STATE OF OHIO
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL AND GAS RESOURCES MANAGEMENT

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In re:	:	
The Matter of the Application of EAP Ohio, LLC for Unit Operation	:	Application Date: July 2, 2025
Engle HN FRA NE Unit	:	

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UNITIZATION APPLICATION HEARING

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Before Hearing Host Jeff Large
All Parties Appearing Remotely
August 28, 2025, 11:30 a.m.

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A P P E A R A N C E S

ON BEHALF OF OHIO DEPARTMENT OF NATURAL RESOURCES:

Ohio Department of Natural Resources
2045 Morse Road, Building F-3
Columbus, OH 43229
By Jennifer Barrett, Esq.
(Via videoconference)

ON BEHALF OF EAP OHIO, LLC:

Bricker Graydon, LLP
100 South Third Street
Columbus, OH 43215
By Lila Appaya, Esq.
(Via videoconference)

ALSO PRESENT:

Megan Zemke (Via videoconference)
Rebecca Zurcher (Via videoconference)
Piper Zdrodowski (Via videoconference)
Cory Cosby (Via videoconference)
Regina Bryant (Via videoconference)
Janae Allert, Esq. (Via videoconference)
Chase Thompson (Via videoconference)
Beth Wehr (Via videoconference)

I N D E X

I N D E X

(PDF exhibits attached to the transcript.)

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P R O C E E D I N G S

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MR. LARGE: All right. Good morning, everyone. Before we begin, I would like to go over some instructions for this video and telephone conference.

If you have joined online, please mute your microphone. If you have called in via phone, please use the "mute" feature of your phone. Once the hearing begins, everyone will be muted except for those presenting. If you have called in, you can unmute yourself by pressing "star 6."

Witnesses for the Applicant and anyone wishing to make comments, please wait to be individually called upon by your attorney or by the Division before speaking. Please mute your microphone anytime you are not speaking and when you have finished presenting to avoid any feedback.

I am now asking anyone who would like to make comments, please state your name slowly and clearly for the Division. Please identify whether you are an unleased mineral owner, working

interest owner, or an owner with property in the Engle HN FRA NE unit. I would also like this information from anyone who represents any of these persons. We will make note of your name and call upon you when it is time for comments.

So if you have joined us via WebEx, please unmute yourself now and state your name if you would like to make any comments.

Hearing none.

So if you have joined us via phone, please unmute yourself now by pressing "star 6" and state your name if you would like to make any comments.

Hearing none.

Thank you. With that, we will begin the hearing.

Ms. Barrett.

MS. BARRETT: Thank you and good morning. Today is Thursday, August 28th, 2025. And we are here on the matter of the application of EAP Ohio, LLC, for unit operation of the Engle HN FRA NE unit.

Just a quick reminder to please mute your microphones if you are not speaking right

now.

This hearing before the Ohio Department of Natural Resources, Division of Oil and Gas Resources Management, is convened pursuant to Ohio Revised Code Section 1509.28.

My name is Jennifer Barrett. And I am an administrative officer with the Division. Also with me today is Program Administrator Jeff Large. We are conducting the hearing today and serve as the Chief's designees on this matter.

On July 2nd, 2025, EAP filed with the Division an application for unit operations for a unit designated as the Engle HN FRA NE unit. EAP filed subsequent revisions to the application. The unit is proposed to be located in Tuscarawas and Harrison Counties, Ohio. In its application, EAP claims to have the mineral rights through voluntary agreements to approximately 767.5637 acres of the desired approximate 1,133.2508-acre unit.

The purpose of today's hearing is to determine whether EAP's Engle HN FRA NE unit application meets all of the requirements of Revised Code Section 1509.28. Under that section,

the Chief of the Division must issue an order if he determines that the Applicant has shown that, one, the unit is reasonably necessary to increase substantially the ultimate recovery of oil and gas; and two, the estimated additional recovery from the unit exceeds the additional cost.

Neither the Chief nor any of us here today have made any decisions on EAP's application. After today's hearing, we will review all of the information provided to us in order to make a determination. We have a court reporter present as well, and we will have a copy of the transcript of this hearing for review.

The Chief's decision will be issued through a Chief's Order, which will be posted on the Division's website. Pursuant to Revised Code Section 1509.36, any order may be appealed within 30 days after the date upon which the person to whom the order was issued received the order and for all other persons adversely affected by the order within 30 days after the date of the order complained of.

The hearing will proceed as follows: EAP will present its witnesses and exhibits and

will answer questions posed by the Division staff. Then any unleased mineral owners, working interest owners, and those persons with property included in the proposed Engle HN FRA NE unit will have the opportunity to present questions and concerns to the Division staff. And then the Division staff may take a break to determine if there are any additional questions for the Applicant.

To proceed in an orderly fashion, we ask that any interested party who speaks here today pose any questions to the Division, and we will then ask any questions to EAP. Additionally, anyone speaking today will be asked to provide their information to the court reporter. If you are uncomfortable speaking during the hearing, we will also accept written comments.

We will now ask the Applicant to make its introductions and begin its presentation.

MS. APPAYA: Thank you and good morning. My name is Lila Appaya. And I am an attorney with Bricker Graydon, here on behalf of the Applicant, EAP Ohio, LLC.

EAP is here today with a request for the Division to grant an order for unit operations

for the Engle HN FRA Northeast unit, or for short, the "Engle Northeast" unit. The unit is proposed to be located in Mill Township, Tuscarawas County and Franklin Township, Harrison County, Ohio.

As you will hear from EAP's witnesses, EAP and the consenting working interest owners are the "owner," as that term is defined in Ohio Revised Code Section 1509.28, of more than 88 percent of the acreage in the proposed Engle Northeast unit. This exceeds the 65 percent threshold set by Ohio Revised Code Section 1509.28.

Turning now to Exhibit D, as you can see from Exhibit D, which is on the screen, which was included in our application, the proposed Engle Northeast unit consists of 93 tracts totaling approximately 1,133.2508 acres.

EAP proposes to drill three horizontal wells from a pad site located to the south of the unit, drilling the 5H, 205H, and 305H in a northwesterly direction. The lateral portions of those wells will each extend horizontally through the unit for approximately 20,444 feet for the 5H lateral, 19,953 feet for the 205H lateral, and

17,472 feet for the 305H lateral.

EAP seeks an order for unit operations from the Division because there are unleased tracts as well as non-consenting tracts in the unit.

In support of its application, EAP will call Tim Struble, a landman; Randy Daniels, a geologist; and Wes Casto, a reservoir engineer, who will each testify that the application meets the requirements for granting an order for unit operations under Ohio Revised Code 1509.28.

And with that, I would like to call EAP's first witness, Tim Struble.

MR. LARGE: Can we please swear in the witness.

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TIM STRUBLE

being first duly sworn, testifies and says as follows:

DIRECT EXAMINATION

BY MS. APPAYA:

Q. Mr. Struble, would you please state your name and place of employment for the record.

A. My name is Tim Struble. I work for EOG

Resources, which is the parent company of EAP Ohio, the Applicant.

Q. And what is your position at EOG?

A. A land specialist.

Q. Can you please describe a little bit about your educational background?

A. I have an undergraduate degree in psychology from the University of Kansas.

Q. And describe your professional experience in the oil and gas industry.

A. I began my career in 2007. I worked for a couple of different brokerage companies as well as operators. Most recently, I worked for Encino Energy for about five and a half years. And then in August of 2025, I was hired by EOG Resources. I have worked across seven different basins in six different states.

Q. Are you a member of any professional associations?

A. Yes. I am a member of the American Association of Professional Landmen, or AAPL.

Q. And do you hold any certifications with the AAPL? And if so, are there any educational requirements to maintain that certification?

A. Yes. To maintain my registered professional landman designation, I'm required to obtain 25 continuing education credits for every five-year period.

Q. And please describe your work and responsibilities as a land specialist with EOG.

A. As a land specialist, I help facilitate the development of EOG's Utica Shale assets and manage all aspects of landwork, including but not limited to lease acquisition, title review, leasehold trade agreements, and development planning.

Q. And did you assist with preparing the application for the unitization of Engle Northeast unit?

A. Yes, I did.

Q. All right. I would like to turn your attention to the color-coded map on this slide that appears at Exhibit D of the application, which is now on the screen. Can you first tell me, is this a depiction of the proposed Engle Northeast unit?

A. Yes. Outlined in blue, it is.

Q. And what is the size of this unit?

A. Approximately 1,133.2508 acres.
Q. Where is it located?
A. It is located within Mill Township, Tuscaroras County and Franklin Township, Harrison County, Ohio.
Q. Will you please describe what information is depicted in this map shown on the screen?
A. The map shows all 93 parcels that are included within the Northeast unit. And each is identified by a tax parcel number and a tract number. It also categorizes each parcel by its status within the unit.

Yellow parcels are leased and consenting, green parcels are non-consenting, the crosshatched yellow and red are partially leased and consenting. And then the red parcels are unleased parcels. The black dotted lines illustrate the 400-foot setback required by Ohio law. And lastly, the map shows the surface locations for the three planned wells that EAP plans to drill and produce in the Utica-Point Pleasant.

Q. And you mentioned that there will be

three wells in this unit. How many wells will be drilled from the pad in total?

A. The first trip out, there will be five wells that will be drilled at the same time with these three wells. In total, there are ten wells planned from the pad.

Q. And does EAP have a right to drill and operate wells from this pad?

A. Yes.

Q. Turning now to the Engle Northeast unit, what is the expected length of each of the laterals if an order for unit operations is granted?

A. Approximately 20,445 feet for the 5H well, 19,953 feet for the 205H well, and 19,472 feet for the 305H well.

Q. And when providing the lateral lengths, does the lateral placement comply with Ohio's statutory setback requirements?

A. Yes.

Q. What is your expected development timeline for this pad?

A. We will drill and complete the wells in compliance with the time frame specified in a

Chief's Order, if one is issued.
Q. And what percent of the unit is committed to unit operations currently?
A. Between EAP and the consenting working interest owners, approximately 88.310457 percent of the unit is committed to the unit operations.
Q. And who are the consenting working interest owners in this unit?
A. That is Burj Energy, a portion of RHDK Oil and Gas's interest, CGAS Appalachia, EOG Resources, Ironhead Resources III, Collins Utica, and Wallace Family Partnership.
Q. Are there any non-consenting owners in the unit?
A. Yes. And those are listed on Exhibit A to the application.
Q. And what percentage of the Engle Northeast unit remain non-consenting?
A. Approximately 11.478763 percent.
Q. What is the status of EAP's efforts to commit those non-consenting working interest owners?
A. Over the course of several months, we have offered the non-consenting interest owners

the opportunity to sell, trade, or otherwise commit their acreage to the unit. For those parties listed in the application, as outlined in Exhibit G, we have ongoing efforts to commit the non-consenting interest owners.

Q. And what percentage of the unit is comprised of unleased interests?

A. Approximately 0.21078 percent.

Q. Do you know how many acres in the unit those unleased interests account for?

A. Yes. Approximately 2.3887 net mineral acres.

Q. And can you generally describe EAP's efforts to lease the owners of those unleased tracts?

A. Yes. We have made efforts to lease all of the unleased interest, and those efforts are listed in our leasing affidavit. Generally speaking, we make phone calls, send mailings, and have in-person meetings to try to reach a mutual agreement on lease terms with those owners.

Q. Since the filing of your application, has EAP continued its efforts to lease those unleased mineral owners and to commit the

non-consenting working interests owners?
A. Yes. And in fact, we have come to terms with an additional 16 percent of the interest, which was initially listed as "unleased" or "non-consenting" in the application. And that increase was shown in our last supplement.
Q. I want to talk for a moment about the unit plan included in the application. Are you familiar with that plan?
A. Yes. The purpose of that plan is twofold: It helps define the respective rights of the parties within the unit. And it also combines all of the oil and gas rights in the unit under essentially one lease.
Q. And how will royalties and expenses be allocated pursuant to that unit plan?
A. On a surface acreage basis.
Q. Can you explain a little bit about why that will be the allocation method?
A. My colleague, Mr. Daniels, will discuss the uniformity of the formation. But in my experience, that is how allocation has been done in Ohio.
Q. All right. So to confirm, from your

experiences, allocation methodology is common in Ohio for the Utica-Point Pleasant play.

A. Yes.

Q. Who pays unit expenses?

A. The participating working interest owners.

Q. Do royalty owners pay unit expenses under the terms of the unit plan?

A. No.

Q. Turning now to the joint operating agreement, or JOA, did you include a JOA in the application?

A. Yes.

Q. And does the JOA contain a mechanism for proposing operations to non-operator working interest owners?

A. Yes.

Q. Can you explain a little bit more about that?

A. Article 6 of the JOA provides that proposals will be sent by the operator to the non-operating working interest owners. Those proposals will contain the proposed location of the initial well and an AFE setting forth the

estimated costs to drill and complete the well.
Q. All right. Are there non-consent penalties contained in the joint operating agreement, to the extent that a party elects to not participate in unit operations?
A. Yes.
Q. Given your history and experience in the oil and gas industry as well as your experience in the Utica Point Pleasant play, do you believe the non-consent penalties set forth in the JOA to be just and reasonable?
A. Yes, I do.
Q. Thank you.
MS. APPAYA: I have no further questions for Mr. Struble.
MR. LARGE: Thank you.
Ms. Barrett, do you have any questions?
MS. BARRETT: Yes, I do.

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CROSS-EXAMINATION

BY MS. BARRETT:
Q. What is your current average outstanding offer to the unleased mineral owners in the proposed unit?

A. The current outstanding offer is $4,000 per acre, with an 18 percent royalty.
Q. And is the 18 percent based on a net or gross amount?
A. Currently it is based on a net, but that is a negotiated term.
Q. And do those offers include surface use?
A. That is also a negotiated term, but this one does not.
Q. And when will those offers expire?
A. The offers will not expire so long as both parties are continually trying to work towards an agreement, and that continues after an order would be issued, if it is issued.
Q. What is the average offer that was accepted by the leased mineral owners in the proposed unit?
A. The average accepted was $4,067.12, with a royalty of 18.69 percent. And that is both, you know, net and gross.
Q. Do you believe your lease attempts have been reasonable?
A. Yes. We have reached out to the

mineral owners over the course of multiple years and several attempts. And we have successfully taken hundreds of leases in the area and continue to negotiate with these mineral owners, and, you know, we want to enter into mutually agreeable leases with them.

Q. And will you continue those attempts to lease the unleased mineral owners even after a unitization order is issued, if one is issued?

A. Yes, we will. So long as those discussions are meaningful and are working towards a mutually agreeable lease.

Q. And do you believe your attempts to commit the non-consenting working interest owners have been reasonable?

A. Yes. For much the same reason, we have been reaching out and working with them for several months, trying to either buy, sell, trade, or get them to commit their interest.

Q. And will you continue those attempts to commit the non-consenting working interest owners after today?

A. We will. So long as those discussions are meaningful.

Q. Do the leases in the unit authorize drilling into and producing from the proposed unitized formations?
A. They do.
Q. And to establish bonus and royalty amounts in leases, how are those generally determined?
A. We work with our reservoir team to understand the range of bonus and associated royalty rates per area for guidance. We use that as a starting point, and from there, competition in the area will be the main driver in increases or decreases in bonuses and royalty. We also adjust for other factors, like pricing environments, parcel size, location, as well as other provisions requested by the landowners.
Q. Okay. Thank you.
MS. BARRETT: No further questions for me.
MR. LARGE: Thank you.
Ms. Appaya, please call your next witness.
MS. APPAYA: Thank you.
I will now call Randy Daniels to the

stand.

MR. LARGE: Please swear in the witness.

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RANDY DANIELS

being first duly sworn, testifies and says as follows:

DIRECT EXAMINATION

BY MS. APPAYA:

Q. Mr. Daniels, would you please state your name and place of employment for the record.

A. My name is Randy Daniels. And I am employed by EOG Resources.

Q. And what is your position at EOG?

A. My title at EOG is geoscience operations advisor.

Q. Would you please describe for the panel your educational background that led you to your position as a geoscience operation advisor? And please include any degrees that you hold.

A. I hold two degrees. I have a bachelor's in geology as well as a master's in geology, both from the University of Houston.

Q. And can you tell us a little bit about

your professional experience and work history?
A. I have over 14 years of petroleum industry experience as a geologist. I spent my first eight years at Marathon Oil Company. At Marathon, I worked multiple basins across the U.S., from the Anadarko, Delaware, Eagle Ford, Williston, and Permian Basins.

I left Marathon and joined Encino Energy in 2018. And I spent almost seven years at Encino, where I led a team in well planning and geosteering operations in the Appalachian Basin. And then most recently, in August 2025, I began working at EOG, the successor in interest to EAP.
Q. And please describe your work as a geoscience operations advisor at EOG.
A. So I'm one of the geologists responsible for the geologic information necessary to produce well permits and drilling plans for the development and drilling of the Utica-Point Pleasant asset owned or operated by EOG.

To accomplish this, my daily activities include well log analysis, geologic risk assessment using seismic data, geologic mapping, well prognosis generation, and horizontal well

planning.

The team and I are also responsible for the real-time geosteering of all of our horizontal wells to ensure each is accurately placed within the intended geologic target zone.

Q. Thank you. And are you familiar with the application for unitization of the Engle Northeast unit, including the geology exhibits that appear in the application?

A. Yes, I am.

Q. Please describe what the term "unitized formation" means with respect to the Engle Northeast unit.

A. So the unitized formation is described at a depth from 50 feet above the top of the Utica Shale to 50 feet below the top of the Trenton Limestone.

Q. And did you do any analysis to determine if the unitized formation is a pool or part of a pool, as required for unitization under Ohio law?

A. Yes, I did.

Q. Are you aware that the word "pool" has a specific meaning for purposes of EAP's

application under Ohio law?
A. I am.
Q. And so what does it mean to say that the unitized formation is part of a pool?
A. So a "pool" is defined to be an underground reservoir containing a common accumulation of oil or gas, or both, but does not include a gas storage reservoir. Each zone of a geologic structure that is completely separated from any other zone in the same structure may contain a separate pool.
Q. And so was that definition used for the purposes of the geological analysis you conducted of the Engle Northeast unit?
A. Yes, it was.
Q. What information have you analyzed to determine whether the unitized formation was a pool or part of a pool?
A. So in the case of this unitization, I reviewed available core reports, mud logs, and electric log data of nearby pilot wells.
Q. Turning to Exhibit F, can you please describe what that map shows and why it is relevant to your geological analysis?

A. Sure. So this map shows the Engle Northeast unit as the yellow box, with the three nearest pilot wells as blue circles. And these are the pilot wells that were used as part of that analysis to describe the pool underneath the Engle unit.

Q. Thank you. Now turning to Exhibit E, can you please explain what this exhibit is and how it relates to your geological analysis?

A. So this is a cross-section of the pilot wells adjacent to the Engle unit. Geologic mapping shows that the Utica Shale pool underlies the entire Engle Northeast unit and is the same approximate thickness and reservoir quality throughout the unit area.

The accumulation of oil and gas extends in all directions beyond the proposed unit. And the rock properties such as lithology, porosity, and fluid type are similar throughout the entire unit and constitutes a common source of supply. This is shown by the gamma ray, the resistivity, and density logs on the cross-section. All three logs have very similar log responses and characteristics in all three of the pilot wells.

Q. And can you explain a little bit about how gamma ray works and why that is relevant to your analysis?

A. Sure. So the gamma-ray log records the amount of natural gamma radiation being emitted by the rocks in the subsurface. The gamma-ray log is used to help correlate different formations and derive lithology types. For example, we are able to distinguish between a sandstone, a shale, or a carbonate using this log.

Q. And how is that information reflected on this slide?

A. So the gamma-ray log is the far left curve on all three of the pilot wells. And as you can see, the log response, or the character of the log, is very similar. The three curves are almost a perfect overlay of each other.

Q. And so what do these pilot gamma-ray graphs tell us about the Engle Northeast unit, if anything?

A. So I would expect the gamma-ray signature of the Utica Shale formation underlying the Engle Northeast unit to be consistent with the three pilot wells.

Q. All right. Turning now to a different topic, can you explain a little bit about how resistivity works and why it is relevant?

A. So the resistivity log measures electrical resistivity of the formation. So it is used to determine fluid type from water, oil, or gas. Water-bearing formations typically have a lower resistivity to an electrical current, while hydrocarbon-bearing formations typically have a higher resistivity.

Q. And how is that information reflected on the slide?

A. The resistivity log is the middle curve on two of the three pilot wells. And once again, very similar log responses. Almost a perfect overlay of one another, indicating that there is a uniform hydrocarbon saturation across the unit.

Q. What do these pilot wells resistivity graphs tell us about the Engle Northeast unit, if anything?

A. I would expect the resistivity of the Utica Shale formation underlying the Engle Northeast unit to be consistent with what we see in the pilot wells.

Q. All right. Turning now to a concept called "bulk density," can you explain a little bit about that and why it is relevant?
A. So the bulk density helps us understand just how dense or tight the rock is and helps to evaluate the potential for storage space or porosity within the rock.
Q. And how is the bulk density reflected on the slide?
A. The bulk density curve is the black curve on the far right of all three pilot wells. And once again, as you can see, the density curves on all three wells are almost identical, showing a uniform amount of storage space across the unit.
Q. So what did these pilot wells tell us about the Engle Northeast unit, if anything?
A. I would expect the storage potential or porosity of the Utica Shale formation underlying the Engle Northeast unit to be consistent with what we see in the three pilot wells.
Q. Did you use the data in the analysis you just described to form a professional opinion about whether the unitized formation described in the Engle Northeast unit is a pool or part of a

pool?
A. Yes.
Q. And what is your professional opinion about that?
A. The unitized formation is part of a pool.
Q. So is there a uniform thickness across the unitized formation in the Engle Northeast unit?
A. Yes, there is.
Q. And what is the thickness of the Utica-Point Pleasant formation underlying the Engle Northeast unit?
A. We expect that thickness to be 250 feet thick.
Q. And what is the height of your target zone for the wellbore?
A. Our target zone will be around 35 feet.
Q. Given your opinion that the unitized formation is part of a pool and has uniform thickness across the unit, in your professional opinion, would it be appropriate to allocate unit expenses and payments of the proceeds of oil and gas production from the unit on a surface acreage

basis?
A. Yes. That's correct.
Q. And in your experience, is it common to allocate payments on a surface acreage basis for unit operations in the Utica-Point Pleasant formation?
A. Yes, it is.
Q. Thank you, Mr. Daniels.
MS. APPAYA: I have no further questions for you.
THE WITNESS: Thank you.
MR. LARGE: Hi. Could you tell me the anticipated true vertical depth of the horizontal portion of the wellbores?
THE WITNESS: Yeah. We expect to land these wells at a TVD of 6,950 feet.
MR. LARGE: And could you tell me the anticipated true vertical depth of the top of the Utica, the Point Pleasant, and the Trenton formations?
THE WITNESS: Yeah. The Utica is expected to come in at 6,759 feet, Point Pleasant at 6,889 feet, and then the Trenton at 7,009 feet.
MR. LARGE: And do you expect any

production from outside the Point Pleasant?

THE WITNESS: A small amount of production from the Lower Utica is likely, but not from the Trenton Limestone below the Point Pleasant.

MR. LARGE: Okay.

Ms. Barrett, do you have any questions?

MS. BARRETT: No, I do not. Thank you.

THE WITNESS: Thank you.

MR. LARGE: Thank you.

Ms. Appaya, please call your next witness.

MS. APPAYA: Thank you. I will now call Wes Casto.

MR. LARGE: Please swear in the witness.

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MICHAEL "WES" CASTO

being first duly sworn, testifies and says as follows:

DIRECT EXAMINATION

BY MS. APPAYA:

Q. Mr. Casto, would you please state your name and place of employment for the record.

A. Sure. My name is Michael Casto, and I go by Wes Casto. And my business is called Casto Petroleum Engineering. I'm working as a contractor for EOG Resources, Inc., which is the successor in interest to EAP Ohio, LLC.

Q. And what is your job title?

A. Petroleum engineering consultant.

Q. Can you please describe for the panel your educational background that led you to becoming a reservoir engineer, including any degrees that you hold?

A. Yes. I have a Bachelor of Science in Petroleum Engineering from Marietta College.

Q. And then, please tell the panel about your professional and work experience since receiving your engineering degree from Marietta.

A. So upon graduation, I worked for Chevron in drilling and completions. And then I worked for Wright & Company Petroleum Consultants for four years. And then in 2015, I became a licensed professional engineer in Ohio and started my company, Casto Petroleum Engineering.

I have testified as a reservoir engineer in numerous ODNR hearings for several

operators. And I have also testified as a petroleum engineering expert in many other legal matters.

Q. And can you describe for us a little bit about your responsibilities and work as a petroleum engineering consultant?

A. Yes. I specialize in reservoir engineering in the Utica and Marcellus Shales. And I perform reserve reports, mineral appraisals, acquisition and divestiture evaluations, and other types of analysis for many clients throughout the Appalachian Basin.

Q. Thank you. Did you assist with preparing the application for unitization of the Engle Northeast unit?

A. Yes, I did.

Q. I understand that you have analyzed the potential recovery of oil and gas from the Engle Northeast unit and the associated economics of the unit under two scenarios. First is if the Engle Northeast unit was drilled without an order for unit operations. And the second, is if it was drilled with the benefit of an order for unit operations from the Division; is that correct?

A. Yes.
Q. All right. So first, I want to talk about exactly what the well configurations would be in each scenario so that we can better understand your economic analysis. Turning now to Exhibit D, are you familiar with this map?
A. Yes.
Q. And does this map accurately depict the configuration of the wells that are the basis of your operational and economical analysis?
A. Yes.
Q. Will EAP produce from the whole length of each lateral if unit operations are approved?
A. Yes.
Q. If EAP does not receive an order authorizing unit operations, what would be the configuration and extent of the wells?
A. Under this scenario, the 5H lateral would be limited to 4,201 feet. The 205H lateral would be limited to 5,601 feet, and the 305H lateral would be limited to 5,378 feet.
Q. And would EAP proceed with drilling the wells without an order for unit operations?
A. No, they would not.

Q. Can you explain a little bit about why?
A. In that situation, each lateral would no longer compete with other internal prospects with respect to PV10 and other economic metrics. And as the economics table will show, the present value of the 5H, 205H, and 305H laterals would be greatly affected if they could not be unitized.
Q. All right. Turning now to the economics and production in both the unitized and non-unitized scenarios. Are these the economic tables that were included in the latest supplement to the application for unitization of the Engle Northeast unit?
A. Yes.
Q. Looking at the bottom table, can you tell us the differences in lateral length between the unitized and non-unitized scenarios?
A. Yes. The differences are 16,244 feet for the 5H lateral; 14,352 feet for the 205H lateral, and 14,094 feet for the 305H lateral.
Q. And when making your calculations, what did you look at to estimate the potential recovery from the Engle Northeast unit?
A. I created type curves for the proposed

laterals based on the performance of analogous producing wells in the area. And in this analysis, I considered many variables like thermal maturity, completion parameters, proximity, vintage, et cetera.

Q. Turning now to the analogue well map. Does this exhibit show the wells that you used in your analysis?

A. Yes.

Q. Does the information that is on the screen now relate to the numbered analogue wells you were just discussing?

A. Yes.

Q. All right. Turning back to the economics table that we were viewing before, we have already discussed the lateral length column, but I have a few more questions about the other columns in these tables. In particular, can you explain what "Operating Costs" are and give some examples of these costs?

A. The lease operating expenses are the day-to-day costs incurred by the wells after production begins. And these include the variable oil costs, gas processing and transportation,

water transportation, as well as fixed monthly costs in terms of dollars per well per month.

Q. Continuing our discussion of the columns in the economics table, I see that the next column is "Capital Costs." What is included in these costs?

A. Capital cost includes the costs associated with land, drilling, completions, flowback, facilities, plugging and abandonment, and reclamation.

Q. I would like to ask now about the value assessment you made and applied to the estimated recovery in each scenario. First, what pricing index did you factor into your calculations?

A. I used the May of 2025 SEC price to calculate revenues.

Q. And what do "PV0" and "PV10" mean?

A. Present value is a measure of cash flow that is net of operating and capital costs that can be represented at different discount rates in order to account for the time value of money.

So for example, PV0 is the cash flow discounted at a zero percent discount rate, and PV10 is the net present value of the cash flow

discounted at 10 percent.
Q. And are the PV numbers net of reasonably expected capital costs and operating expenses?
A. Yes.
Q. Moving now to the estimated gross recovery column, can you please explain a little bit about what that is?
A. Yes. That is the volume of oil and gas that is expected to be recovered in terms of BCFe, which is an acronym for "billions of cubic feet equivalent."
Q. Under the unitized scenario, can you please tell the Division what you estimate for production volumes, revenue, expenses and costs, and value of recovery?
A. Yes. Under the unitized scenario, the estimated gross recovery is 30.7 BCFe; the discounted gross revenue is $229.6 million; operating expenses is $93.7 million, capital cost is $46.4 million; the PV0 is $48.3 million; and the PV10 is $20.8 million.
Q. Now, can you explain how those numbers change in the second table from the top, being the

non-unitized scenario?

A. Yes. Under a non-unitized scenario, the estimated gross recovery is 7.3 BCFe; the discounted gross revenue is $55.7 million; operating expenses are $24.1 million; capital costs are $18.0 million; PV0 is $3.3 million; and the PV10 is negative $1.0 million.

Q. So is it your professional opinion and testimony here today that a unit order is reasonably necessary to increase substantially the ultimate recovery of oil and gas in the Engle Northeast unit?

A. Yes. And I estimate that EAP will recover an additional 23.4 BCFe of oil and gas if they are granted an order for unit operations.

Q. Lastly, is it your professional opinion and testimony here today that the value of the estimated additional recovery of oil and gas exceeds the estimated additional costs of unit operations?

A. Yes. And if you compare the present value figures in the economics tables, unitization will lead to an additional $175.9 million realized on an undiscounted gross revenue basis, an

additional $45 million on a PV0 basis, and an additional $21.8 million in PV10 if the unitization is granted.

Q. Thank you, Mr. Casto.

MS. APPAYA: I have no further questions for you.

MR. LARGE: Thank you.

Could you tell me the estimated economic life of the wells in years?

THE WITNESS: Yes. That will be 38 years.

MR. LARGE: And could you tell me the estimated payout of the wells at 1 times, 1.5 times, 2 times, and 3 times?

THE WITNESS: Yes. The 1-times payout is 2.2 years; 1.5-times payout is 6.6 years; 2-times payout is 21.7 years. And wells do not achieve a 3-times payout.

MR. LARGE: Okay. And how are pad costs accounted for in your calculations?

THE WITNESS: They were divided equally among the wells that are planned to be developed from the pad.

MR. LARGE: Okay. And did you use

actual pad costs or estimates for that?

THE WITNESS: It was estimated based on historical practices.

MR. LARGE: And what amount was included for plugging and restoration costs in your economic calculations per well?

THE WITNESS: $330,000 per well.

MR. LARGE: And could you tell me the estimated BCFe per 1,000 feet?

THE WITNESS: Yes. 0.52 BCFe per 1,000.

MR. LARGE: And what was the estimated recovery factor in the area?

THE WITNESS: 5 percent for oil and 22 percent for gas.

MR. LARGE: Okay.

Ms. Barrett, do you have any questions?

MS. BARRETT: No, I do not. Thank you.

MR. LARGE: Thank you.

So once again, if you would like to make comments, I am first going to take all your names and note whether you are an unleased mineral owner, working interest owner, or an owner with property in the unit.

Only one person may speak at a time to properly record the hearing. And please mute your microphone once you have delivered your comments or questions to avoid any feedback. Additionally, anyone speaking today will be asked to provide their information to the court reporter. If you are uncomfortable speaking during the hearing, we will also accept written comments.

So if you have joined us via WebEx and would like to make comments, please unmute yourself now and state your name.

Hearing none.

If you have joined us via phone and would like to make any comments, please press "star 6" and state your name.

Hearing none.

Ms. Barrett, do you have any additional questions for the Applicant?

MS. BARRETT: No, I do not. Thank you.

MR. LARGE: And does the Applicant have any closing remarks?

MS. APPAYA: Yes. Thank you.

I just want to thank everyone for their time today and say that EAP [sic] believes that it

has demonstrated that its application for unit operations of the Engle Northeast unit meets the requirements of Ohio Revised Code 1509.28. And therefore respectfully asks that the Division grant its application. Thank you.

MR. LARGE: Thank you, everyone.

The hearing is now concluded.

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Thereupon, the foregoing proceedings concluded at 12:16 p.m.

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State of Ohio : C E R T I F I C A T E
County of Franklin: SS

I, Bridget Mary Hoye, a Notary Public in and for the State of Ohio, do hereby certify that I transcribed or supervised the transcription of the audio recording of the aforementioned proceedings; that the foregoing is a true record of the proceedings.

I do further certify I am not a relative, employee or attorney of any of the parties hereto, and further I am not a relative or employee of any attorney or counsel employed by the parties hereto, or financially interested in the action.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal of office at Columbus, Ohio, on September 19, 2025.

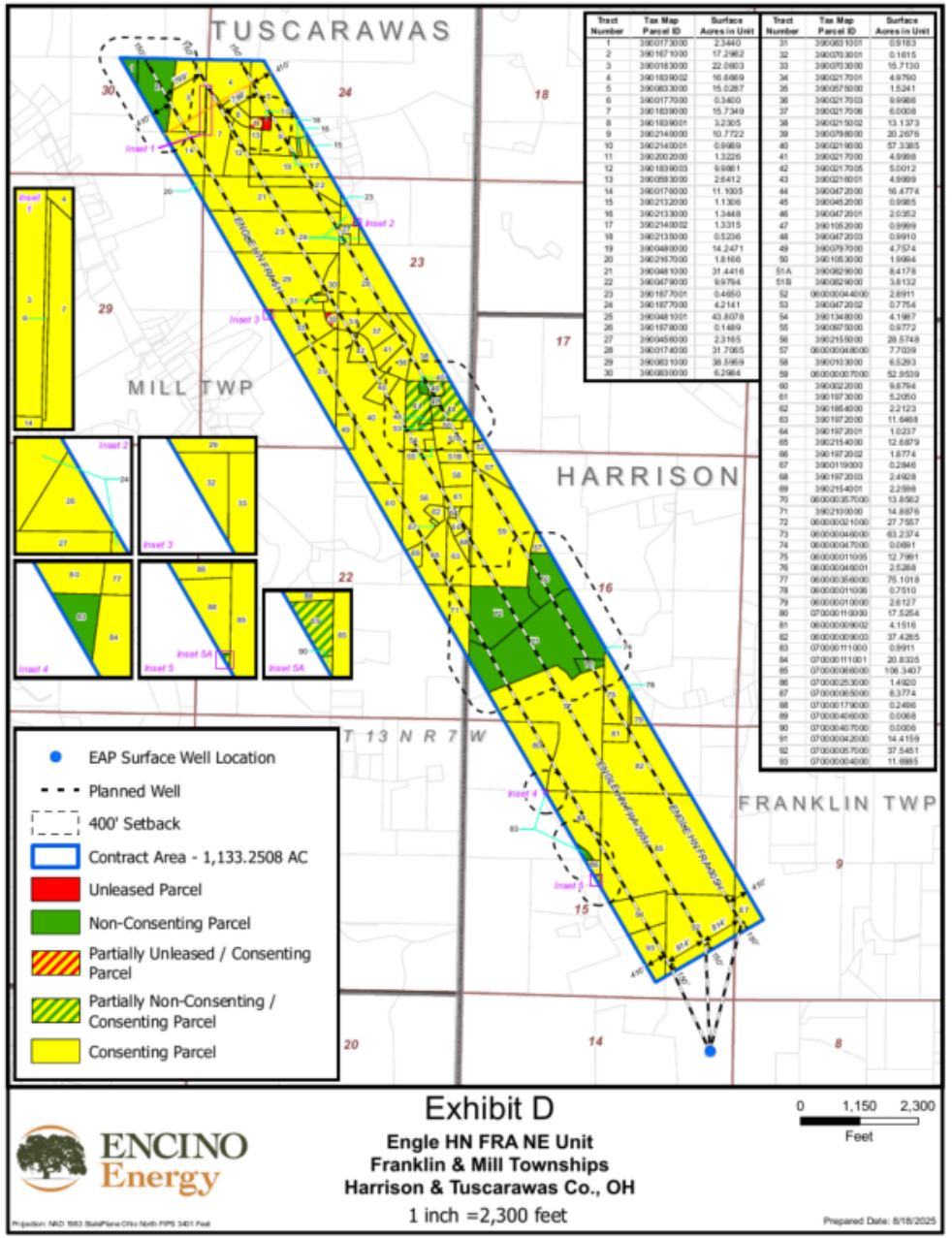
Bridget Mary Hoye, Notary Public - State of Ohio
My commission expires April 14, 2030.

Engle HN FRA NE
August 28, 2025

Lila M. Appaya

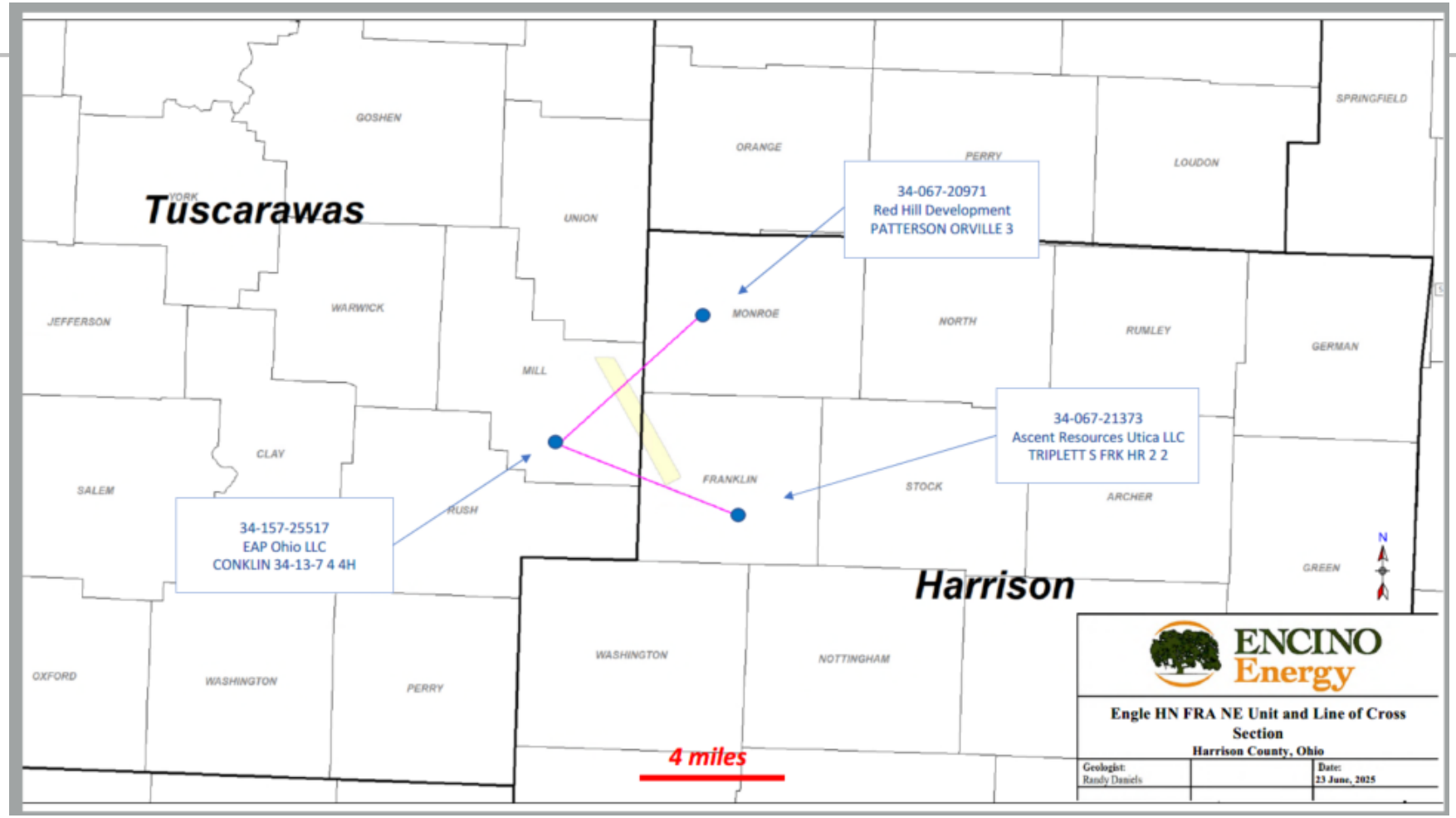
Engle HN FRA NE

Exhibit “D”



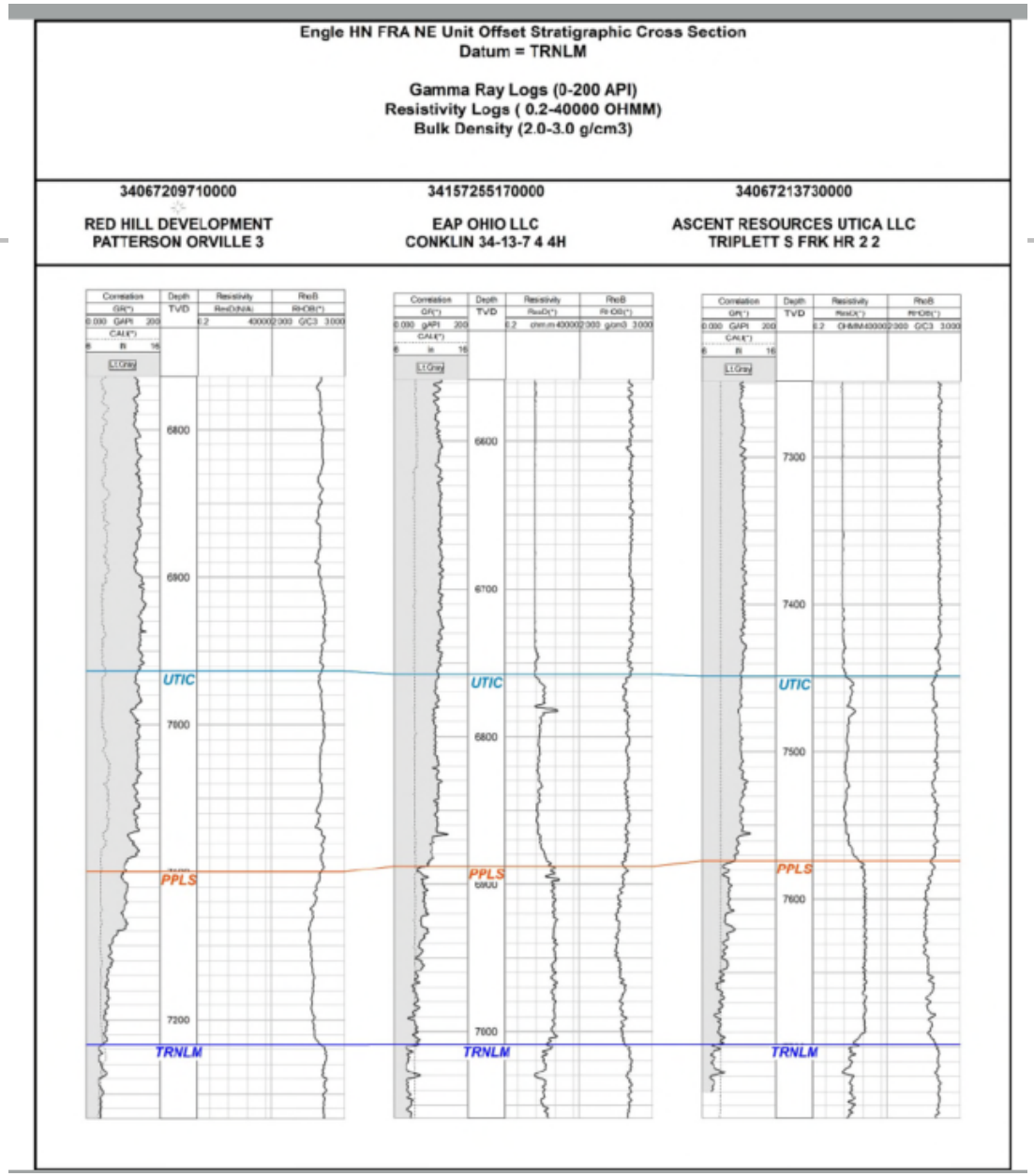
Engle HN FRA NE

Exhibit “F”



Engle HN FRA NE

Exhibit “E”



Engle HN FRA NE

Economic Summary

Bricker Graydon

Section 5. Economic Calculation Summaries *Required*

Unitized Scenario

Well Name	Lateral Length (ft)	Measured Depth (ft)	Operating Costs (MM$)	Capital Costs (MM$)	Undiscounted Value of Estimated Recovery (MM$)	PV0 (MM$)	PV10 (MM$)	Estimated Gross Recovery (BCFe)
ENGLE HN FRA 5H	20,445	27,945	32.0	15.8	78.5	16.5	7.1	10.5
ENGLE HN FRA 205H	19,953	27,453	31.2	15.5	76.5	16.1	6.9	10.2
ENGLE HN FRA 305H	19,472	26,972	30.5	15.1	74.6	15.7	6.8	10.0
Total:	59,870	82,370	93.7	46.4	229.6	48.3	20.8	30.7

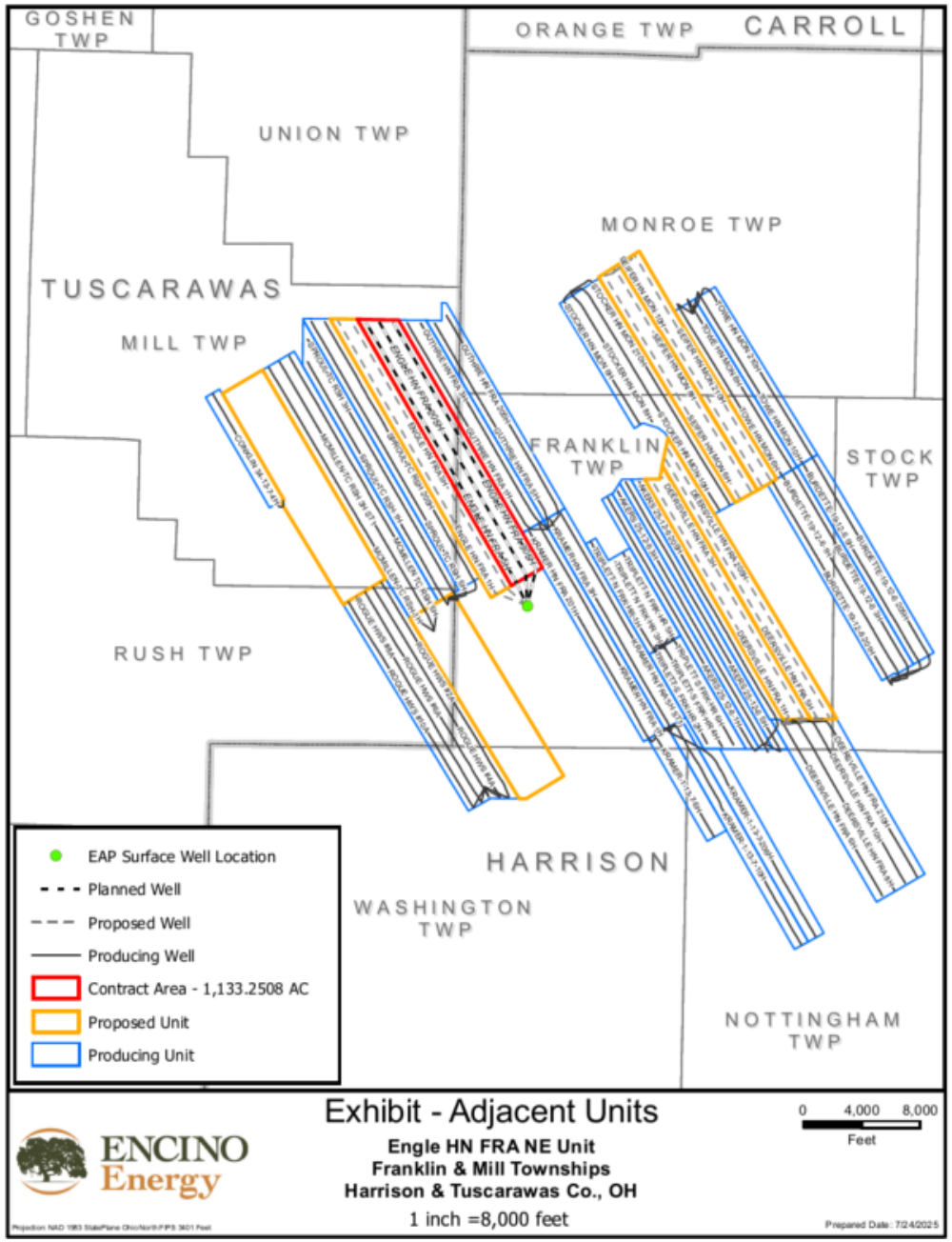
Non-Unitized Scenario

Well Name	Lateral Length (ft)	Measured Depth (ft)	Operating Costs (MM$)	Capital Costs (MM$)	Undiscounted Value of Estimated Recovery (MM$)	PV0 (MM$)	PV10 (MM$)	Estimated Gross Recovery (BCFe)
ENGLE HN FRA 5H	4,201	11,701	6.7	5.4	15.2	0.3	-0.7	2.0
ENGLE HN FRA 205H	5,601	13,101	8.9	6.4	20.7	1.6	-0.1	2.7
ENGLE HN FRA 305H	5,378	12,878	8.5	6.2	19.8	1.4	-0.2	2.6
Total:	15,180	37,680	24.1	18.0	55.7	3.3	-1.0	7.3

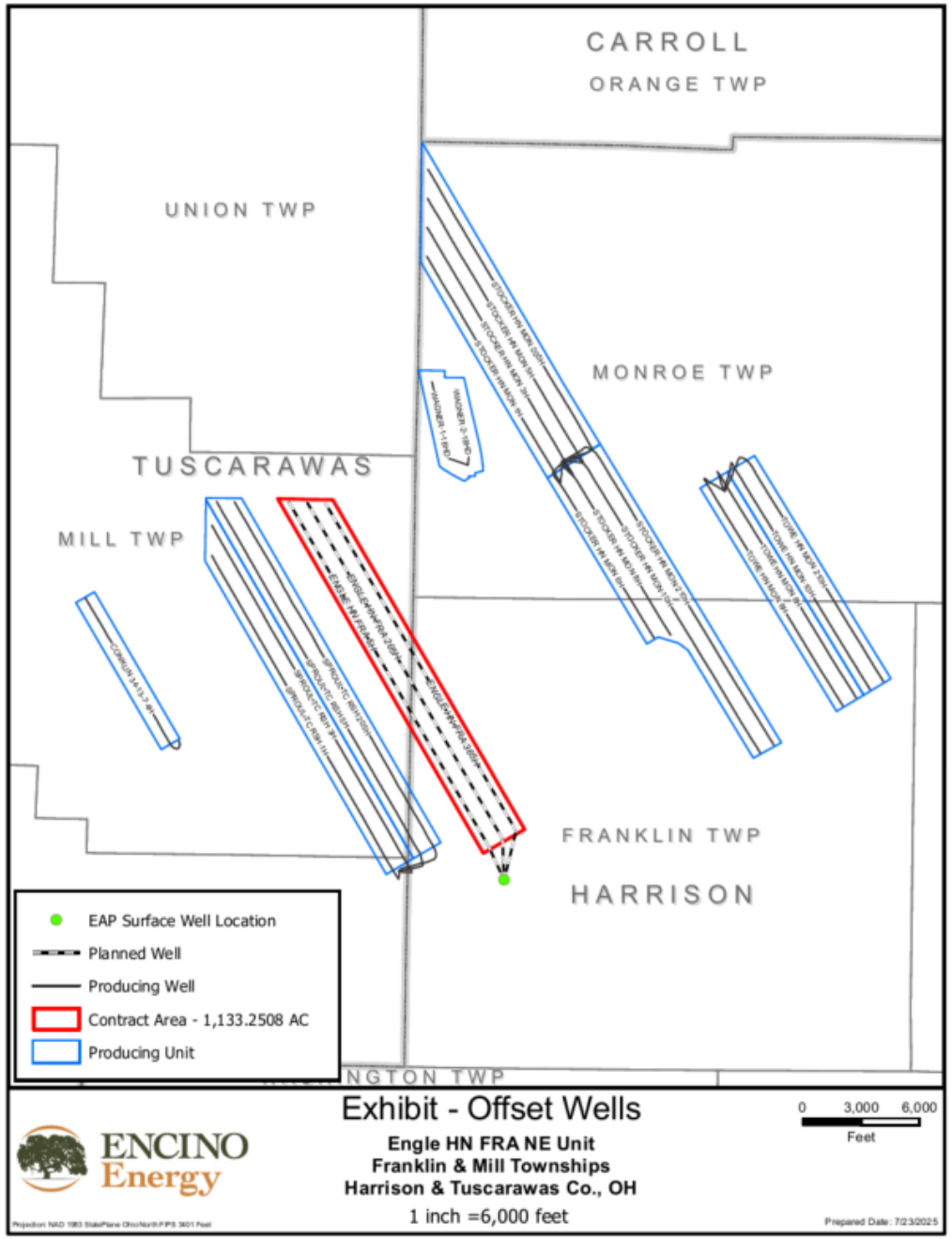
Difference

Well Name	Lateral Length (ft)	Measured Depth (ft)	Operating Costs (MM$)	Capital Costs (MM$)	Undiscounted Value of Estimated Recovery (MM$)	PV0 (MM$)	PV10 (MM$)	Estimated Gross Recovery (BCFe)
ENGLE HN FRA 5H	16,244	16,244	25.3	10.4	65.3	16.2	7.8	8.5
ENGLE HN FRA 205H	14,352	14,352	22.3	9.1	55.8	14.5	7.0	7.5
ENGLE HN FRA 305H	14,094	14,904	22.0	8.9	54.8	14.3	7.0	7.4
Total:	44,690	45,500	69.6	28.4	175.9	45.0	21.8	23.4

Engle HN FRA NE
Adjacent Units



Engle HN FRA NE
Offset Wells



Engle HN FRA NE

Offset Wells

Well Name	API Number	Start Date	Lateral Length (Ft)	Distance from Unit (Mi)
CONKLIN 34-13-7 4H	34157255170100	12/1/2015	8,551	2.01
SPROUL TC RSH 1H	34157255410000	4/1/2024	18,489	0.79
SPROUL TC RSH 205H	34157255440000	4/1/2024	20,335	0.38
SPROUL TC RSH 3H	34157255420000	4/1/2024	19,957	0.68
SPROUL TC RSH 5H	34157255430000	4/1/2024	20,906	0.53
STOCKER HN MON 10H	34067217770000	7/1/2024	17,838	2.12
STOCKER HN MON 1H	34067217150000	4/1/2023	12,752	1.99
STOCKER HN MON 205H	34067217180000	4/1/2023	16,007	2.12
STOCKER HN MON 210H	34067217780000	7/1/2024	17,933	2.12
STOCKER HN MON 3H	34067217160000	4/1/2023	14,117	2.11
STOCKER HN MON 5H	34067217170000	4/1/2023	14,922	2.11
STOCKER HN MON 6H	34067217750000	7/1/2024	9,962	1.97
STOCKER HN MON 8H	34067217760000	7/1/2024	10,279	2.10
TOWE HN MON 10H	34067217580000	6/1/2024	12,374	3.34
TOWE HN MON 210H	34067217590000	6/1/2024	12,522	3.34
TOWE HN MON 6H	34067217560000	6/1/2024	12,304	3.22
TOWE HN MON 8H	34067217570000	6/1/2024	12,363	3.33
WAGNER 1-18HD	34067211600000	3/1/2015	4,322	0.02
WAGNER 2-18HD	34067211610100	1/1/2017	3,544	0.02

Thank You

Bricker Graydon