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## Brigham Exploration Company Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### Operator

(Operator instructions) And your first question will come from the line of Scott Hanold with RBC Markets. Please proceed.

#### Scott Hanold – RBC Markets

Thanks. Good morning.

#### Bud Brigham

Good morning.

#### Scott Hanold – RBC Markets

Bud or Gene, can you talk a little about the revolver? I know you drew it down at the end of the year, but when is the redetermination period on that and what do you all expect? Because – is there a chance that the revolver gets reduced and you got to pay some of the cash back to it – to the banks?

#### Gene Shepherd

Well, we deliver a report to BofA on April the 1st and then they come back to us at the end of that month or early May. That calculation, we do get the benefit of any additional wells that were hooked up to production since the end of the year. So it's a 12/31 report, but to the extent that we have moved additional wells into the PDP category we get the benefit for that. For example, at the end of the year we didn't have either of the two of our Southern Louisiana wells up to production. One got hooked up in January. One got hooked up in March – or will get hooked up later this month. So those two will get moved to the PDP and will get the benefit for those in this April 1 report that we deliver. But –

#### Bud Brigham

We have another Gulf Coast that's getting down too that also could be in that report as well.

#### Gene Shepherd

So I mean – the steps that I think to just review, the reduced level of activity in response to really the mismatch between commodity prices and service costs that we laid our rigs, as a consequence, going forward we are generating free cash flow. And as of – as I said, as of March 10, we had roughly

\$33 million of cash on the balance sheet. We will close these two transactions this month. And that should add roughly an additional \$7.2 million of cash. And then we've got the other Williston Basin transactions that are on under way. So I think we feel good about our ability to get through the downturn that we are currently experiencing, including – obviously the borrowing base would be part of that. So I think we feel very good.

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