

WHO IS AMMONITE?

**Robert K. Merrill, Ph.D.
Senior Exploration Advisor
Ammonite Resources**

Ammonite Associates

Ammonite links the business and economics of petroleum exploration with the technical context.

- **Uncertainty recognition and evaluation**
- **Oil and gas project evaluation**
- **Geological and geophysical interpretation**
- **Due diligence for financial investors**
- **Reserve reports' audits**
 - ✓ **Assessment of known resources**
 - ✓ **Assessment of undiscovered resources**
- **Portfolio analysis**
- **Expert witnesses**
- **Management consulting**

Keys to Success

- **Geology and geophysics identify “favorable” areas**
- **“Risk Analysis” – Understanding the uncertainties**
 - ✓ **Geology**
 - ✓ **Volume estimates**
 - ✓ **Production estimates**
 - ✓ **Engineering**
- **Costs**
 - ✓ **Efficient well drilling, completion, stimulation and operating technology**
 - ✓ **Competitive costs**
- **Reliable markets**

Oil and Gas Project Evaluation

- **Assessing the uncertainty**
- **Project assessment**
 - ✓ **Geological & Geophysical interpretation**
 - ✓ **Engineering**
 - ✓ **Financial**
 - ✓ **Management**
- **Due diligence for financial investors**
 - ✓ **New venture**
 - ✓ **Acquisition**
 - ✓ **Divestiture**
 - ✓ **Investigate management team track records and industry reputations**
- **Reserve report audits**
 - ✓ **Evaluate reserve uncertainty**
 - ✓ **P10 – P90**

Management Consulting

- **Business plans**
- **Review reasonableness of business plan**
 - ✓ **Assumptions**
 - ✓ **Timing**
 - ✓ **Cash flow projections**
- **Economic modeling**
- **Competitive intelligence**
- **Contract negotiations**

Ammonite Clients

- **Petroleum companies**
- **Oil service companies**
- **Utility and manufacturing companies with mineral interests**
- **Institutional and individual investors**
- **Banks**
- **Law firms**
- **Independent power developers**
- **Drilling and producing property income funds**
- **Government agencies**

Ammonite's Associates

- **Virtual network of professional associates**
- **Senior industry E&P expertise**
 - ✓ **Most associates have 25+ years of petroleum industry experience.**
- **Widely distributed**
 - ✓ **Worldwide oil and gas “centers”**
 - ✓ **Financial centers of North America and Europe**
- **Ability to assemble diverse spectrum of skill sets**
 - ✓ **Quickly**
 - ✓ **Appropriate to project goals**
 - **Project overview**
 - **Full project evaluation**

Project Evaluation

- **Scope and Time appropriate to project goals**
- **Probability of Success**
 - ✓ **Trap**
 - ✓ **Seal**
 - ✓ **Reservoir**
 - ✓ **Source**
 - ✓ **Timing and Migration**
- **Geology**
 - ✓ **Trap / structure mapping**
 - ✓ **Definable depositional environment for reservoir**
 - ✓ **Reservoir packages correlate**
 - ✓ **Reservoir parameters are realistic and within definable ranges**
 - ✓ **Reservoir geometry accounted for**
- **Engineering**
 - ✓ **Reservoir engineering parameters**
 - **Recovery Efficiency**
 - **Formation Volume Factor**
 - ✓ **Drainage area**
 - ✓ **Reserves and Resources**
- **Financial Return**

Summary

- **Virtual network of professional associates**
- **Globally distributed oil and gas professionals with diverse skill sets uniquely equipped to evaluate uncertainty in oil and gas**
 - ✓ **Geological and geophysical interpretation**
 - ✓ **Oil and Gas Project Evaluation**
 - ✓ **Due diligence for financial investors**
 - ✓ **Reserve reports' audits**
- **Management consulting**

- **Why Ammonite? Unlike most other E&P consulting firms we not only review the geoscience, we also consider the business and economics of petroleum exploration.**

For Further Information Contact:

Robert K. Merrill
(832) 289-0494
rmerrill@catheart.com

G. Warfield (Skip) Hobbs
(203) 972-1130
SkipHobbs@AmmoniteResources.com
