



ENERGY SPECTRUM ADVISORS INC.

## **Sale of Mineral & Royalty Assets**

Camp Cooley Ranch is offering for sale certain mineral and royalty interests located in Texas, or more specifically, the Cotton Valley Lime/Deep Bossier formations (the “Properties”). The Company has engaged Energy Spectrum Advisors Inc. (“ESA”) as its exclusive financial advisor in connection with the sale of the Properties.

# Disclaimer

Camp Cooley Ranch (the “Company” or “CCR”) has exclusively engaged Energy Spectrum Advisors Inc. (“ESA”) to assist in the sale of certain oil properties located in Robertson County, Texas (the “Properties”). This Information Memorandum and all of the data provided (the “Sale Materials”) have been prepared from information supplied to ESA by the Company and is being furnished to prospective purchasers through ESA as the Company’s exclusive, authorized agent.

The information contained herein has been prepared to assist parties in making their own evaluations of the Properties and does not purport to contain all of the information that prospective purchasers may desire. ESA has not independently verified any of the information contained in the Sale Materials. Any references to financial and/or operating forecasts in the Sale Materials, including reserve and economic forecasts prepared by the Company or ESA, are based on estimates and assumptions that may or may not prove to be correct or accurate.

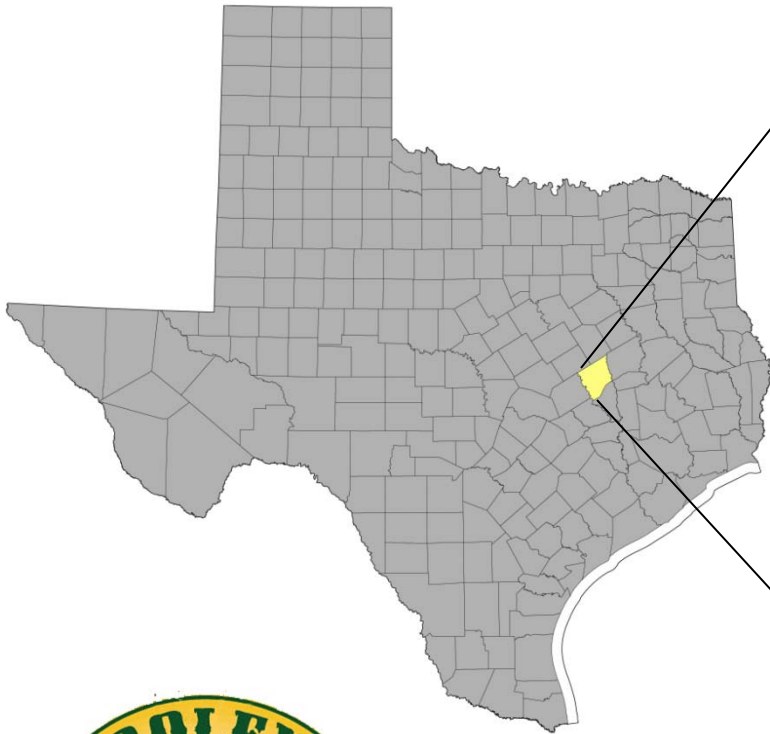
The Sale Materials have been compiled or prepared by the Company or ESA based upon the Company’s files and records, and such Sale Materials are believed to be correct, but the Company and ESA make no representation, express or implied, as to the accuracy, correctness, completeness, or adequacy of same and do not warrant or guarantee such Sale Materials in any way. The recipient agrees that the Company, ESA, or any of their respective affiliates, directors, officers, employees, representatives, consultants, or agents shall not have any liability to the recipient or any of the recipient’s representatives, agents, or employees resulting from the recipient’s review, reliance, or use of the Sale Materials, any errors therein or omissions therefrom, or the failure of the Company or ESA to update the Sale Materials. The Sale Materials are being furnished for the recipient **at its sole risk. The recipient is responsible for making its own independent investigation, verification, and evaluation of the Properties, realizing that the Company and ESA do not assume and shall have no liability to the recipient or any other party for any reliance on or any conclusions drawn from the Sale Materials, reserve report, statistics, summaries, or facsimiles furnished herewith or hereunder.** Nothing herein shall be construed as giving legal, financial, or other advice of any kind.

By accepting the Sale Materials, the recipient acknowledges and agrees that: (1) all of the information contained herein is subject to the Confidentiality Agreement previously executed by the recipient; (2) the recipient will not reproduce the Sale Materials, in whole or in part; (3) if the recipient does not wish to pursue this opportunity, it will return the Sale Materials to ESA promptly, together with any other material relating to the Properties that the recipient may have received from ESA or the Company; and (4) any proposed actions by the recipient which may be inconsistent in any manner with the foregoing agreements will require the prior written consent of ESA and the Company.

The Company reserves the right, exercised in its sole discretion at any time and without notice or explanation, to (1) modify or revise any or all of the dates and procedures set forth in the Sale Materials; (2) terminate discussions with, or investigations by, any prospective purchasers; (3) evaluate (a) the credentials of any or all prospective purchasers or (b) the terms, conditions, or financing of any offer made by any prospective buyer; (4) reject any or all of the prospective purchasers' offers to the Company; (5) accept an offer at any time throughout the process, including an offer (a) other than the offer containing the highest purchase price or (b) that is not made in accordance with the terms outlined in the Sale Materials; or (6) conditionally accept or continue negotiations with any prospective purchasers with respect to an offer.

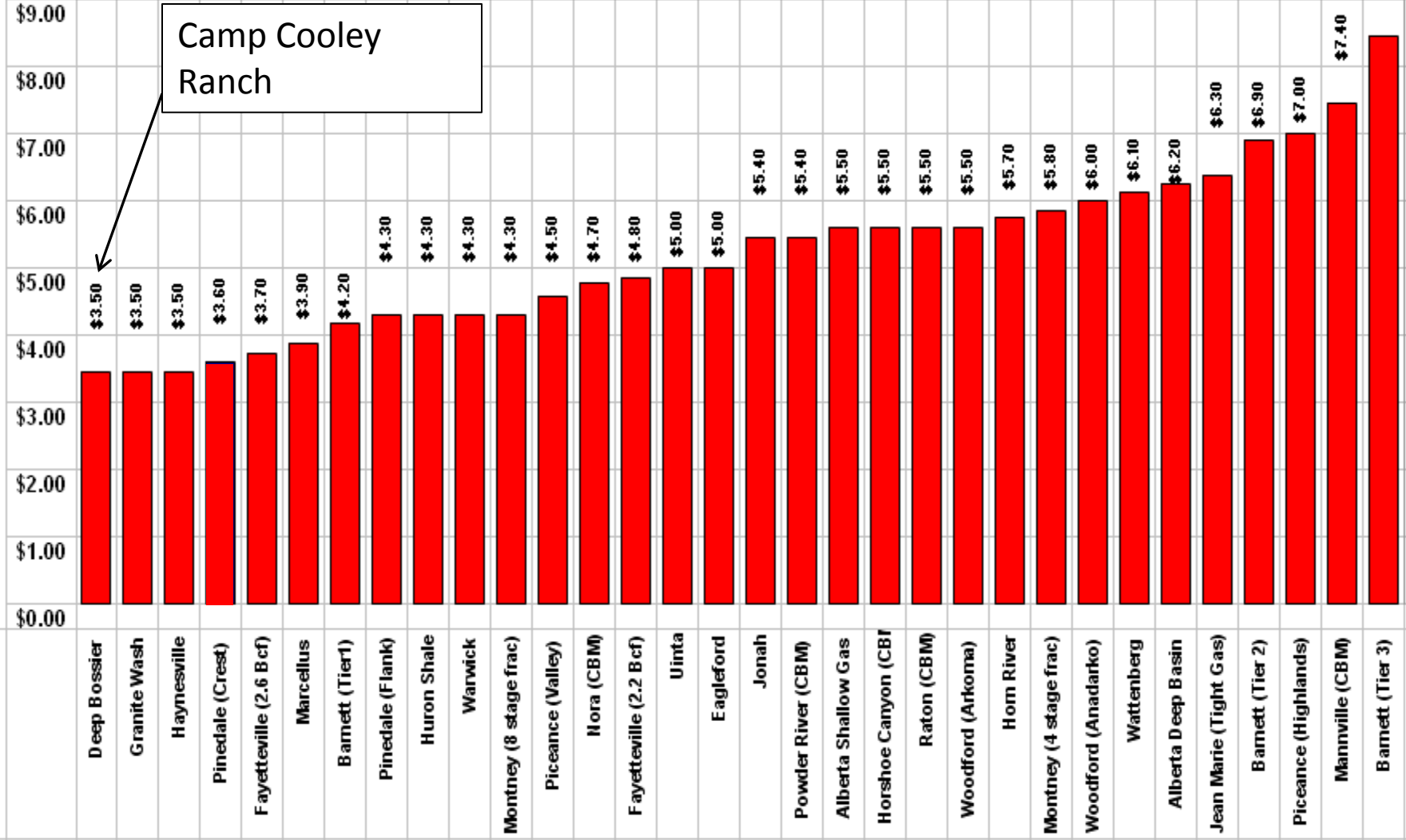
**Any or all of the Properties described herein are subject to prior sale. No binding agreement will exist unless and until both parties execute a final Purchase and Sale Agreement.**

# Location Map



# Resource Play Break-Even Economics

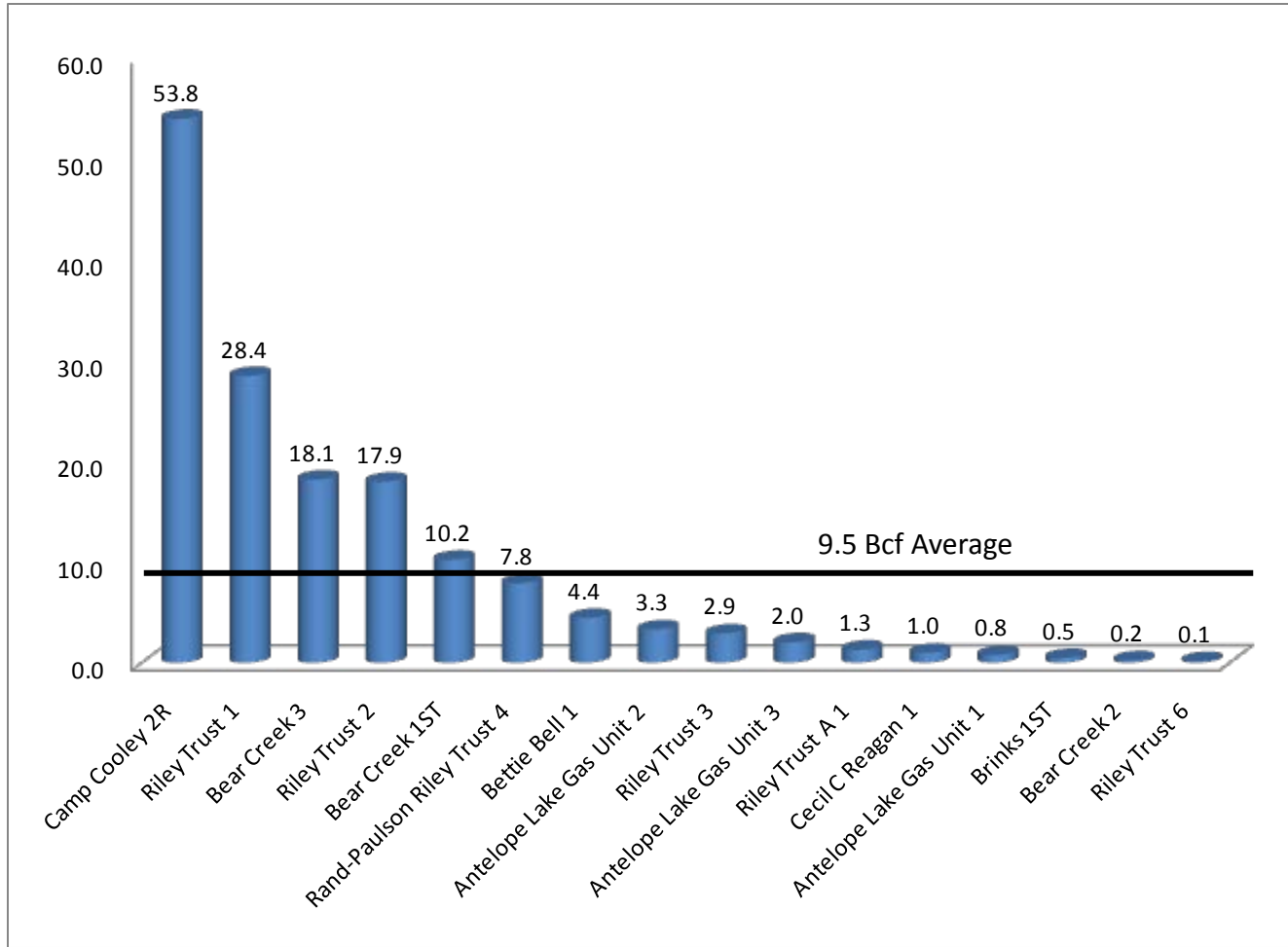
**NYMEX Gas - \$per MMBTU (for a 10% IRR)**



## Camp Cooley Ranch (CCR) Executive Summary

- Approximately 10,600 acres. 16 wells producing in the Cotton Valley/Deep Bossier Trend
- Net revenue for 2010 was \$1.4 MM a 53% increase from 2009 (\$0.9 MM)
- Four check stubs received per month(one from each of the four operators: Anadarko, Red Willow, Sinclair Oil & Gas and Marathon Oil).
- Camp Cooley Ranch Royalty Interests range from 2.5% to 10%
- Cotton Valley/Deep Bossier operators including Anadarko, Devon, Encana, Marathon and XTO are active in the area.
- Long life wells (7-18 Bcfe) on or near CCR acreage.
- Approximately 3,600 Ac. leased & 7,000 Ac. unleased and available for development
- Large amount of undeveloped upside acreage provides ample area for development
- Bossier is recognized as Top Tier Economic Resource Play
- Pipeline Facilities already in place
- The surface and ranch are also for sale by a third party broker. For more information see <http://www.campcooley.com>

# Camp Cooley Ranch Wells EUR (Bcfe)



## Reserve Report by Energy Spectrum Advisors, Inc.

Energy Spectrum Advisors has prepared an oil and gas reserves evaluation on the producing properties with an effective date of January 1, 2011.

<b>Camp Cooley Ranch</b>			
<b><i>Proved Developed Producing</i></b>			
<b><i>As of 1/1/2011</i></b>			
<b><u>Future Cash Flow (Undisc. &amp; Discounted)</u></b>			
<b>\$ in millions</b>	<b><u>RI %</u></b>	<b><u>WI%</u></b>	<b><u>Total</u></b>
PV-0%	\$10.8	\$2.0	\$12.8
PV-2%	\$8.8	\$1.8	\$10.6
PV-4%	\$7.4	\$1.6	\$9.0
PV-6%	\$6.4	\$1.4	\$7.8
PV-8%	\$5.6	\$1.3	\$6.9
PV-10%	\$5.0	\$1.1	\$6.1
16 Locations			
Pricing Used: Five-year NYMEX Strip as of 1/14/2011 (Flat thereafter)			
Reversionary Working Interest Bear Creek #3 assumed to start 1/1/2012			

## Potential Upside Development

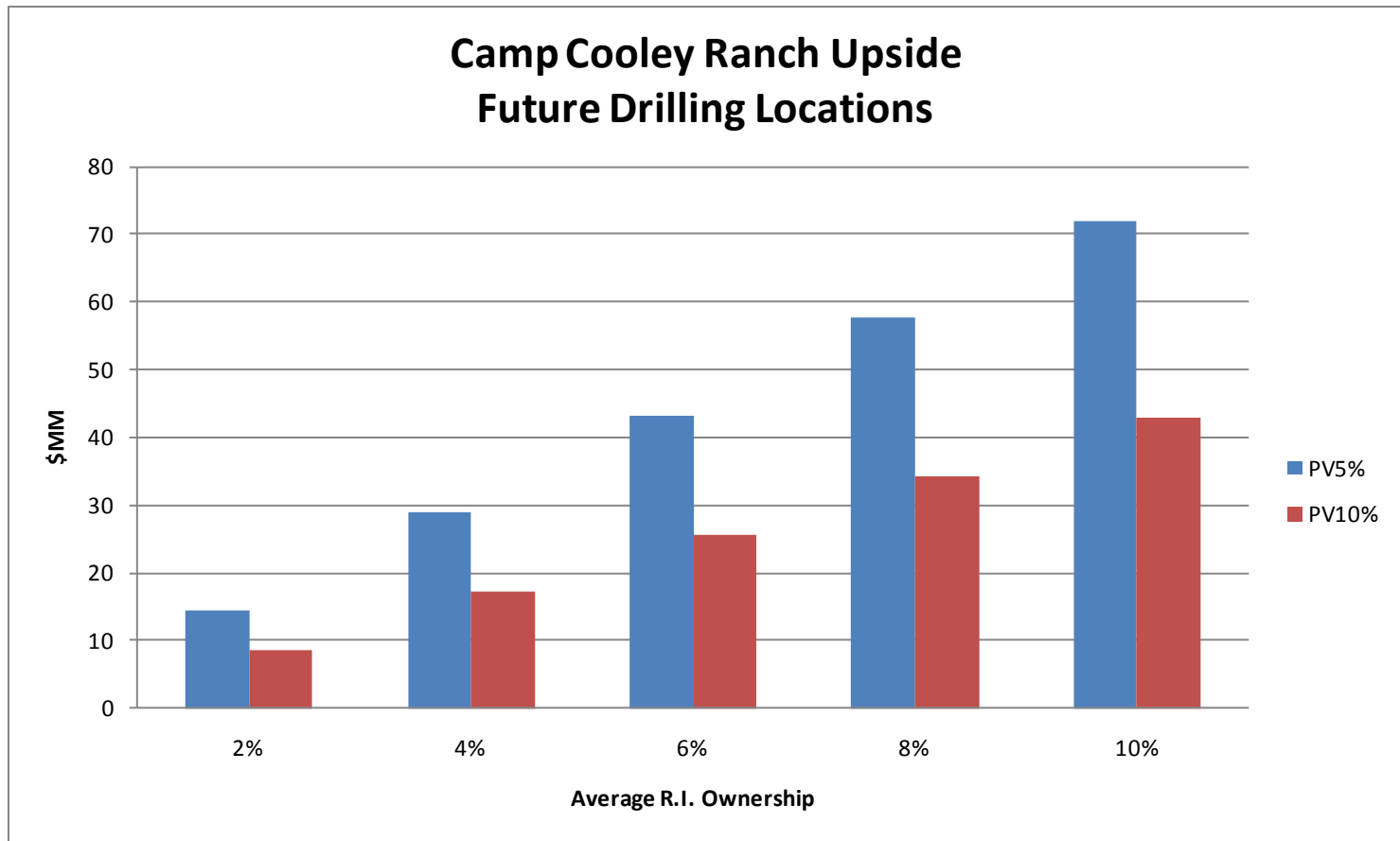
- 3-D Seismic Data owned by Camp Cooley Ranch is available for purchase.
- Of the 16 producing wells, 12 have Estimated Ultimate Recoveries (EUR) of 1 Bcfe or greater. The total average well EUR is 9.5 Bcfe and the largest well EUR is 53 Bcfe (centrally located on the CCR acreage).
- Upside potential locations could yield as many as 23 locations averaging 8-12 Bcfe Estimated Ultimate Recoveries on 320 acre spacing based on current producing properties and risked at 80%.
- Large well offsetting lease line by 300 feet with 4.2 Bcfe cumulative production and EUR of approximately 5.3 Bcfe.
- Major wells just south of the Camp Cooley Ranch lease line include IPs in the range of 5-13 MMCF/D and cumulative production of 3.0-4.2 Bcfe.
- Major wells just west of the Camp Cooley Ranch lease line include IPs in the range of 0.6-2.4 MMCF/D and cumulative production of 2.0-4.2 Bcfe.
- Major wells just north of the Camp Cooley Ranch lease line include IPs in the range of 0.6-13 MMCF/D and cumulative production of 2.0-5.9 Bcfe.

# Reserve Report by Energy Spectrum Advisors, Inc.

Camp Cooley Ranch Potential Upside Locations As of 1/1/2011					
\$ in millions	Future Cash Flow (Undisc. & Discounted)				
	<u>2%</u>	<u>4%</u>	<u>6%</u>	<u>8%</u>	<u>10%</u>
Avg. RI >					
PV-0%	\$29.3	\$58.6	\$88.0	\$117.3	\$146.6
PV-2%	\$21.4	\$42.8	\$64.0	\$85.5	\$106.9
PV-4%	\$16.3	\$32.6	\$64.1	\$65.2	\$81.5
PV-6%	\$12.8	\$25.7	\$38.5	\$51.4	\$64.2
PV-8%	\$10.4	\$20.8	\$31.2	\$41.6	\$51.9
PV-10%	\$8.6	\$17.1	\$25.7	\$34.3	\$42.8

23 Upside Locations  
Pricing Used: \$4/Mcf (esc. 3%/year, capped at \$8)

# Potential Upside Development



### ASSUMPTIONS (For graphical purposes)

Average EUR = 10 Bcf/well

Locations = 23

Pricing = \$4/Mcf (escalated 3%/year, capped at \$8)



REAGAN #1

MISCHER #1-C

RILEY #4

LTX#2

4239530488

4239530819

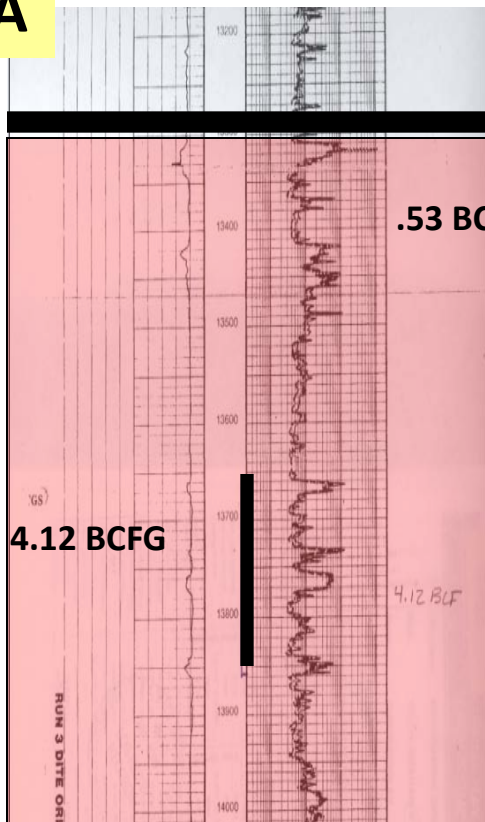
4239530546

4228931348

A

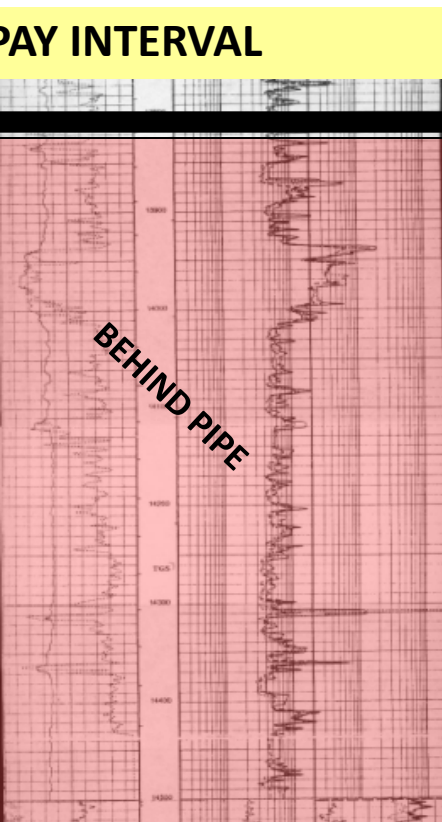
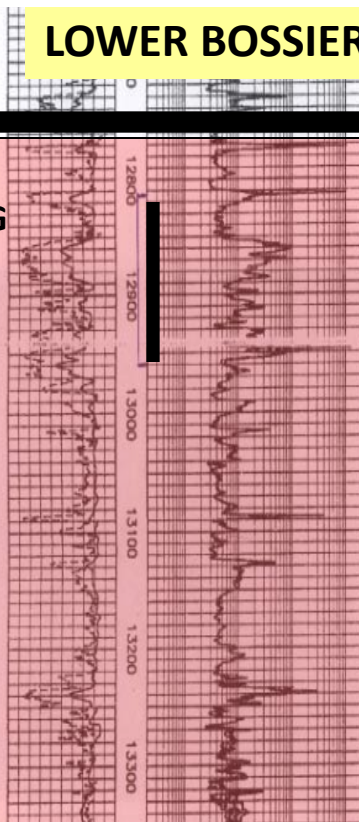
A'

LOWER BOSSIER PAY INTERVAL



.53 BCFG

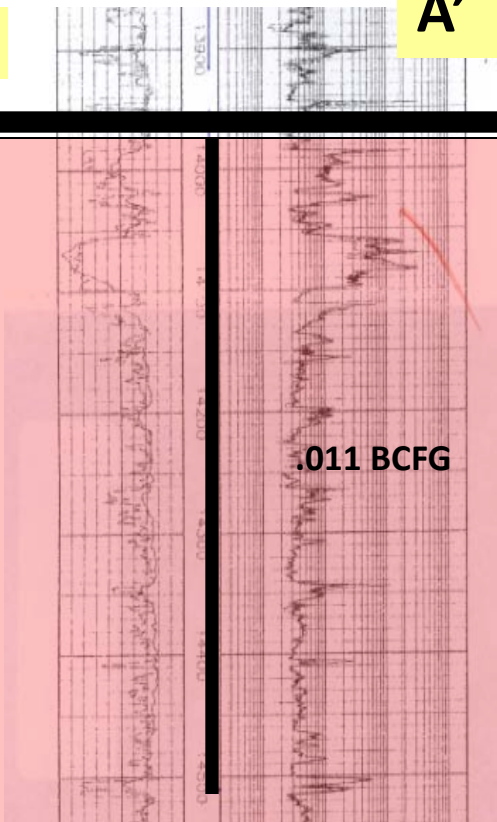
4.12 BCFG



CAMP COOLEY

LOG BREAK

COTTON VALLEY LIME



## Contact Information

Please direct all inquiries to the Energy Spectrum team for this transaction:



ENERGY SPECTRUM ADVISORS INC.

**Charles M. Lapeyre**

*Managing Director*

(214) 987-6123

[charlie.lapeyre@energyspectrum.com](mailto:charlie.lapeyre@energyspectrum.com)

**J.Lee Cummings**

*Engineer*

(214) 987-6153

[jlee.cummings@energyspectrum.com](mailto:jlee.cummings@energyspectrum.com)

5956 Sherry Lane, Suite 900 - Dallas, TX 75225 - (214) 987-6100 - Fax: (214) 987-6110

[www.energyspectrumadvisors.com](http://www.energyspectrumadvisors.com)