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International | Equinor sanctions \$3.8B, 245 MMbo Rosebank project

International | Vår Energi estimates Balder X to cost an additional \$340MM

Civitas strikes again with \$2B buy 2 months after Permian entry

Civitas Resources is acquiring the assets of Vencer Energy, a Midland Basin-focused E&P subsidiary of commodity trader Vitol, for about \$2.1 billion in cash and stock. 🔄 The deal will build on the former DJ Basin pure-play's position in the Permian, which it entered earlier this year through a \$4.7 billion deal with NGP Energy Capital Management-backed Hibernia Energy III and Tap Rock Resources that closed Aug. 2.

"This was a unique opportunity to capture high-quality oil assets at a very attractive price. In recent months, we have created a quality, scaled position in the heart of the Permian Basin," Civitas president and CEO Chris Doyle said. "We continue to advance our strategic pillars by adding premium inventory, increasing free cash flow and delivering the industry's best cash returns to shareholders. Upon closing, our portfolio will be balanced between the Permian and DJ basins, which reduces operational risk and makes us a stronger and more sustainable enterprise."

The Vencer deal will add about 44,000 net acres in Martin, Midland, Glasscock, Upton and Reagan counties, Texas, and August production of about 62,500 boe/d (50% oil). The acreage contains an estimated 400 gross drilling locations, primarily in the Spraberry and Wolfcamp, Civitas said. [Read more...](#)

Pro forma portfolio balanced between Permian & DJ, reducing operational risk.

Eni gas find off Indonesia estimated to hold 5 Tcf & 400 MMbbl

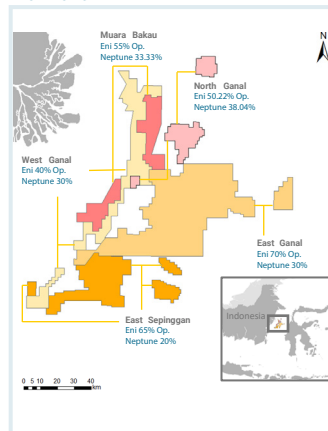
A new gas discovery by Eni offshore the Indonesian province of East Kalimantan is estimated by the Italian energy company to hold 5 Tcf in place with up to 400 MMbbl of condensate. Based on that preliminary finding for the total structure, Eni plans to study options for a fast-track development. The discovery well, the Geng North-1, was drilled in the North Ganai production sharing contract area in the Kutei Basin, about 85 km off the coast.

Drilled to a depth of 5,025 meters in 1,947 meters of water depth, the Geng North-1 encountered a gas column about 50 meters thick in a Miocene sandstone reservoir that Eni said has excellent petrophysical properties and has been subject of an extensive data acquisition campaign. A successful drill stem test, although limited by the test facilities, led to a well capacity estimate of 80-100 MMcf/d with 5,000-6,000 bbl/d of condensate.

Thanks to its location and size, Eni said the discovery has potential to contribute substantially to the creation of a new production hub in the northern Kutei Basin, to be connected to the Bontang LNG facility on the coast of East Kalimantan. [Read more...](#)

\$2.6B Neptune Buy to Enhance Eni's Stake in Geng North Discovery

PORTFOLIO



OVERVIEW

In Indonesia, working with Eni and other partners, **Neptune** produces LNG for export to the region under long-term contracts, as well as gas for the domestic market.

During the year Neptune continued to manage output from the **Jangkrik** and **Merakes** fields, maintaining gas throughput at close to capacity of the Jangkrik FPU.

1Q 2023 Production (kboed): 22.7

DEAL UPSIDE

Strengthening our operatorship in the Kutei Basin (Eni has been present in Indonesia since 2001 with 2022 production of 62 kboed)

Reinforcing equity position along LNG value chain in a key market

Significant exploration potential in Kutei basin

ASSETS: JANGKRIK, MERAKES, WEST GANAL

Partners
Eni, Pertamina & Saka

Operators
Eni

The **Jangkrik** and **Jangkrik NE** fields are part of the Muara Bakau PSC. Gas is transported to the **Bontang LNG plant**.

Merakes is part of **East Sepinggan PSC** Gas production is shipped to the Bontang LNG plant, utilising all of the existing facilities of the Jangkrik field.



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Source | Eni 06/23/23 presentation via Enverus docFinder

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North American E&P

Eastern Regional Data (09/03/23-09/30/23)

Overview by State/Region	Permits	Δ	Spuds	Δ	Rigs	Δ	Operators	Δ
Illinois	-	-	-	-	2	▼ (2)	-	-
Indiana	-	-	-	-	1	▲ 1	-	-
Kentucky	4	▼ (2)	-	-	-	-	4	▼ (1)
Michigan	-	▼ (3)	-	▼ (1)	2	▲ 1	-	▼ (2)
New York	-	▼ (2)	1	▼ (1)	-	-	-	▼ (1)
Ohio	1	-	3	▼ (7)	10	▲ 1	1	-
Pennsylvania	52	▼ (25)	71	▲ 24	22	▲ 1	12	▼ (1)
Tennessee	4	-	-	-	-	-	1	▼ (1)
West Virginia	31	▲ 27	14	▲ 2	8	▼ (2)	4	▲ 2

New Permits by Formation	Last 4 Wk	Prev 4 Wk	Yr Ago	2 Yr Ago	Rigs
Marcellus	30	41	56	70	19
Bradford & Cooper	7	-	-	-	-
Bradford	5	3	22	4	1
Hamilton & Marcellus	4	8	-	-	-
Balltown, Clarendon & Glade	3	-	-	6	-
Others	43	45	105	107	25
Total	92	97	183	187	45

Top Counties by New Permits	Last 4 Wk	Prev 4 Wk	Yr Ago	2 Yr Ago	Rigs
Butler, PA	10	-	12	9	-
Wetzel, WV	10	3	-	1	2
Forest, PA	8	-	8	14	1
Washington, PA	8	6	2	7	2
Marion, WV	7	-	-	-	-
Doddridge, WV	5	-	-	-	-
McKean, PA	5	-	-	-	-
Westmoreland, PA	5	7	-	6	3
Beaver, PA	4	-	2	4	-
Bradford, PA	4	14	1	6	2

Top Operators by New Permits	Last 4 Wk	Prev 4 Wk	Yr Ago	2 Yr Ago	Rigs
Antero Resources	10	-	6	7	3
PennEnergy Resources	10	-	10	10	-
EQT Corp.	9	5	-	4	4
PennEnergy Resources	9	-	10	10	-
Southwestern Energy	8	1	12	6	2
Range Resources	7	5	4	5	2
CNX Resources	5	-	1	11	2
Olympus Energy	5	2	-	-	1
Chesapeake Energy	4	25	1	8	4
HG Energy	4	-	7	10	1

Top Completions by IP24	Operator	County	Reservoir	Lateral (ft)	boe/d	Oil (%)
Marbaker #26HC	Chesapeake	Susquehanna, PA	Marcellus	12,542	7,323	0%
Marbaker #25HC	Chesapeake	Susquehanna, PA	Marcellus	12,850	6,343	0%
Marbaker #124HC	Chesapeake	Susquehanna, PA	Marcellus	13,537	6,025	0%
Eisaman #7H	Apex Energy	Westmoreland, PA	Marcellus	12,950	2,682	0%
Eisaman #6H	Apex Energy	Westmoreland, PA	Marcellus	13,760	2,502	0%

EIA forecasts shale oil and gas output declines in October

The EIA expects production from the major U.S. shale regions to fall by 40,000 bo/d and 339 MMcf/d sequentially in October. The largest drops in oil volumes are expected to occur in the Permian and Eagle Ford, by 26,000 bo/d to 5.773 MMbo/d and by 17,000 bo/d to 1.109 MMbo/d, respectively. Anadarko Basin oil volumes will decline by 3,000 bo/d to 420,000 bo/d and Appalachian Basin oil by 2,000 bo/d to 146,000 bo/d. Rockies volumes will rise, however, with the Bakken up 3,000 bo/d to 1.227 MMbo/d and the Niobrara up 5,000 bo/d to 682,000 bo/d.

Appalachia & Haynesville expected to fall more than 100 MMcf/d vs. Sept.

On the gas side, output is forecast to fall in four shale regions, led by a 137 MMcf/d drop to 35.718 Bcf/d in Appalachia and a 106 MMcf/d decline to 16.196 Bcf/d in the Haynesville. Falling by 77 MMcf/d and 70 MMcf/d will be the Anadarko Basin and Eagle Ford to totals of 6.610 Bcf/d and 7.542 Bcf/d, respectively. Partially offsetting the declines will be growing gas output in the Bakken, up 23 MMcf/d to 3.39 Bcf/d; the Niobrara, up 17 MMcf/d to 5.165 Bcf/d; and the Permian, up 11 MMcf/d to 23.745 Bcf/d.

According to its Sept. 12 Short-Term Energy Outlook, the EIA forecasts that U.S. oil production will grow 7.3% YOY in 2023 to 12.78 MMbo/d, up 0.2% from the prior month's estimate. Volumes in 2024 were revised up half a percent to 13.16 MMbo/d. Natural gas output in 2023 is expected to rise 4.7% YOY to 102.7 Bcf/d, which is down 0.3% from the prior month's estimate. In 2024, volumes will rise another 2.2% YOY to 104.9 Bcf/d.

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Fundamental Edge | What, Me Worry? Risks as Brent Approaches \$100/bb

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Note | Operators in the top table and Rigs in all tables are based on active rigs as of the last date in the period covered. Source | Enverus Foundations, state data for Top Completions

North American E&P

Gulf Coast Regional Data (09/03/23-09/30/23)

Overview by State/Region	Permits	Δ	Spuds	Δ	Rigs	Δ	Operators	Δ
Alabama	-	-	-	-	-	-	-	-
Florida	-	-	-	-	-	-	-	-
Louisiana	46	▲ 16	13	▲ 2	28	▼ (3)	12	▼ (2)
Mississippi	1	▼ (5)	3	▼ (1)	2	▼ (2)	1	▼ (3)
Gulf Coast Texas (RRC 1)	64	▼ (1)	55	▼ (6)	23	-	15	▲ 3
Gulf Coast Texas (RRC 2)	34	▼ (3)	31	▼ (6)	18	-	10	-
Gulf Coast Texas (RRC 3)	11	▼ (6)	7	▼ (1)	9	▼ (1)	7	▼ (5)
Gulf Coast Texas (RRC 4)	25	▲ 8	9	▼ (4)	10	-	8	▲ 3
East Texas (RRC 5)	3	-	3	▼ (5)	4	-	3	▲ 2
East Texas (RRC 6)	36	▲ 20	16	▼ (5)	29	-	14	▲ 6

New Permits by Formation	Last 4 Wk	Prev 4 Wk	Yr Ago	2 Yr Ago	Rigs
Eagle Ford	87	86	105	106	38
Haynesville	49	26	82	50	41
Austin Chalk	27	14	32	16	10
Cotton Valley	11	7	7	6	10
Jurassic	6	-	-	-	-
Others	40	56	99	66	24
Total	220	189	325	244	123

Top Counties by New Permits	Last 4 Wk	Prev 4 Wk	Yr Ago	2 Yr Ago	Rigs
Atascosa, TX	31	24	6	3	3
Webb, TX	21	15	26	4	9
Caddo, LA	17	5	18	7	2
Karnes, TX	15	11	26	36	7
La Salle, TX	11	-	15	10	4
Harrison, TX	10	8	15	9	4
McMullen, TX	10	19	9	6	6
DeSoto, LA	10	8	22	7	6
Live Oak, TX	8	10	-	5	3
Red River, LA	7	-	7	8	7

Top Operators by New Permits	Last 4 Wk	Prev 4 Wk	Yr Ago	2 Yr Ago	Rigs
Marathon Oil	28	6	3	9	1
EOG Resources	20	21	28	27	8
Southwestern Energy	13	-	2	8	5
Aethon Energy	12	7	17	18	11
ConocoPhillips	10	11	5	9	6
SilverBow Resources	9	4	14	-	2
Paloma Natural Gas	8	-	6	-	-
Killam Oil	7	-	3	1	-
Sabine O&G	6	1	4	-	3
Trinity Operating	6	-	6	8	3

Top Completions by IP24	Operator	County	Reservoir	Lateral (ft)	boe/d	Oil (%)
McCullough Ingram A #1H	Comstock	Robertson, TX	Cotton Valley	8,256	7,077	0%
GEP II 13-12-1 HC #1	GEP Haynesville II	DeSoto, LA	Haynesville	15,077	7,060	0%
SUS For 11-2-35 HC #1-ALT	Comstock	DeSoto, LA	Haynesville	14,684	6,501	0%
GEP II 13-12-1HC #3-ALT	GEP Haynesville II	DeSoto, LA	Haynesville	14,691	6,320	0%
Rector 11-2-35 HC #1-ALT	Comstock	DeSoto, LA	Haynesville	14,866	6,285	0%

Note | Operators in the top table and Rigs in all tables are based on active rigs as of the last date in the period covered.
Source | Enverus Foundations

Baytex's Ranger inheritance highlighted by Lavaca wells

Starting in July, Baytex Energy began highlighting the Ganymede pad in its investor presentations on a chart dedicated to its improved well productivity in the Eagle Ford. While the company has said basically nothing about the wells, state data provides some insight. Consisting of two wells in Lavaca County, Texas, completed in February by Ranger Oil, which Baytex acquired for \$2.5 billion in late June, the pad has delivered strong productivity.

The wells were completed with 9,939-ft laterals stimulated with 2,258 lb/ft of proppant and 52 bbl/ft of fluid. During a 24-hour test, they flowed an average 3,515 boe/d (77% oil) from the Lower Eagle Ford on 27/64-inch chokes at 4,217 psi FCP, or 422 boe/d per 1,000 ft. In the first three months, the duo averaged 137,905 boe each (1,532 boe/d), and after six months had yielded an average of 198,061 boe apiece (1,100 boe/d).

The Ranger deal marked Baytex's debut as an operator in the Eagle Ford, following years of participation primarily in wells operated by Marathon Oil. Within the operated portfolio from Ranger, the Ganymede wells are among the most productive and wells completed in 2023 in Lavaca County are outperforming prior vintages. Compared to 2022, the 2023 Lavaca wells are performing 3% higher at three months (105,385 boe) and 29% higher at six months (166,577 boe).

After averaging 88,269 boe/d in H1, Baytex has set H2 guidance at 153,000-157,000 boe/d. H2 activity will include bringing online 34 net wells in the Eagle Ford and 90 net in Canada. Prior to acquiring Ranger, Baytex had started 2023 planning to spend \$575-650 million in capex and produce 86,000-89,000 boe/d.



FOUNDATIONS

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North American E&P

SilverBow squeezing more output from recent acquisitions

An aggressive M&A strategy over about the last two years has greatly expanded SilverBow Resources' Eagle Ford portfolio, culminating in the Aug. 14 agreement to acquire Chesapeake Energy's remaining assets in the South Texas play for \$700 million. Activity on the acreage already acquired, much of which was lightly developed, has focused on improving well results and expanding inventory. In 2023, this activity has been concentrated in SilverBow's Central Oil and Eastern Extension areas.

In the Central Oil area, improvements have been driven by re-drilling of predecessors' historic wells to increase the amount of lateral in the target zone and by the application of "a very concentrated frac design that we've optimized in other parts of the basin over the last several years," CEO Sean Woolverton said on an Aug. 4 earnings call.

Woolverton also pointed to the high variability of reservoir pressure and noted that SilverBow has quickly converted wells to artificial lift in a part of the Central Oil area in Atascosa County with particularly low pressure to flatten declines. He noted that the three-well Edmund Tom pad, completed within this part of the area during Q1, was outperforming the type curve of its immediate surroundings as a result of this strategy despite being below the company's overall Eagle Ford type curve.

SilverBow brought online four Central Oil pads with a total of nine wells during Q2, and by early August three of them had reached peak rates and delivered 30-day rates averaging about 1,500 boe/d (83% oil) per pad from laterals averaging 5,110 ft. These include the two-well James Keith Esse pad in northern Live Oak County, which flowed an IP30 of 1,541 boe/d (82% oil). In the Eastern Extension, a two-well pad completed in Q2 delivered a total IP30 of 2,500 boe/d (73% oil) from laterals averaging 7,660 ft. SilverBow said all of the rates from Q2 wells met its expectations and support future development plans.

SilverBow identified more than 300 incremental locations at the time of its Central Oil and Eastern Extension acquisitions but now believes that inventory can be expanded, especially through evaluating the Austin Chalk. "That zone we really didn't even underwrite any value to in our acquisition, so we're making efforts to try to unlock incremental value from those transactions," Woolverton said. The company also bought online its first Austin Chalk well in the Eastern Extension after the end of Q2 and said it is encouraged by the early results.

Eagle Ford player looking to expand inventory via Austin Chalk delineation.

BP America and BPX Energy head Lawler departs

The door continues to revolve at BP as the head of the company's U.S. subsidiary followed CEO Bernard Looney out the door. On Oct. 2, BPX Energy CEO and BP America chairman and president David Lawler tendered his resignation to pursue other interests. He has been the head of BPX since 2014 and of BP America since July 2020.

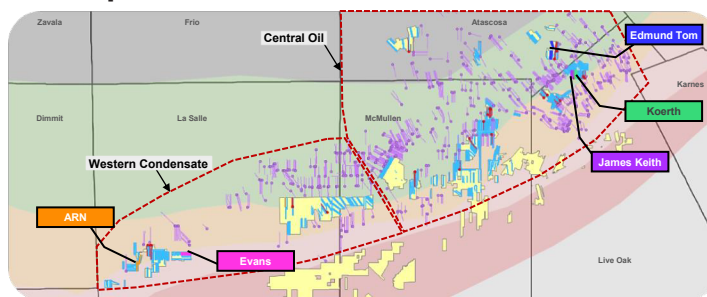
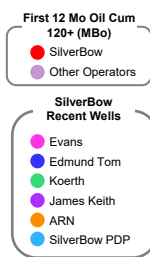
Had been head of BPX since 2014 and of BP America since July 2020.

Current gas and power trading SVP Orlando Alvarez will replace Lawler as head of BP America, while continuing in his current position. Current BPX development VP Kyle Koontz will become BPX CEO.

On Sept. 12, Looney stepped down after failing to properly disclose relationships with a number of female employees. After a 2022 review, Looney admitted to four previous relationships, but additional allegations were made this year and he admitted he had not properly disclosed the extent of his behavior.

Since Looney's resignation, allegations have come out that Looney promoted women with whom he had had relationships, but BP denies that this occurred. Current and former BP employees told the Financial Times that Looney's at-work romantic relationships had quietly been the subject of office gossip for years. CFO Murray Auchincloss has taken over as interim CEO. Finance SVP for production and operations Kate Thomson is serving as interim CFO.

SilverBow's Oil Development

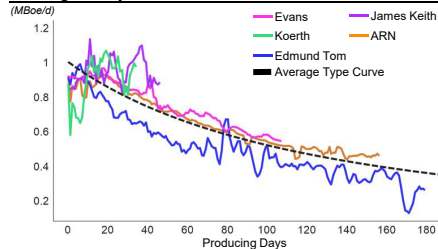


Commentary

	Central Oil	Western Condensate
Drilling Locations	215	115
Average Lateral Length (ft)	6,200'	7,000'
Type Curve EUR	315 MBoe	427 MBoe
% Liquids	81%	64%
Average Gross Well Cost (\$MM)	\$6.3	\$6.6

~50% of 2023 capital allocated to accelerating oil development in Central Oil and Western Condensate

Average Daily Production



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Looney out as BP chief after getting loose with colleagues

Source | SilverBow Resources 08/02/23 presentation via Enverus docFinder



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