

Holloman Energy Corporation – OTC BB: HENC.OB

Shares outstanding – 104.5 million shares fully diluted;

45.08 million shares float

Last price – USD \$0.50



## Holloman Energy Corp's Cooper Basin May Host 25 Million Barrels of Recoverable Oil

### - Leading O&G Consultant Contemplates Cooper Basin Property on Trend -

Oil and gas exploration Holloman Energy Corporation (OTC BB:[HENC.OB](http://www.hollomanenergy.com) - [News](#)) is on the verge of a big win for shareholders. A June, 2009, report authored by internationally recognized ISIS Petroleum Consultants PTY Ltd. suggests that Holloman Energy could sit on as much as 25 million barrels of P90 (90% probability) prospective recoverable oil resources. Holding approximately 1.1 million acres of oil and gas concessions in Australia's prolific Cooper Basin, the P90 prospective recoverable oil resources are situated in what amounts to a small percentage of Holloman Energy's Australian oil and gas prospects. See Holloman Energy's website at <http://www.hollomanenergy.com>, for more detailed information.

Holloman Energy's expertise runs deep, as the private Houston-based Holloman Corporation is the controlling shareholder – holding 48% of the company's shares – and is one of the largest employee-owned engineering, procurement and construction companies in the United States. Notably, Houston-based Holloman Corp., with its more than 1,000 employees, generated nearly a third of a billion dollars in revenue last year.

When it comes to oil and gas exploration, Australia is widely known to be under-explored and under-developed. Holloman has seized this opportunity, currently holding interests, varying between 66.66% and 100%, in oil and gas permits that encompass in excess of 1.46 million acres in the Cooper, and Gippsland Basins, areas that are host to oil reserves of 4 billion barrels, though only 5% of these known reserves have been exploited.

### Holloman's Cooper Basin and decent drilling successes

Combining low-risk with strong discovery potential, Holloman has diversified its risk across concessions where many properties have been under development, and where numerous major discoveries have been made since the late 1960's, recently focusing exploration activity on (1) the Cooper Basin (PEL 112 & PEL 444) and (2) the Gippsland Basin.

*Internationally recognized, industry heavyweight, ISIS Petroleum Consultants PTY Ltd. boasts an impressive client roster, having worked with industry leaders like Shell, Chevron Texaco, Anadarko and Apache Energy. See the Petroleum Consultants PTY at:<http://www.hollomanenergy.com/index.cfm>*

Recent drilling successes by Beach Petroleum, Cooper Energy and Victoria Petroleum on leases adjoining PEL 112, Holloman's Energy's concession, prompted Holloman to undertake a re-examination of its Cooper Basin resources. Holloman Energy notes that in 2009 alone, three new field discovery wells reaching from 30 km to as close as 12 km from PEL 112 have been tested to produce in excess of 6,000 barrels of oil per day (BOE/day). The recent Perlubie 1, Perlubie South and Butlers discoveries by Beach Petroleum have been tied in and are currently in production. The ISIS report suggests that these wells are situated on a potential migration path to Holloman Energy's properties.

Located inland in South Australia, Holloman holds 1.125 million acres (approximately the size of Massachusetts) in the Cooper Basin, an area that has hosted 50+ years of production and petroleum discovery and the area has sourced over 4 Billion Barrels of Oil and 5 Trillion CF of recoverable gas. The area has more than 120,000 km of 2-D seismic data. There are more than 1,200 wells in 65 oil and 20 gas fields across the area. Recent exploration adjacent to PEL 112 (Holloman's permit, 1 of 2) have 16 of 20 drilled successfully with average initial production (IP) of over 2,000 BOE/day, with the largest at 5,600 BOE/day.



According to ISIS Petroleum Consultants, forty five of prospect leads have been identified at Cooper Basin. A detailed assessment of Holloman Energy's top ten leads, which cover only 3% (34,100 acres) of Holloman's Cooper Basin land position, are estimated to have 371 million barrels of prospective oil in place (STOIP) and 25 million barrels of P90 prospective recoverable oil resources. The additional, unexamined leads afford early investors significant upside potential.

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**PEL-112**

### **Gippsland Update**

On, Aug. 11, 2009, Holloman Energy announced its participation in a Combined Southern Offshore Basins Heads Of Agreement. This contingent agreement between Enquest Pty Ltd. and Holloman (in consortium with a number of exploration enterprises) is targeted at the acquisition of 3D seismic data in the offshore basins of southern Australia and New Zealand. Holloman's VIC P60 permit, located in the Gippsland basin, is included in the scope of the contemplated survey. "This Heads of Agreement complements our current efforts to raise new capital," stated Mark Stevenson, CEO of Holloman Energy. "We hope to work with Enquest to gather the seismic data we need to assess the full market potential of our Gippsland basin assets." Holloman Energy holds a 100% working interest in the Vic P60 permit, which comprises 1,375 square kilometers (339,769 acres) in the Bass Strait of the Gippsland basin in Victoria, Australia.

### **Seasoned management team engages Tristone Capital**

Holloman Energy's tier one management team is composed of seasoned veterans who also manage the privately held Houston-based Holloman Corp, which is one of the largest employee-owned engineering, procurement and construction companies in the United States, has over 1000 employees, and which

generated nearly a third of a billion dollars in revenue last year. Notably, management and directors of Holloman Energy are active investors in the company. On October 3, 2008 the company completed a \$1.725 million private placement of its restricted corporate securities to its controlling shareholder, Holloman Corporation, and other of its officers and directors. See management bios: <http://www.hollomanenergy.com/index.cfm?page=Management>

Management of Holloman Energy are now actively pursuing a senior joint venture partner in the Cooper Basin. On August 31, 2009, Holloman Energy 's management team engaged energy specialist Tristone Capital of the Macquarie Group, as its exclusive financial advisor to assist them in finding a joint venture partner that can provide the capital and expertise to support exploration. The Goldman Sachs of the global energy sector, Tristone Capital has completed over \$25 Billion in equity financings, \$27 Billion in corporate transactions and over \$17 Billion in energy asset package transactions.

### **Summary**

The fact is, oil is getting increasingly harder to find. And, much of the new oil that we do find is more costly to extract. Accordingly, global energy consumption is expected to rise 50% by 2030 to 112.5 million BOE/day. Rising energy demand and geopolitical tensions in countries such as Venezuela, Russia, Iraq and Iran have fuelled sharp rises in crude oil prices from around \$70 per barrel in 2007, to a peak of \$140 per barrel in June 2008. While the economic crisis drove oil prices from \$140 to \$35, they have steadily climbed back over \$70. The long-term energy demand outlook suggests stabilizing energy prices in a range that is profitable for producers.

Australia is politically stable country that has a liquid currency and where foreign investments are safe. Australia's strategic proximity to Asia makes oil found there extremely attractive to the rapidly expanding economies of China and India. Add to this geopolitical advantage the fact that Australia's production tax rates and native royalties are among the most attractive in the world.

In our opinion, shares of Holloman Energy are undervalued at this time. The June 2009 report issued by ISIS Petroleum Consultants corroborates Holloman Energy's long term prospects, lending credence to the premise that Holloman can, in short order, become a significant producer, much like Beach Petroleum, one of its neighbours in the Cooper Basin and also one of the largest operators in Australia. There is no doubt that the Cooper Basin is a prolific area for O&G exploration. Contemplating exploration results and output to date in the Cooper Basin – 16 of 20 drilled successfully with the average IP of over 2,000 BOE/day, with the largest at 5,600 BOE/day – revenue prospects for Holloman Energy are tantalizing. With a modest float of 45 million shares, the recent engagement of Tristone Capital, a dedicated BoD and management team that have recently purchased the company's shares, StocksJournal believes that Holloman Energy's share price is again on the rise and could likely push past highs in excess of USD \$1.00.