

**ALLEN L. KELLEY**  
**HOUSTON, TEXAS**  
**PROFESSIONAL QUALIFICATIONS**

**EDUCATION:**

Texas Tech University, Lubbock, Texas  
Bachelor of Science, Geology

**PROFESSIONAL ASSOCIATIONS:**

American Association of Petroleum Geologists  
Potential Gas Committee  
Houston Geological Society

**AREA OF EXPERTISE:**

Twenty-six years experience in reservoir studies, prospect evaluation and business development. Expertise includes sub-surface mapping, resource evaluation, economic analysis, project development, and contract negotiations. Completed detailed field studies for several hundred properties in the Mid-continent, Rockies and on the shelf and in the deep water areas of the Gulf of Mexico including salt domes and sub salt prospects. Studies include conventional and non-conventional tight gas sand reservoirs through North America, South America and Asia and evaluation of various shale plays throughout the U.S.

Has participated on the Potential Gas Committee since 1990. This all volunteer group estimates the amount of natural gas resources yet to be discovered in United States and publishes a report every two (2) years. Has been the past Chairman of the Gulf Coast and Atlantic Committees, past Eastern Region Vice President and served on the Board of Directors; currently working on the editorial committee.

**SUMMARY OF EMPLOYMENT:**

**Ralph E. Davis Associates, Inc. (2007 – Present)**

**Vice President - Geologist** - Evaluated and revised 3P reserves and production reports for acquisitions in South Texas, Permian Basin, Arkansas, and Alaska. Prepared development plan for the southern extension of the Austin Chalk and several Wilcox prospects in Jasper, Tyler and Polk Counties, Texas. Evaluated and prepared 3P reserve reports for various fields in Khazakhstan, China and Pakisatan. Prepared year-end reserve analysis for two concession blocks in Ecuador.

Identified and evaluated potential reserves attributable to the “dewatering” process in the Hunton, Tonkawa and Red Fork formations in northwest Oklahoma. These assets were included as part of a \$1.78 billion sales package. Evaluated the producing, behind pipe and potential reserves and future production and revenues for a client purchasing four offshore properties in Galveston Bay for \$50 million. Proposed a re-completion program and recommended locations for development wells in order to capture bypassed productive zones and accelerate the production and the value of the fields. Identifying and evaluating potential sites for two storage fields located near Amarillo, Texas and in Ward County Texas with working capacity from 5 to 10 billion cubic feet and have deliverability of 75 million cubic feet per day for both withdrawal and injection. Sites being evaluated are depleted fields or isolated groups of depleted wells in the Brown Dolomite, White Dolomite, Tonkawa and Atoka formations. Assisted a client in determining the acquisition price for two east Texas producing properties

with a present value of \$250 million. The evaluation included determining the incremental value of behind pipe reserves and new drilling locations.

#### **Independent Consultant, Houston, Texas (2004 - 2007 )**

Prepared a detailed prospectus for a \$4 billion 200,000 barrel per day refinery project to be located at the former Loring Air Force Base in northern Maine. Assisted in forming and became a member of the Maine Energy Development Group, LLC to work with various state agencies for a concessions package and land options for the project. Involved in negotiations for the project site and total concessions package and presented all to the prospective developer by the end of 2006.

Completed a feasibility study and development plan for a 2.5 million barrel crude oil storage facility and terminal operation in Montreal, Quebec. Total cost for the project was \$28 million to generate \$10 million in annual revenues based on a 200,000 barrel per day throughput.

#### **El Paso Corporation, Houston (2000 2004)**

##### **Director/Geologist - Business Development**

Responsibilities as a member of the Major projects group included developing grass roots onshore and offshore projects by locating new trends, accelerated drilling programs and large scale development of unconventional resources. Responsible for preparing reserve evaluations and forecasting production for these areas as well as screening other potential projects for the group.

##### **Blue Atlantic Transmission System**

As a member of the development team, responsibilities included evaluating reserves and negotiating and contracting natural gas supply for the 900 mile \$3.5 billion Blue Atlantic Transmission System from Nova Scotia to New York including: Prepared reserve evaluations and production forecasts for the Deep Panuke Field, Annapolis, and Marquis prospects located off Nova Scotia. Negotiated the funding of the \$30 million Canadian Superior's Marquis exploratory well that resulted in a multiple license area of dedication off Nova Scotia. Prepared natural gas reserve evaluations and production forecasts for the Hibernia, White Rose and Terra Nova projects in the offshore Newfoundland area that were used to support a Blue Atlantic extension from offshore Nova Scotia to Newfoundland. Evaluated Corridor's future drilling plans in the Gulf of St. Lawrence and prepared preliminary resource estimates.

##### **Florida**

Coordinated activities of internal and external business teams for the development of the \$350 million offshore Seafarer Pipeline from the High Rock LNG project on Grand Bahamas to Florida Gas Transmission in West Palm County, Florida.

##### **Kentucky**

Conceived and completed a plan to increase the pipeline market share by 80 million cubic feet per day and construct a natural gas fired 500 megawatt cogeneration power plant for the industrial corridor at Calvert City, Kentucky.

Worked closely with various corporate departments such as legal, tax, finance, tariff, environmental and engineering to draft, review, finalize and implement agreements necessary for the initiation and completion of company projects and acquisitions. Types of agreements drafted and negotiated: Purchase and Sale, Confidentiality Agreements, Letters of Intent, Memos of Understanding, Transportation (Gas PTS-2, ITS,

Liquefiabiles, ITS), Gathering, Gas Processing, Crude Oil Buy/Sell, Terminal, Operating, Maintenance, Construction, Interconnect, Lease Space, Tariffs, and outside Consulting Service Agreements. In addition, worked with outside legal for finalizing agreements while working in Canada and Peru.

Coordinated, prepared and made presentations to Board of Directors, outside investors, partners and federal and state agencies.

### **Coastal Corporation, Houston (Acquired by El Paso Corporation) (1985 – 2000)**

#### **Manager/Geologist - Business Development (1997 – 2000)**

**Typhoon Project (Green Canyon 236/237):** Conceived, evaluated reserves and production and managed the development of the \$85 million Typhoon oil and gas pipelines project that extended Coastal Corp's offshore Louisiana pipeline system to the prolific deep water Green Canyon area of the Gulf of Mexico. Successfully negotiated a 2000 square mile area of dedication contingent to the pipelines and obtained the option to purchase the Typhoon platform for future use as a gathering hub.

**Southwest Wyoming:** Identified and evaluated area supply of black wax crude and condensate in southwest Wyoming and northeast Utah. Negotiated the purchase of the 26 mile Bridger Lake Pipeline and terminal facility located in northeastern Utah and southwestern Wyoming for \$1 million. These facilities were essential for the implementation of a black wax crude upgrading program that generated \$4.2 million in annual revenues. Negotiated with shippers and successfully petitioned the Federal Energy Regulatory Commission to amend a crude oil pipeline tariff that resulted in an increase of \$0.20 per barrel generating a 66% increase in annual revenues.

**South Louisiana:** Negotiated the purchase and implemented a \$10 million renovation and conversion of a 39 mile decommissioned gas pipeline to liquids service in south Louisiana. The Atchafayla pipeline effectively replaced weather contingent barge shipments from a liquid handling facility of two major offshore natural gas pipeline systems resulting in increased operational efficiency and mitigating the potential of shutting in approximately 2 billion cubic feet of natural gas per day.

**Offshore Texas/Louisiana:** Took over and successfully completed two offshore crude oil pipeline projects already under construction at West Cameron 498 and Galveston 255 and finalized operating, platform lease space and crude oil buy/sell agreements.

#### **Manager, Future Reserves (1993 – 1997)**

Managed the efforts of six professional geologists and petroleum engineers responsible for evaluating natural gas reserves and production of existing and potential supply sources for company owned pipelines and associated facilities. Prepared reserves, production and economic evaluations for numerous oil and gas fields for potential Mezzanine financing on new and established producing properties and proposed secondary recovery programs. These fields were located in various producing areas including offshore and onshore Gulf Coast, Illinois, Michigan and Mid-Continent basins and the Western U.S.

Evaluated the remaining gas reserves and production for producing fields in the Piura and Trujillo areas along the west coast of Peru to be used as fuel for a new power plant. Reserve evaluation team member of ad-hoc asset evaluations group responsible for identifying potential acquisitions in North America. Managed the transition and change of the Supply Appraisal group efforts during and after the Federal Energy Regulatory Commission ordered the deregulation of the interstate pipeline business. Coordinated and participated in the studies evaluating the growth potential of conventional and non conventional natural gas resources in several major producing basins in North America that were used by corporate planning for forecasting the long term supply of existing pipeline facilities. Prepared and catalogued natural gas resource estimates of 16 trillion cubic feet for numerous blocks on the shelf and in the deep water areas of the Gulf of Mexico not yet explored or leased.

**Senior Geologist (1985 – 1993)**

Continued preparing field studies in the Gulf Coast area and evaluating wells in the mid-continent area using Aries. Prepared resource appraisal studies for the Arkoma basin, the Austin Chalk trend (Texas and Louisiana) and the Pinnacle reef play in east Texas to support the extensions of pipeline facilities. Evaluated the Jurassic Norphlet and Miocene trends in the Mobile Bay, offshore Alabama area as a source of supply for the Gulfstream Pipeline project built to Florida. Conducted reserve negotiations with offshore producers to determine proven reserves used for reserve base take contracts minimizing the company's physical and financial obligations during over supply periods. Prepared numerous studies determining the present value of contracted proven remaining recoverable reserves used in negotiations for take or pay settlements. Designed PC based economic models for evaluation of facility and reserve acquisitions.

**ANR Pipeline Company, Houston (Acquired by Coastal Corporation) (1981 – 1985)**

**Staff Geologist**

Gulf of Mexico/ South Louisiana: Prepared detailed field studies on an ongoing basis as development progressed by evaluating reserves and forecasting production. Evaluations were based on using all available data such as well logs, seismic data. Fluid analyses, production data and generated fault plane and isochron maps. Evaluated reserves and future production for potential supply sources during exploratory phase using well logs and seismic data. Generated semi annual liquid studies projecting the increased condensate volumes produced into offshore pipeline segments resulting in a project to increase the capacity of the liquid handling facilities at the Patterson terminal in south Louisiana. Designed the volumetric estimate process used in programming an in-house mainframe reserve engineering system.

**Permian Logging, Midland (1980 – 1981)**

**Well site geologist**

On site mud logger for three Morrow test wells in southeastern New Mexico and one deep Ellenberger test in Pecos County, Texas.