

The logo for Seeking Alpha, with the text 'Seeking Alpha' in white and a Greek letter alpha (α) in orange, all on a dark red background.

## Bill Barrett Corp. Q2 2008 Earnings Call Transcript

### Question-and-Answer Session

---

[Operator Instructions]. The first question comes from the line of Tom Gardner from Simmons & Company. You may proceed.

**Tom Gardner - Simmons & Company**

Hi everyone. Hey, I have a question on the Yellow Jacket. What have you learned about the Gothic shale by the drilling in this well? And do you have any updates on your expectations for reserves or well costs as a result of the work you have done to date?

**Fredrick J. Barrett - Chief Executive Officer and Chairman**

Yeah, good question. First, I would just bring you back to the vertical wells that we drill. A lot of the information that we have assimilated up to this point came from the vertical well and the core data there. We know this is a shallow play, it's 80 to 150 feet thick in terms of the shale thickness. We see what we believe are attractive gas contents, total organic carbon content and suitable thermal maturities. So as you look at the horizontal well, remember, we are early, very early in initial flow back stages. We applied what we believe is kind of the state-of-art cutting-edge technology in terms of horizontal completion technology. We have set casing was swell packers and stimulation sleeve [ph] technology. We isolated six frac stages, pumped a lot of water, close to 50,000 barrels of water. This type of technology, if you look at the other shale gas plays, takes three to four weeks in terms of flow back time.

And so right now, it's too early in the flow back stage to disclose really much more further [ph] and meaningful information as it relates to this well. But again, we continue to believe that this is a play that we want to continue to look at. We have a vertical well in Green Jacket further to the West that we are going to drill. And as we move through the fourth quarter, we'll continue to optimize our 2009 plans.

**Tom Gardner - Simmons & Company**

Okay. Jumping over to the Powder River Basin, you mentioned you were currently facility constrained and you are adding compression. Is compression the only limitation there? Are there water handling issues?

**Fredrick J. Barrett - Chief Executive Officer and Chairman**

Yeah, Joe, you want to handle that?

**Joseph N. Jagers - President and Chief Operating Officer**

Sure. There are... most of our issues are around the compression side of things. There are some very local water issues from time to time, Tom, but that is... that's not holding us up. We have got discharge permits and water management plans approved for virtually all of our producing areas there.

Copyright © 2008 CNET Networks, Inc. All Rights Reserved.