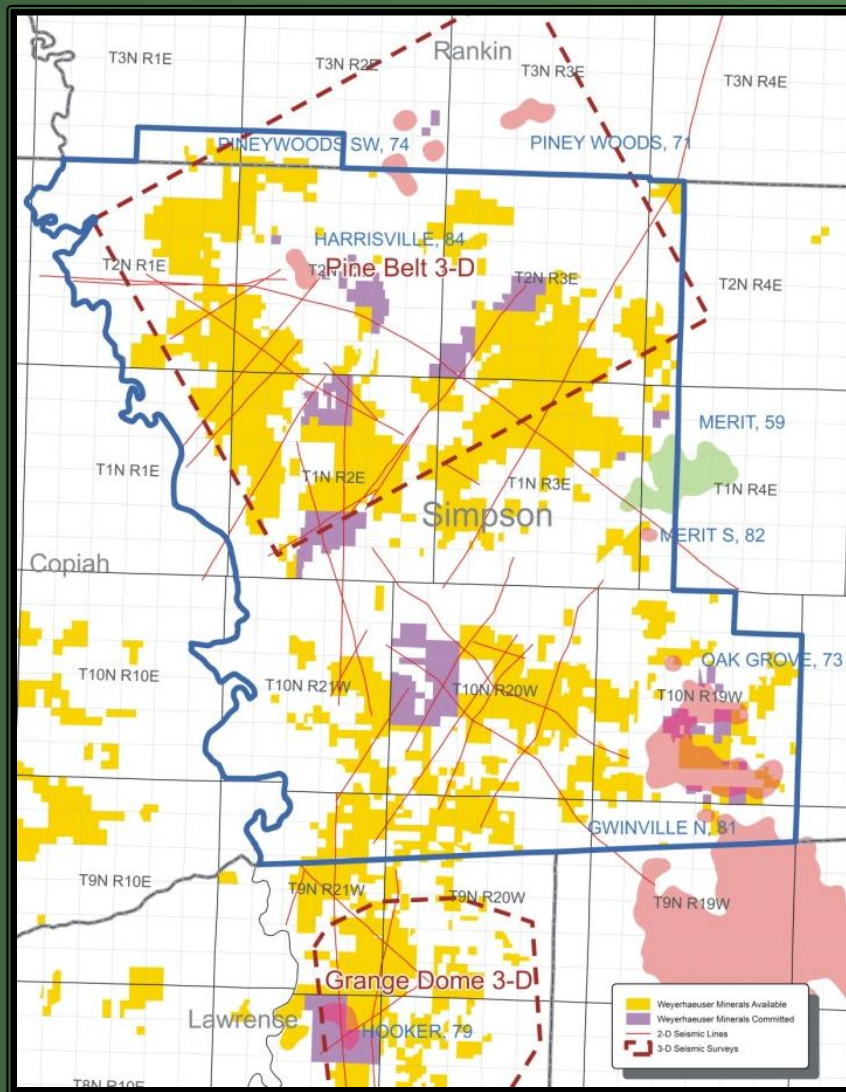




# Lower Cretaceous/Smackover Prospects Simpson County, Mississippi



## Weyerhaeuser Assets:

- 46,000+ acres with multiple prospects
- 200+ BCF reserve potential per prospect
- 2D/3D defined L. Cretaceous/Smackover prospects (in multiple locations)
- 160 miles of 2D seismic
- 100 sq. miles of 3D seismic

## Suggested Terms:

- Option Terms:
  - \$10/ac bonus
  - 2 year term
- Lease Terms:
  - \$50/ac bonus
  - 3/16 royalty
  - 3 year primary term

This information is not intended to be and should not be interpreted to be an exclusive offer to your company. Unless and until an Option/Lease Agreement or binding letter of intent has been executed between your company and Weyerhaeuser, neither your company nor Weyerhaeuser will be under any legal obligation whatsoever to conclude a transaction. Weyerhaeuser reserves the right, at its sole discretion, to reject any and all offers and to terminate discussions concerning a potential transaction at any time without liability or obligation of any nature whatsoever.

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## Lower Cretaceous / Smackover Prospects – Simpson Co., MS

<b>Play Concept:</b>	Deep-seated salt-cored, growth fault anticlines in MSSB
<b>Prospects/Leads:</b>	Multiple 50 to 200+ BCFG structural prospects and leads, defined by 2D and 3D seismic
<b>Drill Depth:</b>	24,000'
<b>Potential Reserves:</b>	500+ BCFG over multiple prospects.
<b>Primary Reservoir:</b>	Smackover Sandstones
<b>Secondary Reservoirs:</b>	L. Cretaceous (Rodessa, Sligo, Hosston)

### Geologic Overview:

The Simpson County Smackover prospects are faulted anticlinal structures with 3-way closure in the lower Smackover productive interval. Most of these prospects and leads were identified by Shell in the '70s. Approximately 160 miles of 2D seismic data (shot by Shell) have been used to map the top of the Smackover porosity zone in the prospect areas. A recently shot 3D survey has confirmed existing, and identified additional prospects. Two-way dip at the Ferry Lake Anhydrite is present on some of the seismic lines indicating that the L. Cretaceous reservoirs (Rodessa, Sligo, James and Hosston) have potential above the deeper Smackover objective.

### Productive Analogs:

Sandstones within the Smackover Formation are prolific gas producers in Rankin and Simpson Counties at Thomasville (Cum. Prod. = 485 BCFG, 9 wells), Harrisville (49 BCFG, 2 wells), and Piney Woods (201 BCFG, 8 wells) fields over salt-related anticlinal structures. The Shell #1 Burch, the discovery well for Thomasville Field, has produced 178 BCFG and is still producing 7 MMCFGPD after 33 years.

### Reservoir Targets:

Sandstones are found throughout the Smackover Formation in Simpson Co., MS and are the main reservoirs in the producing fields. At Harrisville Field, the Smackover sandstones have Ave. Porosity = 9%, Kh = 186 md ft, Sw = 25% with a reservoir pressure of 23,100 psi. The main producing well in the Harrisville Field, the Shell #1 McGehee, has 121 feet of pay, with cumulative production to date of 33 BCFG, and is still producing at a rate of 2 MMCFGD. Hosston, Rodessa and Sligo sandstones are additional reservoir targets in the Simpson County acreage block. The Hosston Formation is over 3,000' thick in Simpson County. It consists of >50% sand and has better reservoir properties than the prolific Hosston reservoirs at Monticello Field in Lawrence Co., MS, which have produced over 40 BCFG. Rodessa and Sligo sandstones are also prospective in the prospect area. Nearest production from these reservoirs is at Merit Field, located on the eastern edge of the Weyerhaeuser acreage block.

### Data Summary/Reserve Calculations:

**Seismic:** 160 miles of 70's vintage Shell 12-fold data (5 lines), reprocessed in 2008

**Example Prospect Reserves:** 220 BCFG; based on 120' of pay; 9% porosity; 1,000 acres; 23,100 PSI