



# Corporate Update

October 2018



# Overview



## What We Said We'd Do

- Acquire, reprocess, and interpret a large 3D seismic database with the intent of identifying multiple drilling locations
- Find a reliable joint venture partner to participate with us in our ongoing drilling program

## What We've Done

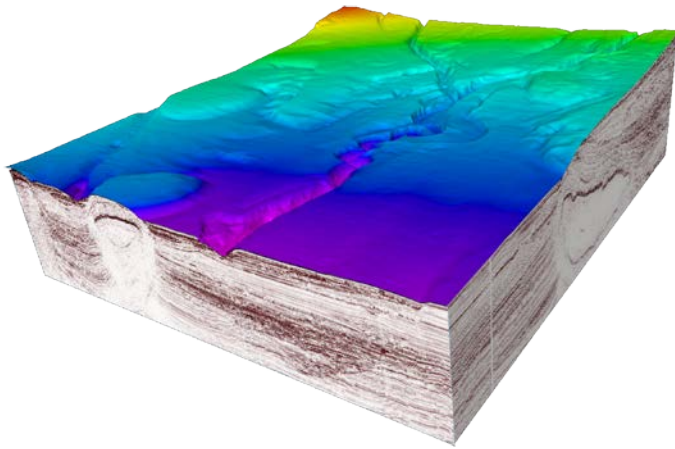
- Identified more than 30 drilling targets
- Acquired multiple petroleum leases with additional acreage under negotiation
- Acquired strategic production in our core area
- Completed inaugural three-well drilling program
- Executed drilling JV with a qualified industry partner



## What We're Doing

- Based upon completion of our second phase seismic interpretation, leases are being acquired
- Commencing our second phase drilling program in October

# What We Said We'd Do



From inception, our goal was to acquire an extensive 3D seismic database in an area characterized by light, sweet oil production and extensive existing infrastructure as well as to find a well funded, technically sophisticated joint venture partner to participate in our drilling program.

Recent developments in seismic reprocessing techniques driven by increasing computer power provides the resolution necessary to model previously overlooked drilling opportunities.



# What We've Done



Having completed interpretation of more than 360 square miles of 3D seismic, High Point has identified more than 30 drilling targets in our areas of focus.

Also, we are pleased to have a private, qualified industry partner working with us. The partner will be participating on a promoted basis with respect to our generated prospects.



The recent acquisition of strategic producing properties in our areas of focus has further expanded our drilling portfolio and provided the company with the opportunity to add additional production through wellbore workovers and optimizations. Additionally, the acquisition came with a significant inventory of production and oil storage equipment (pictured above) which will be used to significantly reduce capital expenditures on future projects.

# Inaugural Drilling Program



Management is very pleased with drilling results to date both in terms of productivity and validation of our seismic modelling and ability to identify high quality reservoirs. Based upon current commodity prices, capital payout of the drilling program will be achieved in approximately seven months. More specifically, the 11-36 well, which is currently producing approximately 240 barrels of oil per day, is expected to achieve capital payout in less than 90 days based on current commodity pricing.



# What We're Doing



With more than 12,000 acres currently under lease or negotiation, the Company continues to evaluate opportunities that are complementary to our activities and business model and anticipates our second round of drilling to begin in October.

