

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

In re: :
The Matter of the :
Application of :
Gulfport Appalachia, : Application Date:
LLC for Unit Operation : August 21, 2025
: :
Young IV Unit :
: :

UNITIZATION APPLICATION HEARING

Before Hearing Host Cynthia Marshall
All Parties Appearing Remotely
October 8, 2025, 2:30 p.m.

Spectrum Reporting LLC
400 South Fifth Street, Ste. 201
Columbus, Ohio 43215
614-444-1000 or 800-635-9071
www.spectrumreporting.com

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 GULFPORT APPALACHIA, LLC:

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

ALSO PRESENT:

Barbara Richardson (Via videoconference)
Jeff Large (Via videoconference)
Cory Cosby (Via videoconference)
Beth Wehr (Via videoconference)
Regina Bryant (Via videoconference)
Mary Jo Phillips (Via videoconference)
Alicia Spain (Via videoconference)
Daniel Turner (Via videoconference)
Joseph Stewart (Via videoconference)
Bryan Burruss (Via videoconference)
Tre Barker (Via videoconference)
Katrina Lucas (Via videoconference)
Paul Westbrook, Esq. (Via videoconference)
Sharon Johnson (Via videoconference)
Lauren Parker (Via videoconference)

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(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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MS. MARSHALL: Good afternoon. Before we begin, I would like to go over some instructions for this video and telephone conference.

8

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."

14

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 microphones anytime you are not speaking and when you have finished presenting to avoid any feedback.

21

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

1 interest owner, or an owner with property in the
2 Young IV unit. I would also like this information
3 from anyone who represents any of these persons.
4 We will make note of your name and call upon you
5 when it is time for comments.

6 If you have joined us via WebEx, please
7 unmute yourself now and tell us your name if you
8 wish to make comments.

9 Hearing none.

10 If you have joined us via phone, please
11 unmute yourself by pressing "star 6" and tell us
12 your name if you wish to make comments.

13 Hearing none.

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

16 Ms. Barrett.

17 MS. BARRETT: Thank you and good
18 afternoon. Today is Wednesday, October 8th, 2025.
19 And we are here on the matter of the application
20 of Gulfport Appalachia, LLC, for unit operation of
21 the Young IV unit. This hearing before the Ohio
22 Department of Natural Resources, Division of Oil
23 and Gas Resources Management, is convened pursuant
24 to Ohio Revised Code Section 1509.28.

1 My name is Jennifer Barrett. And I'm
2 an administrative officer for the Division. Also
3 with me today is Program Administrator Cynthia
4 Marshall. We are conducting the hearing today and
5 serve as the Chief's designees on this matter.

6 On August 21st, 2025, Gulfport filed
7 with the Division an application for unit
8 operations for a unit designated as the Young IV
9 unit. Gulfport filed subsequent revisions to the
10 application. The unit is proposed to be located
11 in Belmont County, Ohio. In its application,
12 Gulfport claims to have the mineral rights through
13 voluntary agreements to approximately 399.860
14 acres of the desired approximate 428.716-acre
15 unit.

16 The purpose of today's hearing is to
17 determine whether Gulfport's Young IV unit
18 application meets all of the requirements of
19 Revised Code Section 1509.28. Under that section,
20 the Chief of the Division must issue an order if
21 he determines that the Applicant has shown that,
22 one, the unit is reasonably necessary to increase
23 substantially the ultimate recovery of oil and
24 gas; and two, the estimated additional recovery

1 from the unit exceeds the additional cost.

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

9 The Chief's decision will be issued
10 through a Chief's Order, which will be posted on
11 the Division's website. Pursuant to Revised Code
12 Section 1509.36, any order may be appealed within
13 30 days after the date upon which the person to
14 whom the order was issued received the order and
15 for all other persons adversely affected by the
16 order within 30 days after the date of the order
17 complained of.

18 The hearing will proceed as follows:
19 Gulfport will present its witnesses and exhibits
20 and will answer questions posed by the Division
21 staff. Then any unleased mineral owners, working
22 interest owners, and those persons with property
23 included in the proposed Young IV unit will have
24 the opportunity to present questions and concerns

1 to the Division staff. And then the Division
2 staff may take a break to determine if there are
3 any additional questions for the Applicant.

4 To proceed in an orderly fashion, we
5 ask that any interested party who speaks here
6 today pose any questions to the Division and we
7 will then ask any questions to Gulfport.

8 Additionally, anyone speaking today will be asked
9 to provide their information to the court
10 reporter. If you are uncomfortable speaking
11 during the hearing, we will also accept written
12 comments.

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

15 MS. ALLERT: Thank you and good
16 afternoon. My name is Jenaе Allert. And I'm an
17 attorney with Bricker Graydon here on behalf of
18 the Applicant, Gulfport Appalachia, LLC, or for
19 short, "Gulfport."

20 Gulfport filed with the Division an
21 application for unit operations for the Young IV
22 unit. And as of the date of the latest
23 supplement, Gulfport, as well as the consenting
24 working interest owners, are the "owners," as that

1 term is defined in Ohio Revised Code
2 Section 1509.01(K), of approximately 93.269
3 percent, or 399.860 acres, of the 428.716-acre
4 unit area. This unit, the proposed Young IV unit,
5 is proposed to be located in Flushing and Union
6 Townships, in Belmont County, Ohio.

7 We are here today with a request for
8 the Division to issue an order authorizing
9 Gulfport to develop and operate the Young IV unit
10 according to the unit plan attached to its
11 application as amended and supplemented.

12 In its application, the Applicant
13 proposes to drill one lateral from a pad site
14 located just outside the western boundary of the
15 unit, drilling in a northwesterly direction. As
16 you will hear today, Gulfport's application,
17 together with the testimony of its three
18 witnesses, satisfies the statutory requirements
19 under Ohio Revised Code Section 1509.28, and we
20 urge the Division to approve unit operations for
21 the Young IV unit.

22 We are now prepared to call our first
23 witness, Justin Zerkle.

24 MS. MARSHALL: Please swear in the

1 witness.

2 - - - - -

3 JUSTIN ZERKLE

4 being first duly sworn, testifies and says as
5 follows:

6 DIRECT EXAMINATION

7 BY MS. ALLERT:

8 Q. Good afternoon. Can you please state
9 your name for the record.

10 A. Justin Zerkle.

11 Q. And who is your employer?

12 A. Gulfport Energy Corporation, which is
13 the parent company of Gulfport Appalachia, LLC.

14 Q. Can you please describe your role at
15 Gulfport?

16 A. Yeah. I am a division landman at
17 Gulfport. I assist with the oil and gas
18 development program in Ohio. I fulfill this role
19 by negotiating lease acquisitions, trades, and
20 joint operating agreements. I also manage land
21 brokers and review titles.

22 Q. Can you please provide for us your
23 education as well as your professional experience?

24 A. Yes. I graduated with a bachelor's at

1 Anderson University in finance, and then I
2 graduated with an MBA in finance and energy from
3 the University of Oklahoma. I have worked as a
4 landman in various capacities since 2005. And
5 altogether, I worked on five plays in five states
6 over the last 20 years.

7 Q. Do you belong to any professional
8 associations?

9 A. Yes. I'm a member of the American
10 Association of Professional Landmen, and I'm also
11 a member of the OCAPL.

12 Q. I would like to turn now to the
13 specifics of the application and ask you, are you
14 the landman that assisted in preparing the Young
15 IV unitization application?

16 A. Yes.

17 Q. Turning now to Exhibit D, which was
18 included in the application. Can you please
19 describe the unit area as well as your plans for
20 development?

21 A. Yes. The Young IV unit consists of 209
22 tracts making up approximately 428.716 acres. And
23 the plan is to drill one lateral in a
24 northwesterly direction.

1 Q. Looking at Exhibit D, there is a legend
2 which includes color designations that have been
3 applied to the unit tracts contained in the unit.
4 Can you please walk us through the color
5 designations and what each of them means?

6 A. Yes. The yellow represents consenting
7 or leased parcels, the green represents
8 non-consenting parcels, the red represents
9 unleased parcels, and the parcels with
10 crosshatching fall into multiple categories.

11 Q. And as of the date of the last
12 supplements regarding the leased or consenting
13 acreage, what is that percentage?

14 A. It's 93.269 percent.

15 Q. As far as the parcels that are
16 designated in red, which are leased, have you
17 undergone efforts to lease the remaining unleased
18 acreage?

19 A. Yes. Exhibit G outlines our efforts to
20 identify, locate, and bring into lease all the
21 parties and parcels that remain unleased.

22 Q. Post-hearing and post-order, will you
23 continue your efforts to lease the remaining
24 unleased tracts?

1 A. Yes. To the extent negotiations are
2 constructive and the parties are willing to engage
3 in the leasing process.

4 Q. Are you familiar with Exhibit C that
5 was included in the application?

6 A. Yes. Exhibit C contains the parcels
7 that are subject to historical mineral
8 reservations. And we have included parties we
9 have identified as potential heirs of the record
10 title holders. And we are working to validate
11 those interests through certain curative measures.

12 Q. Turning to another topic, the pad site.
13 What is the status of the pad site?

14 A. We have a surface use agreement in
15 place with the surface owner, and we are in the
16 permitting process.

17 Q. I would like to turn now to a couple
18 agreements that were included in the application.
19 I understand you have incorporated a unit plan as
20 well as a joint operating agreement, or JOA; is
21 this correct?

22 A. Yes.

23 Q. And what does the unit plan attempt to
24 accomplish?

1 A. The unit plan seeks to pool the
2 unitized formation underlying the unit area. And
3 it combines the oil and gas rights as if the unit
4 were operated under one lease.

5 Q. And what does the JOA attempt to
6 accomplish?

7 A. The JOA seeks to lay out the
8 relationship between the operator and the
9 non-operating working interest owners.

10 Q. Does the JOA contain a mechanism for
11 proposing operations to non-operator working
12 interest owners?

13 A. Yes. The JOA provides that a proposal
14 will be sent by the operator to the non-operating
15 working interest owners. And that proposal will
16 contain the proposed location of the initial well
17 and an AFE setting forth the estimated costs to
18 drill and complete the initial well.

19 Q. Under the JOA, have you requested
20 non-consent penalties in the event there are
21 non-consenting working interest owners at the time
22 of operations?

23 A. Yes. I have requested a 500 percent
24 non-consent penalty for initial operations and

1 500 percent for subsequent operations.

2 Q. Do you believe those percentages to be
3 just and reasonable given your experience in the
4 Utica as well as your experience in the oil and
5 gas industry?

6 A. Yes.

7 Q. What do you take into consideration
8 when you land on a non-consent penalty amount?

9 A. You take into consideration the costs
10 of the proposed operations, the complexity of the
11 development, as well as the likelihood of risk
12 involved geologically, mechanically, and
13 operationally, as we drill miles beneath the
14 surface.

15 Q. Is the non-consent penalty applicable
16 to unleased or unitized mineral interest owners?

17 A. No. Only to non-consenting working
18 interest owners. It allows the operator and
19 consenting working interest owners to recover
20 their costs, plus a risk penalty, before
21 nonparticipating working interest owners are paid.

22 Q. My last question is, did you provide
23 notice of this hearing by newspaper publication?

24 A. Yes. We provided notice by publication

1 of the hearing today pursuant to the Division's
2 procedural guidelines.

3 Q. Thank you.

4 MS. ALERT: No further questions.

5 MS. MARSHALL: Thank you.

6 Good afternoon, Mr. Zerkle. Please
7 describe what efforts you have taken to identify
8 unknown or undetermined mineral owners.

9 THE WITNESS: We have searched court
10 records, utilized online resources such as
11 Ancestry.com, Accurint, and others. And we also
12 provided notice by newspaper publication.

13 MS. MARSHALL: Okay. If you were to
14 receive a unitization order, can you describe what
15 happens to any payments that will be owed to
16 unknown or undetermined mineral owners under that
17 order?

18 THE WITNESS: Yeah. Revenue for those
19 owners and interests are held in suspense. And
20 then we conduct routine due diligence to attempt
21 to contact and identify suspended owners.

22 MS. MARSHALL: Okay. What is the
23 current average outstanding offer to the unleased
24 mineral owners in the proposed unit? Average

1 bonus and average royalty.

2 THE WITNESS: Average outstanding offer
3 is approximately \$4,500 an acre and 18 percent
4 royalty.

5 MS. MARSHALL: Is that average royalty
6 based on a net or gross amount?

7 THE WITNESS: It is both. Mostly
8 cost-free, but a mix of cost-free and
9 cost-sharing.

10 MS. MARSHALL: Do those offers include
11 surface use?

12 THE WITNESS: Some do, and some don't.
13 It's a negotiated term between operator and
14 landowner. And in this case, we have already
15 secured the surface rights for the drilling site.
16 And we know nothing in the order grants the
17 Applicant the right to operate on anyone's surface
18 absent a voluntary agreement between the operator
19 and landowner.

20 MS. MARSHALL: When will those offers
21 expire?

22 THE WITNESS: The offers are still
23 valid and don't have a specific expiration date.
24 We will continue to negotiate a mutually

1 acceptable lease post-order to the extent it is
2 fruitful. And nothing in the order prohibits a
3 landowner from entering into a lease with
4 Gulfport.

5 MS. MARSHALL: What is the average
6 offer that was accepted by the leased mineral
7 owners in the proposed unit? Average bonus and
8 average royalty.

9 THE WITNESS: The average accepted is
10 \$5,340 an acre and approximately 19.8 percent.

11 MS. MARSHALL: Can you please explain
12 the difference between the current offer and the
13 average accepted offers?

14 THE WITNESS: We negotiate leases with
15 our landowners. And we take into consideration
16 particular provisions that they request. Their
17 parcel location, the size of the land, and the
18 bonus and royalty are just one part of the
19 negotiation.

20 MS. MARSHALL: Do you believe your
21 lease attempts have been reasonable? And if so,
22 why?

23 THE WITNESS: Yes. We have reached out
24 to mineral owners over the course of multiple

1 years and via several attempts. We have
2 successfully taken hundreds of leases in the area
3 and continue to negotiate with interested mineral
4 owners. And we would like to enter into a
5 mutually agreeable lease with those that wish to.

6 MS. MARSHALL: Will you continue
7 attempts to lease the unleased mineral owners
8 after the hearing and after a unitization order is
9 issued, if one is issued?

10 THE WITNESS: Yes.

11 MS. MARSHALL: Do you believe your
12 attempts to commit the non-consenting working
13 interest owners have been reasonable? And if so,
14 why?

15 THE WITNESS: Non-consenting working
16 interest owners? Is that what you asked?

17 MS. MARSHALL: Yes, sir.

18 THE WITNESS: Yes. They have been
19 reasonable. We have offered a proposal and are
20 willing to negotiate that.

21 MS. MARSHALL: Will you continue your
22 attempts to commit non-consenting working interest
23 owners after today's hearing?

24 THE WITNESS: Yes.

1 MS. MARSHALL: Do the leases in the
2 unit authorize drilling into and producing from
3 the proposed unitized formations?

4 THE WITNESS: Yes.

5 MS. MARSHALL: To establish bonus and
6 royalty amounts in leases, how are those generally
7 determined?

8 THE WITNESS: We work with our
9 reservoir team in order to understand the range of
10 bonus and associated royalty rate as guidance, and
11 then we use that as a starting point. From there,
12 competition in the area is a main driver of the
13 increase or decrease in bonus and royalty. And we
14 also adjust for other factors, such as the pricing
15 environment, parcel size, parcel location, and
16 other conditions of the lease requested by the
17 landowner.

18 MS. MARSHALL: Okay. Those are the
19 questions that I have. Thank you.

20 Mr. Barrett, do you have any questions?

21 MS. BARRETT: Yes, I do.

22 - - - - -

23 CROSS-EXAMINATION

24 BY MS. BARRETT:

1 Q. Could you please explain the reasoning
2 for the shape at the southern and northern ends of
3 the unit, please?

4 A. The shape at the southern and northern
5 ends?

6 Q. Yes.

7 A. All right. The shape at the southern
8 end -- I'll pull up my map real quick, if you
9 don't mind.

10 The shape of the southern end borders a
11 producing unit to the south. And also likewise to
12 the northern boundary. So there are producing
13 units in the north and in the south.

14 Q. Okay. The State of Ohio is listed on
15 Exhibit C. Can you please explain why the state
16 was listed on C?

17 A. The State of Ohio? I believe that was
18 ODOT. My mistake.

19 Q. Okay. Why was it on C?

20 A. They are listed on C -- I would have to
21 look exactly to know the detail on that one. I
22 don't have that answer off the top of my head. Is
23 that something we are able to get back to you on?

24 Q. Yeah. We can circle back at the end of

1 the hearing.

2 A. Okay.

3 Q. Thank you.

4 MS. ALERT: I can provide the
5 background on that if you like.

6 MS. BARRETT: Sure.

7 MS. ALERT: That particular parcel was
8 subject to a foreclosure procedure. And there has
9 not been an actual conveyance out, I believe, from
10 the foreclosed-upon owner. But the way that the
11 foreclosure suit was styled was that it did name
12 the State of Ohio as the trustee of the property,
13 pending that conveyance or the finality of the
14 sale and purchase of that foreclosed-upon parcel.

15 And so we have reached out to the State
16 as far as whether or not they claim the minerals
17 on a foreclosed parcel. But we basically just
18 listed the state, to the extent that they were
19 included in that foreclosure proceeding as a
20 possible claimant.

21 MS. BARRETT: Okay. Thank you.

22 With that, no further questions for me.
23 Thank you.

24 MS. MARSHALL: Thank you.

1 Ms. Allert, please call the next
2 witness.

3 MS. ALERT: The next witness I would
4 like to call is Mr. Trey Boardman.

5 MS. MARSHALL: Please swear in the
6 witness.

7 - - - - -

8 TREY BOARDMAN

9 being first duly sworn, testifies and says as
10 follows:

11 DIRECT EXAMINATION

12 BY MS. ALERT:

13 Q. Good afternoon. Could you please
14 introduce yourself and also describe your
15 education as well as your professional background.

16 A. Yes. My name is Trey Boardman. I'm a
17 senior geologist at Gulfport. My education
18 includes a Bachelor of Science in Geology as well
19 as a Master of Science in Geology, both from
20 Oklahoma State University.

21 I have over 14 years of
22 petroleum-related experience in a number of
23 different basins. And I have worked at Gulfport
24 for three years.

1 Q. Thank you. Do you belong to any
2 professional associations?

3 A. Yes. I'm a member of AAPG, the
4 American Association of Petroleum Geologists;
5 OCGS, the Oklahoma City Geological Society; and
6 SPWLA, the Society of Petrophysicists and Well Log
7 Analysts.

8 Q. Okay. Can you describe some of your
9 daily roles and responsibilities in your position
10 at Gulfport?

11 A. Yes. So as a geologist, my
12 responsibilities include interpreting geologic
13 data to optimize well targeting, geologic modeling
14 for development planning, and geosteering.

15 Q. And turning now to the application, are
16 you the geologist who prepared exhibits in support
17 of the Young IV application?

18 A. Yes, I am.

19 Q. Some of the items that are discussed in
20 the application are the unitized formation. Can
21 you please describe the depths that you seek to
22 unitize?

23 A. Yes. We seek to unitize the subsurface
24 portion of the unit area located from the top of

1 the Utica Shale, to the top of the Trenton
2 Limestone formation, inclusive of the Point
3 Pleasant.

4 Q. There are some geological exhibits that
5 were included in the application as part of the
6 preparation of those exhibits. Did you perform an
7 analysis of the geologic characteristics of the
8 unitized formation as described in the
9 application?

10 A. Yes, I did.

11 Q. Can you tell us what the term "pool"
12 means and how you use it as a geologist?

13 A. Yes. A pool is a separate underground
14 reservoir or common petroleum accumulation that
15 can yield hydrocarbons when drilled and completed.

16 Q. And turning now to Exhibit F, can you
17 please explain to us what this exhibit is and how
18 you used it in your evaluation and analysis of the
19 geologic characteristics?

20 A. Yes. I mean, so Exhibit F is simply a
21 location map showing the unit outline and pad
22 location, along with two of the closest available
23 pilot logs, and the line of cross-section, which
24 is also depicted on Exhibit E.

1 Q. Turning now to Exhibit E, can you
2 please explain what this exhibit shows and how it
3 is used in your analysis?

4 A. Of course. Exhibit E is the
5 northwest-to-southeast cross-section, which is
6 shown on Exhibit F. This cross-section is
7 composed of two open-hole well logs on either side
8 of the anticipated depths of the surface location.

9 The section is flattened on the top of
10 the Point Pleasant and includes the tops we used
11 to characterize the Utica pool. This section
12 demonstrates the similarity in character thickness
13 and well log properties as well as the uniformity
14 of the Utica pool geology across the Young IV unit
15 area.

16 Q. Thank you. Given your analysis and the
17 information depicted, is the unitized formation
18 underlying the unit area a pool or part of a pool?

19 A. Yes, it is.

20 Q. I would like to turn now to another
21 item that was addressed in the application,
22 specifically in the unit plan, and that is a
23 proposed allocation methodology for production and
24 expenses.

1 Given your conclusion that the unitized
2 formation is a pool or part of a pool, do you have
3 an opinion on an appropriate allocation
4 methodology for production and expenses?

5 A. Yes, I do. Allocation based on surface
6 acreage basis is the appropriate case to go for in
7 this scenario.

8 Q. And can you expand on that as far as
9 why you think it is appropriate?

10 A. Yes. It is the only method I have seen
11 used in the development of this type. It
12 represents the expectation that the reservoir
13 quality and thickness is consistent across not
14 only this unit, but also off to the east, north,
15 south, and west. And the expectation is that each
16 surface acre contains a similar amount of
17 hydrocarbon, regardless of where they are located
18 in the unit.

19 Q. Thank you. The last topic that I would
20 like to cover with you is the non-consent penalty.

21 Earlier Mr. Zerkle testified to and
22 requested a non-consent penalty as applied to
23 working interest owners in the unit. Do you
24 believe the non-consent penalty that he requested

1 is reasonable? And if so, why?

2 A. Yes. So these penalties encourage
3 participation for development. And given the
4 material capital costs inherent in these sorts of
5 operations, we believe the non-consent penalty
6 requested to be just and reasonable.

7 And the reason being is that there are
8 risks associated with drilling horizontal wells,
9 such as mechanical failure, operational
10 complexities, and economic unknowns.

11 Additionally, there is also a geologic risk of
12 encountering unexpected geologic structure faults
13 as well as natural fractures.

14 Q. Thank you.

15 MS. ALERT: I have no further
16 questions.

17 MS. MARSHALL: Thank you.

18 Mr. Boardman, I have a couple of questions.

19 What is the anticipated true vertical
20 depth of the horizontal portion of the wellbores?

21 THE WITNESS: That will be
22 approximately 8,790 feet TVD.

23 MS. MARSHALL: What is the anticipated
24 true vertical depth of the top of the Utica, the

1 Point Pleasant, and the Trenton?

2 THE WITNESS: The estimated top of the
3 Utica will be approximately 8,197 feet TVD. The
4 top of the Point Pleasant will be around 8,740
5 feet TVD, and the top of the Trenton Limestone
6 will be around 8,857 feet TVD.

7 MS. MARSHALL: Do you expect production
8 from outside the Point Pleasant?

9 THE WITNESS: Most of our production
10 will come from within the Point Pleasant.
11 However, it's possible that lower portions of the
12 Utica pool may contribute a small amount of
13 hydrocarbon but will not exceed the pool.

14 MS. MARSHALL: Okay. Thank you. Those
15 are all of my questions.

16 Ms. Barrett, do you have any questions?

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

18 MS. MARSHALL: Thank you.

19 Ms. Allert, please call your next
20 witness.

21 MS. ALERT: Thank you. Our last
22 witness is Mr. Daniel Carr.

23 MS. MARSHALL: Please swear in the
24 witness.

1

- - - - -

2

DANIEL CARR

3

being first duly sworn, testifies and says as
follows:

5

DIRECT EXAMINATION

6

BY MS. ALLERT:

7

Q. Good afternoon. Can you please
introduce yourself. And please provide your
education as well as your professional background.

10

A. Yes. My name is Daniel Carr. I'm a
senior reservoir engineer for Gulfport Appalachia.
I have a Bachelor of Science in Petroleum
Engineering from Texas Tech University.

14

And I have worked as a petroleum
engineer for over 12 years in various plays and
basins, including the Powder River, Eagle Ford,
Haynesville, Utica, and Mid-Con, both with
Gulfport and my previous employer, Chesapeake
Energy.

20

Q. Thank you. Are you a member of any
professional associations?

22

A. Yes. I'm a member of the Society of
Petroleum Engineers.

24

Q. Will you please describe some of your

1 roles and responsibilities at Gulfport?

2 A. I perform reservoir evaluations,
3 estimating reserves and recoveries. I analyze the
4 economics and risk assessment of planned wells and
5 projects. I also calculate how many hydrocarbons
6 are believed to exist or remain on Gulfport's
7 properties as well as how much we can economically
8 expect to produce.

9 Q. Thank you. Turning now to the
10 specifics of the application here. Did you
11 forecast well performance for the unitized as well
12 as a non-unitized operating scenario?

13 A. Yes, I did.

14 Q. As far as the forecast of those
15 operating scenarios, can you please describe the
16 process by which you do that?

17 A. Sure. So I create type curves for the
18 proposed laterals based on the performance of
19 analogous producing wells in the area. In that
20 analysis, I consider many variables, such as
21 thermal maturity, completion parameters,
22 proximity, vintage, et cetera. I then take that
23 performance of analogue wells and normalize on a
24 per 1,000 feet basis and apply that to the lateral

1 length for any proposed wells.

2 Q. And turning now to the economic summary
3 that was included in the application, there is one
4 lateral that you have forecasted performance for.
5 Can you please describe the lateral length of the
6 Young 21 --

7 (Audio cuts in and out.)

8 -- lateral, if you are assuming
9 unitization?

10 A. Yes. It's 19,755 --

11 THE REPORTER: Ms. Allert, I didn't
12 hear the last question that you asked.

13 MS. ALERT: I was asking him the
14 lateral length for the Young 211900A lateral
15 assuming unitization.

16 THE REPORTER: Thank you.

17 A. Yes. That lateral length would be
18 19,755 feet.

19 Q. And does that measurement take into
20 account Ohio's statutory setbacks?

21 A. Yes, it does.

22 Q. If you look at a non-unitized scenario,
23 what is the lateral length there?

24 A. Under a voluntary or non-unitized

1 scenario, given the placement of the unleased and
2 non-consenting tracts in the unit, we would be
3 precluded from development; therefore, the lateral
4 length would be zero.

5 Q. Looking at the unitized scenario, what
6 is the estimated recovery?

7 A. 30.5 BCFe.

8 Q. And what is the recovery that you
9 estimated in the non-unitized scenario?

10 A. Given Gulfport would be precluded from
11 development, we would realize zero in recovery in
12 a non-unitized scenario.

13 Q. And what is the difference in recovery
14 between those two scenarios?

15 A. 30.5 BCFe.

16 Q. Is that amount -- that difference in
17 recovery a substantial amount?

18 A. Yes. The energy contained in just one
19 BCFe of natural gas is estimated to be enough to
20 pave a four-lane highway directly from Columbus,
21 Ohio, all the way to Chicago, Illinois.

22 Q. And is it your opinion that a unit
23 order is reasonably necessary to increase
24 substantially the ultimate recovery from the unit?

1 A. Yes.

2 Q. As far as the monetary value, can you
3 please describe for us the monetary value of the
4 difference in recovery?

5 A. Sure. That would be 94.3 million on an
6 undiscounted value of estimated recovery,
7 47.6 million on a PV0 value, and 24.3 million on a
8 PV10 value.

9 Q. Looking at the capital costs and
10 operating expenses for the scenarios, can you
11 please provide those numbers for the unitized
12 case?

13 A. Yes. For capital costs, that would be
14 12.9 million, and operating expenses would come
15 out to be 33.8 million.

16 Q. For the non-unitized scenario, given
17 that you are precluded from development, is that
18 cost at a zero-cost basis?

19 A. Yes. That's correct.

20 Q. For the PV10 values that you testified
21 to today, do those take into account operating and
22 capital expenses?

23 A. Yes, they do.

24 Q. Is it your opinion that the value of

1 the estimated additional recovery of oil or gas
2 exceeds the estimated additional costs incident to
3 conducting the proposed unit operations?

4 A. Yes, it does.

5 Q. How are well pad costs factored into
6 your economics?

7 A. Pad costs are shared between all
8 planned wells to be developed from the pad.

9 Q. Thank you.

10 MS. ALERT: No further questions.

11 MS. MARSHALL: Thank you.

12 Mr. Carr, I have a few questions. What
13 is the estimated economic life of the wells in
14 years?

15 THE WITNESS: 40 years.

16 MS. MARSHALL: What is the price that
17 was used in your economic calculations?

18 THE WITNESS: So we used the NYMEX
19 strip pricing as of June 16th of 2025.

20 MS. MARSHALL: Okay. When do you
21 estimate you will recover the costs of drilling,
22 testing, and completing the wells at one time, one
23 and a half times, two times, and three times?

24 THE WITNESS: Less than one year for a

1 one-time recovery; one and a half to two years for
2 one and a half times; two to three years for a
3 two-times recovery; and greater than five years
4 for a three-times recovery.

5 MS. MARSHALL: How many total wells
6 will be drilled from the pad?

7 THE WITNESS: There will be four total
8 wells: the Young I, II, III, and IV units, or one
9 well in each one of those units.

10 MS. MARSHALL: Are there existing
11 wells?

12 THE WITNESS: There are no existing
13 wells.

14 MS. MARSHALL: Those are all the
15 questions that I have.

16 Ms. Barrett, do you have any questions?

17 MS. BARRETT: Yes, I do.

18 - - - - -

19 CROSS-EXAMINATION

20 BY MS. BARRETT:

21 Q. Did you use estimated costs?

22 A. Yes. This pad is currently under
23 construction, so I used estimated.

24 Q. What amount was included for plugging

1 and restoration costs for the well?

2 A. The plugging and reclamation cost is
3 400,000 per well.

4 Q. What is the estimated BCFe per 1,000
5 feet?

6 A. Approximately 1.54 BCFe per 1,000.

7 Q. And what is the estimated recovery
8 factor in the area?

9 A. Recovery factor is estimated to be
10 between 60 and 80 percent.

11 Q. Okay. Thank you.

12 MS. BARRETT: No further questions for
13 me.

14 THE WITNESS: Thank you.

15 MS. MARSHALL: Thank you. Once again,
16 if you would like to make comments, I am first
17 going to take all of your names and note whether
18 you are an unleased owner, working interest owner,
19 or an owner with property in the unit.

20 Only one person may speak at a time to
21 properly record the hearing. And please mute your
22 microphone once you have delivered your comments
23 or questions to avoid any feedback. Additionally,
24 anyone speaking today will be asked to provide

1 their information to the court reporter. If you
2 are uncomfortable speaking during the hearing, we
3 will also accept written comments.

4 If you have joined via WebEx and would
5 like to make comments, please unmute yourself and
6 state your name.

7 Hearing none.

8 If anyone has joined us via phone and
9 would like to make comments, please unmute
10 yourself by pressing "star 6" and state your name.

11 MR. STEWART: Sorry. I had -- sorry I
12 missed the button so I didn't get to comment. My
13 name is Joseph Stewart.

14 THE WITNESS: Okay.

15 MR. STEWART: I was wondering why I
16 was --

17 MS. MARSHALL: Just a moment. I have
18 to finish with the questions that I have -- or the
19 statements I have to make. And we will call you
20 as soon as we are ready for your comments, okay?

21 MR. STEWART: Okay. Sorry.

22 MS. MARSHALL: Okay. Just one moment.

23 Is there anyone else that would like to
24 make comments via phone?

1 All right. As a reminder, we ask that
2 any interested party who speaks here today pose
3 any questions to the Division, and we will then
4 ask questions to the Applicant. I have Mr. Joseph
5 Stewart that has comments or questions.

6 Mr. Stewart, are you ready to be sworn
7 in?

8 MR. STEWART: Yes.

9 MS. MARSHALL: Please swear in
10 Mr. Stewart.

11 (Joseph Stewart, having been duly
12 sworn, testifies as follows.)

13 MS. MARSHALL: Please proceed with your
14 comments or questions.

15 MR. STEWART: Okay. I have a question.

16 I was just wondering why I was sent for
17 this, that's all.

18 MS. BARRETT: Is someone from the
19 Applicant able to respond as to why Mr. Stewart
20 received notice for the hearing?

21 MS. ALERT: Justin, if you wanted to
22 comment on that and then maybe stay after the
23 hearing and you guys can exchange contact
24 information.

1 MR. ZERKLE: Sure. It looks like,
2 Joseph Stewart, you are listed on the Exhibit A to
3 the application. If you are -- I don't think
4 there is any other Joseph Stewart. So I assume
5 you are Joseph B. Stewart.

6 MR. STEWART: Yes.

7 MR. ZERKLE: And if that's the case,
8 then we show that Gulfport has a lease with you
9 that we made. We sent you a notice because you
10 are on the Exhibit A.

11 MR. STEWART: Okay.

12 MR. ZERKLE: I'm happy to help in any
13 way. If we can -- like Jenae said, we can
14 exchange emails. And I'm happy to answer any
15 other questions you have.

16 MR. STEWART: Yes. If you could do
17 that -- if you could send me some emails, that
18 would be great.

19 MR. ZERKLE: I can do that.

20 MS. MARSHALL: Okay. Did you have any
21 other questions, Mr. Stewart?

22 MR. STEWART: No, ma'am.

23 MS. MARSHALL: Okay. Thank you very
24 much for your comments and your questions.

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

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

4 MS. MARSHALL: Does the Applicant have
5 any closing remarks?

6 MS. ALLERT: No, we do not.

7 Thank you for everybody's time today.

8 MS. MARSHALL: Thank you, everyone.

9 The hearing is now concluded.

10 - - - - -

11 Thereupon, the foregoing proceedings
12 concluded at 3:09 p.m.

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

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

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

14 IN WITNESS WHEREOF, I have hereunto set my
15 hand and affixed my seal of office at Columbus,
16 Ohio, on October 28, 2025.

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

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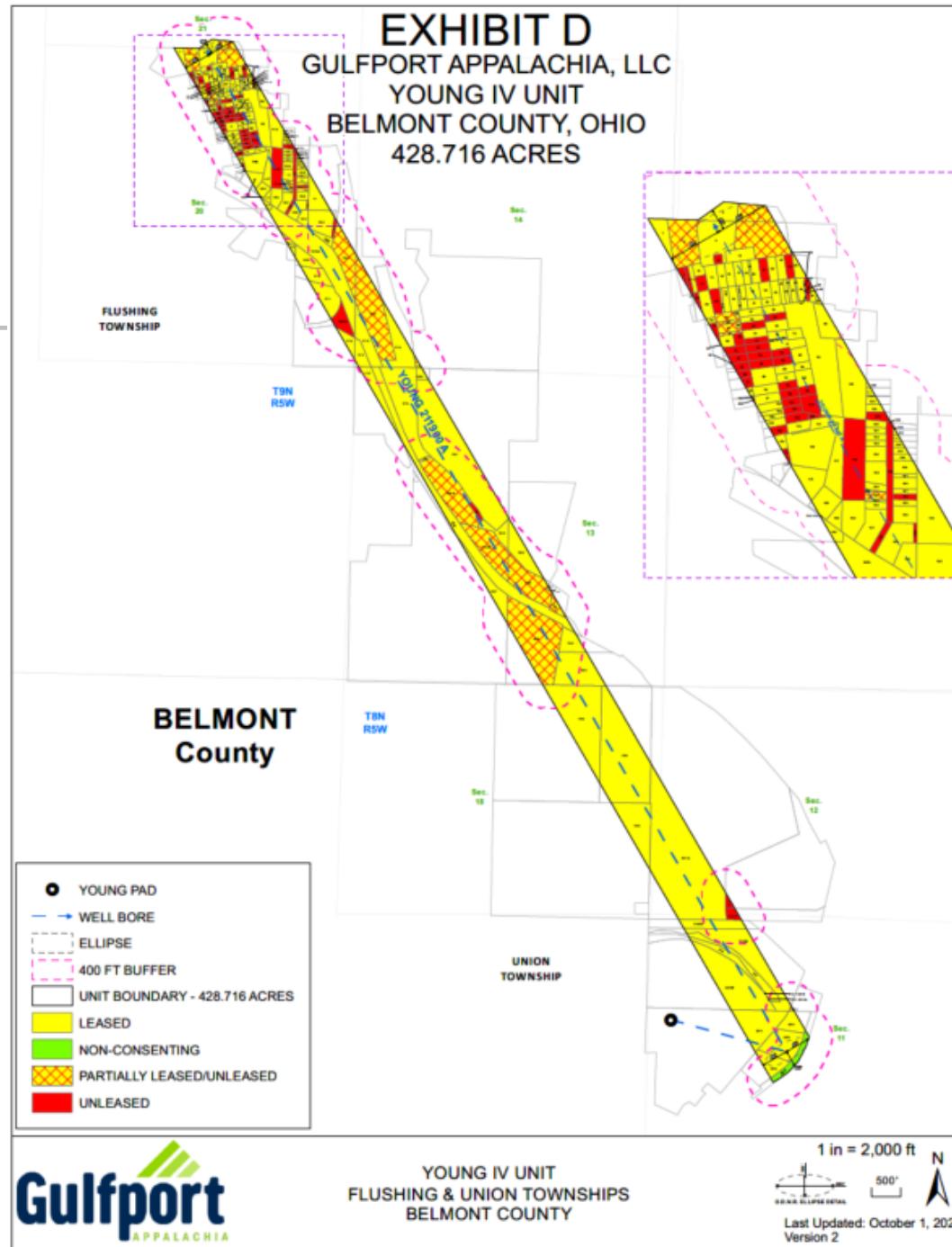
Young IV

October 8, 2025

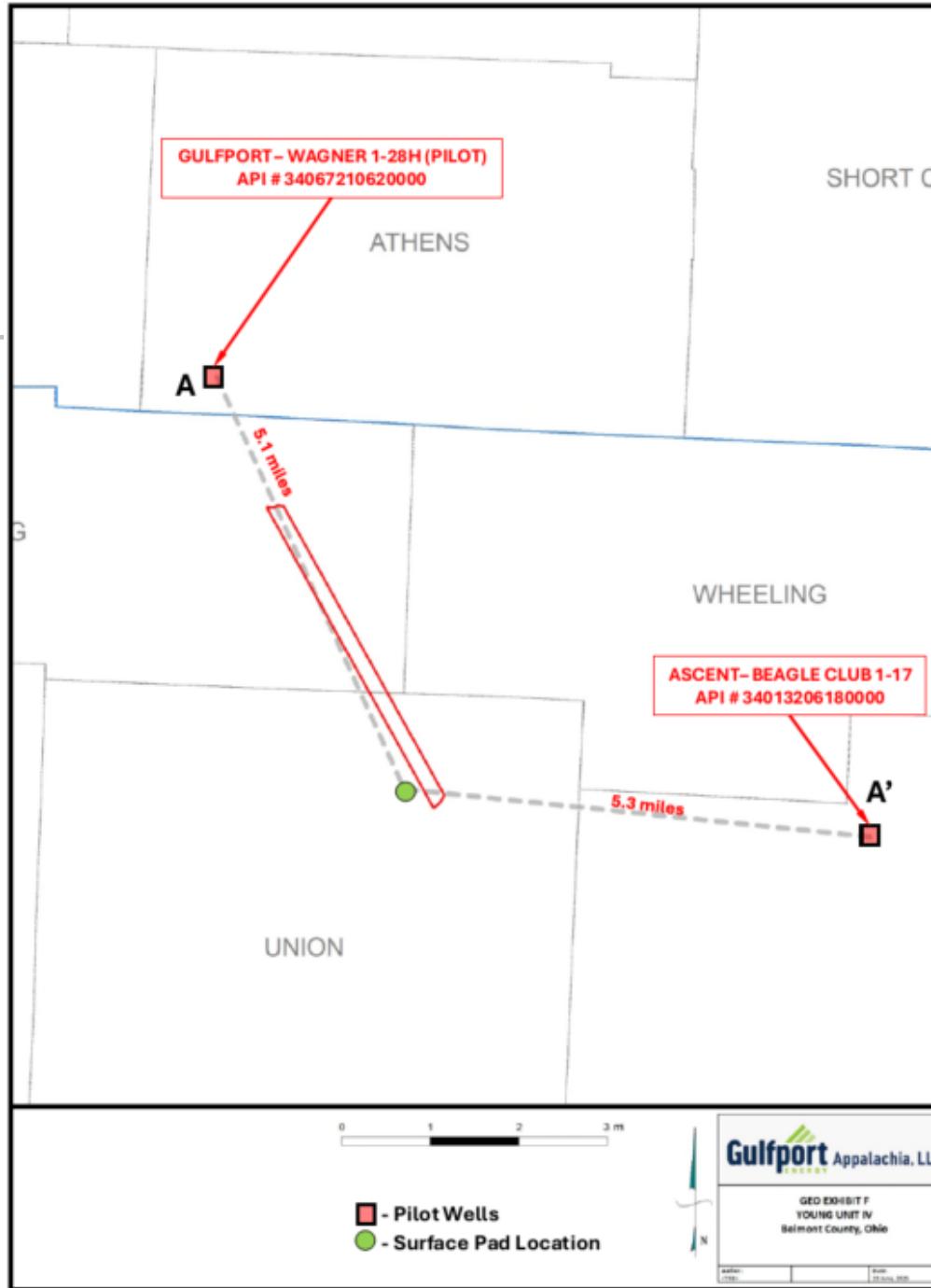
Jenae C. Allert



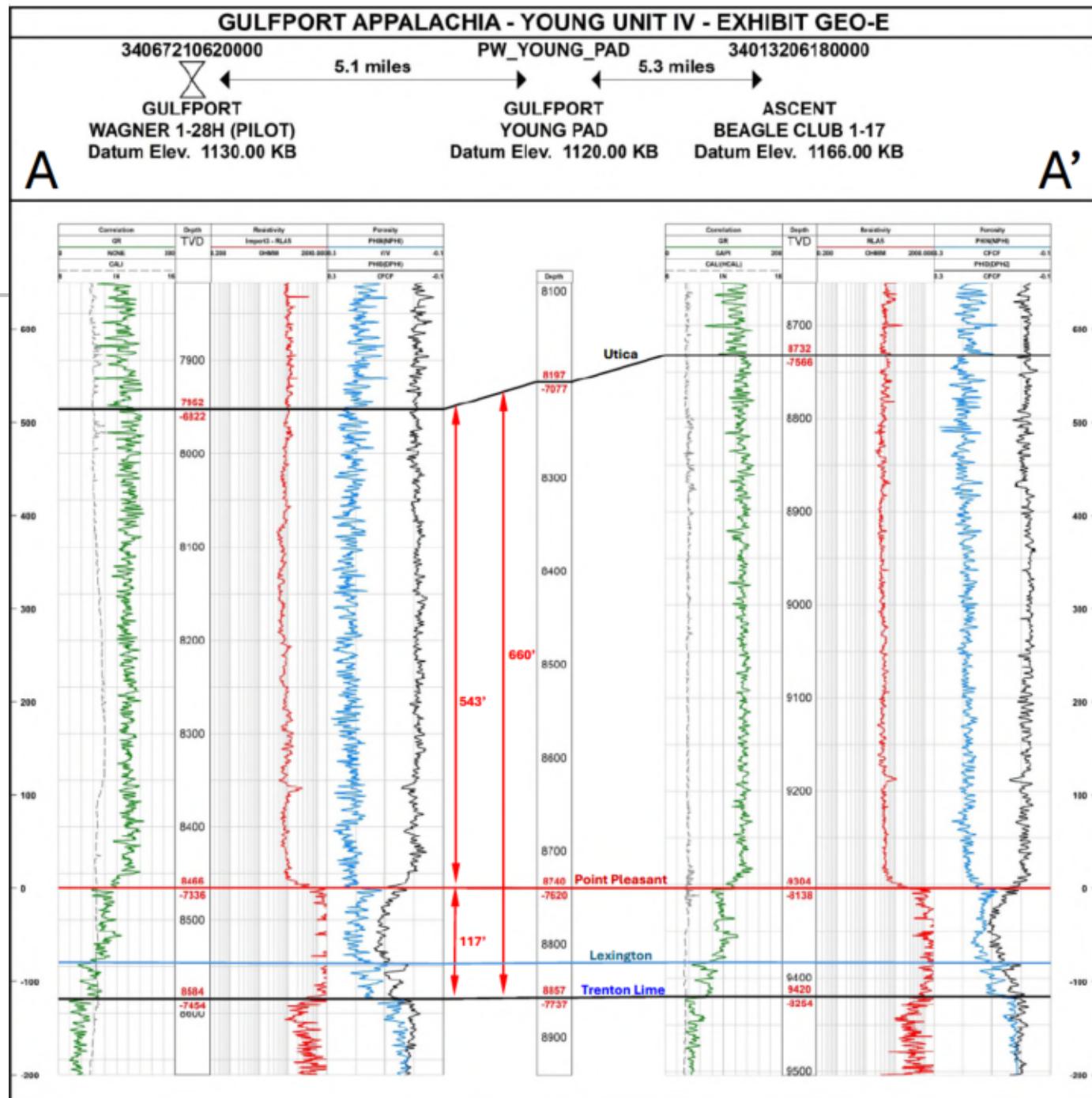
Young IV Exhibit “D”



Young IV Exhibit “F”



Young IV Exhibit “E”



**Bricker
Graydon**

Young IV Economic Summary

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)
YOUNG 211900 A	19,755	28,449	33.8	12.9	94.3	47.6	24.3	30.5
Total:	19,755	28,449	33.8	12.9	94.3	47.6	24.3	30.5

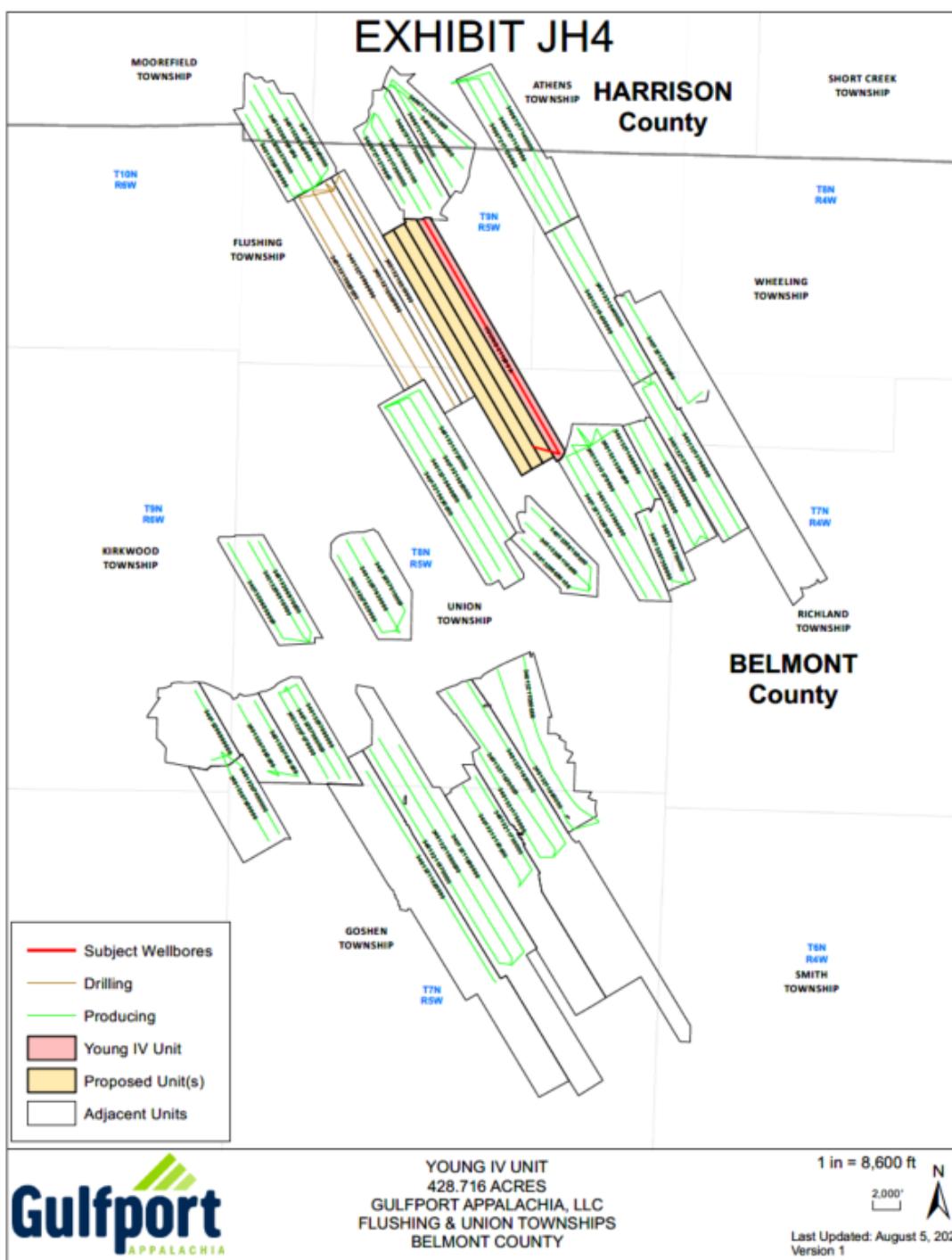
Non-Unitized Scenario

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)
YOUNG 211900 A	0	0	0.0	0.0	0.0	0.0	0.0	0.0
Total:	0	0	0.0	0.0	0.0	0.0	0.0	0.0

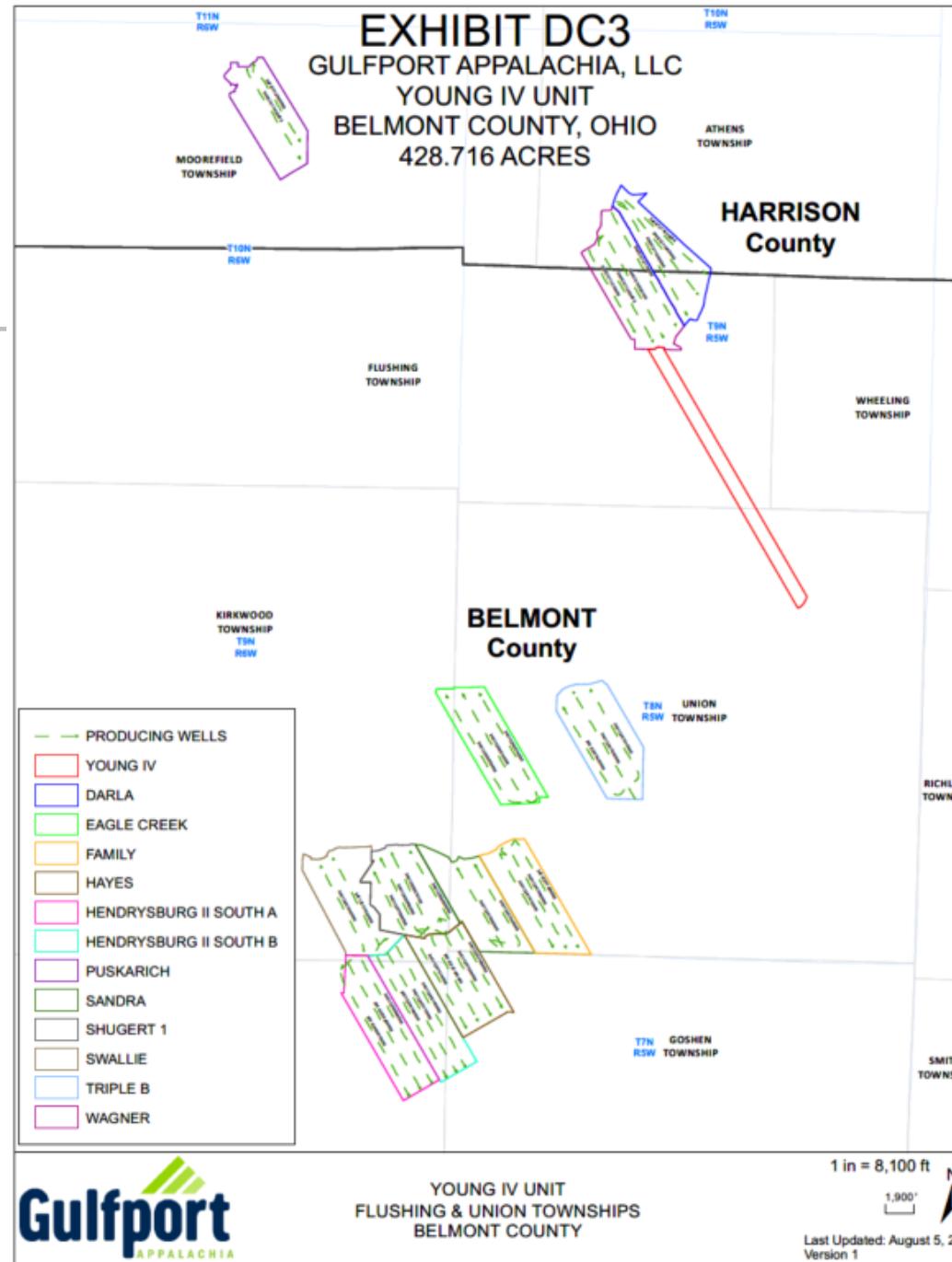
Difference

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)
YOUNG 211900 A	19,755	28,449	33.8	12.9	94.3	47.6	24.3	30.5
Total:	19,755	28,449	33.8	12.9	94.3	47.6	24.3	30.5

Young IV Adjacent Units



Young IV Offset Wells



Young IV Offset Wells

API	WELLBORE NAME	UNIT	PROD START (DATE)	LATERAL (FT)
34013206570100	SHUGERT 1-1H	SHUGERT 1	4/15/2013	4,950
34067210620100	WAGNER 1-28H	WAGNER	8/6/2012	7,117
34067211260000	WAGNER 2-28H	WAGNER	9/18/2013	7,160
34067211270000	WAGNER 3-28H	WAGNER	9/4/2013	5,632
34013206890000	SHUGERT 2-1H	SHUGERT 1	11/26/2013	5,159
34013207060000	SHUGERT 4-1H	SHUGERT 1	12/1/2013	4,032
34013206880000	SHUGERT 3-1H	SHUGERT 1	11/20/2013	5,120
34013207090000	FAMILY 1-32H	FAMILY	12/27/2013	7,632
34013207070000	FAMILY 3-32H	FAMILY	12/29/2013	6,696
34013207080000	FAMILY 2-32H	FAMILY	12/28/2013	7,632
34013206810000	EAGLE CREEK 1-26H	EAGLE CREEK	6/8/2014	7,934
34013206870000	EAGLE CREEK 3-26H	EAGLE CREEK	6/7/2014	7,507
34013206850000	EAGLE CREEK 2-26H	EAGLE CREEK	6/7/2014	7,666
34013207640000	SANDRA 1-31H	SANDRA	8/27/2014	5,882
34013207650000	SANDRA 2-31H	SANDRA	8/27/2014	5,971
34013207610000	TRIPLE B 1-21H	TRIPLE B	9/11/2014	6,022
34013207630000	TRIPLE B 3-21H	TRIPLE B	9/11/2014	7,780
34013207620000	TRIPLE B 2-21H	TRIPLE B	9/11/2014	6,450
34013207490000	HAYES 1-1H	HAYES	9/20/2014	5,623
34013207510000	HAYES 4-1H	HAYES	9/22/2014	6,452
34013207480000	HAYES 3-1H	HAYES	9/22/2014	6,167
34013207500000	HAYES 2-1H	HAYES	9/20/2014	5,688
34013207840000	SWALLIE 210041 2B	SWALLIE	10/24/2014	6,080
34013207830000	SWALLIE 210041 1C	SWALLIE	10/24/2014	6,710
34067212170000	WAGNER 4-28H	WAGNER	10/9/2014	8,428
34067211630000	DARLA 1-22H	DARLA	10/8/2014	5,504
34067211620000	DARLA 3-22H	DARLA	10/8/2014	6,237
34067211640000	DARLA 2-22H	DARLA	10/8/2014	6,698
34067212090000	PUSKARICH 1-18H	PUSKARICH	12/15/2014	5,720
34067211830000	PUSKARICH 3-18H	PUSKARICH	12/15/2014	6,705
34013208880000	CATTLE 210198 3C	HENDRYSBURG II SOUTH A	6/25/2016	9,446
34013209190000	JADE 210274 3A	HENDRYSBURG II SOUTH B	7/25/2016	9,102
34013209170000	JADE 210274 2B	HENDRYSBURG II SOUTH B	7/25/2016	8,918
34013208860000	CATTLE 210198 2B	HENDRYSBURG II SOUTH A	6/24/2016	9,489
34013209180000	JADE 210274 1C	HENDRYSBURG II SOUTH B	7/25/2016	9,159
34013208870000	CATTLE 210198 1A	HENDRYSBURG II SOUTH A	6/23/2016	8,107

Young IV Pricing Index



STRIP PRICES AS OF JUNE 16, 2025

DATE	OIL PRICE	GAS PRICE
	\$/BBL.	\$/MMBTU
Jan-Dec 2025	68.58	4.06
Jan-Dec 2026	65.10	4.39
Jan-Dec 2027	64.07	4.04
Jan-Dec 2028	63.69	3.82
Jan-Dec 2029	63.37	3.72
To Life	63.37	3.72

Thank You

Bricker
Graydon