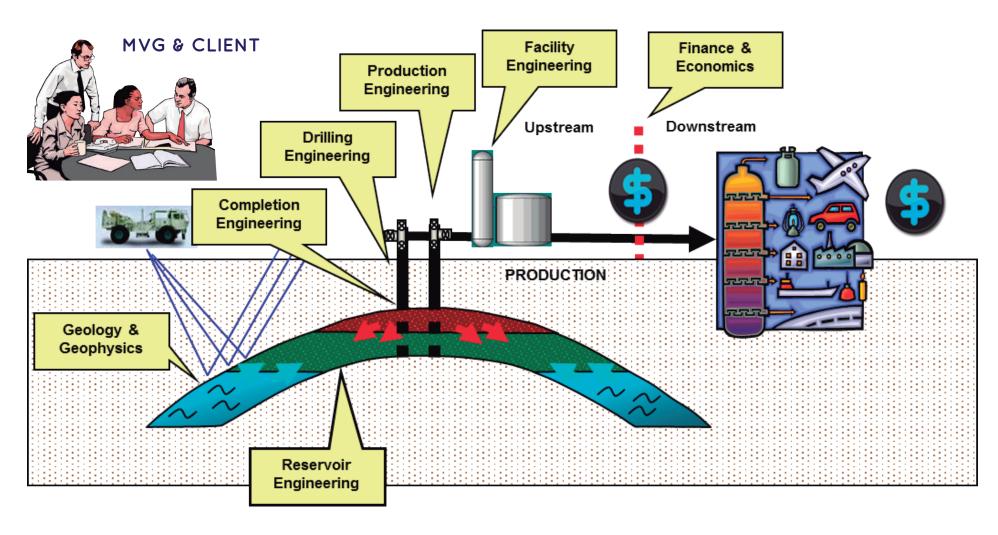


## MVG 'S COLLABORATIVE PROCESS ENABLES OUR CLIENTS TO FIND SWEET SPOTS (HIDDEN PROFITS) WITHIN THEIR EXISTING PORTFOLIO

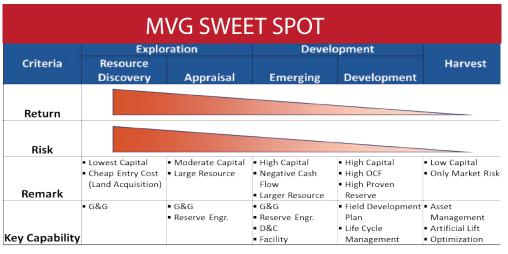




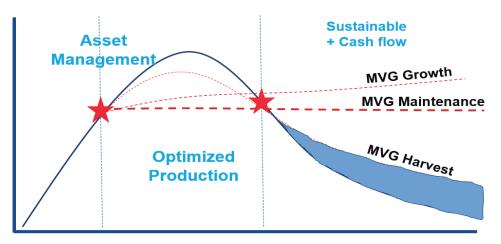
DRILLING	COMPLETION	RESERVOIR & PRODUCTION	FACILITIES	PIPE LINE
*Benchmarking Off Set Operators  *Vendors Selection *PAD Design *Bits Selection & Evaluation *Directional Drilling - Penetration (Days Vs Deep) *Optimum Hole Size *Mud Design Program & Evaluation *Cuts Treatment & disposal *US Analog Analysis *DWOP Exercise *Establish Operation Meetings *Procurement Tools *After Activities Reviews - (Lessons Learned & Best Practices) *Safety Audit *Tech Limits *Score Card & Boards *Key Performance Indicator - (Leading and Lagging)	*Casing Program Design *Cement Program Evaluation *Play Analogs Analysis *Fluids Program Evaluation *Perforation Program *Coiled Tubing Design *Stimulation Recommendation *Flow Back Monitoring *Well Head Design *CWOP Exercise *Procurement Management *After Action Review - (Lesson Learned & Best Practices) *Safety Audit *Score Card *Key Performance Indicator - (Leading & Lagging)	*Type Curve Generation *US Analog Analysis *Pressure Transient Analysis *Well Testing & Design *Coiled Tubing Design *Artificial Lift Design *Tubing Program *Field development Planning *Well Treatment Program *Re-stimulation Design *Re-perforating Design *Well Lifecycle Plan *EOR Design & Evaluation – (Water, CO2 & N2) *Safety Audit *Score Card *Key Performance Indicator *Full Field Optimization – (Maximum Profit & Life Cycle Planning) *Oysters, Pearls, White Elephants, Dogs Analysis *Field Studies *Plugging & Abandonment Design & Reclamation *Due Diligence *Non-operating Management *Well Review / Field Review *Remedial and Work Overs Procedures *Budget Planning & Budgeting & Economic Analysis	*PAD Design *Surface Facilities Design *Procurement  Short Term Test Design *Power Design *Fluids Treatment Design *Facility Design  Long Term Design *Power Design *Fluids Treatment Design *Facility Design *Cathodic Protection *Gas Treatment Design *VRU & VTECH Design *NGL's Extraction *CO2 Removal *Salt Water Disposal System  Facilities Design *Facility Downsizing Evaluation *Safety Audit *Score Card *Key Performance Indicator *Environmental Audits, Cleanup, & Remediation	*Pipeline Design *Pump Design *Compression Design *Gas Treatment Design *Gas Metering & LACT Unit Design *Pigging Design *Cathodic Protection *Procurement Management *Safety Audit *Score Card *Key Performance Indicator

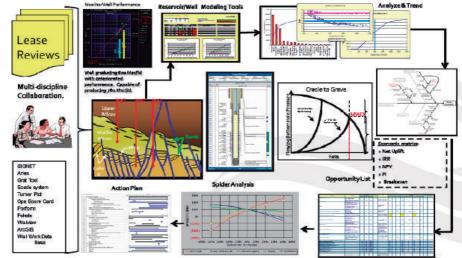
# SWEET SPOT IDENTIFICATION, PROJECTS VALIDATION AND EVALUATION, DEFINE PROFILES, AND & FIT FOR PURPOSE SCORE CARD





### "Turning Development Phase to Sustainable Positive ${\color{red} \textbf{Cashflow}} "$





КРІ	Weight	Target	Self Evaluation
Maintain Top Quartile Health, Safety and Environmental Performance	(10%)	✓ Maintain top quartile Safety Culture ✓ Near Miss - 11 □ TRIR < 0.30 □ LTII - 0.0 □ Vehicle Incidents - 0.0 □ Vehicle Incidents - 0.0 □ Less than 10 recordable spills per year ✓ 10% yearly reduction of P&A & shut in wells	Behind
Creation of an Innovative Culture, Knowledge Sharing & Synergy Practices	(10%)	Create a cooperative environment for voluntary support among organizations through the Asset Team Concept Continue to create organizational culture of uniform standards and practices, valuing diversity of thought, while pursuing sustainable and profitable growth Provide group synergy project ideas and opportunities that streamline our operations, practices, and drives accountabilities	On Schedule
Prudent Management of Operated & Non-Operated Operations	(60%)	Lifting Cost - \$0.80 per MCFE exit rate EBITDA - \$64.4MM (-\$1.5 MM operating) 50 wells monetized by year end from the T&A, Negative Cash Flow, and Shut In Wells list 50% Reduction in negative Cash Flow wells	On Schedule
Development of a New Growth Engine	(10%)	☐ 6.5 - 13 MMCFED sustainable uplift through an inventory of base production opportunities with greater 20% IRR that will payout before year end ☐ Develop a 2-3% CAGR development program for 2017	No Able
Upgrading of Capability & Mgmt. System	(10%)	✓ 12% (6.5%) Base decline on end of the previous year producing wells	On Schedule

### MVG IMPROVEMENT PLAN FOR YOUR OPERATION

PLANNED PHASE 22 - 25%



ACTIVE PHASE 2 - 5%



ACTIVE PHASE 1 - 3%



### MAINTAIN PHASE

### GOOD

#### **EXPENSE REDUCTION**

- Vendor Management
- GTM Reduction
- Compression Downsizing
- Compression Optimization
- SWD Management
- Chemicals Optimization
- Economic Justification for Expense Projects
- SI/TA & P&A reduction (10 % Per Month ) Program
- Imbalance Management
- Negative Cash Flow Wells
- Non-Operated Wells Management
- Internal Benchmarking & Score Cards
- Energy Management Program
- Logistics Saving Program

### PRODUCTION ENHANCEMENT

- Vendor Assist Optimization and Artificial Selection
- Production Surveillance,
   Downtime Management
   and Accountability
   Escalation

### **GREAT**

#### **HSE ENHANCEMENT**

- Environmental Stewardship Surface and Pipelines
- Safety Stand Downs
- Incident Command Center

#### **EXPENSE REDUCTION**

- Active Procurement
- SWD: Hauling, Disposal, Automation & Allocation
- Oil & Water Inventory
  Management
- Defined Maintenance Program – Produce to Failure
- Portfolio Optimization -Divestures
- Superintendent / Foreman Quarterly Meetings

### PRODUCTION ENHANCEMENT

- Route Review Focus Artificial Lift Optimization
- Utilization of Vendors for Field Optimization of Low Performing Wells
- Route Level Scorecards

### **TOP TIER**

### **HSE ENHANCEMENT**

- Safety Leadership Training
- Rewards Program for Safety

#### **EXPENSE REDUCTION**

- Operator LOS Training
- Implement Operator Goal Setting
- Work Order Maintenance Program on PM Items

### PRODUCTION ENHANCEMENT

- -Operator Control Room Concept
- Operator Optimization Training
- Maximum Well
   Deliverability Initiative
- Lease Review Process Upgrade
- Formal Remedial / Workover Program
- Internal Benchmarking
- Well Target Production Initiative
- Portfolio Optimization Acquisitions

### **BEST IN CLASS**

#### **HSE ENHANCEMENT**

- External Benchmarking
- Capture Other Operators Best Practices and Lessons Learned
- Critical Areas Heat Mapping

#### **EXPENSE REDUCTION**

- Capture Synergies from Pipeline Companies and Other Operators
- Defect Elimination Program
- Implement Operator -Route Peer Review and Knowledge Share
- Revise the Operator Schedule (5/2, 7/2, or 10/4) to Reduce Maintenance &

### PRODUCTION ENHANCEMENT

Program

Manpower

- Forman Coaching Program
- Operator Hand Book





### **MVG'S RENTAL AND SALES EQUIPMENT**

www.mvgesolutions.com

