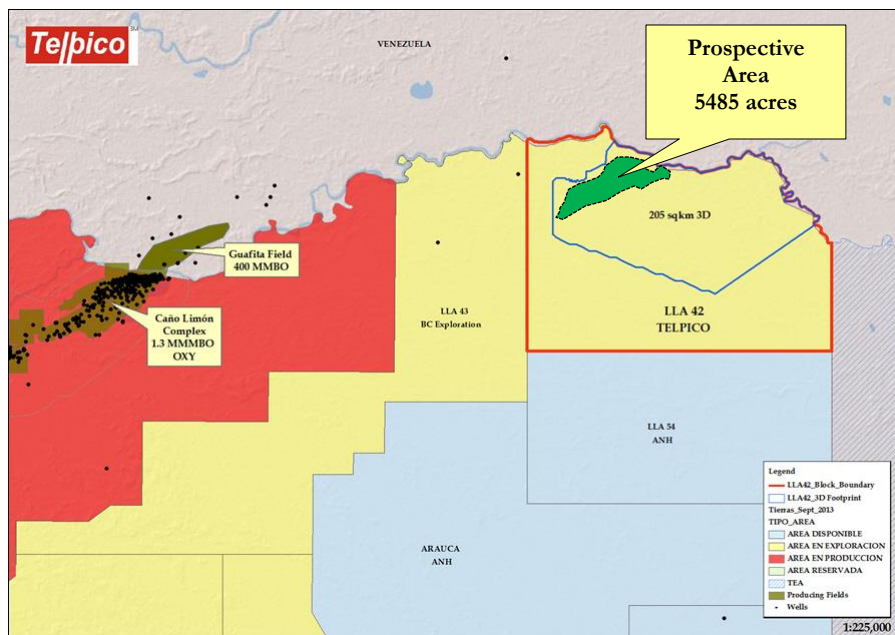




LLA 42 / Mirador and Carbonera LLANOS ORIENTALES BASIN, COLOMBIA



Telpico's LLA 42 block is located in Colombia's northern Llanos Basin on the Venezuelan border. The analogy, Caño Limón, is located forty kilometers west of LLA 42 and has produced over 1.3 billion barrels of oil to date from Cretaceous and Tertiary reservoirs. The Eocene Mirador Formation is the main producer of 29^o API oil with a very strong active water drive. The deltaic sands of the Mirador have average porosities of 25% and 2-5 darcy permeability from a depth of approximately 7500'.

Structurally, the northern Llanos basin gently dips from east to west and is transected by northeast trending strike-slip faults that converge to form the

trapping style in the area. Fault displacement varies considerably along these fault traces. In 2014, Telpico acquired a 207 km² 3D to evaluate, not only the structural, but the stratigraphic potential of the area. In this regard, the processing has included amplitude analysis, high density velocity analysis (Fast-Vel), high frequency volumes (X-Freq), AVO and Inversion.

For the Tertiary and Cretaceous objectives, the source, seal, timing, reservoirs, and trap at LLA 42 will be similar to Caño Limón. In addition to the Tertiary and Cretaceous objectives, the Paleozoic section is un-explored in the basin and is also a target for Telpico, as well as other operators in the area. Several Carbonera, Mirador and Cretaceous prospects have been identified on a recently acquired (2014), very high quality, 207 km² PSTM-3D. The multiple objective Zapata prospect P50 reserve potential is 217 MMBO. The initial well will test multiple combination strat and structural objectives, proven productive in the analogy.

Proposed Trade Terms:

- Working Interest Available: 49%
- Potential Partner to pay \$3.5 Million USD buy-in costs:
- Partner shall pay 100% of all costs to drill & test the Initial Exploratory Well..
- All subsequent operations and expenses will be paid on a ground floor basis.
 - **Hidalgo Prospect 100% Dry Hole Cost: \$8.1 MM USD**
 - **Completion Cost: \$2.1 MM USD**

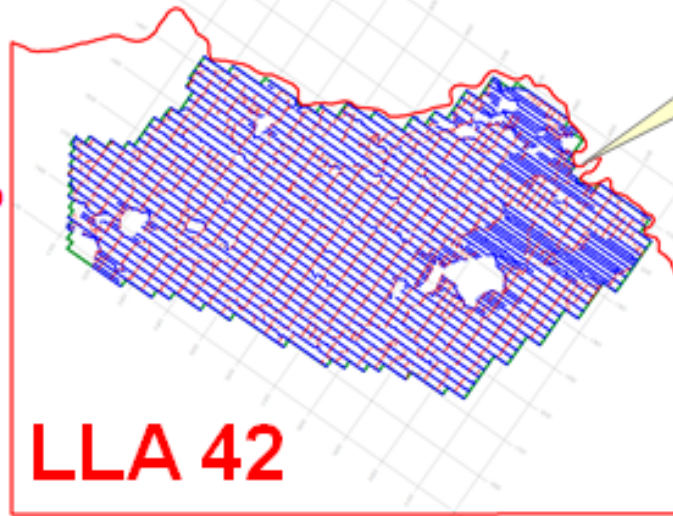
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**Post Plot
Seismic Map**



Telpico 3D
207 sqkm

LLA 42

- 1) Raw Field Data -18m x 36m bins
- 2) Pre-Stack Time Migration (PSTM-map)
- 3) 5D Interpolation -18m x 18m bins
- 4) FastVEL
- 5) XFreqII
- 6) Rock/Fluid Properties Modeling

- 7) Acoustic Impedance (AI) Inversion
- 8) Amplitude Variation with Offset (AVO)
- 9) Spectral Decomposition
- 10) Lithofacies Volumes- (map)
- 11) Integration and Interpretation of 1-10

C2 Lithofacies Surface Extraction

