

R30

R29

R28W1

Figure No. 1

T9

T9

T8

T8

T7

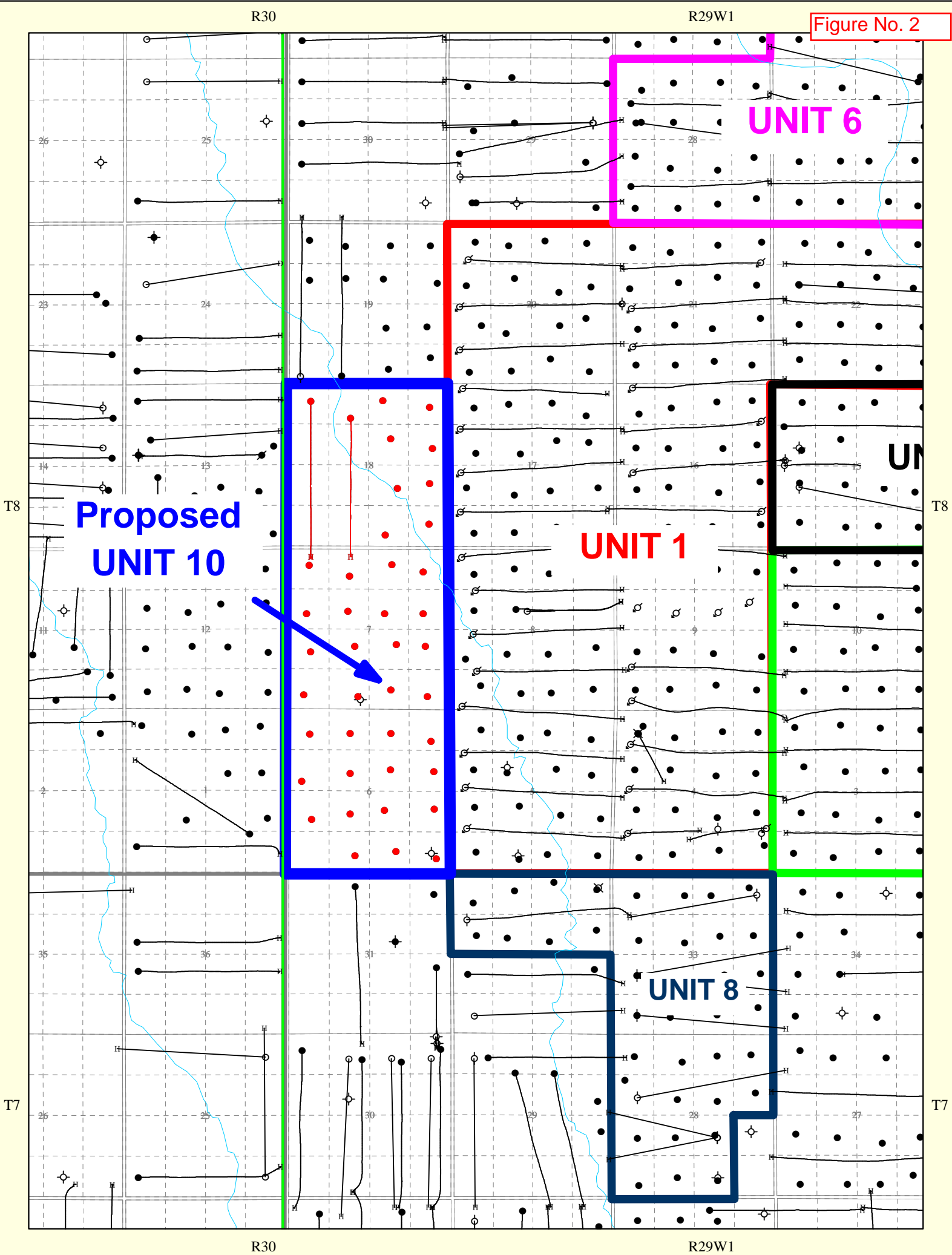
T7

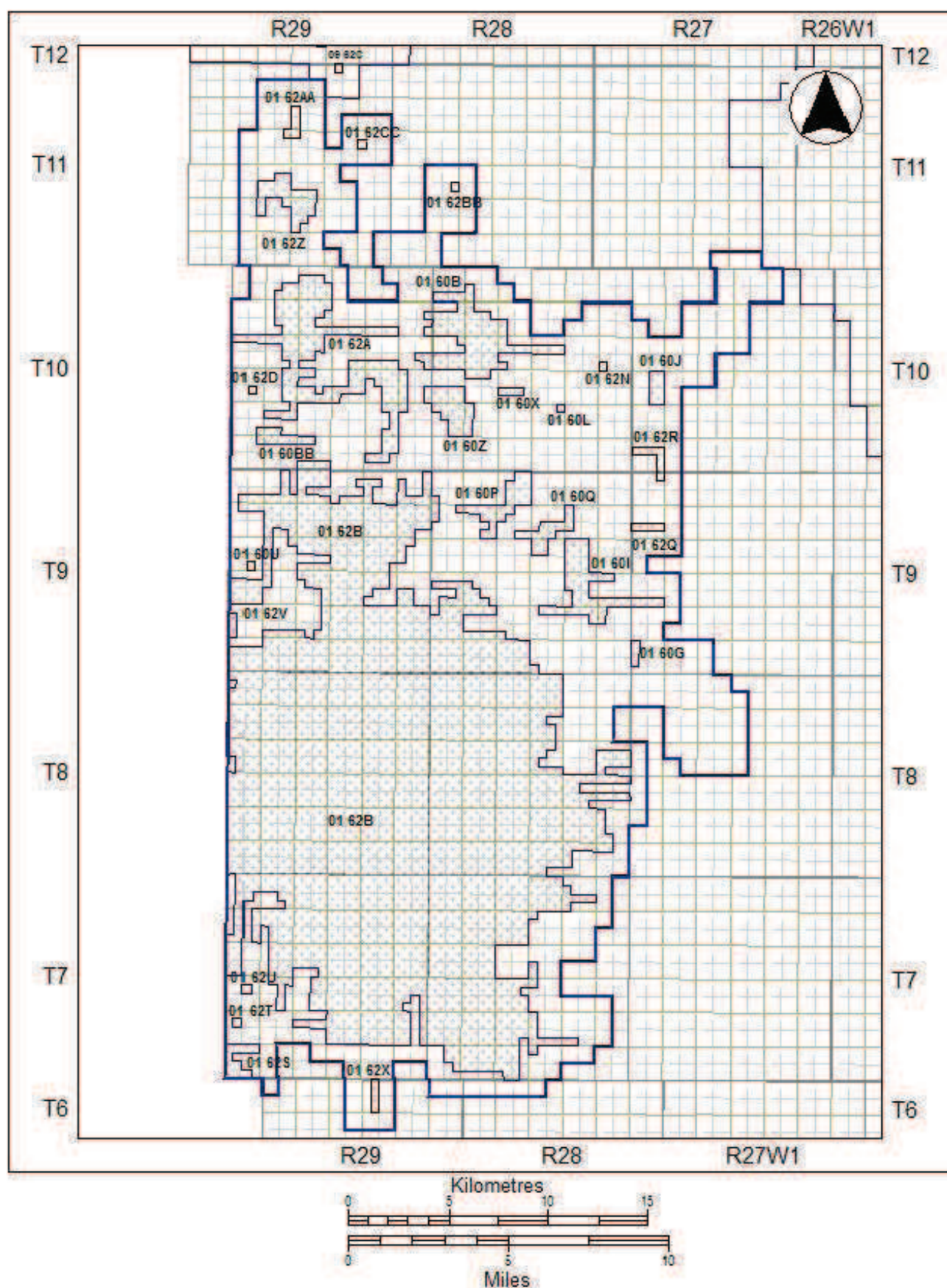
R30

R29

R28W1







**FIGURE 14 - DALY SINCLAIR BAKKEN & BAKKEN-THREE FORKS POOLS
(01 60A - 01 60BB & 01 62A – 01 62CC)** (Drawn on the DLS System Quarter Section Grid)

Production Graph

| | | | | | |
|-------------|-----------|------------|----------|----------|--------------------|
| # of Wells: | 41 | Prod Zone: | BAKKEN | On Prod: | 2003-02 to 2012-11 |
| Fluid: | Oil | Field: | DALY (1) | Cum Oil: | 1184175.8 bbl |
| Mode: | Producing | Pool Code: | 62B | Cum Gas: | 0.0 mcf |
| | | Unit Code: | | Cum Wtr: | 449870.3 bbl |

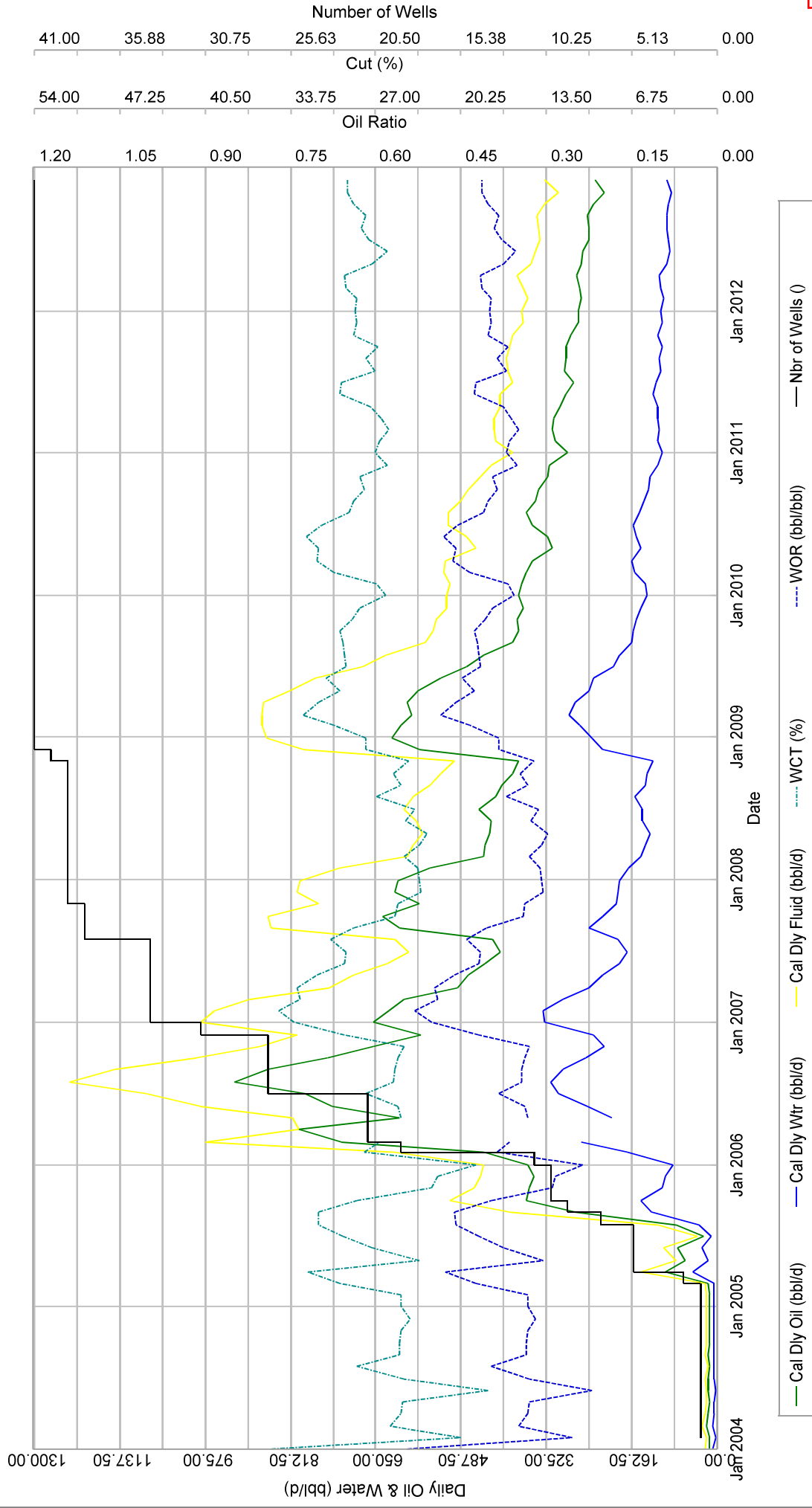


Figure No. 4

R30

R29W1

Figure No. 5

UNIT 10

Proposed Injectors

T8

T8

R30

R29W1

Sinclair Unit #1 Section 4 Pilot Wells

Production Graph

| | | | | | |
|-------------|----------------------|------------|-----------------|----------|--------------------|
| # of Wells: | 16 | Prod Zone: | BAKKEN; TORQUAY | On Prod: | 2004-12 to 2012-10 |
| Fluid: | Oil; Water Injection | Field: | DALY (1) | Cum Oil: | 820464.3 bbl |
| Mode: | Producing; Injection | Pool Code: | 62B | Cum Gas: | 0.0 mcf |
| | | Unit Code: | 162B01 | Cum Wtr: | 121134.0 bbl |

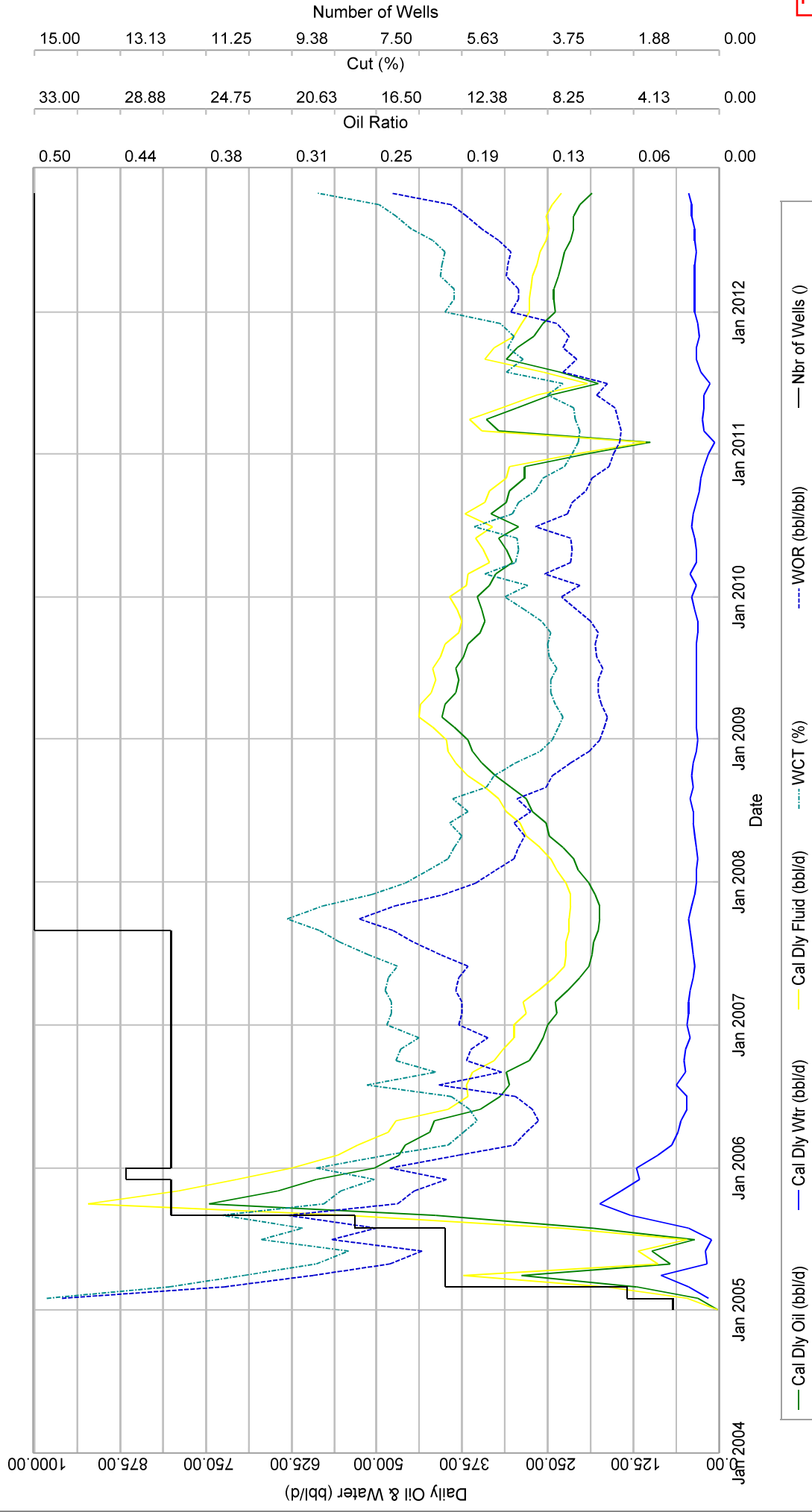
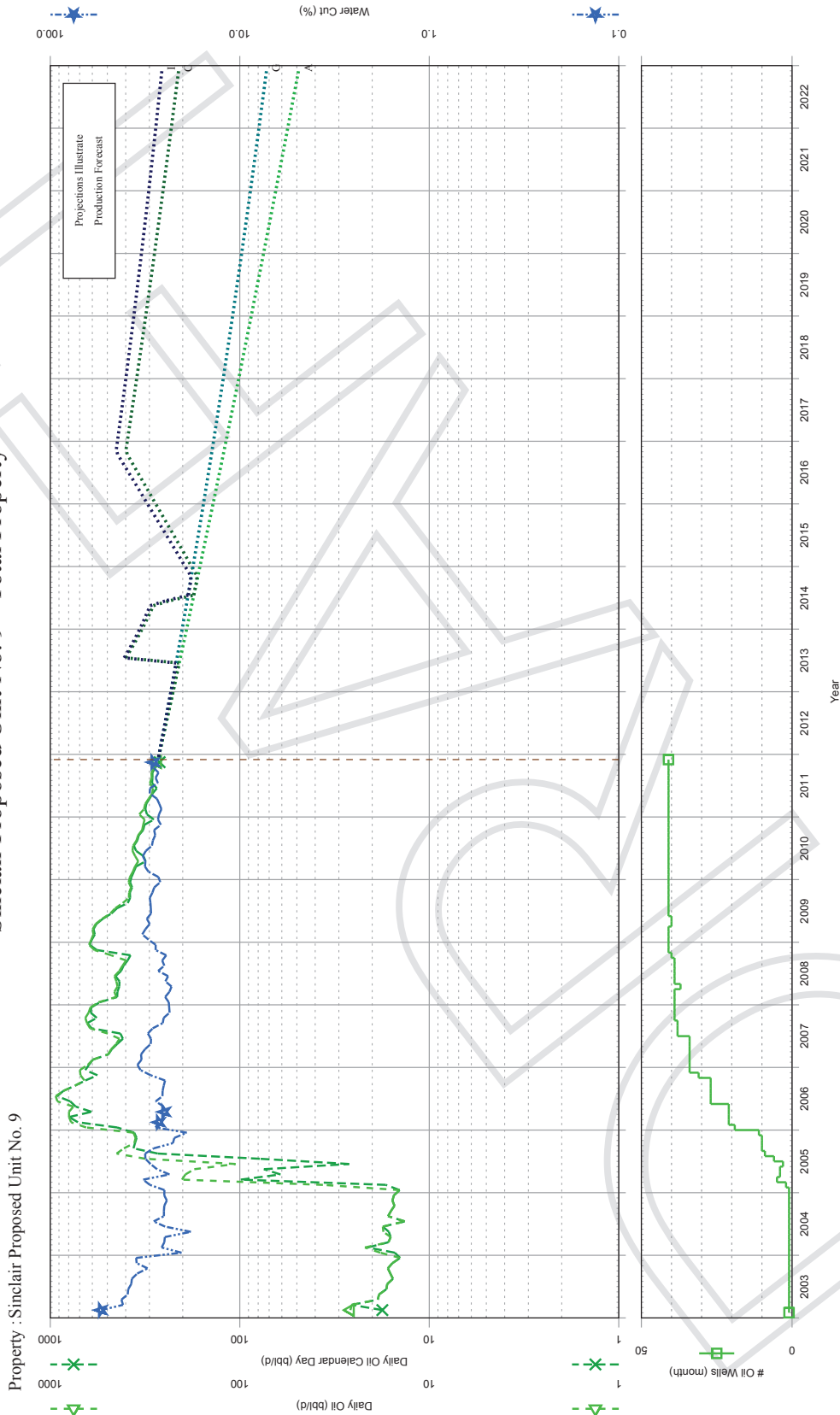


Figure No. 6

Historical and Forecast Production Sinclair Proposed Unit No. 9 - Total Property



Total Reserves Summary @ 2011/12/01

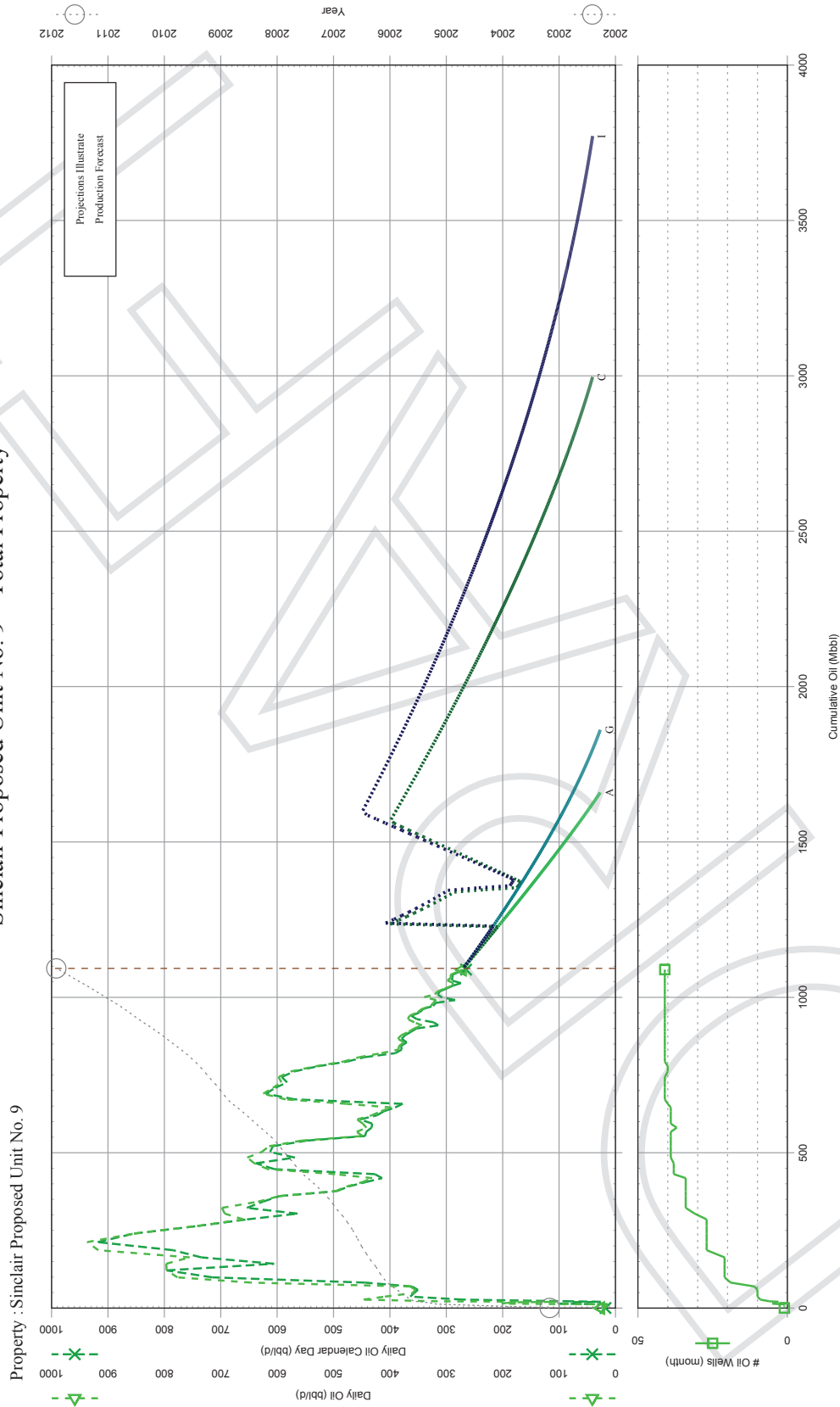
| Reserves (Mbbl) | | | |
|-------------------|----------|----------------|-----------|
| Classification | Ultimate | Cum Production | Remaining |
| Pv Prd A(R) | 1659 | 1093 | 566 |
| Total Pv C(R) | 2996 | 1093 | 1903 |
| P + P Prd G(R) | 1861 | 1093 | 768 |
| Total P + P I(R) | 3772 | 1093 | 2678 |

Average Production Rates (Last 12 months ending 2011/11/30)

| | | | | | |
|-----------------------|-------------|--------------|----------|--------------|------------|
| Gas : | 0.0 Mcf/d | 0.0 Mcf/cd | WGR : | 0.0 bbl/MMcf | |
| Oil : | 300.7 bbl/d | 291.1 bbl/cd | GOR : | 0.0 scf/bbl | |
| Avg Wells : | 39.6 | | WC : | 27.7 % | |
| Cumulative Production | | | | | |
| Oil : | 1093.2 Mbbl | Gas : | 0.0 MMcf | Water : | 413.9 Mbbl |

Plot 1

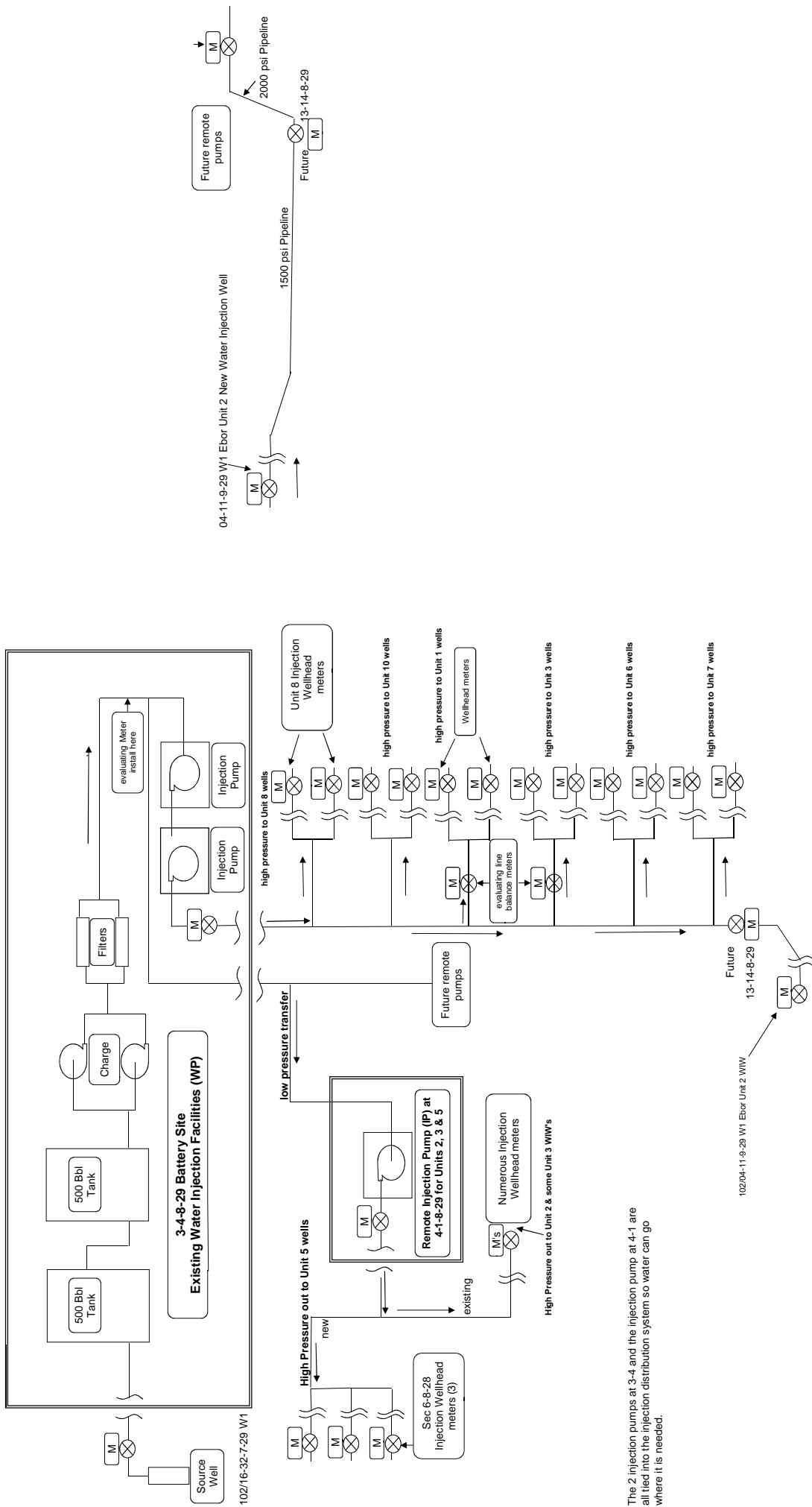
Historical and Forecast Production Sinclair Proposed Unit No. 9 - Total Property



| Total Reserves Summary @ 2011/12/01 | | | |
|-------------------------------------|----------|----------------|-----------|
| Reserves (Mbb) | | | |
| Classification | Ultimate | Cum Production | Remaining |
| Pv Prd A(R) | 1659 | 1093 | 566 |
| Total Pv C(R) | 2996 | 1093 | 1903 |
| P + P Prd G(R) | 1861 | 1093 | 768 |
| Total P + P I(R) | 3772 | 1093 | 2678 |

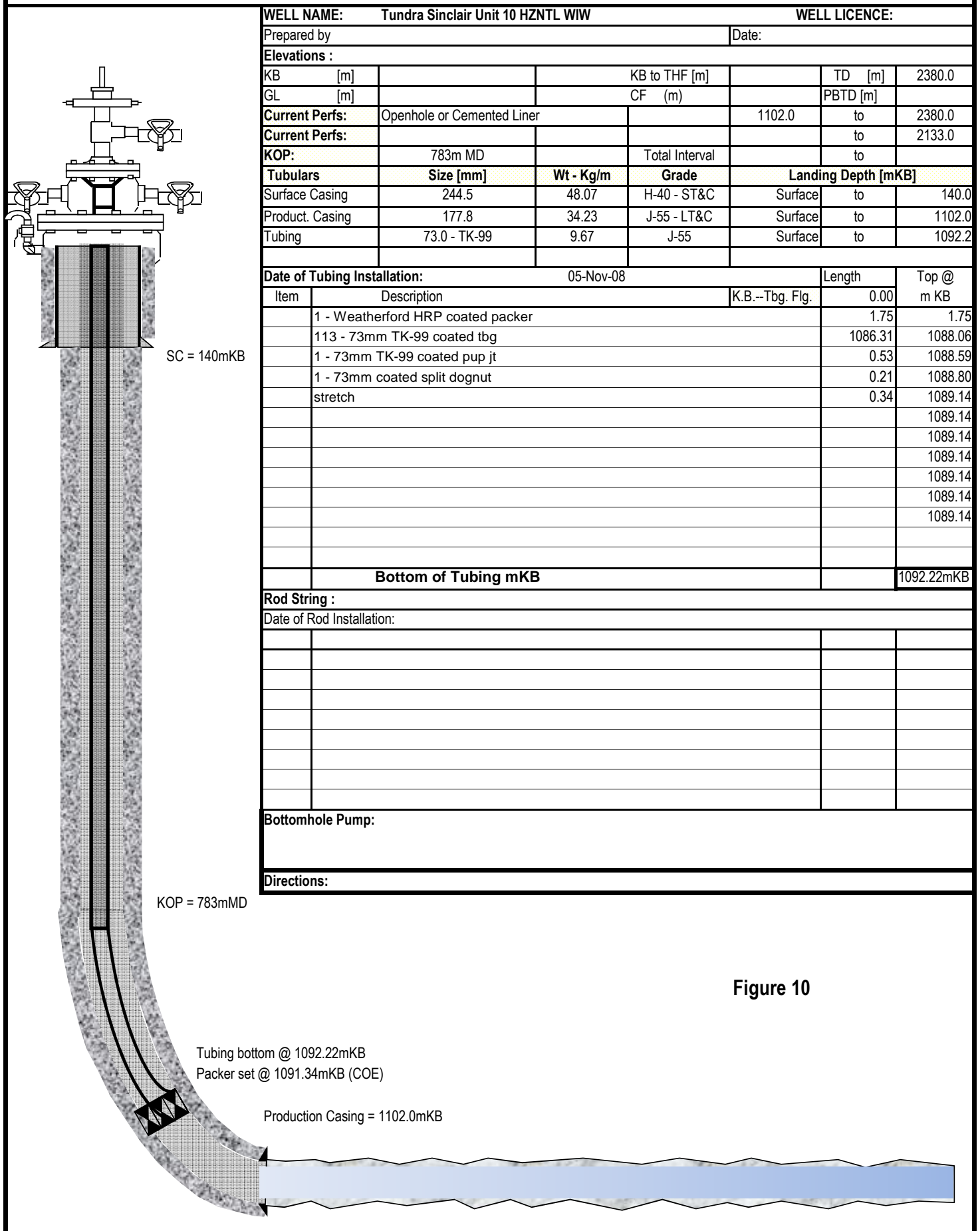
| Average Production Rates (Last 12 months ending 2011/11/30) | | | |
|---|-------------|--------------|-----------|
| Gas : | 0.0 Mcf/d | 0.0 Mcf/cd | WGR : |
| Oil : | 300.7 bbl/d | 291.1 bbl/cd | GOR : |
| Avg Wells : | 39.6 | | WC : |
| Cumulative Production | | | 27.7 % |
| Oil : | 1093.2 Mbb | Gas : | 0.0 MMcf |
| | | Water : | 413.9 Mbb |

Sinclair Water Injection System

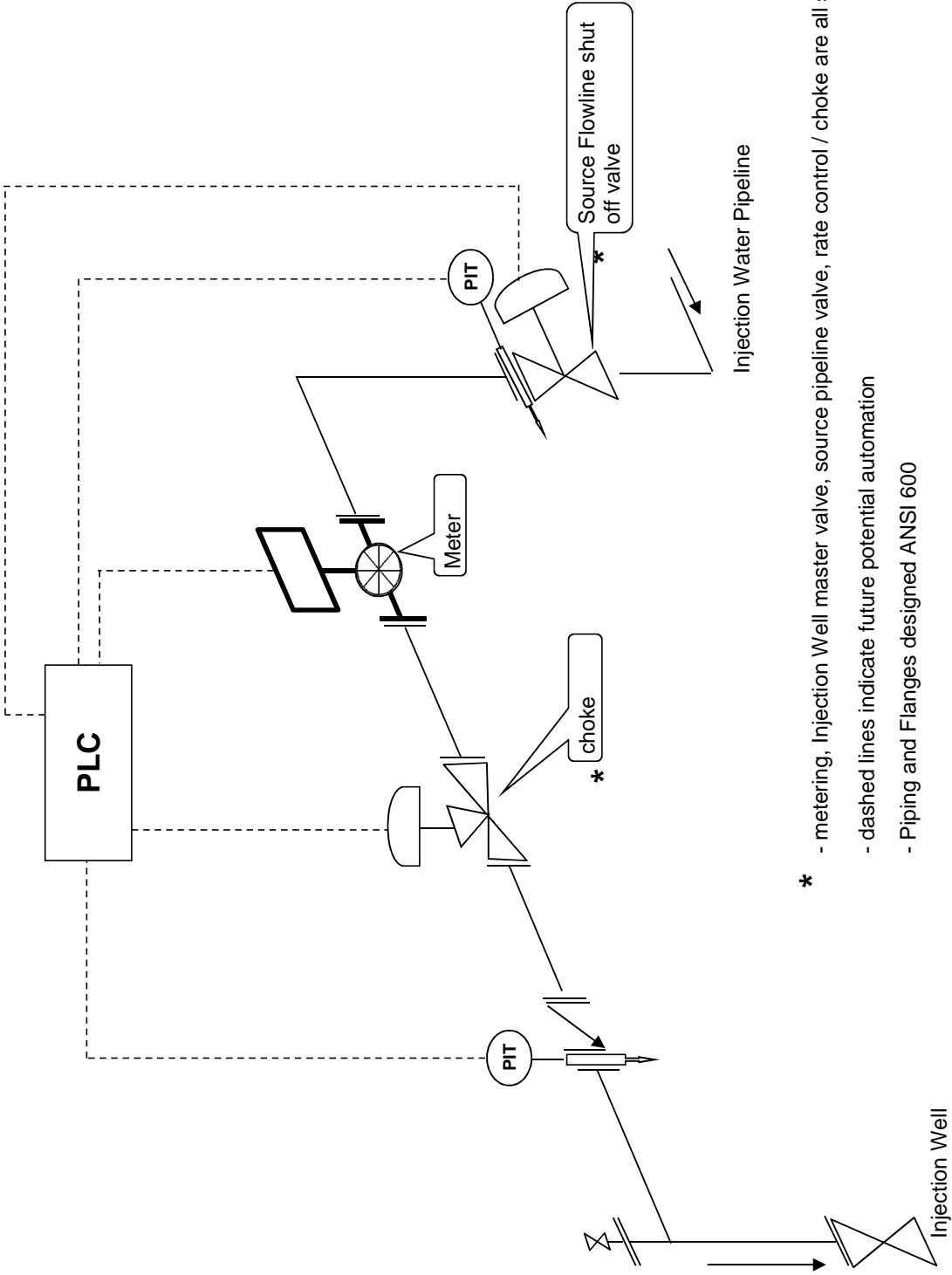


The 2 injection pumps at 3-4 and the injection pump at 4-1 are all tied into the injection distribution system so water can go where it is needed.

TYPICAL WATER INJECTION WELL DOWNHOLE DIAGRAM



Proposed Injection Well Surface Piping P&ID



- * - metering, Injection Well master valve, source pipeline valve, rate control / choke are all standard
- dashed lines indicate future potential automation
- Piping and Flanges designed ANSI 600

Sinclair Unit No. 10

EOR Waterflood Project

Planned Corrosion Control Program **

Source Well

- Continuous downhole corrosion inhibition
- Continuous surface corrosion inhibitor injection
- Downhole scale inhibitor injection
- Corrosion resistant valves and internally coated surface piping

Pipelines

- Source well to 3-4-8-29 Water Plant – Fiberglass
- New High Pressure Pipeline to Unit 9 injection wells – 2000 psi high pressure Fiberglass

Facilities

- 3-4-8-29 Water Plant and New Injection Pump Station
 - Plant piping – 600 ANSI schedule 80 pipe, Fiberglass or Internally coated
 - Filtration – Stainless steel bodies and PVC piping
 - Pumping – Ceramic plungers, stainless steel disc valves
 - Tanks – Fiberglass shell, corrosion resistant valves

Injection Wellhead / Surface Piping

- Corrosion resistant valves and stainless steel and/or internally coated steel surface piping

Injection Well

- Casing cathodic protection where required
- Wetted surfaces coated downhole packer
- Corrosion inhibited water in the annulus between tubing / casing
- Internally coated tubing surface to packer
- Surface freeze protection of annular fluid
- Corrosion resistant master valve
- Corrosion resistant pipeline valve

Producing Wells

- Casing cathodic protection where required
- Downhole batch corrosion inhibition as required
- Downhole scale inhibitor injection as required

** subject to final design and engineering