

MASCOT & SEQUOIA OIL COMPANY

EAST SANDY CREEK 3D OIL & GAS PROSPECT COLORADO COUNTY, TEXAS

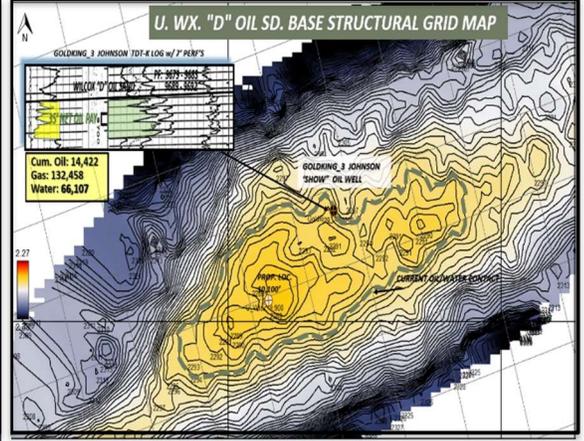
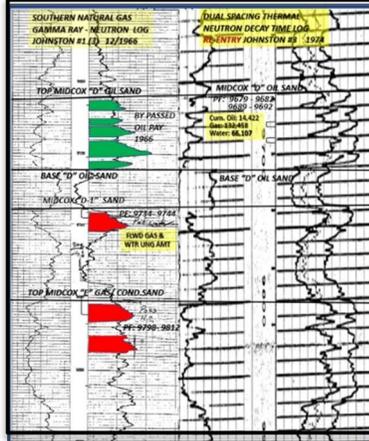
Mascot Oil and Sequoia Energy have generated and assembled Time Structure and Amplitude Maps, Geology, 3D Seismic, and Engineering data for a 10,100', NO PIPE, Upper-Middle Wilcox well to Develop significant Proven and Probable Undeveloped Oil and Gas Condensate Reserves structurally high to the Johnston #1 Discovery well. This is a sizable and proven Oil Productive four-way dip, downthrown rollover closure defined by sixty-(60) fold 3D Seismic data. A commercially productive Oil Well (30' Oil Sd.) which established the downdip Lowest Know Oil Contact in the Mid-Wilcox "D" reservoir. These pays have never been offset on the structural crest. Four (4) other sand reservoirs tested Gas/Condensate or had Log Pay at the edge of this closed structural reservoir complex.

RESERVES & VOLUMETRICS

"SHOW" OIL & GAS WELL

U. WILCOX "D" OIL SAND 3D STRUCTURE

WILCOX A-1 GAS / OIL SAND	23,530 BBL's COND.	1,470,500 MCFG
WILCOX A-3 GAS / OIL SAND	142,800 BBL's COND.	5,100,000 MCFG
WILCOX "D" OIL SAND	879,750 BBL'S OIL	967,725 MCFG
WILCOX "E" GAS/ COND. SAND	68,000 BBL's COND.	3,187,500 MCFG
GRAND TOTAL	879,750 BBL's OIL + 234,330 BBL'S COND.	10,725,725 MGFG



LAND, TERMS, TRADE & COST

MASCOT and SEQUOIA COMPANIES is selling **it's remaining 25% Working Interest and will deliver a 75% NRI on it's 312 Acre Leasehold**. Upon completion of the First well Mascot & Sequoia will Back-In for a Fifteen (15%) Percent Working Interest. All additional wells will be drilled and completed on a Ground-Floor basis.

- \$200,000 Geology, 312 Acre Leasehold, Five Square Miles of 60 Fold 3D Data, Geophysics, Landman, Engineering and Legal.
- \$990,360 Turnkey Drilling of the well to 10,100' VMD and logging with a Triple Combo tool.
- **\$1,190,360** Total Turnkey Drilling to 10,100' with a Triple Combo on Bank, Prospect and Leasehold.
- \$134,136 Additional Well Evaluation Cost including Rig Time, All logs, RFT, Cores and Core Analysis
- **\$1,324,496** **Total Drilling, Leasehold and Evaluation**
- \$499,338 Completion Cost
- **\$1,823,834** **Total Completed Well Cost for the First Well. (Directionally drilled 1,800' at 18°)**

***W.I. COST PER 1% INCREMENT : \$18,238 (\$13,244 Drill, Evaluate, Prospect + \$4,993 Completion)**

ECONOMICS (Includes back-in, royalty, taxes etc.)

FLOW RATE: OIL > 123 BOPD + 223 MCFGD | FLOW RATE: GAS/ COND. > 2,019 MCFGD + 63 BCPD
 ECONOMICS: \$58 OIL | \$2.50 GAS = GROSS VALUE = \$89,087,000 | RISKED (33%) = \$59,332,000
 ROI = 18:1 2 WELL'S + FACILITY COST: \$3,200,000
 OIL SAND COMPLETION: GROSS/MO.= \$231M | NET /MO.= \$131M | 14 MO. PAYOUT 1ST WELL
 GAS SAND COMPLETION: GROSS/MO.= \$256M | NET/MO.= \$142M | 12.8 MO. PAYOUT 1ST WELL

CONTACT INFORMATION

Please direct all further questions for additional Prospect and Operations related inquiries to:

Mascot Oil Company (Stewart Chuber)

Sequoia Energy Company (Gordon McCall)

P.O. Drawer J

Spring, TX 77389

Schulenburg, TX 78956

281-799-5331

979-561-8700

sequoia.energy@aol.com

fayexplo@cvctx.com