Mississippi Salt Basin Prospects
- Simpson Co, Lawrence Co
Area Overview

MISSISSIPPI SALT BASIN - 80,000 ACRES
COTTON VALLEY/CRETACEOUS OIL & GAS TARGETS

Data To Kick Start Your Exploration Program
- 150 Square Miles of 3D Seismic
- 140 Miles of 2D Seismic

MERIT FIELD
- Mooringsport, Paluxy, Rodessa, Sligo
- 4.2 MMBO + 24 BCFG

STAMPEDE FIELD
- Cotton Valley
- 2.8 MMBO + 650 MMCFG

TALLAHALA CREEK
- Cotton Valley
- 3 MMBO + 62 BCFG

GWINVILLE FIELD
- Selma, Estelle, Tusc, Wilcox, Paluxy, Rodessa
- 6.4 MMBO + 10.4 BCFG

Jefferson Davis

Covington

Grange 3D

Pine Belt 3D

Merit 3D

Lawrence
Suggested Deal Terms

• Minimum Option size of 25,000 acres
• Minimum Pre-Paid Lease Commitment equal to 10% of Option size
• $15 per acre Option
• 2-year Option term
• Lease terms negotiable
Lower Tuscaloosa Sand Channel

LOWER TUSC. SAND CHANNEL MAPPED ON 3D WITH STACKED PAY POTENTIAL

1,000,000 BBL OIL POTENTIAL

- 30’ of closure on drill ready site
- ~9,000’ deep
- 2,000 Prospective Acres
- On Avg. 28’ thick sands in downdip type log well
- Oil prone TMS source

<table>
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<tr>
<th>Area (Acres)</th>
<th>m</th>
<th>Recoverable Gallons</th>
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<tr>
<td>P12</td>
<td>80</td>
<td>30</td>
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<tr>
<td>P50</td>
<td>200</td>
<td>22</td>
</tr>
<tr>
<td>P501</td>
<td>750</td>
<td>28</td>
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Raw Amplitude Map with SSTVD Contours
Channel Identified Using Multiple Attributes
SIMPSON COUNTY, MISSISSIPPI
TUSCALOOSA SAND CHANNEL TYPE LOG

- TD: 23,550’ at Smackover
- Tusc. Section +/-800’ Gross - 250’ Net Sand
- Avg. 28’ Thick
UNTESTED COTTON VALLEY FAULT TRAP
PINE BELT 3D - SIMPSON CO., MS

Structure Map & Arb Line
Cotton Valley – Type Log & Economics

COTTON VALLEY - SIMPSON CO., MS PRODUCTION MODEL

- **D&C SM**: $3,000
- **PV/10 SM**: $3,379
- **Payout years**: 2.5 years
- **IRR**: 46%
- **ROI**: 1.7
- **Reserve MBO**: 167

- **IP**: 180 BCPD
- **G IP**: 239 MMCF
- **NGLs (Natural Gas Liquids)**: NGLs Not Modelled
- **G Factor**: 15%
- **O Factor**: 15%
- **G Oil**: 8 BCPD
- **G NTU**: 1000 NTU
- **Gas Composition**: NA
- **EUR**: 167 MBO

- **Well Cost**: 1.5 MM
- **Inflation Factor**: +1.50% per month
- **Surveillance Tax**: 6%
- **Ad Valorem**: NA
- **Price Oil**: $65.00 BBL
- **Price Gas**: 2.25 $/MCF

- **Plow**: 11.0%
- **Strip**: 36 days
- **Spud to Prod**: 30 days
- **WIP**: 90%
- **NPV**: 25%
Hooker Field Deep Cotton Valley Extension

UNTESTED COTTON VALLEY 4-WAY CLOSURE
GRANGE DOME 3D - LAWRENCE CO., MS