



UTICA AND MARCELLUS SHALE LEASING PROGRAM

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Overview

In response to inquiries from clients regarding the recent leasing activity for Utica and Marcellus shale formations in the Appalachian Basin, our firm, Lensman & Associates, Ltd., has engaged FO Oil & Gas, LLC and have formed a team of professionals to evaluate landholdings and address the geologic and legal complexities of leasing arrangements. The team has a distinguished reputation in the industry and an extensive history of successful projects in the Appalachian Basin. Our expertise will provide invaluable resources on the legal and practical aspects of leasing land to maximize value and minimize risk to participating landowners.

Contacts

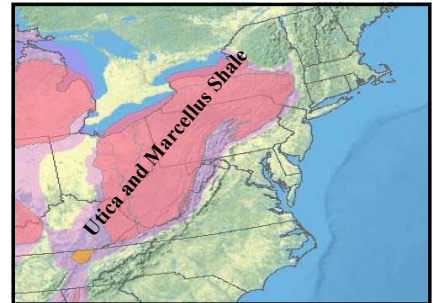
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- ◆ Acreage of participating landowners will be evaluated by our team's Petroleum Geologist and Petroleum Engineer.
- ◆ Landholdings will be aggregated with similar areas of interest to create large acreage positions that are attractive for major oil and gas companies.
- ◆ We will negotiate the best possible terms and lease bonuses on your behalf with our long-standing industry colleagues.



About Us

Our team includes the following oil and gas industry experts and legal professionals,:

- ◆ **Henry S. Belden, IV**, former Chairman of Belden & Blake Corporation (now EnerVest), who has over 50 years of oil and gas experience
- ◆ **John B. Thomas**, Petroleum Geologist with 25 years of deep exploration experience in the Appalachian Basin
- ◆ **Leo A. Schrider**, Petroleum Engineer with over 40 years of experience in oil and gas production in the Appalachian Basin
- ◆ **Daniel J. Passerini**, Ph.D., former Director of Operations for independently owned oil and gas producer with 10 years of experience in lease acquisition and project management
- ◆ **John T. Konovsky, Jr.**, J.D., who has served as counsel to FO Energy and related entities since 2005 and recently completed a similar lease sale transaction with a major oil and gas company
- ◆ **Todd A. Lensman**, J.D., CPA, MT, LL.M, who advises businesses and individuals on strategic business transactions and investments
- ◆ **Melissa M. Brown**, who serves as the firm's Paralegal and who has worked extensively administering projects on behalf of FO Energy and its partners

In addition, **Kirk Lowdermilk**, a resident of Carroll County with whom we recently completed a similar transaction, can provide feedback from the perspective of a landowner as to how working with our team maximized the value of his lease agreement.

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Our Program

We will evaluate and aggregate acreage in order to negotiate the best possible terms and lease bonuses with potential purchasers for all participating landholders. We have identified the following timeline:

- ◆ September 30 - finalize evaluating and aggregating acreage positions for bid submissions
- ◆ October 15 - submit bid packages to interested parties
- ◆ November 15 - complete negotiations and enter into agreements with acquiring parties

Appropriate Acreage

For acreage to be included in our program:

1. The acreage must be in a desirable area. Generally, all counties east of Cleveland, Mansfield, and Columbus are of interest to oil and gas companies with which we have initiated discussions. This area could expand as drilling results confirm speculative regions; and,
2. The leasehold interests must be freely transferable for oil and gas drilling purposes.

Competitive Advantages

Our Team: We have assembled a team that combines industry knowledge and contacts with legal and financial experience in negotiating oil and gas leases.

Flexibility: Each landowner will be signing an individual lease and will not be forced to execute a lease if not satisfied with the offer.

No Out-Of-Pocket Expenses: There are no fees or expenses in engaging our services. Our compensation will be based on a small percentage of the lease bonus payments you receive.

All Royalties Remain Yours: We will not share in any of your ongoing royalty payments as part of our compensation.

Legal and Geologic Review: Our team will evaluate your acreage geologically and for any evident issues of legal encumbrance.

Earlier Sale: Although you may not receive all the benefits of leveraging the bulk sale of a large aggregate transaction, we can assist you in the leasing of your oil and gas interests on an earlier schedule if desired.

Separation of Lease Holdings: In the event your area merits, we will negotiate to maximize your value through a combination of shale drilling and deeper drilling.

For more information, please contact us or visit www.FO-FM.com