PRESENTATION CARBON NEUTRAL DRILLING
Emerald Knight & Oakmount Partners Ltd
Introduction

The Organization of Petroleum Exporting Countries (OPEC) and the International Energy Agency estimate the current world demand for oil at between 86 million to 87 million barrels per day in 2008. When the price of oil rises, this decreases demand in the United States, but demand from growing emerging market economies is expected to increase as these countries industrialize.

Some emerging market economies have fuel subsidies for consumers, and an estimated one-quarter of the world's demand for oil in 2008 comes from nations that have such subsidies. However, subsidies are not always beneficial to a country's economy, because although they tend to spur demand in the country, they may also cause the country's oil producers to sell at a loss. As such, removing subsidies can allow a country to increase oil production, thus increasing supply and lowering prices. In addition, cutting subsidies can decrease any shortage of refined products have been alleviated, since higher oil prices give refineries an incentive to produce products, such as diesel and gasoline.
Emerald Knight

Emerald Knight Ltd is a Gibraltar and UK-registered company that was created to give retail and institutional investors the opportunity to be involved in projects that are sustainable, ethical and give high returns that are not normally offered to clients of high street banks or life companies.

As Emerald Knight’s directors come from an IFA (independent financial adviser) background, they can identify the ‘best opportunities’ in their sector and select only projects which meet the strict criteria that can benefit clients’ portfolios, giving investors an annual income stream and capital appreciation on the money they have invested. All projects are SIPP (self invested pension plan) approved.

Rigorous due diligence is carried out on all recommended investment projects. This includes extensive research and analysis, market comparisons and onsite inspections, and ensures all projects presented to investors have undergone a robust selection process.
Emerald Knight

Emerald Knight is uniquely positioned to take advantage of global economic trends and due to our total independence (we are not tied to any particular investment group or country) we are 100% transparent.

OUR BUSINESS IS INVESTING IN YOUR FUTURE AND THE ENVIRONMENT
Oakmount Investments

As an organisation we act with integrity in our transactions and daily work by holding ourselves and our clients to the highest professional and ethical standards. We recognise in every investment the importance and value of good corporate governance. We seek to be transparent, accountable and equitable, in our dealings with our clients, associates and with local communities.

Oakmount is proud to act as an innovative private consultancy house for institutions focusing on the growing commodity markets and key economic trends. Our investment approach revolves around one concept. We seek to optimise performance over the short, medium to long term without exposing our investors to unnecessary risk. We believe that our clients and corporate partners are the key to our success.

Being situated in the heart of Canary Wharf’s financial district allows our team to be close to the world’s financial institutions, so we can provide our clients with up to date knowledge regarding all aspects of the investment markets.
Oakmount Investments

Our experience stems from numerous years of success in a number of key sectors.

Due to the expansion and success of our brand, Oakmount has been subdivided into trading divisions. Oakmount and Partners Ltd and Oakmount Global Management.

Oakmount and Partners Ltd is an FSA registered business dealing in the more structured financial product side including IPO’s, Equities and EIS investments.

Oakmount Global Management deals with commodity driven investments and has built up a strong reputation for delivering excellence and transacting in a holistic manner.

Oakmount and Partners FSA registration no: 586543

Accreditations

Oakmount and Partners Ltd
Investment Offer
Investment Offer

Entry

- Allocation size: 1.3655%
- Available allocations: 30 contracts
- Contract: Individual contract & documentation with each allocation
- Entitlement: 1.3655% of all produce
Investment Offer

Exit

- Returns: Paid monthly
- From: Bi-Petro Inc
- Average lifespan: 20 years
- Buy out: Yes, by NGI or Sunset Oil and Gas
Investment Offer

Explanation

The calculation below is based on a well producing 10 b/d over a 20-year period.

\[
10 \text{ b/d} \times 77.88 \text{ $/b/d} \times 1.3655\% \times 10.63 \times 365 \text{ days} \times 3,879.95 \times 20 \text{ years}
\]

\[
= 10.63 \text{ per day.}
\]

\[
= 3,879.95 \text{ per year.}
\]

\[
= 77,599.00 \text{ over average well life.}
\]
Investment Offer

As seen above, from 10 b/d, a single allocation would earn $3,879.95 per year for approximately 20 years. Over the 20-year period this would result in a total profit of slightly under 5 times the original purchase price.

Despite assuming each well will only produce 10 b/d, it is important to take into consideration the other wells drilled in the area by Sunset Oil and Gas Partners. In general, a producing well will have a high IP (initial production) and then drop down to a production of circa 10b/d over time, where it will remain for much of its lifetime.

Sunset Oil and Gas Partners are currently enjoying the following averages from the wells they already have in operation in the area. Firstly, all wells were paid out within 18 months. Average production on all wells is between 120 b/d and 150 b/d.

Their last drilled well (02/11/2012) had an IP of 38 b/h (912 b/d) for the first 48 hours (1,824 barrels in two days). The production has now fallen to, and steadied at, 12 b/h (288 b/d). The well currently remains at this production level and is located 600 feet from the well on offer. Their longest producing well is currently in its 36th year of production. All of the above wells were assumed to produce 10 b/d in exactly the same way as the wells available to client.
Investment Offer

Project projections, on Case Studies
Conservative Initial production (IP)

120BPD × $93.00 = $11,160 × 1.3655% (License size)
$152.39 × 30 (1 month) = $4,572.00
Investment Structure

Sunset oil and Gas

Illinois Basin

Geologist (John Upcraft)

Drilling Company - George N Mitchell

Purchaser Bi Petro
Sunset Oil & Gas

Sunset Oil and Gas Partners is an independent oil and gas producer in the state of Illinois, USA. By focusing on known producing areas they are able to develop high impact projects while maintaining a well-diversified portfolio of oil and gas prospects. The management team of Sunset Oil and Gas Partners boasts a combined experience of over 75 years with an enviable track record of returning 100% of capital invested within an 18-month timeframe.

Their Vision

Sunset Oil and Gas Partners, LLC is dedicated to returning a profit to our drilling partners in less than a year and continuing that profitable margin for many years to come.
ILLINOIS BASIN

THE LOCATION

The Illinois Basin

The Illinois Basin is relatively mature reservoir which still boasts an abundance of opportunities for both primary and advanced recovery techniques. Estimate calculations show that around two-thirds of the reservoirs remain below the surface, despite over 70 years of extraction. The basin itself covers 59,000 square miles through Illinois, Indiana and Kentucky and is known for its high gravity, low sulphur oil, which is highly coveted.

The average pay zones in the area range between 1,000 feet and 5,000 feet deep, with an average of 3,000 feet. Deeper pay zones, however, are showing extensive promise, especially the Warsaw and Salem formations, both of which are targeted in the available well.
George N. Mitchell

George N. Mitchell Drilling operates one of the finest fleets of rotary and service rigs in the Illinois Basin and is proud to hold the reputation of "the preferred drilling company". The company was conceived in 1939 and now has over 70 years of experience. Knowledge of the geology of the Illinois Basin is ingrained within the company and its employees from their Engineers to Geologists, Rig Managers to Production Technicians. With Mitchell Drilling serving so many oil producers with efficient oil and gas drilling, over so many years, we couldn't be more confident in their ability and the benefits they bring to this opportunity.
Bi-Petro Inc

Bi-Petro has been serving independent oil producers in the Illinois Basin for over 30 years. Founded in 1973, Bi-Petro has always focused on its producers as its main priority. It purchases oil and gas at a very competitive rate, all of which is transparently shown on its website, then transports this to the refinery companies.

This enables producers to concentrate on their job of production while knowing they always have a buyer in place ready to offer the most competitive price available.
Investment procedure

- Reserve an allocation.
- Choose placement (well preference)
- Receive contract- sent soft copy.
- Sign and return contract along with all AML documents (Copy off passport and utility)
- Make transfer to the client account

What you will receive back.

- Counter signed investment agreement
- Well license(s)
- Customer portal login (well-check)
- Within well-check you will receive daily updates regarding your well, performance, progress, BPD, etc.
Disclaimer

Emerald Knight is not regulated by the FCA and as such is not permitted to offer financial advice about investments, be they regulated or unregulated. We strongly encourage you to consult an FCA-registered Independent Financial Adviser (IFA) before committing to any investment. This is not an offer to participate in a collective investment scheme as defined in the Financial Services and Markets Act (2000) section 235 and as such buyers will not have access to the Financial Services Compensation Scheme or the Financial Ombudsman Service. Click here to read our full disclaimer and privacy policy.