

ESTIMATED NEW SEVERANCE TAX REVENUE AND GROSS PRODUCTION INCOME (2012-2016)
(Assuming two year capital cost recovery for all wells)

Estimated Total Wells Permitted and Producing Annually					
	2012	2013	2014	2015	2016
Total Wells Permitted	200	650	1,075	1,386	1,500
New Producing Wells/Yr.	172	559	925	1,192	1,290
Total Producing/Yr.	172	731	1,656	2,847	4,137

Estimated Annual Natural Gas Production/MCF (Low Estimate: \$2.50/MCF, Feb. 29, 2012 Closing NYMEX: \$2.62)						
	70,000	172	559	925	1,192	1,290
	49,000		172	559	925	1,192
	38,000			172	559	925
	33,000				172	559
	27,000					172
Total	6,020,000	27,993,000	66,284,500	113,937,100	161,778,040	Total
Est'd Gross Income at Low Estimated Price	\$15,050,000	\$69,982,500	\$165,711,250	\$284,842,750	\$404,445,100	\$940,031,600
Est'd Severance Tax Revenue @ Low Estimated Price	\$150,500	\$699,825	\$1,657,113	\$2,848,428	\$4,044,451	\$9,400,317
Gross Income at Feb. 29, 2012 Price	\$15,772,400	\$73,341,660	\$173,665,390	\$298,515,202	\$423,858,465	\$985,153,117
Est'd Severance Tax Revenue at Feb. 29, 2012 Price	\$157,724	\$733,417	\$1,736,654	\$2,985,152	\$4,238,585	\$9,851,532

Estimated Annual Crude Oil Production/BBL (Low Estimate: \$90/BBL, Feb. 29, 2012 Closing NYMEX: \$107)						
	89,100	172	559	925	1,192	1,290
	62,100		172	559	925	1,192
	48,600			172	559	925
	40,500				172	559
	34,200					172
Total	7,662,600	35,584,650	84,259,575	144,646,668	204,942,816	Total
Gross Income at Low Estimated Price	\$689,634,000	\$3,202,618,500	\$7,583,361,750	\$13,018,200,120	\$18,444,853,440	\$904,956,718
Est'd Severance Tax Revenue at Low Estimated Price	\$10,344,510	\$48,039,278	\$132,558,626	\$272,073,152	\$441,941,152	\$904,956,718
Gross Income at Feb. 29, 2012 Price	\$819,898,200	\$3,807,557,550	\$9,015,774,525	\$15,477,193,476	\$21,978,881,312	\$51,049,305,063
Est'd Severance Tax Revenue at Feb. 29, 2012 Price	\$12,298,473	\$57,113,363	\$157,597,478	\$323,464,747	\$525,418,925	\$1,075,892,986

Est. Annual Natural Gas Liquids Production (Low Estimate: \$24/BBL, Feb. 29, 2012 Closing BENTEC \$33.60/BBL) ¹						
	9,900	172	559	925	1,192	1,290
	6,900		172	559	925	1,192
	5,400			172	559	925
	4,500				172	559
	3,800					172
Total Yearly NGL Prod/BBL	851,400	3,953,850	9,362,175	16,071,852	22,771,424	TOTAL
Gross Income at Low Estimated Price	\$20,433,600	\$94,892,400	\$224,692,200	\$385,724,448	\$546,514,176	\$1,272,256,824
Est'd Severance Tax Revenue at Low Estimated Price	\$306,504	\$1,423,386	\$3,927,663	\$8,061,427	\$13,094,553	\$26,813,533
Gross Income at Feb. 29, 2012 Price	\$28,607,040	\$132,849,360	\$314,569,080	\$540,014,227	\$765,119,846	\$1,781,159,554
Est'd Severance Tax Revenue at Feb. 29, 2012 Price	\$429,106	\$1,992,106	\$5,498,728	\$11,285,997	\$18,332,374	\$37,538,311

Estimated Gross Income for All Products at Both Prices						
	2012	2013	2014	2015	2016	GROSS TOTAL
Gross Income at Low Estimated Prices	\$725,117,600	\$3,367,493,400	\$7,973,765,200	\$13,688,767,318	\$19,395,812,716	\$45,150,956,234
Gross Income at Feb. 29, 2012 Prices	\$864,277,640	\$4,013,748,570	\$9,504,008,995	\$16,315,722,905	\$23,117,859,623	\$53,815,617,733

Total Severance Tax Revenue from New Proposed Severance Policies						
	2012	2013	2014	2015	2016	GROSS TOTAL
Total Severance Tax Revenue at Low Estimated Prices	\$10,801,514	\$50,162,489	\$138,143,402	\$282,983,006	\$459,080,155	\$941,170,566
Total Severance Tax Revenue at Feb. 29, 2012 Prices	\$12,885,303	\$59,839,520	\$164,832,860	\$337,735,897	\$547,989,883	\$1,123,283,463

1. Based on an estimated blend of 40 percent ethane, 20 percent propane and 20 percent butane.