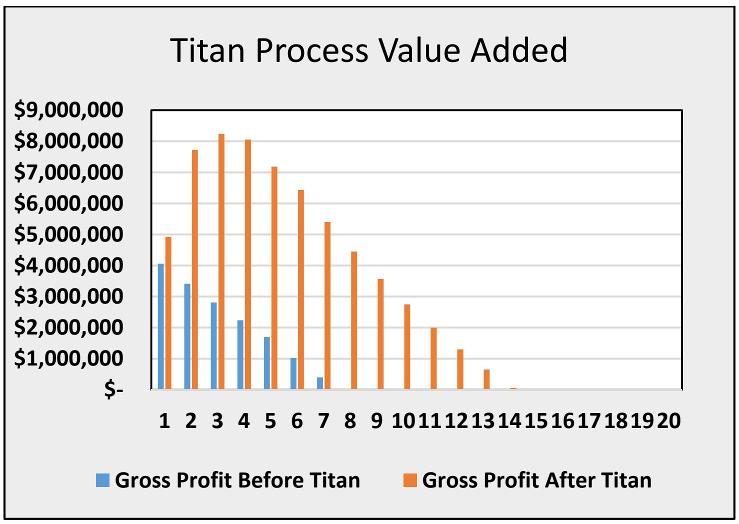
Oil Field Ownership

The Dynamics of a Low Cost and Highly Efficient Enhanced Oil Technology on a Titan oil property

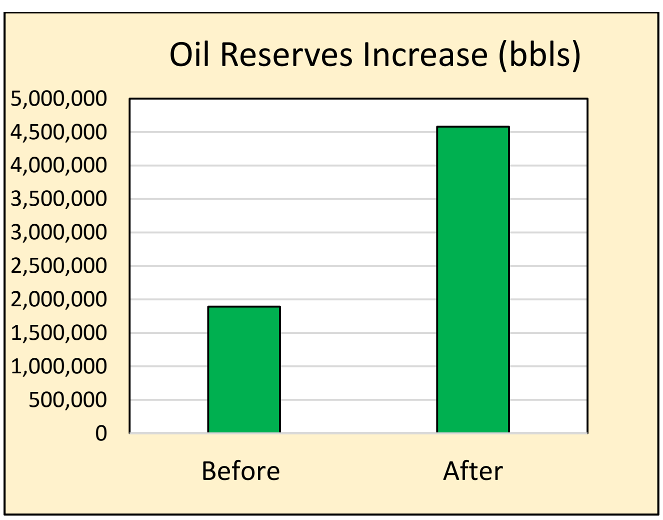
By applying the Titan Process, an oil field purchased at standard and normal industry acquisition costs can have a significant increase in production, cash flow, profits and reserves. As an example: An oil field producing 1000 bopd at a cost per barrel of $20 and declining at 10% per year with oil prices at $45 per bbl. would have the following change to the 5 year cash flow if the Titan Process could achieve a 30% increase in production the first two years and then a gradual return to a 10% decline after year four. Debt level would be a conservative 50% of the acquisition value.

Below are the positive changes that can be accomplished by the application of the Titan Process to an owned oil field at a production increase of 30% for just the first two years.

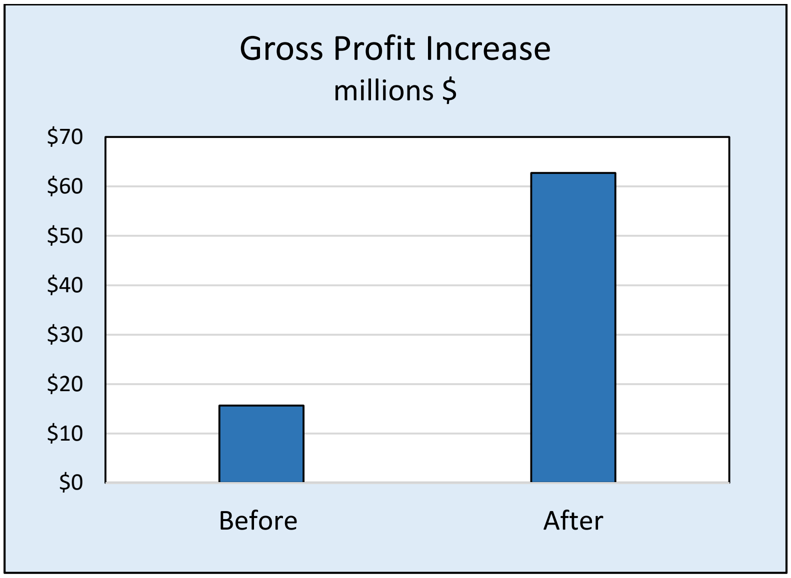
Gross profits would materially increase:



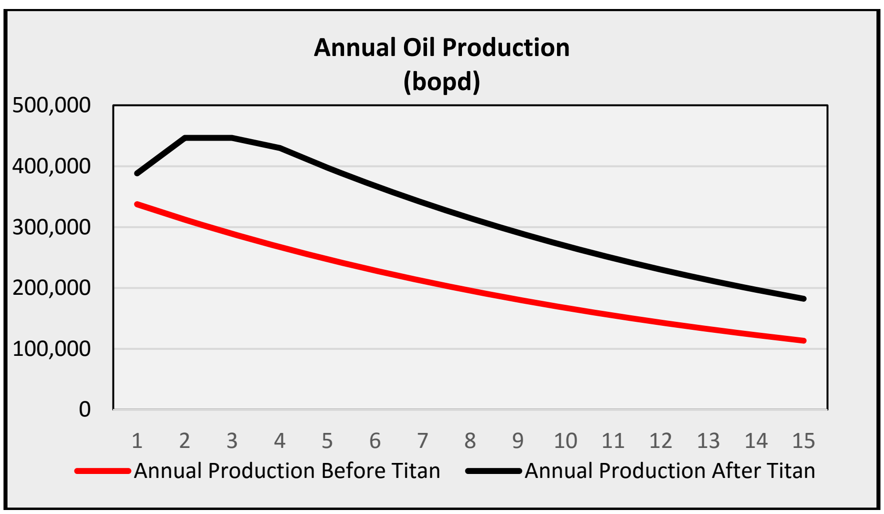
Reserves would increase by more than 100%:



Gross Profits would be more than 400% higher for the life of the field:



Significant Oil Production attained by altering the decline curve:



<u>Competitive Advantage:</u> The Titan Process creates exceptional advantages in four of the five critical components of oil field profitability (the fifth is the price of oil). We know of no other enhanced oil recovery technology in the world that can claim all four of these advantages:

- Volume of Production – The Titan Process has proven that it increases production and reserves.
- Capital Expense – There is no infrastructure capital required with the Titan Process – a major advantage.
- Operating Expense – Titan has the lowest cost Enhanced Oil Recovery process -- $6-10 per incremental Bbl.
- Field Declines - The Titan Process can flatten declines and reverse production declines for 1-3 yrs., leading to the recovery of trapped oil and to increased reserves.