



Greathouse Prospect

GREATHOUSE, South Lake Charles Field, Calcasieu Parish, Louisiana, USA. EXECUTIVE SUMMARY



The **Greathouse Prospect** is located 2 miles east of the Lake Charles Airport, in the South Lake Charles Oil Field of Calcasieu Parish, Louisiana. Two historical wells in the field produced 21.3 BCFG and 1.7 MMBO. These wells however were only able to recover a fraction of the available hydrocarbons, due to the large number of regional faults blocks segregating each individual reservoir.

An independent review by Energy Recovery Concepts LLC, indicates the Greathouse lease area is reported to contain net probable reserves of 0.98 MMbbl of oil. The partners hold a 100% WI in 253 gross acres with an option over a further 92 gross acres.

Proposed Exploration

Sunset is proposing the initial well to be drilled up dip of the historical Blair-1. The primary objective is to successfully evaluate the hydrocarbon potential of the Hayes Sand. A 30ft drilling break has been noted in this formation, coinciding with the detection of 1650 total gas units and subsequent electric logs indicating the presence of hydrocarbons. An initial test well would intersect the Hayes Sand at an approximate Total Vertical Depth of 10,200ft. Two additional well locations have also been acknowledged within the lease area.

The identification of targets in the Greathouse prospect is supported by subsurface mapping in conjunction with 3D seismic. A drill site has been selected with the joint venture sourcing additional interested parties and negotiating with drilling contractors. The current estimated drilling cost is \$1.8 million.

General Geology

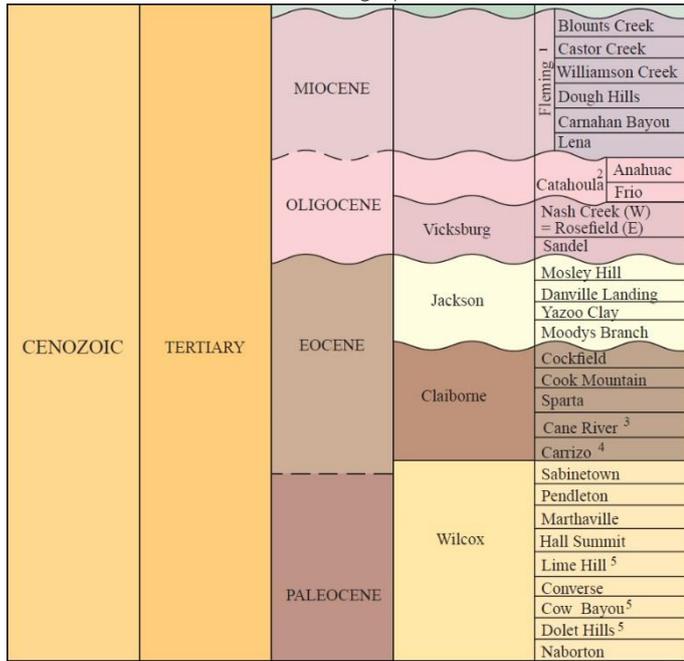
The South Lake Charles Field is situated within a large, domal uplift structure, complicated by minor and major faulting. Hydrocarbon accumulation occurs in numerous marine sands present between 9,000 and 14,000ft. The field has a dominant east-west growth fault with a series of buried growth faults of lesser displacement which make up structural traps. Of importance to this prospect is the C-2 fault on the eastern side of the up thrown fault block.

The Greathouse Prospect is defined by Late Eocene - Early Paleocene, Wilcox Group sandstone reservoirs which contain oil from within structural-stratigraphic traps. Additionally the lease area lies within the Oligocene Frio Sand trend which forms a belt of producing fields stretching across the southern coastal region of Texas and Louisiana. Traps in the Oligocene Frio interval are also both structural and stratigraphic in nature with primarily fluvial-deltaic sandstone reservoirs. These reservoirs are known to have trapped large volumes of hydrocarbons in a number of sub-members.

Reservoir Properties

Reservoir evaluation of the Hayes Sand is available through data generated in the drilling of Freida Blair No.1 by Great Southern Oil & Gas in 1974. The well encountered the reservoir unit at 10,068ft. Core analysis of the Hayes Sands indicates approximately twenty five feet of saturated cores with permeability ranging from 40 Md in the top core to 3200 Md at the base of the section. A weighted average of the six cores retrieved from the well indicated 1466 Md of permeability and an average porosity of 31%. The Hayes unit is described as a fine grained, clean sand, with a petroliferous odour and blue-white florescence. Testing of recovered hydrocarbons indicated a 37 API gravity oil.

GREATHOUSE PROSPECT Stratigraphic Column



Area Data

Depth of Well	10,200' TVD
Porosity	31%
Permeability	1500Md
Oil Gravity	37 API
Target Thickness	25'

Farm In Terms

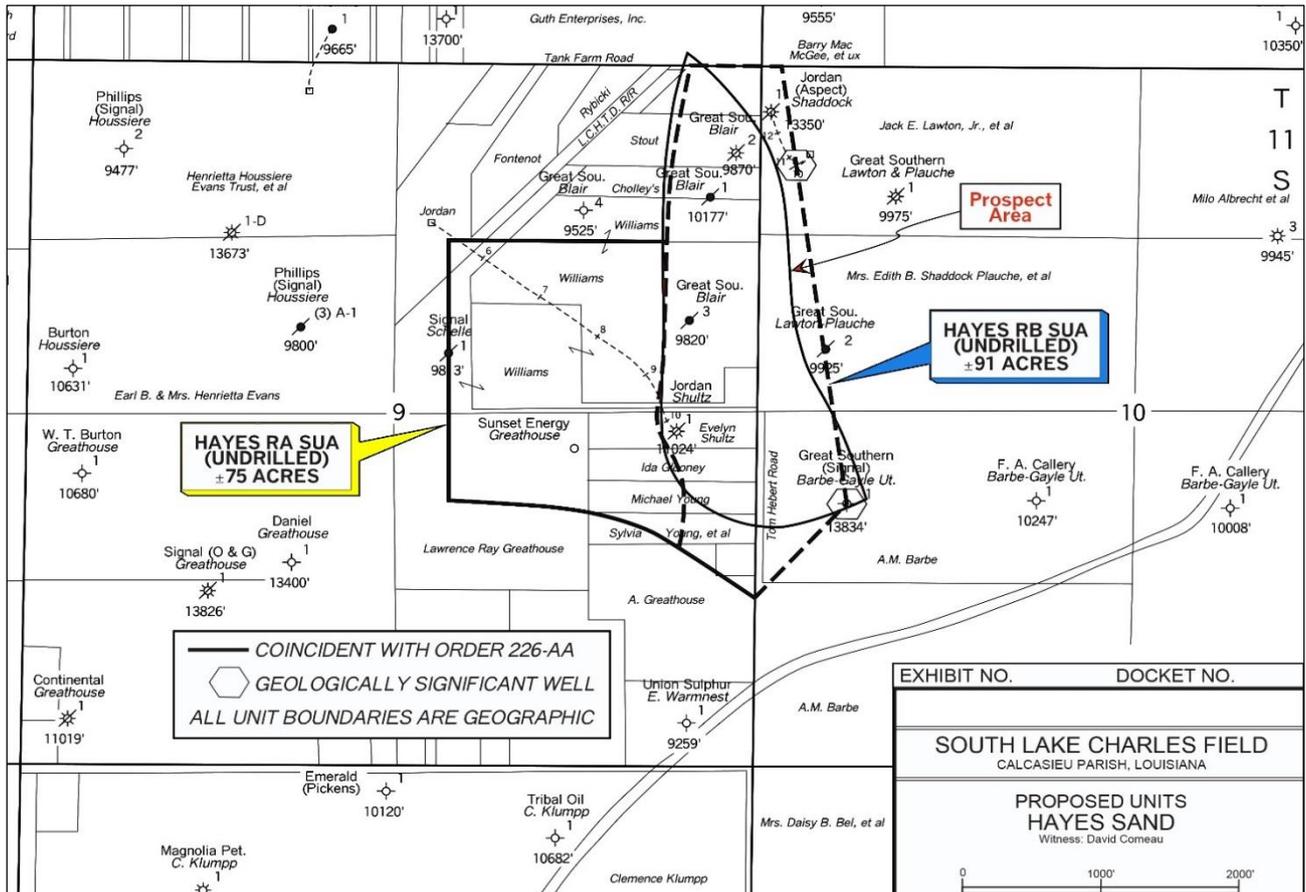
Sunset Energy, a wholly owned subsidiary of Titan Energy Ltd is offering a 100% working interest in the Greathouse lease area. The farmee to pay prospect fee of US\$250,000 for sunk costs to date and pay 100% of drilling and completion of a test well into the tanks to earn 75% WI in the prospect. Sunset will deliver a 73% NRI.

Summary

Sunset Energy is seeking an interested party to pursue a development drilling program on the prospective 253 acre Greathouse lease. Exploration to date indicates several targets are present, with favourable reservoir properties. This is an exciting opportunity for O&G explorers. Further details can be obtained by signing the Confidentiality Agreement.



Sunset Energy LLC
 5210 Woodway Drive, Suite 9020, Houston, Texas 77056, USA
 T: +1-713-429-1832 F: +1-713-893-6206 E: usadmin@titanenergy.com.au



GREATHOUSE PROSPECT Lease & Prospect Area with Hayes Sand Targets