

TMCBSU –Infill Location NW Quadrant Section 34

Arkanova Energy Corporation

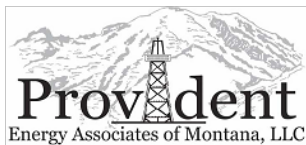
Operator: Provident Energy Associates of Montana, LLC

DCS NGC Team

March 5, 2010

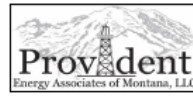
Support Slides

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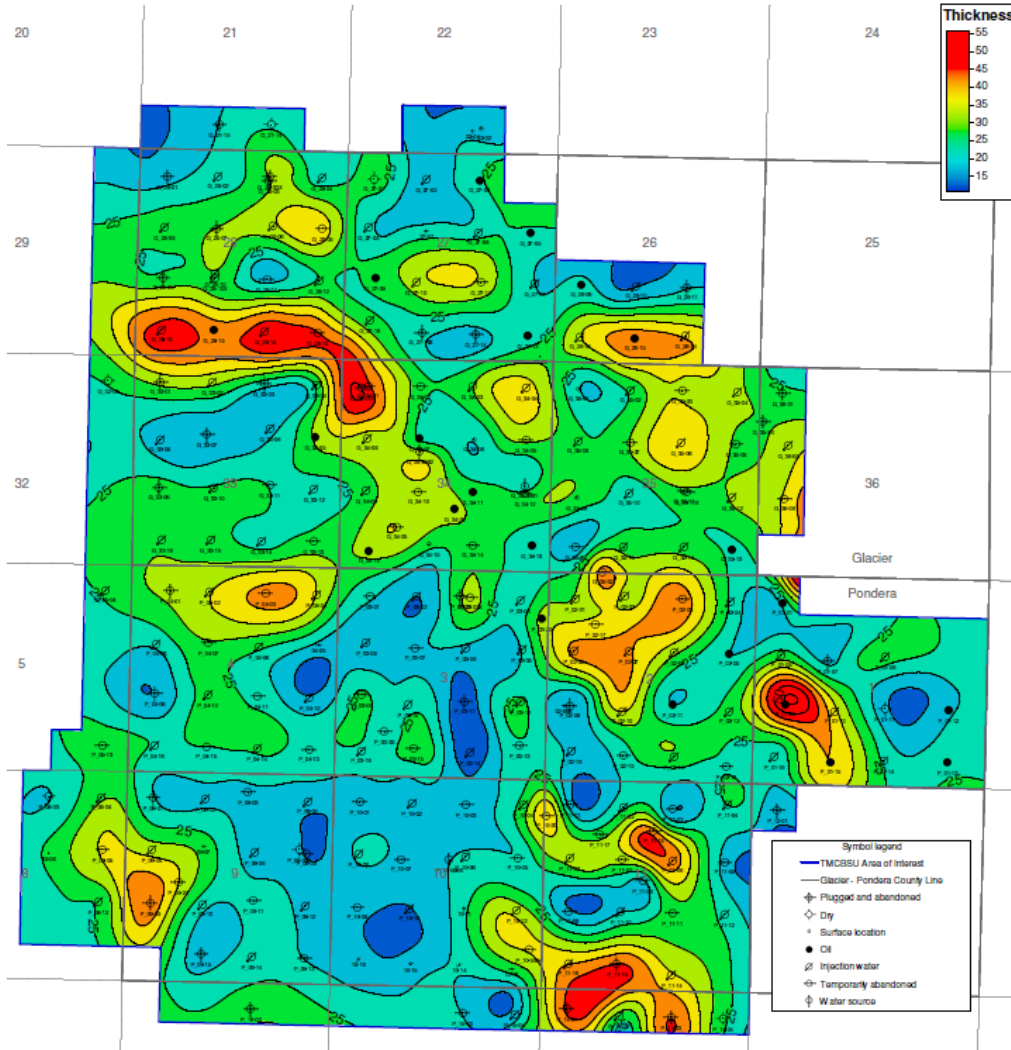




Two Medicine Cut Bank Sand Unit
Glacier and Pondera Counties, Montana
 Lower Cut Bank Net Sand



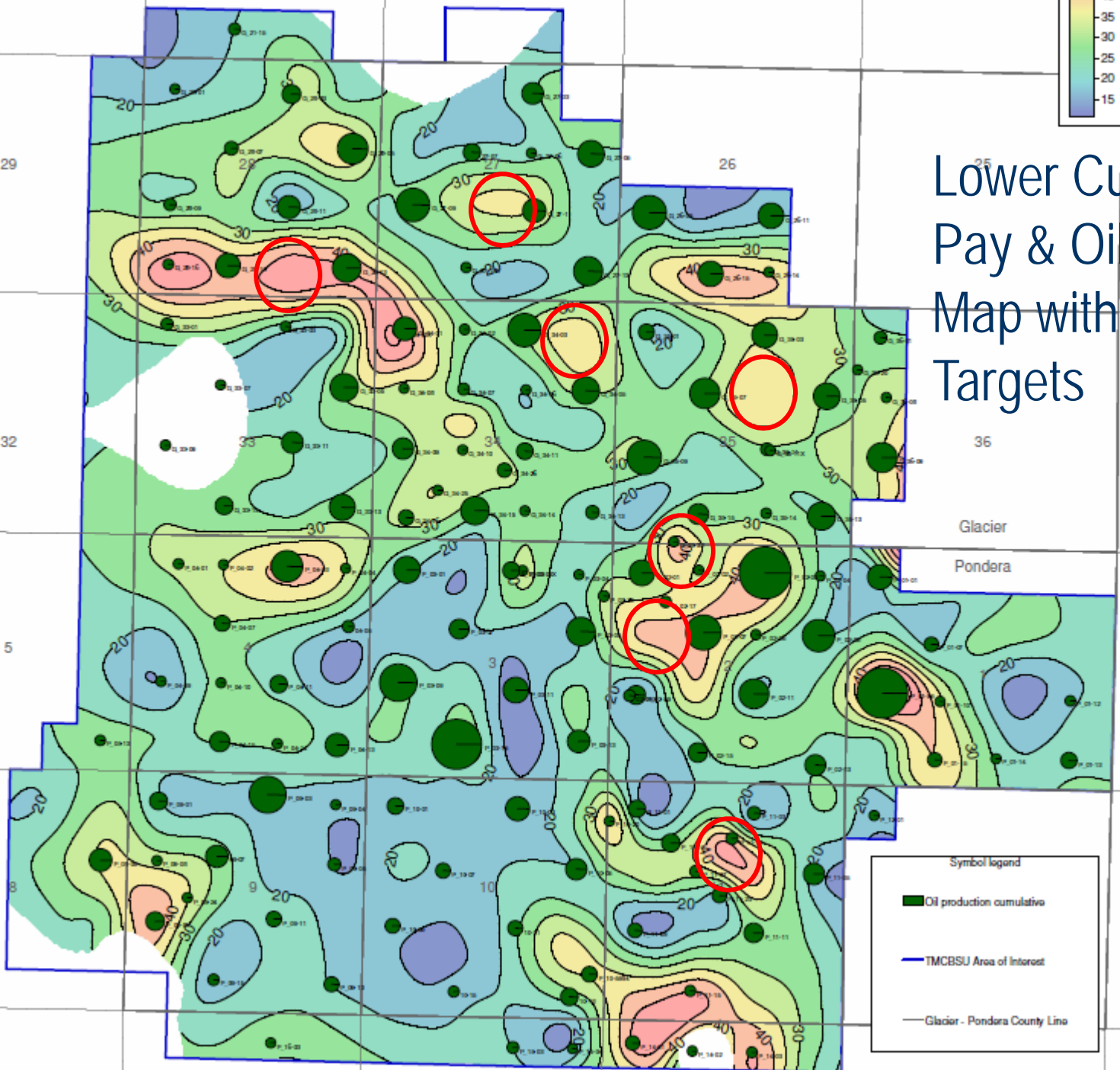
Lower Cut Bank Net Sand



Isopach	
Scale	Location
1:10,000	Block 10
Leaf name	Formation
4111	cut Bank
Company	Date
Schlumberger	08/20/2010
Segment	Contour/ft
100	5



Lower Cut Bank Net Pay & Oil Cum Bubble Map with Possible Infill Targets



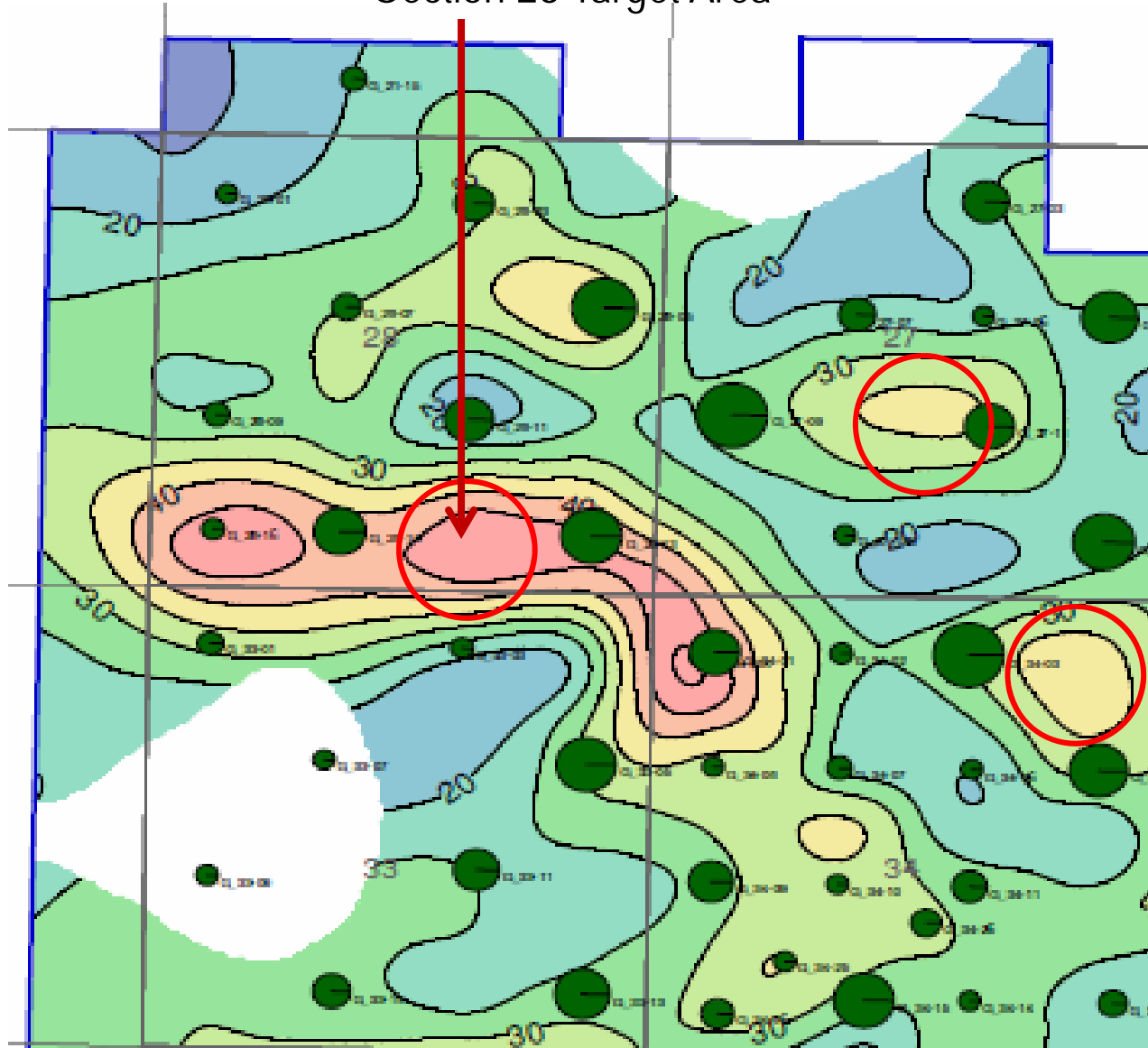
Glacier
Pondera

Symbol legend

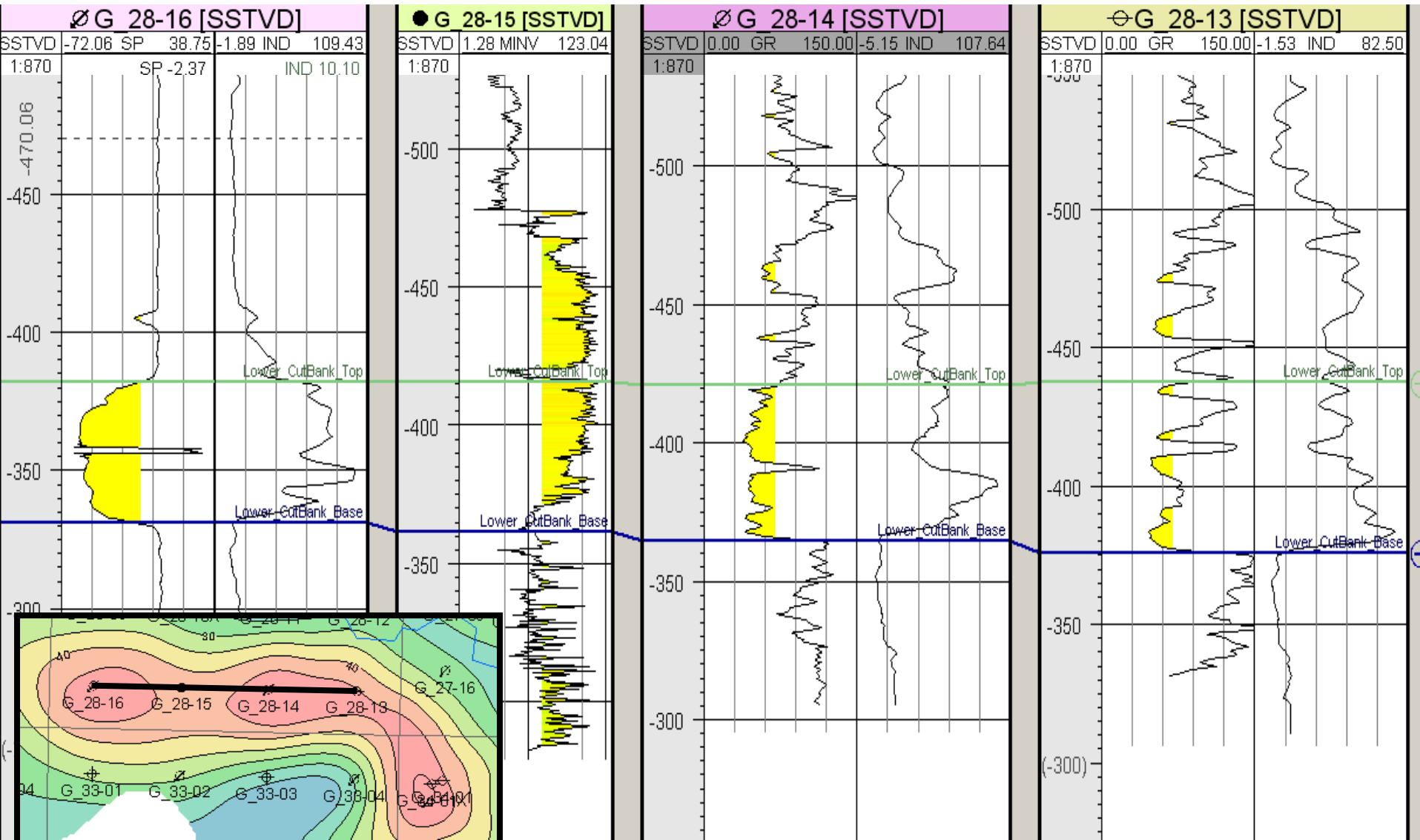
- Oil production cumulative
- TMCBSU Area of Interest
- Glacier - Pondera County Line

Section 28 Target Area

TMCBSU NW
Quadrant – Section
8 Infill Target
Location



Cross Section - Section 28

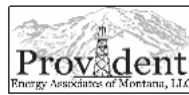




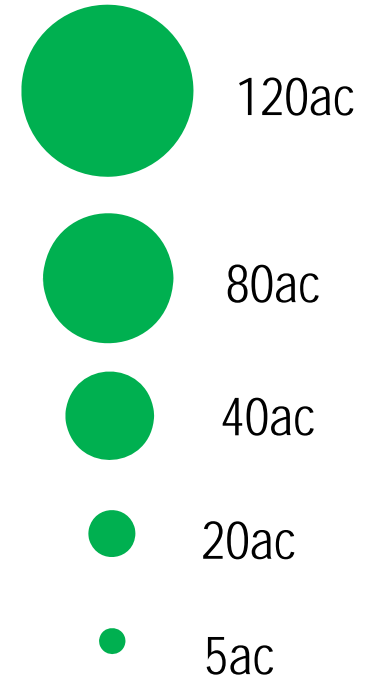
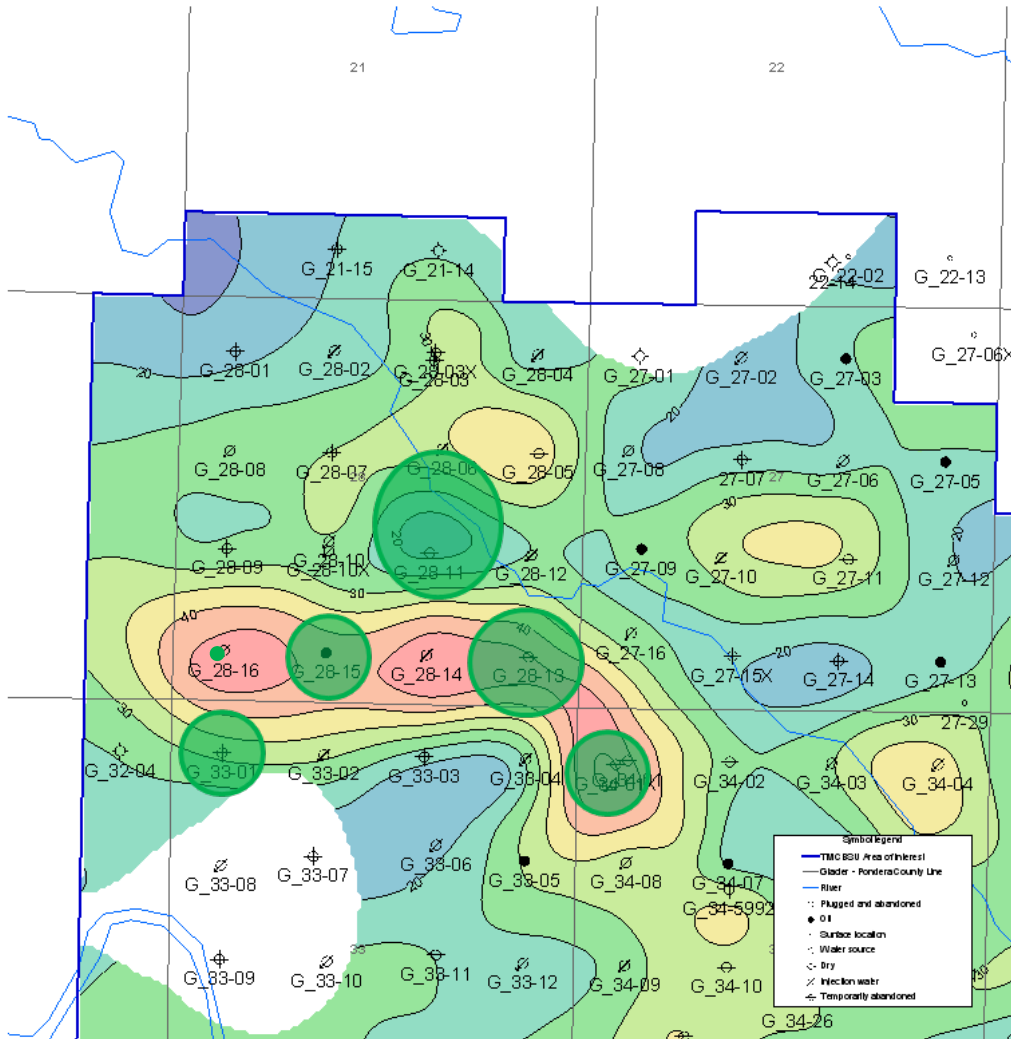
Two Medicine Cut Bank Sand Unit

Glacier and Pondera Counties, Montana

BASEMAP



Drainage Area- Cumulative Oil Production



BAS EMAP	
Scale:	Segment
1 in 120	0.5 in
North:	Location
Arkanova	Production
Company:	State
Stock/Share:	100,000,000



Schlumberger

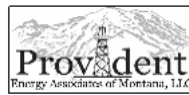
Schlumberger



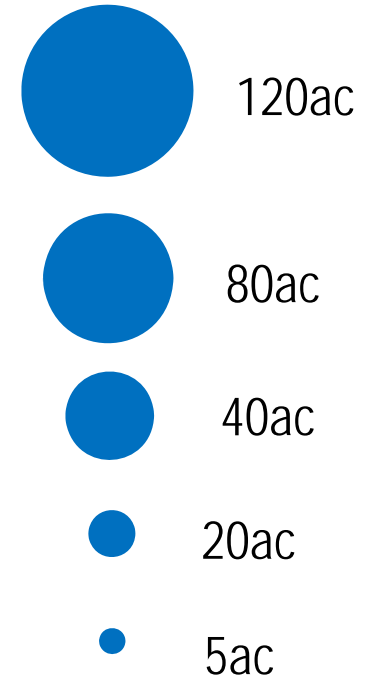
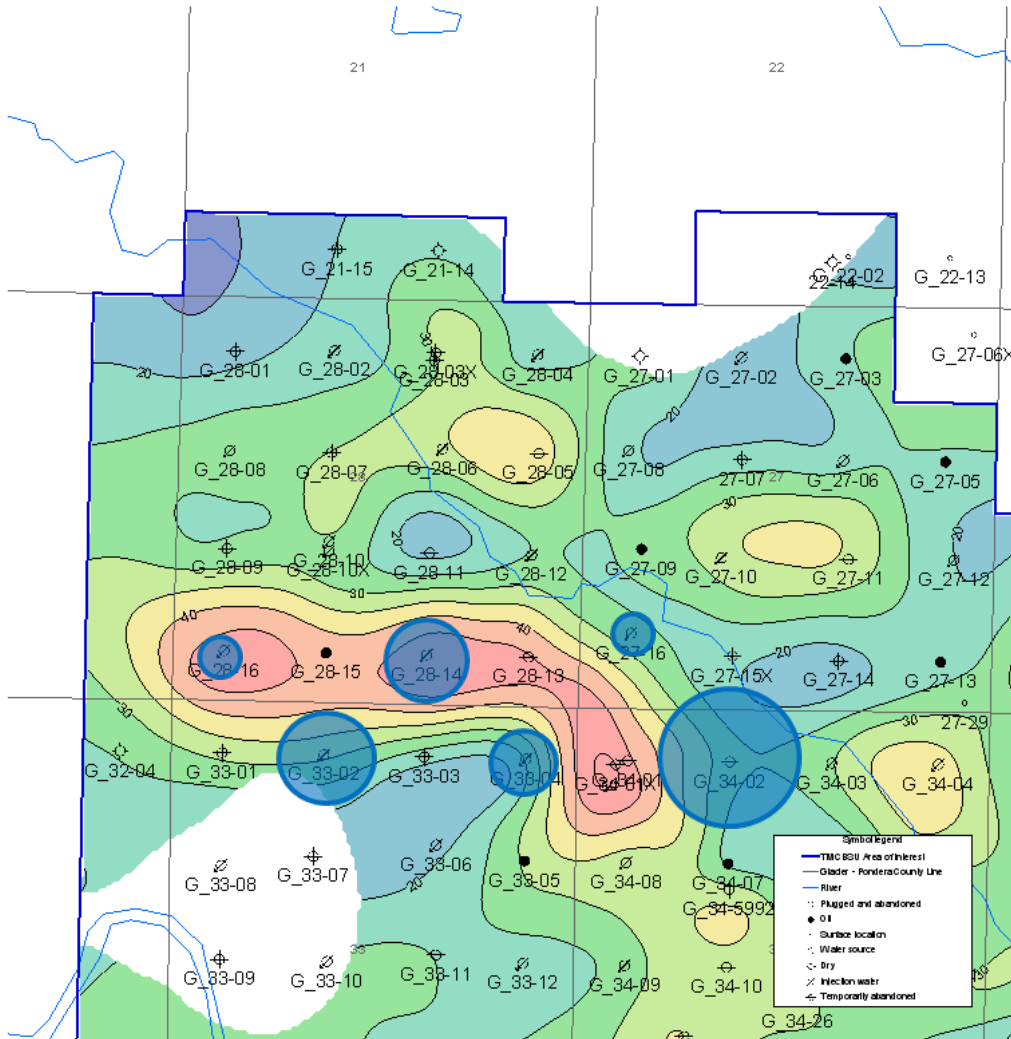
Two Medicine Cut Bank Sand Unit

Glacier and Pondera Counties, Montana

BASEMAP



Area of Influence- Water Injection



BAS EMAP	
Scale:	Segment
1 in 120'	DSC-5
Author:	Location
Drawn:	Substrate
Company:	State
Stock/Part No.:	Part No. 300010

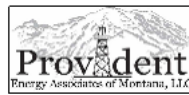




Two Medicine Cut Bank Sand Unit

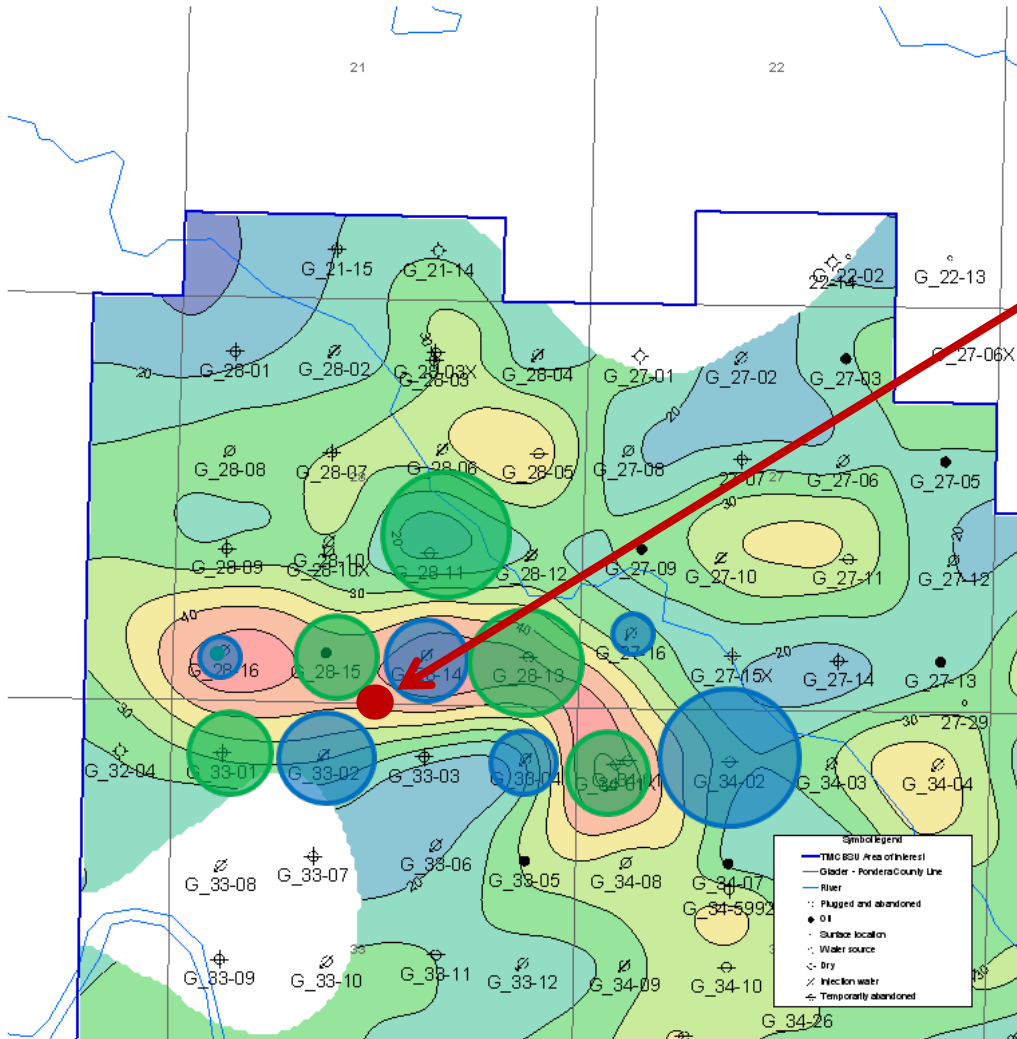
Glacier and Pondera Counties, Montana

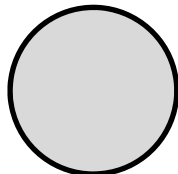
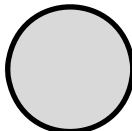



BASEMAP



Infill Location- Water Injection and Oil Drainage

Proposed Well Location



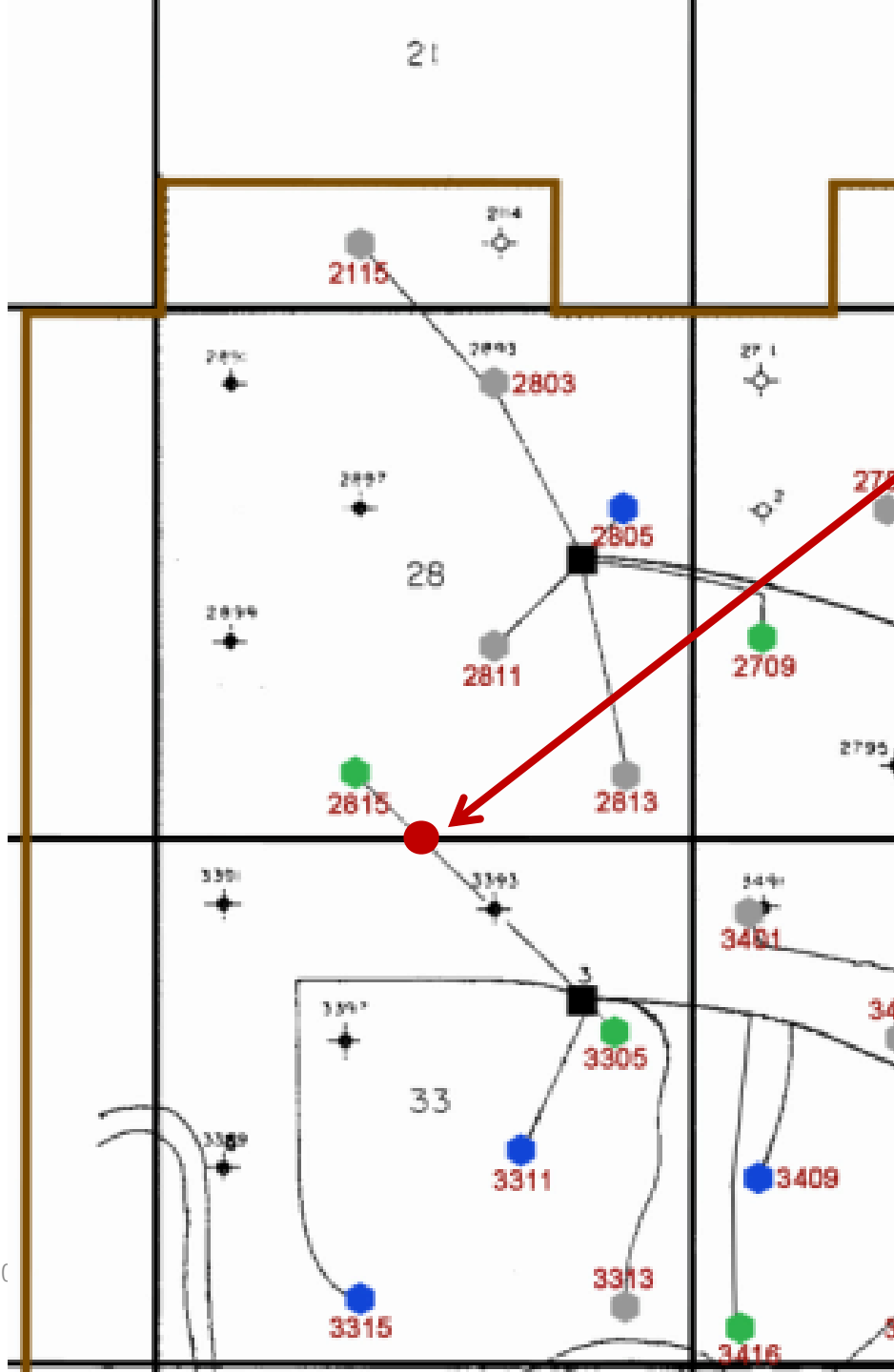
-  120ac
-  80ac
-  40ac
-  20ac
-  5ac



BAS EMAP	
Scale:	1 in 120 = 1 mile
Author:	SLB
Client:	Provident
Company:	SLB
Stock/Reference:	1010300010

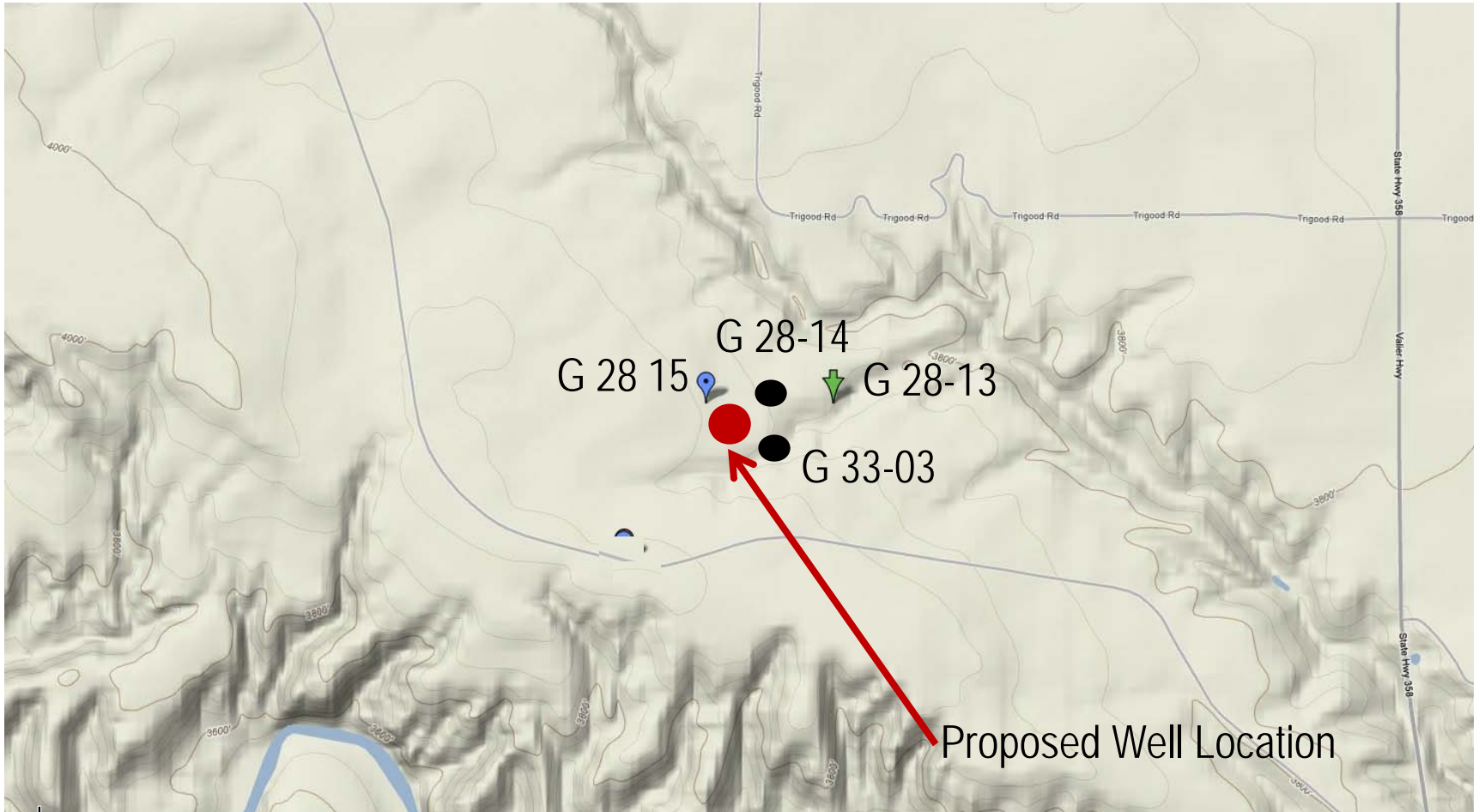


Infrastructure Map



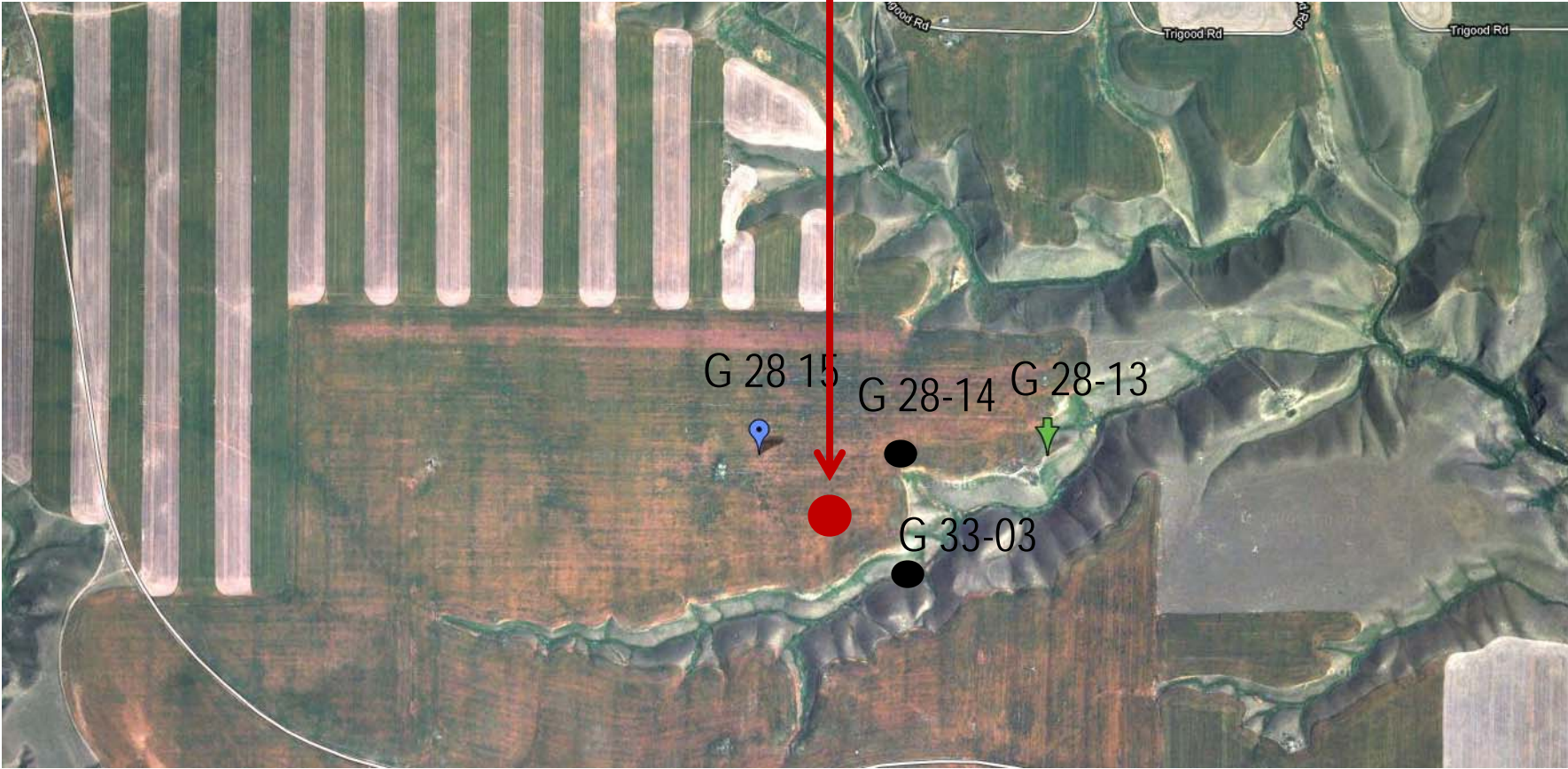
Proposed Well Location

Topographic Map



Aerial Photograph

Proposed Well Location



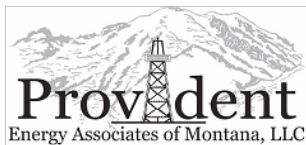
Section 28 Production/Injection Data Table

Oil Production

Well	H (ft)	Cum.Oil(Mbbl)	Cum.Oil (bbl)	Acre-ft	Acre	sqre.ft Area	Radius (ft)	Diameter (ft)
G_28-13	45	122.13	122130	2649.60	58.88	2564809.70	903.55	1807.10
G_28-15	43	96.3	96300	2089.22	48.59	2116426.23	820.78	1641.56
G_28-16	47	3.9	3900	84.61	1.80	78417.33	157.99	315.98
G_28_11	18	87.33	87330	1894.61	105.26	4584967.47	1208.07	2416.15
G_34_01	47	89.79	89790	1947.98	41.45	1805408.23	758.08	1516.15
G_27-09	27	55.93	55930	1213.40	44.94	1957610.83	789.38	1578.77

Water Injection

Well	H (ft)	Cum.Water (Mbbl)	Cum.Water (bbl)	Acre-ft	Acre	sqre.ft Area	Radius (ft)	Diameter (ft)
G_28-14	48	883	883000	2902.16	60.46	2633711.39	915.61	1831.21
G_28-16	47	314	314000	1032.03	21.96	956490.16	551.78	1103.56
G_33-02	32	558.3	558300	1834.97	57.34	2497850.06	891.68	1783.36
G_33-04	26	307	307000	1009.02	38.81	1690494.43	733.55	1467.11
G_34_02	27	739	739000	2428.88	89.96	3918586.07	1116.84	2233.67
G_27-16	27	170	170000	558.74	20.69	901433.87	535.66	1071.33



Location Selection Criteria

Surrounded by wells with above average LCB Net pay thickness (>40ft) and porosity (>8%): 28-14, 28-15, 28-13 and 33-02

Location on trend but outside of drainage radius of good producers. No production since 1994

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 40 acres to 20 acres

Location is near a reactivation candidate (28-15) with significant production potential

Proximity to surface facilities

Surface topography flat

Possible water channeling may have occurred during waterflooding from injector to producer in following wells 28-15, 33-03, 28-13 and 28-11. Indicative of unswept remaining reserves.

Top of the Lower Cut Bank sand estimated at 3,550 ft MD

Coordinates : x=1302937.98 y=17625947.08: Lat (Deg): 48.498152 Long (Deg): -112.393283