

Liquidity Through Technology for Oil and Gas Properties



www.energynet.com

World Energy interviews Bill Britain, president and CEO of EnergyNet.com

World Energy: What is different about EnergyNet's Internet auction service?

Britain: We conduct continuous auctions. In other words, a property is live on the Website where potential bidders can explore the data room for two weeks and then bid anytime during the third and final week. This is in stark contrast to a 1 day auction. Our sellers' properties have three weeks of exposure rather than a couple of minutes at a live auction.

World Energy: How is EnergyNet being received? Are you experiencing growth?

Britain: We had sales of \$5.4 million in 2000, \$55 Million in 2004 and \$25 million Q1 2005. Our market share in 2003 was 5 percent and 18 percent in 2004; Q1 2005 is approaching 40 percent.

World Energy: Who are your sellers?

Britain: The company has 8,100 registered bidders and more than 1,500 sellers throughout the United States. Entities that have sold with EnergyNet include Chevron-Texaco, Shell, Apache, Merit Energy, Total E&P USA, Burlington Northern Santa Fe Railway, Bank of America, Citibank, Wells Fargo, Bank of Oklahoma and even organizations such as the American Heart Association, University of Virginia and Harvard University.

World Energy: What is the highest bid and how many bids have you received?

Britain: Our highest bid to date was \$4.6 million for a water-flood unit in Lubbock County, Texas. In February of this year we sold a property for \$2.3 million in Beckham County and another working interest for \$2.0 million. Our auction engine has successfully processed more than 140,000 bids.

World Energy: Why do you think EnergyNet has experienced such success?

Britain: Because our sellers enjoy an 88 percent sales success ratio. EnergyNet uses 10 different methods to advertise properties to potentially interested parties. Because EnergyNet takes in its revenue through property sale commissions, the firm is motivated to help sellers find buyers. We contact all operators in the area surrounding a property, and we notify buyers through direct mail, save search, business development manager direct contact and through weekly e-mails, called the EnergyGram. Also, each lot is its own auction; the seller can set a minimum reserve no matter the property size.

EnergyNet Bidders



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5,455 Bidders Come to Our Auctions Every Month