

"35+ Years in Project Research, Exploration, Evaluation, & Funding."

Copeland Remote Sensing, LLC – Copeland Background and Capabilities

We have been involved in the petroleum industry since 1986. As a result of being successful we have had the good fortune to work with and be mentored by some outstanding managers, geologists, petroleum engineers, geophysicists, and petrophysicists. Over the past thirty years we have acquired a broad background in geology and petroleum engineering which enables us to analyze potential geological prospects for left behind production potential and profitability.

To date our largest project involved working with a geologist who had researched and developed a large Marcellus Shale prospect in West Virginia. We found a funding source and negotiated the contracts for the project which resulted in us receiving an overriding royalty in 220,000+ acres as well as a mineral ownership in 85,000+ acres. This was sold and used for R&D on our remote sensing technology.

Copeland Remote Sensing, LLC – We have always had an interest in remote sensing technologies for the petroleum industry and tried many of them. We have developed a *unique*, *proprietary*, *and proven oil and gas remote sensing technology* over the past eleven years which is used to quickly evaluate projects.

The HS System's survey data was used to totally change the direction of a horizontal well which was very successful and spurred on the leasing of additional acreage on a project which was sold for a reported \$165,000,000.

Our **Hydrocarbon Surveys** technology, **US Patent granted Sept 1, 2020,** is also used to eliminate dry holes and very low producers, thus greatly improving the project bottom line, including re-completion and water floods.

Copeland Remote Sensing, Introduction and Field Case Studies:

- 1. The first two pages are system introduction sheets.
- 2. Page 3 is the RW Carter 4BH where the horizontal leg had been laid out but was totally reversed in order place it in a very high reading area from Hydrocarbon Surveys. Page 4 shows geological trends established by the HS survey, including an unknown cross fault. This well was extremely successful and spurred additional leasing and many more wells. It produced (page 5) 75,116 barrels of oil by production month nineteen and was still making 91 barrels per day.
- 3. Pages 6 & 7 show two examples of HS surveys in North Texas waterflood scenarios.
- 4. Page 8 is from a Kentucky survey with very good HS survey correlation on oil wells, a new gas field discovery, and a dry hole drilled in a low HS reading but a high radiometric reading location.
- 5. Page 9 shows the HS Model 2610 Unit with Mr. Copeland. The unit has a tight temperature control system and is housed in a Yeti cooler, talking to the laptop's GIS and HS software packages via blue tooth. Readings are taken from inside a vehicle, boat, sled, etc.
- 6. Page 10 is an example of a HS unit in an ATV. With good terrain, we are able to take around 250 data point readings per unit day.

FIND OIL & GAS with Copeland Remote Sensing!

COPELAND REMOTE SENSING'S HYDROCARBON SURVEY SYSTEM (HS) OFFERS POWERFUL AND INEXPENSIVE ENHANCEMENT TOOL FOR YOUR GEOLOGICAL & GEOPHYSICAL LINEUP

HS SYSTEM WILL:

1. FIND HYDROCARBONS BELOW THE POINT OF MEASUREMENT.

2. FIND LATERAL EXTENT OF RESERVOIRS.

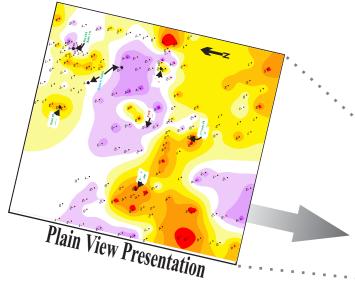
3. GIVE A RELATIVE STRENGTH READING FOR TOTAL RESERVOIR DENSITY.

4. GIVE A DISTINCT READING FOR NON-HYDROCARBON BEARING FAULTS.

HS SYSTEM APPLICATIONS:

LOW COST PROSPECTING FOR LEASING, NEW DRILLS, RE-COMPLETIONS, ETC. WATERFLOODS - DETERMINE FLOOD EFFICIENCY & AREAS TO IMPROVE DRAINAGE.

The preference is to run a grid pattern with the HS monitoring system. A color coded relative value map is presented after the data is processed. In some cases the client procures a "Vertical Value View Presentation" as to the right. This visualization tool gives a clearer idea of the relative values. HS's staff can work with the geological team to correlate the HS data with data from other sources. Data presentations can be overlaid on topographical, geological, etc. maps. This example is from a low density pattern.



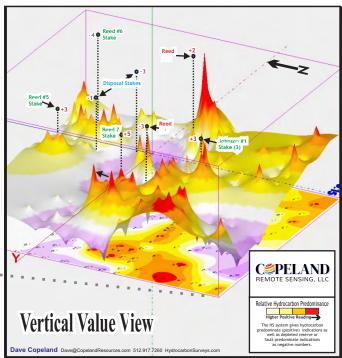
OUR SYSTEM UTILIZES A HYDROCARBON MONITORING SENSOR.

HS takes individual point measurements (requiring app. thirty seconds per point, plus travel time). Measurements can be taken over land or water and are adjusted for most roadways or other surface materials.

As readings are taken, the pattern and density for future readings can be adjusted on the fly to give greater detail to areas of interest. HS's real-time data acquisition versatility adds to its being a cost and time effective tool.

The initial data interpretation, mapping & presentations will usually be available in 5-7 business days depending on the size and scope of the project. Data can also be converted for use in various importable formats for most mapping software.

See HS APPLICATION SHEETS & **CopelandRemoteSensing.com** for additional information.



PATENT US 10 761 237 B1 Sep 1 2020



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Copeland Remote Sensing SYSTEM INTRODUCTION – PATENT APPROVED

Hydrocarbon Surveys (CopelandRemoteSensing.com) technology was developed by C. David Copeland of Austin, Texas. Prior to entering the petroleum industry in 1986, Copeland worked in broadcast engineering, servicing and inventing industrial electronics and robotics products and systems. Over the past twenty years, he has investigated a number of remote sensing technologies (Including a NASA research grant.) in the oil and gas industry and established associations with many talented and knowledgeable individuals in the field.

Research and development together with countless field trials resulted in a working integrated system that delivers relative readings for net cumulative hydrocarbons below points being measured as well as fault indications.

Copeland and several engineering associates are in the process of taking the system to the new levels of field application development broadening and expediting data acquisition capabilities.

CRS SYSTEM WILL:

- 1. Find hydrocarbons below the point of measurement.
- 2. Help establish lateral extent of reservoirs.
- 3. Give relative strength readings for total reservoir density.
- 4. Give a distinct reading for non-hydrocarbon bearing faults.
- 5. Give an indication of gas or gassy zones versus oil-only zones.
- 6. Is very pin pointed in the cone of influence below the point of measurement.
- 7. Provide geocoded mapping that can be integrated in layers with client geology.
- 8. Map presentation capability in several formats to accommodate different needs.

CRS SYSTEM WILL NOT:

- 1. Tell how many zones or faults are below the point of measurement.
- 2. Measure depth of zones or faults.
- 3. Measure finite amounts of fluids in place.

This system, as well as all data sources, is most valuable when correlated with other geological and geophysical data to develop a picture of hydrocarbons in place.

It is important to know that this system, other than finding faults, does not see structures but rather identifies actual hydrocarbons in place, real time, directly below the point of measurement. It is a receiver that measures the effect that fluid hydrocarbons in a reservoir and faulting have on a certain signal. Hydrocarbons have a positive effect and faulting has a negative effect. In cases where a fault trapped reservoir is encountered, the hydrocarbon predominant effect is somewhat dampened in the area of the fault.

Data output presentation examples can be seen on the associated Hydrocarbon Surveys General Introduction sheet and on our web site. Our GIS personnel work with client geological, geophysical, and operational staff to deliver products to fit specific requirements.



RW CARTER <u>HYDROCARBON SURVEY</u> POINTS OF INTEREST

Two pay zone HS survey scenarios

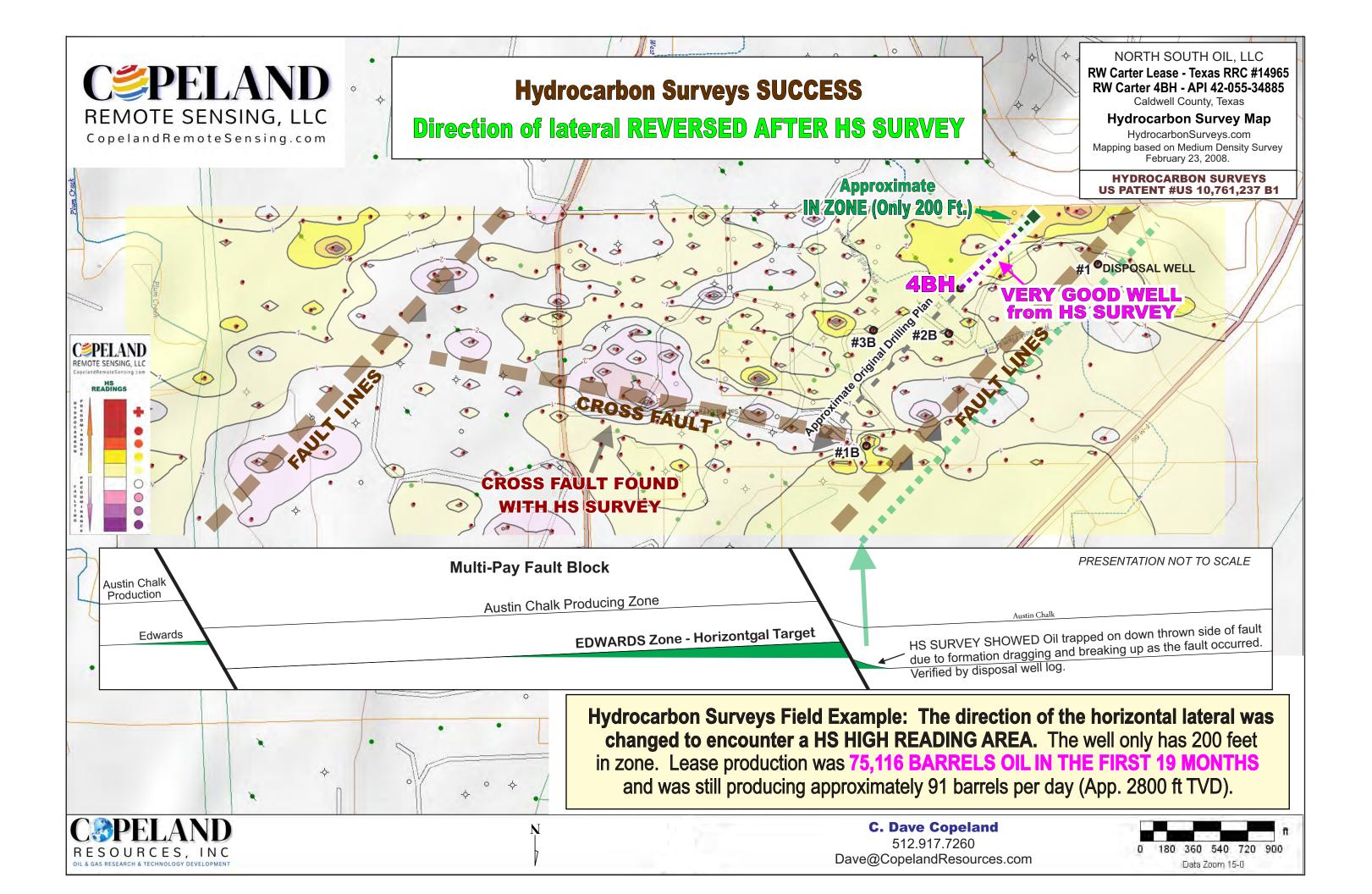
Introduction: Subject well – RW Carter 4BH, 42-055-34885, Texas RRC lease #14965, IP test May 14, 2008. It was drilled horizontally in the Edwards zone, which is some 350 ft below the existing Austin Chalk producing zone to tap the strong water drive Edwards. The initial production (IP) of the well was **flowing up the 7" casing, 284 bopd & 6,188 bwpd which is a 4.6% oil cut**.

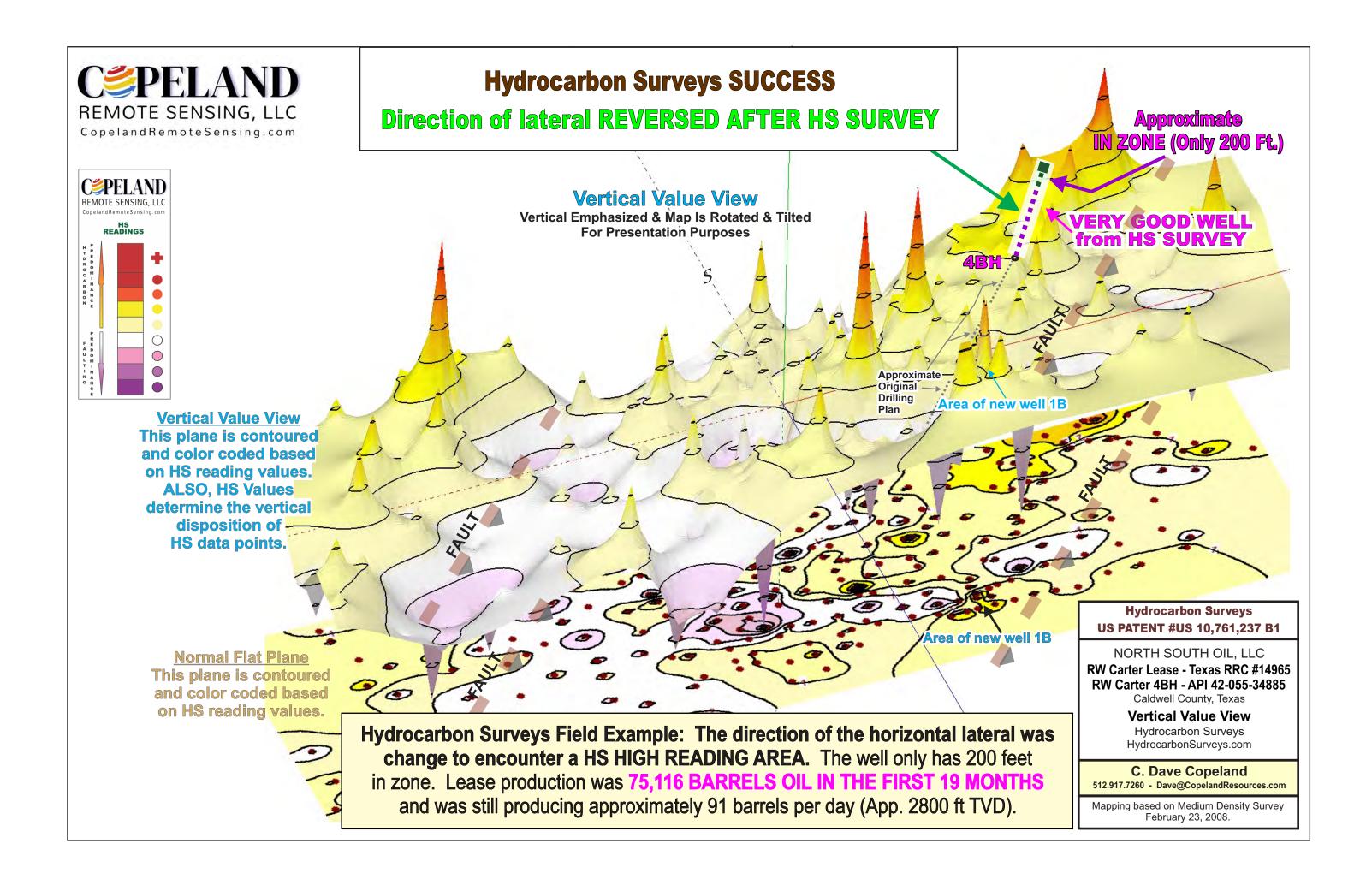
A medium resolution Hydrocarbon Surveys survey was run on the entire lease which revealed a high area around the 1B location. It showed a much higher area to near the southwest side of the lease. The HS data value code is shown on the left side of the Carter illustration. A vertical value presentation of the HS survey is also included.

To determine the best member of the Upper Edwards to drill the lateral in, 4 vertical wells were drilled straddling the path of the proposed 1,000 ft lateral. These wells were logged with high resolution, 20-inch logs through the Edwards. The log on the #1B well showed higher potential than the other 3 wells. Given the correlation between the HS readings around the #1B and the well logs, the operator reversed the direction of the lateral, to the southwest and made a VERY SUCCESSFUL WELL. It produced some **75,116 bo in the first 19 months, still making 91 bopd**, before another well was added to the lease.

Hydrocarbon Surveys Points of Interest

- 1. This is a **two-pay zone scenario** with the horizontal, Edwards, being below the existing Austin Chalk formation. The total vertical depth (TVD) of the Edwards is only 2,800 feet.
- 2. The play is based on a large, 450 ft, fault which traps the Edwards up against shales. This fault was shown by the HS system, as well as another known fault, down-dip to the east. HS survey data indicated an UNKNOWN CROSS FAULT.
- 3. Additionally, HS data indicates a small oil reservoir on the down-thrown side of the main fault which was caused by a dragging effect (see diagram). This is not the case on the lesser fault to the east.
- 4. A few years later HS road surveys along a road on the north side of lease showed lower HS readings, which confirms drainage by the horizontal wells.





HYDROCARBON SURVEYS a Unique Patented Technology for FINDING OIL & GAS Reserves US PATENT # US 10,761,237 B1

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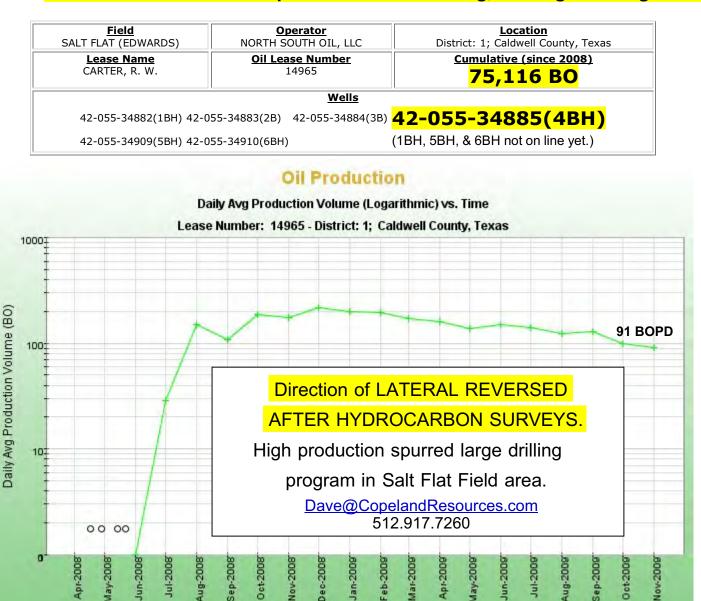


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Production Hub Pages

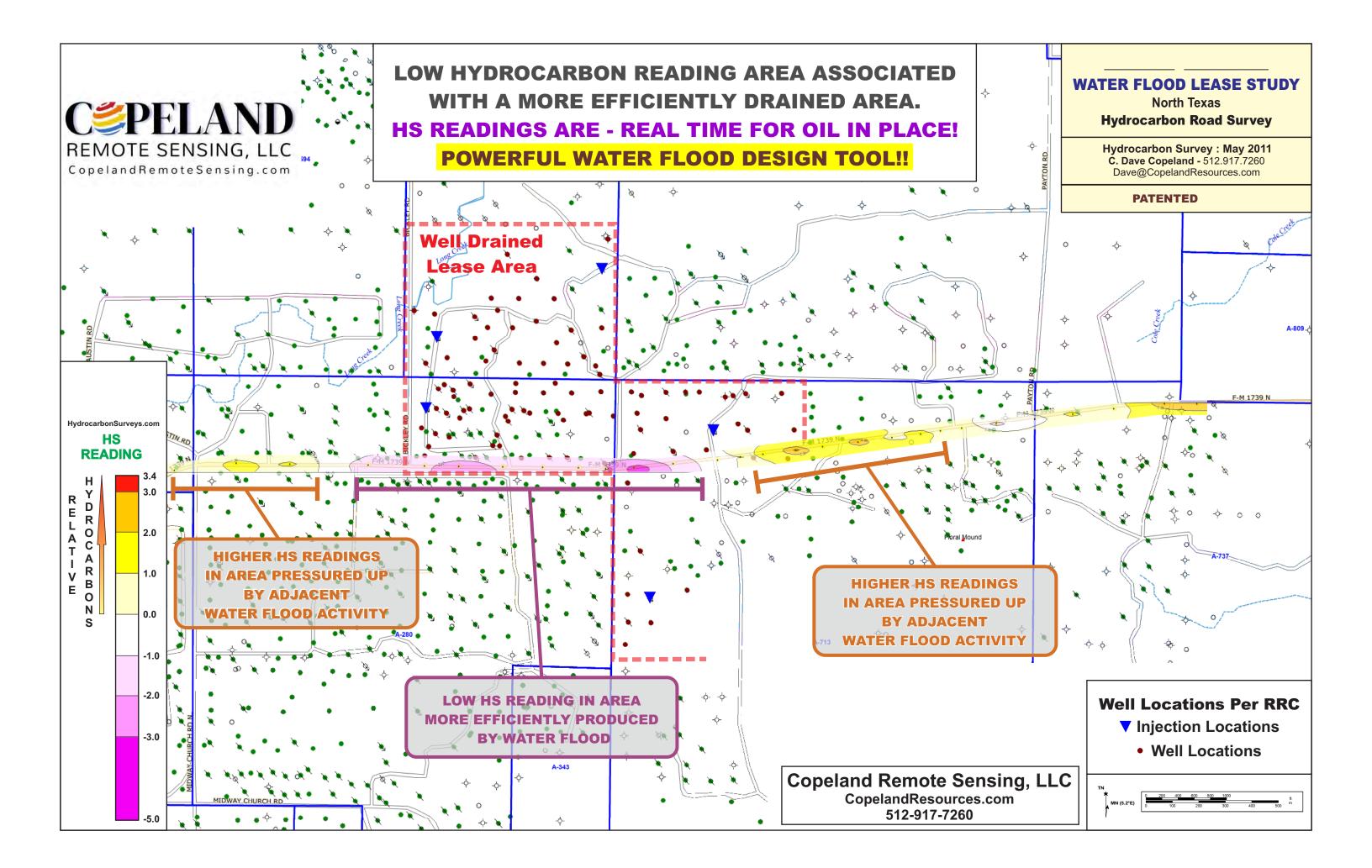
RW Carter #4BH – Only 200 foot lateral in Edwards – Location selected from Copeland Remote Sensing, LLC high reading show.

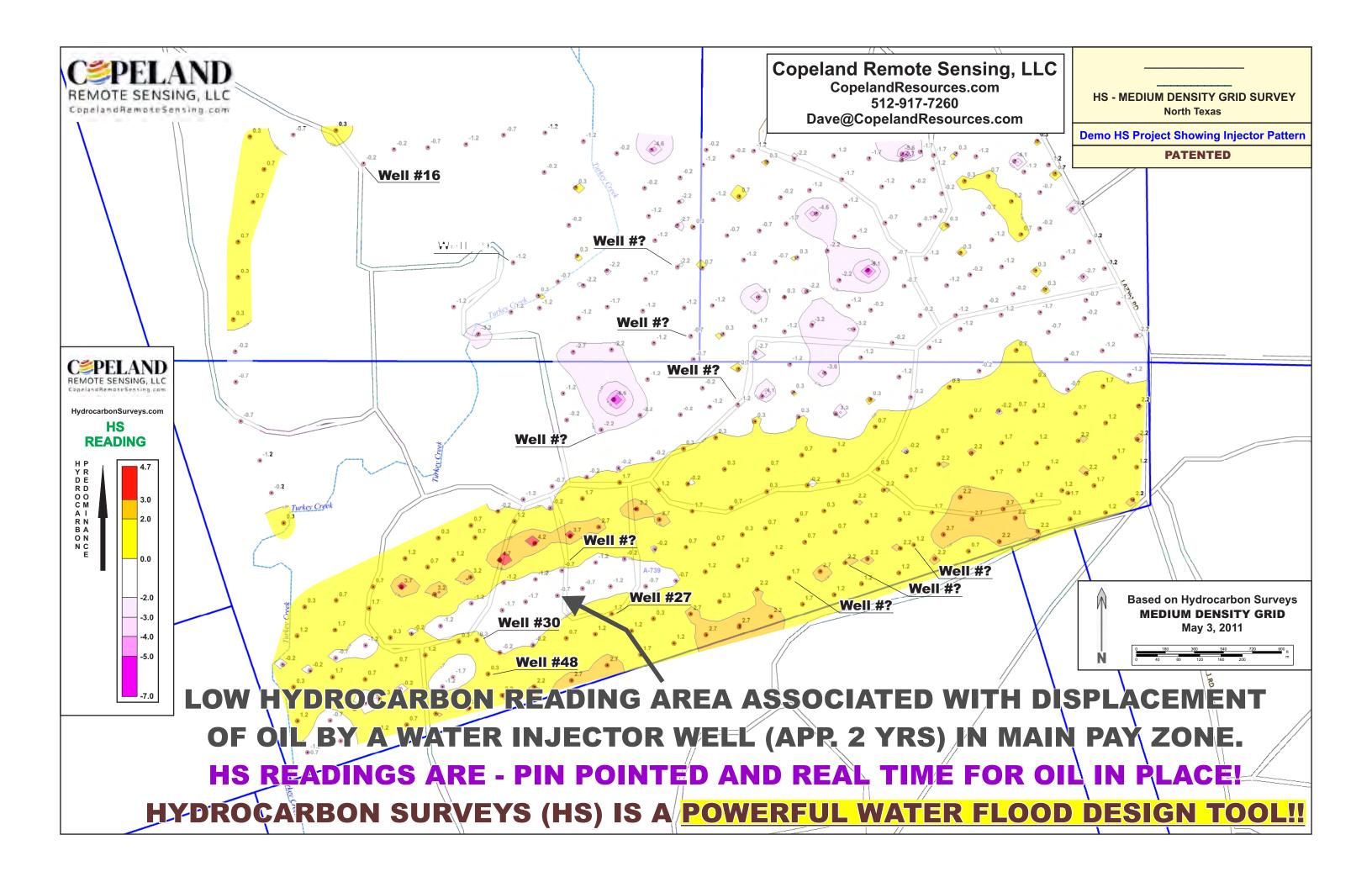


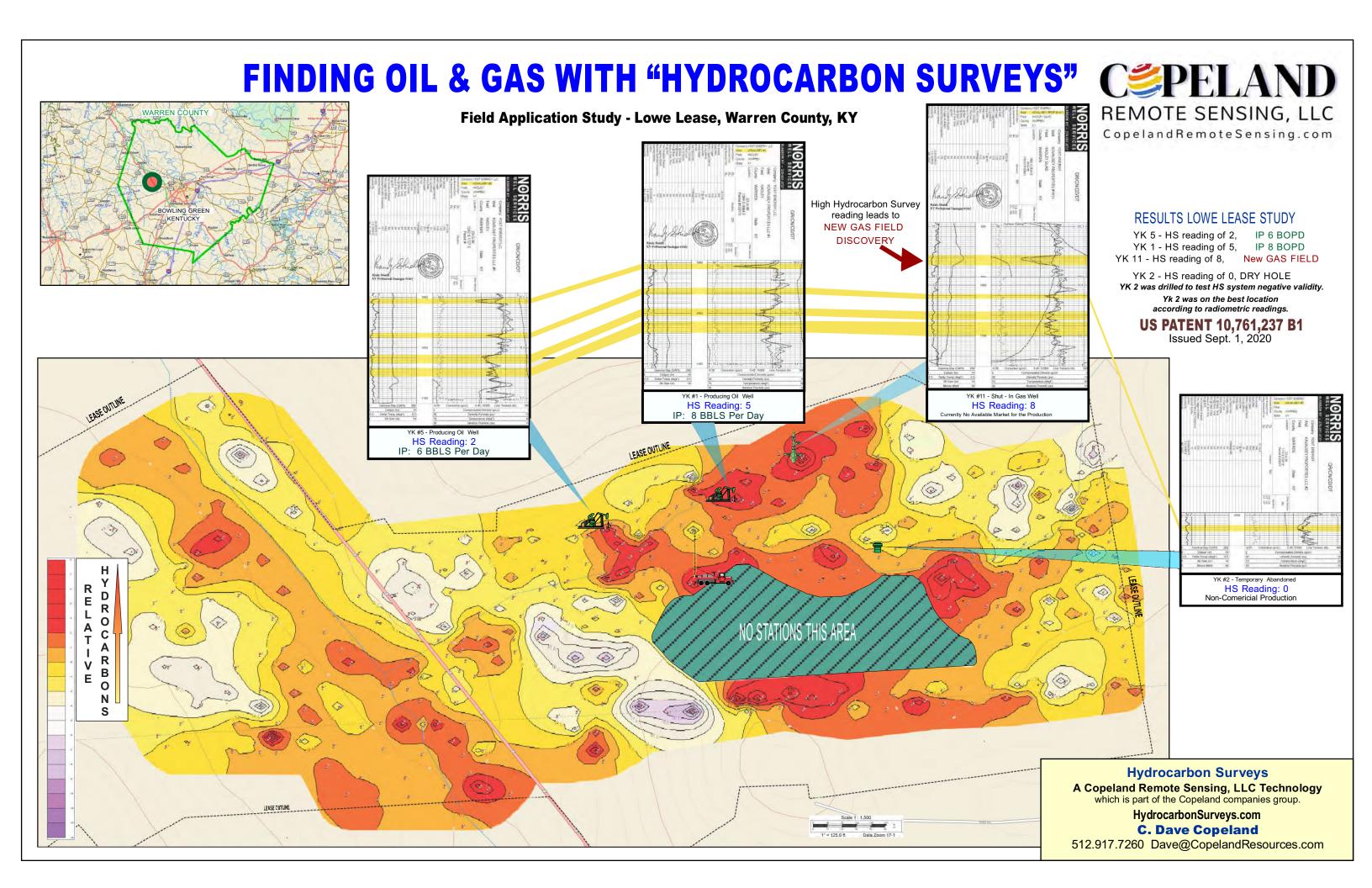
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Production Month







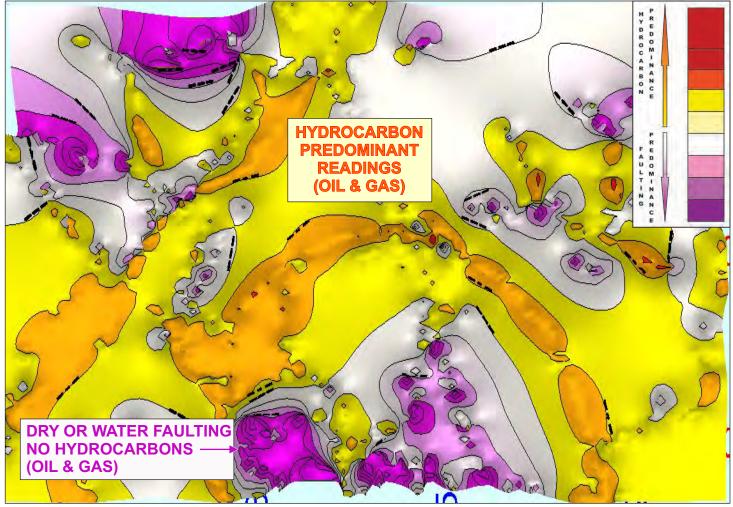
Finding VERTICAL FAULTS with Hydrocarbon Surveys (HS)

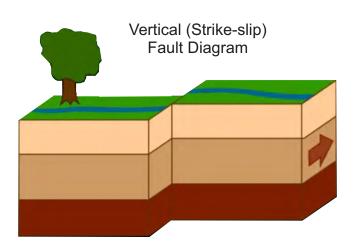
1. HS system is very effective at locating vertical (slip-strike) faults.

2. It can determine if they are hydrocarbon bearing and the best place to drill wells, as well as where not to drill.

3. For building construction planning, HS can point out potential unstable areas associated with the vertical, slip-strike faults.

Hydrocarbon Surveys - Vertical Value View of an area surveyed in Texas.





PATENT US 10,761,237 B1 Sep. 1, 2020

HydrocarbonSurveys.com

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See additional sheets for system capabilities and design.



Hydrocarbon Surveys - Do NOT drill here example!



Example of operator who went against the HS survey data and drilled a well up near the Austin Chalk fault because everybody knows that it is where you get the best fractures.

While drilling, he bragged to the mud loggers that Copeland's system can't be right. At TD they told him that it was a dry hole but he completed it anyway. The production rate was very poor and probably didn't even pay for the cement job.

HS

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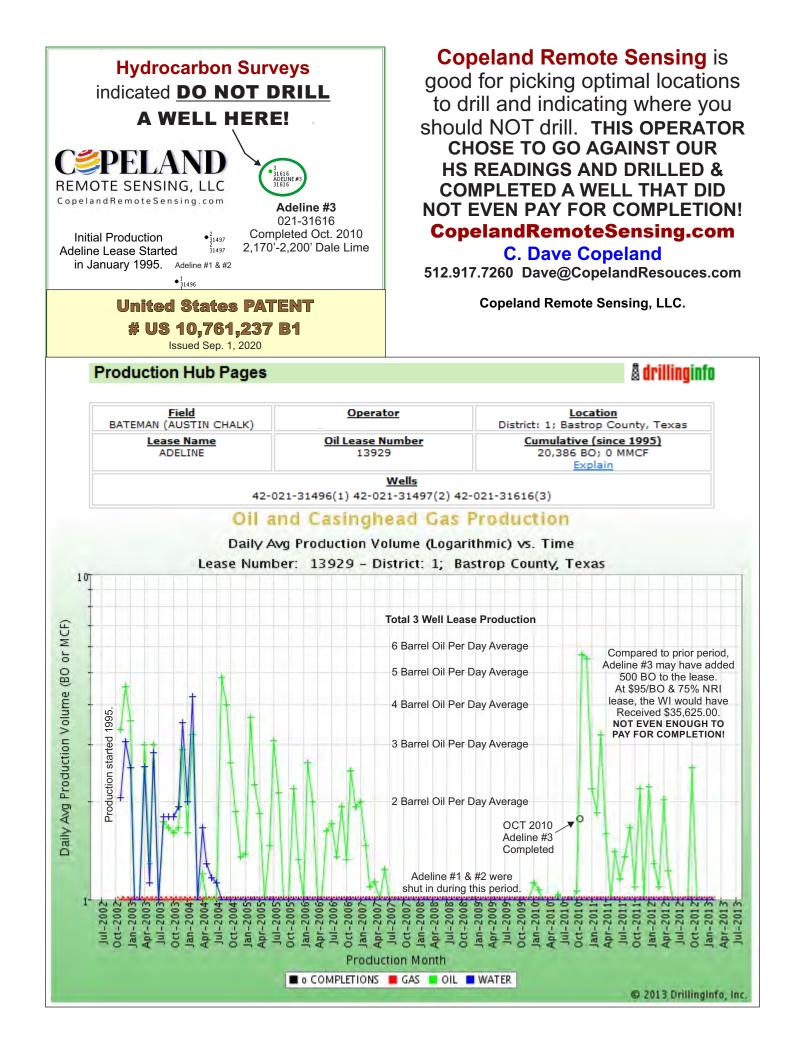
 Adeline #3

 Adeline #3

Adeline #3 was drilled in line with previous wells in order to catch the same fault trap as they did even though the HS readings showed it to be a negative area.

This was a promoted well and they completed it even though the mud log and e-log had poor shows. It did not produce enough to pay for the completion costs.

HYDROCARBON SURVEYS CAN KEEP YOU FROM DRILLING OR RE-COMPLETING BAD WELLS.



Find MORE OIL & GAS with HYDROCARBON SURVEYS (HS)

A UNIQUE, <u>PASSIVE</u> OIL AND GAS REMOTE SENSING TECHNOLOGY



(12) United States Patent Copeland

(10) Patent No.: US 10,761,237 B1
(45) Date of Patent: Sep. 1, 2020

Hydrocarbon Surveys technology was invented and Patented by C. Dave Copeland, president of Copeland Resources, Inc. and Copeland Remote Sensing, LLC.

The company has been actively involved in the development and funding of geological prospects since 1986 and continues to develop new capabilities to work within the petroleum industry.

Mr. Copeland is proud to have served our great country against the communist invasion of South Vietnam and was decorated with a **Bronze Star for leadership under hostile conditions**.

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Sept. 2021



HydrocarbonSurveys – **DATA ACQUISITION** from off-road vehicle:

Hydrocarbon readings are gathered in a grid pattern at specified intervals using our proprietary HS software. Since both operator and equipment stay in the vehicle, only 30 seconds are required for each reading. As a result, hundreds of readings can be recorded by each operator in a workday.

