

Prospectos

911 Claims Block

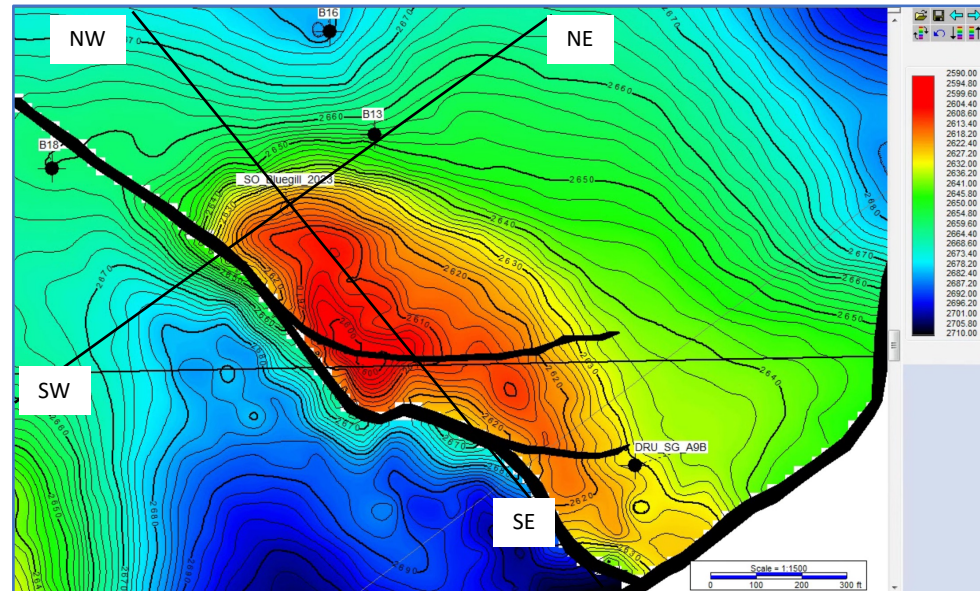
P. Bartok, S. Oropeza, O. Oquendo,
M. Garrido

Proposed Locations and Sequence

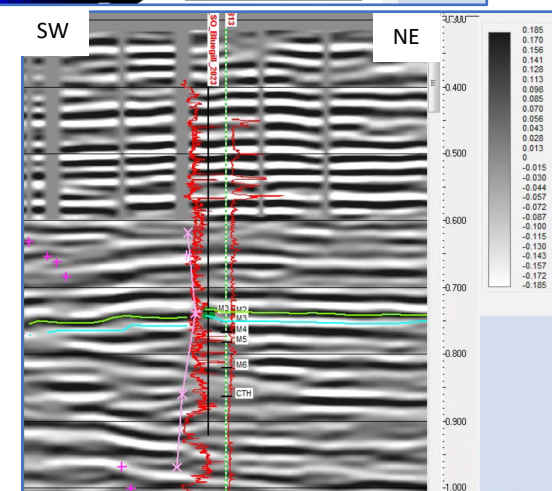
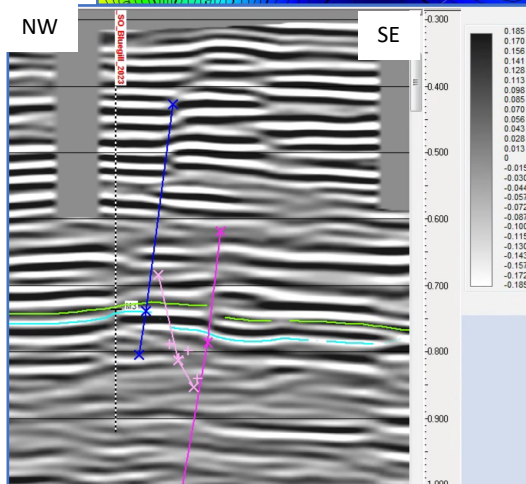
- B-19 – B10 extension norte
- B-20 – Redear – extension del B-9
- B-21 – Bluegill
- B-16 – Workover
- **B-17** - Workover
- B-22 – NE del B8 (perforar cuando B8 se agote)
- Drilling program

Bluegill

- **Age:** Miocene
- **Depositional Settings:** Fluvial-Deltaic
- **Structural Settings:** Three-way against normal fault
- **Analogs:** Wells B13, B16, B15
- **Well TD:** 3000 ft TDVSS
- **Reference Location:** 225 ft. southwest of well B13
- **Geologic Risk:** Low

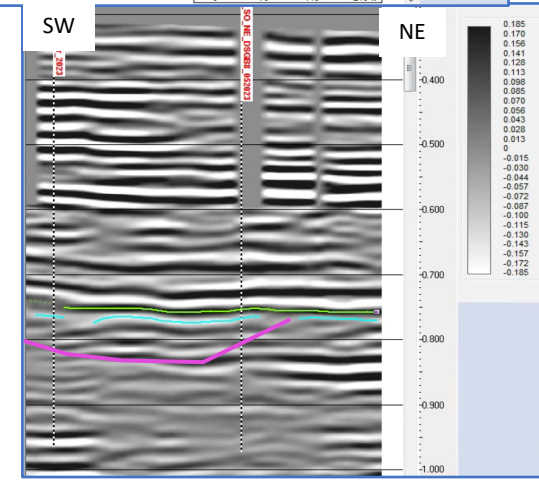
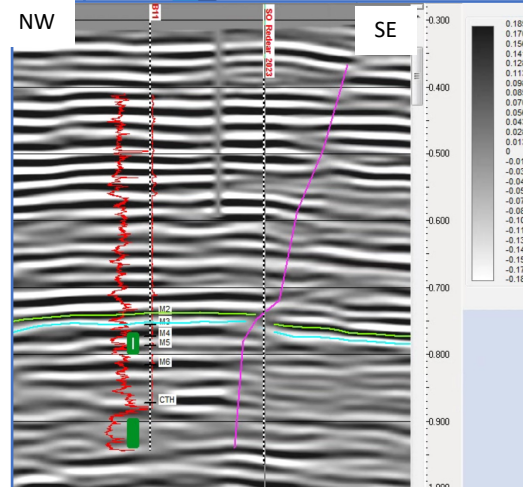
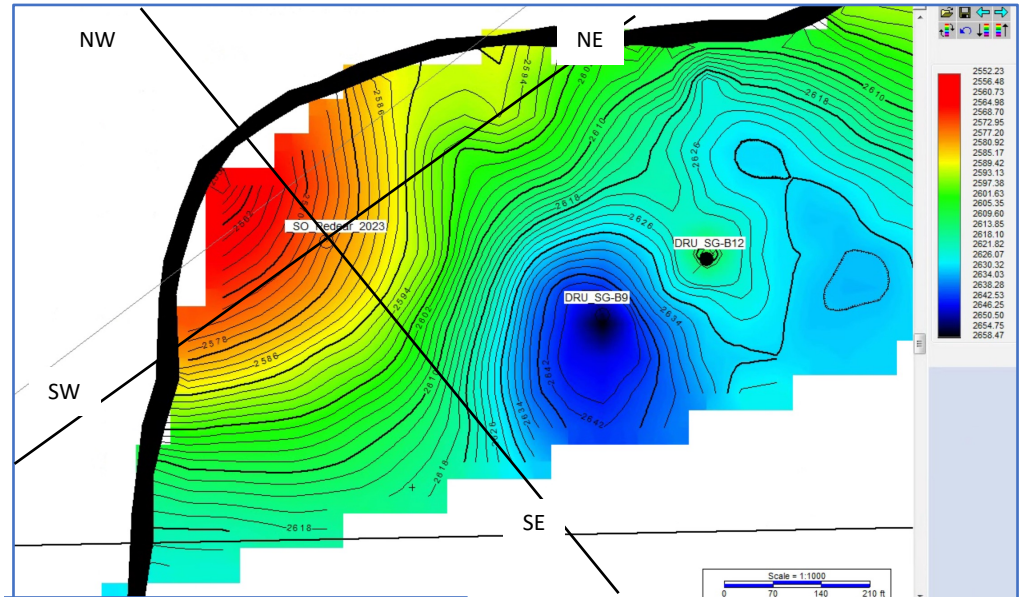


Name	M2 Reservoir (Mean bbls)	M3 Reservoir (Mean bbls)	
Bluegill	33,123.00	21,895.00	55,018.00
Redear	38,756.00	33,986.00	72,742.00
NE DRU_SG-B10	25,085.00	26,743.00	51,828.00
NE DRU_SG-B8	41,425.00	46,931.00	88,356.00



Redear

- **Age:** Miocene
- **Depositional Settings:** Fluvial-Deltaic
- **Structural Settings:** Three-way against normal fault
- **Analogs:** Wells DRU-SG-B9, DRU-SG-B10, DRU-SG-B12, DRU-SG-B8
- **Well TD:** 3000 ft TVDSS
- **Reference Location:** 415 ft. northwest of well DRU-SG-B9
- **Geologic Risk:** Low

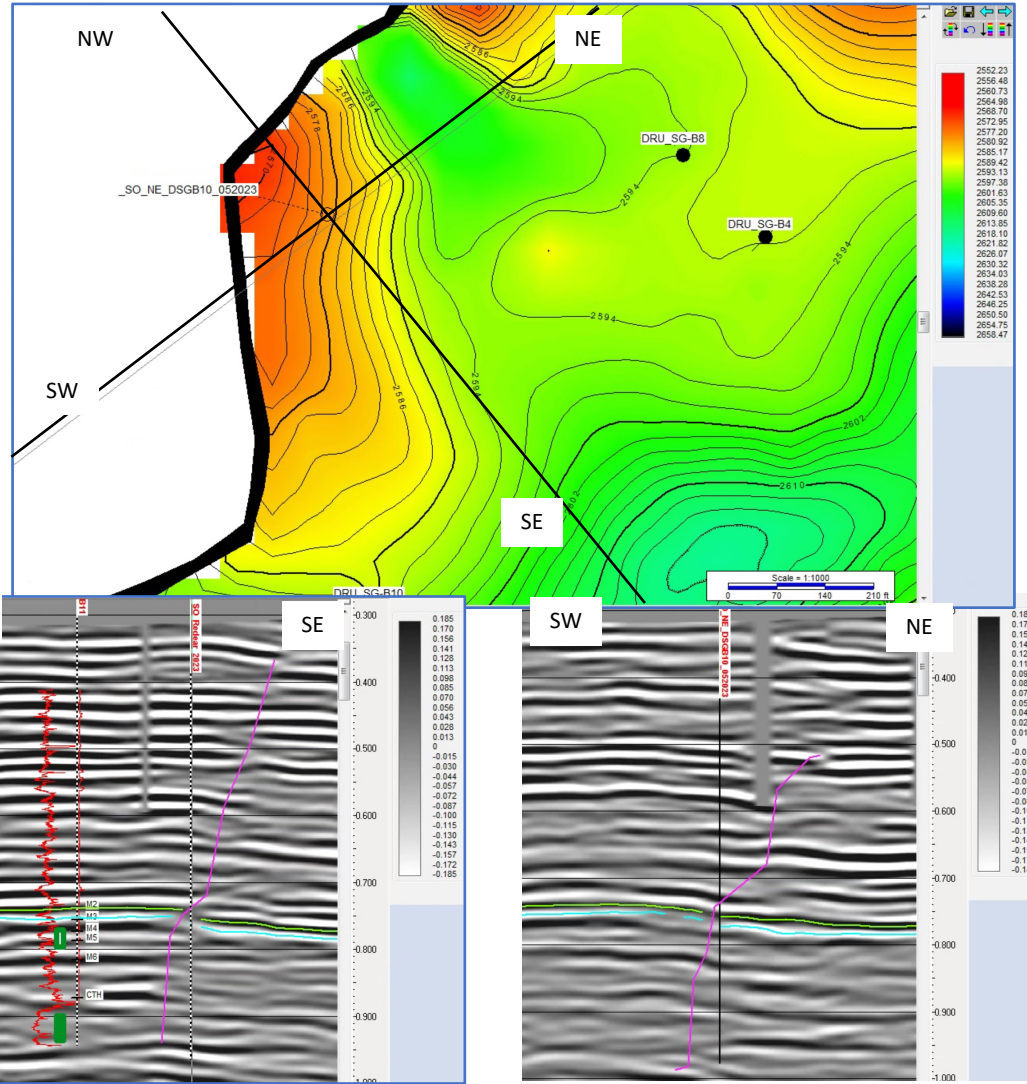


Name	M2 Reservoir (Mean bbls)	M3 Reservoir (Mean bbls)	
Bluegill	33,123.00	21,895.00	55,018.00
Redear	38,756.00	33,986.00	72,742.00
NE DRU_SG-B10	25,085.00	26,743.00	51,828.00
NE DRU_SG-B8	41,425.00	46,931.00	88,356.00

NE DRU_SG-B10

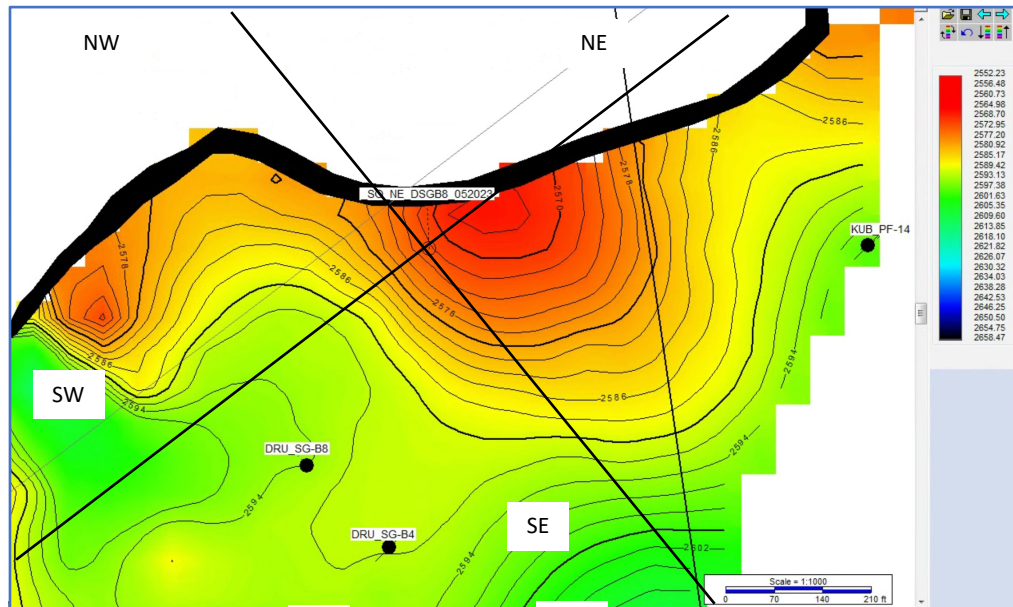
- Age:** Miocene
- Depositional Settings:** Fluvial-Deltaic
- Structural Settings:** Three-way against normal fault
- Analogs:** Wells DRU-SG-B9, DRU-SG-B10, DRU-SG-B12, DRU-SG-B8
- Well TD:** 300 ft TVDSS
- Reference Location:** 575 ft. northeast of well DRU-SG-B10 and 525 ft northwest of DRU-SG-B8
- Geologic Risk:** Low

Name	M2 Reservoir (Mean bbls)	M3 Reservoir (Mean bbls)	
Bluegill	33,123.00	36,725.00	69,848.00
Redear	38,756.00	33,986.00	72,742.00
NE DRU_SG-B10	25,085.00	26,743.00	51,828.00
NE DRU_SG-B8	41,425.00	46,931.00	88,356.00

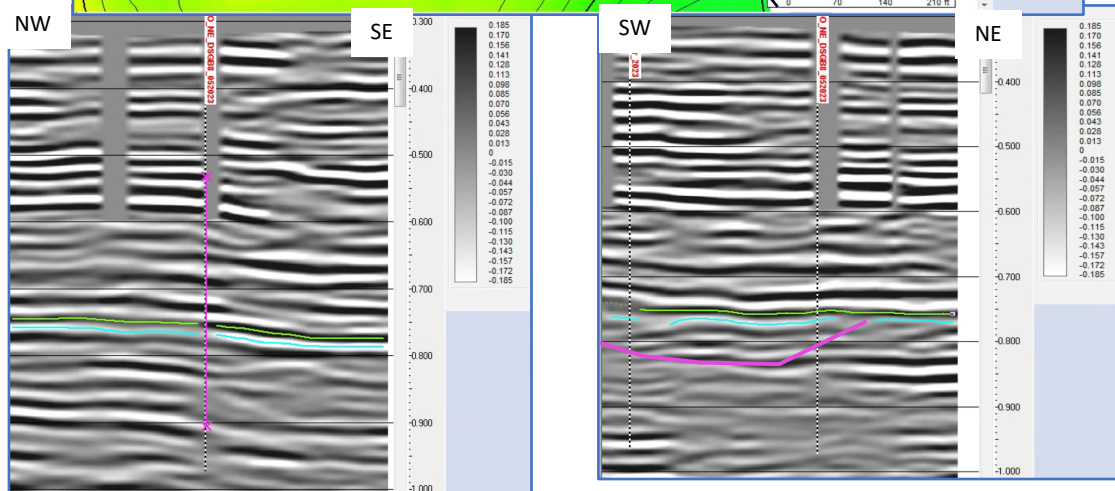


NE DRU_SG-B8

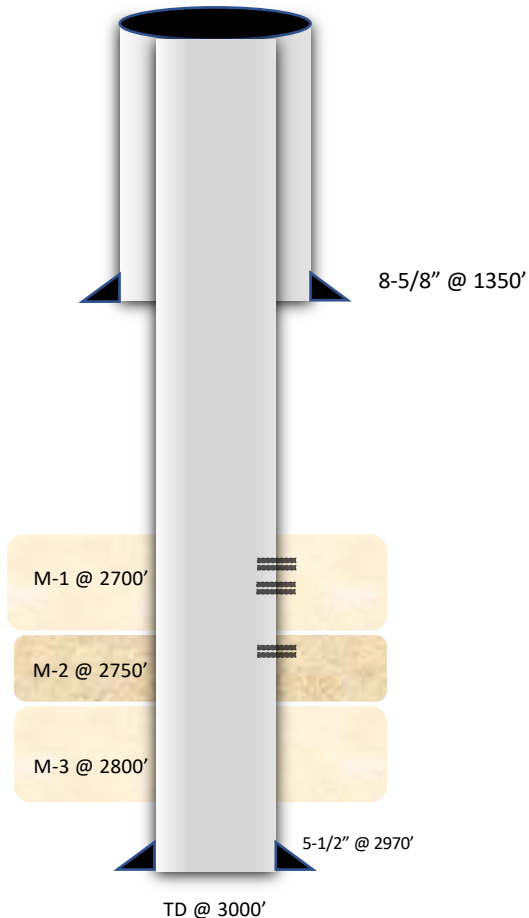
- Age:** Miocene
- Depositional Settings:** Fluvial-Deltaic
- Structural Settings:** Three-way against normal fault
- Analogs:** Wells DRU-SG-B9, DRU-SG-B10, DRU-SG-B12, DRU-SG-B8
- Well TD:** 3000 ft TVDSS
- Reference Location:** 362 ft. northeast of well DRU-SG-B8
- Geologic Risk:** Low



Name	M2 Reservoir (Mean bbls)	M3 Reservoir (Mean bbls)	
Bluegill	33,123.00	21,895.00	55,018.00
Redear	38,756.00	33,986.00	72,742.00
NE DRU_SG-B10	25,085.00	26,743.00	51,828.00
NE DRU_SG-B8	41,425.00	46,931.00	88,356.00



**Bluegill
Drushel B- 19 ?**



Estimated AFE

Cost Description	Code 1	Code 2	AFE (cost US\$)
Mob/Demob	IDC	140	\$ 10,000.00
Drilling Rigs (Turnkey to 3K ft includes cost of running and cementing 8 5/8" csg to 1300 ft and all mud costs to TD	IDC	145	\$ 120,000.00
Cementing Services (prod csg)	ICC	190	\$ 20,000.00
Formation, Eval / Logging/ Mudlogging	IDC	225	\$ 16,000.00
Fluids, Solids, Control, Water	IDC	260	\$ 4,000.00
Trucking-Fluids	IDC	265	\$ 2,000.00
Disposal - Fluids	IDC	275	\$ 3,000.00
Supplies & Materials	IDC	305	\$ 1,000.00
Equipment Rental	IDC	310	\$ 3,000.00
Location and Roadwork	IDC	320	\$ 25,000.00
Communications	IDC	335	\$ 1,000.00
Supervision	IDC	345	\$ 7,500.00
Miscellaneous	IDC	350	\$ 3,000.00
Surface Damages, ROW and Rentals	IDC	420	\$ 5,000.00
Survey, Permit, Licenses & Fees	IDC	425	\$ 2,500.00
Total Dry Hole			\$ 223,000.00
Production Casing - 5 1/2" 17ppf	TCC	510	\$ 40,000.00
Wellhead Assembly TCC	TCC	535	\$ 8,000.00
Production Tbg 2 3/8" 4.7 ppf	TCC		\$ 20,000.00
WL /Cased hole	ICC		\$ 7,500.00
Workover Rig & Misc	ICC		\$ 5,500.00
Total Completion			\$ 81,000.00
Total Well Cost*			\$ 304,000.00

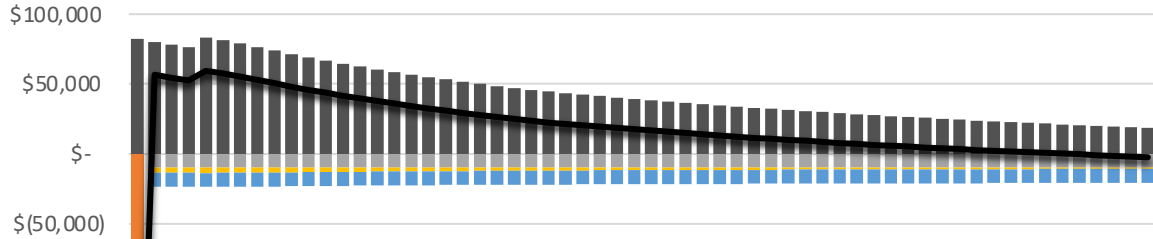
* Does not include perforations, surface facilities costs. Flow lines, FWKO, Separators, etc.

Sumario de Producción - Cordele

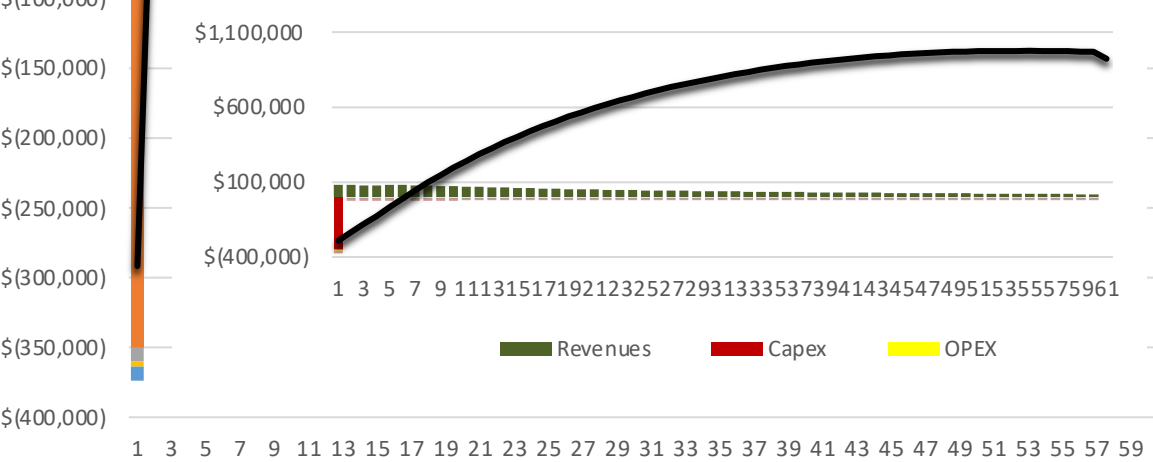
Nombre	Lease	Formacion	CumOil BBL	CumGas MCF	CumWater BBL	Water Cut %
DRUSHEL, S. G., -B- 12	4137	M-2	101,401	1	3,501,802	97.2
DRUSHEL "B" 13	*07480	ALLISON	72,330	32,770	29,288	28.8
DRUSHEL, S. G., -B- 18	4147	M-3	56,759	17,638	1,263,411	95.7
BRUSHEL "B" 16	*07823	-A- SAND	49,706	298,235	340,842	87.3
DRUSHEL, S. G., -B- 2	4147	M-3	46,330	0	-	-
DRUSHEL, S. G., -B- 9	4147	M-3	39,863	60,976	727,611	94.8
DRUSHEL "B" 17	*07480	FRIO	35,534	8	152,675	81.1
DRUSHEL, S. G., -B- 8	4147	M-3	25,303	24,390	26,935	51.6
DRUSHEL, S. G., -B- 10	4137	M-2	12,878	162	82,196	86.5
DRUSHEL -B- 11	*02402	OAKVILLE	7,811	2,304	-	-
DRUSHEL -B- 7 T	130671	CATAHOULA	3	584,278	-	-
DRUSHEL -B- 15	135296-132190	CATAHOULA	1	335,485	-	-
DRUSHEL, S. G., -B- 3	4137	M-2	0	121,238	-	-
DRUSHEL -B- 5	*02402-131574	MIOCENE	-	156,885	186,760	100.0
DRUSHEL -B- 14	131623	1750 PINHEAD	-	29,363	-	-
DRUSHEL -B- 6	*001407	TIGER	-	1,550	-	-
DRUSHEL, S. G., -B- 4	4137	M-2	-	-	-	-
Total Cordele			447,919	1,665,283	6,311,519	93.4
Total 04137 M2			126,705	145,629	3,528,737	96.5
Total 04147 M3			188,329	315,881	1,756,927	90.3
Total 07480			112,193	93,746	756,899	87.1

Economic Model – Cash Flow Analysis – New Well

Undiscounted Net Cash Flow - Blue Gill



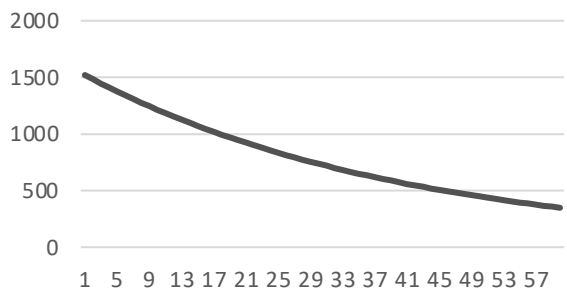
Undiscounted Net Cumulative Cash Flow - Bluegill



Premises:

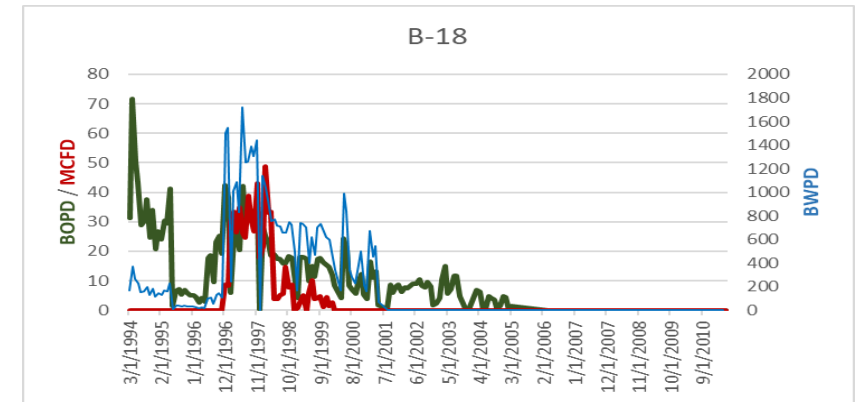
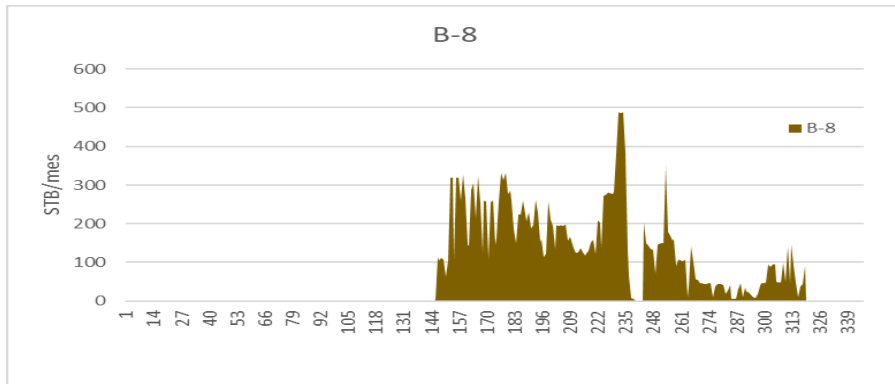
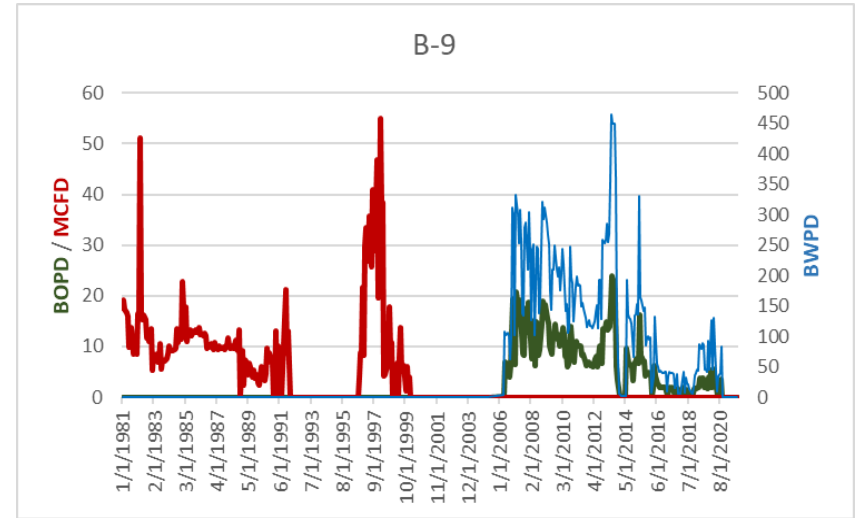
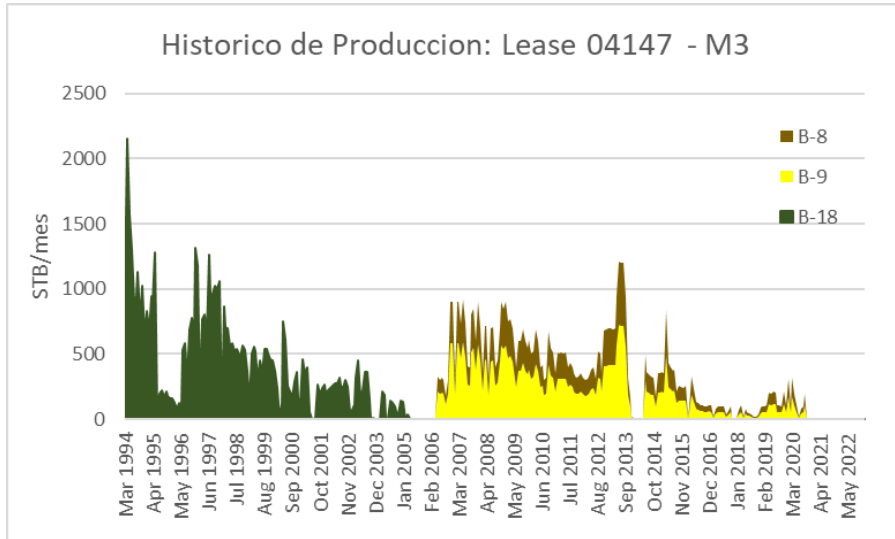
Qoi = 50 BOPD
Di = 30% Annual - Exponential

Production Forecast - Bluegill

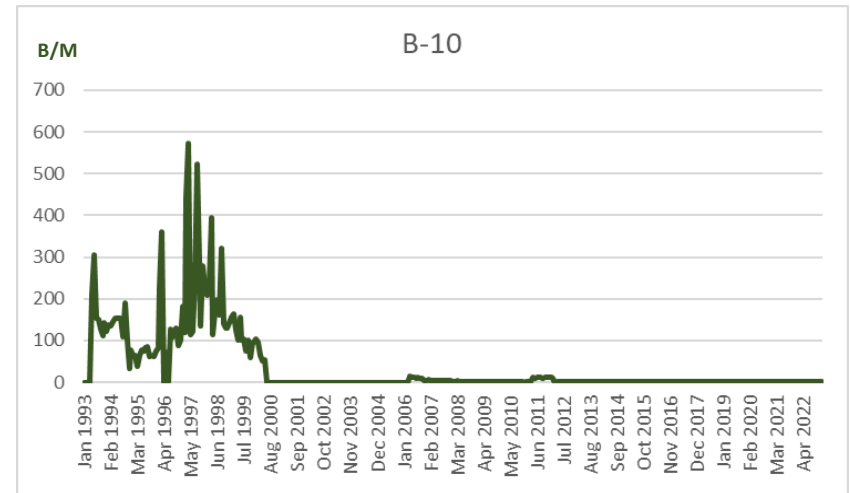
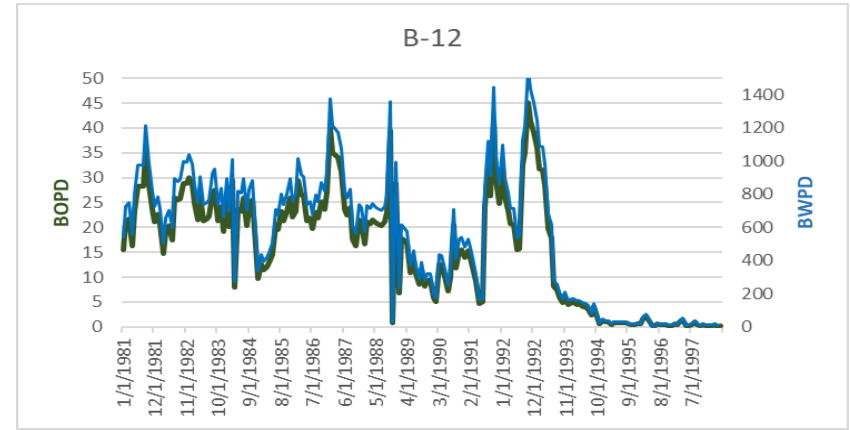
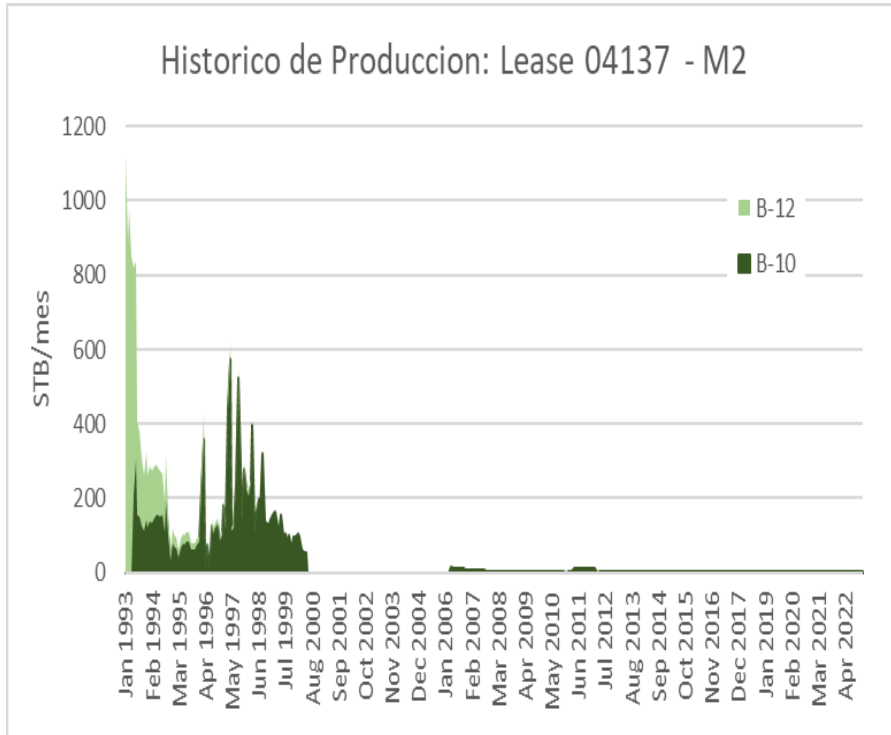


Oil Prices: NYMEX WTI Strip May 2023
OPEX= US\$ 10,000 /month +
US\$ 10,000 /month G&A
Royalty = 25%
Severance Tax : Oil = 4.6 %
CAPEX = US\$ 350,000.00 Drilling cost

Comportamiento de Producción - Lease 4147 (M3)



Comportamiento de Producción - Lease 4137 (M2)

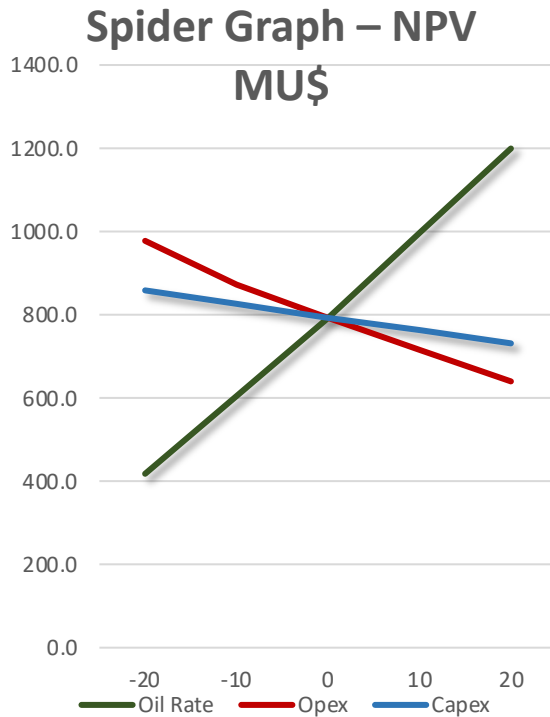


Cash Flow Analysis - BlueGill (Drushel B-19)

Base Case. Qi=50 BOPD, Di= 30% Annual

Production from RRC Last Month	PDP @ 1 year	PDP @ 2 year	PDP @ 3 year	PDP @ 5 years	PDP @ 10 years	PDP @ 15 years
Total Net Gas Production (MMSCF)	-	-	-	-	-	-
Total Net Oil Production (MSTB)	16.0	27.8	36.5	47.8	63.7	73.6
Oil Revenue (MUS\$)	917.1	1,570.4	2,037.6	2,640.2	3,486.3	4,014.0
Gas Revenue (MUS\$)	-	-	-	-	-	-
Total Revenue (MUS\$)	917.1	1,570.4	2,037.6	2,640.2	3,486.3	4,014.0
Total Taxes MUS\$	(42.2)	(72.2)	(93.7)	(121.4)	(160.4)	(184.6)
Total Opex (MUS\$)	(120.0)	(240.0)	(360.0)	(600.0)	(1200.0)	(1800.0)
Total CAPEX (MUS\$)	(350.00)	0.00	0.00	0.00	0.00	0.00
G&A	(120.0)	(240.0)	(360.0)	(600.0)	(1200.0)	(1800.0)
Undiscounted Net Cashflows (MUS\$)	284.88	383.28	205.75	4.63	(107.53)	(157.39)
Cummulative Net Cashflows (MUS\$)	284.88	668.16	873.91	968.77	575.96	(120.66)
Project PV @ 10%	258.98	575.74	730.33	791.95	-	-
Internal rate of Return %	-	-	-	-	-	-
ROI US\$/US\$ Invested	0.64	-	-	-	-	-
Pay Out, Months	7	-	-	-	-	-
Economic Limit, months/Year	-	-	-	55/5	55/5	55/5

Sensitivity Analysis for each well



Cash Flow Analysis - Proposed Locations					
Base Case. Qi=50 BOPD, Di= 30% Annual					
Production from RRC Last Month	Base Case	Qi=30	Qi=40	Qi=60	Qi=70
Total Net Oil Production (MSTB)	46.0	21.2	31.6	57.4	81.5
Oil Revenue (MUS\$)	2,542.6	1,181.5	1,731.8	3,168.3	4,472.8
Gas Revenue (MUS\$)	-	-	-	-	-
Total Revenue (MUS\$)	2,542.6	1,181.5	1,731.8	3,168.3	4,472.8
Total Taxes MUS\$	(117.0)	(54.3)	(79.7)	(145.7)	(205.7)
Total Opex (MUS\$)	(550.0)	(340.0)	(400.0)	(600.0)	(960.0)
Total CAPEX (MUS\$)	(350.00)	(350.00)	(350.00)	(350.00)	(350.00)
G&A	(550.0)	(340.0)	(400.0)	(600.0)	(960.0)
Undiscounted Net Cashflows (MUS\$)	975.66	97.15	502.13	1472.52	1997.06
Project PV @ 10%	794.30	72.19	417.77	1199.38	1624.39
ROI US\$/US\$ Invested	0.64	-2.60	0.30	0.76	0.82
Pay Out, Months	7	16	8	5	4
Economic Limit, months/Year	55/5	34/3	40/4	60/5	84/8

Technically Recoverable Bulk Volumes (BBLs)

Name	M2 Reservoir (Mean bbls)	M3 Reservoir (Mean bbls)	
Bluegill	33,123.00	21,895.00	55,018.00
Redear	38,756.00	33,986.00	72,742.00
NE DRU_SG-B10	25,085.00	26,743.00	51,828.00
NE DRU_SG-B8	41,425.00	46,931.00	88,356.00

Total			267,944.00
--------------	--	--	-------------------

Conclusiones

- Costo por pozo – perforación \$223,000
 - competición \$ 81,000
 - misceláne \$ 46,000
 - TOTAL \$350,000
- Reservas estimadas basado en producción inicial de 50 BOPD es de 46,000 B/pozo
- Payout – 7 meses
- NPV 10% \$794,000/pozo

Next Steps

- Documentación para el RRC
 - Cumplir con los requisitos de RRC
 - Elaborar propuestas de pozos en detalle
- Soporte a la perforación y completación de los pozos