



Press release

February 2013

## Deutsche Rohstoff AG: Tekton Energy commences horizontal drilling

Two wells planned from existing pad / Further cooperation agreement signed

**Denver/Heidelberg.** Deutsche Rohstoff AG's US-Oil subsidiary Tekton Energy ([www.tektonenergy.com](http://www.tektonenergy.com)) reported today that it will commence its horizontal drilling program near the town of Windsor this weekend. Tekton plans for two initial wells with a lateral length of 4.100 feet (1.250 meters) per well from its existing Rancho pad in the southern part of its acreage. Horizontal wells of this length usually need 14 days drilling time per well. Tekton therefore expects to complete drilling around the end of March. It is planned to complete the two wells during April and start production in early May. After the first month of production, Tekton plans to get a reserve calculation prepared as basis for further financing.

Jerry Sommer, CEO of Tekton Energy, noted: "We are very excited to launch our horizontal program. We expect solid economic results based on the extensive geological and technical analysis that our team performed to prepare this program."

The first two wells are part of Tekton's overall plan to develop the full potential of its acreage of currently 2.300 acres. Tekton expects to drill up to 80 gross/60 net horizontal wells on its leases. As of today, over 50 of these wells have been permitted through State and local authorities. Comparable horizontal wells are reported to define reserves of 325.000 to 350.000 Barrels of Oil Equivalent each.

Anadarko Petroleum, one of the two largest operators in Wattenberg and also cooperating with Tekton close to Windsor, released yesterday that the company plans to nearly double its horizontal drillings due to "exceptional economics" and "rate of returns exceeding 100%" at current oil prices.

(<http://www.anadarko.com/Investor/Pages/NewsReleases/NewsReleases.aspx?release-id=1786768>)

Tekton also reported that it entered into a cooperation agreement with Extraction Oil & Gas LLC, of Denver, Colorado ([www.extractionog.com](http://www.extractionog.com)) Extraction is a newly formed, private equity financed company with acreage close to Tekton in the north-western part of the Wattenberg field. Both parties agreed that:

- Extraction will participate in Tekton's first two wells on a promoted basis.
- Extraction and Tekton have entered into an Area of Mutual Interest (AMI) and will share acreage and operations with each company owning 50%. Acreage acquisition is already under way and will be announced at a later date.
- Extraction and Tekton will jointly develop Section 13-6N-67W on a 50%/50% basis.

This move will likely increase Tekton's acreage by over 50%.



As part of its field development plan, Tekton is currently also preparing further 3D-seismic surveys in Section 22-6N-67W west of Windsor and over the joint acreage with Extraction in Section 13-6N-67W. Both surveys should be completed by the end of March, 2013.

Funding of the first two wells will mainly be provided by Deutsche Rohstoff AG in the way of a capital increase as well as a convertible loan to Tekton. Deutsche Rohstoff AGs share in Tekton will increase to 68%, in case of conversion of the loan above 70%.

Titus Gebel, CEO of Deutsche Rohstoff AG, commented: "It is exciting to participate as sole listed German company in the extremely dynamic US upstream shale oil business. Tekton's management has again demonstrated its outstanding capability to progress the project quickly and with great responsibility for local and environmental matters. The cooperations recently signed highlight the opportunities to grow Tekton even beyond our initial expectations."

Heidelberg, 21 February 2013

Deutsche Rohstoff AG (Heidelberg, Germany), listed in the Entry Standard segment of Frankfurt Stock Exchange, is establishing a new primary producer. The company's focus is placed on gold, oil & gas and so called high tech metals such as tin, tungsten, and rare earth metals. All projects are located in countries marked by political stability, the core area being Germany. The business concept is based on redeveloping deposits which have been well explored in the past. For more information please visit [www.rohstoff.de](http://www.rohstoff.de).

**Contact:**

Horst Koppelstätter  
Koppelstätter Kommunikation GmbH  
Friedrichstraße 2, 76530 Baden-Baden  
Tel. (07221) 97372 11  
Fax (07221) 97372 22  
[hok@koppelstaetter-kommunikation.de](mailto:hok@koppelstaetter-kommunikation.de)

Dr. Thomas Gutschlag  
Deutsche Rohstoff AG  
Friedrich-Ebert-Anlage 24, 69117 Heidelberg  
Tel. (06221) 87 100-0  
Fax (06221) 87 100-22  
[info@rohstoff.de](mailto:info@rohstoff.de) [www.rohstoff.de](http://www.rohstoff.de)