



Exploration & Production Valuation and Advisory Services

www.mercercapital.com



Mercer Capital E&P Advisory Services

Mercer Capital provides Exploration & Production and Joint Venture entities with business valuation and financial advisory services related to:

- Corporate Valuation
- Transaction Advisory
- Financial Reporting
- Litigation Support
- Asset Valuation
- Tax Valuation Issues

We have deep and specific industry knowledge drawn from decades of experience valuing companies and assets in basins across the U.S. and the Globe. We have experience through multiple commodity price cycles and their corresponding impacts. This thought leadership allows us to:

- Serve clients at the highest level
- Have our opinions consistently upheld in regulatory and courtroom environments
- Speak frequently at industry conferences and other events
- Write regularly on oil & gas issues. The leader of our Energy team is a Contributing Editor to Forbes.com.

We are recognized as a leading independent advisor

Tested by Authorities • Trusted by Clients

Team Leaders



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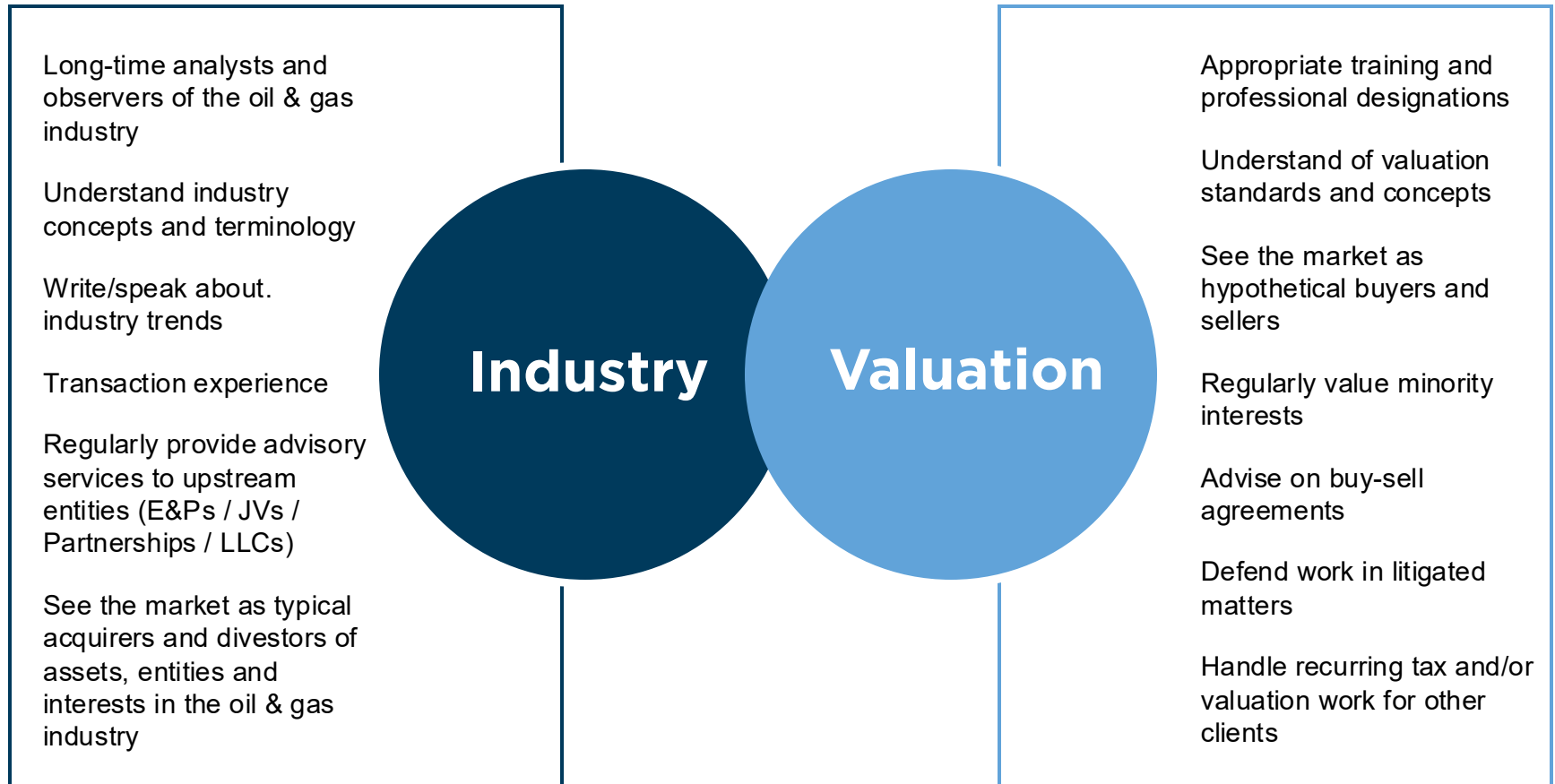


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There Are Two Types of Experts



You Need Both

We Are Industry Specialists

We are a valuation firm that is organized according to industry specialization

Our energy team has extensive specialty oil & gas background, experience and training

We have widespread experience with oil & gas entities, working interests, assets, and joint ventures during all phases of commodity price cycles

We write and speak regularly on industry topics through multiple respected industry channels including Forbes.com & Hart Energy

Industry

Valuation

We Are Valuation Specialists

We regularly provide valuations and other third-party opinions for a variety of purposes

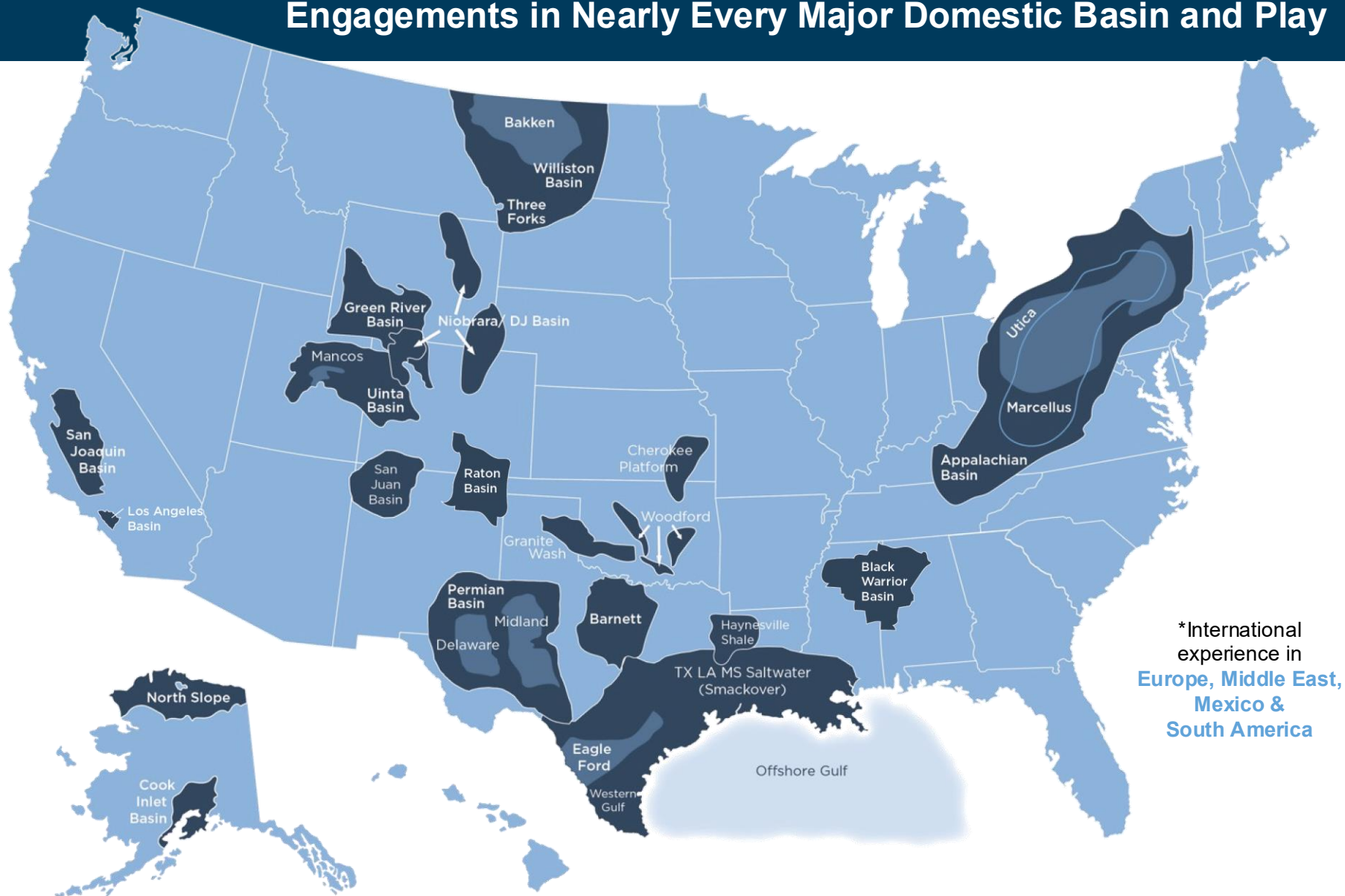
We also speak, write and train other professionals within the valuation, accounting, and legal communities

Since our founding in 1982, Mercer Capital has provided expert valuation opinions to over 16,000 clients throughout the U.S. and on six continents

We have had our opinions upheld by numerous court jurisdictions and regulatory bodies

We are active in leadership roles throughout the valuation profession

Engagements in Nearly Every Major Domestic Basin and Play



Representative Experience



San Joaquin

Litigation Support Services

Provided complex expert fair value (ASC 820, AU 328, AU 342, AU-C 540) services for multiple E&P and energy companies in an international arbitration matter



Uinta

Litigation Support Services

Provided joint business valuation expert services for numerous upstream, mid-stream, and oilfield service entities focused primarily in Utah



Los Angeles

Buy-Sell Agreement

Valuation of E&P company for buyout of minority equity holder



Oklahoma
Scoop
Stack

Sell-Side Consulting: Minority Equity Holder

Valuation consulting for Upstream and Midstream gas operations



Smackover

Litigation Support: Ad Valorem Tax Dispute

Operating Working Interest Valuation of a Tertiary Recovery Oil Field



Permian

Transactional and Tax Reporting

Valuation of Non-Operating Oil and Carried GP Interests in an Investment Fund



Haynesville
Shale

Litigation Support Services

Valuation Analysis: Multi-Billion Dollar Natural Gas Producer



Raton

Regulatory Compliance

Fair Value of Asset Retirement Obligations for Natural Gas Producer



Representative Experience

Permian

Litigation Support Services

Provided valuation of minority interests held in a \$650 million partnership



Permian

Fairness Opinion

Prepared a fairness opinion for a publicly traded E&P company with reserves in the Permian Basin



Permian

Tax Reporting

Provided valuation services for oil weighted PDP and PUD reserves for gift tax purposes



Offshore Gulf

Litigation Support Services

Provided valuation services regarding a \$1.3 billion E&P company with offshore production



Marcellus

Transactional and Financial Reporting

Provided complex derivative valuation services (ASC 820) to a \$2.1 billion E&P client



San Juan

Bankruptcy and Restructuring

Provided valuation of undeveloped PUD assets for a dry gas E&P client



Eagle Ford

Financial Reporting

Provided reserve valuation and purchase price allocation (ASC 805) for a \$50 million E&P transaction



Mid-Continent & Rockies

Financial Reporting

Provided GAAP fair value analysis (ASC 820) to a Private Equity client with \$38 million in heavy oil & CBM assets



Clients & Capabilities

Who We Serve

- Publicly & Privately Held E&P Companies
- Private Equity Firms
- C-level Executives
- Accounting Firms
- Law Firms
- Wealth Management Firms

Solutions

- Services Across Regulatory Spectrum
 - Treasury Reg. 1.611-2
 - ASC 932; ASC 805; ASC 820; ASC 360
 - Ad Valorem Tax Valuations
 - Fair Value Statutes in Judicial Matters
 - Bankruptcy and Reorganizational Statutes
- Sophisticated Strategic & Advisory Capabilities
 - Acquisition Due Diligence
 - Option Modeling
 - Production Metrics and Acreage Values

Services

- Corporate Valuation
(Buy-Sell, ESOP, Equity Compensation, Enterprise Value)
- Transaction Advisory
(Fairness and Restructuring Opinions, Due Diligence, M&A Advisory)
- Financial Reporting
(Purchase Allocation, Portfolio Valuation, Impairment Testing, Equity Compensation)
- Litigation Support
(Shareholder Disputes, Damages & Lost Profits, Tax, Family Law)
- Asset Valuation
(Working Interests, Undeveloped, JVs, Farm-In / Farm-Out)
- Tax Valuation Issues
(Gift & Estate, Ad Valorem, Income Tax, Capital Gains, Reorganization / Recapitalization)

Industry & Professional Leadership

Mercer Capital's *Energy Valuation Insights* is a weekly blog covering valuation issues in the Energy Industry



Bryce Erickson is a Contributing Editor to Forbes.com writing about oil & gas valuation and economic issues

Forbes



Our opinions have been reviewed and accepted by:
State and Federal Courts
PCAOB and Big 4 Audit Firms
Internal Revenue Service



Our Energy Team members have been sought for commentary and insight by various publications



Experience in nearly every domestic oil & gas basin and have international experience across the globe including Europe, Middle East & South America



Trusted by:

- Clients
- Boards of Directors
- Legal Community
- Accounting Firms
- Wealth Management Firms

Teachers and trainers for CLE and CPE approved courses

Speak frequently on oil & gas issues to industry and professional service audiences



Mercer Capital

Valuation & Advisory Services

Mercer Capital, an employee-owned firm, is one of the largest independent valuation and advisory services firms in the nation. Founded in 1982, we serve a national and international client base.

We have provided thousands of valuation opinions for corporations and financial institutions of all sizes across virtually every industry vertical.

We offer a broad range of valuation services, including corporate valuation, gift, estate, and income tax valuation, buy-sell agreement valuation, financial reporting valuation, ESOP and ERISA valuation services, and litigation support services.

In addition, Mercer Capital provides investment banking, transaction advisory, and restructuring services to a broad range of public and private companies and financial institutions. Mercer Capital leverages our historical valuation and investment banking experience to help you navigate a critical transaction, providing timely, accurate and reliable results. We have significant experience advising boards of directors, management, trustees, and other fiduciaries of middle-market public and private companies in a wide range of industries.

Our work has been reviewed and accepted by major federal agencies charged with regulating business transactions, as well as by the largest accounting and law firms in the nation on behalf of their clients.

Mercer Capital

List of Services

Valuation & Financial Opinions

- Valuations for Gift & Estate Tax Planning
- Litigation-Related Expert Witness Opinions
- Succession & Shareholder Planning
- Valuations for Corporate Tax Planning
- Valuations for Buy-Sell Agreements
- Fairness Opinions
- ESOP & ERISA Advisory Services
- Bankruptcy-Related Valuation Services

Transaction Advisory Services

- M&A and Investment Banking Services
- Bankruptcy/Restructuring Advisory
- Fairness Opinions
- Solvency Opinions
- Quality of Earnings

Financial Reporting Valuation Services

- Purchase Price Allocation Services
- Impairment Testing Services
- Portfolio Valuation Services
- Equity-Based Compensation Valuation

Family Business Advisory Services

- Customized Board Advisory Services
- Management Consulting
- Independent Valuation Opinions
- Transaction Advisory Services
- Confidential Shareholder Surveys
- Benchmarking/Business Intelligence
- Shareholder Engagement
- Shareholder Communication Support

Litigation Support Services

- Tax-Related Controversies
- Business Damages & Lost Profits
- Corporate Restructuring & Dissolution
- Statutory Fair Value
- Valuation, Labor & Contract Disputes
- Family Law & Divorce
- Initial Consultation & Analysis
- Testimony & Trial Support



BUSINESS VALUATION &
FINANCIAL ADVISORY SERVICES

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