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Range Resources Corp. Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from Tom Gardner – Simmons & Co.

Tom Gardner – Simmons & Co.

With respect to your production growth estimates for '09 of 10% can you walk us through area-by-area what you're actually thinking, what your thoughts are on those areas?

Jeffrey L. Ventura

Let me just talk about it overall. Like we talked about 90% of our capital is going in to the Marcellus, the Barnett or Nora and we expect to get good growth or great growth out of all those areas. That being said, we've got a lot of tight gas sand production in Appalachia where we're not going to be drilling any wells, very little drilling out in the Permian basin and then all the other areas. You're coupling the decline from the base production in those areas which is relatively low with the growth that we have.

So, I think that given even out of the \$700 million a lot of that money is being directed in to leasehold, seismic, pipeline and facilities. Given the amount of drilling work we're doing 10% growth is great. If gas prices rebound next year like I expect that they will we really have the opportunity to ramp up and get significant growth really for years to come out of those key projects.

Tom Gardner – Simmons & Co.

Did I hear you mention 16% base decline companywide earlier?

Jeffrey L. Ventura

We've said that before. If you look at the first year decline sort of in aggregate for the company that would be the base decline and then it flattens going out farther.

Tom Gardner – Simmons & Co.

You mentioned with regard to your planned asset sales or those that you're considering, are you talking about a sizeable package? And, where might these properties be located?

John H. Pinkerton

We currently formally have on the market our Fuhrman-Mascho property out in West Texas which is a shallow oil property but it has tremendous upside in terms of the Railroad Commission just approved five acre spacing infield wells and also its got some terrific water flood and tertiary opportunities. Over the years we've had a number of companies approach us wanting to know if we wanted to sell those properties and our thought was – well, to be honest with you I wish we had sold it or put it up for sale a year ago.

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