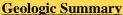
**Location:** Western Beauregard Parish, La **Primary Objectives:** Lower Wilcox

**Project Highlights:** 

- ✓ Normal pressure, vertical, land locations
- ✓ 9 prospective sands
- ✓ 5-10 locations
- ✓ 2014 3D seismic survey
- ✓ High oil rates



JP Prospect is located in 4 south, 12 west of western Beauregard Parish, LA (3 miles ESE of Bon Weir, Tx). This normally pressured project includes <u>multiple locations</u> up-dip from multiple of oil bearing lower Wilcox sands in Alligator Lake field. The first location will twin the 2001 PMO (Petromax) Martin #5 well. The Martin #5 has several productive sands which were never completed by PMO, and at least 3 highly perspective deeper Wilcox field pays sands never reached by this well.

Very poor operational procedures, low oil prices (\$21-\$22), and ineffective use of fracture stimulation lead to significant undrained reserves at Alligator Lake Field. While modern 3D reprocessing by *e*Seis, Inc has indicated an updip area of substantial untested reserves.

The Middle and Lower Wilcox sands at Alligator Lake field exhibit very similar petrophysical properties as nearby Neale Field, which averaged ~330 MBO/1 BCF per well from the Middle/Lower Wilcox (~60 Completions). Multi-stage fracture stimulation performed on large zonal definitions will allow for the co-mingling of multiple Lower Wilcox sands at high oil rates, creating excellent economics even at modest oil prices.

# **Project Summary:**

- 8 Lower Wilcox Objectives: **75-85% liquids**; 1 Middle Wilcox Objective: **55% liquids**
- Depth: 12,250' TVD, normal pressure
- Risked Reserve Est (1st Location): 393 MBO + 1.4 BCF Project Reserves (Risked): 2.7 MMBO, 12 BCF
- DHC: \$1.48 MM Completion: \$810K Frac Cost: ~\$90K/stage
- Analog well: Callery & Hurt Inman B-1 (adjacent Bon Weir Fld): **494 MBO** + **3.3 BCF** (Mid/Lower Wx)
- The 2014 3D data set is reviewable by appointment in Dallas, Texas

## **Economics**

- 1st Well: 40% ROI, \$2 MM Pv10
- Program: 60% ROI, \$17MM Pv10

# **Operator:**

Key Exploration and Operating Company. President – Bill Guidry. Lafayette, La 337-233-9445

#### Land:

• Ridge Resources LLC currently controls **800 acs** from Olympia Minerals (OML Base Lease VI). Ridge is also in negotiations with Blackstone Minerals for an additional 80 acres.

## **Pipelines**

• Union Gas Corp owns a dormant 4" infield line, and Enerfin Resources owns a 10" Trunkline ~2 miles northeast of the JP Prospect. Line pressures of both pipelines are TBD.

### **Proposed Deal Terms:**

- Participant will pay \$490,000.00 as compensation for all sunk costs in leases, brokerage, Prospect Fee, and state-of-art 3D reprocessing be eSeis, Inc; Payment schedule includes:
  - \$10,000.00 in earnest money (proportionally reduced)
  - o \$150,000.00 upon a signed PSA
  - o \$330,000.00 upon running production casing on the first completion
- 10% carry to the tanks on the first well, and 15% carry to the tanks on the second well; heads up afterwards.
- Ridge will deliver a **75% Net Revenue Interest** on the Olympia acreage.

For additional information or questions, please contact:

Tim Rynott, Ridge Resources, LLC 970-946-8192(cell) tlrynott@gmail.com

The representations contained herein are believed to be accurate. However, Ridge Resources (and/or any Ridge related entity or individual) makes no warranty or guarantee as to accuracy and completeness. Any prospective buyer shall, at its own expense and risk, conduct its own analysis and reach its own conclusions as to accuracy and completeness.

