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Krugliak, Wilkins, Griffiths & Dougherty Co., L.P.A. presents
Utica Journal Discoveries - An Electronic Oil and Gas Newsletter
With offices located in the heart of the Utica Shale play in
Canton, Akron, Alliance, New Philadelphia & Sugarcreek, Ohio
Editors [Gregory W. Watts, Esq.](#) and [Ryan W. Reaves, Esq.](#)

[Gulfport Energy Corporation Provides 2013 Production Guidance Update](#)

Gulfport Energy

Gulfport currently estimates third quarter 2013 production to be in the range of 12,250 to 12,750 BOEPD. Gulfport's prior third quarter guidance has been adversely impacted by pipeline infrastructure delays and higher than anticipated downtime during simultaneous operations. Gulfport's Irons 1-4H well was scheduled to be flowing into a sales pipeline by mid-August, however the third party midstream provider has experienced pipeline infrastructure and permitting delays and Gulfport now anticipates the well will begin flowing into sales by the end of October. At this time, Gulfport's full year 2013 guidance remains unchanged.

[Blue Racer Midstream Secures \\$800 Million Credit Facility](#)

Blue Racer Midstream

Blue Racer Midstream, LLC announced that it has secured a five-year, \$800 million credit facility, which can be expanded to \$1 billion in the future. The credit facility supports the execution of Blue Racer's aggressive plan to develop midstream assets in the Utica Shale over the next two to three years, including natural gas gathering, processing, fractionation and NGL transportation. Wells Fargo Securities, LLC and RBS Securities Inc. acted as joint book runners and joint lead arrangers on the credit facility. A syndicate of 19 banks participated in the credit facility, with Comerica Bank, RBC Capital Markets, SunTrust Robinson Humphrey, Inc., and U.S. Bank National Association also acting as joint lead arrangers.

[IHS Report: America's New Energy Future: The Unconventional Oil and Gas Revolution and the US Economy](#)

IHS

"As production [of Natural Gas] increases in the Utica Shale play in Ohio over the remainder of this decade, most of the production initially will be consumed locally, displacing supplies from other sources. However, Utica production is expected to grow beyond local consumption and then will likely be used to meet incremental demand in adjacent demand centers along the Chicago to Ontario corridor."

[Carrizo Oil & Gas Announces Non-Core Asset Sales](#)

Easyir

Carrizo has agreed to sell certain non-core assets, including substantially all of its remaining Barnett Shale assets, as well as all of its interest in the Camp Hill Field in East Texas and certain undeveloped acreage in the Marcellus Shale, for total consideration of approximately \$268 million, including aggregate cash proceeds of approximately \$250.4 million. S.P. "Chip" Johnson, IV, Carrizo's President and CEO, commented "This puts us in a strong position to continue our Eagle Ford Shale and Niobrara developments, as well as ramp up our Utica Shale activity in 2014."

[September 2013 Access Midstream Partners Investor Relations Presentation](#)

Access Midstream

Outlining Access Midstream Partner's Utica gathering system, which includes roughly 1,846,000 acres and projects to include 4 (200 mmcf/d each) processing plants capable of 135,000 Bbl/d (C2+) capacity for fractionation.

[Shale Gas Production And High Decline Rates](#)

Forbes

Natural gas drilling dropped by 50% when prices collapsed in 2008, and production responded not by declining at 5, 10 or 15%, but continuing to increase. Unlike the Red Queen, the oil industry has managed to not only stay in place but race ahead, confirming that decline rates are only one factor determining supply. Individual country production trends highlight the fact that decline rates can often be overcome.

[Pipe dealer opens warehouse](#)

Trib Today

Industrial Piping Specialists Inc. has opened on a 55,000-square-foot, \$10 million investment in CASTLO Industrial Park, located in downtown Struthers, Ohio. The company has hired about 14 people so far, including at least a dozen locally, and plans to expand the work force to about 60 in the coming year as business ramps up.

[Wunderlich says Utica shale play is on way to more of Ohio](#)

Crain's Cleveland Business

Houston-based Wunderlich Securities thinks it knows where the Utica shale play is headed - to Washington County. "We expect positive surprises from Washington County," the firm's analysts wrote. The firm said that well results indicate Washington County will be one of the next drilling hot spots in the Utica, which it predicts will benefit drillers Magnum Hunter and PDC Energy. Both those companies are expected to soon announce well results from the area, Wunderlich stated.

[PVR Partners, LP Announces Agreement To Provide Trunkline, Gathering And ...](#)

Wall Street Journal

PVR Partners, L.P. (NYSE: PVR) today announced that it has entered into a definitive agreement with Hess Corporation to construct, own and operate a 45-mile natural gas trunkline and associated gathering pipelines and facilities servicing Hess's lean gas production in the Utica Shale in eastern Ohio. PVR expects the total capital investment for the trunkline, initial gathering lines, compression stations and dehydration facilities to be in the range of \$125-150 million, and expects to invest approximately \$10 million during the remainder of 2013, and approximately \$50 million during the first half of 2014 and \$50 during the second half of 2014, with the balance in 2015.

[Well Worth The Effort](#)

Wheeling Intelligencer

A single Monroe County Utica Shale well drilled by Antero Resources (the Yontz 1H) could be producing as much as \$300,000 worth of revenue per day. This estimated cash flow triples the \$100,000 daily assessment Tim Carr, Marshall Miller Professor of Energy at West Virginia University, made for a Gulfport Energy well in southwestern Belmont County earlier this year. "The well production will decline, but you are talking roughly \$2 million per week in gross revenues," said Carr. "If production holds up for even a short period of time, the well should pay out in two to three months."

[These Jobs Are Just Waiting to Be Filled](#)

DailyFinance

This year, oil and gas companies operating in the Marcellus and Utica Shale plan to hire at least 4,000 new employees. Available jobs range from engineering and construction to operations and maintenance, as well as positions in environmental health, safety, and administration. The problem is that these companies are often looking for qualified candidates, which are tough to find as so few have the technical experience these companies desire. The good news is that because of the competition for qualified candidates, many companies are now looking to hire and train more local candidates.

[**Aubrey McClendon Is Back, With Deals In The Utica**](#)

Forbes

McClendon's American Energy Partners put up the high bid for 50,000 acres offered by Shell in the Ohio portion of the Utica. McClendon is also thought to have acquired 22,000 acres of Utica acreage from EnerVest, one of Chesapeake's partners in Ohio, for more than \$250 million.

[**What will happen to the tsunami of Marcellus, Utica ethane production?**](#)

Oil & Gas Financial Journal

"Over the next three years, the production of natural gas liquids (NGLs) from the Marcellus/Utica could octuple (8X) to more than 650 Mb/d. Already up to 250 Mb/d of US ethane is being rejected - pushed back into natural gas in the Rockies, Midcontinent, and other regions. That number will be getting a lot bigger." The authors go on to estimate that given the current infrastructure, ethane prices currently equate to \$1.95/MMbtu, "[a]t that price it clearly makes more sense to sell the ethane as natural gas rather than as ethane - the phenomenon known as 'rejection'."

[**Which major players are investing in the Utica Shale?**](#)

Market Realist

A good, although abbreviated, analysis of the various holdings in the Utica shale. "The Utica Shale, whose core is primarily in eastern Ohio, is a play that energy players have been watching. According to the USGS (U.S. Geological Survey), the Utica Shale 'contains about 38 trillion cubic feet of undiscovered, technically recoverable natural gas' and 'a mean of 940 million barrels of unconventional oil resources and a mean of 208 million barrels of unconventional natural gas liquids.'"

[**Prometheus Energy Signs Major LNG Supply and Services Agreement with Antero Resources in Marcellus/Utica Basins**](#)

Prometheus Energy

Prometheus Energy Group, Inc. has signed an agreement to supply Antero Resources' LNG requirements to power a portion of its natural gas fueled drilling rigs in the Marcellus and Utica Shales over a multi-year period. Under the agreement, Prometheus Energy will provide LNG supply, logistics delivery and onsite LNG equipment for storage and regasification at a number of Antero drilling sites in northern West Virginia and eastern Ohio.

[**Magnum Hunter Resources Reports Proved, Probable and Possible Reserves \(3P\) and Contingent Resources of 848 MMBoe**](#)

Magnum Hunter

Magnum Hunter Resources expects a significant increase in reserves during the second half of the year due to "pad" related drilling in Appalachia for both the Utica and Marcellus Shales. Magnum Hunter believes that a substantial portion of its Utica Shale acreage will be added to, proved reserves over time as more wells are drilled and delineated in this region.

[Oil and gas industry turns attention to Upper Devonian shale formation](#)

Youngstown Vindicator

Thomas Stewart, executive vice president of the Ohio Oil and Gas Association, said: "There are lots of opportunities here and multiple targets, but better technology is the key today." At about 6,000 feet underground, the Upper Devonian lies above the Marcellus formation, which is part of the Middle Devonian. The sediments that make up the Middle and Upper Devonian were deposited in broad intercontinental seas roughly 390 million years ago. The Utica formation is older and deeper. It lies about 8,000 feet underground, and it was formed roughly 450 million years ago.

