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## Abraxas Petroleum Corporation Q2 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### **Operator**

(Operator instructions) Your first question comes from the line of Joel Musante from CK Cooper & Company. You may proceed.

#### **Joel Musante – CK Cooper & Company**

How are you doing everybody? Good afternoon.

#### **Bob Watson**

How you doing?

#### **Joel Musante – CK Cooper & Company**

Pretty good, I just had a couple of questions for you. Are the wells that you're going to drill this year for the standalone operation? Can you give us an estimate of your exposure to reserves from those wells?

#### **Bob Watson**

Of the wells?

#### **Joel Musante – CK Cooper & Company**

Yes, of the wells that you're going to drill for Abraxas standalone, sort of the upside, the unbooked portion.

#### **Bob Watson**

Okay. It'll start with the Nordheim well, I believe that has about 3 Bcf of puds booked to it. If we have except equal to the last one we drilled in the Yoakum, which you're well aware of, that could be conservative, The Beulah Coleman well at Midland County, West Texas and the Devonian, – who knows 50,000 to 100,000 barrels and then 50,000 to 100,000 barrels in the Wolf Camps, Sprayberry and Dean [ph]. When we get to them, they're still behind pipe. So 150,000 to 200,000 barrels project there that we own a 100% of and that's going to be at about a \$10 finding cost. The wells in the Ira area, those are probably 50,000 barrels per well plus double that when you look at potential water flood potential. Again those will be in the \$10 per barrel finding cost area.

We have other wells in West Texas which we haven't mentioned yet, but we did plan toward the end of the year and we'll get into those as we continue. In Wyoming, that's a real wildcard. I think we ran our economics at 150,000 to 200,000 barrels for that and it certainly works.

I guess there's some upside in that but who knows, we're really going out and charting new waters on that one. But the existing wells that have not been stimulated, there are five horizontals, they're going to average about 60,000 to 70,000 barrels per well. But we hope to at least double that with stimulation and if that's the case, then we have a very economic venture.

**Joel Musante – CK Cooper & Company**

Okay, what is the well cost in Brooks Draw?

**Bob Watson**

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