

READ 3D VSP Software Introduction

READ has developed the industry leading READ Sprint™ software for 3DVSP processing and is currently offering borehole seismic acquisition and processing as a commercial service globally.

READ can offer a license and maintenance agreement for software used for processing of borehole seismic data, including zero offset VSP, 2D walkaway, and 3D VSP to our clients. As READ is an active global service company with current operations in the North Sea, former CIS, West Africa, Middle East, SE Asia, the US, and Latin America, the license is offered as valid only for processing borehole seismic data in China.

To allow immediate entry to the 3DVSP processing market, READ also proposes to assist in processing data using READ Sprint™ software from the initial date of contract signing. Any such projects can also be used for OJT (on the job) training. This allows immediate processing projects for 3DVSP to begin *immediately* rather than waiting for software development or training of personnel. The READ package is a fully commercial package used within READ for processing borehole seismic. It has been used on some of the largest highest profile 3DVSP surveys in the Gulf of Mexico. This software has been developed and tested on real 3DVSP data over the past 17 years. It is the most extensively complete, leading edge borehole seismic package available.

As part of this licensing agreement, we also propose jointly offering combined acquisition and processing of borehole seismic in over the world. With READ's global experience with borehole seismic, including 3DVSP, it is believed that jointly we may be able to offer an attractive package for borehole seismic to customers globally.

READ has been processing 3D VSPs since 1987 and have continuously upgraded the software over the past 18 years. READ is the proven leader in borehole seismic imaging (confirmed by the attached benchmark test results against CGG, Schlumberger, and Baker). READ currently processes all of Halliburton's borehole seismic data, and often are asked to reprocess data from other contractors. READ has a customer base of over 100 clients globally. READ has now been involved in over 40 3D VSP surveys including the largest survey ever completed in the deepwater Gulf of Mexico.

Licensing would begin with hardware configuration and an eight week course on the processing package. READ would support the software with both system and geophysical support and advise. READ is dedicated to advancing techniques for reservoir imaging and applying these techniques globally. We are excited about the possibility of a new global partner to work with us to advance this vision.