



HIPTERRA'S TECHNOLOGY ASSISTED HYDROCARBON EXPLORATION PROPOSAL

Confidential Technical Proposal — Not for Distribution

Submitted by: Hipterra, LLC

1. Executive Summary

Hipterra, LLC (“Hipterra”) is pleased to submit this proposal for advanced, technology-assisted hydrocarbon exploration services for _____ (“Client”).

For more than eight decades, the underlying science behind Hipterra’s system has been tested, refined, validated, and applied across thousands of wellbores globally.

Our proprietary field-based sensing technology, combined with modern machine learning and geospatial modeling, enables operators to directly detect hydrocarbon signatures rather than inferring them from structural data alone.

Traditional exploration tools- seismic, geology, petrophysics- are powerful but inherently indirect. Hipterra complements these tools by directly identifying subsurface hydrocarbon presence with industry-leading accuracy (>90% in validated studies), reducing dry-hole exposure, enhancing A&D intelligence, and improving overall capital efficiency.

2. Why Hipterra

A. Direct Hydrocarbon Signal Detection

Unlike structural or inferential methods, Hipterra measures changes in the subsurface environment caused by hydrocarbons themselves.

B. Proven Accuracy

Hipterra’s underlying science, validated against **3,000+ wellbores** , consistently demonstrates >90% accuracy in identifying hydrocarbon presence.

C. Reduction of Drilling Risk

Our technology reduces the likelihood of drilling non-commercial wells and enhances certainty around infill development and step-out locations.

D. Complements, Not Replaces, Traditional Tools



Hipterra integrates seamlessly into existing workflows and supports:

- Seismic interpretation
- Geological mapping
- Reservoir engineering
- A&D valuation
- Lease planning, and more

E. Operator Alignment

Hipterra's pricing model is structured around performance and aligned incentives- we win when our operators win.

3. Use Cases & Applications

Hipterra supports a wide range of upstream objectives, including:

- **Greenfield Exploration**
 - Identify viable drilling targets in underdeveloped acreage or frontier basins.
- **Reservoir Development Optimization**
 - Improve well spacing, avoid non-productive zones, and optimize drilling inventory.
- **A&D Due Diligence**
 - Rapidly assess asset quality, identify remaining potential, and validate operator claims.
- **Leasehold Strategy**
 - Inform where to expand, consolidate, or exit acreage positions.
- **Re-evaluation of Legacy Fields**
 - Identify bypassed pay or overlooked productive zones.

All results integrate cleanly into operator geological and reservoir workflows.

4. Case Study (Representative Example)

(Summarized from Operator Overview)

Hipterra recently completed a comprehensive field analysis on a 41-well development area. Out of the 41 wells:

- 11 were dry holes
- Hipterra correctly identified **all 11 dry locations**



- Hipterra accurately predicted commercial potential in the remaining producers

This demonstrated the technology's capability to:

- identify non-commercial zones *before* capital is deployed
- optimize field development strategies and efficiency
- validate existing drilling assumptions

5. Scope of Work

Hipterra will complete the following services for Client:

A. Project Planning & Site Preparation

- Coordinate ROW (Right of Way) and land access
- Review available subsurface data (optional)
- Establish project footprint and mapping boundaries

B. Field Deployment

- Mobilize Hipterra's proprietary sensing equipment
- Conduct field sweeps across designated acreage
- Ensure environmental and operational compliance

C. Data Acquisition

- Multi-pass acquisition of subsurface signals
- Quality assurance and data integrity checks

D. Modeling & Interpretation

- Signal processing and anomaly modeling
- Machine-learning-assisted interpretation
- Subsurface hydrocarbon signature mapping ("indicator zones")
- Macro-mapping (prospect delineation)
- Micro-mapping (drill-planning optimization)

E. Final Deliverables

- Shapefiles, KML, GeoJSON
- Integrated anomaly map
- Final PDF technical report



- Hydrocarbon indicator zones
- Drill-recommendation matrix (if requested)
- Operator review session (virtual or in-person)

6. Interpretation Limitations Disclaimer

Hipterra's subsurface interpretations are based on environmental signal responses and are inherently subject to geologic and geophysical uncertainty.

Results should be used as one input among multiple exploration tools. Hipterra does not guarantee the presence, quantity, or commercial viability of hydrocarbons or drilling outcomes. Final decisions remain solely with the operator.

7. Engagement Process

Hipterra's engagement process consists of the following steps:

- 1. Initial Consultation**
 - a. Project scoping
Pricing proposal, discussion, and agreement
- 2. Services Agreement Execution**
 - a. Field operations
 - b. Interpretation & modeling
- 3. Final Deliverables + Operator Review**

8. Pricing Structure

Hipterra's pricing reflects transparency, scalability, and operator-aligned incentives.

A. Mobilization & Demobilization

\$1.75 per mile each direction (transportation, lodging, equipment setup, field compliance)

B. Mapping Rates

Service rates vary by terrain, project complexity, and intended outcomes:

- Mapping rates range from \$2,000 to \$12,000 per square mile, with lower-resolution macro-mapping on the lower end and high-resolution micro-mapping (drill-planning detail) on the upper end.



- Each project is quoted individually based on acreage, terrain, operational complexity, and desired deliverables.

A formal written quote will be provided and agreed upon prior to field deployment.

C. Overriding Royalty Interest (ORRI)

Hipterra proposes a **1-3% Overriding Royalty Interest** assigned on newly discovered commercial zones that are demonstrated to result from Hipterra-identified indicator zones.

- Applies only to new commercial wells tied to Hipterra-identified anomalies.
- Final definitions, fees, structure, scope, percentages, and other relevant payment mechanics will be documented in the Master Services Agreement (MSA).

9. Timeline & Project Delivery

- **Project Start:** Within 30 days of executing the MSA
- **Data Acquisition:** Based on acreage size and terrain
- **Final Deliverables:** Typically 3-6 weeks following field completion

10. Client Responsibilities

Client agrees to:

- Provide site access and ROW
- Ensure safe operating conditions
- Secure permits where applicable
- Provide a single point of contact
- Coordinate with landowners, ranchers, or leaseholders

11. Terms Summary

- Proposal valid for 60 days
- Scope modifications require written approval
- All legal terms governed by the Master Services Agreement
- If any conflicts exist, the Master Services Agreement supersedes this Proposal

12. Acceptance *(signatures on the following page)*



This proposal is recognized, accepted, and approved by the undersigned.

Client/Operator

Signature: _____

Name: _____

Title: _____

Date: _____

Hipterra, LLC

Signature:

Name: **Robb Miller**

Title: **Managing Member**

Date: _____