

John P. Hughett, P.E.

PERSONAL DATA:

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Place of Birth: Dallas, Texas

Education: B.S. Engineering
Texas Tech University
Lubbock, Texas
Dean's Honor List

EXPERIENCE:

1991 - Present **Hughett Engineering, Inc.**
Dallas, Texas
President

Hughett Engineering, Inc. is a full-service consulting firm that provides services from staking the well all the way to managing production. HEI specializes in wells from 10,000-30,000 feet in depth. Today a high percentage of these wells are non-conventional shale or tight sands requiring hydraulic fracture treatment and horizontal well bores. A large number of HEI wells involve HTHP and H₂S wells. Another specialty area that HEI works on is well stimulation in particular hydraulic fracture treating. This is an integral part of HEI's production optimization programs as is other optimization methodologies. HEI does work on non-conventional reservoirs such as CBM and shale gas as well as conventional reservoirs systems. HEI also provides clients with reserve and economic services along with geologic services. In addition, HEI handles all necessary regulatory work for clients. Clients range from small independents to major oil companies. The average project value is in excess of \$11MM. HEI recently completed an underground gas storage project in Texas for an electric utility. HEI is also working on an underground storage project in Oklahoma. HEI also has projects working in the Gulf of Mexico, West Texas and along the Gulf Coast as well as Italy. This company has had up to 65 employees. In 1996 HEI was hired by PEMEX Exploracion Y Produccion D.R. to help streamline their drilling, completion and production practices. This was the first time that Pemex has used outside consultants with broad authority. HEI has a number of contract drilling companies as clients and advises them on such matters as operations and maintenance. HEI also provides drilling rig appraisals for onshore rigs. HEI also advises the second largest drilling rig manufacturer in the world on rig design.

From early 2005 until late 2009 HEI managed all operations for an international oil & gas exploration and production company based in Dallas, Texas with offices in The Netherlands, Poland, Ukraine, Kazakhstan, UK, France and Bulgaria. The client company was formed to develop non-conventional gas resources in Eastern and Western Europe. I managed all operations. I was involved from the very early stages and helped build the company for the owners. Through its affiliates the client had US shale gas operations in Arkansas, Texas, West Virginia, Ohio and Oklahoma. The client started leasing operations in the Fayetteville Shale area of Arkansas in late 2006. The client drilled in urban environments and was an environmentally friendly neighbor. All of these wells are stimulated by hydraulic fracture treatments. Long reach horizontal drilling is a specialty developed over my many years as a drilling contractor and operator.

Through my experience as a petroleum engineer and company executive in the oil and gas industry, as well as my experience in managing businesses with numerous employees and intellectual property, I have acquired a specialized knowledge in the industry's customs and practices, protection of trade secrets and intellectual property, and what constitutes a company's proprietary information. Because I possess this type of knowledge, I have been asked on multiple occasions to give an expert opinion regarding proper industry customs, practices, and ethics, as well as what information may be considered proprietary or a trade secret.

Another very active area for HEI is expert witness testimony. I have testified in oil & gas personal injury cases, oil & gas operations litigation and areas involving drilling, completion and production. A list of cases is available upon request.

1998 – 1999

Avia Energy Development, L.L.C.

Dallas, Texas

Managing Director

Avia Energy Development was formed to obtain contracts from Pemex for turnkey drilling projects. Avia was successful in getting a contract for thirty seven gas wells in the Burgos Basin (HPHT Wells). These wells were drilled making Avia the first non-Pemex entity to drill in Mexico since the revolution. The value of this contract was \$60,000,000 U.S. and employed more than 300 people.

1976 - 1991

The M^cBee Company

Dallas, Texas

Engineering Manager

The M^cBee Company is a family owned Oil & Gas partnership started in 1888. I worked for all the affiliated companies some of which are:

M.J. Delaney Co.

Gulf Coast Exploration

M.J. Delaney Drilling Co., Inc.

Exploration Limited

The Estate of W.D. M^cBee

M^cBee Oil Company

Marymac Company

The scope of operations included exploration and development drilling, completion and production of oil and gas wells, pipeline construction and operation, plant construction and operation, and contract drilling services. The company had a reputation for handling difficult drilling prospects, including HPHT

and sour gas (H₂S) wells.

Duties included screening oil and gas drilling proposals, AFE preparation, design and construction of drilling rigs, design and supervision of drilling and completion programs including hundreds of hydraulic fracture treatments, supervision of all field personnel, supervision of administrative personnel, contract negotiation, all regulatory compliance, along with numerous other tasks. This included well production optimization programs as a part of production management. I supervised 278 employees.

1989 – 1991

Vericon Systems, Inc.

Dallas, Texas
Chairman & CEO

Vericon Systems was a software development company that developed a method to positively verify a person over the telephone. The technology has many uses including credit card verification, access control and verifying that a parolee is where they are supposed to be. The company sold arming systems to the U.S. Government and had parole and probation contracts in several states. The company was started from scratch and was successfully sold for a profit.

1981 – 1984

Addison Piper, Inc.

Addison, Texas
President & CEO

Addison Piper was an aircraft dealership for Piper Aircraft. The business operated a flight school, new and used aircraft sales, aircraft maintenance, aircraft management and on demand air charter. The business was successfully sold for a nice profit.

1974-1976

Arkansas Louisiana Gas Company

Shreveport, Louisiana
Gas Pipeline Engineer

ARKLA Gas was a major gas utility operating in eight states. The pipeline department was under the gas transmission division of the company. The gas pipeline department consisted of approximately 730 employees. The department was responsible for all construction and operation of the companies gathering and transmission systems.

Duties while at ARKLA were quite broad. They included design and construction of numerous pipeline systems, the design and manufacture of vent caps, the invention design and development of drilled river crossings, the design and installation of the first on line computer gas dispatching system, along with many more tasks. I was the only degreed engineer in the department and was second to the department manager. Upon retirement of the manager I was offered that job but instead moved to the M^cBee Company.

1971-1974

Texas Tech University
Lubbock, Texas

Research Assistant

Duties included design and fabrication of research equipment.

MILITARY EXPERIENCE:

1967-1971	U.S. Navy
	2 years 9 months service Viet Nam

PUBLICATIONS:

Pipeline and Gas Journal
Oil & Gas Journal
Several Short Courses

PROFESSIONAL ORGANIZATIONS:

American Society of Mechanical Engineers - Member
Society of Petroleum Engineers AIME - Member
American Association of Drilling Engineers - Member
International Association of Directional Drilling - Member
Registered Professional Engineer Texas #49081

OTHER

Private Pilot Certificate
Airplane single & multiengine land. Instrument Airplane.