

Mason & Wilbanks
503 Timber Terrace Rd.
Houston, Texas 77024-5627
Em: Gunstonwest@sbcglobal.net
Tel: 713-681-3427 or
512-392-6956 (Wilbanks)

Mason and Wilbanks team have originated and caused to be drilled four gas/condensate Fields in Jefferson County Texas since 1971. These Fields have a combined cumulative production to date from Hackberry sands of 133.7 Billion CF Gas and 13,666,600 Bbls Condensate. We continue to develop significant Hackberry Prospects from extensive subsurface and seismic data, and especially with the utilization of 3-D seismic.

The *Magnolia Prospect*, located in Jefferson County, Texas is a Field extension, but independent trap, and offers two excellent high permeability sands measured by 3D seismic and nearby wells to be 20 feet, and 50 feet respectively. These offer the proposed drill site feature to have a potential of 5.04 Billion CF Gas, and 425,000 Barrels of condensate. Other parts of the overall structural-stratigraphic greater prospect will require an AMI agreement.

The attached copy of a 3-D arbitrary line across the proposed *Magnolia Prospect* demonstrates the quality and intensity of the target anomaly. Its size covers a minimum of 150 acres.

The proposed well is required to drill to a depth of about 12,000 feet or 11,200 feet TVD. Intermediate casing must be set at about 10,200 feet or top high pressure.

Mason and Wilbanks have long time investors for as much as 33% of the working interest committed to the proposed well, however we wish to have a capable Operator for the balance.