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## Stone Energy Corporation Q3 2008 Earnings Call Transcript

### Question-and-Answer Session

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**Operator**

(Operator instructions) Your first question comes from the line of Dave Kistler from Simmons & Company. Your line is open.

**Dave Kistler – Simmons & Company**

Good afternoon guys.

**David Welch**

Hi, good afternoon.

**Dave Kistler – Simmons & Company**

Real quickly, you discussed a production exit rate of about 275 million a day. Can we just for the purposes of trying to get a handle on what CapEx might look like, run that forward through '09 or do you think you'll have incremental really redevelopment programs that can drive that materially higher?

**Ken Beer**

This is Ken. Again, the exit of 275 is probably a pretty good starting point to look at '09. Obviously we have not poured [ph] our budget, but in terms of trying to get incremental production on top of the 275, obviously we are looking to do that. But in terms of a starting point looking ahead to '09, that is I think a pretty appropriate starting point and as we forward pour [ph] our budget and come out with guidance, full guidance on 2009, we'll certainly adjust from that exit rate.

**Dave Kistler – Simmons & Company**

Okay, and kind of building on that question a little bit, with Ewing Bank 305 where you had a drilling program in place, if I look at the results of Ship Shoal 113 and South Timbalier 100, can I expect to see a drilling program applied there and can you kind of walk me through the timing of that?

**David Welch**

Well, the Ewing 305 program is nearing completion. That's added about 40 million cubic feet a day to that program. On Main Pass 74, is that one you're asking about David?

**Dave Kistler – Simmons & Company**

Really Ship Shoal and South Timbalier, I'm just trying to think about when the development process might take place for those and how to think about the production we just spoke about and then when to think about where we could see production coming here?

**David Welch**

Yes those are really right now tangled up in our budget process and as you can imagine we're trying to make the trade-off between exploration and development drilling and it's a little premature for us to give you any real insight into that.

**Dave Kistler – Simmons & Company**

Okay, no problem, may be something a little bit closer to the right in front of you, in terms of Amberjack and time to actually tied that back into pipelines, so you don't suffer variability of a barging situation if we experience regular winter weather.

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