



Concept, Lead, or Prospect Submission Sheet

Originator: _____ **Date:** _____
Address: _____
City, State Zip: _____
Phone: _____ **Facsimile:** _____ **E-Mail:** _____

I. NetWork Partnership - Do I want to work with Dynamic Resources Corporation?

- Δ Network Agreement (optional, see <http://www.walden3d.com/dynamic/clp>)
- Δ Confidentiality and AMI Agreement (for originator's protection, see “ ”)
- Δ Prospect Fee, Performance Bonus, or Overriding Royalty Agreement (for originator and for party purchasing Concept, Lead, or Prospect, see “ ”)

II. Strategic Fit – Should I be looking here?

- Δ Are contract terms acceptable?
- Δ Are there cost of entry barriers; eg. signature bonus, drilling maturity, completion?
- Δ Can we beat the competition?
- Δ Is there political risk?
- Δ Is there environmental risk?
- Δ Is there infrastructure? If not, am I willing to build infrastructure?
- Δ Is there anything that could go wrong, where I might lose the investment?
- Δ Are there additional data requirements?
- Δ Are there additional interpretation plans?
- Δ What is the lease position and lease availability?

III. Risk / Ps - Is there a working hydrocarbon system?

- Q_____ Is there a hydrocarbon source?
 Maturity? _____
 Kerogen Type? _____
 Proven elsewhere? _____
- R_____ Is there reservoir rock?
 Porosity? _____
 Permeability? _____
 Continuity? _____
- T_____ Is there a trap?
 Geometry? _____
 Closure? _____
- S_____ Is there a seal?
 Regional? _____
 Local? _____
 Fracture Gradient? _____
- P_____ Is there migration?
 Charge ? _____
 Pathways? _____
 Barriers? _____
 Seeps and Gas Chimneys? _____

Note: Risk/Ps = Q*R*T*S*P

- Δ Benchmarked Ps against historical Ps, NRG Associates Database, and Analogs?
- Δ Is Prospect in the Play Fairway?

• Dynamic Resources Corporation & PetroValue •

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IV. Reservoir Volumes – How many hydrocarbons are there?

- Δ Map showing AOI, AMI, Prospect Extent, Strike & Dip Control, and Location
- Δ Strike Direction Cross Section, showing Depth, any planned deviation, Perf Zones
- Δ Dip Direction Cross Section, showing Depth, any planned deviation. Perf Zones
- Δ Benchmarked against historical distributions?
- Δ Type of Trap: Δ Anticline, Δ Fault, Δ Against Diapir, Δ Stratigraphic, Δ Other
- Δ Area Coverage Top: _____ Area Coverage Base: _____
- Δ Reservoir Thickness: _____ Volume: _____
- Δ Depth to Target: _____ Geologic Age: _____
- Δ Porosity: _____ Permeability: _____
- Δ Water Saturation: _____ Drive Mechanism: _____
- Δ Gas vs. Oil: _____ Impurities: _____
- Δ Formation Volume Factor: _____ Recovery Efficiency %: _____
- Δ Monte Carlo reserves estimation? _____

V. Economics – Will it make money? What is the connection between rocks & money?

- Δ Production Forecast?
 - Δ Depth: _____ Pressure: _____
 - Δ Reservoir Morphology: _____ Viscosity: _____
 - Δ Drainage Area: _____ Skin Effect: _____
 - Δ Secondary Recovery: _____ Tertiary Recovery: _____
- Δ Interest & Contract Terms?
 - Δ Royalty: _____ Working Interest: _____
 - Δ Net Revenue Interest: _____ Production Sharing: _____
- Δ Price Forecast?
 - Δ Flat: _____ Inflating: _____ Third Forecast: _____
- Δ CAPEX: Capital Expense?
 - Δ Number of Wells: _____ Platform Expense: _____
 - Δ Facility Expense: _____ PPL Expense: _____
- Δ OPEX: Operating Expense? _____
- Δ Taxes?
 - Δ Offshore: _____ Onshore: _____
 - Δ Local Taxes: _____ Property Taxes: _____
 - Δ Ad Valorem Tax: _____ Other Taxes: _____
- Δ After Tax Cash Flow? _____
- Δ Net Present Value? _____
- Δ Profit to Investment Ratio? _____
- Δ Risked Net Present Value (NPV or Expected Monetary Value)? _____
- Δ Discount Rate _____

VI. Risk Tolerance – How and I willing to risk?

- Δ What are the failure costs? _____
- Δ Is there capital to develop an economic discovery? _____
- Δ How much to spent to determine if there is an economic discovery? _____
- Δ How does my risk assessment compare to my risk tolerance? _____
- Δ Is the potential risk worth the reward? _____

VII. Ranking – How does this Concept, Lead, or Prospect compare?

- Δ How does this project compare to others in inventory? _____
- Δ Ps? _____ Δ PI? _____ Δ NPV? _____