

TMCBSU – Infill Location NE Quadrant Section 26

Arkanova Energy Corporation

Operator: Provident Energy Associates of Montana, LLC

DCS NGC Team

April 30, 2010



Support Slides – April 30, 2010

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Two Medicine Cut Bank Sand Unit (TMCBSU)





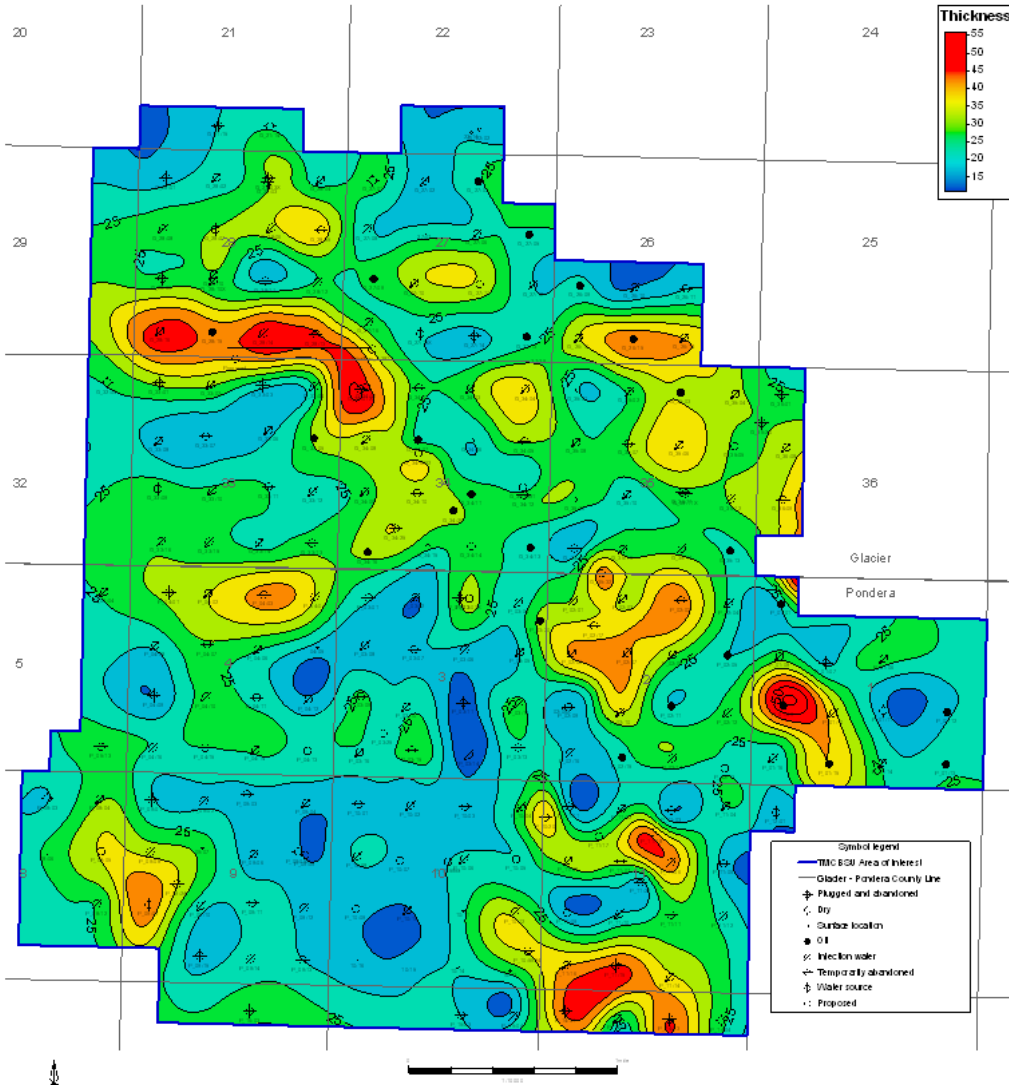
Two Medicine Cut Bank Sand Unit

Glacier and Pondera Counties, Montana

Lower Cut Bank Net Sand



Lower Cut Bank Net Sand



Schlumberger Private



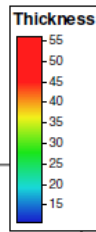
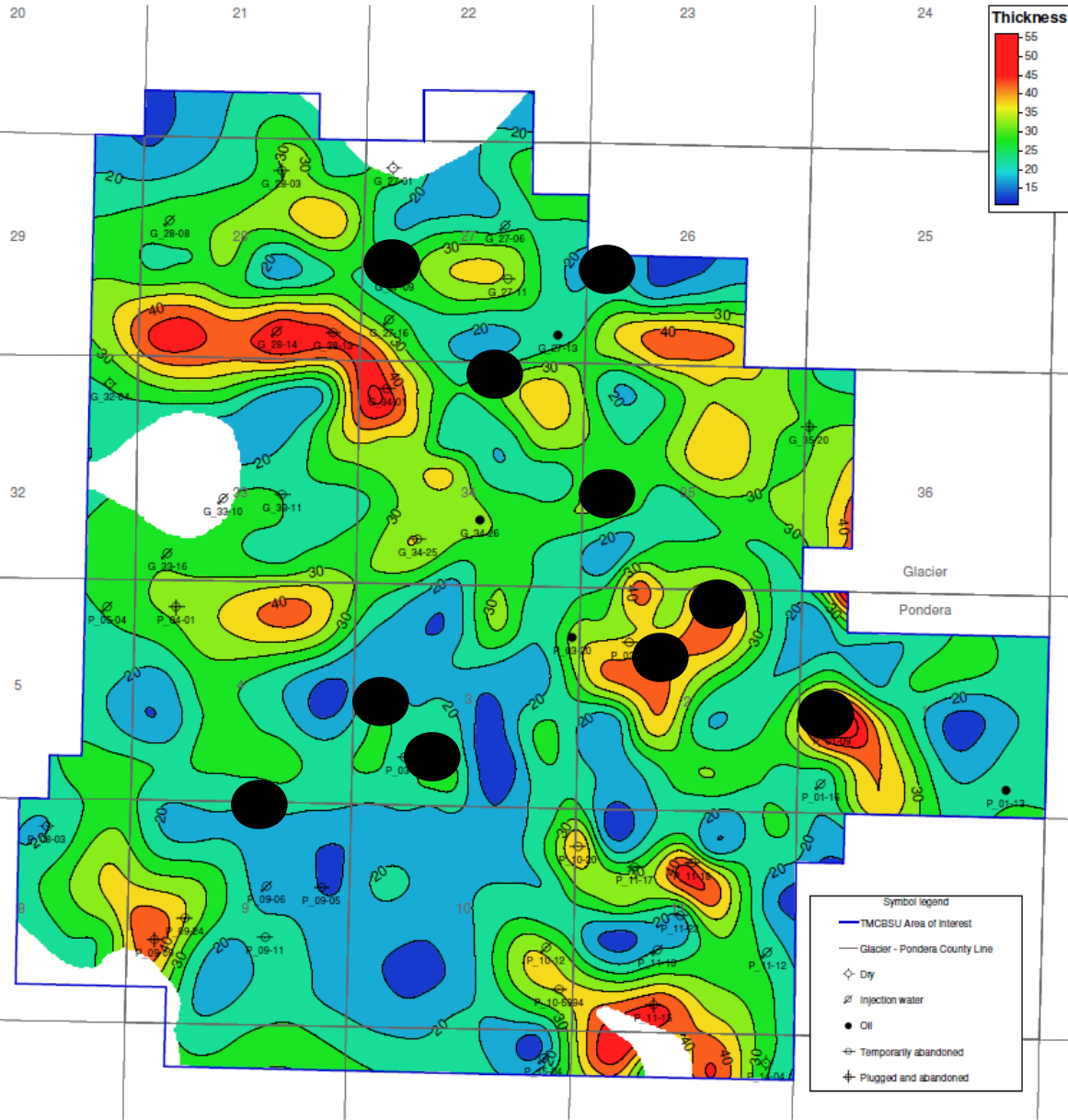
Tropach	
Owner	Arkanova
Operator	Arkanova
Operator	Arkanova
Operator	Arkanova
Operator	Arkanova
Operator	Arkanova
Operator	Arkanova
Operator	Arkanova



(CBSU)



Lower Cut Bank Top 10 Producers



- Symbol legend
- TMCBSU Area of Interest
 - - - Glacier - Pondera County Line
 - ◇ Dry
 - Injection water
 - Oil
 - ⊖ Temporarily abandoned
 - ⊕ Plugged and abandoned

Isopach	
Scale	Location
1-10000	Houston
User name	Formation
Jim	Cut Bank
Company	Date
Schlumberger	04/20/2010
Segment	Contour int
LOG	5

Porosity Cutoff 0.06
No OWC



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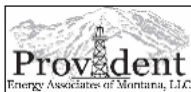




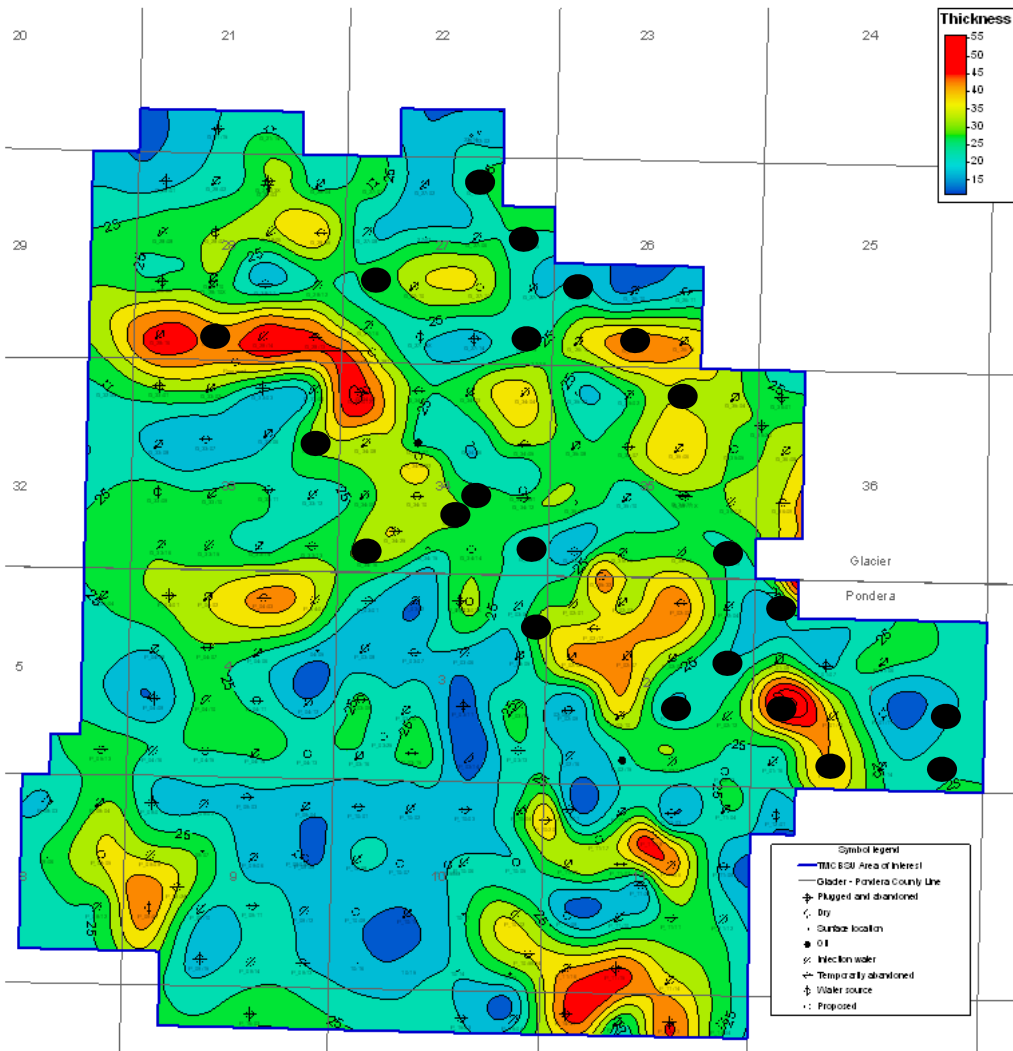
Two Medicine Cut Bank Sand Unit

Glacier and Pondera Counties, Montana

Lower Cut Bank Net Sand



Lower Cut Bank Active Producers



Tropach	
Owner	Arkanova
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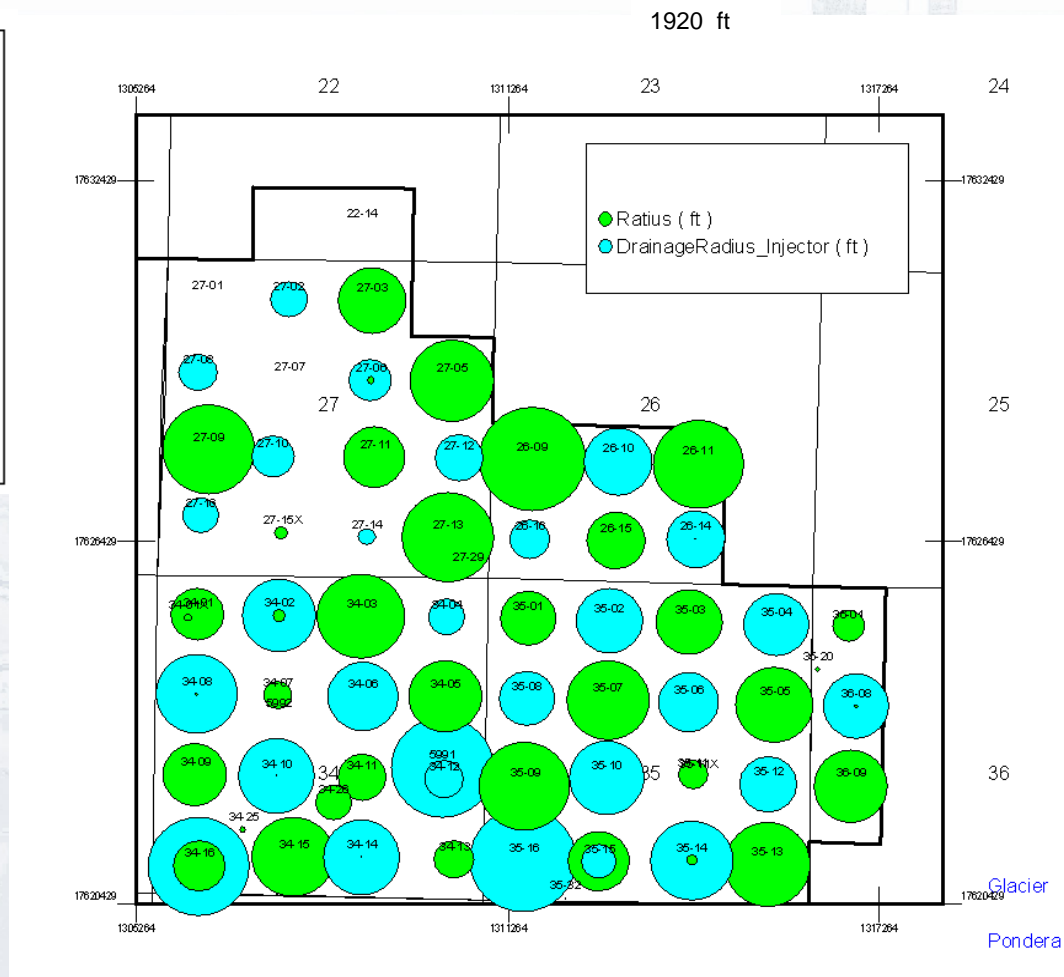
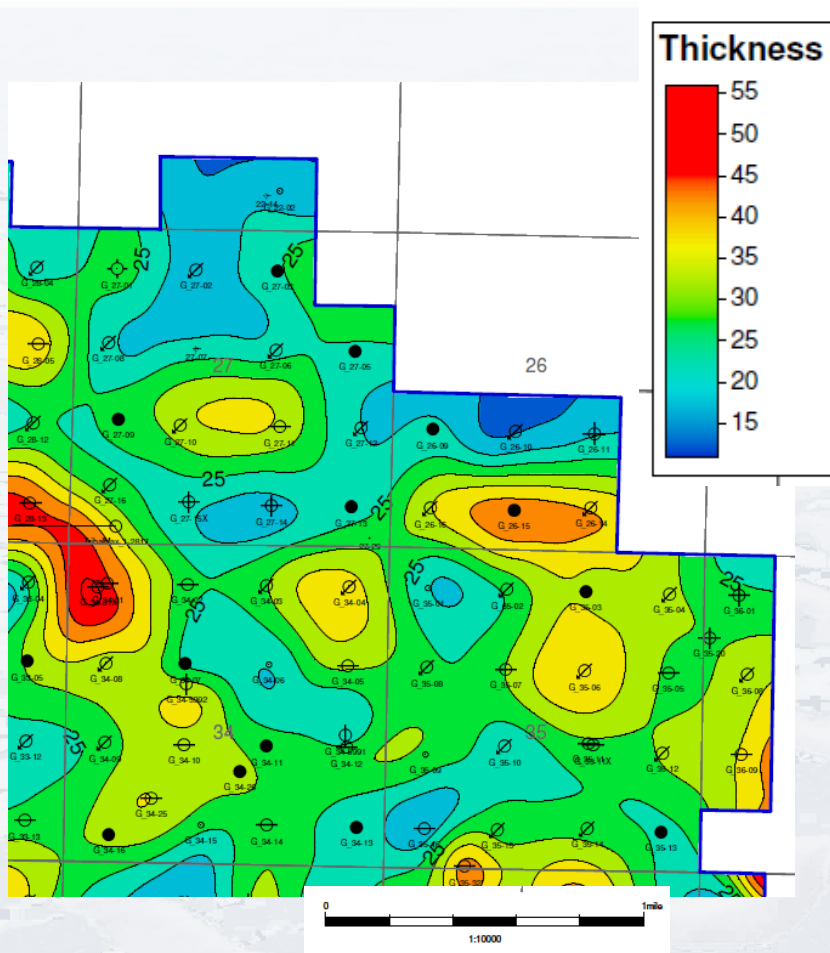


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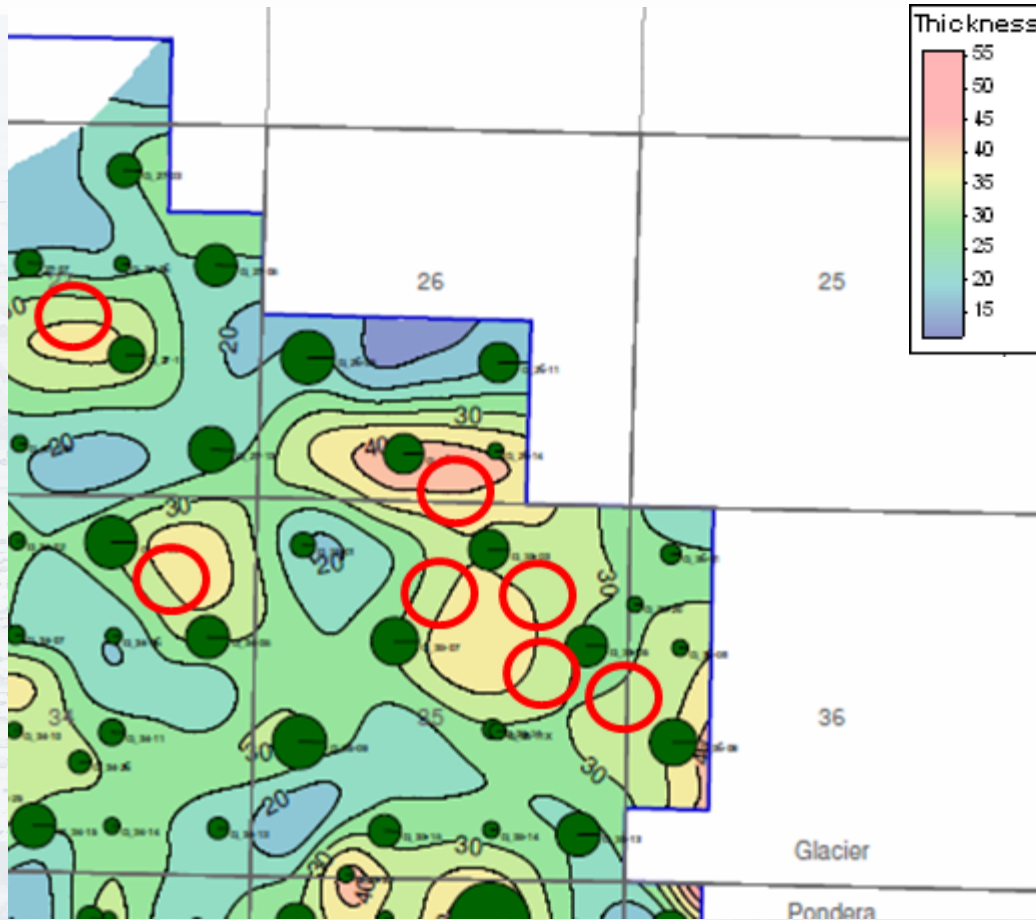


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NE Lower Cut Bank Net Pay and Drainage Radius

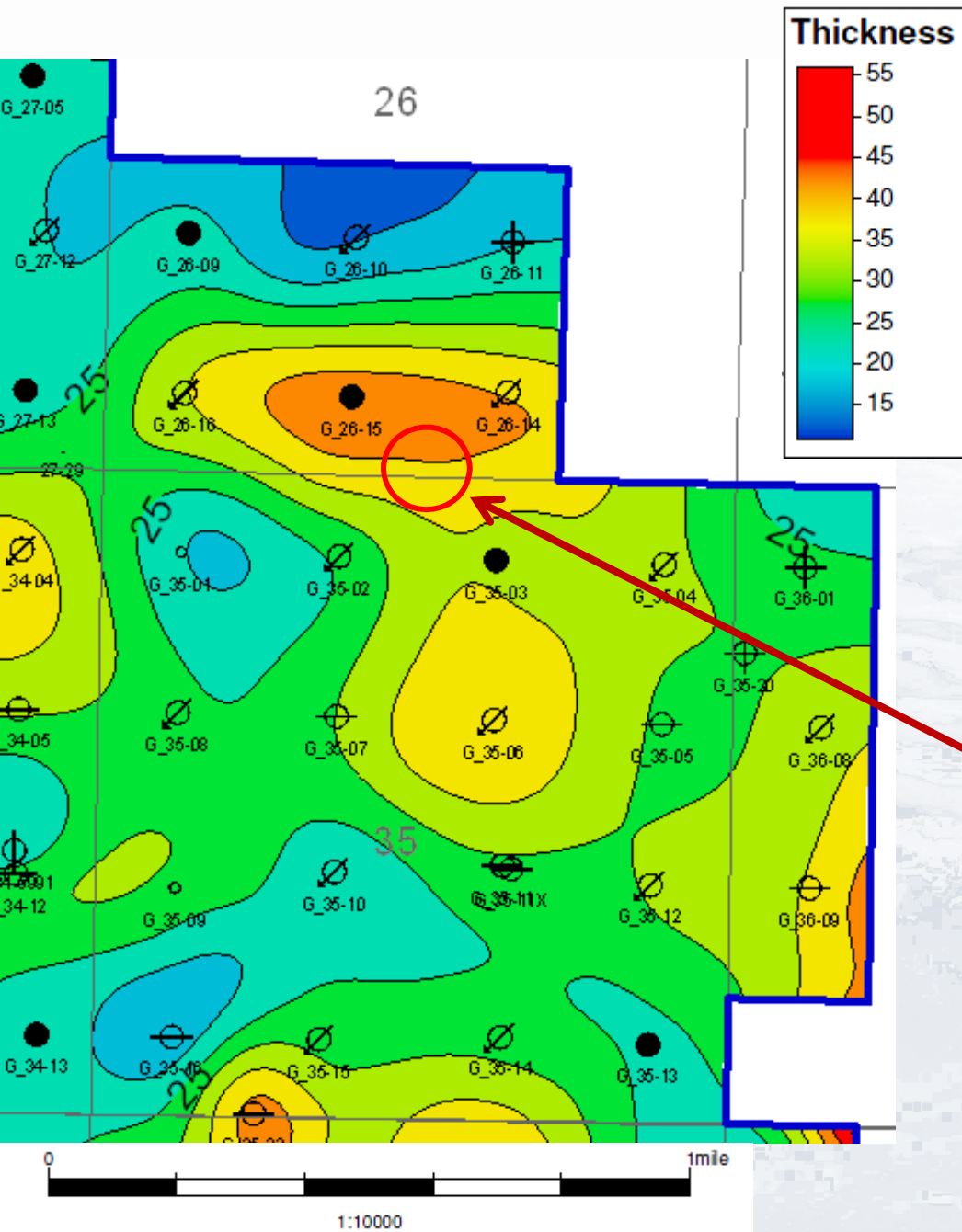


NE Quadrant Lower Cut Bank - Possible Infill Targets



○ Locations evaluated
in NE Quadrant

NE Quadrant – Section 26 Proposed Infill Location

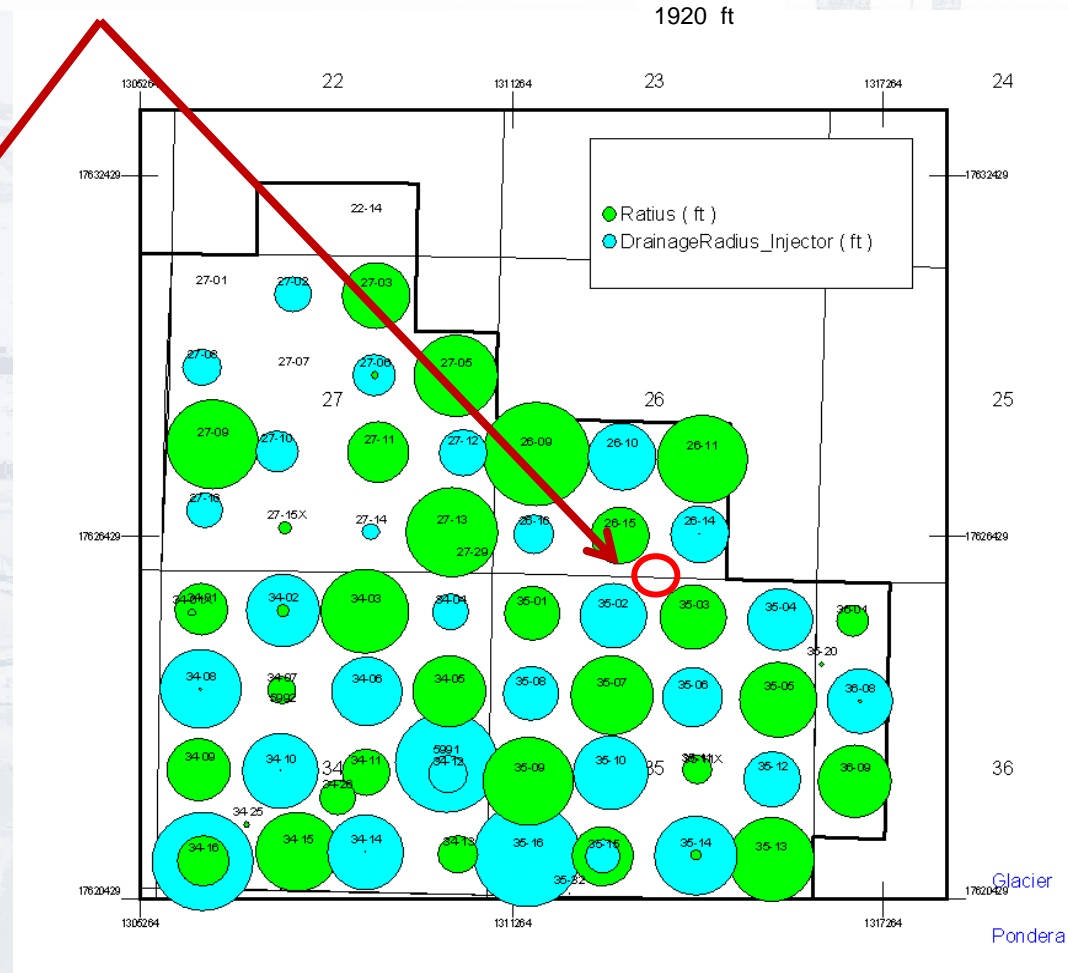
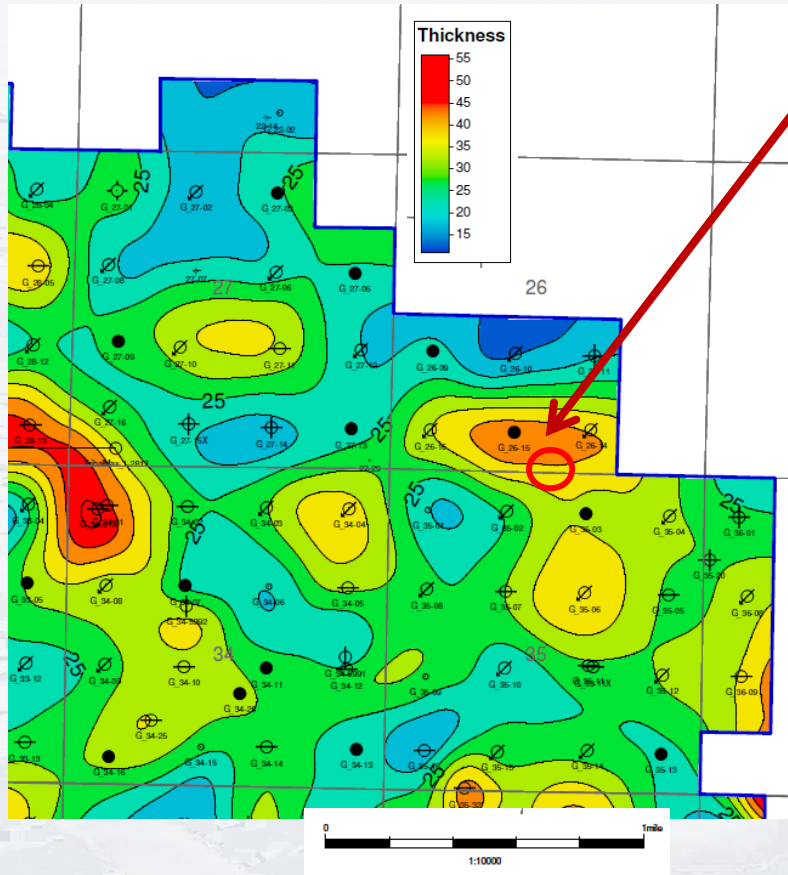


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Proposed Infill Location

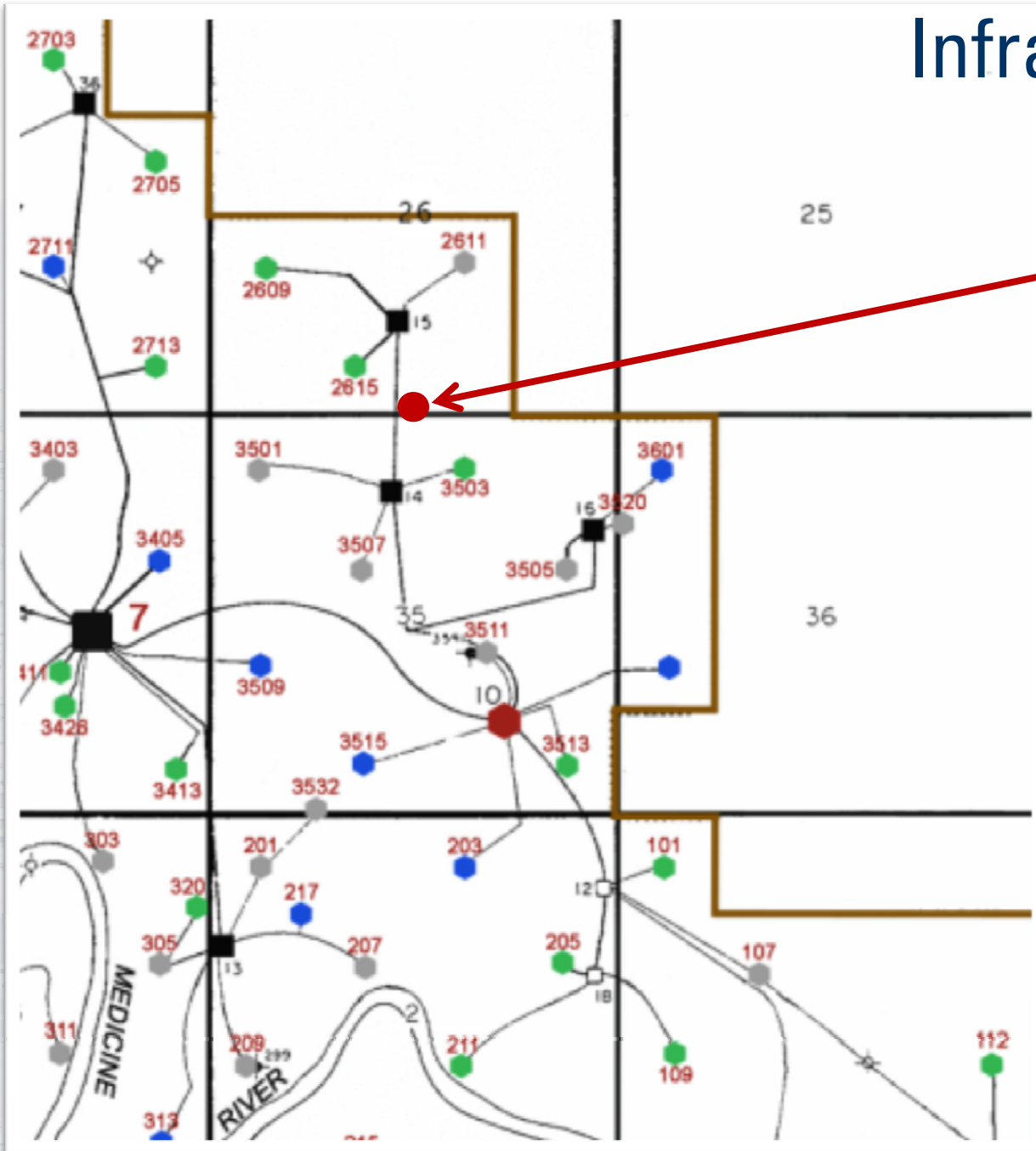
NE Quadrant Infill Location vs. Drainage Radius

Proposed Infill Location

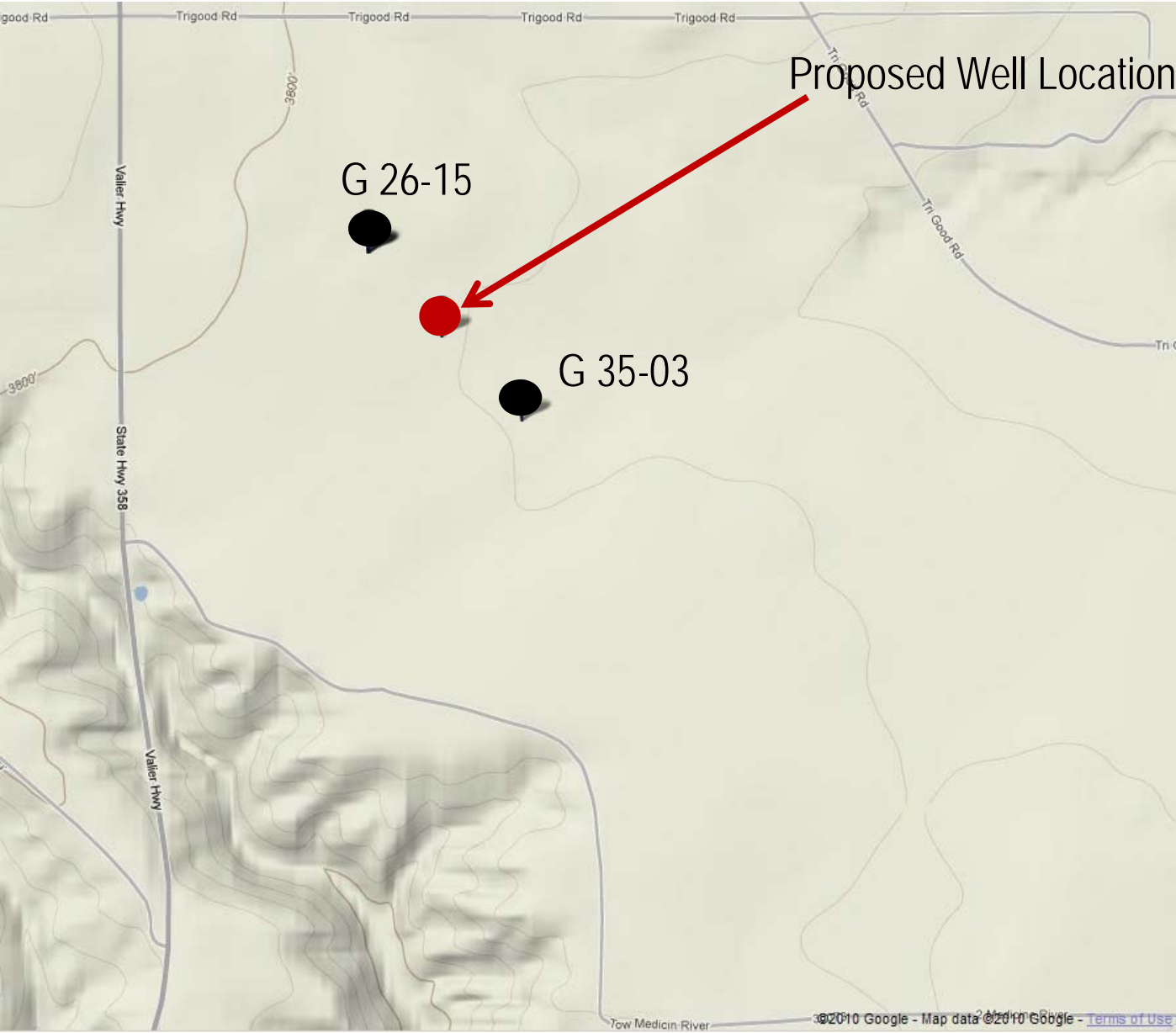


Infrastructure Map

Proposed Well Location



Topographic Map



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Aerial Photograph



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Location Selection Criteria

Surrounded by wells with above average LCB Net pay thickness (>35 ft) and porosity (12-15%): 26-15, 26-14, 35-03, 35-02

Structurally high location on trend with current producers but outside of drainage radius of producers

Location selected midpoint between two injectors to avoid drilling too close to injection well spots. No Injection since 1986.

Location follows a downsizing pattern from 80 acres to 40 acres

Location is near current producers (26-15 and 35-03)

Proximity to surface facilities

Surface topography flat

Possible water channeling may have occurred during waterflooding as indicated by the well production profile in 26-15 and 35-03. Indicative of unswept remaining reserves

Top of the Lower Cut Bank sand estimated at 3,190 ft MD

