

Development Sensitivities

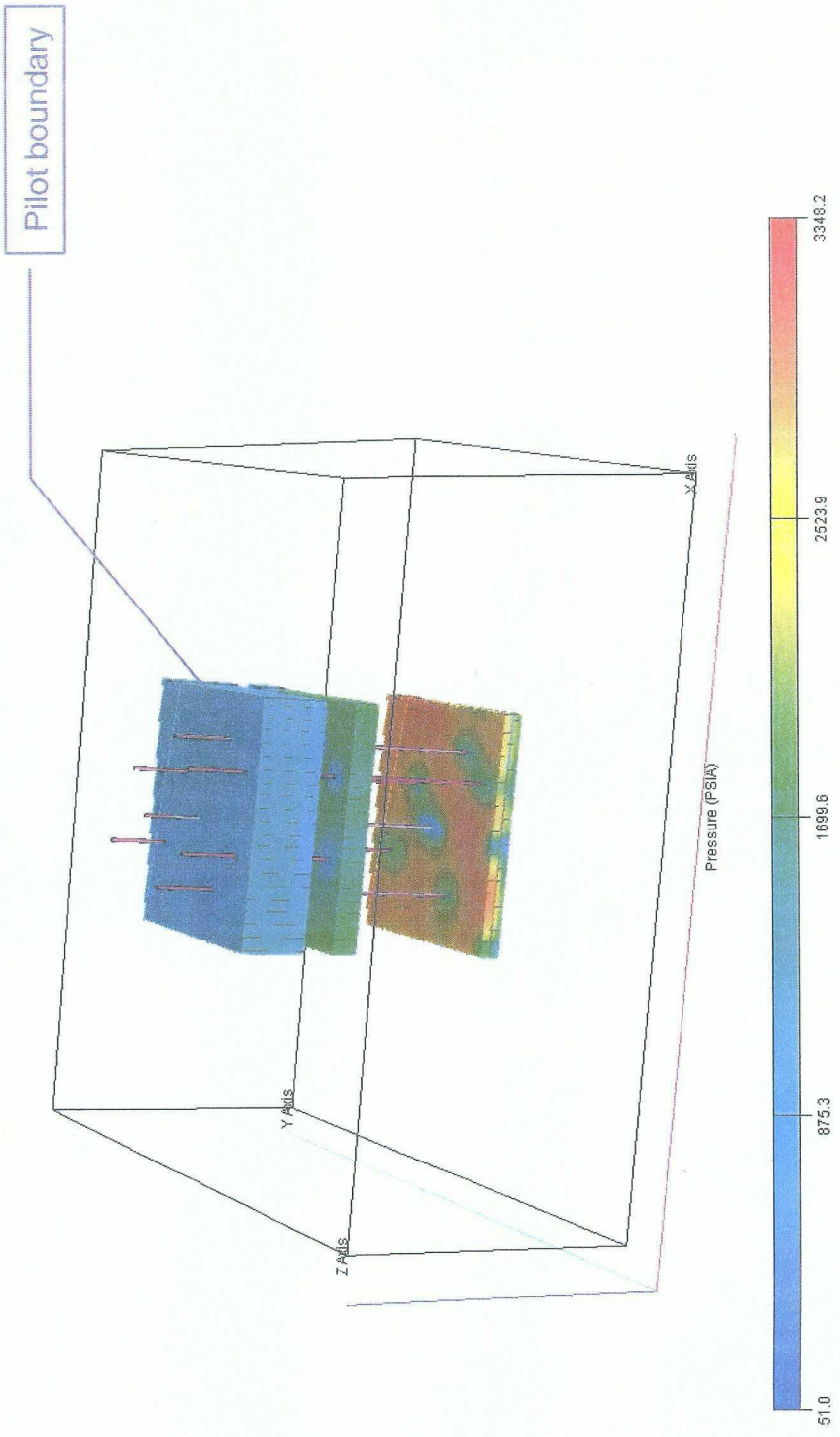
- Nine development sensitivities
 - 80, 40 and 20 acre densities
 - 5, 10 and 15 mmcf/d maximum offtake capacities per section (640 acres)
- Model area reduced for forecast runs to eliminate flux from low density to high density area (section 8 only)

Forecast Model Area (section 8)

Variable development densities could lead to high density areas
gas flux from low to high density areas

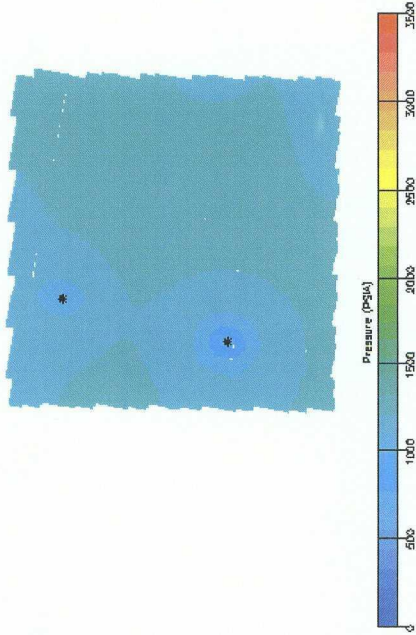
Office 2006.1

Model is reduced to high density area and re-
initialized on 2007 pressure fields

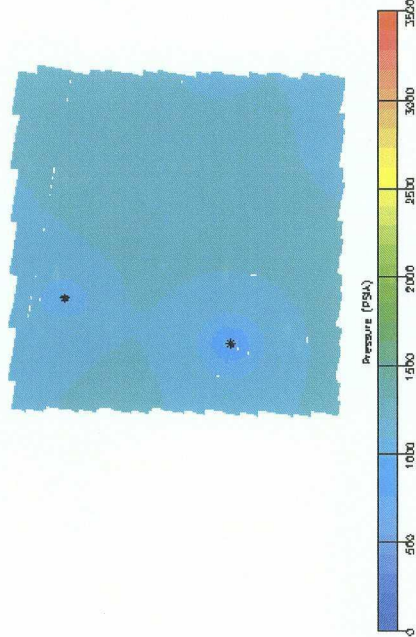


MV Pressure 2007

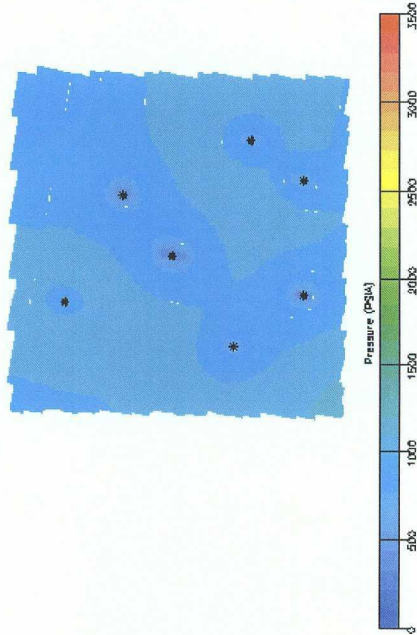
PILOTJ07, k = 1, 01 Jun 2007



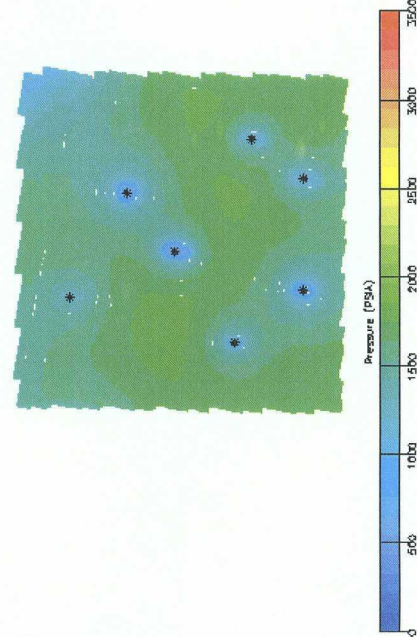
PILOTJ07, k = 2, 01 Jun 2007



PILOTJ07, k = 3, 01 Jun 2007

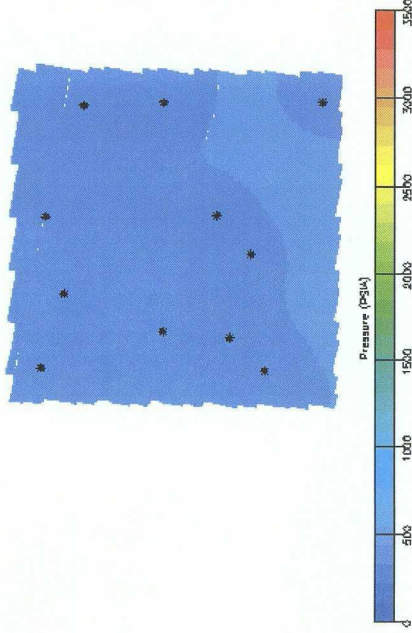


PILOTJ07, k = 7, 01 Jun 2007

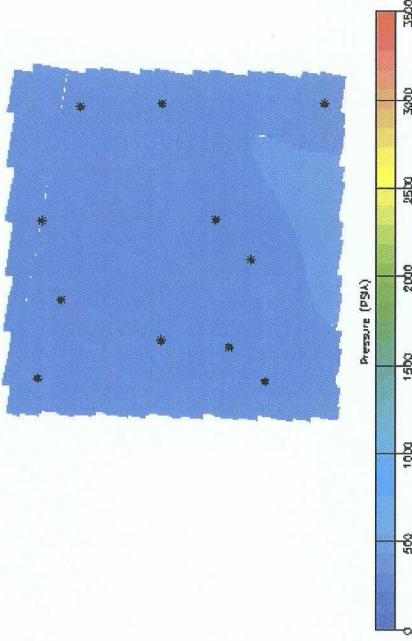


MV Pressure 2057 – 40 acre Case

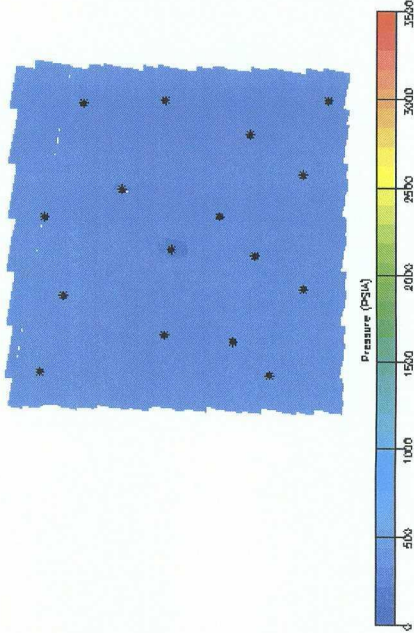
FCST4086, k = 1, 01 Jul 2067



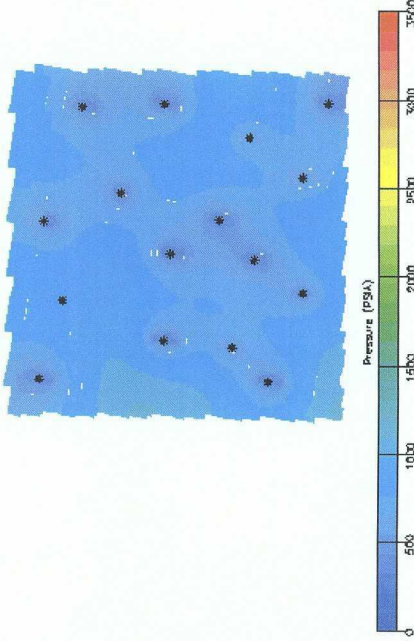
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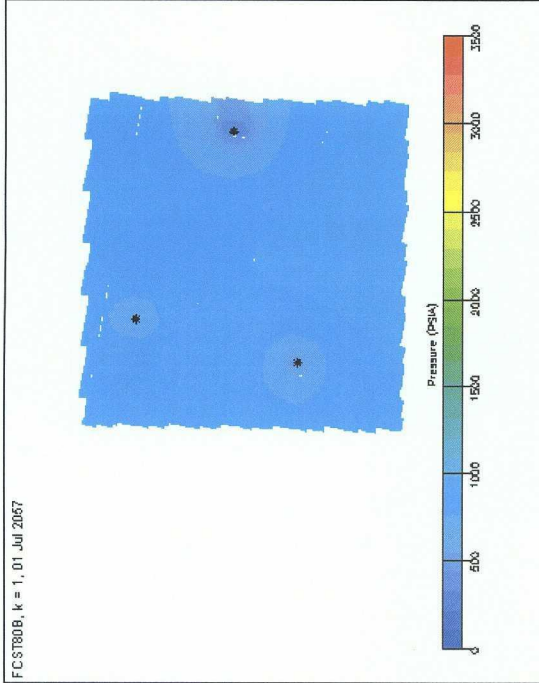


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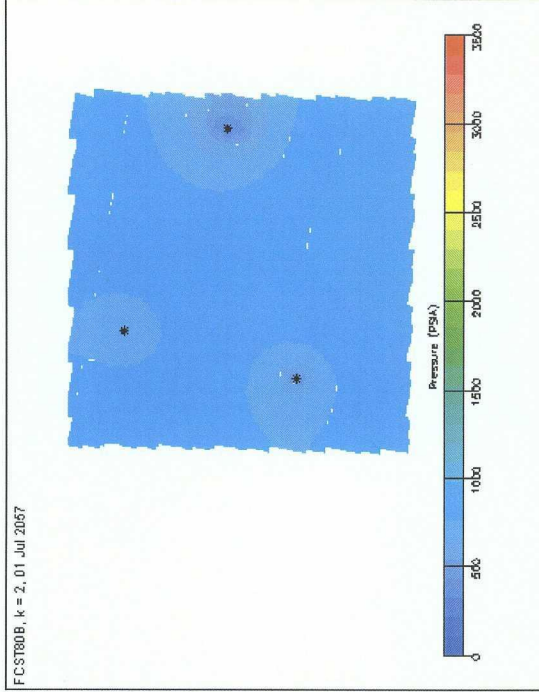


MV Pressure 2057 – 80 acre Case

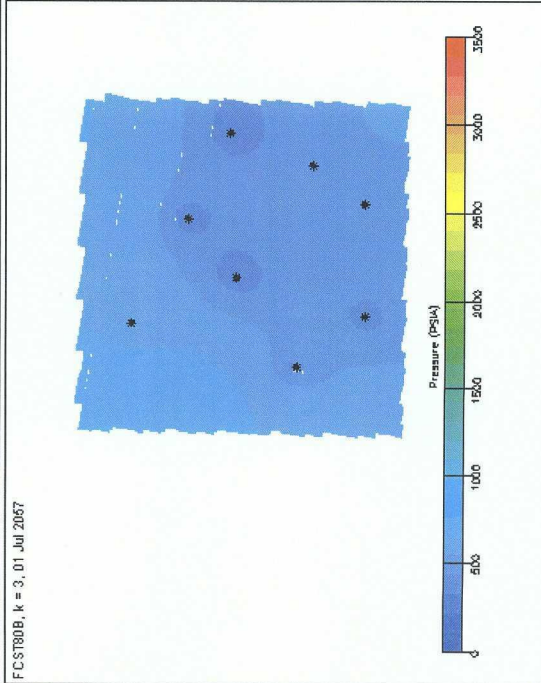
FCST80B, k = 1, 01 Jul 2007



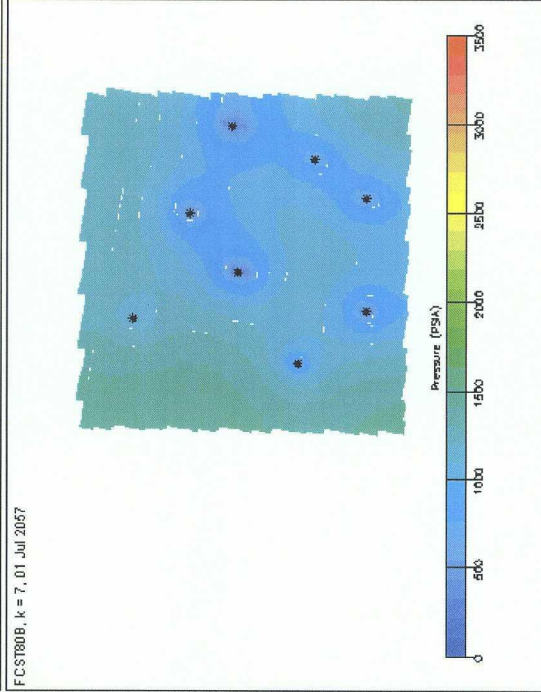
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FCST80B, k = 3, 01 Jul 2007

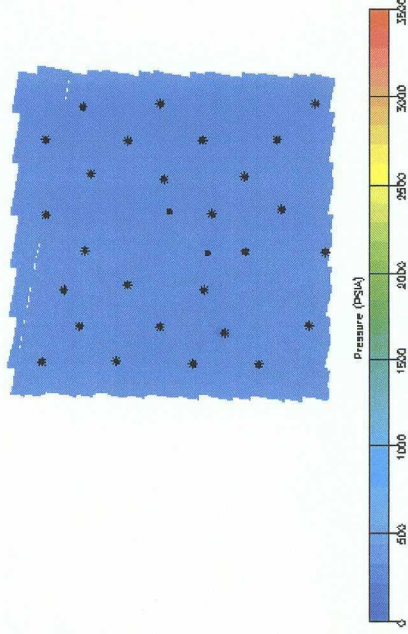


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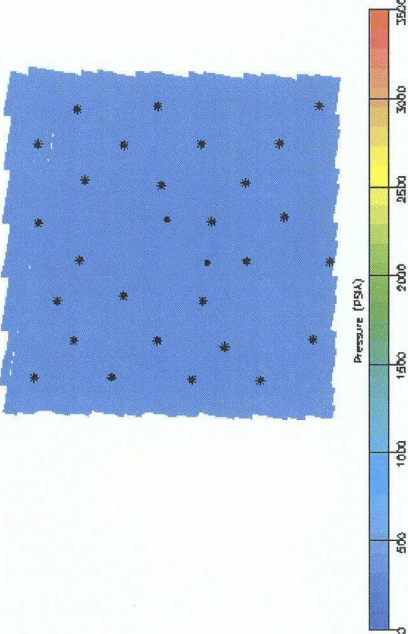


MV Pressure 2057 - 20 acre Case

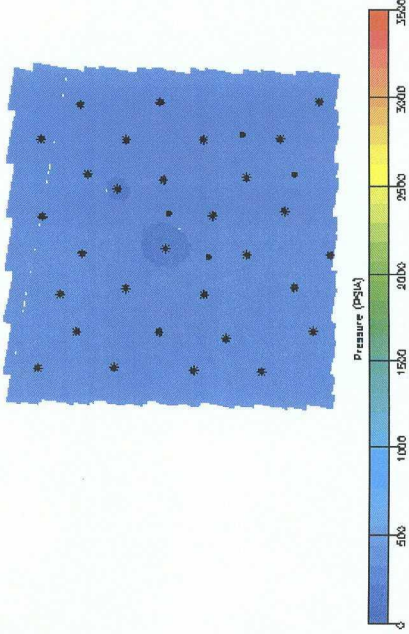
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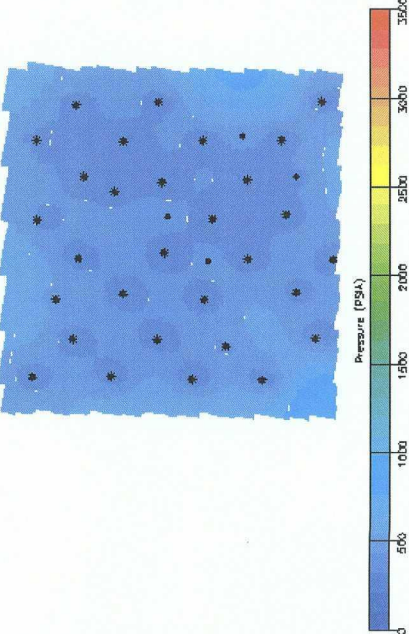
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FCST208, k = 3, 01 Jul 2057

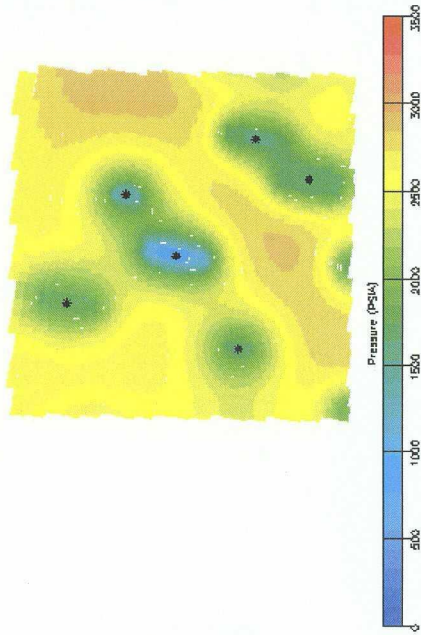


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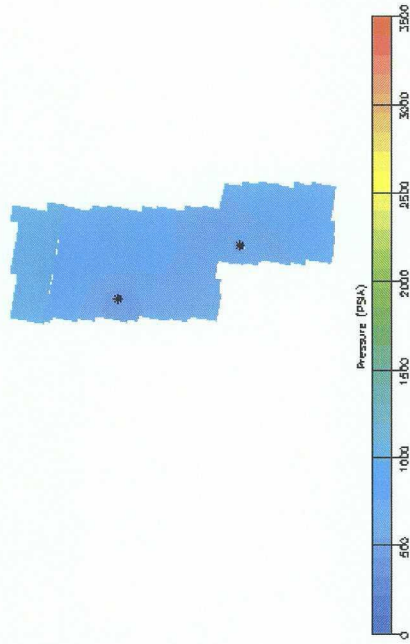


DK Pressure 2007

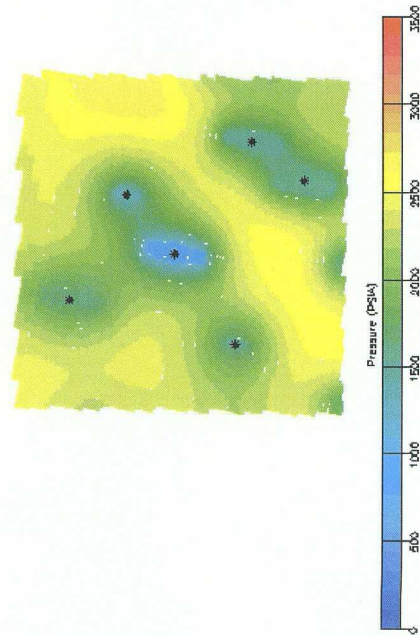
PILOTJ07, k = 9, 01 Jun 2007



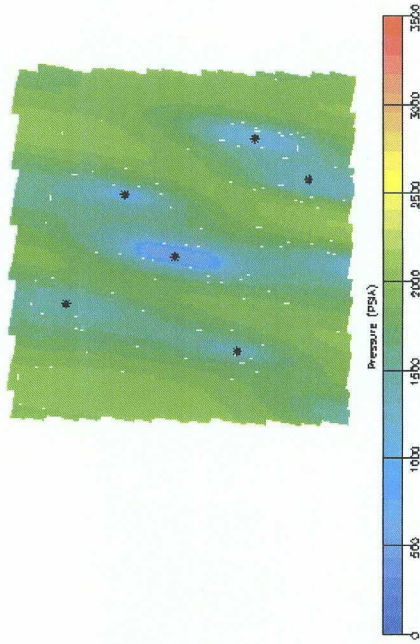
PILOTJ07, k = 10, 01 Jun 2007



PILOTJ07, k = 11, 01 Jun 2007

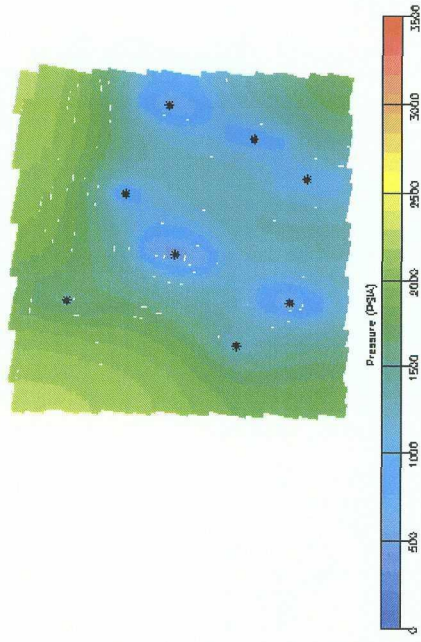


PILOTJ07, k = 12, 01 Jun 2007

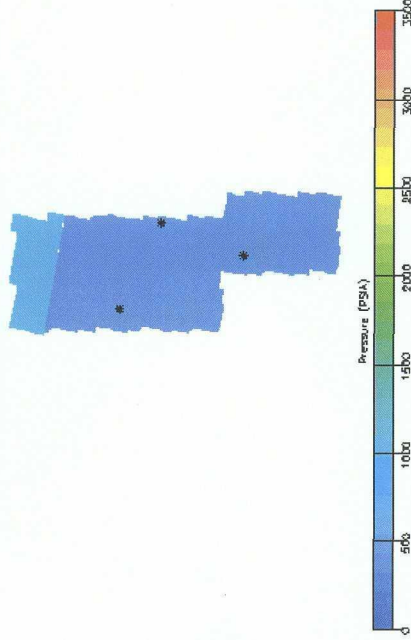


DK Pressure 2057 – 80 acre Case

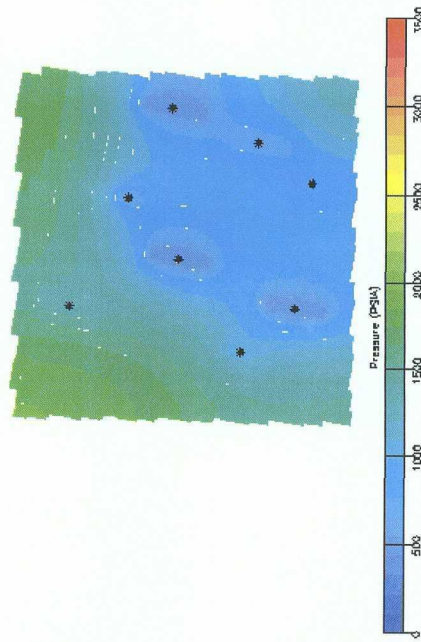
FCST80B, k = 9, 01 Jul 2057



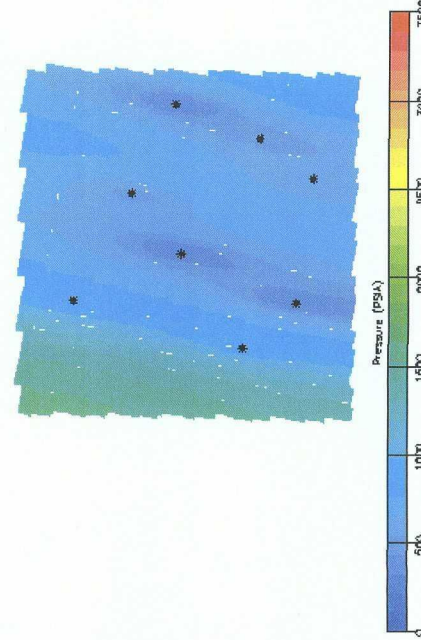
FCST80B, k = 10, 01 Jul 2057



FCST80B, k = 11, 01 Jul 2057

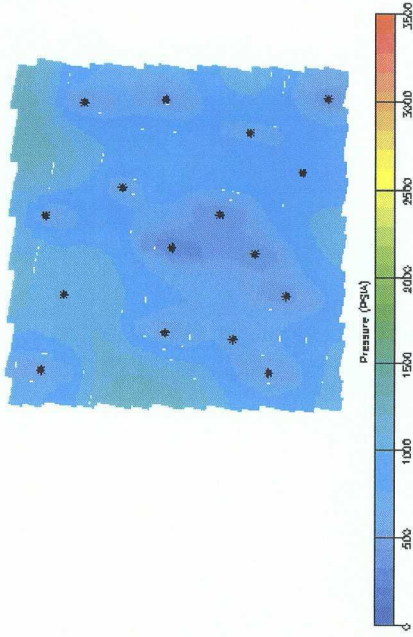


FCST80B, k = 12, 01 Jul 2057

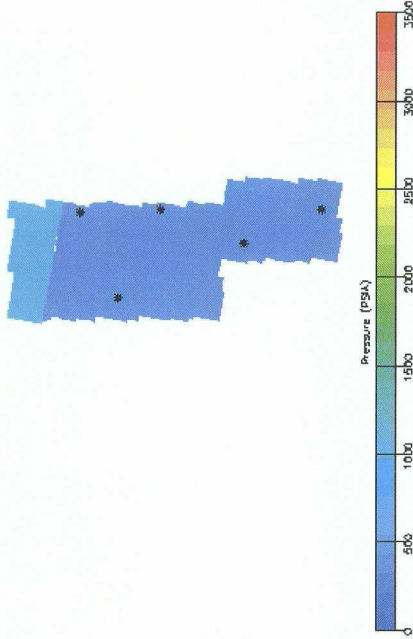


DK Pressure 2057 – 40 acre Case

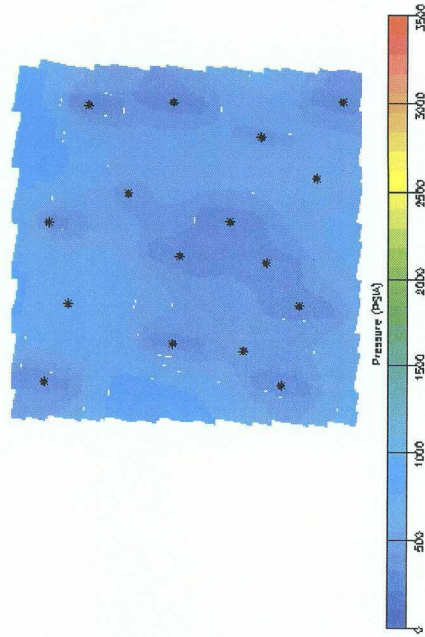
FCST40B6, k = 9, 01 Jul 2067



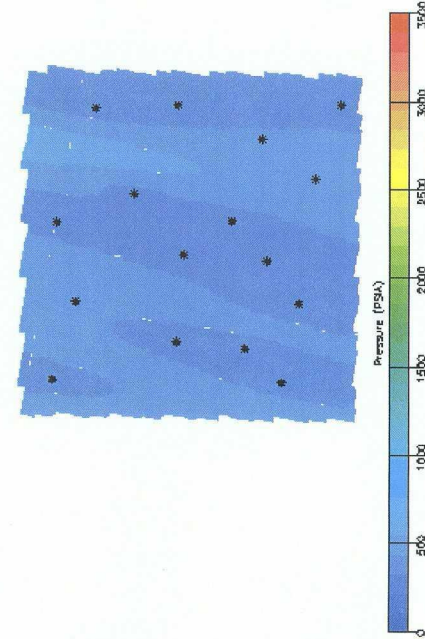
FCST40B6, k = 10, 01 Jul 2067



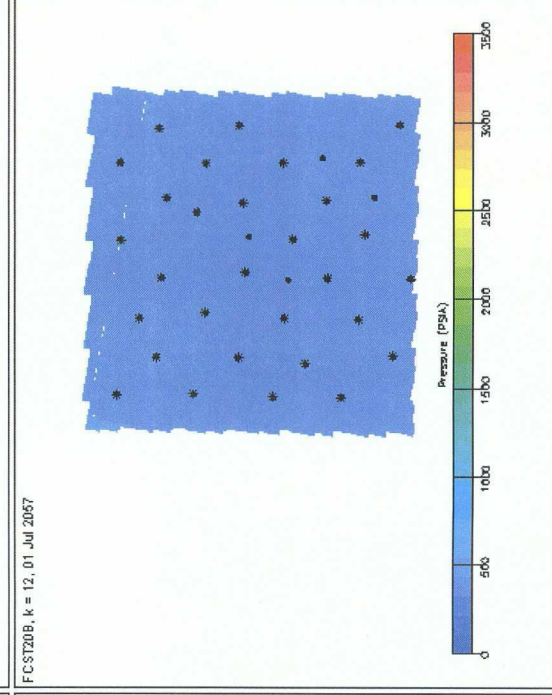
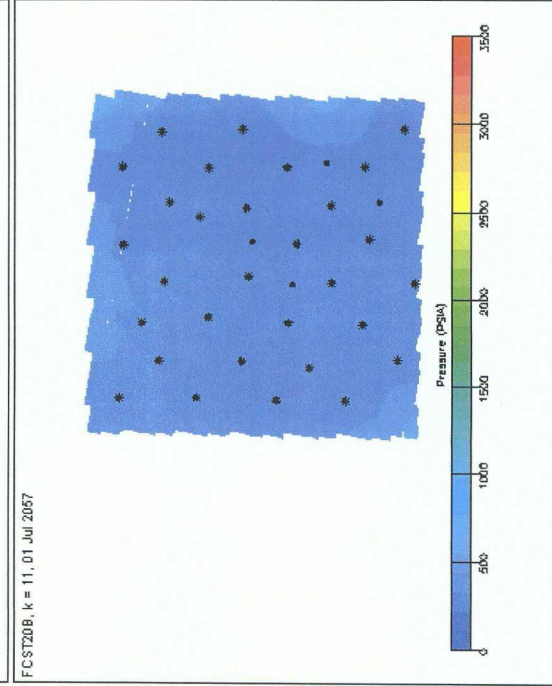
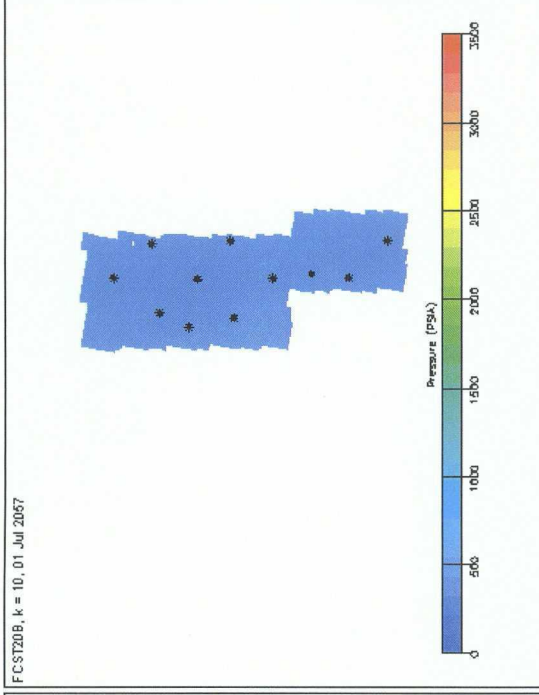
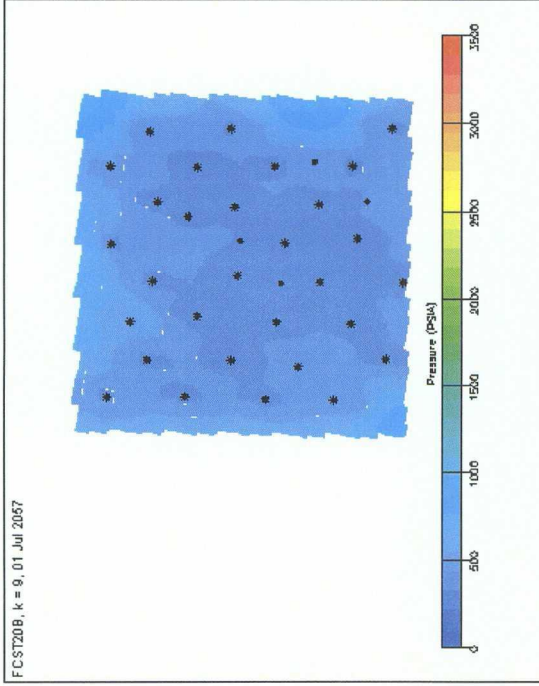
FCST40B6, k = 11, 01 Jul 2067



FCST40B6, k = 12, 01 Jul 2067

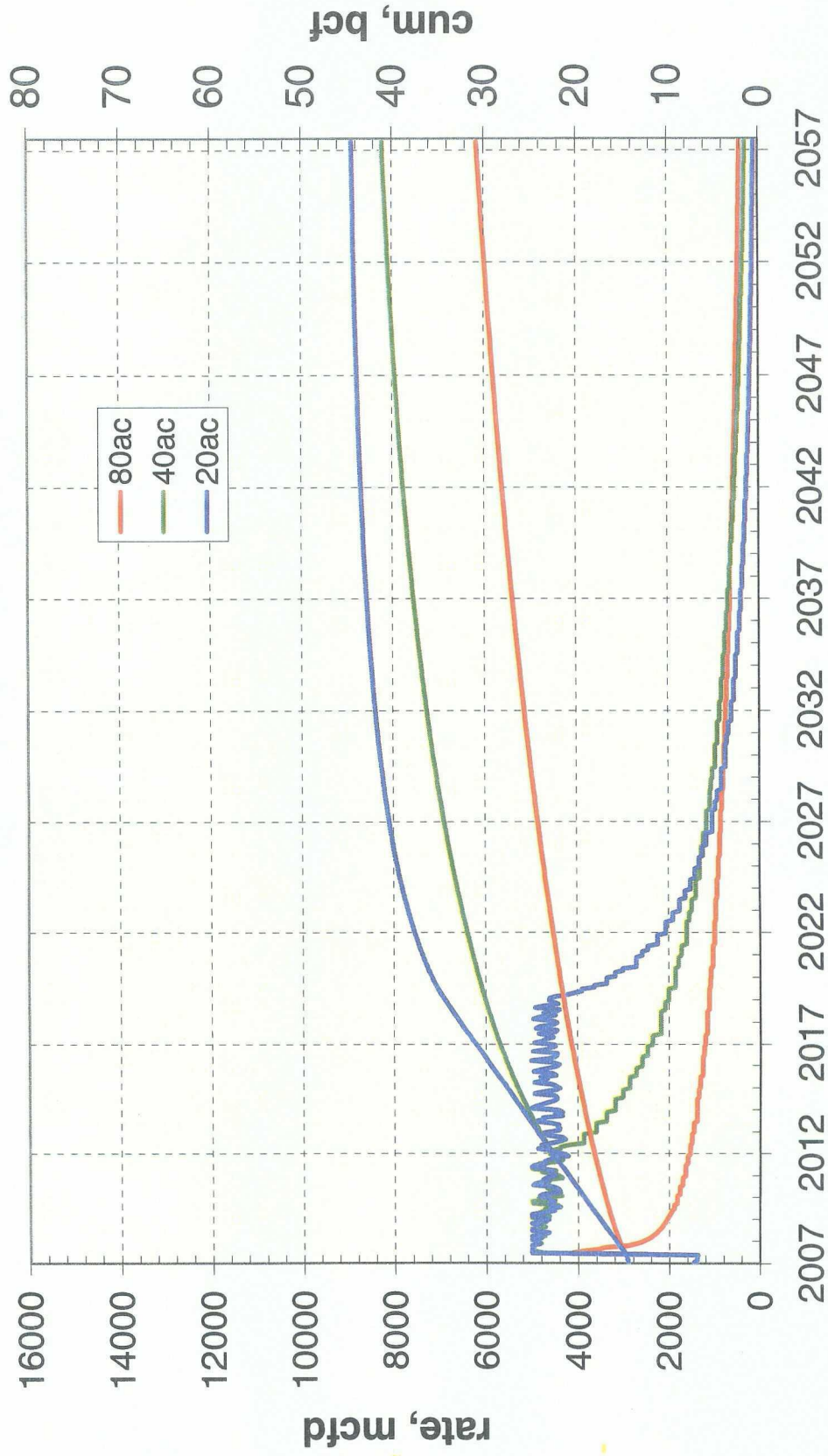


DK Pressure 2057 – 20 acre Case



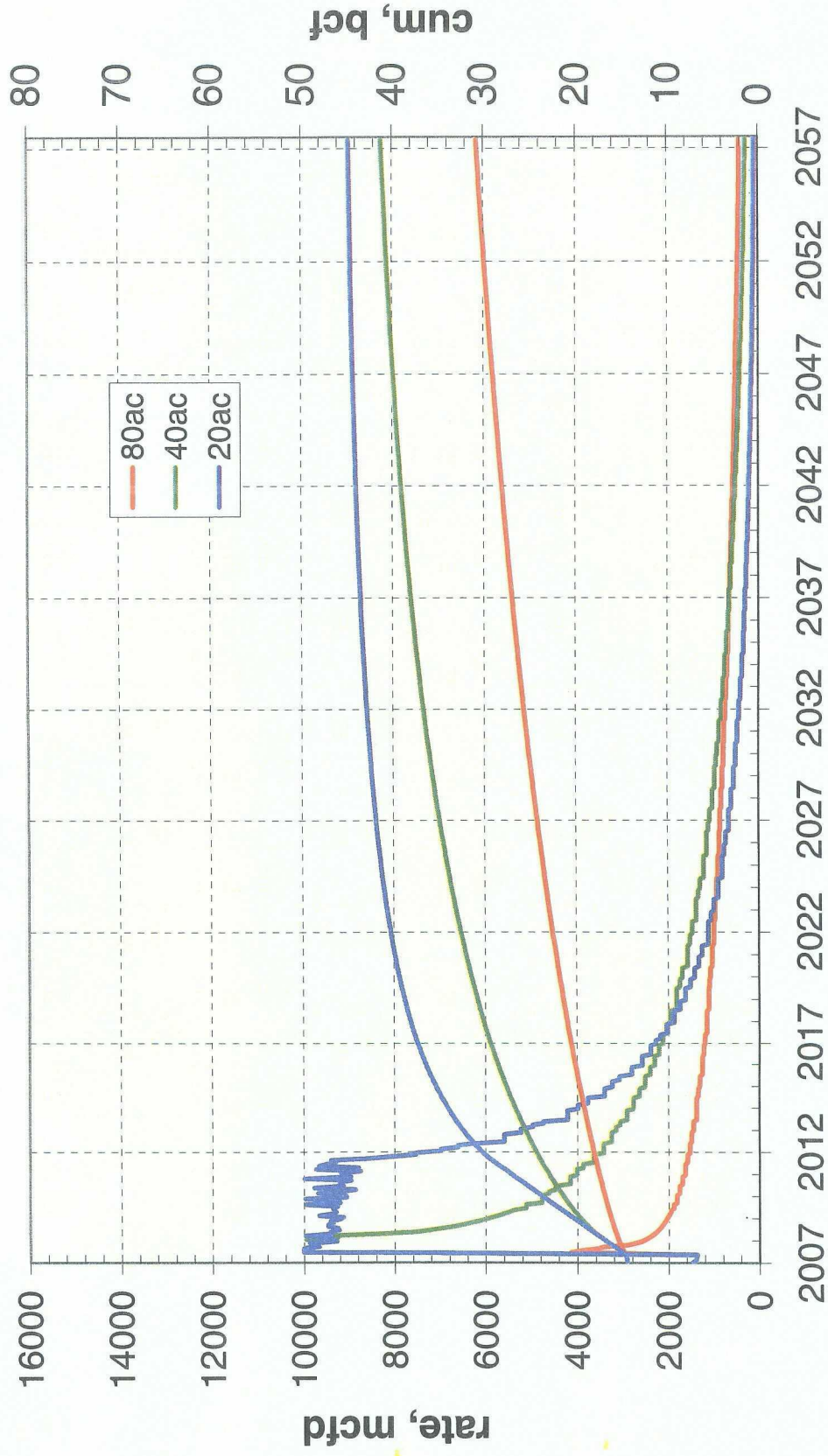
Development Sensitivities

5mmcf/d Max Rate



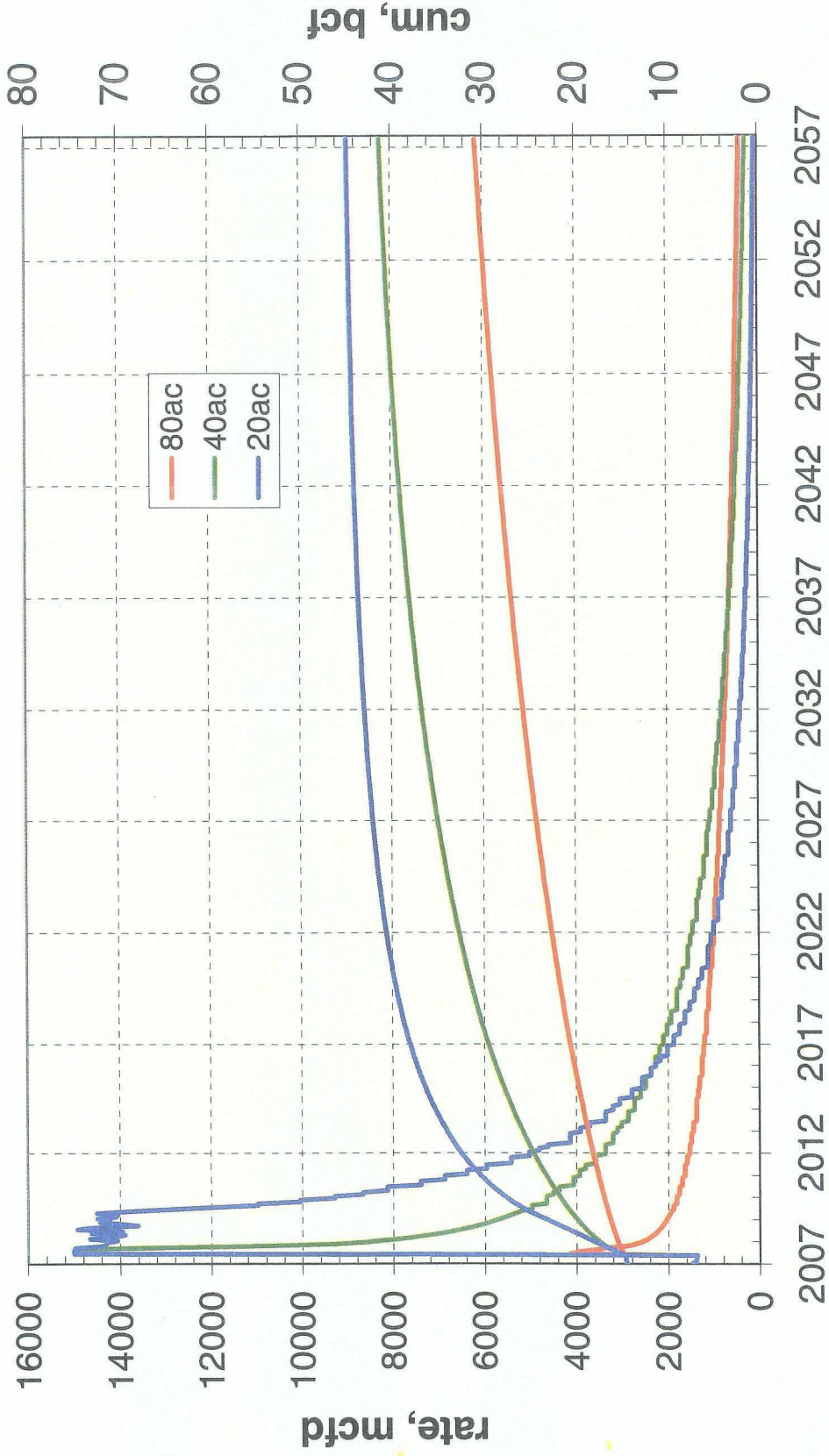
Development Sensitivities

10mmcf/d Max Rate

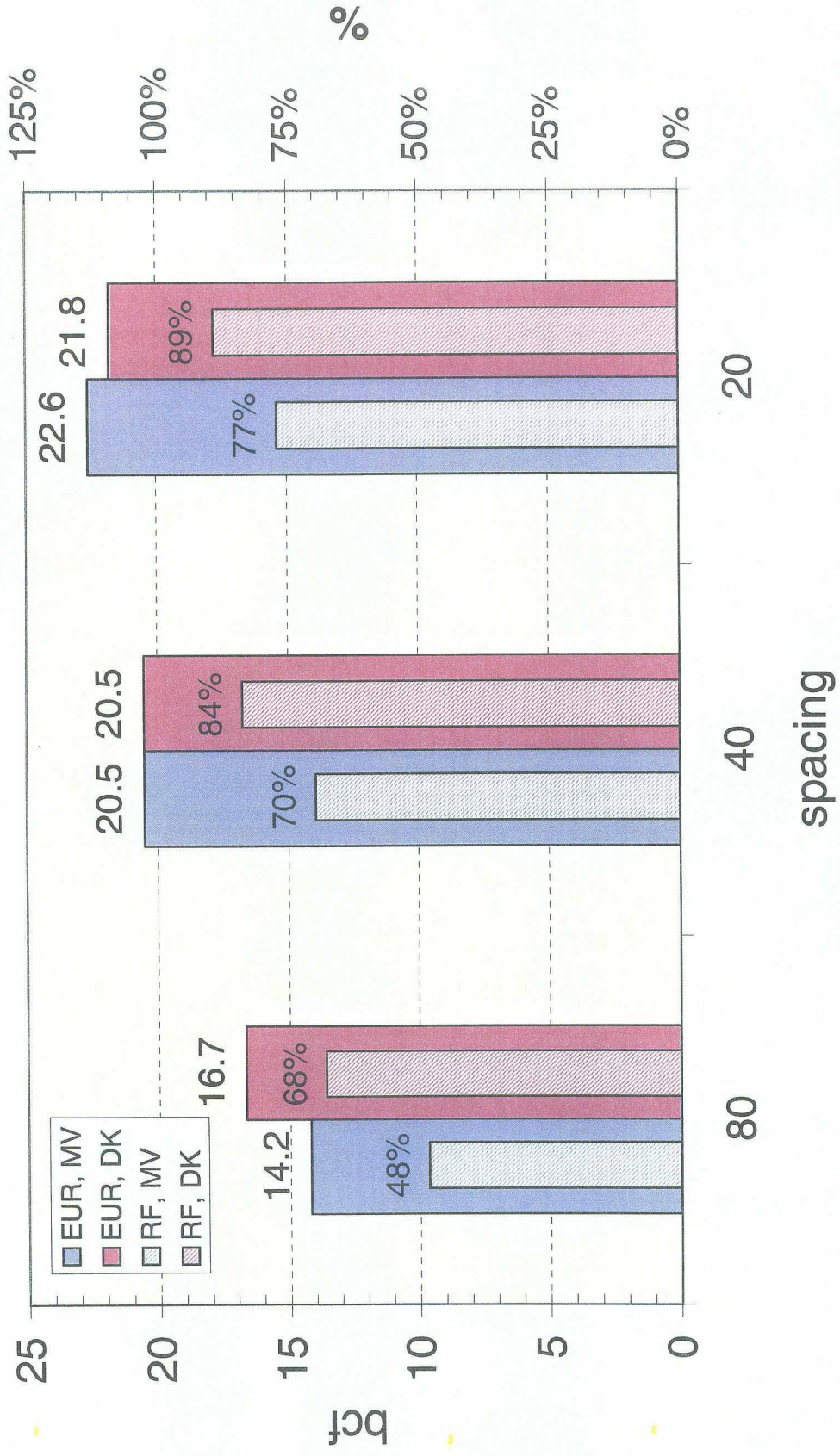


Development Sensitivities

15mmcf/d Max Rate



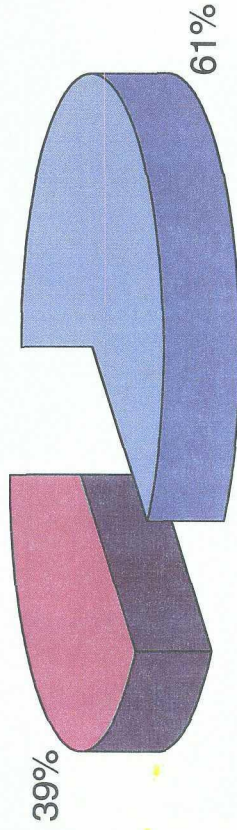
Section 8 Recoveries



New Well Recoveries

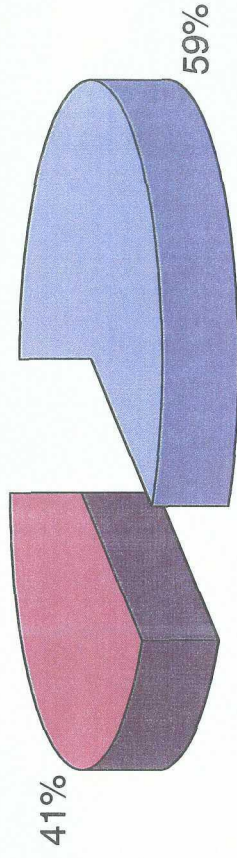
40 acre well

2.09 bcf



20 acre well

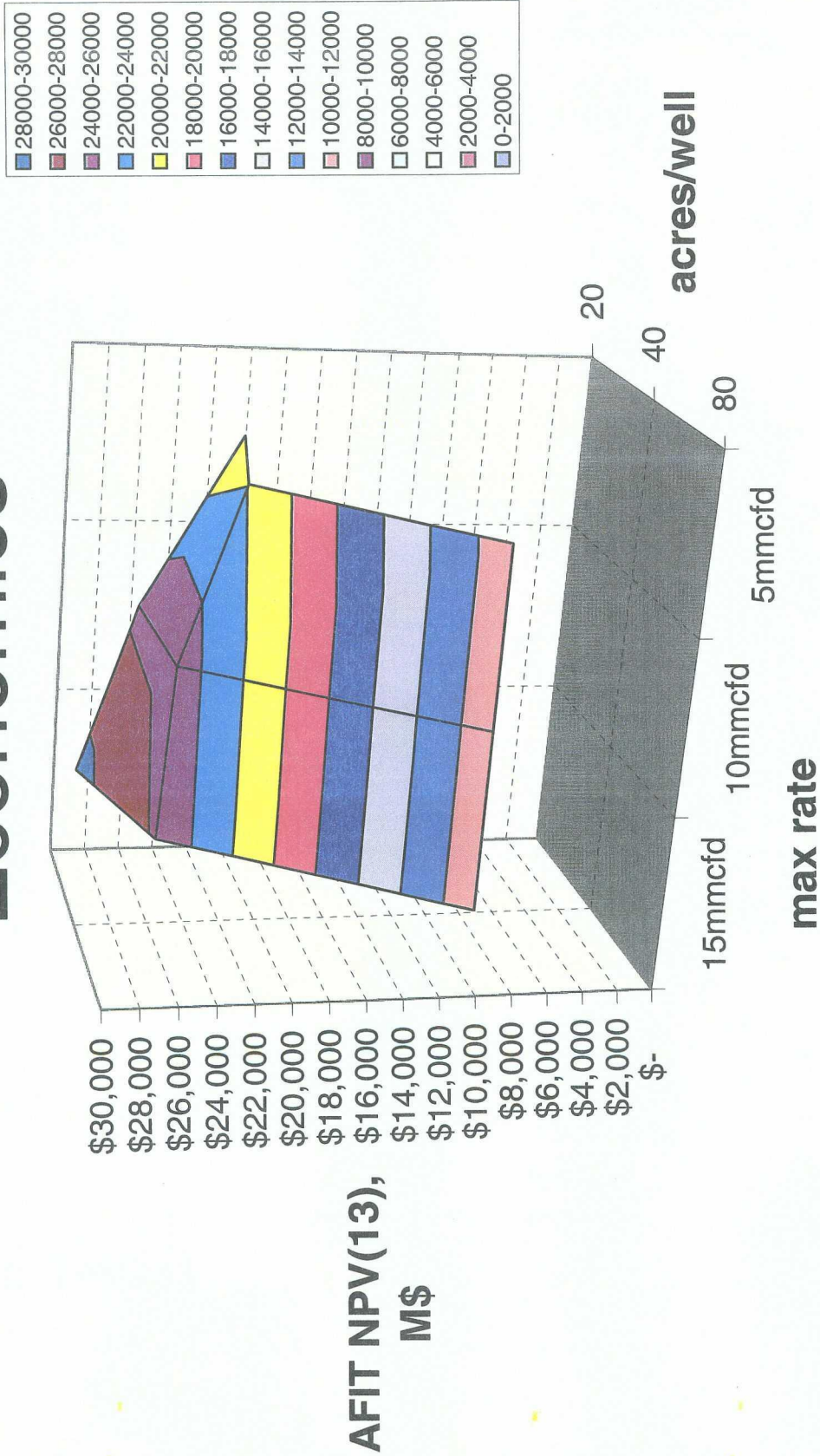
0.96 bcf



(relative to 80 acre development)

Section 8 Development

Economics



Key assumptions:

1. Wells drilled only as needed to maintain plateau
2. No midstream investment (typical SEFU offtake cap = 5-10 mmcf/d)
3. 100% WI, 87.5% NRI, both zones