

### Investment Use

The budget for US\$2,000,000. investment is included on the next page. The largest single expense is for leases (US\$600,000.), needed to demonstrate the value of Dynamic Technologies with proven discoveries. The second largest expense is US\$480,000. to tie up 12 month exclusive business relationships within the AOI with a vetted database vendor, the owner of the automated self-classifier, and the owners of advanced seismic pattern finding technologies. The third largest expense is for people (US\$357,000.) Because of the opportunity to participate in the success with a performance bonus or an overriding royalty interest, this work is being done at a full-time equivalent of US\$10,000. per month (including benefits), which is between 25% and 75% of the normal consulting rates of the people committed to work this project. There is a budgeted expense for raising the investment (US\$90,000. calculated as a standard Lehman Brothers fee and US\$60,000. for the three exploratory wells). Dynamic will license or purchase appropriate data and technology not currently in-house (US\$255,000.+ US\$200,000. for spec seismic data).

Most of the initial data mining and pattern finding will be done on the vetted well database, along with supporting geological and geophysical potential field data sets. Dynamic anticipates most of the new exploration Concepts and Leads will be derived from this data. The primary source of this data is from Richard Nehring and Associates, and Richard has committed to spend about one week per month consulting for Dynamic in order to get the most possible information out of this. Appropriate portions of the Dwight's/PI database (now ISH Energy Group) will be purchased, in addition to needed electric logs from A2D and check-shot and other well data from Velocity Databank. As mentioned above, the best available gravity and magnetics databases will be integrated. There is a small budget for other data and for Travel and Living Expenses for the year.

Based on Concepts and Leads derived from this and related public domain data, Dynamic will turn as many leads as possible, within budget constraints, into drillable Prospects. If the Business Partner has data and properties within the AOI, they are encouraged to make their in-house databases available to the team, in order to maximize the number of Prospects delivered at the end of the study.

Fairfield has DMO P-Wave seismic data available out to about the 100 foot water depth for US\$125,000. per block in the transition zone. Fairfield is also shooting a multi-component survey between 100 and 250 feet of water which will be available in April of 2001. This data is priced at US\$325,000. per block. The pattern finding techniques Dynamic is using will have particularly strong application to these data. Dynamic will only obtain enough data to turn Leads into 20 Prospects within the AOI. Western Geophysical, now part of Schlumberger, Seitel, and other contractors have . The Business Partner will work with Dynamic's management and with the Team Leader in order to insure responsibility to approve and account for all expenditures within the AOI.



# Gulf Coast Area-Of-Interest Start-Up Budget

Description	10/2001	20/2001	30/2001	4Q/2001	10/2002	20/2002	30/2002	4Q/2002	10/2003	20/2003	3Q/2003	4Q/2003	TOTAL
Investment													
Business Partner(s) #1	\$2,000,000			\$3,000,000									\$5,000,000
<b>Total Inflow</b>	<b>\$2,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,000,000</b>

## Expenditures

(1) 12 Month Exclusive Business Relationships within Area-Of-Interest:													
Vetted Databases	\$60,000	\$60,000	\$60,000	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$240,000
Automated Self-Classifer	\$30,000	\$30,000	\$30,000	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,000
Seismic Patterns	\$30,000	\$30,000	\$30,000	\$30,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,000
<b>Total Technology Tie-Up</b>	<b>\$120,000</b>	<b>\$120,000</b>	<b>\$120,000</b>	<b>\$120,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$480,000</b>
(2) Lease Purchases	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$600,000
(3) Development of 20 CLPs:													
<b>People</b>													
Sam LeRoy	0.8	0.8	0.5	0.5	0	0	0	0	0	0	0	0	0
William Benzing	0.5	0.5	0.25	0.25	0	0	0	0	0	0	0	0	0
Ray Kozusko	0.5	0.5	0.25	0.25	0	0	0	0	0	0	0	0	0
Roice Nelson	0.5	0.5	0.25	0.25	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Landman	0.5	0.5	0.5	0.5	0	0	0	0	0	0	0	0	0
Technical Support	0.5	0.5	0.5	0.5	0	0	0	0	0	0	0	0	0
<b>Total FTE</b>	<b>3.3</b>	<b>3.3</b>	<b>2.25</b>	<b>2.25</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>	<b>4</b>
<b>Total at Discounted Rate</b>	<b>\$99,000</b>	<b>\$99,000</b>	<b>\$67,500</b>	<b>\$67,500</b>	<b>\$3,000</b>	<b>\$3,000</b>	<b>\$3,000</b>	<b>\$3,000</b>	<b>\$3,000</b>	<b>\$3,000</b>	<b>\$3,000</b>	<b>\$3,000</b>	<b>\$357,000</b>
Lehman Brothers Fee for Capital Technology	\$90,000	\$0	\$0	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$150,000
<b>Infrastructure</b>	<b>\$9,000</b>	<b>\$6,000</b>	<b>\$6,000</b>	<b>\$6,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$27,000</b>
Workstation Time	\$6,000	\$6,000	\$12,000	\$12,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$36,000
Pattern Finding	\$5,000	\$10,000	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,000
Immersive Environments	\$6,000	\$6,000	\$6,000	\$6,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,000
<b>Data</b>													
Collection of Public Data	\$6,000	\$3,000	\$3,000	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000
Gravity Data	\$9,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,000
Magnetic Data	\$9,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,000
IHS Energy Group & A2D	\$9,000	\$3,000	\$3,000	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,000
Velocity Databank	\$3,000	\$3,000	\$3,000	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,000
Fairfield or Western or Seitel or TGS Spec Seismic	\$50,000	\$50,000	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Reprocessing Velocity for Pressure	\$0	\$0	\$15,000	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,000
Other	\$3,000	\$3,000	\$3,000	\$3,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$28,000
Travel & Living Expenses	\$3,000	\$3,000	\$3,000	\$3,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,000
<b>Total Demonstration CLPs</b>	<b>\$307,000</b>	<b>\$192,000</b>	<b>\$181,500</b>	<b>\$241,500</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$5,000</b>	<b>\$962,000</b>
Three Exploration Wells	\$0	\$0	\$0	\$2,940,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,940,000
Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Outflow</b>	<b>\$477,000</b>	<b>\$362,000</b>	<b>\$351,500</b>	<b>\$3,351,500</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$4,982,000</b>

Cash Flow	\$1,523,000	\$1,161,000	\$809,500	\$458,000	\$403,000	\$348,000	\$293,000	\$238,000	\$183,000	\$128,000	\$73,000	\$18,000	
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### **Anticipated Return-on-Investment**

Dynamic anticipates generating 20 new exploration Concepts, Leads, and Prospects (CLPs) within a few months of receiving the US\$2 million investment, to high-grading areas to lease and to leasing enough property to prove the value of this data mining approach.. Of these 20 CLPs, the business partner is expected to select 3 (three), which they will drill as a demonstration project to enable raising a US\$100,000,000. exploration fund. Updated projections of return-on-investment for these three wells will be part of Dynamic's responsibilities under the funding of the AOI.

Once Dynamic's data mining concepts are demonstrated, and an exploration fund is raised, Dynamic conservatively anticipates being able to discover, on average, 6 new fields each year for five years, with each new field averaging 10 MBOE each. This implies 30 new reservoirs resulting from the exploration fund. Reservoirs in the Gulf Coast AOI have between 5 and 25 million BOE (Barrels of Oil Equivalent). Cutting this average down to 10 million BOE per new field, implies 300 million BOE for the 30 discoveries. Using a discounted price of US\$10. per BOE in the ground, implies the value of will be in excess of US\$3. billion.

On the next page is a Pro Forma Gulf Coast AOI Return-On-Investment Spread-Sheet for the AOI. For US\$100,000,000. in investment, Dynamic projects a total value in the ground of US\$3,120,000,000. Offsetting estimated exploration expenditures of US\$204,000,000. still leaves a net value in-the-ground of US\$2,916,000,000. Assuming a worst case 40% tax, and no offsetting expenditures, still works out to a simple return-on-investment of over 1500% over 10 years, or an average return of about 1.6-times the initial investment per year. Again, these numbers were calculated based on 30 discoveries averaging 10 million BOE each and depleting these reserves over five years (i.e. 10 million BOE / 5 years = 2 million BOE / year x US\$10./BOE in the ground = US\$20 million return per year). This is a very conservative estimate, especially considering (1) the lack of technical focus fields in some parts of the AOI have received over the last few decades due to more exciting subsalt and deepwater plays; (2) the potential of multiple stacked pays in small bypassed fault blocks; and (3) the potential of dynamic replenishment, which means finding reservoirs which do not deplete as traditional reservoirs, and could produce extensive reserves beyond traditional expectations.

Note that because the initial Business Partner receives 20% of all overriding royalty interests Dynamic generates between year 1 and year 5, they end up receiving over US\$170,000,000. for their initial US\$2,000,000. Investment and the US\$3,000,000. drilling fund. Using the total US\$5,000,000. investment, this works out to a return-on-investment of over 3,300%, or an average return of about 34-times the initial investment per year..

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# Gulf Coast Area-Of-Interest Return-On-Investment

Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL
<b>INVESTMENTS</b>											
Investment #2	\$100,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000,000
<b>RESULT 1S:</b> Joint Venture Return from New Drilling assuming a budget of US\$100 million to buy leases, fields, and farm-ns, as well as drilling and infrastructure. This model assumes each new field averages 20 MBOE extracted over six years at US\$10 per BOE in the ground.											
New Hydrocarbon Field 01 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 02 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 03 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 04 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 05 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 06 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 07 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 08 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 09 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 10 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 11 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 12 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 13 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 14 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 15 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 16 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 17 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 18 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 19 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 20 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 21 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 22 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 23 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 24 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 25 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 26 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 27 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 28 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 29 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
New Hydrocarbon Field 30 at 10 MBOE	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$200,000,000
<b>Total Value In-The-Ground</b>	\$120,000,000	\$240,000,000	\$360,000,000	\$480,000,000	\$600,000,000	\$720,000,000	\$840,000,000	\$960,000,000	\$1,080,000,000	\$1,200,000,000	\$12,000,000,000
<b>Exploration Expenditures</b>											
Leases (US\$500,000/field)	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$5,000,000
Data (US\$1,000,000/year)	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$10,000,000
Geotech (US\$1,500,000/field)	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$15,000,000
Drilling (US\$6,000,000/field)	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$60,000,000
<b>Total Exploration Costs</b>	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$90,000,000
<b>Net Value In-The-Ground</b>	\$111,000,000	\$231,000,000	\$351,000,000	\$471,000,000	\$591,000,000	\$711,000,000	\$831,000,000	\$951,000,000	\$1,071,000,000	\$1,191,000,000	\$11,910,000,000
<b>Cumulative Net Value</b>	\$111,000,000	\$231,000,000	\$351,000,000	\$471,000,000	\$591,000,000	\$711,000,000	\$831,000,000	\$951,000,000	\$1,071,000,000	\$1,191,000,000	\$11,910,000,000
<b>Taxes at 40%</b>	\$44,400,000	\$92,400,000	\$139,600,000	\$187,600,000	\$235,600,000	\$283,600,000	\$331,600,000	\$379,600,000	\$427,600,000	\$475,600,000	\$4,756,000,000
<b>Cumulative Net After Taxes</b>	\$66,600,000	\$138,600,000	\$211,400,000	\$283,400,000	\$355,400,000	\$427,400,000	\$499,400,000	\$571,400,000	\$643,400,000	\$715,400,000	\$7,154,000,000
Value to Investor #2 (60%)	\$39,960,000	\$83,160,000	\$126,840,000	\$170,040,000	\$213,240,000	\$256,440,000	\$299,640,000	\$342,840,000	\$386,040,000	\$429,240,000	\$4,292,400,000
Return Business Partner #1 (20%)	\$13,320,000	\$27,720,000	\$41,880,000	\$56,040,000	\$70,200,000	\$84,360,000	\$98,520,000	\$112,680,000	\$126,840,000	\$141,000,000	\$1,410,000,000
Value to Geotechnologists (10%)	\$4,680,000	\$9,360,000	\$14,040,000	\$18,720,000	\$23,400,000	\$28,080,000	\$32,760,000	\$37,440,000	\$42,120,000	\$46,800,000	\$468,000,000
<b>Dynamic Value (10%, 20% 5 yrs)</b>	\$4,680,000	\$9,360,000	\$14,040,000	\$18,720,000	\$23,400,000	\$28,080,000	\$32,760,000	\$37,440,000	\$42,120,000	\$46,800,000	\$468,000,000
<b>Investor #2 Return</b>	\$10,000,000	\$20,000,000	\$30,000,000	\$40,000,000	\$50,000,000	\$60,000,000	\$70,000,000	\$80,000,000	\$90,000,000	\$100,000,000	\$1,000,000,000
<b>Business Partner #1 Return</b>	\$5,000,000	\$10,000,000	\$15,000,000	\$20,000,000	\$25,000,000	\$30,000,000	\$35,000,000	\$40,000,000	\$45,000,000	\$50,000,000	\$500,000,000
<b>Total</b>	\$120,000,000	\$240,000,000	\$360,000,000	\$480,000,000	\$600,000,000	\$720,000,000	\$840,000,000	\$960,000,000	\$1,080,000,000	\$1,200,000,000	\$12,000,000,000

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## Risk

Dynamic has selected the Gulf Coast AOI to focus its new data mining technologies in order to minimize risk. There are hydrocarbons present. There is extensive data available at a reasonable price. The pattern finding and data mining techniques described in this Prospectus are known to work. The primary risks are (1) the relationship of information space technologies to physical reality, and (2) the price of oil.

Dynamic believes its technologies will significantly improve the 50% drilling success ratio currently enjoyed in this mature petroleum province. A 75+% success ratio minimizes the physical reality risk.

Henry Groppe, who has been watching oil prices for 52 years, expects prices to stay in the range of US\$30./BOE. He notes non-OPEC oil production peaked in 1998. He further states that all of OPEC reached maximum production capacity 10 years ago, except for the United Arab Emirates, Kuwait, Saudi, and Venezuela, and Iraq. Iraq will be the principal incremental producer. Just as prices climbed above \$2./BOE decades ago and never dropped below this benchmark again, Groppe expects prices in the future to always be above \$20./BOE.

As described above, Dynamic will work with the Business Partner to package and sell the CLPs and to obtain a good lease position. Dynamic anticipates an exploration fund Joint Venture business relationship will be formed to exploit CLP defined opportunities. Dynamic's goal in selling these CLPs is to earn a performance bonus or retain an overriding royalty interest equivalent to 2-5%, and then to distribute any bonuses or royalties generated to Investors and professionals who help work up the CLPs. This is a strong motivation for Dynamic to perform as defined in this Prospectus. For example, if Dynamic is successful in selling the top 10 CLPs for an average of 2% overriding royalty interest, and the discoveries average 5 million BOE, then at a discounted price of US\$10. per BOE in the ground, the value to participants of this AMI is US\$10 million (10 CLPs x 5 million BOE/CLP x \$10/BOE x 2%). Of this US\$10 million, The first 60% goes pro-rata to the investors in the US\$100,000,000. exploration fund. Then 20% goes to the initial Business Partner, 10% remains in Dynamic, and the last 10% goes to team members who worked up the CLPs.

Additional funds will be raised, if AOI Investors and Stakeholders agree. These funds will become the basis of a separate sub-AOI AMIs, and will be used for more detailed work in some portions of the AOI or for the purchase of leases or fields. The objective is to maximize return on investment for everyone who participates in this Gulf Coast AOI.

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