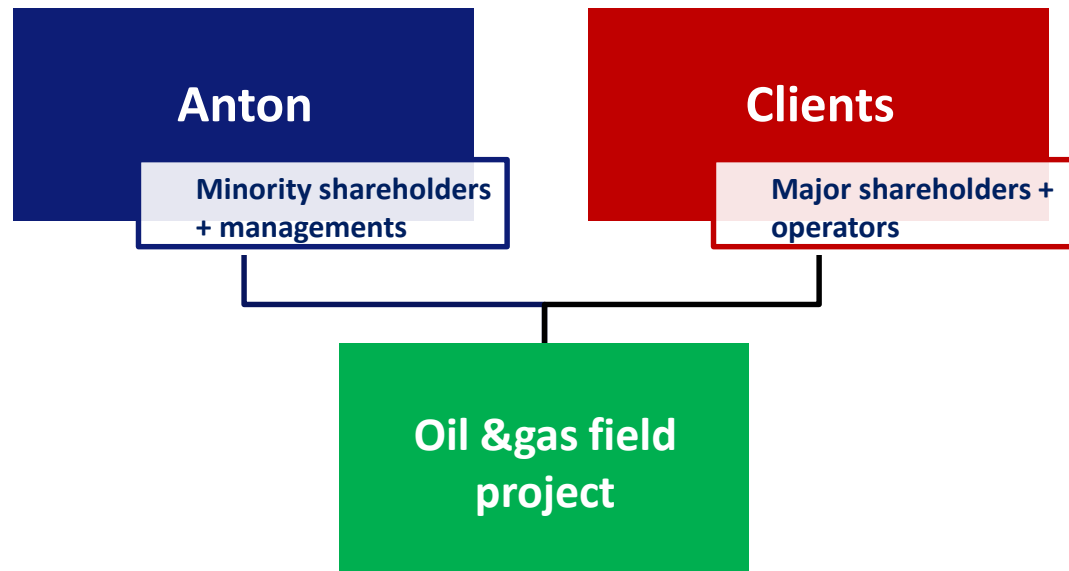


China Southwest Suinan Block Oilfield Investment And Development Project

2022/10/15

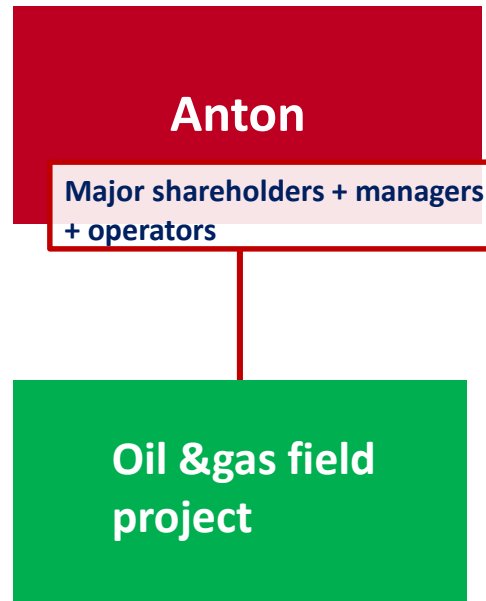
Oilfield Development Investment and Management Services - Mode I



Service content:

- Make a small amount of investment, obtain the comprehensive management right of the oilfield as a small investor, and provide a full range of management services for the oilfield, including oilfield development, operation management and talent support

Oilfield Development Investment and Management Services - Mode II

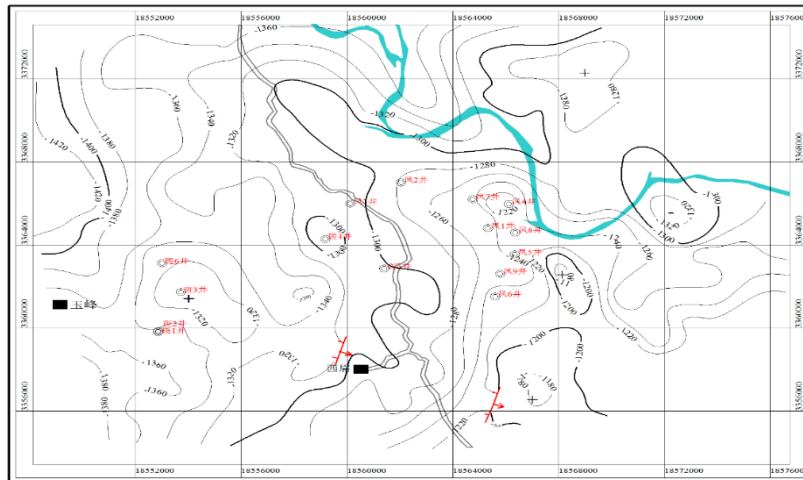


Service content:

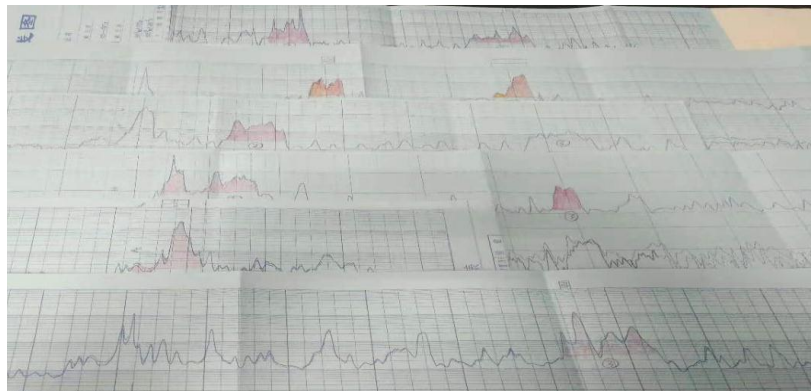
- Provide main start-up funds for high-quality oil and gas field projects, become the main investor of oil and gas field projects, and take over the development, operation and operation management of oilfields comprehensively

■ Overview of China Suinan Block

Structural map of the Zhengzhuchong boundary of China Suinan gas field



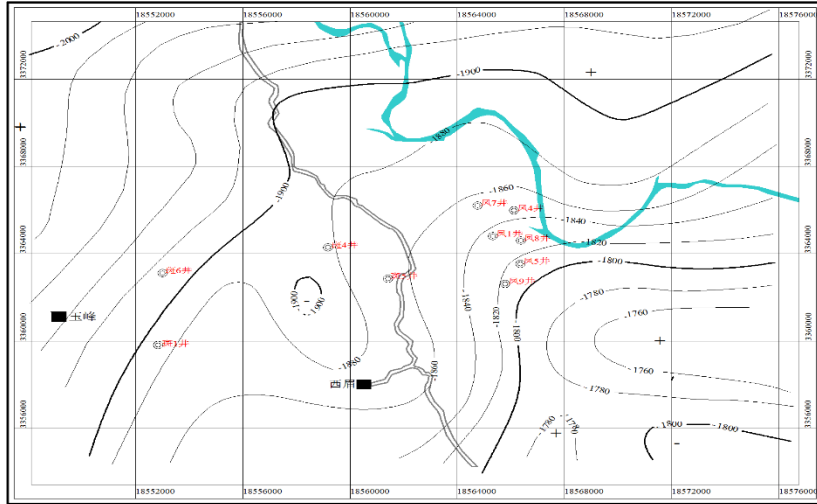
A sketch map of the Dongyuemiao and Zhengzhuchong in China Suinan gas field



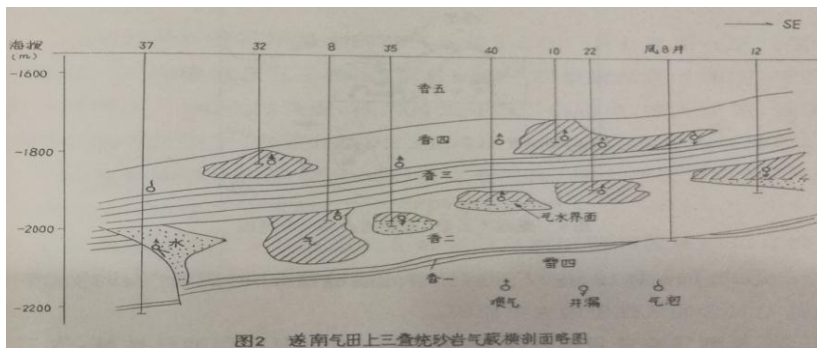
Level: J1Z, D (Zhengzhuchong, Dongyuemiao)
Buried Depth: 1550-1670m
Structure: Longfeng nose structure, Banzhuyuan small anticline structure
Reservoir type: J1Z is dominated by fine and medium-grained quartz sandstone of fluvial facies, J1D is dominated by argillaceous limestone
Average thickness of oil layer: sandstone reservoir 3-12m, limestone reservoir 2-5m
Reservoir porosity: sandstone 4-12.5% limestone 2-5%
Formation pressure coefficient: 1.4Mpa/100m
Geothermal gradient: 3.6 °C/100m
Reservoir properties: fractured gas reservoirs, containing condensate
Development Well Spacing: 1-1.4Km
Number of wells: 15
Current production: Oil 2.5t/d (5 ports), gas 8200m³/d (12 ports)
Cumulative gas production: 168.67 million cubic meters (end of 16)
Cumulative oil production: 50,400 tons (end of 16)

■ Overview of China Suinan Block

Structural map of the top boundary of Xu 2 member in Suinan gas field



Sketch of the upper triassic cross section of the Suinan gas field



Layer: T3X (Sujia River)
Buried depth: 2140-2240m (to the top of the second section)
Structure: dragon and phoenix nose structure
Reservoir type: T3X is dominated by gray, brown fine and silt sand in delta underwater distributary channels
Average thickness of oil layer: sandstone reservoir 3-10m
Reservoir Porosity:
 Sandstone: 4-6%
Formation pressure coefficient:
 1.4Mpa/100m
Geothermal gradient: 3.6 °C/100m
Reservoir properties: fractured gas reservoirs, containing condensate
Development well spacing: >1Km
Number of wells: 10

- **Problems with the original development management company**
 - **30-year-old oil and gas fields with long development time and rapid decline in production**
 - **State-owned enterprises have high operating costs, low efficiency and poor benefits**
 - **The implementation of potential tapping, the project investment is huge, and the income is unpredictable**

- The original project manager chose Anton for the second life of the project.
- System advantages: raw material cost advantage, talent cost advantage, self-owned engineering equipment advantage.
- Through its own technology, technology integration, and resource integration to tap potential and increase production.
- Low cost in line with international quality standards.

- ✓ Cost competitive advantage
 - ✓ The advantage of quick response
 - ✓ The whole industry chain, 28 product lines
- service advantages

VS

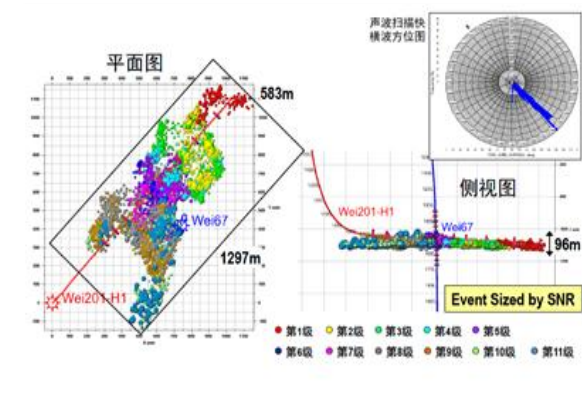
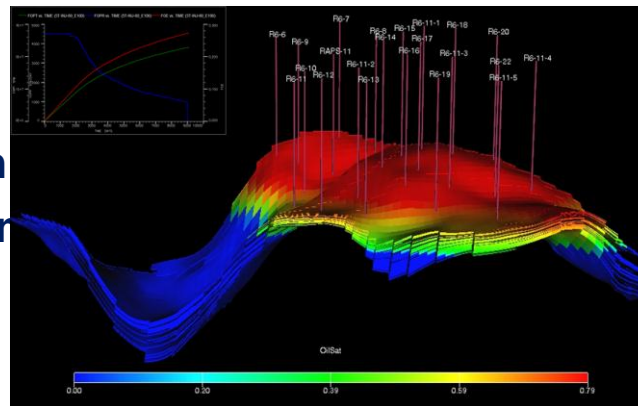
International oil service company

■ Contract signing

- Signed a contract in August 2022, completed the acquisition of 95% equity of Xingyuan Oil and Gas Company, and obtained the development and management rights of the Suinan block oilfield.
- Oilfield assets mainly include 15 wells and 54km gathering pipelines.

■ Project scope

- Oilfield Management
- Oilfield operation and maintenance
- Oilfield Stimulation Development
- Natural gas sales



■ Project meaning

- Through the implementation of lean operation management and production stimulation measures, the old wells have been increased and rejuvenated, becoming a business growth point of the company;
- It can be used as a new technology and new process implementation platform for production stimulation, reservoir research institutes, downhole operations and other departments to verify technical feasibility while increasing production;
- The company independently integrates oilfield operation and maintenance, production stimulation development, and sales. The implementation and success of the project can strengthen the influence of the company's integrated service brand, and provide performance support for the company to promote the company's integrated services nationwide and even globally;

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