\$89 million Avalon deal**

Twin Butte Energy is more than doubling its heavy oil position in the Lloydminster area via its acquisition of privately held **Avalon Exploration**. The stock and debt deal is valued at ~C\$88.9 million. Twin Butte will offer 1.1 common shares for each outstanding Avalon share and assume ~C\$35.6 million in net debt from Avalon. Closing is slated for August.

QPi For metrics, go to *The Global M&A Database*.

The deal adds 1,920 bopd of conventional heavy oil production and 5.193 MMBbl of 2P reserves, most of which is wholly owned and operated, in the greater Lloydminster area along the Alberta and Saskatchewan border. Avalon's 85,000-plus net acres at Lloydminster are contiguous to Twin Butte's and bring the company's total undeveloped heavy oil position in the area to 162,000 acres. Twin Butte will also receive a seismic database of 556 km proprietary and 2,271 km trade.

International A&D

Premier Oil farms into Falklands oil finds for \$1.0 billion

Unfazed by Argentine claims of sovereignty, UK-listed **Premier Oil** made a bold \$1.0 billion move into the Falkland Islands, agreeing to farm into **Rockhopper Exploration's** Sea Lion discovery and other offshore licenses for an operated 60% WI. Premier will pay \$231 million cash up front, fund up to \$722 million of Rockhopper's development costs for Sea Lion including an FPSO and 34 wells, and shoulder up to \$48 million of Rockhopper's share of three exploration wells.



Premier to provide standby financing for added costs on Rockhopper's 40% WI.

According to Rockhopper, the Sea Lion and adjacent Casper, Casper South and Beverley finds have ~356 MMbbl of gross discovered 2C oil (86% of which is at Sea Lion). The final development plan for Sea Lion is due in April 2015 with first oil planned for the first half of 2017 and an expected peak rate of 80,000-85,000 bopd. The deal is expected to close in September.

Unit doubles down on Granite Wash ◀ **Continued From Pg 1**

The acreage acquired by Apache was in the same region and almost all had development potential in one or more zones. The Unit deal's remaining value of \$442.1 million is attributed to proved reserves at \$10.05/boe (\$1.67/Mcfe) or \$44,210/boepd.



Unit CEO Larry Pinkston said in a statement that the

Unit also gets two gathering systems in Hemphill Co., Texas, & Ellis Co., Okla.

acquisition benefits all three of the company's business segments. Besides doubling the upstream segment's Granite Wash acreage, the acquisition will provide 12-18 months of work for seven rigs in Unit's contract drilling segment to develop the properties; also, the company's midstream segment plans to use the acquired gathering systems to replace some third-party contracts starting in 2015.

Unit has identified \$200-300MM of upstream assets it is considering selling.

Prior to the deal, Unit held proved reserves of 116 MMboe (64% gas, 81% developed) and produced 36,000 boepd

in Q1. In the Granite Wash, wells on the company's 21,156 net acres (pre-deal) had an average 30-day IP exceeding 1,100 boepd (6.8 MMcfed) and EURs of ~770 MMboe (4.6 Bcfe, 50% oil and NGLs) in 2011. The Noble deal vastly increases Unit's Granite Wash acreage in Wheeler Co., Texas, the center of the prolific Hogshooter play where Chesapeake in late May achieved a ~7,350 boepd IP (73% oil).

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More on Hogshooter in ProspectCentre Vol. 23, No. 11

Unit's Granite Wash Core Post-Deal

	UNT Granite Wash	Noble Granite Wash	Pro Forma
Proved Reserves (MMboe)	30	23	53
April 2012 Net Production (Mboe/d)	12.5	4.3	16.8
Gross Drilling Locations (Unrisked)	240	600	840
Gross Acreage ('000s)	65	40	105
Net Acreage ('000s)	21	25	46

Source: Unit Corp. July 11 Presentation via **PLS docFinder** www.plsx.com/finder

International A&D Briefs

• **Keppel Group** bought 20% of Southeast Asia operator **KrisEnergy** for \$115 million. Kris has interests in 14 licenses in Cambodia, Indonesia, Thailand and Vietnam. Its producing assets in the region hold 14.4 MMboe of proved reserves.



• **MIE Holdings** acquired a 51% interest in a unit of **Sino Gas & Energy Holding** that owns the Linxing and Sanjiaobei coalbed methane contract areas in the Ordos Basin of China's Shanxi province. MIE will pay \$10 million upfront for the stake in sub **Sino Gas & Energy Ltd.** and will invest a further \$90 million to develop the CBM assets. SGE will also be carried for its stake, resulting in an effective deal value of \$54.1 million.

• Austria's **OMV** agreed to sell its 5% interest in Beryl area producing fields in the UK North Sea to an undisclosed buyer for \$118 million. The Beryl area includes Beryl, Ness, Buckland, Skene and Maclure fields.



• Calgary-based **Petrodorado Energy** sold its 45% WI in Blocks 135 and 138 onshore Peru to Toronto-listed **Pacific Rubiales** for \$15.2 million. Block 135 in the Marañon Basin holds an estimated 348 MMbbl of P50 heavy oil, while Block 138 in the Ucayali Basin has 115 MMbbl.

• **PetroKamchatka** agreed to farm into three licenses in Russia's Kamchatka peninsula held by **Alltech** sub **East Siberian Resources**. PetroKamchatka will invest up to \$50 million to earn up to 51% equity in ESR's wholly owned **Elranio** and **Lesona** holding subs, and will carry ESR for \$32.75 million. Elranio holds an E&P license on eastern Sakhalin Island, while Lesona owns two eastern Siberian licenses.

• **San Leon Energy** agreed to sell its 2.5% interest in the production license for Amstel field offshore the Netherlands to **GDF Suez** for \$12.4 million. Amstel holds 2P reserves of 15 MMboe. GDF now owns a 50% operated stake in the block, **Energie Beheer Nederland** has 40%, and **Taq** holds 10%.

• **SOCO International** assumed full ownership of sub **SOCO Vietnam** after buying the remaining 20% stake from **Lizeroux Oil & Gas** for \$95 million. The unit holds 28.5% WI in Te Giac Trang field and 25% WI in Ca Ngu Vang field in the Cuu Long Basin offshore Vietnam.

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International A&D

Heritage sub buys prolific Nigerian block for \$850 million

Shoreline Natural Resources, a 45%-owned Nigerian sub of Heritage Oil, bought a 45% stake in Nigerian oil mining lease 30 from oil majors led by Shell for \$850 million. Shell (30% WI), Total (10%) and Eni (5%) are selling the block—the most prolific in Shell's Nigerian portfolio—as the Anglo-Dutch company seeks to refocus its efforts on the country's offshore resources.



Heritage called the deal “transformational” for its portfolio as it seeks to expand its operations in Africa and the Middle East. OML 30 produces ~35,000 bopd and is estimated by Heritage to hold gross 2P reserves of 707 MMbbl. There is also potential upside of 2.5 Tcf based on deeper exploration targets identified by 3D seismic.

The acquisition will be funded by a \$550 million secured bridge loan from the Standard Bank of South Africa and a \$370 million rights issue to be underwritten by JP Morgan Securities. State-owned Nigerian National Petroleum Corp. will maintain its 55% interest.

Shell is reducing its onshore Nigerian portfolio to refocus efforts offshore.

Pertamina buys Harvest's Venezuela stake for \$725 million

Houston-based Harvest Natural Resources struck a deal to divest its all of its Venezuelan operations, selling the assets to Indonesian NOC Pertamina for \$725 million. Pertamina agreed to take Harvest's 32% stake in Petrodelta, a JV with Venezuela's state-owned PdVSA. Harvest estimates net proceeds of ~\$525 million from the sale after deductions for transaction-related costs and taxes.



Petrodelta holds concession until 2027 for Uracoa, Tucupita, Bombal, Isleno, Temblador and El Salto fields which hold an estimated 9.1 Bbbl of gross oil in place. In an April presentation, Harvest pegged Petrodelta's gross oil production at ~37,000 bopd, up 18% from the 2011 average. The presentation also placed 2P reserves net to Harvest at 103.8 MMboe (89% liquids).

Pertamina said the purchase fits its strategy of expanding operations overseas to increase its production to 776,000 boepd by 2015, more than three times its current output of 200,000 boepd.

QPi Visit www.plsx.com/ma.

Mitsui enters UK North Sea with \$280 million BP deal

BP continued aggressively pursuing its asset divestiture program with the sale of two minority interests in the UK North Sea to Japanese trading house Mitsui & Co. for US\$280 million. BP gave up its 13.3% stake in Alba field and 8.97% in Britannia field, which produce a combined ~7,000 boepd net to BP and hold net 2P reserves of ~23.2 MMboe. The deal also established Mitsui's entry in the North Sea and bolstered its goal of gradually increasing its presence in the European oil and gas market.

The sale comes within days of BP's disposal of its US gas assets to Linn Energy for ~\$1.03 billion, and just months after the \$400 million sale of North Sea assets to Perenco. The proceeds will help fund BP's larger-scale projects in the region over the next five years.



See story on BP's Jonah field sale to Linn Energy on pg 1.



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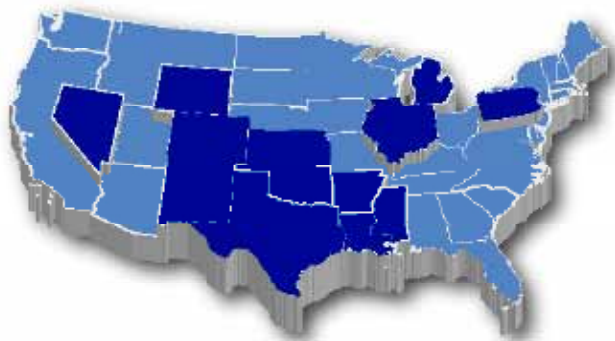
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