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## ASX/Media Release

29 December 2009

### Argo invests in Pantheon Resources Plc

#### Highlights

- Key strategic investment in East Texas oil and gas opportunity
- Argo secures 6.86% stake to become largest shareholder in Pantheon Resources Plc
- Proven oil and gas development project
- Two target reservoirs - primary target in Austin Chalk and secondary target in underlying Woodbine Sandstone
- Up to 50 well development
- Average Gross reserve per Austin Chalk JV well estimated at 8 Bcfe. Such a well is estimated to have a PV10 of US\$6 million net to Pantheon (after drilling and operating costs, royalties and production taxes)
- Potential reserves of 400 billion cubic feet gas equivalent (Bcfe) from Austin Chalk formation; additional upside potential in separate and independent Woodbine Sandstone
- Typical Austin Chalk wells exhibit high initial production rates, recovering 50 – 55% of reserves per well in first year, delivering rapid payback
- Potential for project to become self funding
- Established local/regional infrastructure and market

**Melbourne, 29 December 2009** - Argo Exploration Ltd ("**Argo**"; **ASX Code 'AXT'**) announced today that it has acquired a 6.86% strategic stake in AIM listed oil and gas exploration and production company, Pantheon Resources Plc ("**Pantheon**"; **AIM Code PANR**). The investment comprises 7 million shares at £0.1325 per share for a total of £927,500 (AU\$1.7M) and represents a potentially low risk, high reward opportunity in an onshore oil and gas play within a world class, producing hydrocarbon area.

Argo has previously reported that it has been actively evaluating commercial opportunities aimed at generating cash flow without recourse to the market and views this transaction as an opportunistic investment in high quality assets to create value for future company expansion.

The investment was part of an over-subscribed placement by Pantheon which raised £7.3M (AU\$13.1M) and has delivered an initial uplift of c.60% based on the placing price of £0.1325 per share. Pantheon's market capitalisation at placement was a modest £5.8M (AU\$10.5M) and currently stands at £22.5M (AU\$40.5M).

Chairman and Managing Director of Argo, Dr Hugh Herbert, said, "The project meets essential investment criteria in terms of geological and commercial risk and reward with significant upside potential. It offers favourable financial terms, managed risk, low subsequent capex requirements and excellent existing infrastructure. As an onshore US oil and gas opportunity, the project has low sovereign risk."

Managing Director of Pantheon, Mr Jay Cheatham, said, "I am delighted to welcome Argo Exploration Ltd as the new largest shareholder in Pantheon Resources Plc. I am incredibly excited about the potential for the Tyler County project which is estimated to commence drilling in late January 2010, following the very significant results obtained in 2009.

Pantheon is a small company with a material stake in a material project with partners of an extremely high calibre and offers potential for very material value accretion in the event of success."

Pantheon has a 25% working interest in the joint venture (JV). The operator, Vision Resources LLC has a 37.5% interest, Kaiser Francis Oil Company 25% and WR Huff, 12.5%. The JV comprises c.30,000 gross acres in Tyler County, East Texas, and is considered by the operator as proven as a development play.

Located in the Brookeland Field north-east of Houston, the JV project involves the development and exploitation of wells within two separate and independent reservoirs: (1) the Austin Chalk reservoir (the primary objective), and (2) The Woodbine Sandstone reservoir (the secondary objective). The JV acreage is located immediately adjacent to the highly successful Austin Chalk projects drilled by Anadarko Petroleum and Ergon Oil & Gas, who enjoyed a 98% success rate at the time Pantheon entered into the JV. Importantly, the JV acreage is known to host production from the Woodbine zone from a pre-JV well, the Vision Resources LP-2 production well.

The first well in the program, estimated to spud in late January 2010, is designed as an offset to the Vision Resources LP-2 Woodbine production well. This well will also access the overlying Austin Chalk primary reservoir.

The JV plans to drill up to 50 wells delivering expected average gross reserves of 8 Bcfe per well from the Austin Chalk formation. The separate Woodbine zone offers potential for material additional reserves, if successful. In the event of success, a rapid payback is anticipated, due to very high initial production rates, with Austin Chalk wells typically producing 50% to 55% of reserves in first year of production.

An average 8 Bcfe Austin Chalk well is estimated to have a NPV10 net to Pantheon of c.US\$6 million per well (after costs, royalties and production taxes). A 50 well program would therefore be expected to provide material upside potential\*.

Dr Hugh Herbert commented, "The investment provides Argo with immediate exposure to the burgeoning US domestic gas sector and is expected to benefit from current acquisition activity by the integrated oil and gas majors as they continue to secure US domestic gas assets. This bodes well for additional uplift to Argo's investment."

Due diligence, including legal and commercial advice together with internal and external technical assessment of the project, was conducted prior to the investment decision.

Argo advises that Mr Justin Hondris, Executive Director of Pantheon is also a Director of Argo. Mr Hondris was excluded from all discussions, analysis and voting on the Pantheon investment by Argo and will continue to be excluded from such matters in the future. Mr Hondris is a minor shareholder in Argo with no 'control' or influence at shareholder level.

\* Key Assumptions - Austin Chalk success case only.

- Includes corporate overheads, operating costs, production tax and royalties (21%).
- Bullseye modelled on existing wells. Excludes Woodbine.
- Pantheon working interest 25% (NRI 19.75%) in Austin Chalk.
- Gross reserves of eight Bcfe per well drilled.
- Production of natural gas 55% in year one with liquids yield 15 barrels per million cubic feet of natural gas.
- Gross cost per well US\$7.5 million. Back costs of US\$4.5 million incorporated for wells 2 and 3 only.
- No external financing beyond Dec 09 placement.
- 45 well programme over five years. Excludes revenues beyond 5 years.

- Forward pricing (Oil \$/bbl) = \$79.50 (2009), \$75 (2010), \$80 (2011), \$85 (2012), \$90 (2013+)
- Forward pricing (Gas \$/mcf) = \$4.50 (2009), \$5.50 (2010), \$6.50 (2011), \$7.00 (2012), \$7.30 (2013+)
- 10% discount rate used for NPV calculations. NPV10 net to Pantheon after drilling and operating costs, royalties and production taxes.

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#### **ABOUT ARGO EXPLORATION**

Argo Exploration Limited ('Argo') (ASX Code 'AXT') is a junior exploration company searching for IOCG, gold, uranium and base metal deposits in prospective locations of the Gawler Craton, South Australia. Argo is a focused explorer searching for world-class ore deposits within two key project areas, namely Intercept Hill and Toondulya. Visit the Argo website at [www.argoexploration.com.au](http://www.argoexploration.com.au)

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#### **Compliance Statement**

*The information in this report that relates to exploration results, hydrocarbon resources and reserves is based on information compiled by Dr HK Herbert, who is a Member of the Australasian Institute of Mining and Metallurgy. In compiling this statement, Dr Herbert has relied upon public domain information and upon information contained in Expert Geologist's Reports dated 1<sup>st</sup> and 10<sup>th</sup> December 2009, commissioned by Argo and prepared in conformity with the requirements of the Australian Securities and Investment Commission.*

**For further information, refer to the following Addendum or visit the Pantheon Resources Plc website**



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## **Addendum to ASX/Media Release: 'Argo invests in Pantheon Resources Plc'**

**29<sup>th</sup> December 2009**

### **Investment in Pantheon Resources Plc – Further Information**

#### **Disclaimer**

*This Addendum has been prepared by Argo Exploration Ltd (Argo) as background to Argo's investment in Pantheon Resources Plc and is for general information purposes only.*

*The Addendum is not, and should not be considered as, an offer or invitation to subscribe for or purchase any securities in Argo, or as an inducement to make an offer or invitation with respect to those securities. No agreement to subscribe for securities in Argo will be entered into on the basis of this Addendum.*

*Due care and attention has been exercised in the preparation of this Addendum. However, the information contained (other than as specifically stated) has not been independently verified for Argo or its directors or officers, nor has it been audited. Accordingly, Argo does not warrant or represent that the information contained in this Addendum is accurate or complete. To the fullest extent permitted by law, no liability, however arising, will be accepted by Argo or its directors, officers or advisers, for the fairness, accuracy or completeness of the information contained in this Addendum.*

*This Addendum may include certain "forward-looking" statements". All statements other than statements of historical fact included herein, including, without limitation, statements regarding future plans and objectives of Argo, are forward-looking statements that involve various risks, assumptions, estimates and uncertainties. These statements reflect the current internal projections, expectations or beliefs of Argo and are based on information currently available to Argo. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. All of the forward-looking statements contained in this Addendum are qualified by these cautionary statements and the risk factors described above. Furthermore, all such statements are made on the date (unless otherwise stated) this Addendum is lodged with ASX and Argo assumes no obligation to update or revise these statements.*

#### **Investment Rationale**

As previously reported, Argo Exploration Ltd ("Argo") has been actively reviewing and evaluating a large number of commercial opportunities, including acquisition, merger, joint venture and investment under relevant Confidentiality and Non-disclosure Agreements, during the economic downturn of the past twelve months. The main objectives have been to identify, acquire and/or participate in low risk, high potential reward opportunities that provide medium-term capital security, without recourse to the market for capital, for the Company moving forward. The Board determined that it was preferable to fund further high risk assessment of the Company's South Australian assets from medium-term cash flow rather than potentially exhaust existing capital in the short term at a time when the cost of capital continues to be prohibitive. While a number of projects were of high technical merit, the associated commercial terms were considered not in the best interests of the Company and its shareholders. In contrast,

the present investment in Pantheon Resources Plc (“Pantheon”) is believed to afford Argo a potential low risk opportunity to create wealth for company expansion, most importantly, without shareholder dilution.

### **About Pantheon Resources Plc**

Pantheon Resources Plc is an independent, United Kingdom-based oil and gas exploration company focused on development/production within hydrocarbon producing basins in the onshore Gulf of Mexico region of the USA.

In May 2008, Pantheon announced that it had farmed into a large Austin Chalk/Woodbine Sandstone reservoir play in East Texas, shifting focus from high risk/high reward deep gas plays to a low risk extension/development play. This venture is located in Tyler County, East Texas, and comprises approximately 30,000 gross acres in the Brookeland Field (Fig. 1).

The primary target for the Joint Venture (JV) is the Austin Chalk, which is the main producing horizon in the Brookeland Field and is estimated to contain up to 400 billion cubic feet (Bcfe) of natural gas from 50 target locations. A secondary target is the underlying Woodbine Sandstone reservoir. The JV acreage is located immediately adjacent to the highly successful acreage developed by Anadarko Petroleum and Ergon Oil & Gas.

Participants in the JV are Vision Resources LLC (37.5%; operator, private company majority owned by multi-billionaire George Kaiser), Kaiser Francis Oil Company (25.0%; owned by George Kaiser), WR Huff (12.5%; New York private equity fund) and Pantheon Resources Plc (25.0%).

In December 2009, Pantheon completed a c.£7.3 million equity placement bringing shares on issue to 102,099,770. The Company’s pre-placement market capitalization was a modest £5.8 million. Based on a pre-Christmas closing price of £0.22, current market capitalization is £22.46 million (\$A40.5 million). Argo has a 6.86% interest in Pantheon making it the company’s largest single shareholder. Pantheon is now fully funded and well positioned, with established JV partners, to exploit the hydrocarbon potential of the c.30,000 gross JV acres held in Tyler County. Tyler County is considered proven as a development play by operator, Vision Resources LLC.

Outside the JV development program, Pantheon generates a cash flow in excess of \$US100K net per calendar month from hydrocarbon production from a separate project.



**Figure 1:** Commercial oil fields within the Austin Chalk trend showing the location of the Brookeland Field to the north-east of Houston.

### ***Experienced Executive Management***

The Board of Pantheon comprises a team of professionals with extensive experience in the energy resource and corporate finance sectors.

Pantheon's Chief Executive Officer, Mr Jay Cheatham, is a qualified Petroleum Engineer with in excess of 40 years experience in the oil and gas industry. He has held positions as president of ARCO International with responsibility for all exploration and production outside USA, Senior Vice President - ARCO with direct responsibility for all Gulf Coast USA operations, Chief Financial Officer - ARCO Oil & Gas, Chief Executive Officer – Petrogen Fund (energy focused Private Equity fund) and Chief Executive Officer – Rolls Royce Power Ventures.

Ms Sue Graham, Chairman, was previously global head of the Energy team at Merrill Lynch, and brings extensive international energy sector experience.

Mr Justin Hondris, Executive Director, Finance and Corporate Development, has 20 years corporate experience in the private equity, corporate and investment banking sectors including roles in Chartered Accounting, Investment Banking and Private Equity funds management. He brings extensive experience in capital markets and in the resources sector including emerging junior companies and has held positions as Partner, Titan Bioventures Investment Management (Private Equity fund) and with Cazenove & Co (Institutional Equity Sales).

Mr Hondris is also a Non-executive Director of Argo and, as such, has been excluded from all discussions, analysis and voting on the Pantheon investment by Argo, and will continue to be excluded from all such decisions into the future. Mr Hondris is a minor shareholder in Argo and therefore has no 'control' or influence at shareholder level.

## **Due Diligence**

Due diligence, including legal and commercial advice together with internal and external technical assessment of the project, was conducted prior to the investment decision. This included:

- An internal evaluation of available public domain information pertinent to the Pantheon project
- Detailed technical briefings (based upon public domain information) of JV project and regional geology
- A commissioned external expert report on geological and technical aspects of the project
- External commercial and investment advice
- External legal advice

Advice and analysis supported the view that the transaction represents an opportunistic investment in high quality assets to create value for future company expansion.

On balance, the Board considered the project met essential investment criteria in terms of geological and commercial risk and potential for reward including, but not limited to, proven hydrocarbons, potential for upside, managed risk, low sovereign risk, favourable financial terms, near term activity, low subsequent Capex requirements, excellent existing infrastructure, quality partners and management and a highly competent and experienced operator.

In addition, the investment in Pantheon is anticipated to deliver significant upside potential by providing Argo with immediate exposure to a burgeoning US domestic gas resources sector. This is evidenced by the mid December 2009 announcement that Exxon Mobil is to buy XTO Energy for \$US31 billion, at a 25% premium to XTO shareholders, in a bid to expand its domestic gas business.

The buyout of XTO Energy by Exxon Mobil is expected to trigger a rush to own US domestic natural gas assets by major integrated producers such as Royal Dutch Shell Plc, BP Plc or Chevron Corporation with potential targets being big gas producers including Anadarko Petroleum which controls production acreage in the Brookeland Field bordering JV acreage.

The buyout underscores the priority that major integrated producers are giving to natural gas, as a 'clean' fuel source, and to domestic energy security, and points strongly to

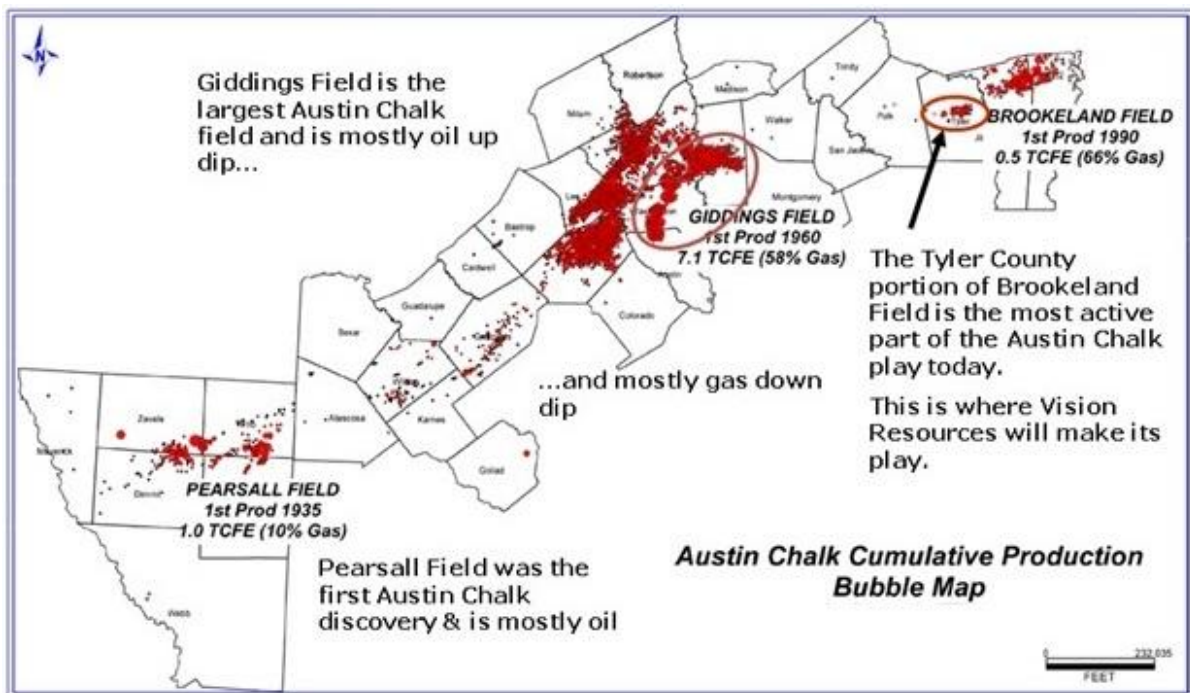
future intense acquisition interest in small enterprises having a footprint on significant untapped on-shore US domestic gas resources.

## The Joint Venture Plays

### *Austin Chalk*

Overlapping Austin Chalk and Woodbine Sandstone hydrocarbon plays lie along a Cretaceous-age, Gulf of Mexico Basin margin-parallel trend. Both play fairways extend several hundred miles from Louisiana to Mexico (Fig. 1). The most prolific portion of the Austin Chalk fairway is located in the down-dip Giddings Field area (Fig. 2), between Houston and Austin in east central Texas. The Giddings Field has produced on the order of 75% of the total Austin Chalk hydrocarbons, amounting to ~7.1 trillion cubic feet gas equivalent at 58% gas. The JV acreage extends the Brookeland Field of eastern Texas south into southern Tyler and Polk Counties with productive characteristics similar to the more heavily tested down dip Giddings Field area.

Anadarko Petroleum and Ergon Oil & Gas have drilled on target to the northern boundary line of the JV acreage, achieving a success rate of 98% with the sole unsuccessful well being a mechanical failure. The two most prolific of those wells, the Ergon Ratcliff and Ergon Rice wells (Fig. 4) both immediately offset the JV acreage with the Ergon Ratcliff well having an initial production of 490 barrels condensate and 26 million cubic feet gas per day. This one well alone will potentially generate \$US200 million net revenue.



**Figure 2:** Austin Chalk producing trends in Texas showing principal areas of hydrocarbon production. The JV acreage covers extensive portions of down-dip Brookeland Field which has similarities to the highly productive down-dip Giddings Field (circled).

Since Pantheon's farm-in in May 2008, the JV has drilled one well, Vision Rice University #1 ("VRU#1") which was a geological success proving the extension of the Brookeland field onto the JV acreage. Natural gas, condensate and black oil were recovered at surface from VRU#1 (Fig. 3) with the well exhibiting similarities to the highly successful Ergon Ratcliff well. The VRU#1 well encountered pressures significantly exceeding the engineering limits of the well (and for all neighbouring wells) and ultimately had to be plugged and abandoned solely for mechanical reasons. Despite this, the well results confirmed the play and indicated the potential for significant volumes of hydrocarbons in the JV acreage.

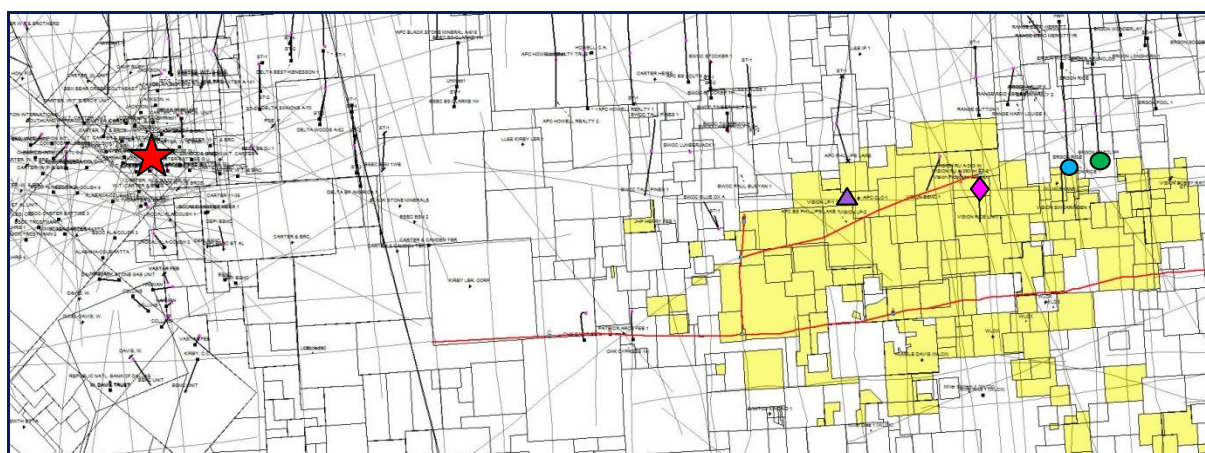
VRU#1 encountered pressures in excess of 13,000 psi together with the unexpected, presence of an unconsolidated rubble zone which contributed to well bore blockages. These factors combined ultimately lead to the well being plugged and abandoned in September 2009. Future wells will be engineered to accommodate higher reservoir pressures and unconsolidated rubble zones. The operator is confident of mechanical success in future wells and notes that the higher reservoir pressures and presence of unconsolidated rubble zones is particularly positive, typically indicating higher potential reserves and productivity.



**Figure 3:** Flare at Vision Rice University VRU#1 demonstrating flow of hydrocarbons.

VRU#1 appears connected to deeper Austin Chalk down-dip suggesting a much larger drainage area with enhanced porosity and permeability associated with potentially laterally extensive, unconsolidated rubble zones. VRU#1 is considered to be in a similar geological setting to Ergon Ratcliff and Ergon Rice University wells. The operator has

modelled potential flow rates at VRU#1, based on limited flow data and pressures encountered, suggesting some similarities to the prolific neighbouring Ergon Ratcliff well. Such production rates should, if repeated, be in the upper tier of Austin Chalk producers.



**Figure 4:** JV acreage position showing location of Woodbine Double A Wells Field (centred on red star) and Vision LP-2 well (mauve triangle), and Austin Chalk Ergon Rice #1(blue circle), Ergon Ratcliff #1 (green circle) and the JV VRU#1 (pink diamond) wells. The second JV development well is planned as an offset to Vision LP-2 well and is expected to target both the Woodbine and overlying Austin Chalk formations.

The JV acreage is now considered a proven Austin Chalk development project by the operator, Vision Resources LLC. In the event of success, high initial production rates and recoverability should deliver rapid well payouts (estimated at several months). Further the Austin Chalk play is considered to have low resource and reservoir risk, with associated very low commercial risk. An illustrative NPV10 attributable to Pantheon 25% working interest (WI) for an Austin Chalk well is set out in Table 1.

**Table 1: Illustrative Individual Austin Chalk NPV10 (\$US)**

Pricing Sensitivities*	Average Bcfe Gross		
	5	8	20
\$4 Gas/\$65 Oil Flat	1.5	3.5	11.4
Forward Curve	3.0	<b>6.0</b>	17.8
Forward Curve Minus \$1/mcf	3.8	4.9	15.0
Forward Curve Plus \$1/mcf	4.2	7.1	20.6

\* Forward pricing (Oil \$/bbl) = \$79.50 (2009), \$75 (2010), \$80 (2011), \$85 (2012), \$90 (2013+)  
 \* Forward pricing (Gas \$/mcf) = \$4.50 (2009), \$5.50 (2010), \$6.50 (2011), \$7.00 (2012), \$7.30 (2013+)  
 \* 10% discount rate used for NPV calculations  
 \* NPV10 net to Pantheon after drillind and operating costs, royalties and production taxes.

**Table 1:** Illustrative 25% WI NPV10 (\$US) attributable Pantheon for an individual Austin Chalk well indicates \$US6 million per well producing 8Bcfe.

## **Woodbine Sandstone**

The Woodbine Sandstone reservoir is a separate and independent formation which underlies the Austin Chalk. Success or failure in the Austin Chalk formation is unrelated to the potential for success or failure in the Woodbine.

The Woodbine is one of the most significant reservoirs in the history of oil and gas production in the United States. The supergiant East Texas Field (~5.5 Billion barrels oil equivalent) is primarily a Woodbine reservoir accumulation with Woodbine fields generally being prolific producers. Importantly, about six miles to the west of the JV acreage (Fig. 3), the Double A Wells Field (~500 billion cubic feet of gas; 90 million barrels oil equivalent) produces from the Woodbine with the better wells producing at 50 Bcfe per well or greater. The ultimate recovery average is > 20 Bcfe per well with initial production rates of >20 million cubic feet per day, eg., Comstock Champion #2. A typical 17.6 Bcf well (Comstock Champion #2) may generate \$US120million of revenues over 15 years at current prices versus \$US6 million well cost with an NPV10 of \$US84 million (after capital spending, operating costs, royalties and severance taxes) using forward pricing outlined in Table 1.

While the Woodbine Sandstone is an independent and totally separate play from the JV's Austin Chalk project, it formed part of the original farm-in of May 2008. The Austin Chalk remains the primary focus for the JV but the next JV well to be drilled will target both the Austin Chalk and underlying producing Woodbine Sandstone reservoir. The well will offset a producing (>5 Bcfe) pre-farm in Woodbine reservoir well, Vision LP-2, drilled on the JV acreage (Fig. 3). Hence, the next well has the potential to target two separate reservoirs with net incremental drilling cost to Pantheon estimated as a modest \$US250K. Offsetting the Vision-operated productive Woodbine well within the JV acreage is considered to provide a low risk, low cost opportunity to add valuable, incremental reserves beyond those expected to be encountered in the overlying Austin Chalk reservoir.

Woodbine Sandstone geology is generally complex with reservoir quality sand development often not being easy to predict. Where productive, the sandstone reservoir has extremely high flow rates and recoveries. Post drilling of Vision LP-2, seismic mapping on JV acreage has led to the identification of a high priority Woodbine target by the operator.

A single well illustrative financial analysis is set out in Table 2 and emphasises the significant upside potential of a successful Woodbine play.

## **Development of Acreage**

The JV estimates that up to 50 wells may be drilled in the JV acreage with expected average gross reserves of 8 Bcfe per well from the Austin Chalk. Additional upside is expected should the Woodbine prove successful.

**Table 2: Illustrative Individual Woodbine Well NPV10 (\$US)**

Pricing Sensitivities*	Woodbine Well NPV10 Pantheon 25% W.I. \$US millions		
	6	18	30
Bcfe			
\$US4 Gas/\$US65 Oil	\$2.7	\$10.7	\$19.3
Forward Curve	\$6.2	<b>\$21.0</b>	\$36.8
<i>* Forward pricing (Oil \$/bbl) = \$79.50 (2009), \$75 (2010), \$80 (2011), \$85 (2012), \$90 (2013+)</i> <i>* Forward pricing (Gas \$/mcf) = \$4.50 (2009), \$5.50 (2010), \$6.50 (2011), \$7.00 (2012), \$7.30 (2013+)</i> <i>* 10% discount rate used for NPV calculations * NPV10 net to Pantheon after drillind and operating costs, royalties and production taxes.</i> <i>*Data based upon Comstock Champion #2 well.</i>			

**Table 2:** Illustrative 25% WI NPV10 (\$US) attributable Pantheon for an individual Woodbine well indicates \$US21 million per well producing 18 Bcfe. Forward pricing estimated and provided by financial institutions.

In the event of success, a typical Austin Chalk well should provide a rapid payback due to very high initial production rates anticipated (with wells typically producing 50% to 55% of reserves in first year of production). This rapid payback is critically important as it should enable the on-going drilling program to be self-funding after the first few wells. The next JV well is estimated to be spudded late January and is estimated to take about 75 days to complete on a trouble-free basis.

### **Economics – JV Austin Chalk Play, Tyler County (Excludes Woodbine)**

Based on the following assumptions\*, for illustrative purposes only:

- NPV10 per well net to Pantheon (25% WI) = US\$6m (after drilling and operating costs, royalties and production taxes)
- Estimated potential for up to 50 development wells
- Potential for material upside
- Success rate in adjacent acreage 98%

**\* Key Assumptions - Austin Chalk success case only.**

- Includes corporate overheads, operating costs, production tax and royalties (21%).
- Bullseye modelled on existing wells. Excludes Woodbine.
- Pantheon working interest 25% (NRI 19.75%) in Austin Chalk.
- Gross reserves of eight Bcfe per well drilled.
- Production of natural gas 55% in year one with liquids yield 15 barrels per million cubic feet of natural gas.
- Gross cost per well US\$7.5 million. Back costs of US\$4.5 million incorporated for wells 2 and 3 only.
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- Forward pricing (Gas \$/mcf) = \$4.50 (2009), \$5.50 (2010), \$6.50 (2011), \$7.00 (2012), \$7.30 (2013+)

- *10% discount rate used for NPV calculations. NPV10 net to Pantheon after drilling and operating costs, royalties and production taxes.*
- *Anadarko and Ergon drilled 44 from 45 wells as commercial successes as at Pantheon farm in date.*