The *IHS Herold Global Upstream M&A Review* is IHS Inc.’s annual study of global upstream merger, acquisition, and divestiture activity in the M&A marketplace. The study is organized by region, providing an overview of transaction activity (transaction value, deal count, transacted reserve volumes) and valuation metrics (implied reserve costs). M&A regional reviews for Worldwide, United States, Canada, Europe, Africa & Middle East, Asia-Pacific, Latin America, and Former Soviet Union are also provided.

The study provides a comprehensive analysis of more than 1,450 significant upstream reserve and resource transactions (i.e., greater than $10 million) valued at approximately $750 billion that were consummated over the five years through year-end 2011. The objectives of the analysis are to draw attention to emerging trends, market valuation measures, and shifts in regional and international transaction volumes, values, and activity in the upstream M&A&D arena.

The source of all data and charts is the IHS Herold M&A Database unless otherwise noted. All figures are in US dollars.

**Regional Play:  Eagle Ford Shale**

- The oil and condensate windows of the Eagle Ford Shale continue to command premium acreage prices of $15,000-$25,000 per acre from new international entrants, making it more difficult for buyers rapidly executing efficient development programs to generate favorable returns.
- EOG Resources recently boosted its estimated Eagle Ford resources to 1.6 billion boe, based on the results of downspacing pilot wells. This could lead to even higher prices in areas where downspacing has proven successful.
- Following numerous drill-carry joint venture acquisitions by large international buyers, the next step could be corporate transactions in which recent entrants achieve operatorship and development control.
- High commodity prices and implied acreage values have led to sales of smaller regional E&Ps backed by private equity firms, which will monetize their holdings to reinvest.
- So far, the best well results have been from the condensate window of the play.
For additional information on this Regional Play please see the following reports:

- IHS Herold M&A Alert: Marubeni Agrees to Acquire 35% Interest in Eagle Ford Shale Project from Hunt Oil for US$1.3 Billion in Acquisition and Development Costs
- IHS Herold M&A Alert: Marathon Oil’s Agreement to Acquire Hilcorp Resources’ Eagle Ford Shale Properties for $3.5 Billion in Cash Highlights Execution Risk for Later Entrants into Highly Sought After U.S. Shale Plays
United States - Gulf Coast Onshore: Eagle Ford Shale Play

Source: U.S. Energy Information Administration
2012 IHS Herold Global Upstream M&A Review

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