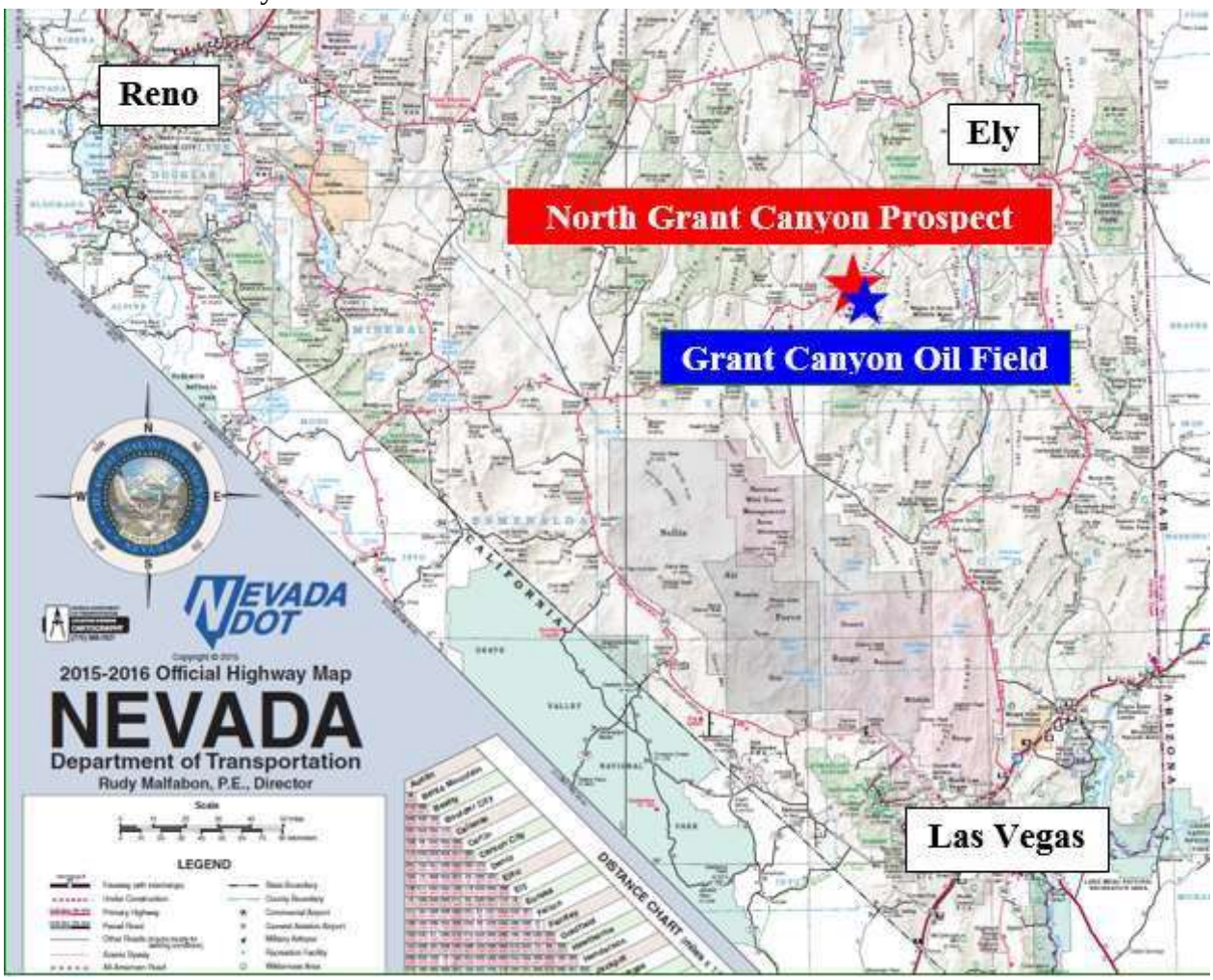
North Grant Canyon Prospect

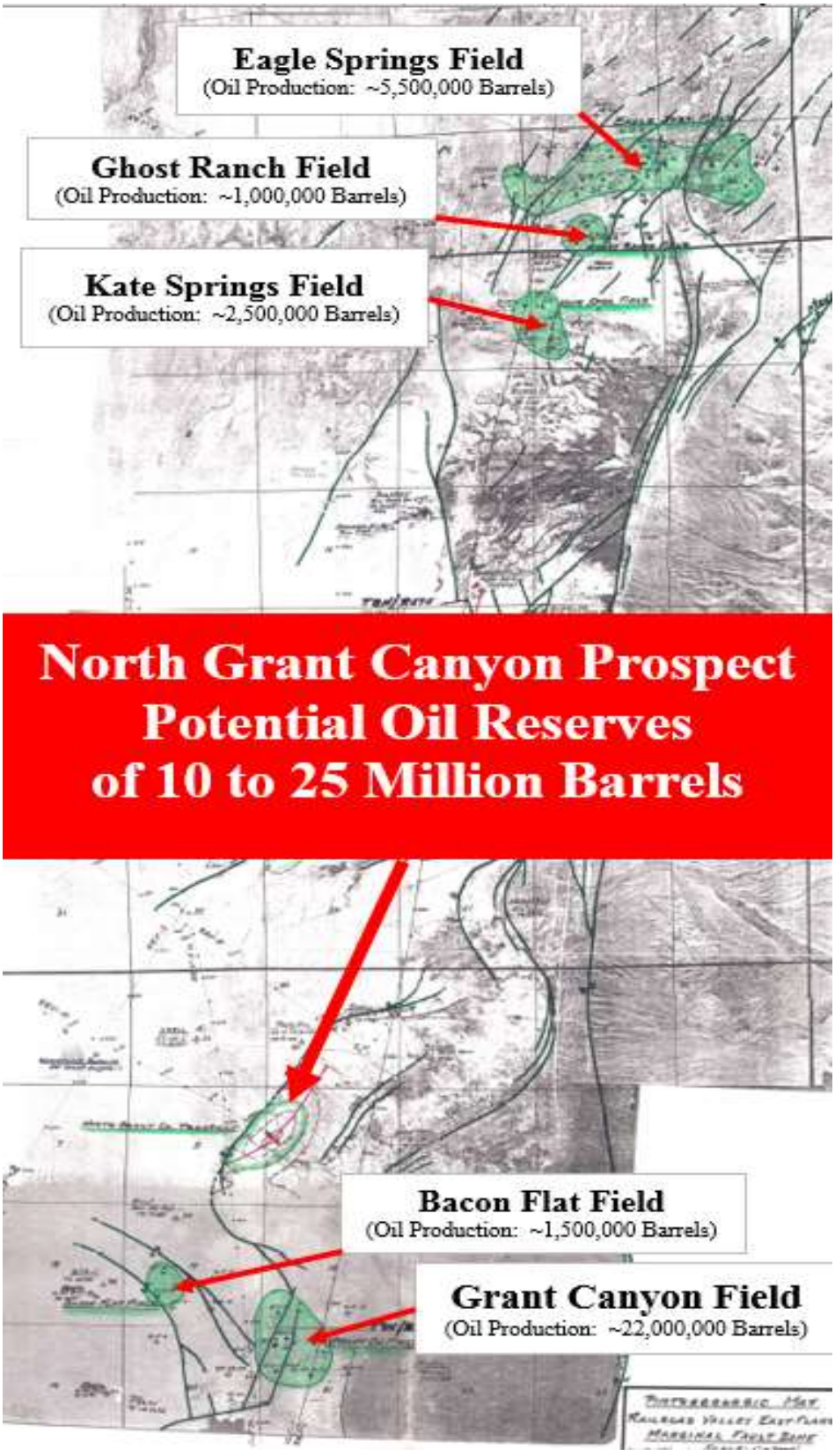
Railroad Valley - Nye County, Nevada

Introduction

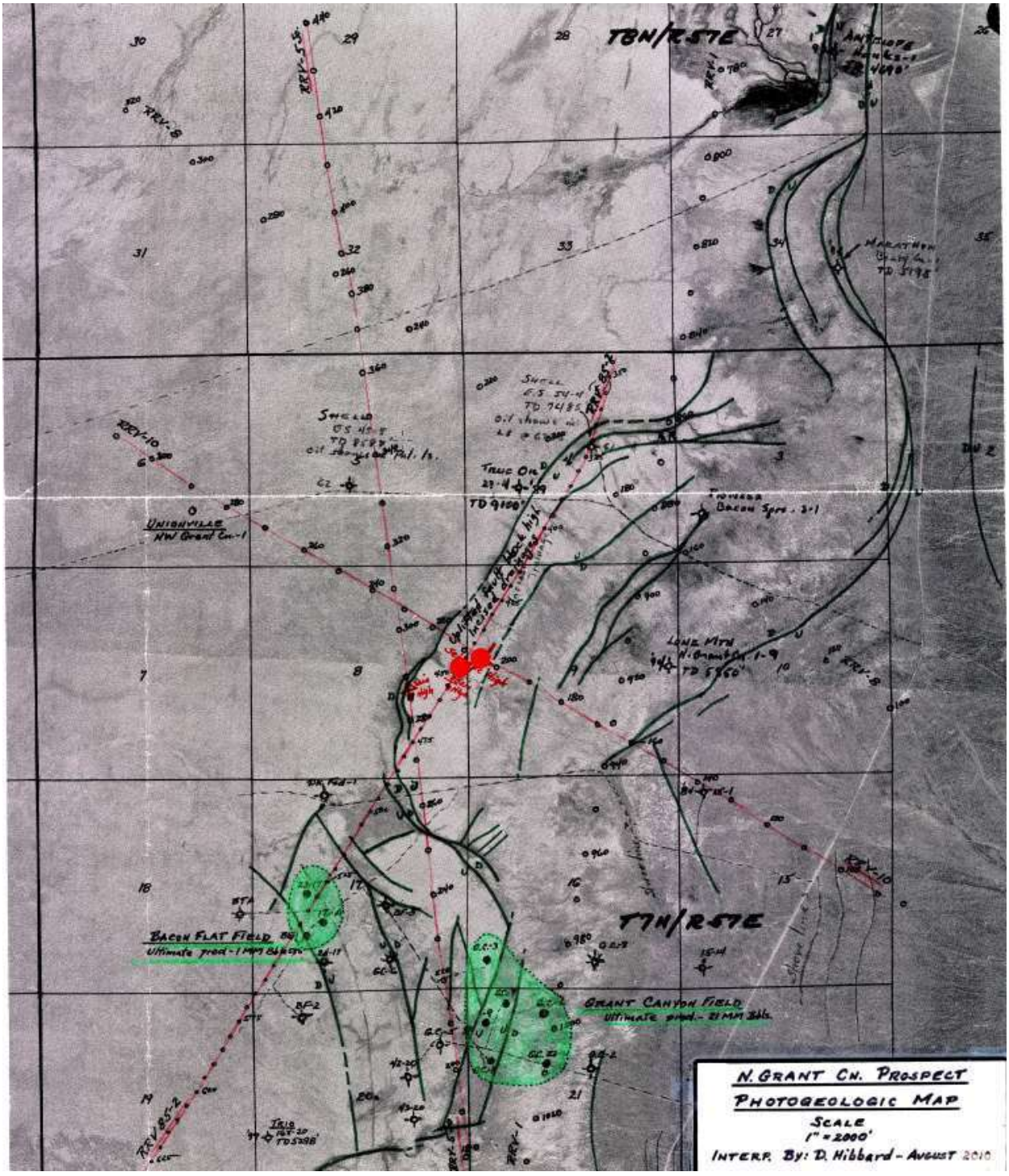
The North Grant Canyon Prospect is in Sections 8 and 9, T7N-R57E on the east flank of Railroad Valley in Nye County, Nevada. It lies one-mile due north and on-trend from the 22^{+} million-barrel Grant Canyon Oil Field (*the largest producing oil field in Nevada*); and one-mile northeast from the 1 million-barrel Bacon Flat Field. Based only on its size and comparison to the Grant Canyon Field structure, the North Grant Canyon Prospect has an estimated reserve potential of **10 to *2*5 Million Barrels of Oil**. Potential oil production rates from a well in this Prospect could approach 4,000 barrels per day or more, based on rates from the Grant Canyon #3 well in the Grant Canyon Oil Field.



As depicted in the map below, our North Grant Canyon Prospect lies in an obvious oil fairway in Railroad Valley:



The North Grant Canyon Prospect was first mapped photo-geologically as a two-mile long, uplifted fault block trending NE-SW for two miles through Sections 4, 8, 9, and 17 in T7N-R57E. See the following Photogeologic Map:



Incised drainages on the southeastern fault block clearly show that block to be uplifted and more prospective. Oil shows from the Shell ES #54-4, Shell ES #45-5 and True Oil #23-4 wells in Sections 4 and 5 north of the North Grant Canyon Prospect, plus the prolific oil production at the Grant Canyon and Bacon Flat Oil Fields to the south provide more than enough proof of oil generation and the high oil reserves potential in the North Grant Canyon Prospect area.

Photo-Geologic Mapping

(*A valid method to generate Prospects in Nevada***)**

The six best fields in Nevada (*i.e., Grant Canyon, Trap Springs, Eagle Springs, Blackburn, Kate Spring and Bacon Flat Fields*) have produced nearly 98% of Nevada's cumulative production of more than 50,000,000^{+} Barrels of Oil and all have good photo-geologic expression. The remaining nine small fields do not have photo-geologic expression. Please see the following summary of Nevada Petroleum Statistics:

► Nevada Petroleum Statistics

– compiled February 2004 by John Snow

Nevada production, from June 1954 through December 2003, has totaled **48,426,065 barrels of oil**. The Nevada Division of Minerals has permitted **856 wells**, with **673 wells** having been drilled or currently being drilled. The combined **total footage drilled** for the **673 wells** is **3,845,850 feet**. The average total depth of an oil well in Nevada is approximately **5,415 feet**. There are a total of **15 oil fields** in Nevada; four are located in Eureka County, 10 in Nye County, and one in Elko County. Eleven of these fields are active today. One hundred and one wells have produced oil, with 63 wells currently producing as of December 2003

Average per well production 479,466 Bbls. per well

The 11 active oil fields are:

FIELD	YEAR PUT ON PRODUCTION	CUMULATIVE PRODUCTION, barrels of oil
Grant Canyon	1983	20,725,623
Trap Spring	1976	13,633,896
Eagle Springs	1954	5,066,794
Blackburn	1982	5,046,504
Kate Spring	1986	2,120,220
Bacon Flat	1981	974,321
Ghost Ranch	1996	397,469
Sans Spring	1993	254,698
Sand Dune	1998	81,007
N. Willow Creek	1988	45,473
Tomera Ranch	1987	36,348

Fields with photogeologic fault/fracture anomalous zones 98%

Fields without photogeologic evidence 2%

The 4 inactive oil fields are:

FIELD	YEAR PUT ON PRODUCTION	CUMULATIVE PRODUCTION, barrels of oil
Three Bar	1990	23,837
Duckwater Creek	1990	17,807
Currant	1979	1,501
Deadman Creek	1997	367

Don Hibbard (*the generating geologist for the North Grant Canyon Prospect*) strongly believes that in 1976, Norm Foster discovered the key to successful oil exploration in Nevada and Don is attempting to follow in his footsteps using photo-geologic prospect mapping. Having photo-geologically mapped thirty valleys in northern Nevada, Don has developed more than fifty (50) prospects (*all using photo-geology*).

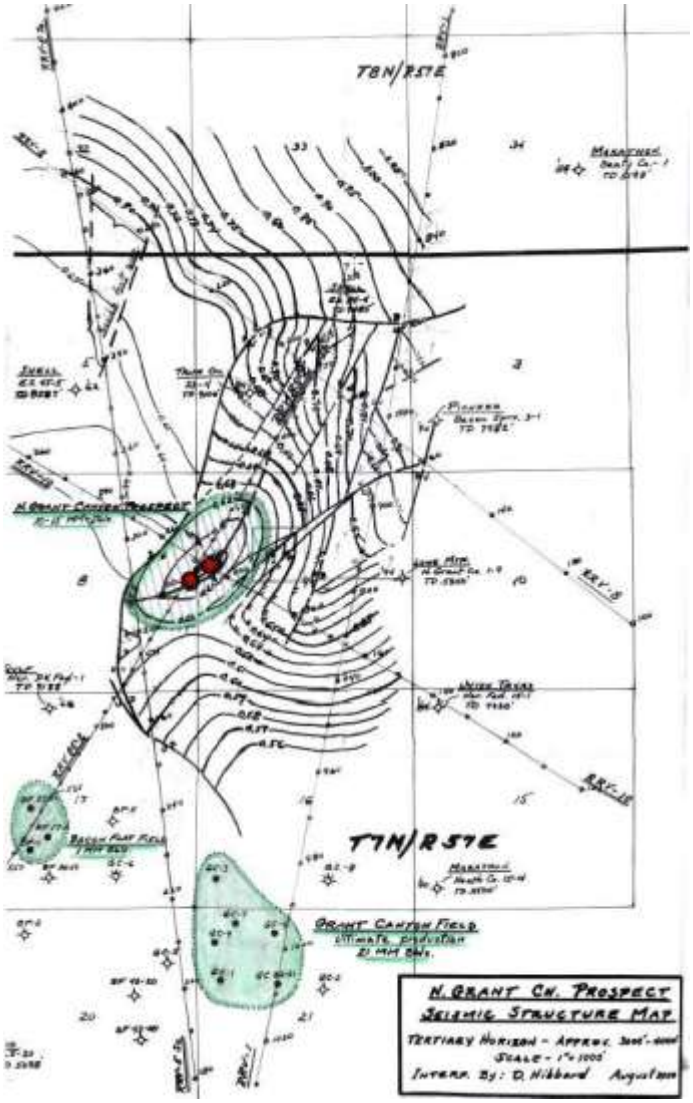
Significance of Surface Fault / Fracture Zones

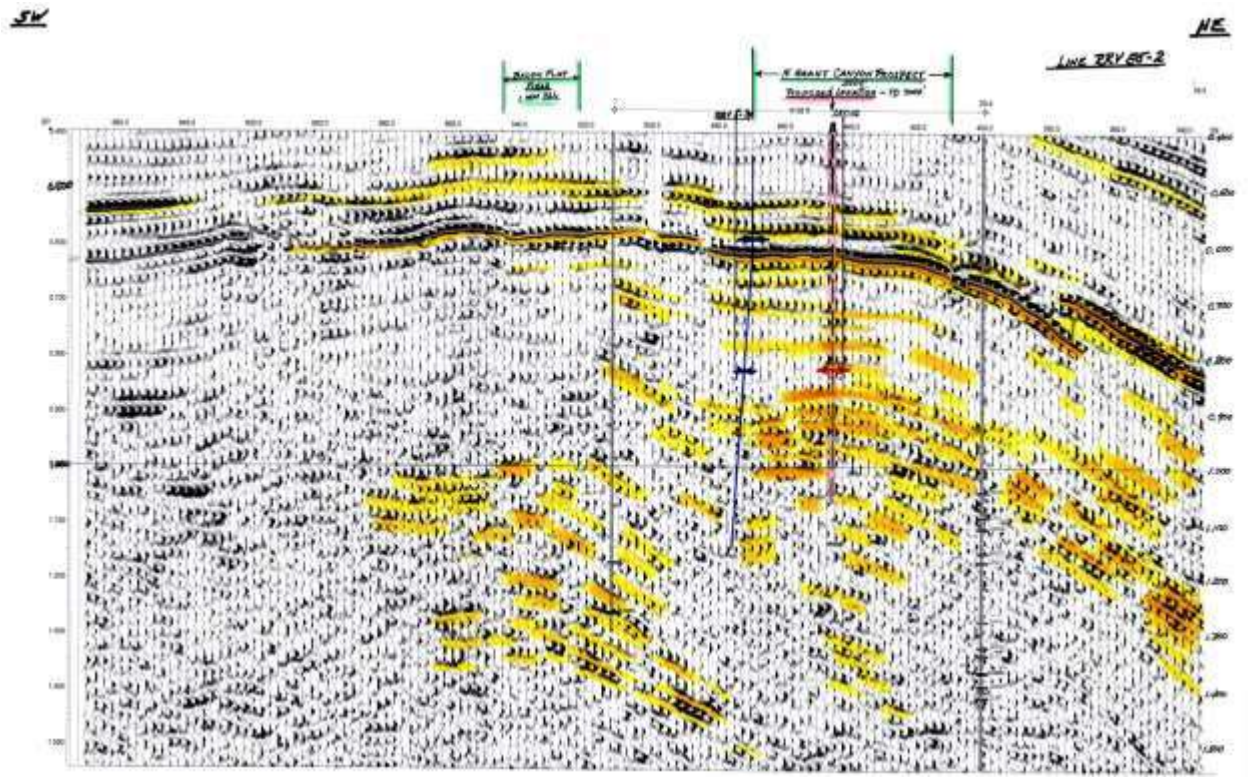
Fault/fracture zones that have been mapped at the surface are almost always directly related at the subsurface fault zones and/or structural uplifts usually at basement level. These zones mapped at the surface provide the clue for the three main elements for subsurface hydrocarbon entrapment, as follows:

- A structural high to provide the trap.
- A porous and permeable migration route for hydrocarbon migration route for hydrocarbons migrating into a trap.
- Good secondary porosity fracture zones for reservoiring the hydrocarbons.

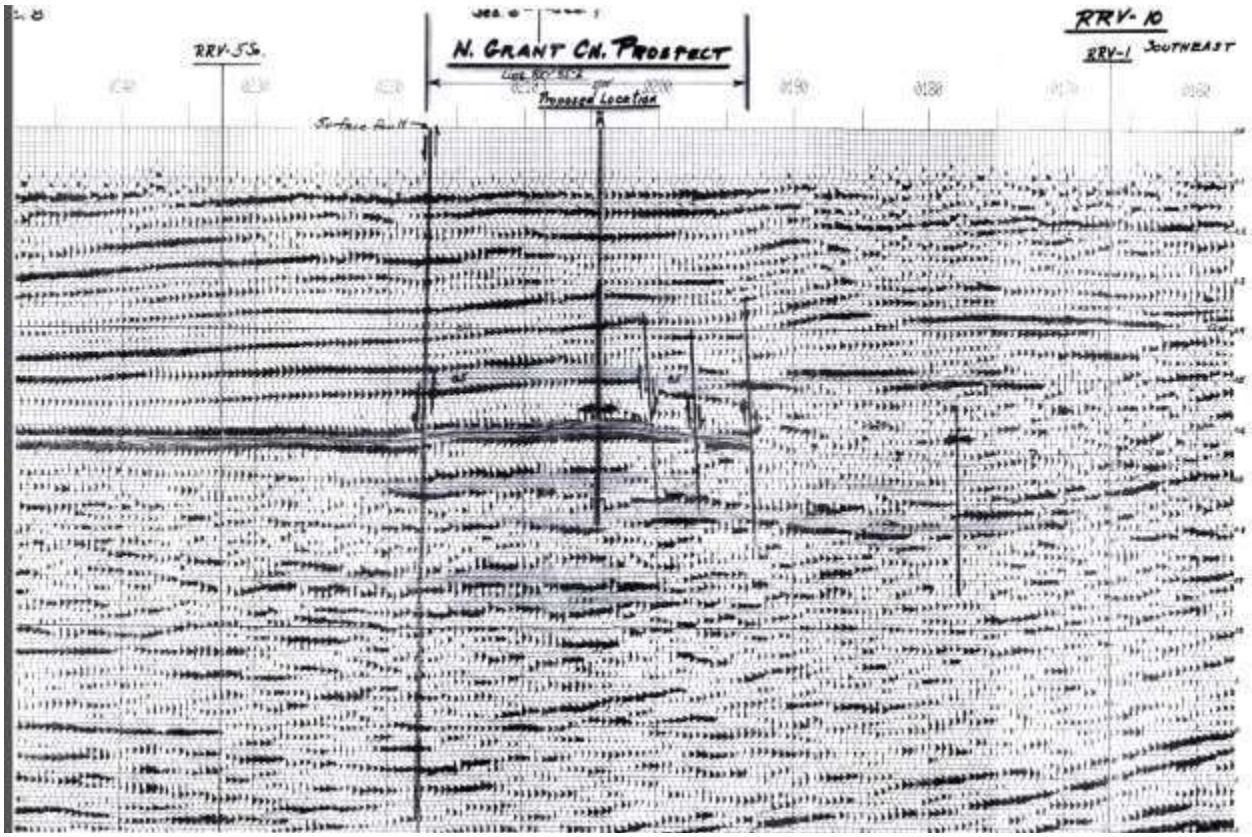
Seismic Confirmation of the Prospect

Seismic lines RRV 85-2, RRV-10 and RRV 5-So provide a strong confirmation for a 15-20 millisecond structural high at a depth of 0.60 second that is coincident with the southern part of the up-thrown surface fault block in Sections 8 and 9 (*See Seismic Structure Map*). This North Grant Canyon seismic structure is 4000' in length NE-SW and 2000' in width NW-SE with total closure of approximately 180 acres.

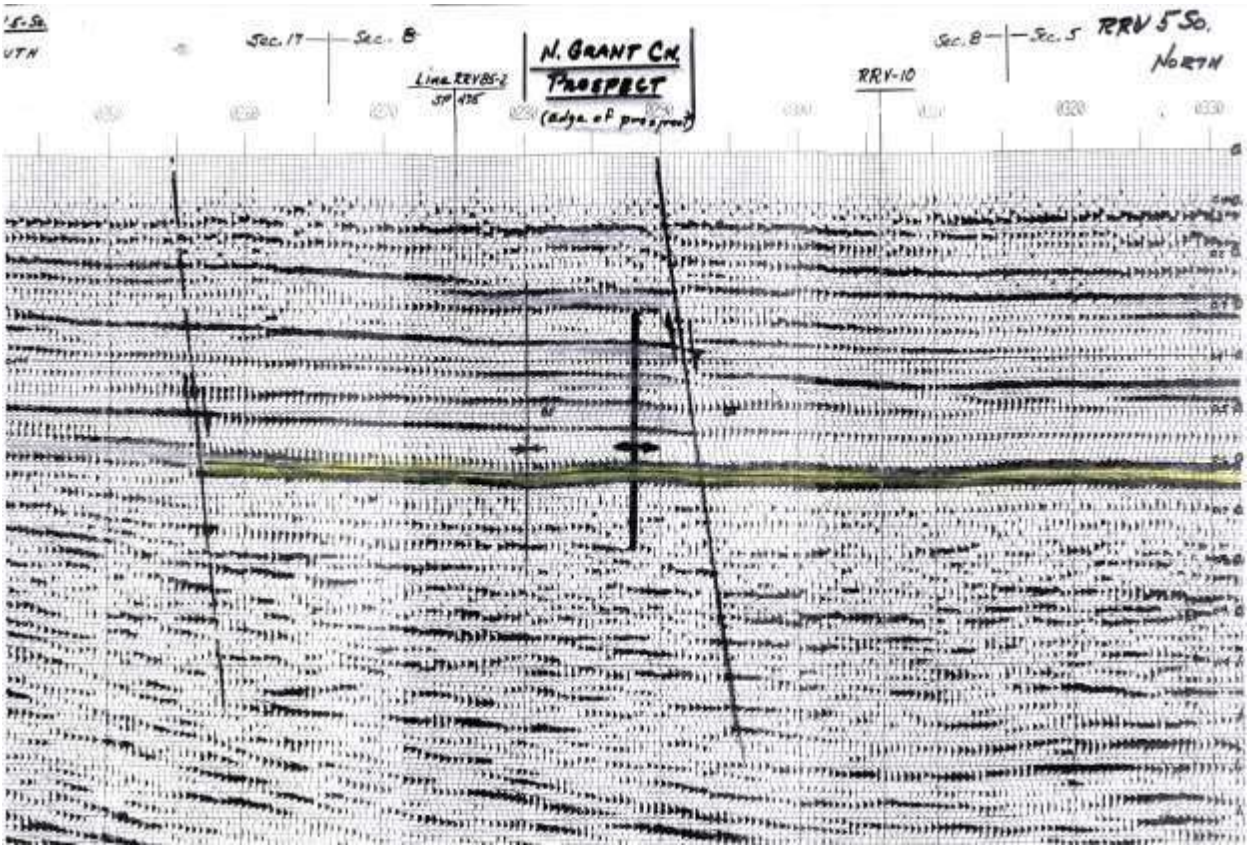




Line RRV 85-2



Line RRV-10



Line RRV 5-So

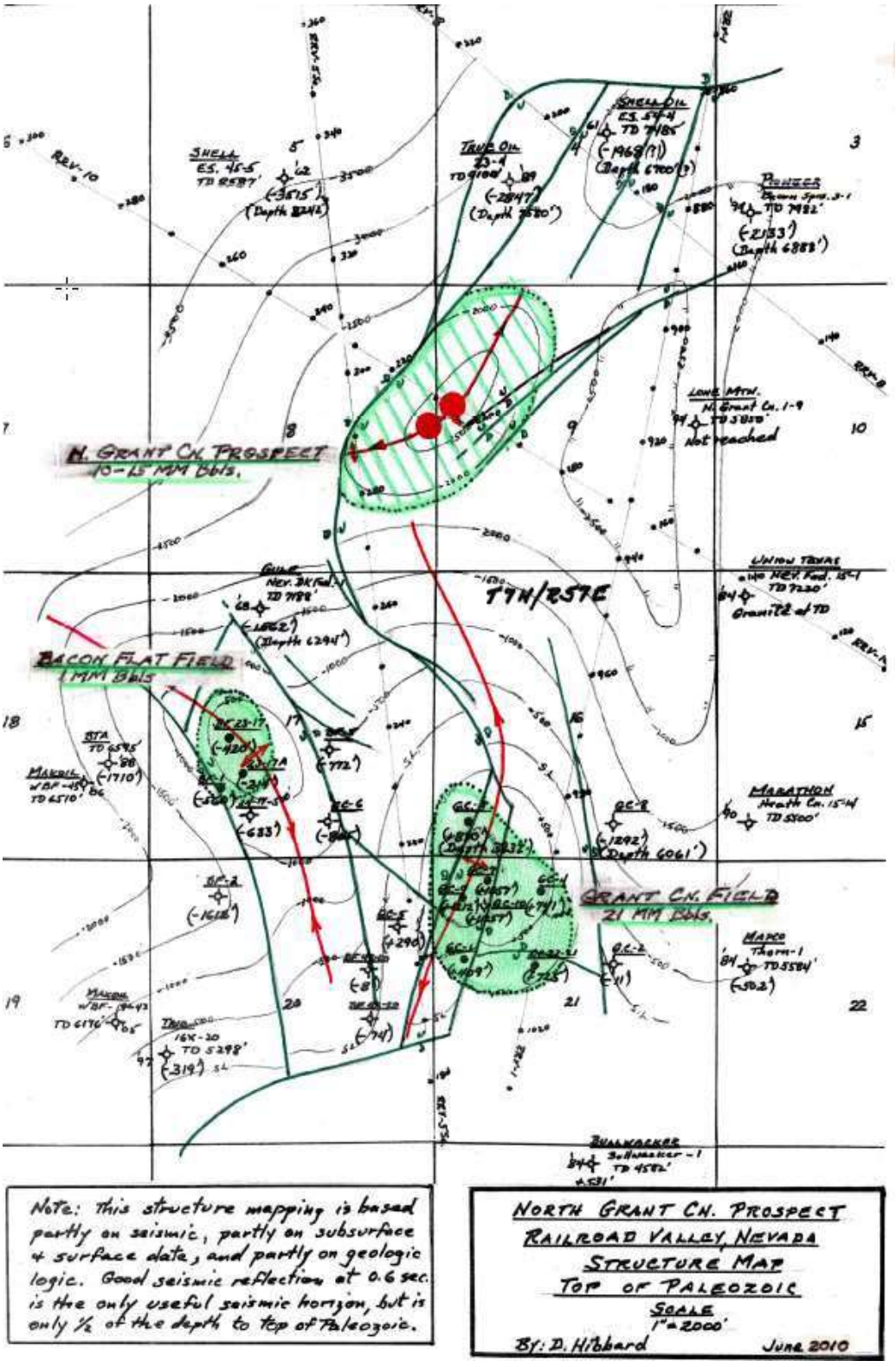
The 0.60 second reflection is the strongest seismic reflection on the three lines and is a probable Tertiary horizon at a depth of approximately 3,000'. The top of Paleozoic unconformity is estimated at a depth of about 6,000' to 6,500' at an approximate seismic depth of 1.0 to 1.1 second. A Total Depth of 7,000' is projected for the Initial Test Well in Section 8, T7N-R57E.

Line RRV 85-2 is the only line of the three that has been reprocessed. This line trends southwest for two miles along the up-thrown surface fault block and then extends further southwest to cross the Bacon Flat Oil Field. Seismically, the North Grant Canyon Prospect appears to be far more favorable than the Bacon Flat Oil Field.

While the pre-0.60 second data on Line RRV-10 and RRV 5-So. are not of good quality, the reprocessed pre-0.60 second data on Line RRV 85-2 shows a strong structural buildup southwestward from Section 4 and cresting out in the boundary area between Sections 8 and 9, directly underlying the 0.60 second structural high. Although the data quality of that line is not the best, nevertheless structural relief on this seismic high appears to increase with depth to approximately 1.20 second. As mapped, the structure appears to be very favorable and a tentative location is recommended at SP 447 on line RRV 85-2 close to the eastern boundary of Section 8. A second tentative location is also recommended on Line RRV-10 at SP 204 to 205 near the western boundary of Section 9.

Subsurface Structure Map —Top of Paleozoic Unconformity

A Top of Paleozoic Structure Map was constructed based partly on the enclosed seismic data, partly on subsurface well tops, partly on surface mapping, and partly on geologic logic. The structural Prospect in Sections 8 and 9 shows the top of Paleozoic at subsea depth of -1500'. When added to the ground elevation of 4725', this would be a depth of **6,225'**. This depth compares favorably with a previous estimate of 6,000' -6,500' for the top of the Paleozoic.

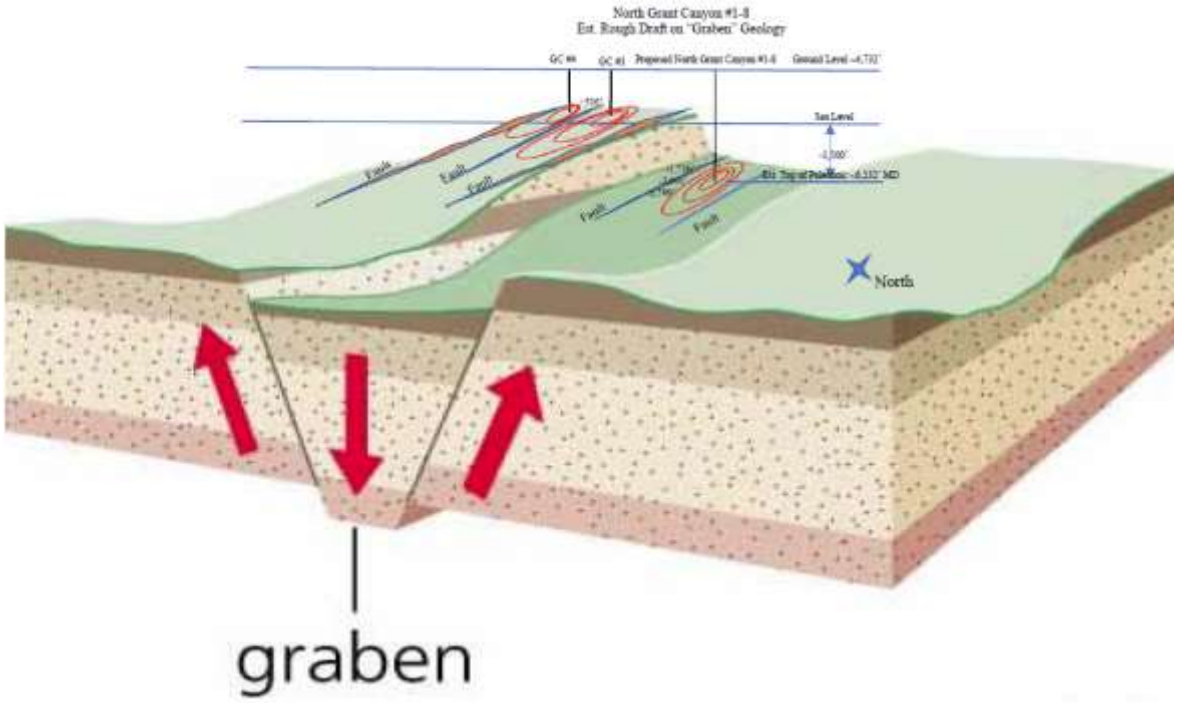


Comparison to the Grant Canyon/Bacon Flat Area

With the shallow 0.60 second structure being the primary horizon on which to evaluate the North Grant Canyon Prospect, it is important to compare the shallow structural development in the Grant Canyon/Bacon Flat Field area with the deeper, oil-controlling Top of Paleozoic structure in that area. As described in a paper written by McCutcheon and Zogg regarding Vertical Subsurface Structural Development in the Grant Canyon area, it can be clearly seen that the shallow structure is very closely and directly related to the deeper, oil productive Top of Paleozoic structure. This close relationship is very apparent from the structure of the Valley Fill Middle Unit at depths of 2,000' to 2,400' and from the Lower Unit at 3,000' to 4,100' as compared to the Paleozoic structure at depths of 3,900' – 5,700'.

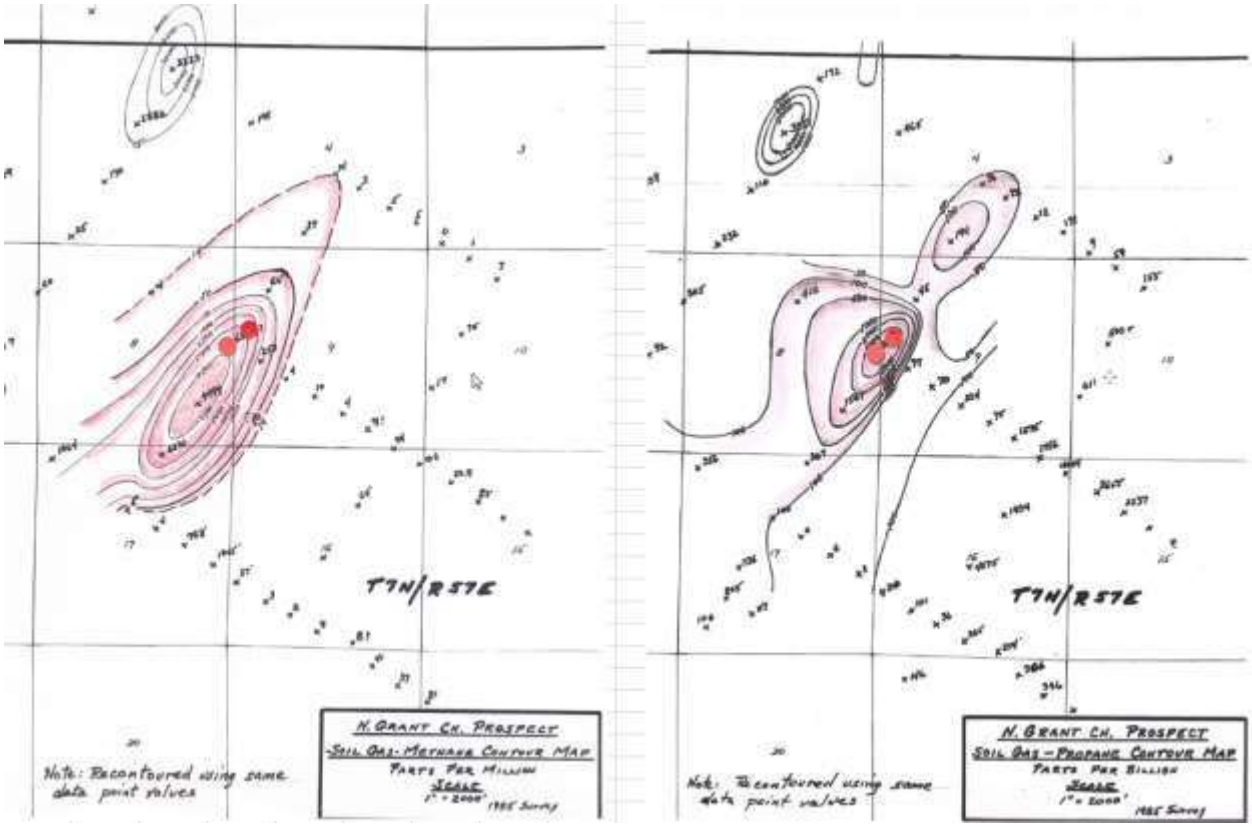
Furthermore, as noted by McCutcheon and Zogg, even the subtle NW trending topographic ridge in the Grant Canyon/Bacon Flat area is coincident with the NW trending deep structural highs, which proves the conclusion that "Deformation has continued into the Recent". Therefore, it is strongly believed that the 0.60 second structure we see at our North Grant Canyon Prospect area is an excellent indicator of deeper, possibly oil-controlling Sheep Pass and/or Guilmette structures.

The following diagram portrays a possible geologic setting we envision penetrating with our Initial Test Well:



Methane and Propane Geochemical Maps

Published soil gas geochemical maps from a 1985 survey show a very close correlation of methane and propane anomalies with the North Grant Canyon Prospect. An even more striking coincidence and confirmation of the Prospect has been achieved by re-contouring the geo-chemical data points (*See the following Geochemical Maps*).



Gravity Confirmation of North Grant Canyon Prospect

An observation of gravity data Map shows an abrupt widening of the contour interval in the immediate area of the North Grant Canyon Prospect. This is interpreted to be related to the subsurface structural development of the North Grant Canyon Prospect.

Stratigraphy and Reservoir Objectives

Based on logs from the Shell ES #54-4, Shell ES #45-5 and True Oil #23-4 wells one mile north of the North Grant Canyon Prospect plus the Grant Canyon/Bacon Flat productive wells one mile to the south, a typical Paleozoic and Tertiary section is probable in the North Grant Canyon Prospect area. However, Oligocene volcanics are not expected since they were missing in the Grant Canyon Field and in the Shell and True wells. Potential reservoir objectives will be the **Devonian Guilmette dolomites** and the **Eocene Sheep Pass Formation**, both of which are productive in eastern Railroad Valley oil fields. Fracturing of these reservoirs is very probable because of the surface and seismic faulting that has been mapped on the North Grant Canyon Prospect. Therefore prolific, high productivity reservoir flow rates are very probable, if an oil discovery is made.

Reserve Potential and Proposed Well Locations

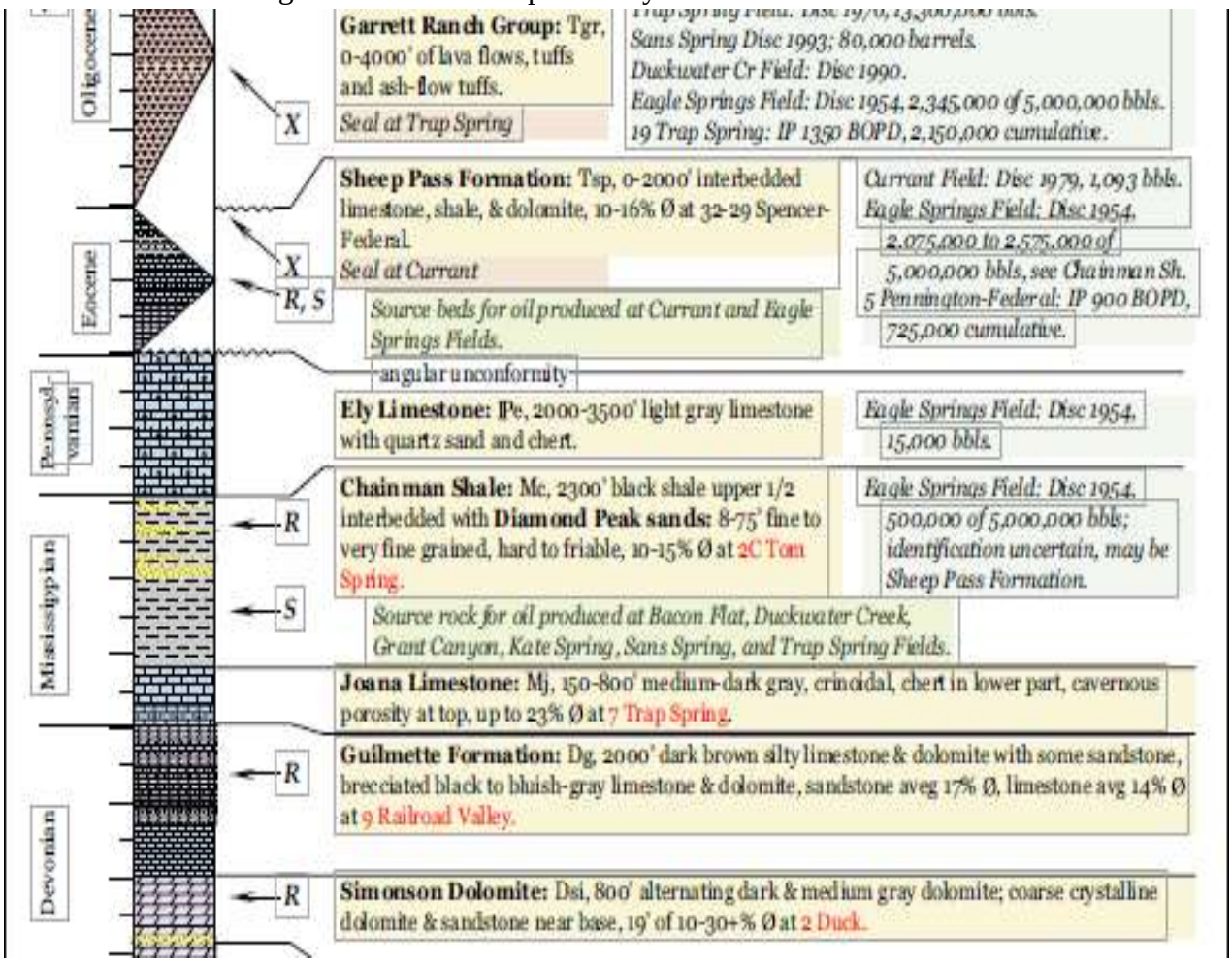
Based only on its size and comparison to the Grant Canyon Field structure, potential Oil Reserves for the North Grant Canyon Prospect are estimated to be in the range of **10 to 25 Million Barrels.** Wells completed on this Prospect could have outstanding productivity potential, comparable to the wells in the Grant Canyon Field.

A well to a Total Depth of 7,000' is recommended in the NE quarter of the NE quarter of the SE quarter of Section 8. A followup well would be drilled in the SW quarter of the SW quarter of the NW quarter of Section 9.

Potential oil reservoirs for the North Grant Canyon Prospect are as follows:

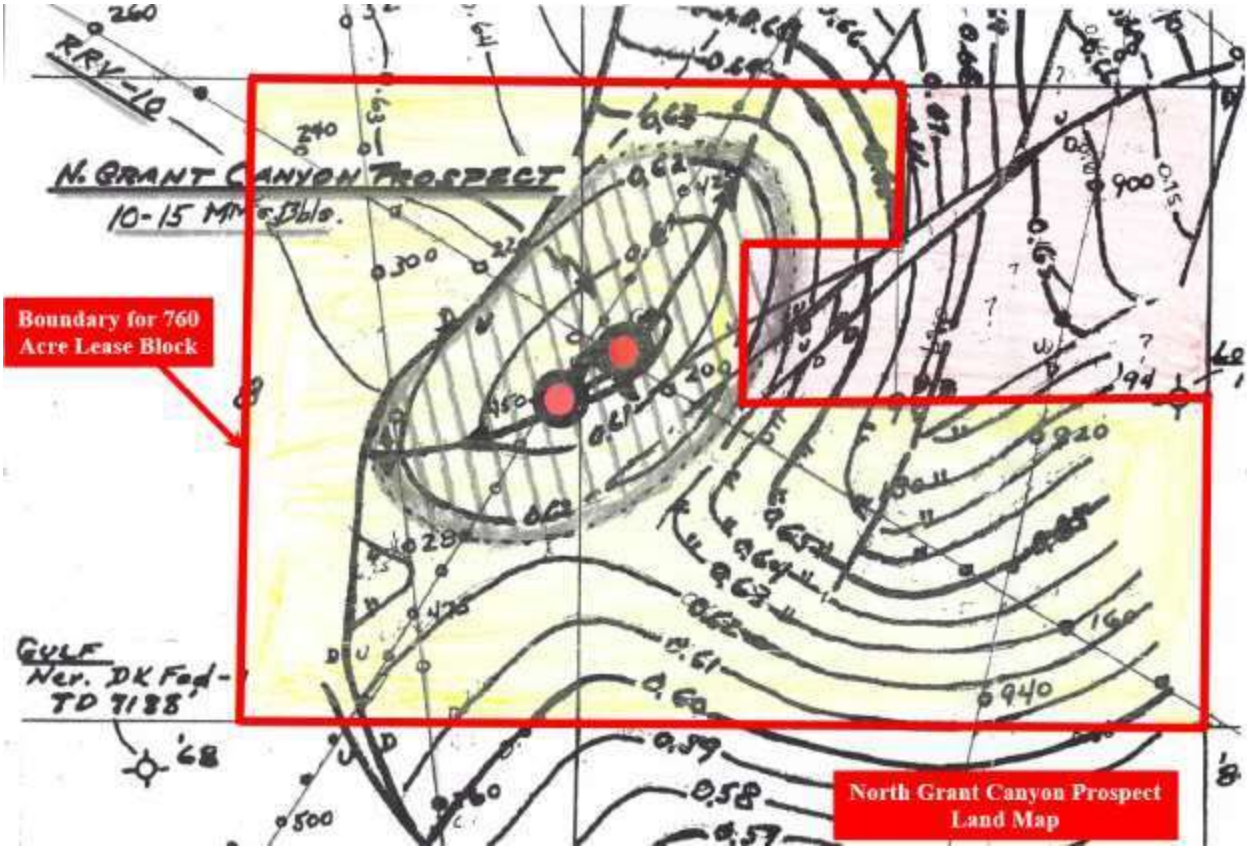
Reservoir	Estimated Depth
Sheep Pass Formation	5,000’
Devonian Guilmette Limestone	6,000’

For reference purposes only, the following figure depicts potential rock properties and stratigraphic information for our target reservoirs listed previously:



Land Position

The Lease is a United States Bureau of Land Management ("BLM") lease; and it comprises 760.0 mineral acres (*more or less*) in Nye County, Nevada.



The BLM Lease (*outlined above in Red*), with an effective date of September 1, 2016, was originally obtained by **Michael S. Johnson**. The Lease has a 10-year term and is subject to annual rental payments. In an effort to lend further credibility to the North Grant Canyon Prospect, the following excerpt taken from a July 9, 2015 article in The National Herald written about Michael S. Johnson is presented for your information (*See full article attached as Exhibit "A".*):

"Obscurity to Fame in the Oil Business, is Michael S. Johnson's 2012 autobiography with, as one might expect, special attention paid to his discovery of the Parshall Oil Field in North Dakota. A consulting petroleum geologist, Johnson is internationally recognized for his singular discovery which has resulted in the systematic development of the Bakken Formation, a reserve estimated at 18 billion barrels of oil. A major oil discovery, to say the least, Johnson's findings have done nothing less that change the nation's outlook on energy."

Proposed Deal Terms

Investor shall pay a Prospect Fee of Six Hundred Thousand Dollars ($600,000).

Under the terms of a mutually agreeable Farmout and Performance Agreement, Working Interests and Net Revenue Interests before and after Payout of the Initial Test Well are as follows:

Before Payout of Initial Test Well		
	Working Interest	**Net Revenue Interest**
Investor (s)	100.000%	75.000%
Department of the Interior (BLM)	0.000%	12.500% (LOR)
Over-Riding Royalty Interests	0.000%	12.500% (ORRI)
TOTALS	100.000%	100.000%

After Payout of Initial Test Well		
	Working Interest	**Net Revenue Interest**
Investor (s)	80.000%	60.000%
Hussey Oil & Gas Inc.	20.000%	15.000%
Department of the Interior (BLM)	0.000%	12.500% (LOR)
Over-Riding Royalty Interests	0.000%	12.500% (ORRI)
TOTALS	100.000%	100.000%

Under the terms of the Farmout and Performance Agreement, Payout is defined as follows:

"**Payout**" will be considered achieved when the Investor(s) has recovered One Hundred and Fifty Percent (150.00%) of the costs and expenses incurred by the Investor that are associated with the Initial Test Well from the net production from the North Grant Canyon Prospect (*i.e., production remaining after deducting royalty and taxes attributable to such production*). Those costs and expenses shall include the Prospect Fee and the costs associated with drilling and completion operations, facilities and placing the Initial Test Well on production together with all costs of operation (*but excluding overhead for producing operations*) during the Payout period.

AFE for 7,000' Initial Test Well

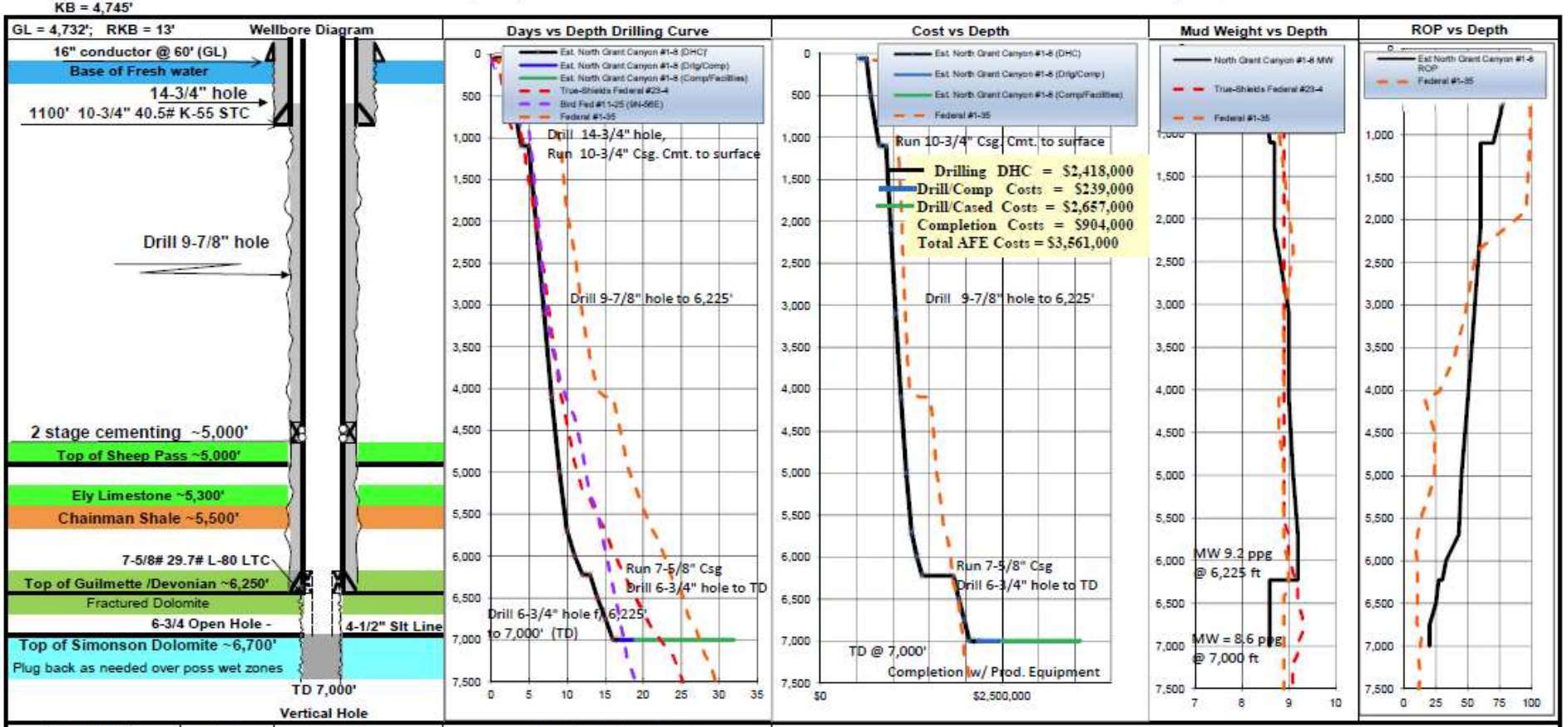
The AFE (*attached*) details estimated costs for drilling, completion and facilities for the 7,000' Initial Test Well. Dry Hole Costs associated with the AFE are estimated to be $2,418,000. Total AFE Costs are estimated to be $3,561,000.

Pertinent information used in the estimates for this AFE are presented below:

North Grant Canyon #1-8

SLOTTER LINER CASE

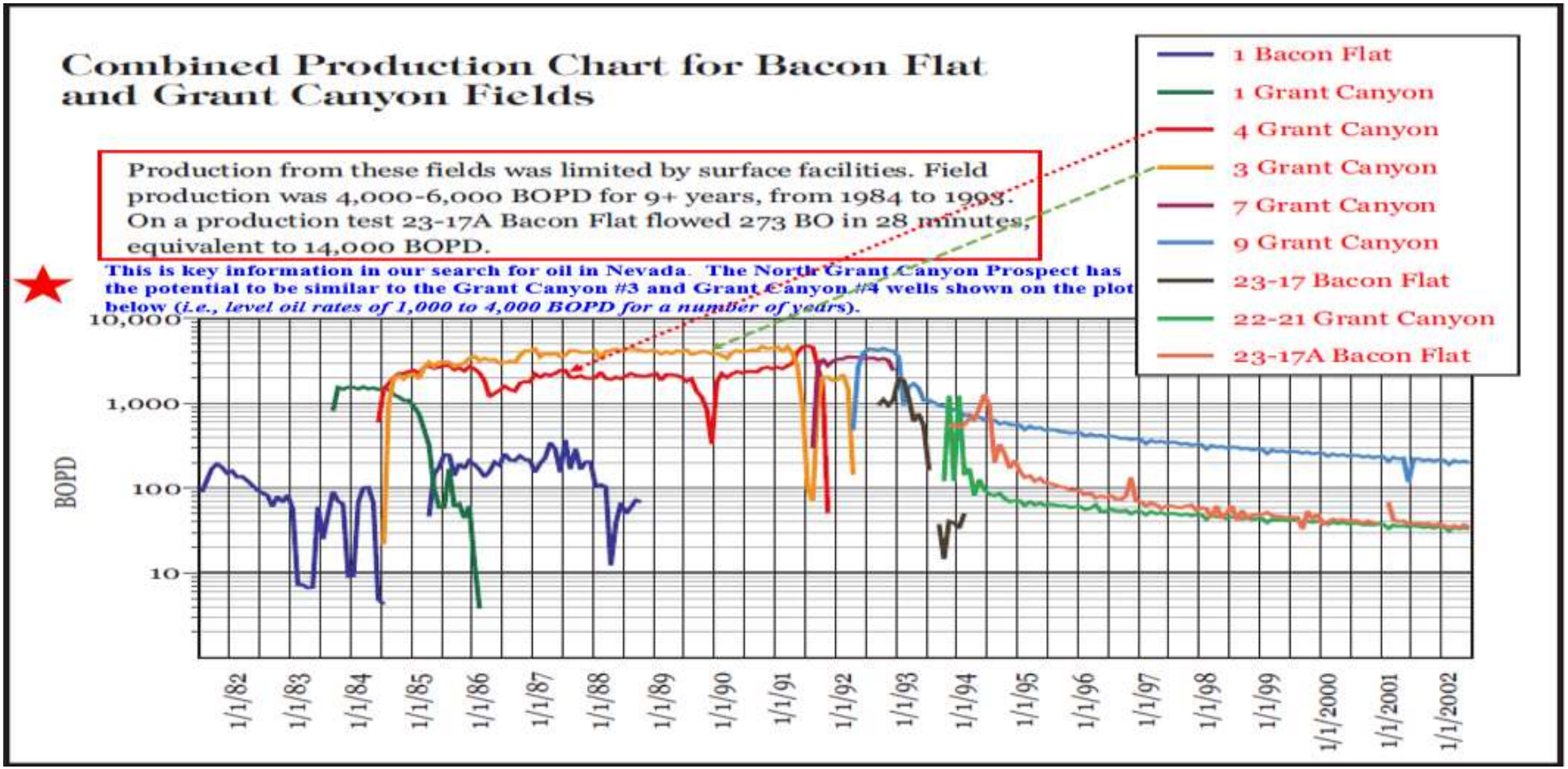
Drill/Cased AFE Amount $ = $2,657,000 **Total AFE Amount = $3,561,000** **AFE#: TBD**



Depth /Hole Size		Depth	Casing	Slurry (Lead stage slurry)			
0' to 1,100'	14-3/4"	1100	10-3/4" 40.5# K-55 STC	xxx ft3 Type III cmt. mixed at 12.5 ppg	xxx ft3 Type III cmt. mixed at 12.5 ppg	FWG	
1,100' to 6,225'	9-7/8"	6,225	7-5/8" 29.7# L-80 LTC	xxx ft3 Type III cmt. mixed at 12.5 ppg	xxx ft3 Type III cmt. mixed at 12.5 ppg	8.8 - 9.2 DMA/Pac Polymer	by - Jim Hussey, Ivan Allred
6,250' to PBTD	6-3/4"	PBTD	4-1/2" 11.6# L-80 LTC	Slt Liner (80Mx24Rx6"Cx2"S)	Slt Liner (80Mx24Rx6"Cx2"S)	8.4 - 8.6 DMA/Pac Polymer	

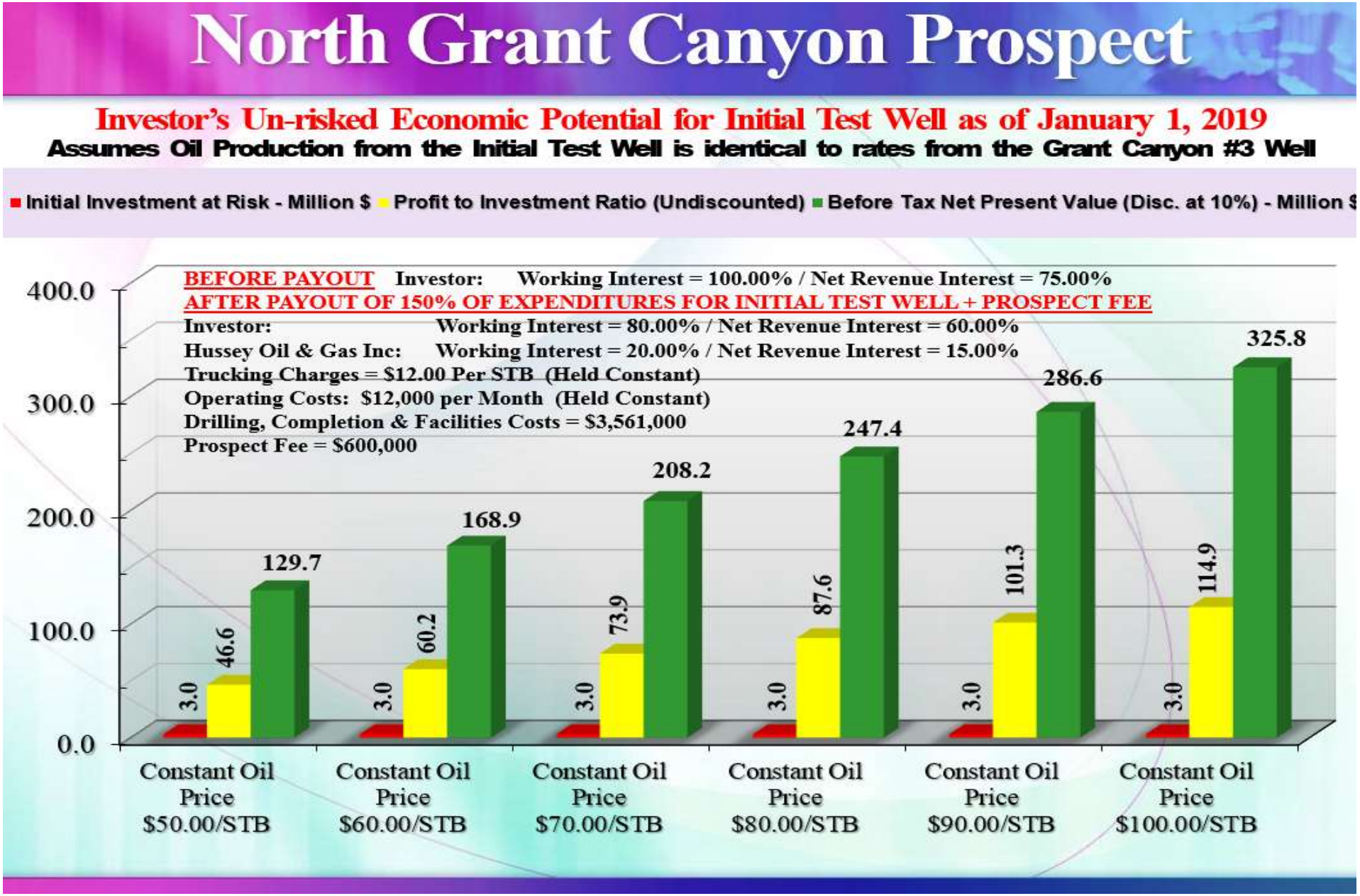
Estimate of Potential Oil Production Rates

As with any exploratory well, estimates of initial oil production rate, annual production decline rate and ultimate oil reserves are subject to many variables. The most prolific oil field in Nevada was discovered in 1983 in Railroad Valley when Northwest Exploration Grant Canyon No. 1 was drilled and completed. The discovery well watered out and was shut in by early 1986; at year-end the remaining two field wells continued to produce at average rates of 2,200 and 4,100 barrels of oil per day. For a time, Grant Canyon No. 3 was the most prolific onshore oil well in the continental United States, flowing up to 4,500 barrels of oil per day. Cumulative oil production from the well was over 9.4 Million Barrels. The Grant Canyon #3 demonstrates the potential rates that could be realized from a commercial well in Nevada. It is possible that the North Grant Canyon Prospect may realize production more than 10,000 barrels of oil per day from a single well. Production plots for selected wells in the nearby Railroad Valley Field are as follows:

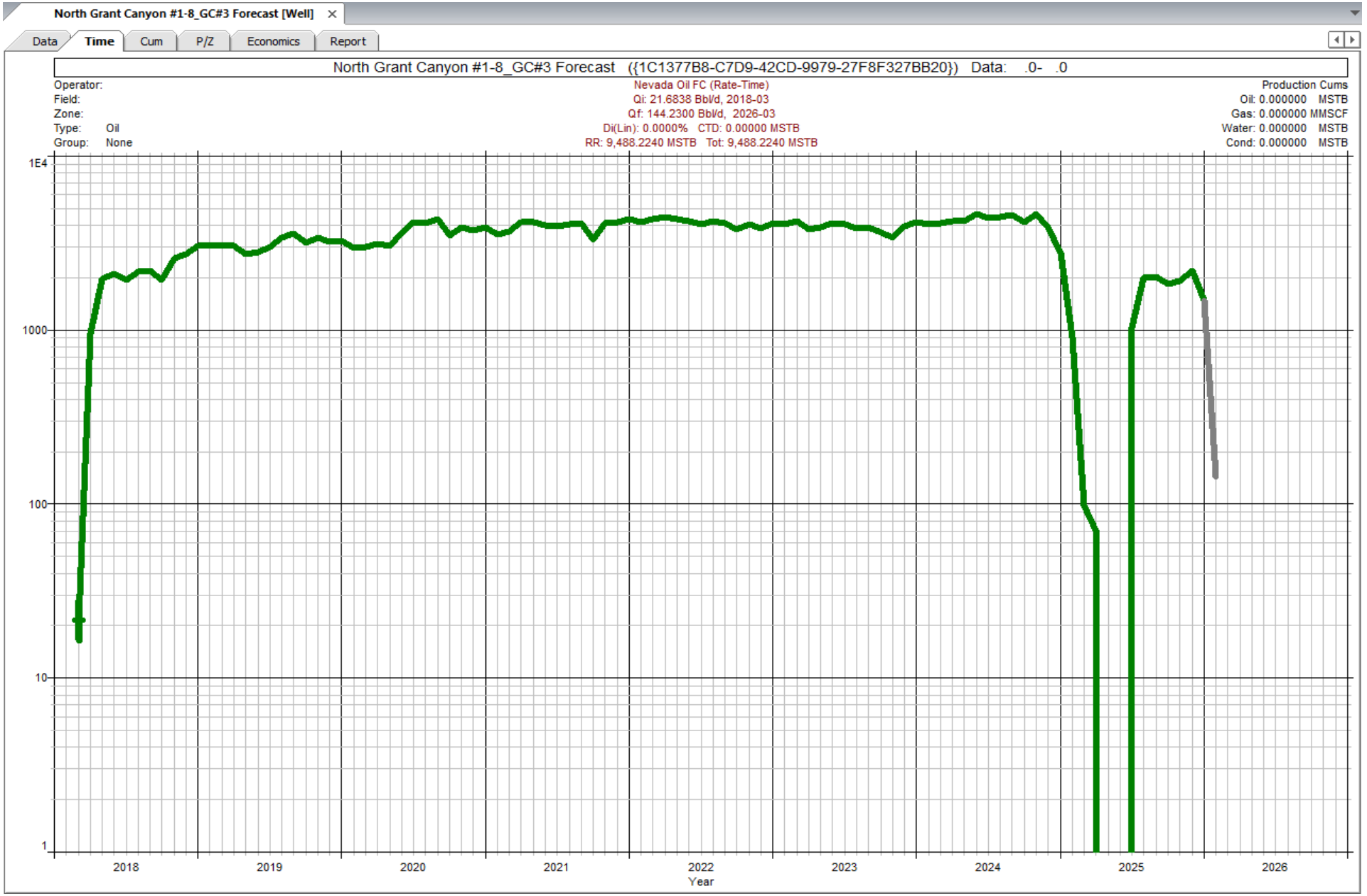


Potential Economics for a Grant Canyon #3 Type Well

If we are fortunate enough to drill and complete a Grant Canyon #3 type well, potential economics for our Initial Test Well could be as follows:



The potential economics shown above reflect production rates that are identical to oil rates from the Grant Canyon #3, as depicted in the following production plot:



North Grant Canyon Prospect

Investor's Unrisked Economic Potential for the Initial Test Well

Evaluation assumes an Oil Production Forecast that is identical to oil rates from the Grant Canyon #3 Well

"As of Date" = January 1, 2019

Assumptions:

BEFORE PAYOUT: Investor: Working Interest = 100.00% / Net Revenue Interest = 75.00%

AFTER PAYOUT OF 150% OF EXPENDITURES FOR INITIAL TEST WELL + PROSPECT FEE

Investor: Working Interest = 80.00% / Net Revenue Interest = 60.00%

Hussey Oil & Gas Inc: Working Interest = 20.00% / Net Revenue Interest = 15.00%

Oil Price = $70.00 per STB (Held Constant)

Trucking Charges = $12.00 Per STB (Held Constant)

Operating Costs: $12,000 per Month (Held Constant)

Prospect Fee = $600,000; Single Well AFE (100% W.I.) = $3,561,000

NET PRESENT VALUES

Rate %	Operating Income $	Before Tax Capital Investment - $	Before Tax Cash Flow $
0.00	307,538,000	4,161,000	303,377,000
5.00	253,261,000	4,161,000	249,100,000
10.00	212,312,000	4,161,000	208,151,000
15.00	180,813,000	4,161,000	176,652,000
20.00	156,156,000	4,161,000	151,995,000
25.00	136,546,000	4,161,000	132,385,000

ECONOMIC INDICATORS

		Before Tax
ROR	%	>800
Payout Period	Months	5.2
Profit to Investment	M$/M$	73.9
10.0% DPI	M$/M$	51.0
20.0% DPI	M$/M$	37.5
NPV/Vol@10.0%	M$/MSTB	27.3
NPV/Vol@15.0%	M$/MSTB	19.9
Economic Limit Date		Feb-26

DPI = Discounted Profit to

PRODUCT RECOVERY

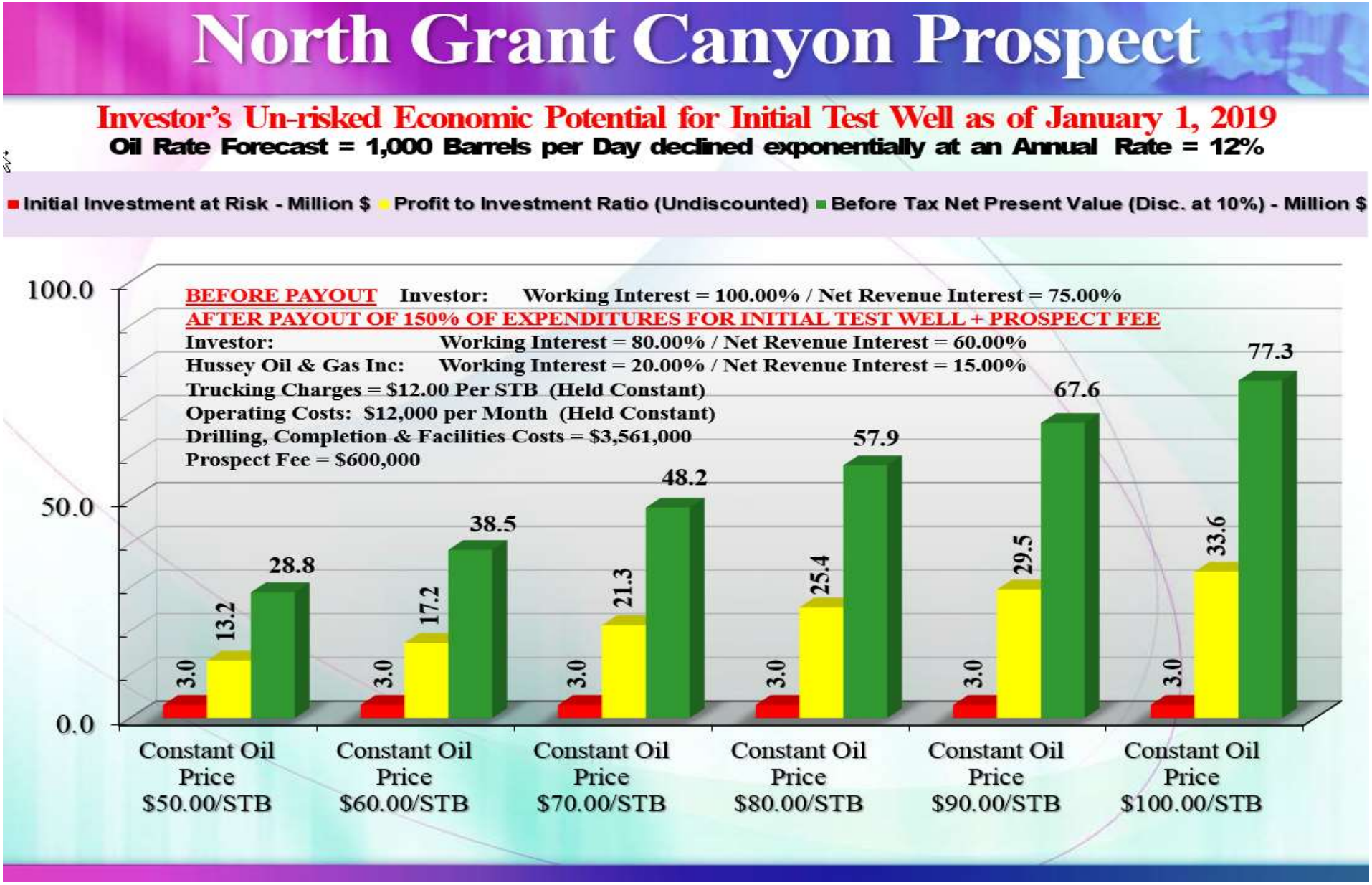
		Total	Working Interest
Oil	STB	9,488,000	7,621,500
Gas-Sales	MMSCF	0	0
Ethane	MSTB	0	0
Propane	MSTB	0	0
Butane	MSTB	0	0
Cond.	MSTB	0	0
Sulphur	MLt	0	0
Other	MSTB	0	0

CASH FLOW SUMMARY

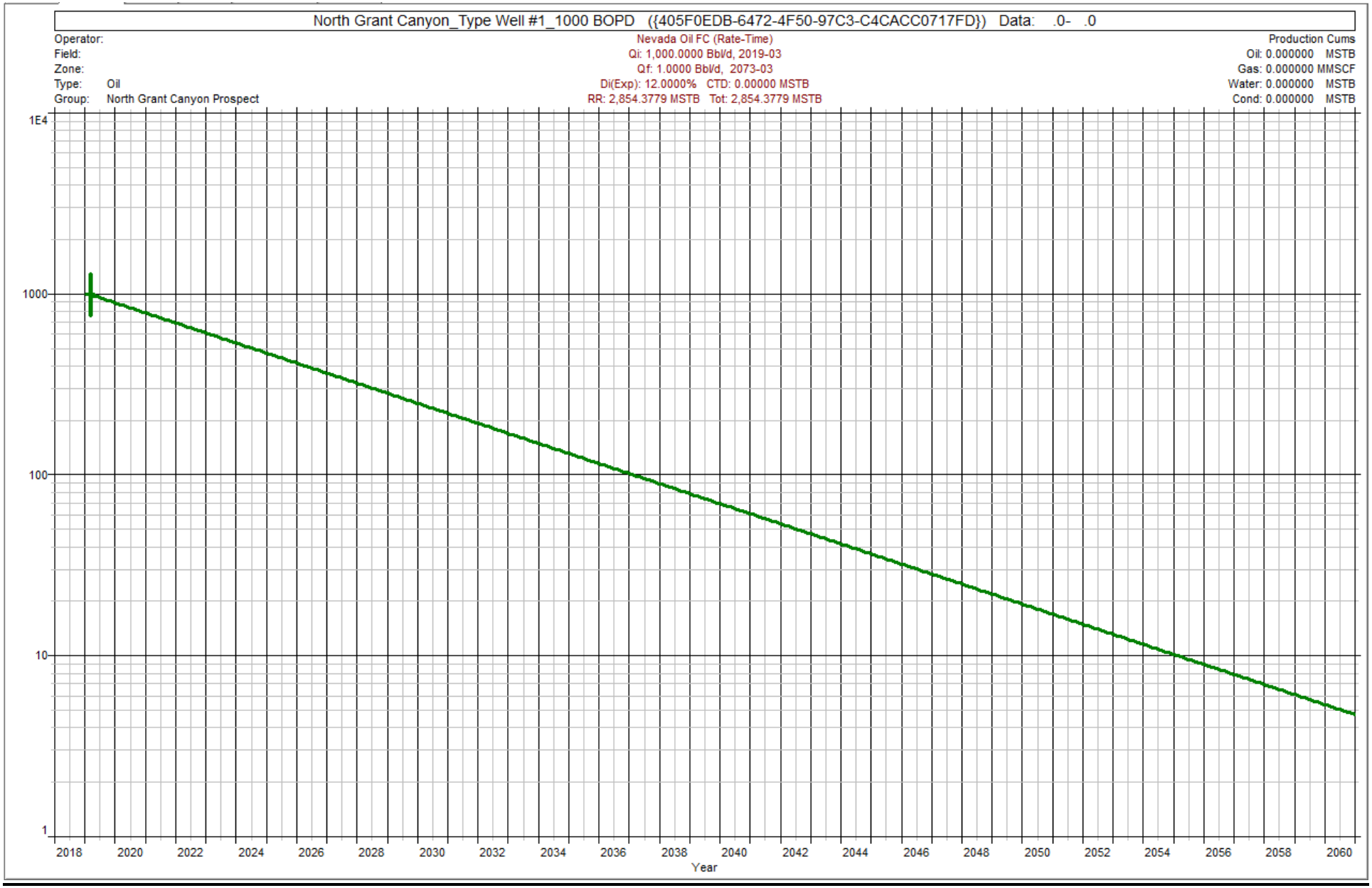
Date	Oil Volume STB	Gas Sales MMSCF	Working Interest Total BOE Production STB	Oil Price $/STB	Gas Price $/MMBTU	Total Revenue $	Total Burdens $	Total Operating Cost $	Operating Income $	Oil Netback Before Tax $/STB	Gas Netback $/MCF	Working Interest Total Capital $	Before Tax Cash Flow $	Cumulative Before Tax Cash Flow $
2019 - Jan									0			4,161,000	(4,161,000)	(4,161,000)
2019 - Feb									0			0	0	(4,161,000)
2019 - Mar	700	-----	700	70.00	-----	46,000	12,000	20,000	14,000	20.00	-----	0	14,000	(4,147,000)
2019 - Apr	29,300	-----	29,300	70.00	-----	2,050,000	513,000	364,000	1,173,000	40.03	-----	0	1,173,000	(2,974,000)
2019 - May	59,900	-----	59,900	70.00	-----	4,196,000	1,051,000	731,000	2,414,000	40.30	-----	0	2,414,000	(560,000)
2019 - Jun	64,500	-----	64,500	70.00	-----	4,513,000	1,130,000	786,000	2,597,000	40.26	-----	0	2,597,000	2,037,000
2019 - Jul	47,100	-----	47,100	70.00	-----	3,295,000	825,000	574,000	1,896,000	40.25	-----	0	1,896,000	3,933,000
2019 - Aug	52,700	-----	52,700	70.00	-----	3,687,000	923,000	642,000	2,122,000	40.27	-----	0	2,122,000	6,055,000
2019 - Sep	53,300	-----	53,300	70.00	-----	3,731,000	934,000	649,000	2,148,000	40.30	-----	0	2,148,000	8,203,000
2019 - Oct	47,400	-----	47,400	70.00	-----	3,320,000	831,000	579,000	1,910,000	40.30	-----	0	1,910,000	10,113,000
2019 - Nov	63,400	-----	63,400	70.00	-----	4,435,000	1,111,000	770,000	2,554,000	40.28	-----	0	2,554,000	12,667,000
2019 - Dec	66,400	-----	66,400	70.00	-----	4,645,000	1,163,000	806,000	2,676,000	40.30	-----	0	2,676,000	15,343,000
2020	915,000	-----	915,000	70.00	-----	64,051,000	16,037,000	11,095,000	36,919,000	40.35	-----	0	36,919,000	52,262,000
2021	1,046,000	-----	1,046,000	70.00	-----	73,221,000	18,333,000	12,667,000	42,221,000	40.36	-----	0	42,221,000	94,483,000
2022	1,151,800	-----	1,151,800	70.00	-----	80,628,000	20,187,000	13,937,000	46,504,000	40.38	-----	0	46,504,000	140,987,000
Sub-Total	3,597,500	-----	3,597,500	70.00	-----	251,818,000	63,050,000	43,620,000	145,148,000	40.35	-----	4,161,000	140,987,000	
Remaining	4,024,000	-----	4,024,000	70.00	-----	281,684,000	70,525,000	48,769,000	162,390,000	40.36	-----	0	162,390,000	$303,377,000
Total	7,621,500	-----	7,621,500	70.00	-----	533,502,000	133,575,000	92,389,000	307,538,000	40.35	-----	4,161,000	303,377,000	

Potential Economics for a Discovery Well with an Initial Oil Rate = 1,000 BOPD

Should we drill and complete an Initial Test Well that produces at an initial oil rate of 1,000 barrels per day and production declines exponentially at 12% per year, potential economics for our Initial Test Well would be as follows:



The potential economics shown above reflect oil rates equal to an initial oil rate of 1,000 barrels per day, declined exponentially at 12% per year, as depicted on the following production plot:



North Grant Canyon Prospect

Investor's Unrisked Economic Potential for the Initial Test Well

Oil Rate Forecast assumes an Initial Oil Rate = 1,000 Barrels per Day, which is declined Exponentially at an Annual Rate = 12%

"As of Date" = January 1, 2019

Assumptions:

BEFORE PAYOUT: Investor: Working Interest = 100.00% / Net Revenue Interest = 75.00%
AFTER PAYOUT OF 150% OF EXPENDITURES FOR INITIAL TEST WELL + PROSPECT FEE
Investor: Working Interest = 80.00% / Net Revenue Interest = 60.00%
Hussey Oil & Gas Inc: Working Interest = 20.00% / Net Revenue Interest = 15.00%
Oil Price = $70.00 per STB (Held Constant)
Trucking Charges = $12.00 Per STB (Held Constant)
Operating Costs: $12,000 per Month (Held Constant)
Prospect Fee = $600,000; Single Well AFE (100% W.I.) = $3,561,000

NET PRESENT VALUES

Rate %	Operating Income $	Before Tax Capital Investment - $	Before Tax Cash Flow $
0.00	88,680,000	4,161,000	84,519,000
5.00	65,714,000	4,161,000	61,553,000
10.00	52,399,000	4,161,000	48,238,000
15.00	43,804,000	4,161,000	39,643,000
20.00	37,819,000	4,161,000	33,658,000
25.00	33,415,000	4,161,000	29,254,000

ECONOMIC INDICATORS

		Before Tax
ROR	%	>800
Payout Period	Months	5.5
Profit to Investment	M$/M$	21.3
10.0% DPI	M$/M$	12.6
20.0% DPI	M$/M$	9.1
NPV/Vol@10.0%	M$/MSTB	21.0
NPV/Vol@15.0%	M$/MSTB	14.7
Economic Limit Date		May-54

DPI = Discounted Profit to

PRODUCT RECOVERY

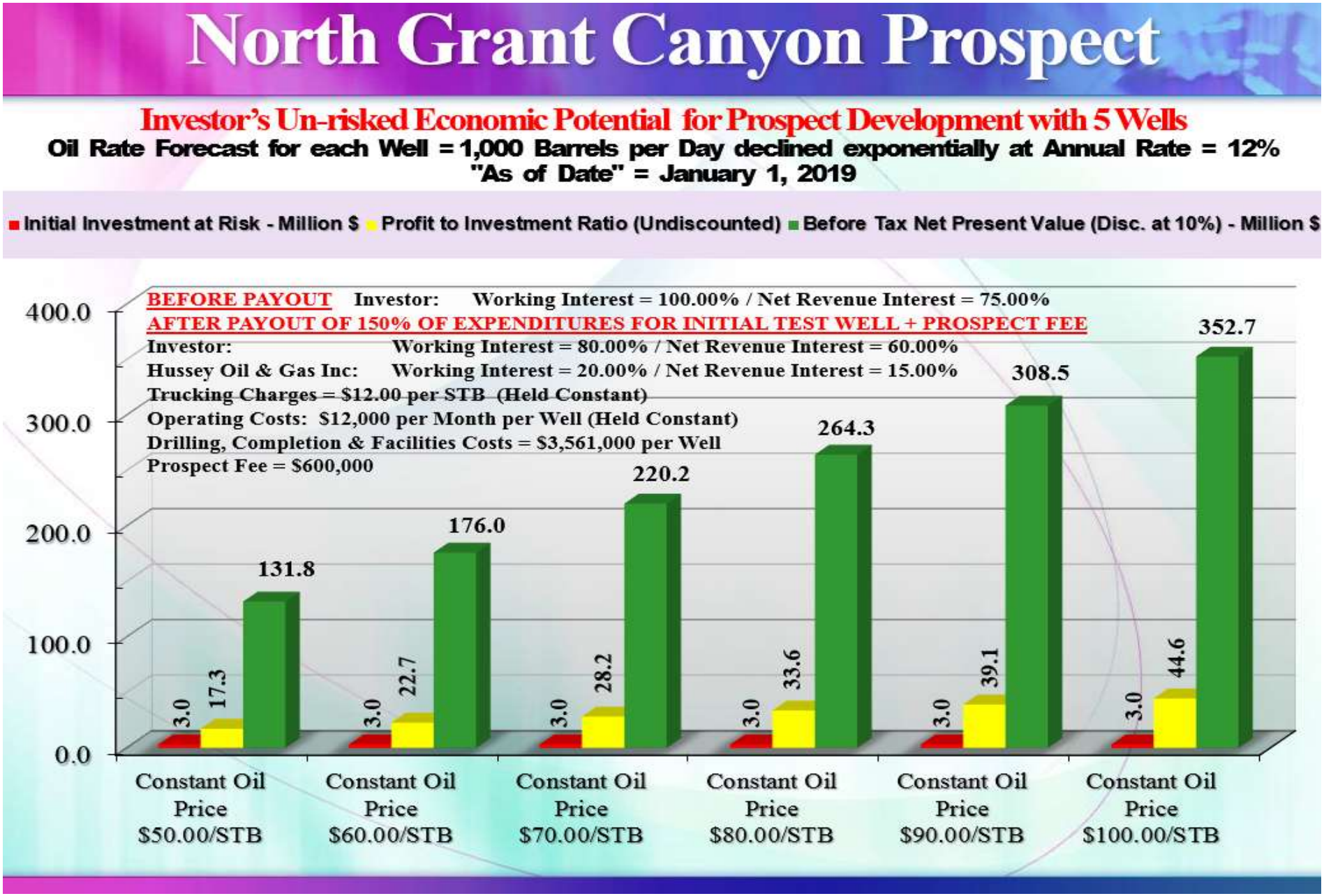
		Total	Working Interest
Oil	STB	2,854,000	2,294,500
Gas-Sales	MMSCF	0	0
Ethane	MSTB	0	0
Propane	MSTB	0	0
Butane	MSTB	0	0
Cond.	MSTB	0	0
Sulphur	MLt	0	0
Other	MSTB	0	0

CASH FLOW SUMMARY

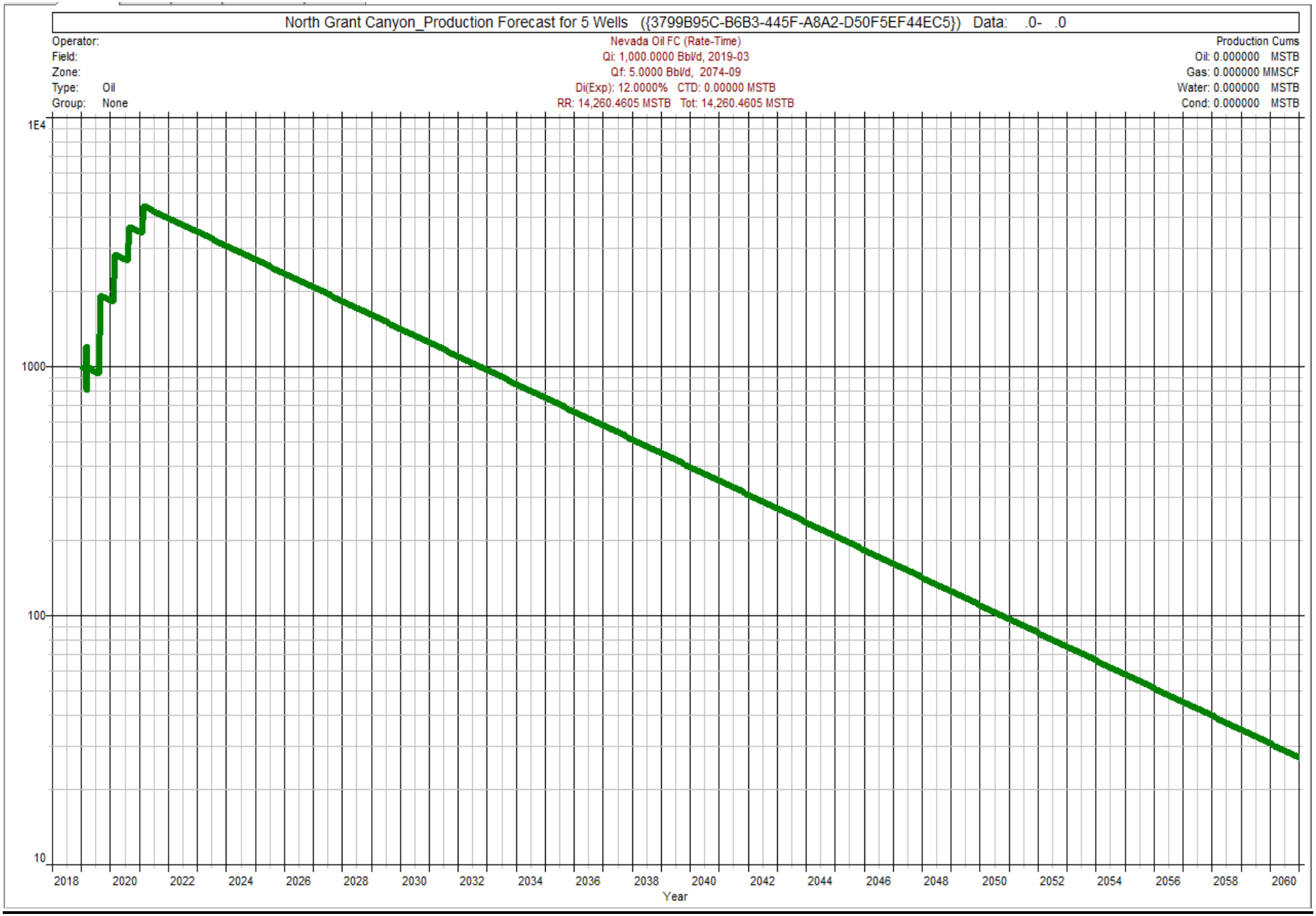
Date	Oil Volume STB	Gas Sales MMSCF	Working Interest Total BOE Production STB	Oil Price $/STB	Gas Price $/MMBTU	Total Revenue $	Total Burdens $	Total Operating Cost $	Operating Income $	Oil Netback Before Tax $/STB	Gas Netback $/MCF	Working Interest Total Capital $	Before Tax Cash Flow $	Cumulative Before Tax Cash Flow $
2019 - Jan									0			4,161,000	(4,161,000)	(4,161,000)
2019 - Feb									0			0	0	(4,161,000)
2019 - Mar	30,300	-----	30,300	70.00	-----	2,119,000	531,000	375,000	1,213,000	40.03	-----	0	1,213,000	(2,948,000)
2019 - Apr	30,000	-----	30,000	70.00	-----	2,097,000	525,000	371,000	1,201,000	40.03	-----	0	1,201,000	(1,747,000)
2019 - May	29,600	-----	29,600	70.00	-----	2,075,000	519,000	368,000	1,188,000	40.14	-----	0	1,188,000	(559,000)
2019 - Jun	29,300	-----	29,300	70.00	-----	2,053,000	514,000	364,000	1,175,000	40.10	-----	0	1,175,000	616,000
2019 - Jul	29,000	-----	29,000	70.00	-----	2,031,000	508,000	360,000	1,163,000	40.10	-----	0	1,163,000	1,779,000
2019 - Aug	24,300	-----	24,300	70.00	-----	1,699,000	425,000	301,000	973,000	40.04	-----	0	973,000	2,752,000
2019 - Sep	22,700	-----	22,700	70.00	-----	1,590,000	398,000	282,000	910,000	40.09	-----	0	910,000	3,662,000
2019 - Oct	22,500	-----	22,500	70.00	-----	1,574,000	394,000	279,000	901,000	40.04	-----	0	901,000	4,563,000
2019 - Nov	22,200	-----	22,200	70.00	-----	1,557,000	390,000	277,000	890,000	40.09	-----	0	890,000	5,453,000
2019 - Dec	22,000	-----	22,000	70.00	-----	1,540,000	386,000	274,000	880,000	40.00	-----	0	880,000	6,333,000
2020	246,600	-----	246,600	70.00	-----	17,260,000	4,322,000	3,074,000	9,864,000	40.00	-----	0	9,864,000	16,197,000
2021	217,000	-----	217,000	70.00	-----	15,189,000	3,803,000	2,719,000	8,667,000	39.94	-----	0	8,667,000	24,864,000
2022	190,900	-----	190,900	70.00	-----	13,366,000	3,347,000	2,407,000	7,612,000	39.87	-----	0	7,612,000	32,476,000
Sub-Total	916,400	-----	916,400	70.00	-----	64,150,000	16,062,000	11,451,000	36,637,000	39.98	-----	4,161,000	32,476,000	
Remaining	1,378,100	-----	1,378,100	70.00	-----	96,467,000	24,152,000	20,272,000	52,043,000	37.76	-----	0	52,043,000	$84,519,000
Total	2,294,500	-----	2,294,500	70.00	-----	160,617,000	40,214,000	31,723,000	88,680,000	38.65	-----	4,161,000	84,519,000	

Potential Economics for Five Well Development of Prospect

This evaluation assumes that 5 wells are drilled and completed with each well producing at an initial oil rate of 1,000 barrels per day and oil production is declined exponentially at 12% per year. Each completion is assumed to occur every 6 months.



The oil production forecast for this evaluation is depicted in the following production plot:



Based on the above production forecast, total oil recovery for this evaluation would be approximately 14,147,000 barrels of oil. Potential economics for such a forecast is as follows:

North Grant Canyon Prospect

Investor's Unrisked Economic Potential for Prospect Development with 5 Wells

Oil Rate Forecasts assume that each Well has an Initial Oil Rate = 1,000 Barrels per Day declined Exponentially at an Annual Rate = 12%

"As of Date" = January 1, 2019

Assumptions:

BEFORE PAYOUT: Investor: Working Interest = 100.00% / Net Revenue Interest = 75.00%
AFTER PAYOUT OF 150% OF EXPENDITURES FOR INITIAL TEST WELL + PROSPECT FEE
Investor: Working Interest = 80.00% / Net Revenue Interest = 60.00%
Hussey Oil & Gas Inc: Working Interest = 20.00% / Net Revenue Interest = 15.00%
Oil Price = $70.00 per STB (Held Constant)
Trucking Charges = $12.00 Per STB (Held Constant)
Operating Costs: $12,000 per Month (Held Constant)
Prospect Fee = $600,000; Single Well AFE (100% W.I.) = $3,561,000

NET PRESENT VALUES

Rate %	Operating Income $	Before Tax Capital Investment - $	Before Tax Cash Flow $
0.00	438,438,000	15,556,000	422,882,000
5.00	308,518,000	14,886,000	293,632,000
10.00	234,449,000	14,291,000	220,158,000
15.00	187,400,000	13,759,000	173,641,000
20.00	155,160,000	13,281,000	141,879,000
25.00	131,825,000	12,850,000	118,975,000

ECONOMIC INDICATORS

		Before Tax
ROR	%	>800
Payout Period	Months	5.5
Profit to Investment	M$/M$	28.2
10.0% DPI	M$/M$	16.4
20.0% DPI	M$/M$	11.7
NPV/Vol@10.0%	M$/MSTB	19.4
NPV/Vol@15.0%	M$/MSTB	12.5
Economic Limit Date		May-56

DPI = Discounted Profit to

PRODUCT RECOVERY

		Total	Working Interest
Oil	STB	14,147,000	11,348,800
Gas-Sales	MMSCF	0	0
Ethane	MSTB	0	0
Propane	MSTB	0	0
Butane	MSTB	0	0
Cond.	MSTB	0	0
Sulphur	MLt	0	0
Other	MSTB	0	0

CASH FLOW SUMMARY

Date	Oil Volume STB	Gas Sales MMSCF	Working Interest Total BOE Production STB	Oil Price $/STB	Gas Price $/MMBTU	Total Revenue $	Total Burdens $	Total Operating Cost $	Operating Income $	Oil Netback Before Tax $/STB	Gas Netback $/MCF	Working Interest Total Capital $	Before Tax Cash Flow $	Cumulative Before Tax Cash Flow $
2019 - Jan									0			4,161,000	(4,161,000)	(4,161,000)
2019 - Feb									0			0	0	(4,161,000)
2019 - Mar	30,300	-----	30,300	70.00	-----	2,119,000	531,000	375,000	1,213,000	40.03	-----	0	1,213,000	(2,948,000)
2019 - Apr	30,000	-----	30,000	70.00	-----	2,097,000	525,000	371,000	1,201,000	40.03	-----	0	1,201,000	(1,747,000)
2019 - May	29,600	-----	29,600	70.00	-----	2,075,000	519,000	368,000	1,188,000	40.14	-----	0	1,188,000	(559,000)
2019 - Jun	29,300	-----	29,300	70.00	-----	2,053,000	514,000	364,000	1,175,000	40.10	-----	0	1,175,000	616,000
2019 - Jul	29,000	-----	29,000	70.00	-----	2,031,000	508,000	360,000	1,163,000	40.10	-----	2,849,000	(1,686,000)	(1,070,000)
2019 - Aug	24,300	-----	24,300	70.00	-----	1,699,000	425,000	301,000	973,000	40.04	-----	0	973,000	(97,000)
2019 - Sep	46,900	-----	46,900	70.00	-----	3,286,000	823,000	583,000	1,880,000	40.09	-----	0	1,880,000	1,783,000
2019 - Oct	46,400	-----	46,400	70.00	-----	3,251,000	814,000	577,000	1,860,000	40.09	-----	0	1,860,000	3,643,000
2019 - Nov	46,000	-----	46,000	70.00	-----	3,217,000	805,000	571,000	1,841,000	40.02	-----	0	1,841,000	5,484,000
2019 - Dec	45,500	-----	45,500	70.00	-----	3,183,000	797,000	565,000	1,821,000	40.02	-----	0	1,821,000	7,305,000
2020	835,800	-----	835,800	70.00	-----	58,503,000	14,648,000	10,394,000	33,461,000	40.03	-----	5,698,000	27,763,000	35,068,000
2021	1,188,700	-----	1,188,700	70.00	-----	83,209,000	20,834,000	14,821,000	47,554,000	40.01	-----	2,848,000	44,706,000	79,774,000
2022	1,089,400	-----	1,089,400	70.00	-----	76,256,000	19,093,000	13,649,000	43,514,000	39.94	-----	0	43,514,000	123,288,000
Sub-Total	3,471,200	-----	3,471,200	70.00	-----	242,979,000	60,836,000	43,299,000	138,844,000	40.00	-----	15,556,000	123,288,000	$422,882,000
Remaining	7,877,600	-----	7,877,600	70.00	-----	551,440,000	138,067,000	113,780,000	299,594,000	38.03	-----	0	299,594,000	
Total	11,348,800	-----	11,348,800	70.00	-----	794,419,000	198,903,000	157,079,000	438,438,000	38.63	-----	15,556,000	422,882,000	

Nevada Exploration History

1954

Nevada's first oil discovery by Shell Oil Company at Eagle Springs Field produced Five Million (5,000,000) barrels.

1955 to 1975

Encouraged by the new Shell Oil discovery, approximately three hundred plus (300^{+}) wells were drilled in a twenty-two (22) year period. These wells were primarily based on seismic data. All were dry holes.

1976

Norm Foster's first photo-geologic prospect on the western flank of Railroad Valley was drilled. The result was the discovery of the Fifteen Million (15,000,000) barrel Trap Springs Oil Field.

1983

Norm Foster's photo-geologic prospect on the eastern flank of Railroad Valley was drilled resulting in discovery of the prolific, Twenty-One Million plus ($21{,}000{,}000^{+}$) barrel Grant Canyon Field, which covers an estimated three hundred and fifty (350) acre area.

1985 to Present

With the incentive from the prolific Grant Canyon Field, many wildcat wells were drilled, mainly based on seismic prospects. Almost all were dry holes.

General Disclaimer

This Presentation has been prepared solely for use by prospective investors in considering their interest in participation in the North Grant Canyon Prospect. The information contained herein has been prepared to assist interested parties in making their independent evaluation of the Prospect and does not purport to contain all of the information that a prospective investor may desire.

Exhibits

EXHIBIT "A"

Michael S. Johnson: Discoverer of the Parshall Field in North Dakota

TNHstaff July 9, 2015

Obscurity to Fame in the Oil Business, is Michael S. Johnson's autobiography with attention paid to his discovery of the Parshall Oil Field in North Dakota.

Obscurity to Fame in the Oil Business, is Michael S. Johnson's 2012 autobiography with, as one might expect, special attention paid to his discovery of the Parshall Oil Field in North Dakota. A consulting petroleum geologist, Johnson is internationally recognized for his singular discovery which has resulted in the systematic development of the Bakken Formation, a reserve estimated at 18 billion barrels of oil. A major oil discovery, to say the least, Johnson's findings have done nothing less that change the nation's outlook on energy. Given the overall significance of Johnson's work his concise 150-page account serves to introduce us to this man's youth, family, career highlights and how he came–after 61 years in the petroleum industry–to make this unique contribution.

In 1882, Efstathios Giannakopoulos, Michael Johnson's father, was born in the small village of Kandela twenty-eight miles northeast of Tripoli in the Peloponnese. In 1896, at the age of 14 young Giannakopoulos left Kandela for Council Bluffs, IA. By 1910, more than a thousand Greeks lived in the Council Bluffs-Omaha area employed generally by the railroads, meat-packing industry and as laborers. By 1916, Giannakopoulos became an American citizen. Sometime before 1920, Giannakopoulos moved to Maryville, MO, a town in the northwestern region of the state where he owned a confectionary with his nephew as a partner.

In 1921, Giannakopoulos returned to Kandela and married Vasiliki Pappathanasopoulou (b 1897). At some point Giannakopoulos had changed his name to Sam Johnson and when he brought his new bride to Maryville she became known as Eva. Not long after the couple's return to Maryville, two daughters were born to Johnson's Helen and Panayiota (Nota) and then their last child Michael in June 1926. Johnson offers his memories of this period in his life and something of the kind of traditional Greek home, friends and community-life at large he experienced.

In 1931, Michael Johnson's his family moved to Tulsa, OK, then called the oil capital of the United States, and young Michael was immediately impressed with the oil business. Johnson graduated from Ohio State University with a BS degree (1947) and a MS (1949), both in geology. While technically Johnson began his professional career upon graduation, other events soon changed his life. In August 1950, the Korean War broke out and Johnson spent the next two years in the army. Details of this time are found in his fourth chapter, "The Army: A Career Detour at a Historic Moment" where Johnson outlines his involvement in early military nuclear testing on American soil. However one choses to date the beginning of Johnson's professional life, by at least 1949 he was to begin his 61-year career in the Rocky Mountain Region.

In the course of his autobiography, Johnson outlines in considerable detail his direct involvement in some 15 oil field discoveries in North Dakota, Montana, Colorado, Wyoming, and Kansas. Johnson spent his first nine years with The Amerada Petroleum Corporation attaining the position of district geologist for the Wyoming District in Casper, Wyoming. In 1958, he left Amerada to become Rocky Mountain Exploration Manager for Apache Oil Corporation in Denver, Colorado. In 1963, he left Apache to begin his career as an independent petroleum geologist and for the past 47 years, he has lived with his family in Denver focusing on his exploration efforts in the Williston Basin.

A seemingly endless stream of articles can be found on Michael Johnson given the magnitude of the Parshall Oil Field. Reading, Obscurity to Fame in the Oil Business closely one finds out not only about Johnson's personal life but his views about the oil industry. In terms of his personal life we learn of his courtship and marriage to his wife Kay and their subsequent family life together. In point of fact Johnson's autobiography cannot be read without simultaneously learning about his family at the exact moment he is discussing his professional career. At all times Johnson's prose is uncluttered. So his thoughts about the future of energy resources is also crystal clear: "What is needed is an oil and gas policy that will address energy security for the transition period from fossil fuels to renewables. More federal offshore oil and gas leases need to be made available in the Gulf of Mexico, in order to develop new oil fields. The oil and gas reserves in this area account for 25% of total domestic production. Forty percent of the U.S. petroleum refining capacity is also located there. The Gulf of Mexico has become an experimental area and a proving ground for development of new offshore technology that is spreading to other parts of the U.S. and to the world. Shell's Perdido Project, being developed in 6,600 feet of water 100 miles off shore from Texas, demonstrates the advance in drilling technology being used to develop the oil and gas fields of the future. The potential is huge. In addition, we need to expand federal offshore leasing along the eastern U.S. coast, as well as into the Artic and Alaska. New oil and gas discoveries in these areas could fill existing pipelines not currently transporting hydrocarbons at full capacity." Whether you agree with this assessment or not we can safely assume Johnson's views mirror those of his colleagues within the petroleum industry. Having said that we should also consider the fact that Johnson, given his career accomplishments and so standing within the petroleum industry may well be a voice others listen to very closely.

Let us go to heart of Johnson's career and so why he has every reason to believe from personal experience what he is advocating. Without exaggeration, Johnson rocked the American oil industry with the discovery of the Parshall Oil Field in North Dakota. The Parshall Field is located in Mountrail County of North Dakota, which essentially is the northwest corner of the state. Discovered in 2006, "it is an unusual and complex, stratigraphic-type trap. It has developed into a huge resource play covering some 40 townships, over 950,000 acres, and still expanding. The North Dakota Department of Mineral Resources estimates recoverable Bakken oil reserves…at 2.1 billion barrels, less than 1.5% of oil in place. It owes its existence to the development of horizontal drilling and modern frack techniques…Parshall gives credence to the belief that large, commercial oil and gas reserves in similar-type traps and reservoirs exist in the United States (www.searchanddiscover.com)." Consequently, Parshall is the largest oil field, in size, in North America, and extends over 2.5 million acres with producible reserves of some three billion barrels.

When you discover something of this magnitude, people tend to listen to you. Johnson is a sought-after speaker where he shares his recollections and experiences always noting that "together with financial success he has enjoyed the hunt and challenge of prospecting for oil and gas. This meant reviewing well logs, analyzing well histories, cores, drill stem tests and mapping oil and gas prospects and then selling these prospects to industry and enjoying the thrill of success and the disappointment of the failure of many dry holes. He has willingly competed in the ups and downs inherent in the oil industry. His message to college students, whether in academia or applied geology is that perseverance and tenacity are a needed quality and never believe that you cannot succeed in your endeavors regardless of the circumstances (aapg.org)."

In 2009, for his contributions to the Parshall discovery, Michael S. Johnson received the Explorer of the Year Award from the American Association of Petroleum Geologists (AAPG) and also from The Rocky Mountain Association of Geologists. In like measure the Michael S. Johnson Named Grant is awarded annually to a graduate student at the Ohio State University. It is awarded through the AAPG Foundation Grants in Aid program. More of Michael Johnson's family life and daily career experiences fill the pages of his autobiography than I have allowed in this review. While Johnson's account can certainly be read as a stand-alone tale there is much in it in terms of experiences, attitudes, uncertainties and subsequent actions that can be found in other Greek-American autobiographies. We are at a time when Greek America is writing its life story. It is a chorus. A chorus that we must stop and listen to one voice at a time.