

WEYERHAEUSER COMPANY

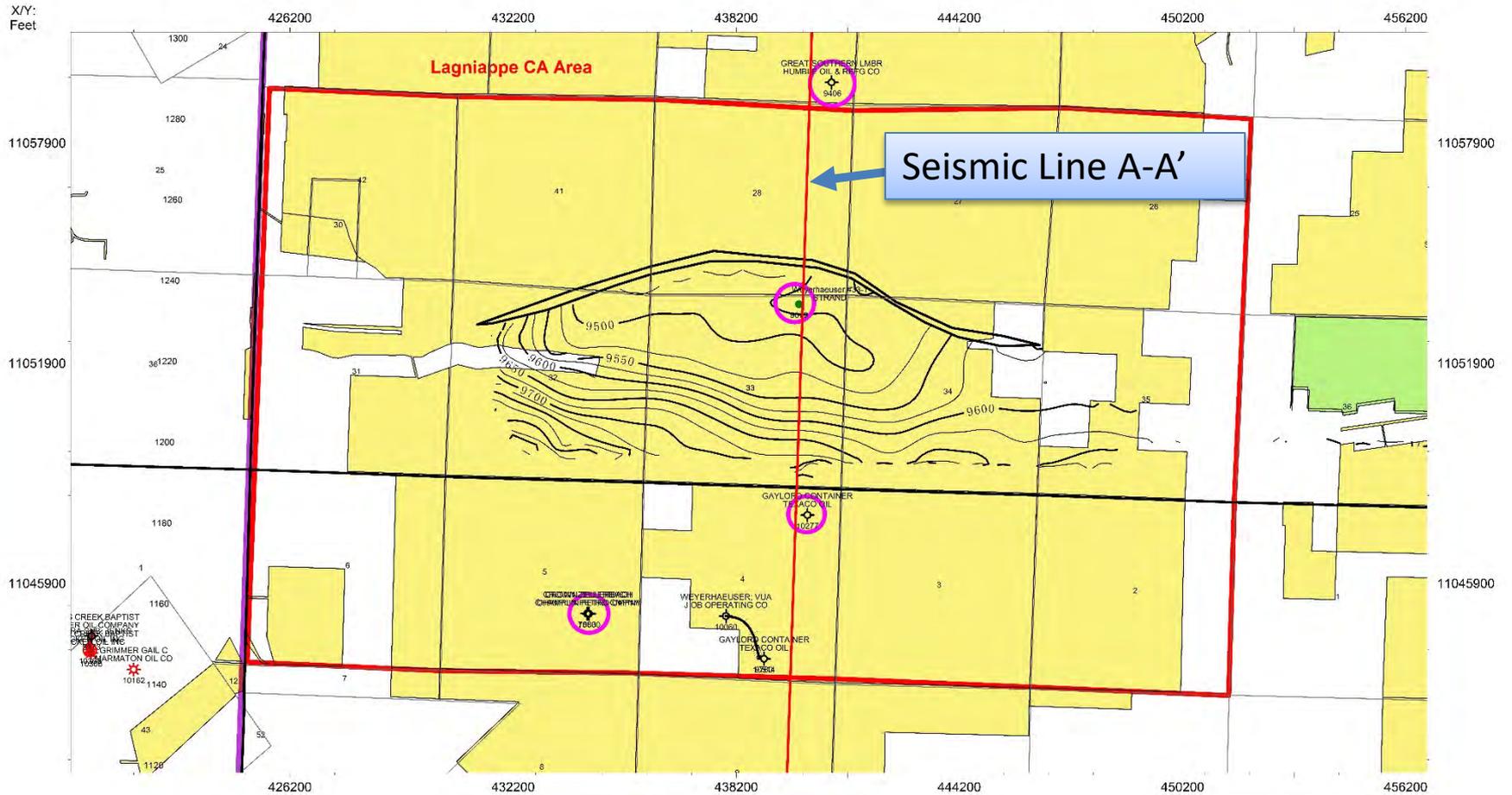
West Frost Prospect (Frio Ss)

Livingston Parish, LA

West Frost Frio Prospect Summary

- **Primary Target: Upper Frio Sandstone**
- **Location: T7S R4E – Sec. 33, Livingston Parish, Louisiana, Middle Colyell Creek Field**
- **3 – way structural closure**
- **Frio Reservoir Properties**
 - Age: Oligocene
 - Lithology: alternating sandstones and shales with occasional limestone beds
 - Area: 1000 acres
 - Net Pay: 8'
 - GOR: 500, 40 API gravity
 - Porosity: 18%, Permeability: 130 mD
 - 4.6 MMSTOOIP per section
 - Drive Mechanism: gas cap, pressure depletion
- **Single well technical EUR : 173 MBO (187 MBOE) assuming 200 ac drainage area and 15% RF**
- **Up to 4 drill ready locations**
- **Suggested terms: \$200/ac, 22.5% royalty interest, 1000 ac minimum lease with lease costs offset by production if well is drilled in the 1st year of the lease**

STRUCTURE MAP – TOP FRIO



WEYERHAEUSER

Project:

Project Location: Livingston Parish, LA

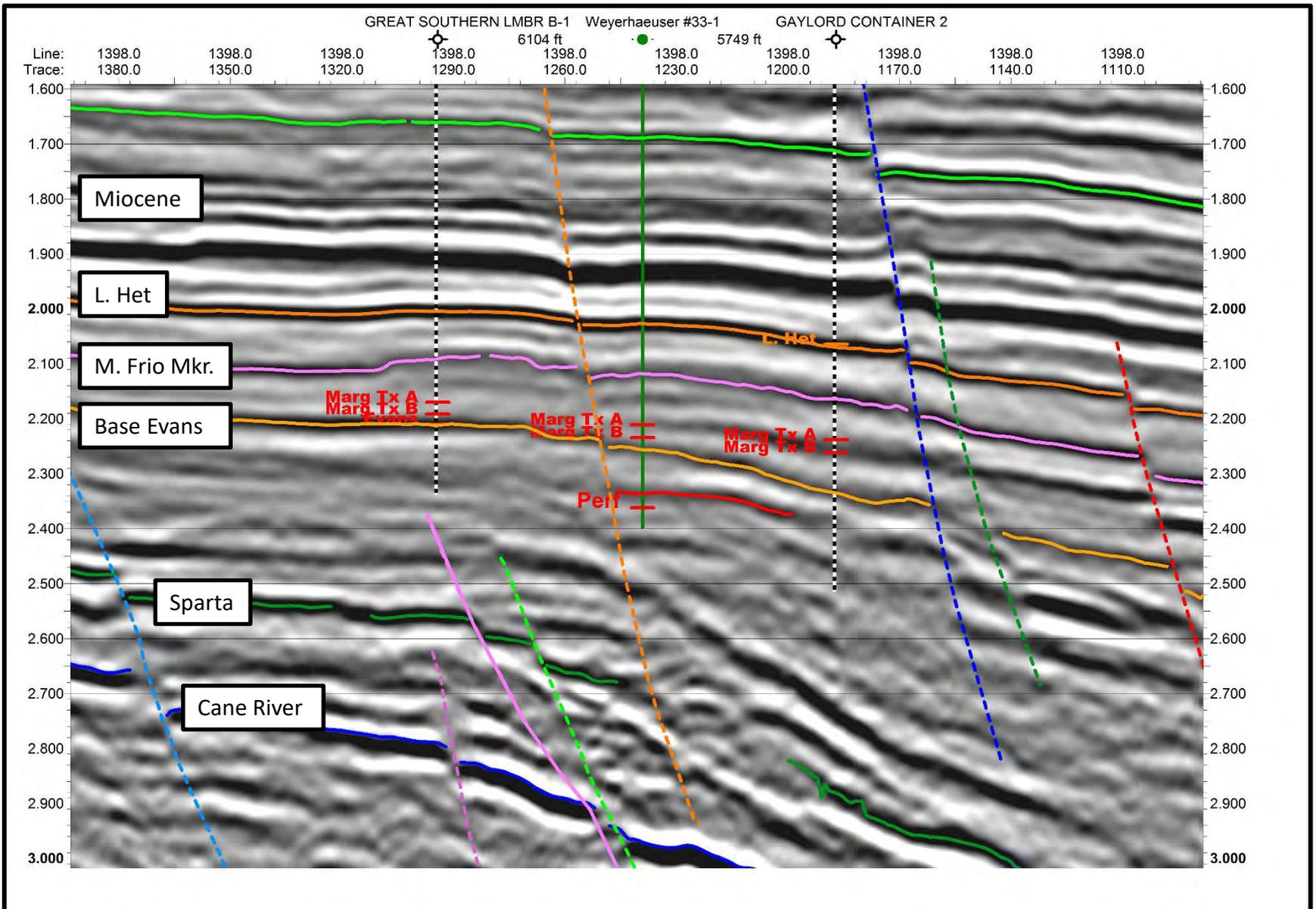
Contour: .mdh ST Strand 33-1 peak above sm depth+153 (niemb) (Black), Data Type: Depth, Version: Pre7.5

Structure – Peak 110' above #33-1 Deep Frio Pay

Seismic Line A-A'

North

South



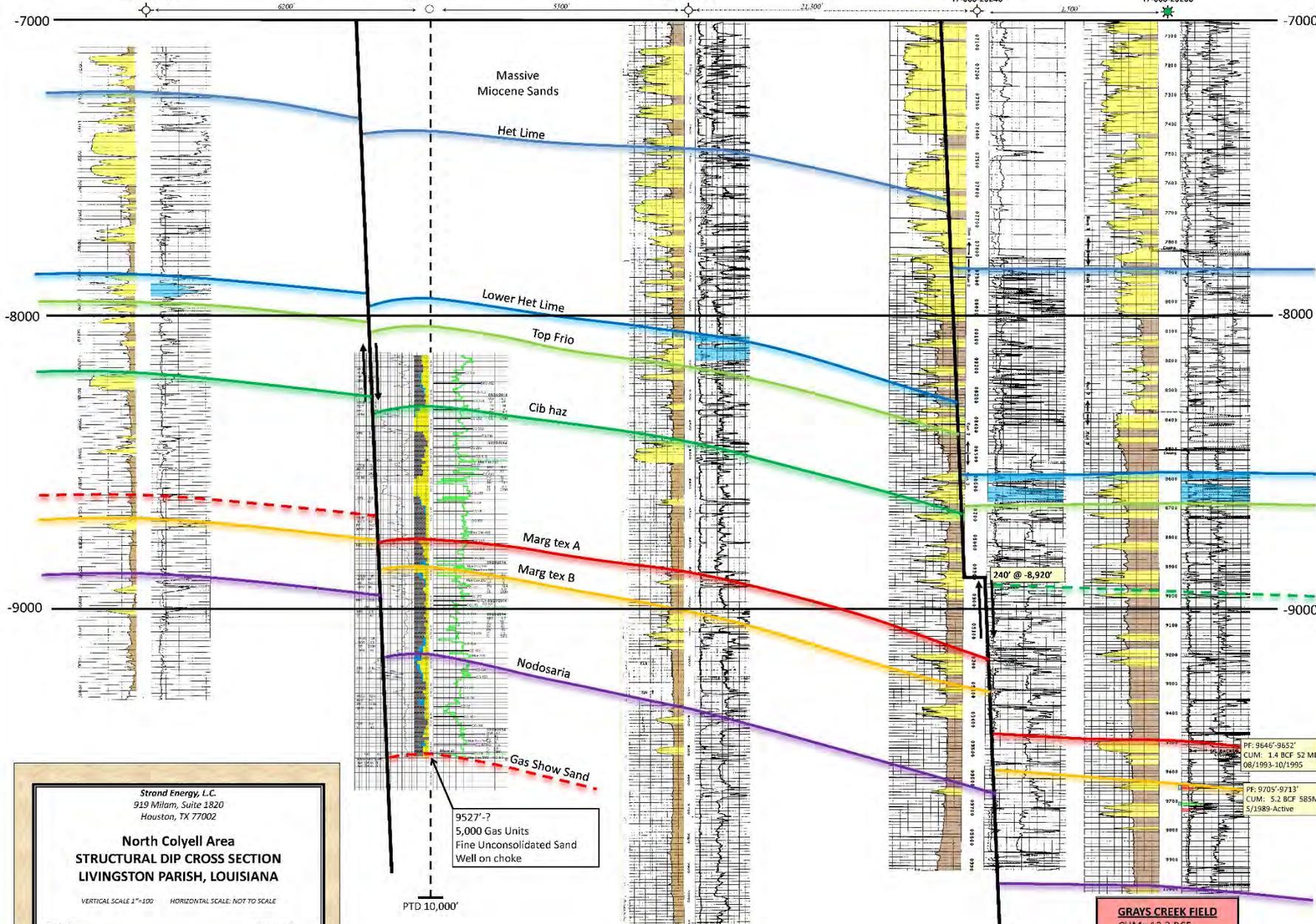
Humble
Gt. Southern B-1
KB est 21'
TD 9,406'
17-063-00017

Strand Energy L.C.
Weyerhaeuser "33" #1
KB 21'
TD 10,000'
17-063-20314

The Texas Company
Gaylord Container #2
KB 21'
TD 10,092'
17-063-00041

Wacker Oil Inc
Elven J. Savoy #1
KB 33'
TD 9975'
17-063-20246

Wacker Oil Inc
Erva S. Meyer et al #1
KB 46'
TD 10,200'
17-063-20238



Strand Energy, L.C.
919 Milam, Suite 1820
Houston, TX 77002

North Colyell Area
STRUCTURAL DIP CROSS SECTION
LIVINGSTON PARISH, LOUISIANA

VERTICAL SCALE 1"=100' HORIZONTAL SCALE, NOT TO SCALE

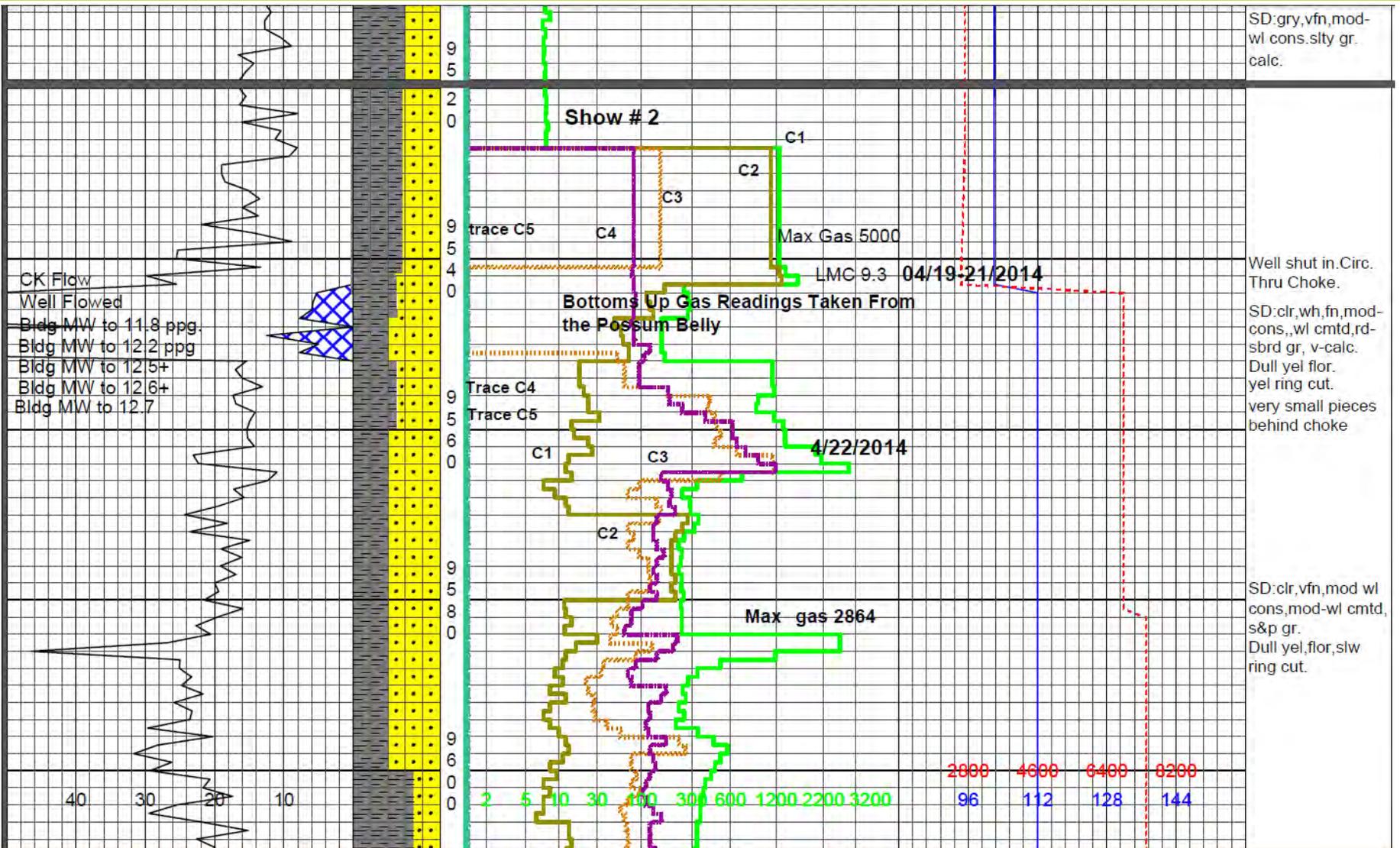
CEB/CBB April 1, 2014

GRAYS CREEK FIELD
CUM: 12.3 BCF
995 MMBO

Strand Weyerhaeuser 33-1 History

- **Mud weight was 9.8 ppg (.51 psi/ft) when they drilled through the top of the Frio and encountered the 1st show (kick) at 9500' MD and then built the MW to 13.1 ppg (.68 psi/ft) to TD; a second kick and strong show (5000 GU) was logged at 9527' MD**
- **Perforated 6' in the upper Frio 9505' – 9511' MD from cased hole logs**
- **Reported to Sonris IP24 data :140 BOPD/75 MCFD/340 BWPD, avg FTP 2100 #, avg water cut 76%, 9/64" choke**
- **During 24 hour flow test, peak 1 hour rate: 360 BOPD/110 MCFD/183 BWPD (34% water cut) , FTP 1965# 9/64" choke**
- **Completion Issues**
 - **Slim hole completion - due to hole conditions, 3 1/2" casing was run in order to be able to complete the well**
 - **Problematic cement integrity - cement was encountered after squeezing the hole in the 3-1/2" liner**
 - **Cased hole logs were run but perforations made through tubing and potentially off-depth**

Strand 33-1 Mud Log Frio Show

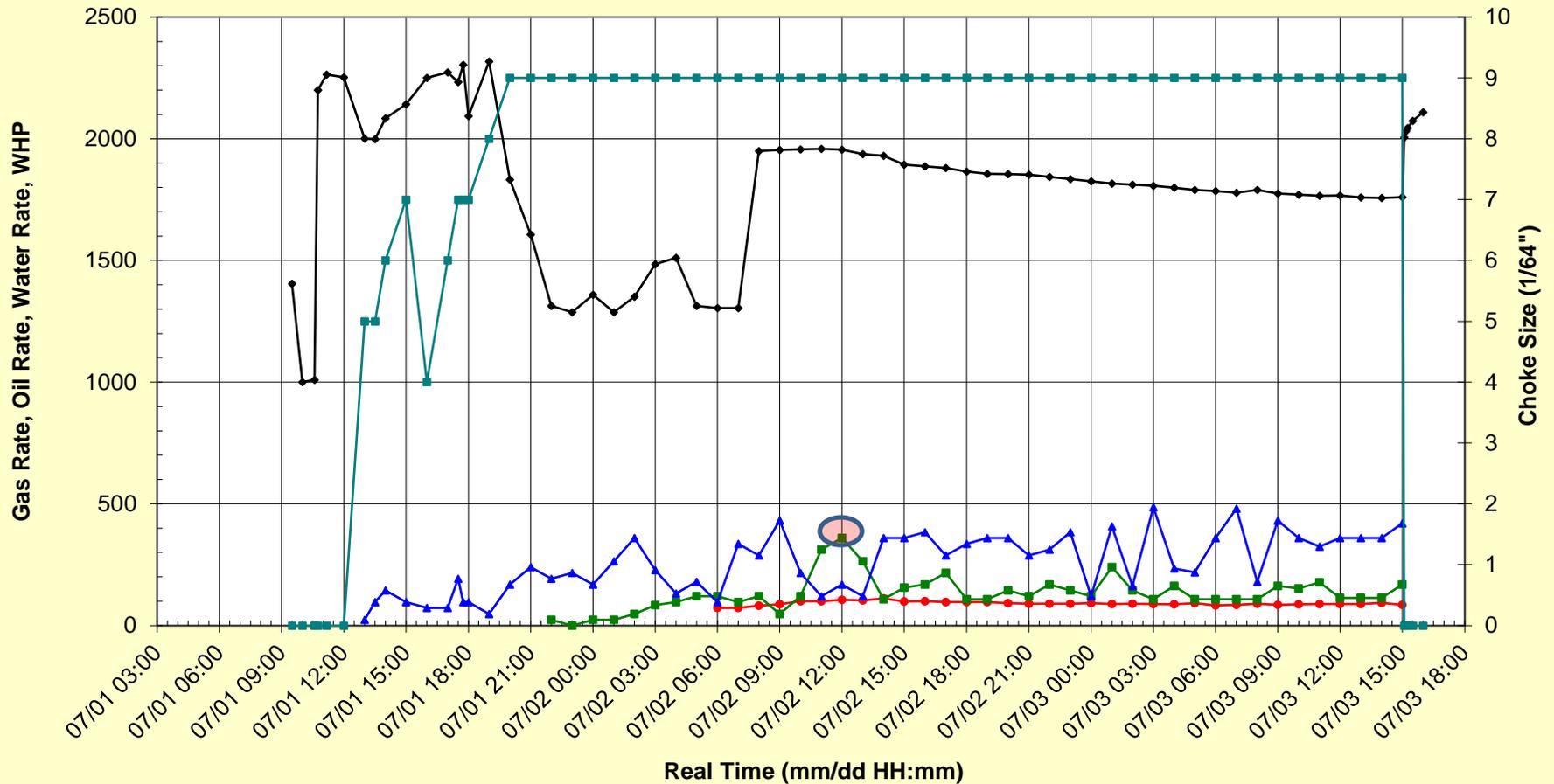


Strand Energy .L.C - Weyerhaeuser 33 No. 1

07/01 - 07/03/14

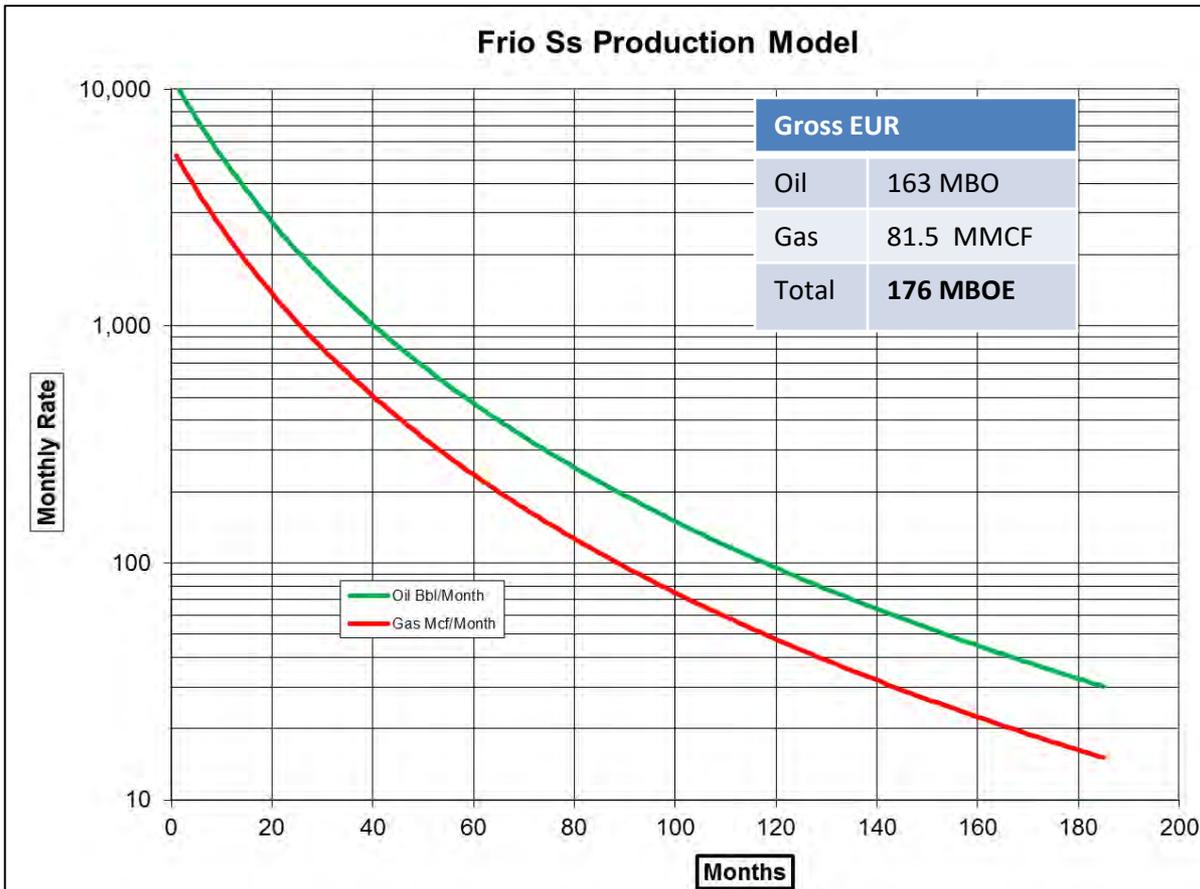
{Gas Rate, Oil Rate, Water Rate, WHP, Csg Press, Choke Size} vs Real Time

—●— Gas Rate —■— Oil Rate —▲— Water Rate —◆— WHP —■— Choke Size



FRIO SINGLE WELL ECONOMICS

| D&C \$M | PV10 \$M | Payout Years | IRR | ROI | Reserves MBO | Reserves MBOE |
|---------|----------|--------------|-----|-----|--------------|---------------|
| \$3,000 | \$1,920 | 1.04 | 94% | 1.8 | 130 | 141 |



| | |
|----------------|-----------------|
| Effective Date | 1/1/2018 |
| Spud-to-Comp | 30 days |
| Spud-to-Prod | 60 days |
| WI | 100 % |
| NRI | 80 % |
| IP | 360 BOPD |
| | 180 MCFD |
| | 0 BNGL/D |
| b factor | 0.3 |
| D initial | 60 % |
| D final | 7 % |
| Q final | 1 BOPD |
| GOR | 500 SCF/STB |
| WOR | 1 Bbl/bbl |
| BTU | 1000 BTU/SCF |
| Gas Shrinkage | 3 % |
| EUR | 163 MBO |
| Well Cost | 3.0 \$MM |
| Opex | 12,000 \$/month |
| Severance Tax | 12.5 % |
| Ad Valorem | 2 % |
| Price Oil | \$50 \$/Bbl |
| Price Gas | \$3 \$/Mcf |

Conclusion

- **Drill ready prospect – 1000 acres with 3-4 potential Frio locations**
- **Suggested terms: \$200/ac, 22.5% royalty interest, 1000 ac minimum lease with lease costs offset by production if well is drilled in the 1st year of the lease**
- **Visit Weyerhaeuser booth #4129 for more information**
- **Thank you!**