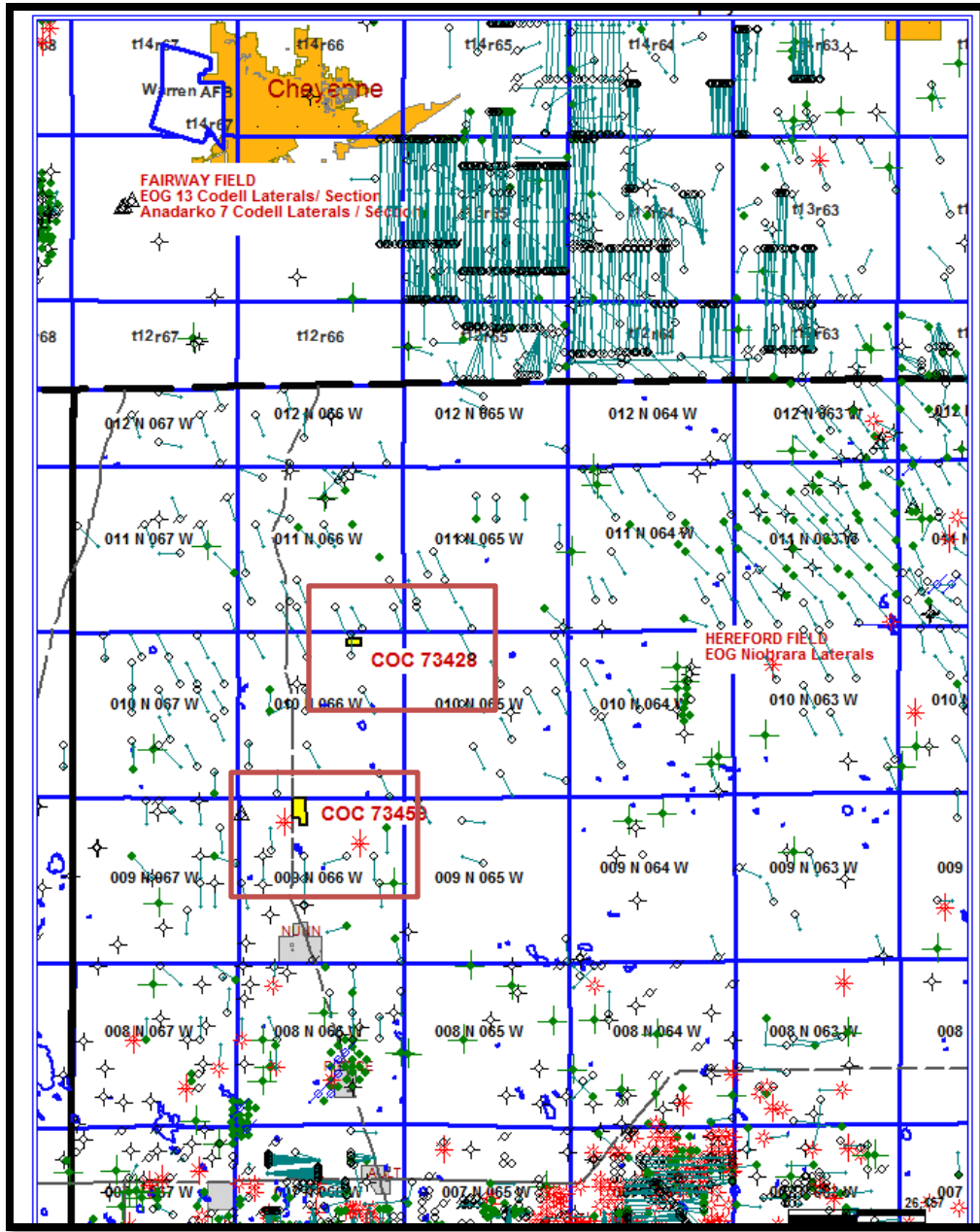


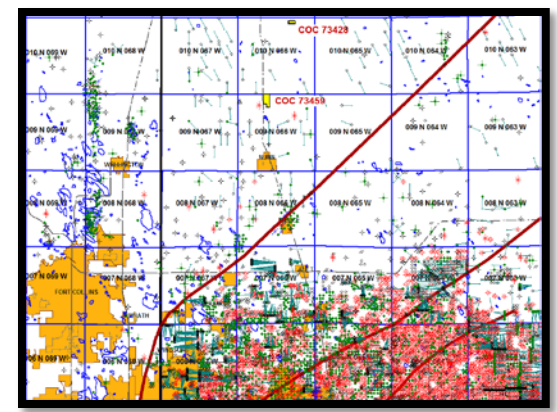
Longs Peak Area Development Prospect



LAND: Two Federal BLM leases with 2+ years term remaining.

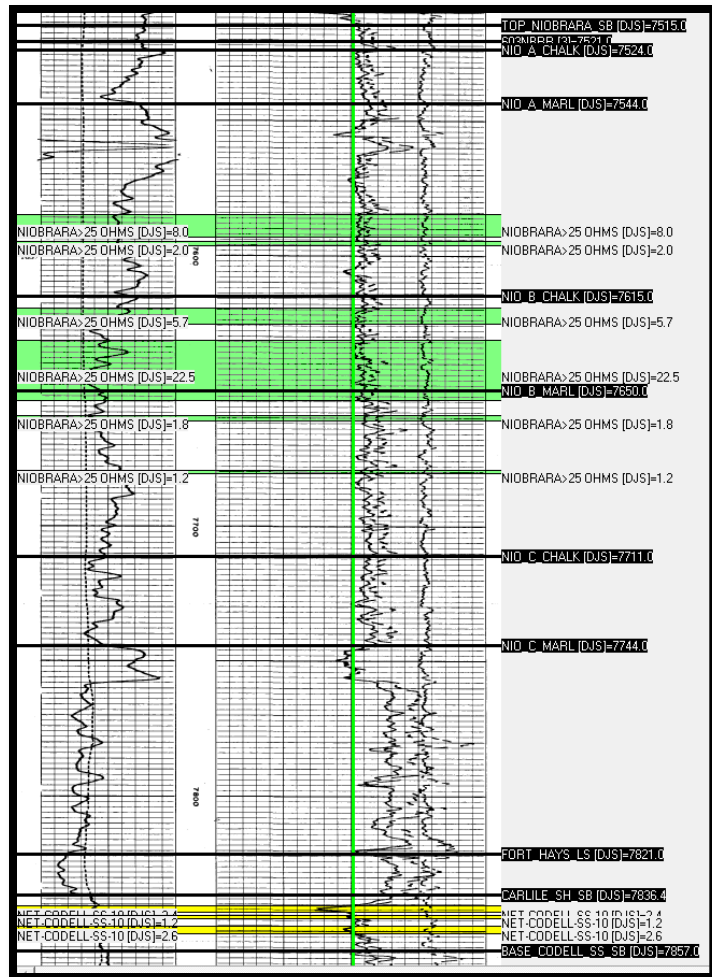
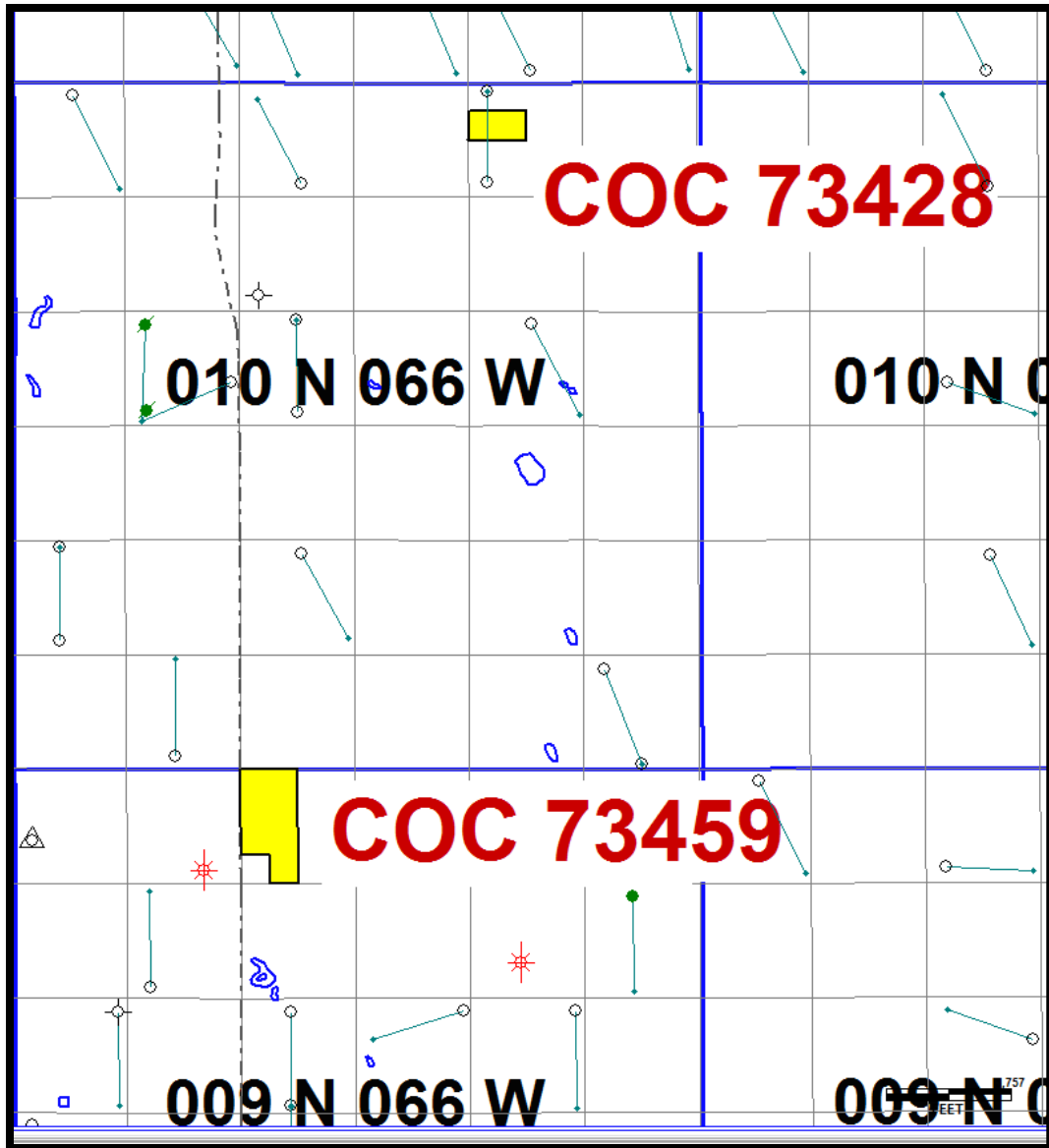
100% WI Available on 358.71 Net Acres.

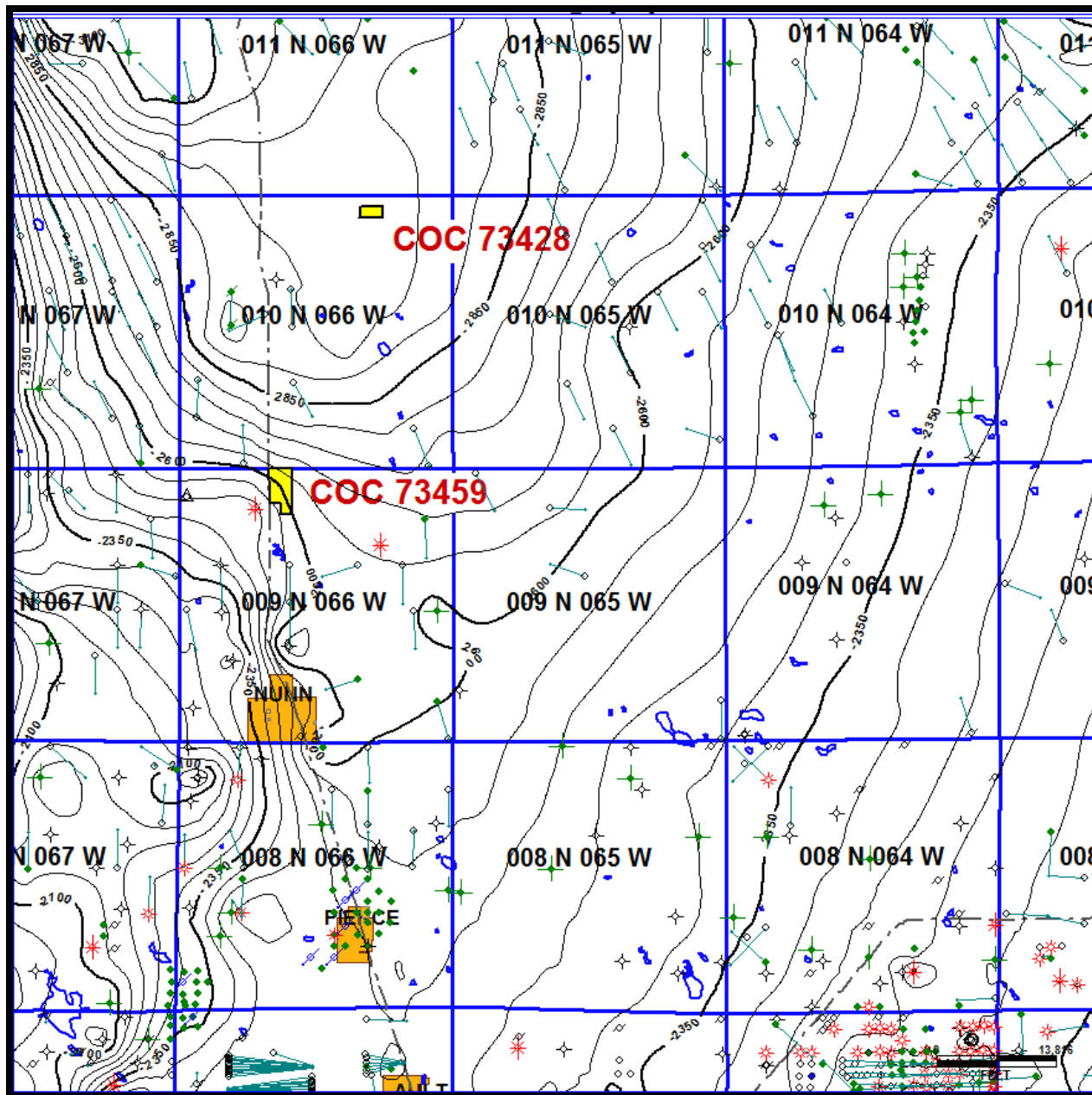
Active horizontal drilling program for Codell SS and Niobrara Fm by Anadarko, EOG, in Fairway and Hereford Fields.



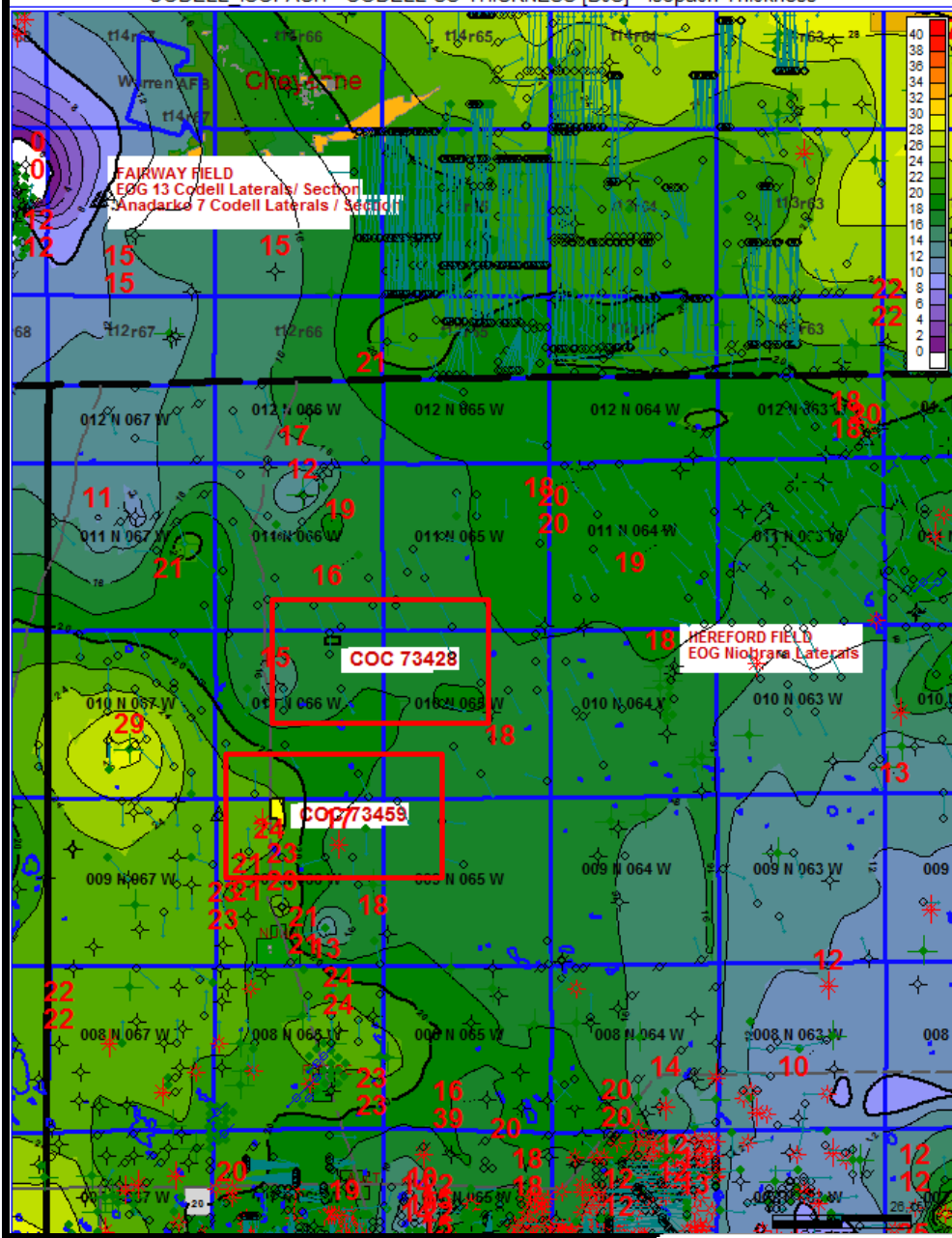
HORIZONTAL NIOBRARA and CODELL SS PAY ZONES

TYPE LOG: Sec. 5-T9N-R66W

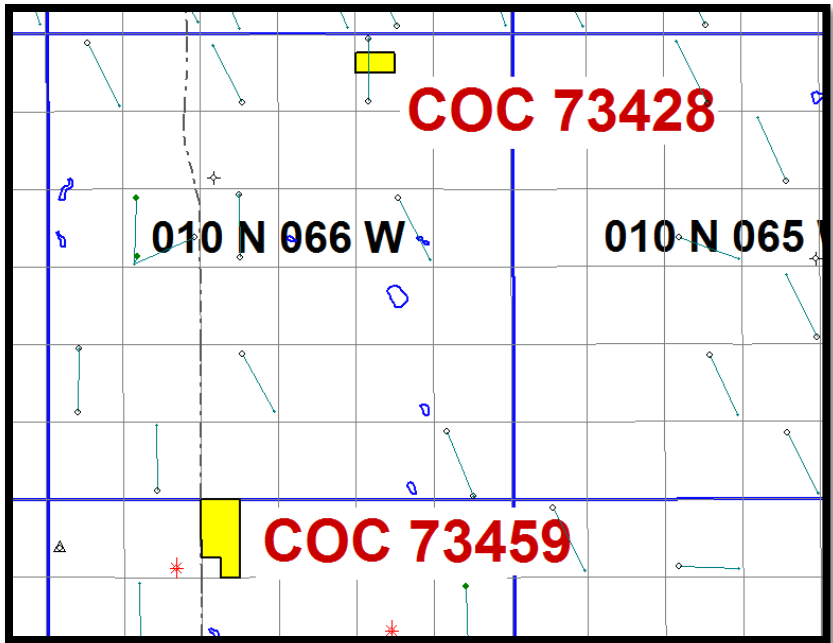




Structure Map Top
Codell SS Pay Zone

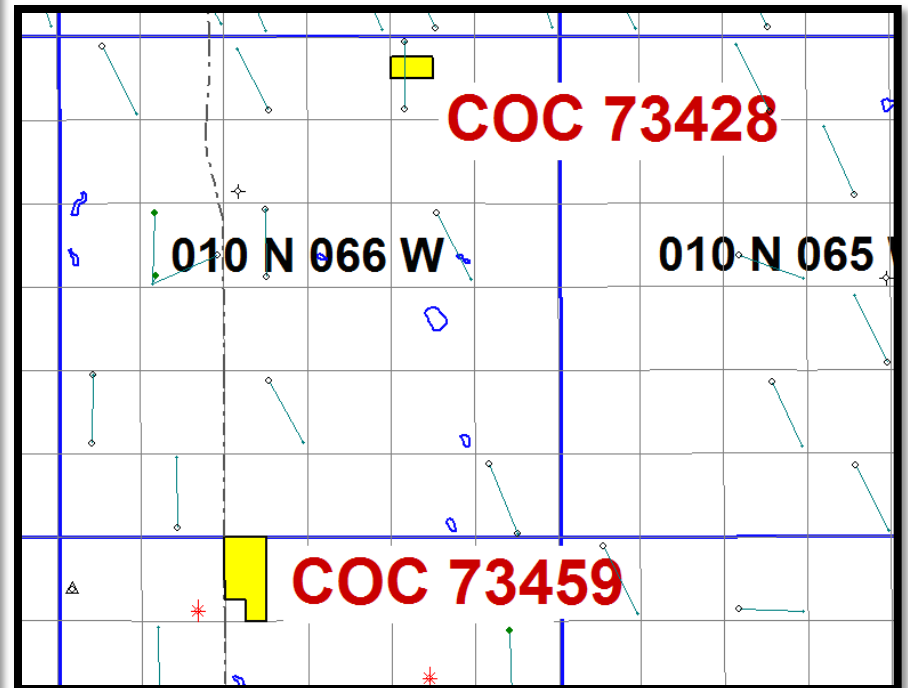
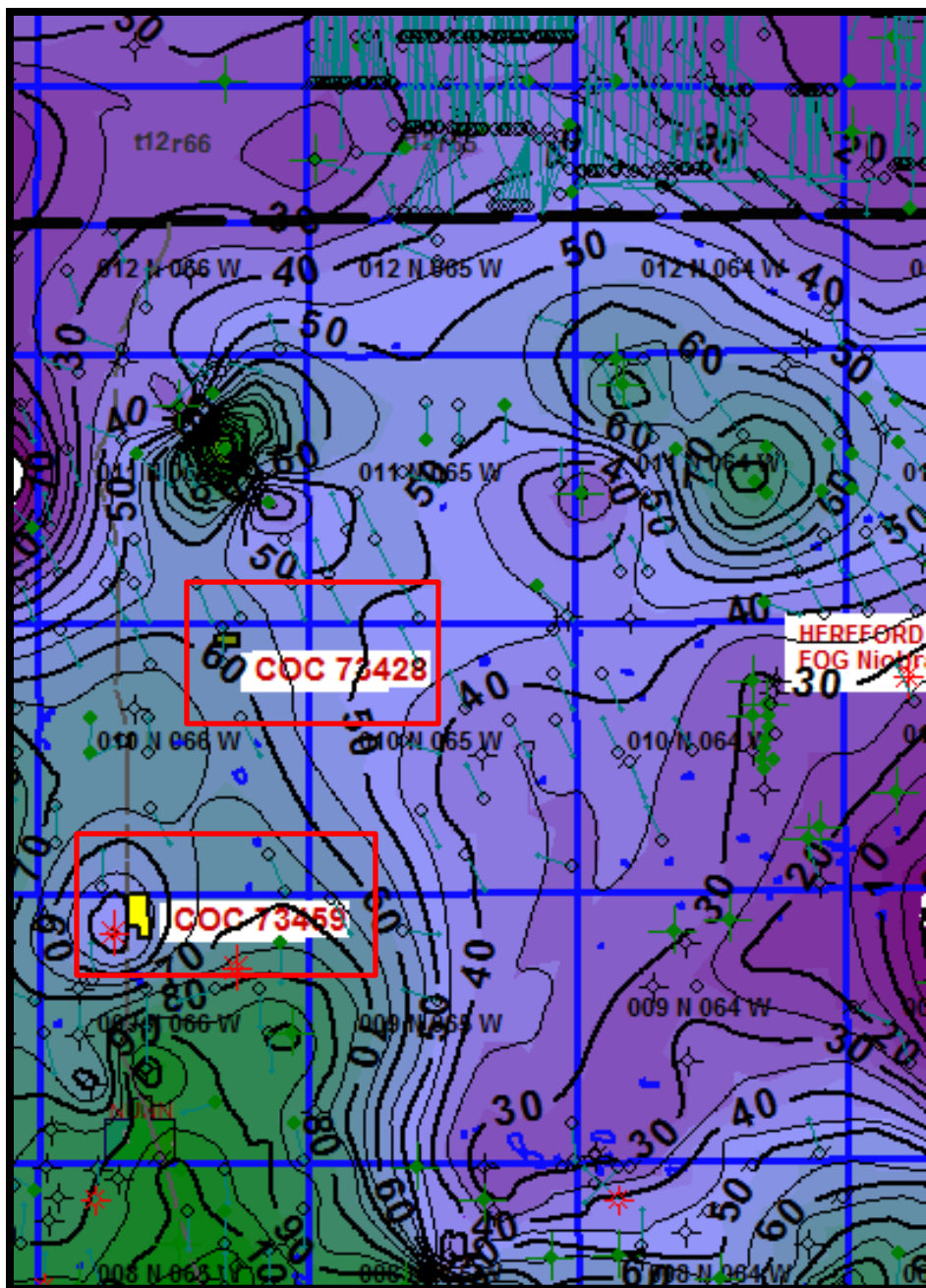


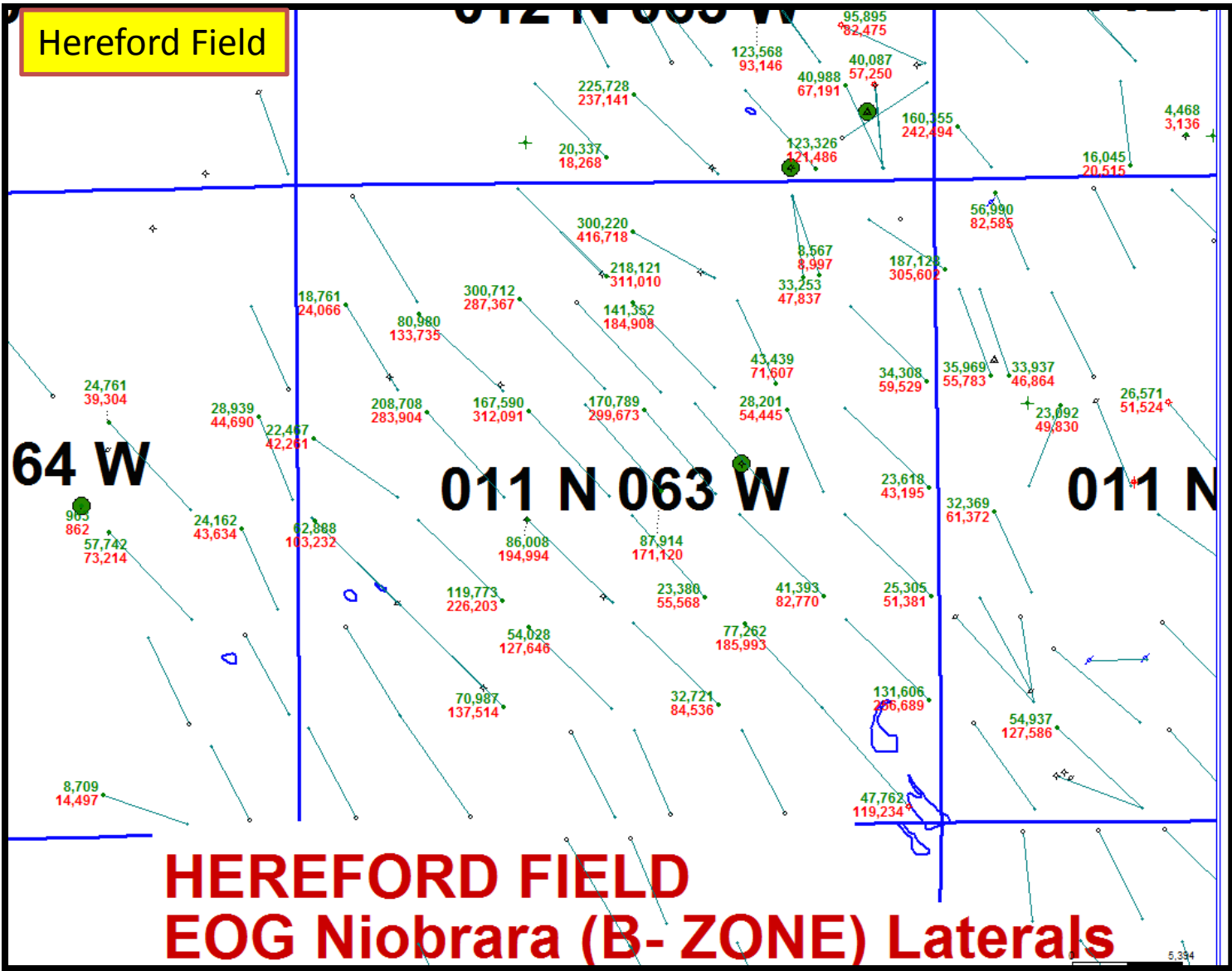
Codell SS Isopach Map.
 Codell SS is productive from laterals immediately south at Wattenberg and at Fairway to the North east. This interval appears to be a blanket drill across the area.



Niobrara 25 Ohm-m Resistivity Thickness Map.

Map indicates Niobrara marls are thermally mature and oil and gas generating over a broad area and that chalk intervals are oil saturated. Niobrara is oil saturated in area.





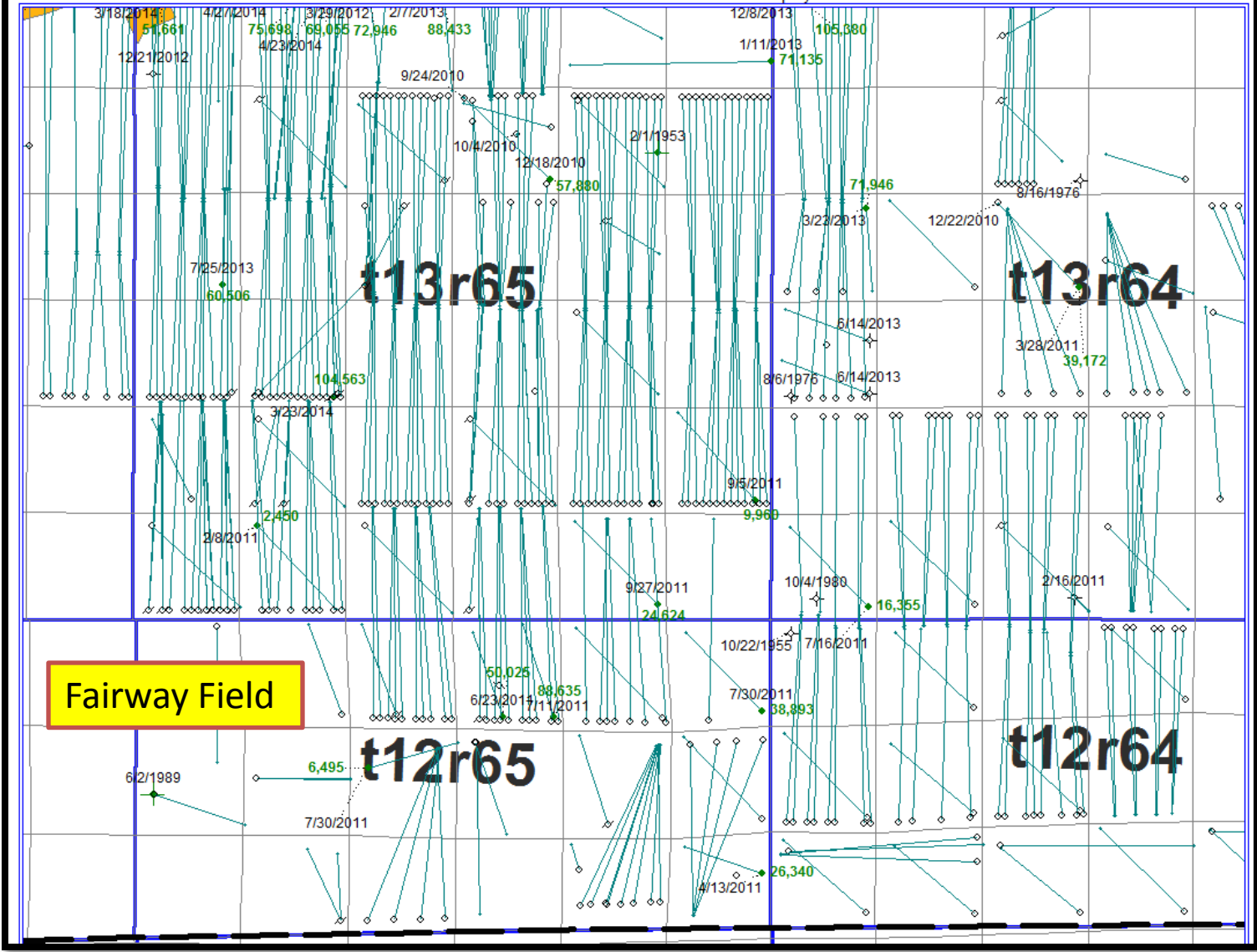
Cumulative Production Map for Hereford Field.

Niobrara B Zone Laterals.

Projected EUR Recoveries per lateral 220-360 MBOE.

Codell SS is also oil saturated in this area and will be developed in future.

DJ BASIN NEBRASKA - DJ and Niobrara sand plays



Nearby Fairway Field:
Codell Sandstone Development.

Codell SS Laterals.
Projected EUR Recoveries 150-200 MBO per lateral on 1280 Ac. Spacing with up to 13 laterals per 1280. EUR 2,000+ MBO per 1280.

Spacing Order- COGCC

- [Cause 517](#)
- [Cause 517WD](#)
- [Cause 518](#)
- [Cause 519](#)
- [Cause 520](#)
- [Cause 521](#)
- [Cause 522](#)
- [Cause 523](#)
- [Cause 524](#)
- [Cause 526](#)
- [Cause 527](#)
- [Cause 528](#)
- [Cause 529](#)
- [Cause 530](#)
- [Cause 531](#)
- [Cause 531WD](#)
- [Cause 532](#)
- [Cause 533](#)
- [Cause 534](#)
- [Cause 535](#)



Natural Gas

- [ng-1](#)
- [ng-2](#)
- [ng-3](#)
- [ng-3.1](#)
- [ng-3wd](#)
- [ng-4](#)
- [ng-5](#)
- [ng-6](#)
- [ng-7](#)
- [ng-8](#)
- [ng-9](#)
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- [ng-11](#)
- [ng-12](#)
- [ng-13](#)

Order Synopses for Cause Number 535 (03/26/2011)

[Orders List](#)
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CAUSE 535

535 - 1 08/12/2010	Approves the request to establish four approximate 640-acre drilling and spacing units for certain lands located in Township 8 North, Range 61 West, 6th P.M., Township 8 North, Range 62 West, 6th P.M., Township 9 North, Range 60 West, 6th P.M., Township 9 North, Range 61 West, 6th P.M. and allow up to two optional horizontal wells in each of the units.	Hearing Files  Order
535 - 2 08/12/2010	Approves a request for an order to establish one hundred forty-five (145) 640-acre drilling and spacing units consisting of certain lands in Township 8 North, Range 67 West, 6th P.M., Townships 8 through 10 North, Range 66 West, 6th P.M., and Townships 8 through 11 North, Range 67 West, 6th P. M., for the production of gas and associated hydrocarbons from the Codell and Niobrara Formations.	Hearing Files  Order

Basin Stratigraphy

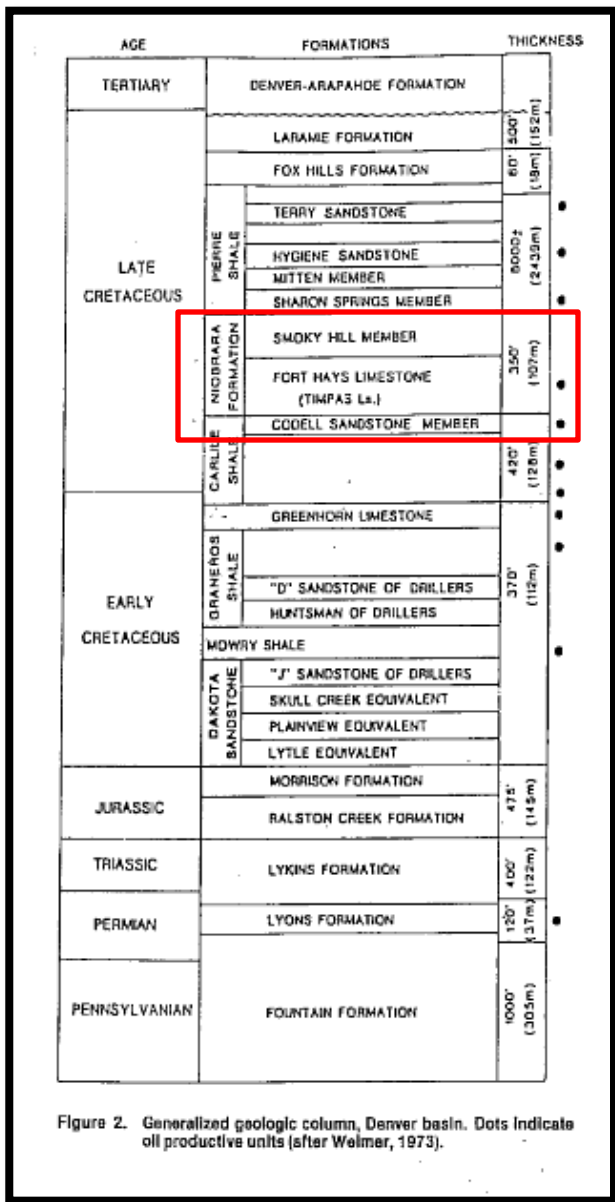


Figure 2. Generalized geologic column, Denver basin. Dots indicate oil productive units (after Welmer, 1973).

Niobrara Stratigraphy

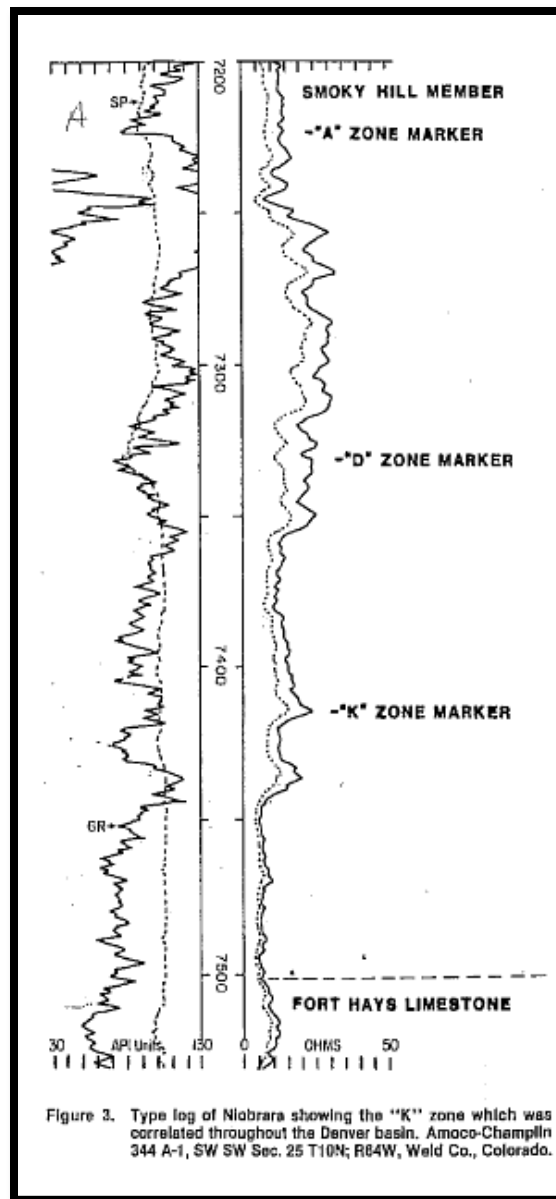


Figure 3. Type log of Niobrara showing the "K" zone which was correlated throughout the Denver basin. Amoco-Champain 344 A-1, SW SW Sec. 25 T10N; R64W, Weld Co., Colorado.

A - Chalk
 Marl
 B - Chalk
 Marl
 C - Chalk
 Marl
 Codell SS

TERMS & ATTRIBUTES

- All acreage is 100% Federal BLM. Two leases (358.71 net ac.) with paid up rentals.
- Oil Reservoir Objectives: Niobrara B and C Chalks; Codell Sandstone and J Sandstone. All objectives are HC saturated and produce nearby based on well control.
- Moderate drill depths for all objectives with Base Codell SS at 7860 TVD and base J Sand at 8,500 TVD.
- Acreage across two 640 Ac. spacing units (80 ac. Tract with 12.5% WI in spacing unit and a second tract of 278.71 ac. with 43.54% WI in spacing unit). Estimated Recoverable EUR of 4.8+ MBOE per 640 Ac. spacing unit with both Codell and Niobrara laterals (8 laterals per zone and 16 per 640 with full development). Approximately 2,600,00 MBOE net to buyer after development.
- Terms: Seller is asking \$300 per net mineral acre (total cost of \$107,613.) and will deliver an 80% NRI of 8/8ths on both leases.
- Seller will consult with buyer to design and drill the prospect as deemed necessary by buyer. Can arrange for land services too.
- **Prospect is subject to prior sale.**