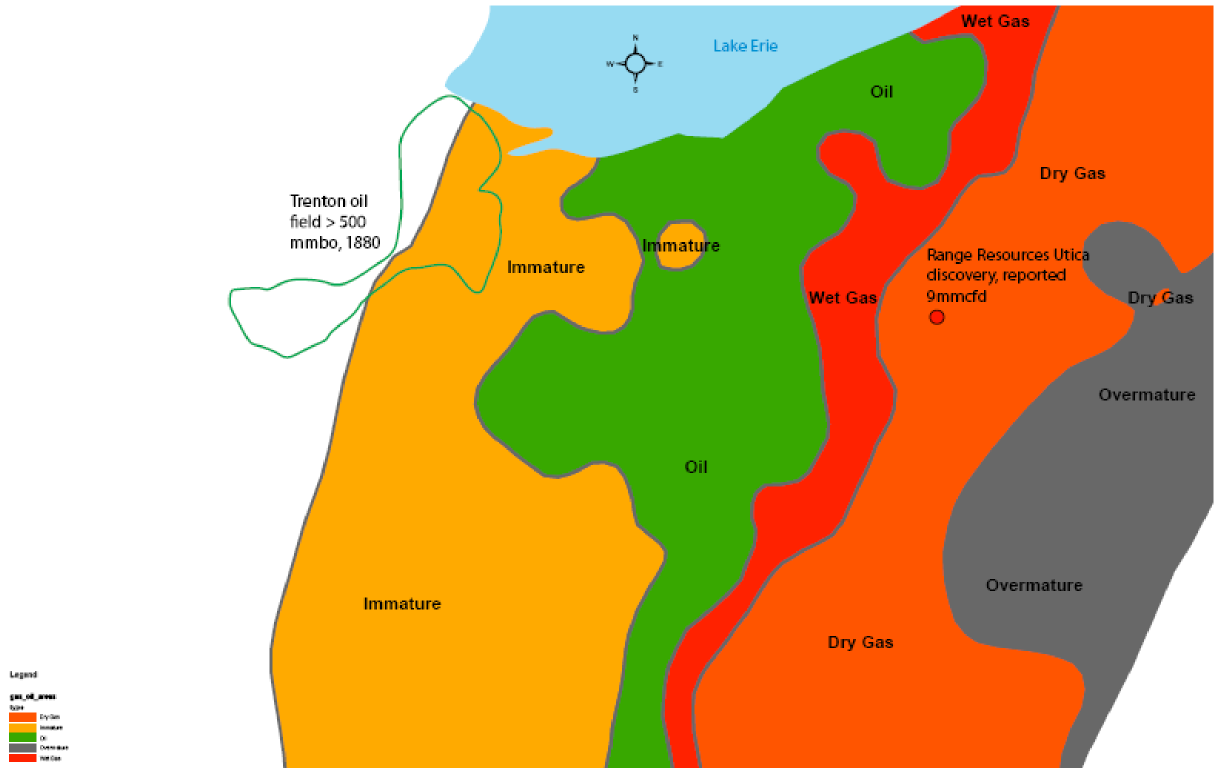
# Global GeoData LLC

## Utica-Locana Shallow Oil Land Play

### *New Range Resources Discovery*

### Ohio & Pennsylvania October 2010




Summary

- Emerging oil & gas land play that is gaining real momentum.
- Being in front of the land rush is a recipe for success in acquiring and turning large blocks of acreage. Land recon reveals that there has been an only slight uptick of activity in most of the counties in area of interest.
- Significant experience putting together large land positions in unconventional plays.
- Range Resources acquired large blocks of acreage in western PA over the last few years, targeting the Marcellus shale—a recent test of the Utica Shale in Beaver County, PA resulted in a rumored rate of 9 MMcf gas/day (and likely with significant condensate).
- Chesapeake is quietly acquiring a significant acreage position in Northeastern Ohio, paying $350-2000 per net acre.
- A partner has turned a small block to Chesapeake in an area where he felt he could not compete.
- Acreage bonuses in the Western portion of the Marcellus play area, which is included in the new Range Utica play area have gone for up to $2000 per acre.
- It appears this play may be a continuation of the Utica/Collingwood play in Michigan, with the advantage of having a significant black oil leg (a

**Contact: Tim Gognat 303-525-3883 *tgognat@globalgeodata.net***

potential black oil leg in Michigan appears limited to a relatively small area), and better indications of natural fracture permeability.

- All of the hallmarks to be one of the next great plays, such as the Haynesville Shale, Barnett Shale, Eagle Ford Shale, Bakken Shale, Marcellus Shale, and Niobrara Shale.
- The area targeted has significant liquids potential at moderate to shallow depths.
- Currently, no speculators are on the ground to drive up prices; areas as large as counties appear to be quiet/lack leasing activity; a few counties on the Pennsylvania/Ohio border have a few permitted wells to test the Utica.
- Several key attributes make this a unique opportunity and an attractive exploration play to a major or large oil company.
    - Good concept including source rock, seal and reservoir
    - Presence of shale/carbonate source rocks
    - Widespread oil and gas shows within the interval of interest
    - Significant aerial extent of the reservoir
    - Inter-bedded source and reservoir rocks
    - Early in the play—activity beginning in the eastern play area where high gas productive potential exists.

Investment and Econs:

- Minimum Funds of $5 Million to acquire 150,000 net mineral acres
- 270 days for return; 90 days to complete leasing; 180 days to market Leases acquired for all in cost of $125/acre; $10,000 marketing costs to be recovered upon sale to third party; $200/acre minimum sales price plus retain ORRI; anticipated minimum total return to investor of $37.50/acre plus future value of 2%+ ORR.

Reserves Potential: Unknown, but reports indicate high IP, liquids rich hydrocarbons (9 mmcfg)

Play Type: Stratigraphic; well to poorly developed carbonate porosity & high-TOC inter-beds combined with shale source rocks

Play Characteristics: Tectonically Enhanced Natural Fracture Porosity

- Porosity Expected to Range from 1 to 15%
- Permeability unknown
- Oil Gravity: unknown but expected to be variable
- Reservoir anticipated to be overpressured
- Expected Stimulation: Multi-Stage Slick Water Sand Frac
- Analog may include Middle Bakken & Three Forks (Williston basin), Collingwood (Michigan basin), Eagle Ford (East Texas)

Secondary Targets: These include Ohio shale, Marcellus, Clinton-Medina, Trenton, Rose Run, and Trempealeau.

- The area has had significant gas production for many years

Pipelines: Major Transmission Lines accessible

Drilling Depths: 3000' to 7,000'

Initial Play Area: Includes hundreds of thousands of acres

Leasing: Competition is currently moderate; acreage likely will be available at $30-50 with 5+5 year terms

Primary Risks: Investment loss is considered minimal; possibilities include:

- Acreage condemned by drilling (inadequate hydrocarbon charge, lack of seal, porosity, permeability or fracture systems)
- Existing wells in play water out or prove to be uneconomic
- Oil prices fall; general economic conditions
- Given early stage of this oil & gas play and the size of the play, there is minimal risk that acreage will be condemned. There also appears minimal risk that the existing Range Resources well will prove to be uneconomic

Terms: Acreage fee and ORRI; or percentage of deal

**Contact: Tim Gognat** **303-525-3883** ***tgognat@globalgeodata.net***

# Project Team

## Michael D. Schreiner, Owner & President
## Established SCHREINER OIL & GAS INC. in 1984

Independent oil and gas exploration, development, and production company.

- Assembled leasehold in rural and suburban areas of Ohio, New York and Pennsylvania
- Coordinated all efforts of abstractors, title attorneys and land team
- Marketing and promotion of oil & gas properties
- Raising capital investment for drilling and completion
- Supervision of leasing, drilling and completion of oil & gas wells

8524 N. Farview Drive
Scottsdale, Arizona 85258
(330) 323-2277 Cell
schreineroil@aol.com

## Charles Kendall

Active in land acquisition and oil field operations since 1978.

Managing Partner of Chase Energy Group, LLC
1542 Ashton Way
Wooster, Ohio 44691
Phone: 330.354.4830
Wooster, Ohio 44691
quakerdad15@yahoo.com

## Timothy Gognat

Geologist, involved with development and assessment of unconventional reservoirs since 1979. Extensive experience in the Illinois, Michigan, Piceance, Powder River and Williston basins, and the North Slope of Alaska.
Packaged and marketed multiple regional shale gas & oil plays in Indiana, Kentucky, and Michigan since 2005.

Managing Member, Global GeoData, LLC
P.O. Box 140391
Edgewater, CO 80214
303-525-3883
tgognat@globalgeodata.net