31 במאי 2012

לכבוד	לכבוד
רשות ניירות ערך	הבורסה לניירות ערך בת"א בע"מ
רח' כנפי נשרים 22	רח' אחד העם 54
ירושלים	**תל-אביב**
באמצעות מערכת המגנ"א	**באמצעות מערכת המגנ"א**

הנדון: דו"ח רזרבות ומשאבים מותנים ליום 31.12.2011

בהמשך לאמור בסעיף 8 (יד) לדו"ח התקופתי של השותפות מיום 29.3.2012 (להלן: "**הדו"ח התקופתי**") ניתן בזה דו"ח רזרבות ומשאבים מותנים ליום 31.12.2011 (להלן: "**דו"ח הרזרבות**" או "**הדו"ח**") כדלקמן:

א. נתוני כמויות

1. על-פי דוח שהוכן על-ידי Netherland and Sewell & Associates, Inc. (להלן: "**NSAI**"), ואשר הוכן על-פי כללי המערכת לניהול משאבי פטרוליום (SPE-PRMS), רזרבות הנפט (crude oil) בשדה מגד באלפי חביות נכון ליום 31.12.2011, הינן כמפורט להלן:

קטגוריית רזרבות	סה"כ בנכס הנפט (Gross) MBBL	חלק השותפות (Net)[1] MBBL
רזרבות מוכחות 1P (Proved reserves)	3,594.5	2,385.8
רזרבות צפויות (Probable Reserves)	4,192.0	2,782.4
סה"כ רזרבות מסוג 2P (Proved+Probable Reserves)	7,786.5	5168.2
רזרבות אפשריות (Possible Reserves)	8,054.2	5,346.0
סה"כ רזרבות מסוג 3P (Proved+Probable+Possible Reserves)	15,840.7	10,514.2

אזהרה – רזרבות אפשריות (Possible Reserves) הן הרזרבות הנוספות אשר אינן צפויות להיות מופקות באותה מידה כמו הרזרבות הצפויות (Probable Reserves). ישנו סיכוי של 10% שהכמויות שיופקו בפועל יהיו שוות או גבוהות מכמות הרזרבות המוכחות (Proved Reserves), בצירוף כמות הרזרבות הצפויות (Probable Reserves) ובצירוף כמות הרזרבות האפשריות (Possible Reserves).

[1] החישוב נעשה אחרי תשלום תמלוגים למדינה ולשותף הכללי.

בדו"ח הרזרבות מציינת NSAI כי רזרבות הנפט בשדה מגד סווגו בשלב בשלות של בהפקה (On Production).

עוד מציינת NSAI כי בכל קידוח הוחלט לסווג את מקטע 8B (המקטע ממנו מפיקה השותפות נפט בבאר מגד 5[2]) ואת מקטע 1 כרזרבות ואת שאר המקטעים (2,3,4,5,6,7 ו-8A) כמשאבים מותנים. כמו כן גז נלווה לא סווג לקטיגוריית הרזרבות אלא לקטיגוריית המשאבים המותנים מאחר ונדרשים תשתית מתאימה ותיאום נוסף מול הרשויות.

עוד מציינת NSAI כי קטגוריית הרזרבות מורכבת מ-**"רזרבות מוכחות, מפותחות ומפיקות"**,**"רזרבות מוכחות, מפותחות ולא מפיקות"** ו-**"רזרבות מוכחות ולא מפותחות"** (להסבר המונחים ראו במילון המונחים להלן).

כמפורט בטבלאות התזרים המהוון הנכללות בסוף דוח הרזרבות המצ"ב (טבלאות 1, 3 ו-5), מספר הבארות המפיקות שנלקחו בחשבון בכ"א מקטגוריות הרזרבות הינה כמפורט להלן:

קטגוריה	מספר בארות מפיקות
רזרבות מוכחות 1P (Proved reserves)	3
רזרבות צפויות (Probable Reserves)	5
סה"כ רזרבות מסוג 2P (Proved+Probable Reserves)	8
רזרבות אפשריות (Possible Reserves)	7
סה"כ רזרבות מסוג 3P (Proved+Probable+Possible Reserves)	15

2. המשאבים המותנים סווגו בשלב בשלות של הצדקת פיתוח בבחינה (Development Pending). המשאבים המותנים בשדה מגד, נכון ליום 31.12.2011, הינם כמפורט להלן:

א. <u>נפט</u>

קטגוריית המשאבים המותנים	סה"כ בנכס הנפט (Gross) MBBL	חלק השותפות (Net)[3] MBBL
אומדן הכמויות הנמוך (1C-Low Estimate)	5,672	3,765
האומדן הטוב ביותר (2C-Best Estimate)	15,811	10,495
האומדן הגבוה (3C-High Estimate)	36,554	24,263

[2] לפרטים בדבר תוצאות מבחני ההפקה בכל מקטע בבאר מגד 5 ועל תוצאות מבחן ההפקה המשולב שנעשה ראו בסעיפים 9.3 (ה), (ו) ו- (ח) בדו"ח התקופתי.

[3] אחרי תשלום תמלוגים למדינה ולשותף הכללי.

משאבי הנפט האמורים מותנים בצבירת נתונים טכניים נוספים ובקידוחי פיתוח שבהם יושגו כמויות וקצבי הפקה מספקים להפקה מסחרית. להערכות לגבי הכמויות שייתקבלו מכל מקטע בנפרד ראו בטבלה בעמוד 3 של דו"ח הרזרבות[4].

ב. <u>גז נלווה</u>

קטגוריית המשאבים המותנים	סה"כ בנכס הנפט (Gross) MMCF	חלק השותפות (Net)[5] MMCF
אומדן הכמויות הנמוך (1C-Low Estimate)	18,699	12,411
האומדן הטוב ביותר (2C-Best Estimate)	45,923	30,481
האומדן הגבוה (3C-High Estimate)	100,523	66,722

משאבי הגז הנלווה האמורים הינם בתנאי טמפרטורה ולחץ סטנדרטיים ומותנים בהסרת מגבלות תשתית ורגולציה. להערכות לגבי הכמויות שייתקבלו מכל מקטע בנפרד ראו בטבלה בעמוד 3 של הדו"ח.

אזהרה - אין ודאות כי יהא זה אפשרי מבחינה מסחרית להפיק שיעור כלשהו מהמשאבים המותנים.

עוד יצוין בהקשר למשאבים המותנים כי על פי הסבר שנתקבל מ NSAI גם מקטעים 6 ו-7 בקידוח מגד 5 סווגו לקטגוריה זו מאחר ובמקטע 6 בוצעו מבחן בהצלחה והוחדר פרופנט למקטעים אלו אך התקבלו שיעורי זרימה נמוכים (לפרטים ראו סעיפים 9.3 (ה) ו- (ו) בדו"ח התקופתי).

כמו כן מציינת NSAI כי בהערכות לגבי המשאבים המותנים לא נלקחה בחשבון האפשרות של אי עמידה בהתניות האמורות.
להערכת השותף הכללי בקידוחים עתידיים לא צפויות עלויות נוספות או פרקי זמן נוספים למעבר מקטגוריית המשאבים לרזרבות שכן המקטעים שסווגו כמשאבים מותנים (מקטעים 2 עד 8A כאמור לעיל) נמצאים באותן בארות קידוח שבהן מצויים מקטעים 1 ו- 8B שסווגו כרזרבות המצריכים ממילא את קדיחתן של אותן בארות קידוח (מקטע 1 הינו המקטע הנמוך ביותר מבין המקטעים שסווגו כמשאבים מותנים או רזרבות).
להערכת השותף הכללי לא צפויים קשיים במכירת הנפט שיופק מהמשאבים המותנים לאור היקפי הצריכה המקומית והעולמית והיותו של הנפט Commodity (סחורה הנמכרת במחירים דומים בכל העולם). לגבי הגז שיופק מהמשאבים המותנים יש להביא בחשבון כי גודלו של שוק הגז המקומי מוגבל (אין אפשרות מעשית לייצוא) ולאור כמויות הגז שנמצאו בקידוחים הימיים, התחרות הקיימת והתקשרויות שכבר נעשו או שיעשו עם צרכנים גדולים יובילו לתחרות עסקית

[4] כמויות הנפט שסווגו כמשאבים מותנים ממקטעים 1 ו- b8 הינם בנוסף לכמויות הנפט שסווגו לקטיגוריית הרזרבות ממקטעים אלו.

[5] אחרי תשלום תמלוגים למדינה ולשותף הכללי.

בין מפיקי הגז. השותף הכללי מעריך כי ניתן יהיה למצוא רוכשים לגז שיופק בהתאם לתנאי השוק התחרותי.

3. הפרמטרים הבסיסיים ששימשו לחישוב התרחישים השונים מובאים בטבלאות שבעמוד האחרון בדו"ח הרזרבות.

4. בדוח ציינה NSAI, בין היתר, מספר הנחות והסתייגויות ובכלל זה כי:

(1) ההערכות לא הותאמו לסיכון[6];

(2) היא לא ביקרה בשדה הנפט וכן לא בדקה או ווידאה את מצבם המכני תפעולי של המתקנים והבארות ואת הזכויות החוזיות, הסוג או הרמה המעשיים של האינטרסים שבבעלותה של השותפות;

(3) היא לא בחנה חשיפה אפשרית הנובעת מענייני איכות הסביבה ולפיכך לא כללה בהערכה עלויות בקשר לחשיפה כאמור. יחד עם זאת, צוין כי נכון למועד הדו"ח הרזרבות לא ידוע למעריך על חבות אפשרית בנוגע לענייני איכות הסביבה העלולה להשפיע באופן מהותי על כמות הרזרבות או המשאבים המותנים המוערכים בדו"ח או על מסחריותן;

(4) חלק ניכר מהרזרבות והמשאבים הינם באיזורים לא מפותחים ועל כן הם מבוססים על הערכות של גודל מאגר ויעילות ההפקה (recovery efficiencies) תוך אנלוגיה למאגרים עם מאפיינים גאולוגים ומאפייני מאגר דומים;

(5) הערות כלליות לגבי טיבן של הערכות ואי הוודאות האינהרנטית הגלומה בהן בכלל ובתעשיית הנפט בפרט, ועל כך שהערכות יכולות להשתנות כתוצאה מתנאי שוק, פעולות שיבוצעו, שינויי רגולציה, שינויי מחיר, או ביצועי המאגר בפועל;

(6) ההערכות בוצעו בעזרת מתודות הנדסיות, גאולוגיות וגיאופיזיות מקובלות ושיטות הערכה המקובלות עפ"י ה- PRMS ולימוד מממצאים בקידוחים דומים;

(7) שפיתוח המאגר יבוצע בהתאם לתוכניות פיתוח קיימות ,שהמאגר יפותח באופן זהיר , שתקנות ממשלתיות ,אם יותקנו כאלה ,לא ישפיעו על יכולת הניצול של הרזרבות והמשאבים המותנים ,וכן שתוכניות המעריך לגבי הפקה עתידית יהיו עקביות עם ביצוען בפועל:

(8) פרופיל ההפקה שיתקבל בפועל בכל קטגוריה עשוי להיות שונה מהמוערך (המעריך לא ביצע מבחני רגישות לפרופיל ההפקה) ועשוי להשליך על הכדאיות הכלכלית של הפקת הרזרבות או המשאבים המותנים:

(9) לא נלקחו בחשבון טכניקות הפקה משופרות.

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[6] היינו: ההערכות בדוח, כמקובל בהערכות רזרבות על פי כללי המערכת לניהול משאבי פטרוליום (SPE-PRMS), אינן מותאמות לשקף סיכונים חיצוניים שאינם קשורים באופן ישיר להיקף המאגר ויכולת ההפקה ממנו (כגון סיכונים בטחוניים, סיכונים מסחריים וכדומה).

5. כמו כן, ביחס לחישוב התזרים המהוון, המפורט להלן, ציינה NSAI, בין היתר, כי:

(1) החישוב הוכן על בסיס מחירים שסופקו להם על ידי השותפות המבוססים על מחיר צפוי קבוע של 100 דולר לחבית לכל אורך התקופה. להערכת השותף הכללי אומדן המחיר הצפוי של 100 דולר לחבית מגלם את התחזית שלו לעתיד במועד דו"ח זה. אומדן זה נעשה בשל התנודתיות במחירה של חבית נפט שהינה Commodity הכפופה לצריכה ושיעורי ההפקה העולמיים ולהחלטות פוליטיות ואסטרטגיות שאין דרך לצפותם. לפיכך השותף הכללי סבור כי בתקופת ההפקה משדה מגד יהיו תקופות בהן שער החבית יהיה גבוה מ- 100 דולר לחבית ותקופות בהן המחיר יהיה נמוך מ-100 דולר לחבית, אך לא ניתן להעריך או לחזות תקופת אלו ואת משכן (למבחני הרגישות למחיר הנפט של נתוני התזרים המהוון ראו בטבלאות להלן). בהתבסס על מחירי המכירה בפועל של הנפט המופק ממגד 5 בשנה האחרונה (המחיר החוזי נגזר מהמחיר העולמי לחבית נפט, לפרטים ראו בסעיף 7.9 בדו"ח התקופתי) ועל התנודתיות האמורה במחיר חבית הנפט, אומדן המחיר הצפוי של 100 דולר לחבית לכל אורך התקופה מגלם את התחזית השותף הכללי לעתיד במועד דו"ח זה.

(2) עלויות ההפעלה ועלויות ביצוע הקידוחים שנלקחו בחשבון התקבלו מהשותפות ו- NSAI מציינת כי למיטב הערכתה העלויות סבירות. בתזרים המהוון נלקחו בחשבון קידוח יבש אחד בקטגוריית הרזרבות הצפויות וקידוח יבש אחד נוסף בקטגוריית הרזרבות האפשריות.

(3) הוצאות הנטישה התקבלו מהשותפות מבלי שנלקח בחשבון כל ערך לציוד הנותר בקידוח.

(5) בחישובי המס נלקחו בחשבון שיעורי מס חברות (25%) והיטל רווחי הנפט אשר יחול על השותפות בכל אחת מהשנים הכלולות בתזרים המהוון.

עוד יצוין, כי בתזרים המהוון נלקחו בחשבון התמלוגים ודמי מפעיל כמפורט בסעיף 8(ח) בדו"ח התקופתי. יש להדגיש כי חישובי ההיטל שיחול בהתאם להוראות חוק מיסוי רווחי נפט, התשע"א-2011 (להלן: "החוק"), נעשו על-פי ההגדרות, הנוסחאות והמנגנונים המוגדרים בחוק כפי שמבינה ומפרשת אותן השותפות, אך לאור חדשנות החוק ומורכבות נוסחאות החישוב והמנגנונים השונים המוגדרים בו, אין כל בטחון כי פרשנות זו של אופן חישוב ההיטל תהיה זהה לזו שתאמצנה רשויות המס ו/או זהה לפרשנות החוק על ידי בית המשפט, אם וכאשר תובאנה סוגיות אלו להכרעתו. נכון להיום, סוגיות אלו טרם נידונו בפסיקתם של בתי-המשפט בישראל. חישובי ההיטל נעשו בהתאם להוראות המעבר הקבועות בחוק בכל הנוגע למיזם שמועד תחילת ההפקה המסחרית חל לגביו לפני יום תחילת החוק, ועל בסיס ההנחות הבאות: המיזם יבחר לדווח בדולר ארה"ב לפי סעיף 13(ב) לחוק, שיעור האינפלציה בארה"ב בשנים הבאות יעמוד על 2.0%, כל התשלומים של המיזם (עלויות ההפעלה וההשקעות, לרבות דמי המפעיל) יוכרו על ידי רשויות המס לצורך חישוב ההיטל ולצורך חישוב הכנסות המיזם יילקחו בחשבון מחירי המכירה בפועל של הגז.

אזהרה בגין מידע צופה פני עתיד – הערכות NSAI בדבר הרזרבות והמשאבים המותנים בשדה מגד, הינם מידע צופה פני עתיד. ההערכות לעיל מבוססות, בין היתר, על מידע גיאולוגי, גיאופיסי ואחר, שנתקבלו מהקידוחים והינם בגדר הערכות והשערות מקצועיות בלבד של NSAI ואשר לגביהם לא קיימת כל וודאות. כמויות הנפט והגז הנלווה, שיופקו בפועל, עשויות להיות שונות מההערכות וההשערות הנ"ל, בין היתר, כתוצאה מתנאים תפעוליים וטכניים ו/או משינויים רגולטוריים ו/או מתנאי היצע וביקוש בשוק ו/או מהביצועים בפועל של המאגר. ההערכות וההשערות הנ"ל עשויות להתעדכן ככל שיצטבר מידע נוסף ו/או כתוצאה ממכלול של גורמים הקשורים בפרוייקטים של חיפושים והפקה של נפט וגז, לרבות כתוצאה מהמשך ההפקה מהמאגר וכתוצאה מתנאים תפעוליים ו/או תנאי שוק ו/או תנאים רגולטוריים.

השותפות מצהירה כי כל הנתונים דלעיל נערכו באופן התואם למערכת לניהול משאבי פטרוליום (SPE-PRMS).

ב. <u>נתוני תזרים מהוון</u>

בטבלאות להלן ניתנת הערכה של התזרים המהוון באלפי דולר (לאחר היטל ומס הכנסה בשיעור 25%) המיוחס לחלק השותפות מן הרזרבות שבשדה מגד, לכל אחת מקטגוריות הרזרבות המפורטות לעיל (התזרים נערך בהתאם להנחות שונות שהעיקריות שבהן מפורטות לעיל):

רזרבות מוכחות

	מכירות		תמלוגים					מסים	תזרים מהוון לאחר מסים				
	מכירות (BBL) (100%)	הכנסות	תמלוגי מדינה	תמלוג-על לשותף הכללי	עלויות פיתוח	עלויות נטישה	עלויות תפעול	תזרים לפני מסים (מהוון ב- 0%)	היטל	מס הכנסה	מהוון ב- 0%	מהוון ב- 5%	מהוון ב- 10%	מהוון ב- 15%	מהוון ב- 20%
2012	186,441	18,458	2,307	-	8,415	-	3,545	4,190	-	1,790	2,400	2,342	2,289	2,238	2,191
2013	360,743	35,714	4,464	-	32,175	-	6,417	(7,343)	-	-	(7,343)	(6,825)	(6,365)	(5,954)	(5,586)
2014	1,207,192	119,512	14,939	3,194	149	-	13,733	87,497	-	21,614	65,883	58,318	51,915	46,455	41,766
2015	762,455	75,483	9,435	47,761	-	-	9,125	9,162	-	2,031	7,131	6,012	5,108	4,372	3,767
2016	482,576	47,775	5,972	9,770	-	-	6,230	25,803	-	6,191	19,612	15,746	12,772	10,457	8,634
2017	306,071	30,301	3,788	6,197	-	-	4,404	15,913	-	3,718	12,195	9,324	7,219	5,654	4,474
2018	181,205	17,939	2,242	3,669	-	-	3,112	8,916	-	1,969	6,947	5,059	3,739	2,801	2,124
2019	84,705	8,386	1,048	1,715	-	-	2,114	3,509	-	654	2,854	1,980	1,397	1,001	727
2020	23,077	2,285	286	467	-	1,485	1,543	(1,496)	-	-	(1,496)	(988)	(666)	(456)	(318)
2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
סה"כ	3,594,465	355,852	44,482	72,772	40,739	1,485	50,224	146,151	-	37,968	108,183	90,968	77,408	66,566	57,779

רזרבות צפויות

	מכירות		תמלוגים					מסים		תזרים מהוון לאחר מסים				
	מכירות (BBL) (100%)	הכנסות	תמלוגי מדינה	תמלוג-על לשותף הכללי	עלויות פיתוח	עלויות נטישה	עלויות תפעול	תזרים לפני מסים (מהוון ב- 0%)	היטל	מס הכנסה	מהוון ב- 0%	מהוון ב- 5%	מהוון ב- 10%	מהוון ב- 15%	מהוון ב- 20%
2012	8,938	885	111	-	-	-	92	682	-	170	511	499	488	477	467
2013	100,757	9,975	1,247	-	7,920	-	1,399	(591)	-	-	(591)	(549)	(512)	(479)	(449)
2014	505,055	50,000	6,250	2,407	34,650	-	6,784	(91)	-	(23)	(68)	(60)	(54)	(48)	(43)
2015	820,703	81,250	10,156	26,654	34,650	-	10,050	(261)	-	(65)	(196)	(165)	(140)	(120)	(103)
2016	1,017,650	100,747	12,593	20,603	12,375	-	11,085	44,091	-	11,023	33,068	26,550	21,535	17,631	14,558
2017	771,658	76,394	9,549	15,623	-	-	7,983	43,239	-	10,810	32,429	24,797	19,199	15,035	11,897
2018	497,276	49,230	6,154	10,068	-	-	5,145	27,864	-	6,966	20,898	15,219	11,248	8,425	6,389
2019	302,000	29,898	3,737	6,114	-	-	3,124	16,922	-	4,231	12,692	8,802	6,210	4,449	3,233
2020	125,559	12,430	1,554	2,542	-	(1,485)	1,232	8,587	-	1,674	6,914	4,567	3,075	2,108	1,468
2021	39,687	3,929	491	803	-	-	1,648	986	-	247	740	465	299	196	131
2022	2,743	272	34	56	-	3,960	1,444	(5,222)	-	-	(5,222)	(3,129)	(1,920)	(1,204)	(770)
2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
סה"כ	4,192,025	415,010	51,876	84,870	89,595	2,475	49,987	136,208	-	35,032	101,176	76,996	59,428	46,470	36,777

רזרבות אפשריות

	מכירות		תמלוגים					מסים		תזרים מהוון לאחר מסים				
	מכירות (BBL) (100%)	הכנסות	תמלוגי מדינה	תמלוג-על לשותף הכללי	עלויות פיתוח	עלויות נטישה	עלויות תפעול	תזרים לפני מסים (מהוון ב- 0%)	היטל	מס הכנסה	מהוון ב- 0%	מהוון ב- 5%	מהוון ב- 10%	מהוון ב- 15%	מהוון ב- 20%
2012	5,229	518	65	-	-	-	54	399	-	100	299	292	285	279	273
2013	174,288	17,254	2,157	-	-	-	1,803	13,295	-	2,219	11,076	10,294	9,600	8,981	8,426
2014	775,556	76,780	9,598	61,699	990	-	8,068	(3,575)	-	(646)	(2,928)	(2,592)	(2,308)	(2,065)	(1,856)
2015	660,425	65,382	8,173	(28,992)	990	-	6,877	78,335	-	19,806	58,528	49,341	41,927	35,886	30,919
2016	586,428	58,056	7,257	11,873	32,175	-	7,515	(763)	-	2,235	(2,998)	(2,407)	(1,952)	(1,598)	(1,320)
2017	850,244	84,174	10,522	17,214	34,650	-	10,355	11,433	-	2,561	8,872	6,784	5,252	4,113	3,255
2018	1,124,854	111,361	13,920	22,773	34,650	-	13,196	26,821	8,896	4,184	13,740	10,006	7,395	5,539	4,201
2019	1,319,889	130,669	16,334	26,722	34,650	-	15,214	37,749	25,671	2,723	9,356	6,489	4,578	3,280	2,384
2020	1,189,052	117,716	14,715	24,073	11,385	-	12,814	54,730	24,903	7,160	22,667	14,972	10,082	6,910	4,812
2021	704,283	69,724	8,716	14,259	-	-	7,286	39,464	15,137	5,785	18,542	11,664	7,498	4,915	3,280
2022	396,896	39,293	4,912	8,035	-	(3,960)	3,928	26,378	8,193	2,944	15,241	9,131	5,603	3,513	2,247
2023	193,047	19,112	2,389	3,908	-	-	3,235	9,580	3,752	1,160	4,668	2,663	1,560	936	573
2024	73,998	7,326	916	1,498	-	7,425	2,337	(4,850)	1,009	-	(5,859)	(3,184)	(1,780)	(1,021)	(600)
2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2026	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2027	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
סה"כ	8,054,189	797,365	99,671	163,061	149,490	3,465	92,683	288,995	87,562	50,230	151,204	113,454	87,740	69,667	56,594

להלן ניתוח רגישות לפרמטרים העיקריים המרכיבים את התזרים המהוון (מחיר הנפט וכמות הנפט) ליום 31.12.2011

רגישות / קטגוריה	סה"כ	שווי נוכחי בהוון של 10%	שווי נוכחי בהוון של 15%	שווי נוכחי בהוון של 20%	רגישות / קטגוריה	סה"כ	שווי נוכחי בהוון של 10%	שווי נוכחי בהוון של 15%	שווי נוכחי בהוון של 20%
גידול במחיר הנפט בשיעור של 10%					**קיטון במחיר הנפט בשיעור של 10%**				
רזרבות מוכחות P1 (ProvedReserves)	126,898	91,490	78,999	68,864	רזרבות מוכחות P1 (Proved Reserves)	89,821	63,605	54,381	46,917
רזרבות צפויות (ProbableReserves)	122,230	73,073	57,721	46,181	רזרבות צפויות (Probable Reserves)	80,336	45,952	35,370	27,509
סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)	249,128	164,562	136,720	115,046	סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)	170,157	109,556	89,751	74,426
רזרבות אפשריות (Possible Reserves)	146,016	86,767	69,691	57,223	רזרבות אפשריות (Possible Reserves)	149,729	84,382	66,120	53,081
סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)	395,144	251,329	206,411	172,269	סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)	319,886	193,938	155,871	127,506
גידול במחיר הנפט בשיעור של 15%					**קיטון במחיר הנפט בשיעור של 15%**				
רזרבות מוכחות P1 (ProvedReserves)	136,040	98,344	85,042	74,244	רזרבות מוכחות P1 (Proved Reserves)	81,056	57,031	48,582	41,750
רזרבות צפויות (ProbableReserves)	132,578	79,739	63,201	50,747	רזרבות צפויות (Probable Reserves)	69,751	39,096	29,720	22,788
סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)	268,618	178,084	148,243	124,991	סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)	150,807	96,127	78,302	64,538
רזרבות אפשריות (Possible Reserves)	144,466	86,506	69,789	57,559	רזרבות אפשריות (Possible Reserves)	143,557	79,512	61,872	49,388
סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)	413,084	264,590	218,032	182,550	סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)	294,364	175,639	140,174	113,926

קיטון במחיר הנפט בשיעור של 20%					גידול במחיר הנפט בשיעור של 20%				
36,583	42,784	50,457	72,291	רזרבות מוכחות P1 (Proved Reserves)	79,489	90,942	105,046	145,007	רזרבות מוכחות P1 (ProvedReserves)
18,284	24,278	32,431	59,260	רזרבות צפויות (Probable Reserves)	55,140	68,416	86,002	141,971	רזרבות צפויות (ProbableReserves)
54,867	67,062	82,888	131,551	סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)	134,630	159,358	191,048	286,978	סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)
44,136	55,716	72,265	133,514	רזרבות אפשריות (Possible Reserves)	57,399	69,360	85,730	142,780	רזרבות אפשריות (Possible Reserves)
99,003	122,777	155,153	265,065	סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)	192,028	228,718	276,778	429,758	סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)

שווי נוכחי בהוון של 20%	שווי נוכחי בהוון של 15%	שווי נוכחי בהוון של 10%	סה"כ	רגישות / קטגוריה	שווי נוכחי בהוון של 20%	שווי נוכחי בהוון של 15%	שווי נוכחי בהוון של 10%	סה"כ	רגישות / קטגוריה
קיטון בכמות הנפט בשיעור של 10%					**גידול בכמות הנפט בשיעור של 10%**				
48,466	56,139	65,619	92,568	רזרבות מוכחות P1 (Proved Reserves)	67,225	77,142	89,363	124,009	רזרבות מוכחות P1 (ProvedReserves)
28,931	37,081	48,036	83,581	רזרבות צפויות (Probable Reserves)	44,741	55,990	70,966	118,957	רזרבות צפויות (ProbableReserves)
77,398	93,220	113,656	176,149	סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)	111,966	133,132	160,329	242,966	סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)
54,042	67,184	85,553	151,102	רזרבות אפשריות (Possible Reserves)	56,865	69,345	86,451	145,869	רזרבות אפשריות (Possible Reserves)
131,440	160,404	199,209	327,251	סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)	168,831	202,477	246,780	388,835	סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)
קיטון בכמות הנפט בשיעור של 15%					**גידול בכמות הנפט בשיעור של 15%**				
44,074	51,219	60,053	85,176	רזרבות מוכחות P1 (Proved Reserves)	71,892	82,369	95,276	131,848	רזרבות מוכחות P1 (ProvedReserves)
25,016	32,394	42,350	74,795	רזרבות צפויות (Probable Reserves)	48,615	60,636	76,613	127,706	רזרבות צפויות (ProbableReserves)
69,090	83,613	102,403	159,972	סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)	120,507	143,006	171,889	259,554	סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)
51,478	64,346	82,469	147,904	רזרבות אפשריות (Possible Reserves)	56,784	68,966	85,625	143,384	רזרבות אפשריות (Possible Reserves)
120,568	147,959	184,871	307,876	סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)	177,291	211,971	257,514	402,939	סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)

קיטון בכמות הנפט בשיעור של 20%					גידול בכמות הנפט בשיעור של 20%				
39,681	46,299	54,486	77,785	רזרבות מוכחות P1 (Proved Reserves)	76,353	87,378	100,956	139,417	רזרבות מוכחות P1 (ProvedReserves)
21,062	27,663	36,612	65,938	רזרבות צפויות (Probable Reserves)	52,524	65,319	82,298	136,501	רזרבות צפויות (ProbableReserves)
60,744	73,962	91,098	143,722	סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)	128,877	152,697	183,254	275,918	סה"כ רזרבות מסוג P2 (Proved+ProbableReserves)
47,891	60,177	77,626	141,529	רזרבות אפשריות (Possible Reserves)	56,648	68,552	84,822	141,337	רזרבות אפשריות (Possible Reserves)
108,635	134,140	168,724	285,251	סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)	185,526	221,249	268,076	417,254	סה"כ רזרבות מסוג P3 (Proved+Probable+PossibleReserves)

אזהרה – יובהר כי נתוני תזרים מהוונים, בין אם חושבו בשיעור היוון מסוים או ללא שיעור היוון מייצגים ערך נוכחי אך לאו דווקא מייצגים שווי הוגן. כמו-כן, יובהר כי נתוני התזרימים המהוונים כאמור לעיל מבוססים על הנחות ביחס להמשך מכירות הנפט מהמאגר ואשר לגביהן אין כל וודאות כי יתממשו וכי כמויות הנפט, שיופקו בפועל, עשויות להיות שונות מההערכות וההשערות הנ"ל, בין היתר, כתוצאה מתנאים תפעוליים וטכניים ו/או משינויים רגולטוריים ו/או מתנאי היצע וביקוש בשוק ו/או מהביצועים בפועל של המאגר.

6. <u>נתוני הפקה</u>

להלן נתוני הפקה בשדה מגד:

		שנת 2011
סה"כ תפוקה (המתייחס לחלק השותפות) בתקופה (באלפי חביות -MBBL)		137.2
מחיר ממוצע לחבית (המתייחס לחלק השותפות) (בדולר לחבית)		109.0
תמלוגים (כל תשלום שנגזר מתפוקת הנכס המפיק לרבות מההכנסה ברוטו מנכס הנפט) ממוצעים ששולמו לחבית (המתייחסים לחלק השותפות) (בדולר לחבית)	המדינה	13.6
	צדדים שלישיים	0
	בעלי ענין[7]	0.0
עלויות הפקה ממוצעות לחבית (המתייחסים לחלק השותפות) (בדולר לחבית)		9.6
תקבולים נטו ממוצעים לחבית (המתייחסים לחלק השותפות) (בדולר לחבית)		85.8
שיעור אזילה בתקופה המדווחת ביחס לסך כמויות הגז במאגר (ב- %)[8]		1.7

7. <u>מילון מונחים</u>

"**מערכת לניהול משאבי פטרוליום (SPE-PRMS)**"- " Petroleum Resources Management System (2007)", כפי שפורסמה על-ידי איגוד מהנדסי הפטרוליום (SPE), הארגון האמריקאי של גיאולוגים בתחום הפטרוליום (AAPG), המועצה העולמית לפטרוליום (WPC) ואיגוד מהנדסי הערכת הפטרוליום (SPEE), וכפי שתתוקן מעת לעת.

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[7] בדו"ח לא נכללו תשלומי תמלוגים לשותף הכללי שבהתאם להסכם השותפות המוגבלת ישולמו לאחר החזר ההשקעה. לשנת 2011 היוו התמלוגים האמורים המגיעים לשותף הכללי כ- 22.3 דולר לחבית.

[8] שיעור האזילה הינו שיעור הנפט המופק בשנה מתוך הרזרבות המוכחות והצפויות בתחילת אותה שנה.

"נכס נפט" – החזקה, בין במישרין ובין בעקיפין, בהיתר מוקדם, ברשיון או בחזקה; במדינה אחרת – החזקה, בין במישרין ובין בעקיפין, בזכות בעלת מהות דומה שהוענקה על-ידי הגוף המוסמך לכך. כן יראו כנכס נפט זכות לקבלת טובות הנאה הנובעות מהחזקה, במישרין או בעקיפין, בנכס נפט או בזכות בעלת מהות דומה (לפי הענין).

"נפט" - נפט ניגר, בין נוזלי ובין אדי, לרבות שמן, גז טבעי, גזולין טבעי, קונדנסאטים ופחמימנים (הידרוקרבונים) ניגרים להם, וכן אספלט ופחמימנים של נפט מוצקים אחרים כשהם מומסים בתוך נפט ניגר וניתנים להפקה יחד אתו.

"פטרוליום (Petroleum)"; "משאבים פרוספקטיביים (Prospective Resources)"; "נתגלה (Discovered)"; "תגלית (Discovery)"; "רזרבות (Reserves)", "משאבים מותנים (Contingent Resources)"; "רזרבות מוכחות (Proved reserves)"; "רזרבות צפויות (Probable Reserves)"; "רזרבות אפשריות (Possible Reserves)"; "אומדן כמויות נמוך (Low Estimate)"; "אומדן כמויות הטוב ביותר ((Best Estimate"; "אומדן כמויות גבוה (High Estimate)"; "משאבים מותנים בקטגוריית C,2C,3C1 (1C,2C,3C)"; "בהפקה (On Production)"; "אושר לפיתוח (Approved for Development)"; "מוצדק לפיתוח (Justified for Development)"; "הצדקת פיתוח בבחינה Development Pending))"; " תוכנית פיתוח הושעתה או בחינת אפשרויות פיתוח עלולה להתעכב באופן מהותי (Development Unclarified or on Hold)"; "נטישת באר (Well (Abandonment"; "פיתוח אינו מעשי (Development not Viable)"; "קידוח יבש (Dry Hole)"; "רזרבות בקטגוריה 1P/2P/3P (1P/2P/3P)" –

כמשמעות מונחים אלה במערכת לניהול משאבי פטרוליום (SPE-PRMS).

"פיתוח" - קידוחו וציודו של שטח נכס נפט כדי לקבוע את כושר תפוקתו, להפיק ממנו נפט ולשווקו.

"רזרבות מוכחות, מפותחות ומפיקות" – רזרבות מוכחות המופקות באמצעות קידוחי פיתוח והפקה.

"רזרבות מוכחות, מפותחות ולא מפיקות" – רזרבות מוכחות במאגרים המצויים בשדה מפיק, אשר טרם הוחל בהפקה מסחרית שלהן. קידוחי הפיתוח וההפקה מפיקים ממאגרים אחרים באותו שדה, ואולם הרזרבות הנ"ל מצויות במאגרים הסגורים על ידי צינורות הדיפון (Closed Behind Pipe). עם הידלדלות המאגרים המפיקים ייפתחו המאגרים הסגורים מאחורי הצינורות.

"רזרבות מוכחות ולא מפותחות" – רזרבות מוכחות המצויות במאגרים, בהם עדיין אין קידוחי פיתוח המצויים בהמשך או בסמוך למאגרים בהם יש רזרבות מוכחות, מפותחות ומפיקות.

"רישיון" – כמשמעותו בחוק הנפט וראו גם סעיף 9.28.1 להלן.

"שדה נפט" - קרקע על שכבותיה הגיאולוגיות שיש מתחתיה בידוע מאגר(י) נפט שניתן להפיק ממנו(הם) נפט בכמויות מסחריות.

"MMBBL" - מיליוני חביות.

"MBBL"' - אלפי חביות.

"BCF" – מיליארד רגל מעוקב שהם 0.001 TCF או כ- 0.0283 BCM.

"BCM" - מיליארד מטר מעוקב (Billion Cubic Meter).

"Mmcf/D" – מיליון רגל מעוקב ליום.

"MMCF" – מיליון רגל מעוקב (Million Cubic Feet) שהם 0.001 BCF או כ- 0.00003 BCM.

להלן מקדמי המרה ליחידות בהן נעשה שימוש בדוח לעיל:

MMCF	BCF	BCM
35310.7	35.3107	1

BCM	MMCF	BCF
0.0283	1000	1

BCM	BCF	MMCF
0.00003	0.001	1

8. <u>התאמה בין נתוני הדו"ח לנתוני דוחות קודמים</u>

א. <u>כללי</u>

כאמור בסעיף 8 (יד) בדו"ח התקופתי דו"ח הרזרבות הקודם שפרסמה השותפות הינו דו"ח חברת RDS ליום 30.6.11 (דו"ח מיום 28.7.11 שפורסם ביום 22.8.11). בשל ההבדלים הרבים בשיטות ההערכה כפי שיפורט להלן בין דו"ח RDS לדו"ח NSAI השותף הכללי סבור כי אין זה נכון לערוך השוואה פשטנית של הכמויות שסווגו בכל אחד מהדוחות לרזרבות ומשאבים מותנים והדבר משול להשוואת מין בשאינו מינו. השותף הכללי מבקש להבהיר כי מנקודת מבטו אין סתירה בין שתי הדוחות והוא מקבל את שניהם וסבור כי שניהם נכונים ומבוססים על שיטות הערכה מקובלות ובהתאם לכללי ה-PRMS.

ב. <u>דוגמאות להבדלים בין הדוחות</u>

1. <u>שימוש בשיטות הערכה שונות</u>

לגבי סיווג הרזרבות בדו״ח NSAI נעשה שימוש בפרופיל ההפקה (״**production Profile**"- גרף הנבנה מקצבי הפקה המתקבלים בפועל ושבעזרתו ניתן לצפות מה יהיו קצבי ההפקה העתידיים מהבאר) לפי הכמויות שהופקו בפועל ממקטע 8b ותחזית הפקה לעתיד המבוססת עליו, בעוד בדו״ח RDS נעשה תחשיב הסתברותי על סמך סימולציה של ההפקה והערכות לגבי מקדם ההפקה (recovery factor) וכמויות נפט במאגר (oil in place) .

2. <u>התייחסות לסוגים שונים של נקבוביות (porosity)</u>

בדו״ח NSAI הרזרבות חושבו על סמך הפקת נפט מהשברים הטבעיים במאגר (fracture porosity), ואילו בדוח RDS נעשה שימוש בהצטברות של נפט בסלע מאגר בתוך חללים שבין גרגירי הסלע (matrix porosity) .

3. <u>שיטות המרצה</u>

בדו״ח NSAI לא חושבו הרזרבות והמשאבים המותנים שיושגו לאחר שימוש בשיטות המרצה, ואילו בדו״ח RDS ההערכה נעשתה בהנחה של פעולה מוצלחת של המרצה בעזרת גז (**"gas lift**״ - סיוע חיצוני להפקה בדרך של הזרמת גז בעומקים מסוימים אל תוך צינור הפקת הנפט בבאר נפט ,לשם דחיסת הנפט כלפי מעלה) .

4. <u>חלוקה על פי מקטעים מפיקים בכל קידוח</u>

בדו״ח NSAI רק המקטעים שבהם בוצעה פעולת ה Proppant (החדרה של גרגרי חול לשברים הטבעיים במאגר על מנת שלא יסגרו) ולאחר מכן בוצעה הפקה דהיינו מקטע 8b ומקטע 1 סווגו לקטגוריית הרזרבות בכל קידוח ושאר המקטעים סווגו כמשאבים מותנים, ואילו בדו״ח RDS כל המקטעים חושבו בכל באר והסיווג נעשה לפי מספר בארות. (לפרטים על המבחנים ופעולות ה- Proppant ותוצאותיהם ראו בסעיפים 9.3 (ה) ,(ו) ו- (ז) בדו״ח התקופתי).

5. <u>מספר שונה של בארות שסווגו כרזרבות</u>

בדו"ח NSAI סווגו 3 בארות לקטגוריית הרזרבות המוכחות, 5 בארות נוספות לקטגוריית הרזרבות הצפויות (בסה"כ 8) ו-7 בארות נוספות לקטגוריית הרזרבות האפשריות (בסה"כ 15), ואילו בדו"ח RDS סווגה באר אחת לקטגוריית הרזרבות המוכחות ושתי בארות נוספות לקטגוריית הרזרבות הצפויות ולקטגוריית הרזרבות האפשריות (בסה"כ 3).

6. <u>מספר שונה של בארות שסווגו כמשאבים מותנים</u>

בדו"ח NSAI סווגו 3 בארות לקטגוריית 1C , 8 בארות לקטגוריית 2C ו-15 בארות לקטגוריית 3C, ואילו בדו"ח RDS סווגו 43 בארות כמשאבים מותנים.

7. <u>גודל השטח שסווג בדוחות</u>

בדו"ח NSAI סווגו 3 בארות של P1, 8 בארות של P2 ו15 בארות של P3 עם שטח ניקוז בכל מקטע בכל באר של כ-3.2 קמ"ר (790 acres) ובשטח כולל של כ-50 קמ"ר כאשר לשטחים הלא מפותחים שמעבר לשטח המוערך הזה לא נכלל שווי בדו"ח ואילו דו"ח RDS נכללה הערכה לשטח כולל של כ- 136 קמ"ר (50 קמ"ר בשטח הליבה ו-86 קמ"ר בשאר השדה) ובהערכה של כ-43 בארות.

8. <u>השוואות טבלאיות</u>

למען הנוחות מצ"ב השוואות טבלאיות של חלק מהנתונים שצוינו לעיל וכן השוואות של נתוני התזרים המהוון בין שני הדוחות.

Reserves		RDS July 2011		NSAI May 2012	
		MM of bbls	NPV10 (MM$)	MM of bbls	NPV10 (MM$)
P	1P	2.6	79	3.6	77
	2P	10.5	145	7.8	137
	3P	16.9	225	15.8	225
# of zones		9		2	
# of wells	1P	1		3	
	2P	3		8	
	3P	3		15	
Gas Lift		Yes		No	

Contingent Resources		RDS July 2011	NSAI May 2012
C Millions of barrels	1C	31.9	5.7
	2C	59.9	15.8
	3C	90.1	36.6
# of zones		9	9
# of wells	1C	43	3
	2C		8
	3C		15
Gas Lift		Yes	No

השותף הכללי מבקש להדגיש כי על אף כל ההבדלים שהוזכרו לעיל ניתן לראות כי אין הבדלים מהותיים בשורה התחתונה של הערך הנוכחי המהוון (NPV_{10}) בין הדוחות (על אף שדו"ח NSAI ניתן לתקופה של חצי שנה מאוחר יותר מדו"ח RDS ולאחר כחצי שנה של הפקה מהבאר שבמהלכה הופקו כ-137 חביות).

9. <u>חוות דעת של מעריך הרזרבות</u>

מצורף לדוח זה כ**<u>נספח א'</u>** דוח רזרבות שהוכן על-ידי NSAI ביחד עם הסכמתה להכללתו בדוח זה.

10. <u>הצהרת הנהלה</u>

א. תאריך ההצהרה: 31.5.2012;

ב. ציון שם התאגיד המדווח: גבעות עולם חיפושי נפט, שותפות מוגבלת;

ג. שם הנושא בתפקיד להערכת המשאבים: טוביה לוסקין;

ד. הרינו לאשר, כי נמסרו למעריך כל הנתונים הרלוונטיים הנדרשים לצורך ביצוע עבודתו;

ה. הרינו לאשר, כי לא בא לידיעתנו כל מידע המצביע על קיום תלות בין המעריך לבין השותפות;

ו. הרינו לאשר, כי הכנת הערכת המשאבים והגילוי הכלול בה הינם באחריותנו;

ז. הרינו לאשר, כי למיטב ידיעתנו המשאבים שהוערכו ע"י המעריך הינם האומדנים הרלוונטיים, הטובים והעדכניים ביותר הקיימים ברשותנו.

ח. הרינו מסכימים להכללת ההצהרה האמורה לעיל בדו"ח זה.

_____

טוביה לוסקין

<u>אחוזי ההחזקה בחזקת ראש העין הינם כדלקמן:</u>

השותפות-99%

1% – Millenium Quest Pty Ltd

בכבוד רב,

גבעות עולם נפט בע"מ השותף הכללי

באמצעות שמואל בקר, דירקטור

NETHERLAND, SEWELL & ASSOCIATES, INC.
WORLDWIDE PETROLEUM CONSULTANTS
ENGINEERING • GEOLOGY • GEOPHYSICS • PETROPHYSICS

CHAIRMAN & CEO
C.H. (SCOTT) REES III
PRESIDENT & COO
DANNY D. SIMMONS
EXECUTIVE VP
G. LANCE BINDER

EXECUTIVE COMMITTEE
P. SCOTT FROST - DALLAS
J. CARTER HENSON, JR. - HOUSTON
DAN PAUL SMITH - DALLAS
JOSEPH J. SPELLMAN - DALLAS
THOMAS J. TELLA II - DALLAS

May 30, 2012

Mr. Tovia Luskin
Givot Olam Oil Ltd.
5 Shlomo Halevy, Har Hotzvim
Jerusalem 91451
Israel

Dear Mr. Luskin:

As independent consultants, Netherland, Sewell & Associates, Inc. hereby grants permission to Givot Olam Oil Exploration Limited Partnership (1993) to use our report dated May 30, 2012, to be filed with the Israel Securities Authority. This report sets forth our estimates of the proved, probable, and possible reserves and future revenue, as of December 31, 2011, to the Givot Olam Oil Exploration Limited Partnership (1993) interest in certain oil and gas properties located in Meged Field, Israel. This report also sets forth our estimates of the gross (100 percent) contingent resources, as of December 31, 2011, for these properties.

Sincerely,

NETHERLAND, SEWELL & ASSOCIATES, INC.

By: Danny D. Simmons

Danny D. Simmons, P.E.
President and Chief Operating Officer

RBT:MGH

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May 30, 2012

Mr. Tovia Luskin
Givot Olam Oil Ltd.
5 Shlomo Halevy, Har Hotzvim
Jerusalem 91451
Israel

Dear Mr. Luskin:

In accordance with your request, we have estimated the proved, probable, and possible reserves and future revenue, as of December 31, 2011, to the Givot Olam Oil Exploration Limited Partnership (1993) (referred to herein as "Givot LP") interest in certain oil and gas properties located in Meged Field, Israel. Also as requested, we have estimated the gross (100 percent) contingent resources, as of December 31, 2011, for these properties. It is our understanding that Givot LP owns a direct interest in these properties. We completed our evaluation on or about the date of this letter. This report has been prepared using constant price and cost parameters specified by Givot LP, as discussed in subsequent paragraphs of this letter. Monetary values shown in this report are expressed in United States dollars ($) or thousands of United States dollars (M$). For your reference, the May 30, 2012, exchange rate was 3.88 Israeli Shekels (ILS) per United States dollar. Historical production data used in our evaluation were provided by Givot LP; these values have not been independently confirmed.

The estimates in this report have been prepared in accordance with internationally recognized standards, as stipulated by the Israel Securities Authority (ISA), and in accordance with the definitions and guidelines set forth in the 2007 Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers (SPE). As presented in the 2007 PRMS, petroleum accumulations can be classified, in decreasing order of likelihood of commerciality, as reserves, contingent resources, or prospective resources. Different classifications of petroleum accumulations have varying degrees of technical and commercial risk that are difficult to quantify; thus reserves, contingent resources, and prospective resources should not be aggregated without extensive consideration of these factors. Definitions are presented immediately following this letter. The 2007 PRMS project maturity sub-class for these reserves is "on production". This report has been prepared for use by Givot LP in filing with the ISA; in our opinion the assumptions, data, methods, and procedures used in the preparation of this report are appropriate for such purpose.

RESERVES

Reserves are those quantities of petroleum anticipated to be commercially recoverable from known accumulations by application of development projects from a given date forward under defined conditions. Reserves must be discovered, recoverable, commercial, and remaining as of the evaluation date based on the planned development projects to be applied. Proved reserves are those quantities of oil and gas which, by analysis of engineering and geoscience data, can be estimated with reasonable certainty to be commercially recoverable; probable and possible reserves are those additional reserves which are sequentially less certain to be recovered than proved reserves.

We estimate the oil reserves and future net revenue, discounted at 0, 5, 10, 15, and 20 percent, to the Givot LP interest in these properties, as of December 31, 2011, to be:

Category	Oil Reserves (MBBL) Gross (100 Percent)	Oil Reserves (MBBL) Working Interest	Future Net Revenue After Levy and Corporate Income Taxes (M$) Discounted at 0%	Discounted at 5%	Discounted at 10%	Discounted at 15%	Discounted at 20%
Proved	3,594.5	3,558.6	108,183.2	90,967.9	77,408.4	66,566.2	57,779.1
Probable	4,192.0	4,150.1	101,175.7	76,995.8	59,427.6	46,469.7	36,776.9
Proved + Probable	7,786.5	7,708.6	209,358.9	167,963.7	136,836.0	113,036.0	94,556.0
Possible	8,054.2	7,973.6	151,203.9	113,453.5	87,740.1	69,667.5	56,594.5
Proved + Probable + Possible	15,840.7	15,682.3	360,562.8	281,417.3	224,576.1	182,703.4	151,150.5

Totals may not add because of rounding.

The oil volumes shown include crude oil only. Oil volumes are expressed in thousands of barrels (MBBL); a barrel is equivalent to 42 United States gallons. Gas reserves do not exist for these properties because associated gas production requires infrastructure and additional government coordination. Gas volumes have been classified as contingent resources.

The estimates of reserves shown in this report are for proved, probable, and possible reserves. The proved reserves are inclusive of proved developed producing, proved developed non-producing, and proved undeveloped reserves. Reserves categorization conveys the relative degree of certainty; reserves subcategorization is based on development and production status. Two naturally fractured reservoir intervals, Zone 1 and Zone 8B, were tested in the Meged 5 oil well; in determining reserves we considered performance from both intervals. A drainage area of 790 acres per zone per well was used for the reserves estimates. Volumes from the additional reservoir intervals tested in the Meged 5 are included in this report as contingent resources. The estimates of reserves and future revenue included herein have not been adjusted for risk.

Working interest revenue for the reserves shown in this report is Givot LP's share of the gross (100 percent) revenue from the properties prior to any deductions. Future net revenue is after deductions for royalties, capital costs, abandonment costs, operating expenses, an oil profits levy, and corporate income taxes. The future net revenue has been discounted at annual rates of 0, 5, 10, 15, and 20 percent to determine its present worth, which is shown to indicate the effect of time on the value of money. Future net revenue presented in this report, whether discounted or undiscounted, should not be construed as being the fair market value of the properties. Figures 1 through 5 present revenue, costs, and taxes by reserves category. Figure 6 presents Givot LP's historical net production and royalties, operating costs, and net revenue per production unit. A graph showing forecasted gross oil production rates by reserves category is shown in Figure 7.

As requested, this report has been prepared using an oil price specified by Givot LP of $100.00 per barrel. The oil price is held constant throughout the lives of the properties.

Operating costs used in this report were provided by Givot LP and appear reasonable based on our knowledge of similar operations. Operating costs are intended to include only direct project-level costs and Givot LP's estimate of the portion of its headquarters general and administrative overhead expenses that can be directly attributed to this project. As requested, operating costs are held constant throughout the lives of the properties.

Capital costs used in this report were provided by Givot LP and are based on authorizations for expenditure and actual costs from recent activity. Capital costs are included as required for workovers, new development wells, and production equipment. Based on our understanding of Givot LP's future development plans and our knowledge of similar operations, we regard these estimated capital costs to be reasonable. Abandonment costs

used in this report are Givot LP's estimates of the costs to abandon the wells and production facilities; these estimates do not include any salvage value for the lease and well equipment. As requested, capital costs and abandonment costs are held constant to the date of expenditure.

CONTINGENT RESOURCES

Contingent resources are those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from known accumulations, but for which the applied project or projects are not yet considered mature enough for commercial development because of one or more contingencies. These resources are subclassified as development pending. The oil resources are contingent upon acquisition of additional technical data, through development drilling, that demonstrate producing rates and volumes sufficient to sustain economic viability. Associated gas resources are contingent upon the removal of regulatory and infrastructure constraints. If these contingencies are successfully addressed, some portion of the contingent resources estimated in this report may be reclassified as reserves; our estimates have not been risked to account for the possibility that the contingencies are not successfully addressed. Because of the early stage of development of this project, we did not perform an economic analysis of these resources; as such, the economic status of these resources is undetermined.

We estimate the gross (100 percent) contingent resources for these properties, as of December 31, 2011, to be:

	Gross (100 Percent) Contingent Resources					
	Oil (MBBL)			Gas (MMCF)		
Reservoir	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)
Zone 1[(1)]	337	582	924	3,675	7,651	15,513
Zone 2	627	1,984	4,989	1,050	3,321	8,351
Zone 3	749	2,475	5,932	1,254	4,143	9,930
Zone 4	908	2,417	5,467	1,520	4,047	9,153
Zone 5	652	2,062	4,741	1,038	3,282	7,548
Zone 6	950	2,663	5,941	1,486	4,168	9,297
Zone 7	408	1,512	4,023	639	2,366	6,296
Zone 8A	888	1,853	4,123	2,548	5,315	11,828
Zone 8B[(1)]	153	263	414	5,489	11,630	22,607

(1) Gas resources for these reservoirs include the volumes associated with oil that have been classified as reserves.

The oil volumes shown include crude oil only. Gas volumes are expressed in millions of cubic feet (MMCF) at standard temperatures and pressure bases.

The contingent resources shown in this report have been estimated using a combination of deterministic and probabilistic methods. Once all contingencies have been successfully addressed, the probability that the quantities of contingent resources actually recovered will equal or exceed the estimated amounts is 90 percent for the low estimate, 50 percent for the best estimate, and 10 percent for the high estimate. For the purposes of this report, the volumes and parameters associated with the low, best, and high estimate scenarios of contingent resources are referred to as 1C, 2C, and 3C, respectively. The estimates of contingent resources included herein have not been adjusted for development risk.

GENERAL INFORMATION

This report does not include any value that could be attributed to interests in undeveloped acreage beyond those tracts for which undeveloped reserves have been estimated. For the purposes of this report, we did not perform any field inspection of the properties, nor did we examine the mechanical operation or condition of the wells and facilities. We have not investigated possible environmental liability related to the properties; however, we are not currently aware of any possible environmental liability that would have any material effect on the reserves and resources quantities estimated in this report or the commerciality of such estimates. Therefore, our estimates do not include any costs due to such possible liability.

The reserves and contingent resources shown in this report are estimates only and should not be construed as exact quantities. Estimates may increase or decrease as a result of market conditions, future operations, changes in regulations, or actual reservoir performance. In addition to the primary economic assumptions discussed herein, our estimates of reserves are based on certain assumptions including, but not limited to, that the properties will be developed consistent with current development plans, that the properties will be operated in a prudent manner, that no governmental regulations or controls will be put in place that would impact the ability of the interest owner to recover the reserves, and that our projections of future production will prove consistent with actual performance. If these volumes are recovered, the revenues therefrom and the costs related thereto could be more or less than the estimated amounts. Because of governmental policies and uncertainties of supply and demand, the sales rates, prices received, and costs incurred may vary from assumptions made while preparing this report. It should be noted that the actual production profile for each category may be lower or higher than the production profile used to calculate the estimates of future net revenue used in this report, and no sensitivity analysis was performed with respect to the production profile of the wells. This sensitivity analysis could lead to the conclusion that the reserves or contingent resources are not economic.

For the purposes of this report, we used technical and economic data including, but not limited to, well logs, geologic maps, well test data, production data, and property ownership interests. We were provided with all the necessary data to prepare the estimates for these properties, and we were not limited from access to any material we believe may be relevant. The reserves and contingent resources in this report have been estimated using a combination of deterministic and probabilistic methods; these estimates have been prepared in accordance with generally accepted petroleum engineering and evaluation principles set forth in the Standards Pertaining to the Estimating and Auditing of Oil and Gas Reserves Information promulgated by the SPE (SPE Standards). We used standard engineering and geoscience methods, or a combination of methods, including performance analysis, volumetric analysis, and analogy, that we considered to be appropriate and necessary to classify, categorize, and estimate volumes in accordance with the 2007 PRMS definitions and guidelines. Certain parameters used in our volumetric analysis are summarized in Figure 8. A substantial portion of the reserves and contingent resources shown in this report are for undeveloped locations. Such volumes are based on estimates of reservoir volumes and recovery efficiencies along with analogy to properties with similar geologic and reservoir characteristics. Improved recovery techniques were not considered in this evaluation. As in all aspects of oil and gas evaluation, there are uncertainties inherent in the interpretation of engineering and geoscience data; therefore, our conclusions necessarily represent only informed professional judgment. There is no certainty that it will be commercially feasible to produce any percentage of the contingent resources.

Netherland, Sewell & Associates, Inc. (NSAI) was engaged on March 22, 2012, by Mr. Tovia Luskin, Chief Executive Officer of Givot Olam Oil Ltd., to perform this assessment. It is our understanding that Givot Olam Oil Ltd. is the general partner of Givot LP. The data used in our estimates were obtained from Givot LP and the nonconfidential files of NSAI and were accepted as accurate. Supporting geoscience, performance, and work data are on file in our office. The contractual rights to the properties have not been examined by NSAI, nor has the actual degree or type of interest owned been independently confirmed. We are independent petroleum engineers, geologists, geophysicists, and petrophysicists; we do not own an interest in these properties nor are

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we employed on a contingent basis. Furthermore, no limitations or restrictions were placed upon NSAI by officials of Givot LP.

QUALIFICATIONS

NSAI performs consulting petroleum engineering services under Texas Board of Professional Engineers Registration No. F-2699. We provide a complete range of geological, geophysical, petrophysical, and engineering services, and we have the technical expertise and ability to perform these services in any oil and gas producing area in the world. The staff are familiar with the recognized industry reserves and resources definitions, specifically those promulgated by the U.S. Securities and Exchange Commission, by the Alberta Securities Commission, and by the SPE, Society of Petroleum Evaluation Engineers, World Petroleum Council, and American Association of Petroleum Geologists. The technical persons responsible for preparing the estimates presented herein meet the requirements regarding qualifications, independence, objectivity, and confidentiality set forth in the SPE Standards.

This assessment has been led by Mr. Richard B. Talley, Jr. and Mr. Mike K. Norton. Mr. Talley is a Vice President and Mr. Norton is a Senior Vice President in the firm's Houston office at 1221 Lamar Street, Suite 1200, Houston, Texas 77010, USA. Mr. Talley maintains a valid Professional Engineer License (Texas Registration No. 102425). He has been practicing petroleum engineering consulting at NSAI since 2004 and has over 5 years prior industry experience. Mr. Norton maintains a valid Professional Geoscientist License (Texas Registration No. 441). He has been practicing petroleum geoscience consulting at NSAI since 1989 and has over 10 years prior industry experience.

Sincerely,

NETHERLAND, SEWELL & ASSOCIATES, INC.
Texas Registered Engineering Firm F-2699

By:
C.H. (Scott) Rees III, P.E.
Chairman and Chief Executive Officer

By: Richard B. Talley, Jr.
Richard B. Talley, Jr., P.E. 102425
Vice President

Date Signed: May 30, 2012

By:
Mike K. Norton, P.G. 441
Senior Vice President

Date Signed: May 30, 2012

CEI:MGH

NETHERLAND, SEWELL & ASSOCIATES, INC.

PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS

Excerpted from the Petroleum Resources Management System Approved by
the Society of Petroleum Engineers (SPE) Board of Directors, March 2007

This document contains information excerpted from definitions and guidelines prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE) and reviewed and jointly sponsored by the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG), and the Society of Petroleum Evaluation Engineers (SPEE).

Preamble

Petroleum resources are the estimated quantities of hydrocarbons naturally occurring on or within the Earth's crust. Resource assessments estimate total quantities in known and yet-to-be-discovered accumulations; resources evaluations are focused on those quantities that can potentially be recovered and marketed by commercial projects. A petroleum resources management system provides a consistent approach to estimating petroleum quantities, evaluating development projects, and presenting results within a comprehensive classification framework.

These definitions and guidelines are designed to provide a common reference for the international petroleum industry, including national reporting and regulatory disclosure agencies, and to support petroleum project and portfolio management requirements. They are intended to improve clarity in global communications regarding petroleum resources. It is expected that this document will be supplemented with industry education programs and application guides addressing their implementation in a wide spectrum of technical and/or commercial settings.

It is understood that these definitions and guidelines allow flexibility for users and agencies to tailor application for their particular needs; however, any modifications to the guidance contained herein should be clearly identified. The definitions and guidelines contained in this document must not be construed as modifying the interpretation or application of any existing regulatory reporting requirements.

1.0 Basic Principles and Definitions

The estimation of petroleum resource quantities involves the interpretation of volumes and values that have an inherent degree of uncertainty. These quantities are associated with development projects at various stages of design and implementation. Use of a consistent classification system enhances comparisons between projects, groups of projects, and total company portfolios according to forecast production profiles and recoveries. Such a system must consider both technical and commercial factors that impact the project's economic feasibility, its productive life, and its related cash flows.

1.1 Petroleum Resources Classification Framework

Petroleum is defined as a naturally occurring mixture consisting of hydrocarbons in the gaseous, liquid, or solid phase. Petroleum may also contain non-hydrocarbons, common examples of which are carbon dioxide, nitrogen, hydrogen sulfide and sulfur. In rare cases, non-hydrocarbon content could be greater than 50%.

The term "resources" as used herein is intended to encompass all quantities of petroleum naturally occurring on or within the Earth's crust, discovered and undiscovered (recoverable and unrecoverable), plus those quantities already produced. Further, it includes all types of petroleum whether currently considered "conventional" or "unconventional."

Figure 1-1 is a graphical representation of the SPE/WPC/AAPG/SPEE resources classification system. The system defines the major recoverable resources classes: Production, Reserves, Contingent Resources, and Prospective Resources, as well as Unrecoverable petroleum.

The "Range of Uncertainty" reflects a range of estimated quantities potentially recoverable from an accumulation by a project, while the vertical axis represents the "Chance of

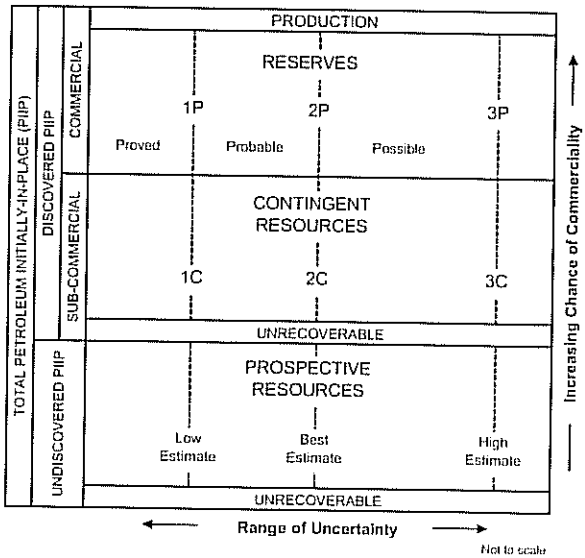

Figure 1-1: Resources Classification Framework.

PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS

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Commerciality", that is, the chance that the project that will be developed and reach commercial producing status. The following definitions apply to the major subdivisions within the resources classification:

TOTAL PETROLEUM INITIALLY-IN-PLACE is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production plus those estimated quantities in accumulations yet to be discovered (equivalent to "total resources").

DISCOVERED PETROLEUM INITIALLY-IN-PLACE is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production.

PRODUCTION is the cumulative quantity of petroleum that has been recovered at a given date. While all recoverable resources are estimated and production is measured in terms of the sales product specifications, raw production (sales plus non-sales) quantities are also measured and required to support engineering analyses based on reservoir voidage (see Production Measurement, section 3.2).

Multiple development projects may be applied to each known accumulation, and each project will recover an estimated portion of the initially-in-place quantities. The projects shall be subdivided into Commercial and Sub-Commercial, with the estimated recoverable quantities being classified as Reserves and Contingent Resources respectively, as defined below.

RESERVES are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial, and remaining (as of the evaluation date) based on the development project(s) applied. Reserves are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by development and production status.

CONTINGENT RESOURCES are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be subclassified based on project maturity and/or characterized by their economic status.

UNDISCOVERED PETROLEUM INITIALLY-IN-PLACE is that quantity of petroleum estimated, as of a given date, to be contained within accumulations yet to be discovered.

PROSPECTIVE RESOURCES are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and a chance of development. Prospective Resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

UNRECOVERABLE is that portion of Discovered or Undiscovered Petroleum Initially-in-Place quantities which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

Estimated Ultimate Recovery (EUR) is not a resources category, but a term that may be applied to any accumulation or group of accumulations (discovered or undiscovered) to define those quantities of petroleum estimated, as of a given date, to be potentially recoverable under defined technical and commercial conditions plus those quantities already produced (total of recoverable resources).

PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS

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1.2 Project-Based Resources Evaluations

The resources evaluation process consists of identifying a recovery project, or projects, associated with a petroleum accumulation(s), estimating the quantities of Petroleum Initially-in-Place, estimating that portion of those in-place quantities that can be recovered by each project, and classifying the project(s) based on its maturity status or chance of commerciality.

This concept of a project-based classification system is further clarified by examining the primary data sources contributing to an evaluation of net recoverable resources (see Figure 1-2) that may be described as follows:

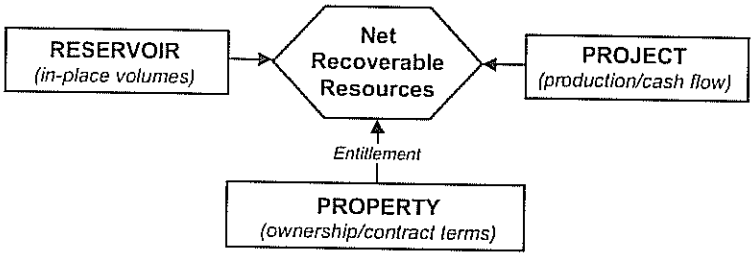

Figure 1-2: Resources Evaluation Data Sources.

- The Reservoir (accumulation): Key attributes include the types and quantities of Petroleum Initially-in-Place and the fluid and rock properties that affect petroleum recovery.

- The Project: Each project applied to a specific reservoir development generates a unique production and cash flow schedule. The time integration of these schedules taken to the project's technical, economic, or contractual limit defines the estimated recoverable resources and associated future net cash flow projections for each project. The ratio of EUR to Total Initially-in-Place quantities defines the ultimate recovery efficiency for the development project(s). A project may be defined at various levels and stages of maturity; it may include one or many wells and associated production and processing facilities. One project may develop many reservoirs, or many projects may be applied to one reservoir.

- The Property (lease or license area): Each property may have unique associated contractual rights and obligations including the fiscal terms. Such information allows definition of each participant's share of produced quantities (entitlement) and share of investments, expenses, and revenues for each recovery project and the reservoir to which it is applied. One property may encompass many reservoirs, or one reservoir may span several different properties. A property may contain both discovered and undiscovered accumulations.

In context of this data relationship, "project" is the primary element considered in this resources classification, and net recoverable resources are the incremental quantities derived from each project. Project represents the link between the petroleum accumulation and the decision-making process. A project may, for example, constitute the development of a single reservoir or field, or an incremental development for a producing field, or the integrated development of several fields and associated facilities with a common ownership. In general, an individual project will represent the level at which a decision is made whether or not to proceed (i.e., spend more money) and there should be an associated range of estimated recoverable quantities for that project.

An accumulation or potential accumulation of petroleum may be subject to several separate and distinct projects that are at different stages of exploration or development. Thus, an accumulation may have recoverable quantities in several resource classes simultaneously.

In order to assign recoverable resources of any class, a development plan needs to be defined consisting of one or more projects. Even for Prospective Resources, the estimates of recoverable quantities must be stated in terms of the sales products derived from a development program assuming successful discovery and commercial development. Given the major uncertainties involved at this early stage, the development program will not be of the detail expected in later stages of maturity. In most cases, recovery efficiency may be largely based on analogous projects. In-place quantities for which a feasible project cannot be defined using current, or reasonably forecast improvements in, technology are classified as Unrecoverable.

Not all technically feasible development plans will be commercial. The commercial viability of a development project is dependent on a forecast of the conditions that will exist during the time period encompassed by the project's activities (see

Commercial Evaluations, section 3.1). "Conditions" include technological, economic, legal, environmental, social, and governmental factors. While economic factors can be summarized as forecast costs and product prices, the underlying influences include, but are not limited to, market conditions, transportation and processing infrastructure, fiscal terms, and taxes.

The resource quantities being estimated are those volumes producible from a project as measured according to delivery specifications at the point of sale or custody transfer (see Reference Point, section 3.2.1). The cumulative production from the evaluation date forward to cessation of production is the remaining recoverable quantity. The sum of the associated annual net cash flows yields the estimated future net revenue. When the cash flows are discounted according to a defined discount rate and time period, the summation of the discounted cash flows is termed net present value (NPV) of the project (see Evaluation and Reporting Guidelines, section 3.0).

The supporting data, analytical processes, and assumptions used in an evaluation should be documented in sufficient detail to allow an independent evaluator or auditor to clearly understand the basis for estimation and categorization of recoverable quantities and their classification.

2.0 Classification and Categorization Guidelines

2.1 Resources Classification

The basic classification requires establishment of criteria for a petroleum discovery and thereafter the distinction between commercial and sub-commercial projects in known accumulations (and hence between Reserves and Contingent Resources).

2.1.1 Determination of Discovery Status

A discovery is one petroleum accumulation, or several petroleum accumulations collectively, for which one or several exploratory wells have established through testing, sampling, and/or logging the existence of a significant quantity of potentially moveable hydrocarbons.

In this context, "significant" implies that there is evidence of a sufficient quantity of petroleum to justify estimating the in-place volume demonstrated by the well(s) and for evaluating the potential for economic recovery. Estimated recoverable quantities within such a discovered (known) accumulation(s) shall initially be classified as Contingent Resources pending definition of projects with sufficient chance of commercial development to reclassify all, or a portion, as Reserves. Where in-place hydrocarbons are identified but are not considered currently recoverable, such quantities may be classified as Discovered Unrecoverable, if considered appropriate for resource management purposes; a portion of these quantities may become recoverable resources in the future as commercial circumstances change or technological developments occur.

2.1.2 Determination of Commerciality

Discovered recoverable volumes (Contingent Resources) may be considered commercially producible, and thus Reserves, if the entity claiming commerciality has demonstrated firm intention to proceed with development and such intention is based upon all of the following criteria:

- Evidence to support a reasonable timetable for development.
- A reasonable assessment of the future economics of such development projects meeting defined investment and operating criteria.
- A reasonable expectation that there will be a market for all or at least the expected sales quantities of production required to justify development.
- Evidence that the necessary production and transportation facilities are available or can be made available.
- Evidence that legal, contractual, environmental and other social and economic concerns will allow for the actual implementation of the recovery project being evaluated.

To be included in the Reserves class, a project must be sufficiently defined to establish its commercial viability. There must be a reasonable expectation that all required internal and external approvals will be forthcoming, and there is evidence of firm intention to proceed with development within a reasonable time frame. A reasonable time frame for the initiation of development depends on the specific circumstances and varies according to the scope of the project. While 5 years is recommended as a benchmark, a longer time frame could be applied where, for example, development of economic projects are deferred at the option of the producer for, among other things, market-related reasons, or to meet contractual or strategic objectives. In all cases, the justification for classification as Reserves should be clearly documented.

PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS

Excerpted from the Petroleum Resources Management System Approved by
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To be included in the Reserves class, there must be a high confidence in the commercial producibility of the reservoir as supported by actual production or formation tests. In certain cases, Reserves may be assigned on the basis of well logs and/or core analysis that indicate that the subject reservoir is hydrocarbon-bearing and is analogous to reservoirs in the same area that are producing or have demonstrated the ability to produce on formation tests.

2.2 Resources Categorization

The horizontal axis in the Resources Classification (Figure 1.1) defines the range of uncertainty in estimates of the quantities of recoverable, or potentially recoverable, petroleum associated with a project. These estimates include both technical and commercial uncertainty components as follows:

- The total petroleum remaining within the accumulation (in-place resources).
- That portion of the in-place petroleum that can be recovered by applying a defined development project or projects.
- Variations in the commercial conditions that may impact the quantities recovered and sold (e.g., market availability, contractual changes).

Where commercial uncertainties are such that there is significant risk that the complete project (as initially defined) will not proceed, it is advised to create a separate project classified as Contingent Resources with an appropriate chance of commerciality.

2.2.1 Range of Uncertainty

The range of uncertainty of the recoverable and/or potentially recoverable volumes may be represented by either deterministic scenarios or by a probability distribution (see Deterministic and Probabilistic Methods, section 4.2).

When the range of uncertainty is represented by a probability distribution, a low, best, and high estimate shall be provided such that:

- There should be at least a 90% probability (P90) that the quantities actually recovered will equal or exceed the low estimate.
- There should be at least a 50% probability (P50) that the quantities actually recovered will equal or exceed the best estimate.
- There should be at least a 10% probability (P10) that the quantities actually recovered will equal or exceed the high estimate.

When using the deterministic scenario method, typically there should also be low, best, and high estimates, where such estimates are based on qualitative assessments of relative uncertainty using consistent interpretation guidelines. Under the deterministic incremental (risk-based) approach, quantities at each level of uncertainty are estimated discretely and separately (see Category Definitions and Guidelines, section 2.2.2).

These same approaches to describing uncertainty may be applied to Reserves, Contingent Resources, and Prospective Resources. While there may be significant risk that sub-commercial and undiscovered accumulations will not achieve commercial production, it is useful to consider the range of potentially recoverable quantities independently of such a risk or consideration of the resource class to which the quantities will be assigned.

2.2.2 Category Definitions and Guidelines

Evaluators may assess recoverable quantities and categorize results by uncertainty using the deterministic incremental (risk-based) approach, the deterministic scenario (cumulative) approach, or probabilistic methods (see "2001 Supplemental Guidelines," Chapter 2.5). In many cases, a combination of approaches is used.

Use of consistent terminology (Figure 1.1) promotes clarity in communication of evaluation results. For Reserves, the general cumulative terms low/best/high estimates are denoted as 1P/2P/3P, respectively. The associated incremental quantities are termed Proved, Probable and Possible. Reserves are a subset of, and must be viewed within context of, the complete resources classification system. While the categorization criteria are proposed specifically for Reserves, in most cases, they can be equally applied to Contingent and Prospective Resources conditional upon their satisfying the criteria for discovery and/or development.

NETHERLAND, SEWELL & ASSOCIATES, INC.

PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS

Excerpted from the Petroleum Resources Management System Approved by
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For Contingent Resources, the general cumulative terms low/best/high estimates are denoted as 1C/2C/3C respectively. For Prospective Resources, the general cumulative terms low/best/high estimates still apply. No specific terms are defined for incremental quantities within Contingent and Prospective Resources.

Without new technical information, there should be no change in the distribution of technically recoverable volumes and their categorization boundaries when conditions are satisfied sufficiently to reclassify a project from Contingent Resources to Reserves. All evaluations require application of a consistent set of forecast conditions, including assumed future costs and prices, for both classification of projects and categorization of estimated quantities recovered by each project (see Commercial Evaluations, section 3.1).

Based on additional data and updated interpretations that indicate increased certainty, portions of Possible and Probable Reserves may be re-categorized as Probable and Proved Reserves.

Uncertainty in resource estimates is best communicated by reporting a range of potential results. However, if it is required to report a single representative result, the "best estimate" is considered the most realistic assessment of recoverable quantities. It is generally considered to represent the sum of Proved and Probable estimates (2P) when using the deterministic scenario or the probabilistic assessment methods. It should be noted that under the deterministic incremental (risk-based) approach, discrete estimates are made for each category, and they should not be aggregated without due consideration of their associated risk (see "2001 Supplemental Guidelines," Chapter 2.5).

Table 1: Recoverable Resources Classes and Sub-Classes

Class/Sub-Class	Definition	Guidelines
Reserves	Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions.	Reserves must satisfy four criteria: they must be discovered, recoverable, commercial, and remaining based on the development project(s) applied. Reserves are further subdivided in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their development and production status. To be included in the Reserves class, a project must be sufficiently defined to establish its commercial viability. There must be a reasonable expectation that all required internal and external approvals will be forthcoming, and there is evidence of firm intention to proceed with development within a reasonable time frame. A reasonable time frame for the initiation of development depends on the specific circumstances and varies according to the scope of the project. While 5 years is recommended as a benchmark, a longer time frame could be applied where, for example, development of economic projects are deferred at the option of the producer for, among other things, market-related reasons, or to meet contractual or strategic objectives. In all cases, the justification for classification as Reserves should be clearly documented. To be included in the Reserves class, there must be a high confidence in the commercial producibility of the reservoir as supported by actual production or formation tests. In certain cases, Reserves may be assigned on the basis of well logs and/or core analysis that indicate that the subject reservoir is hydrocarbon-bearing and is analogous to reservoirs in the same area that are producing or have demonstrated the ability to produce on formation tests.
On Production	The development project is currently producing and selling petroleum to market.	The key criterion is that the project is receiving income from sales, rather than the approved development project necessarily being complete. This is the point at which the project "chance of commerciality" can be said to be 100%. The project "decision gate" is the decision to initiate commercial production from the project.

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Class/Sub-Class	Definition	Guidelines
Approved for Development	All necessary approvals have been obtained, capital funds have been committed, and implementation of the development project is under way.	At this point, it must be certain that the development project is going ahead. The project must not be subject to any contingencies such as outstanding regulatory approvals or sales contracts. Forecast capital expenditures should be included in the reporting entity's current or following year's approved budget. The project "decision gate" is the decision to start investing capital in the construction of production facilities and/or drilling development wells.
Justified for Development	Implementation of the development project is justified on the basis of reasonable forecast commercial conditions at the time of reporting, and there are reasonable expectations that all necessary approvals/contracts will be obtained.	In order to move to this level of project maturity, and hence have reserves associated with it, the development project must be commercially viable at the time of reporting, based on the reporting entity's assumptions of future prices, costs, etc. ("forecast case") and the specific circumstances of the project. Evidence of a firm intention to proceed with development within a reasonable time frame will be sufficient to demonstrate commerciality. There should be a development plan in sufficient detail to support the assessment of commerciality and a reasonable expectation that any regulatory approvals or sales contracts required prior to project implementation will be forthcoming. Other than such approvals/contracts, there should be no known contingencies that could preclude the development from proceeding within a reasonable timeframe (see Reserves class). The project "decision gate" is the decision by the reporting entity and its partners, if any, that the project has reached a level of technical and commercial maturity sufficient to justify proceeding with development at that point in time.
Contingent Resources	Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.	Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status.
Development Pending	A discovered accumulation where project activities are ongoing to justify commercial development in the foreseeable future.	The project is seen to have reasonable potential for eventual commercial development, to the extent that further data acquisition (e.g. drilling, seismic data) and/or evaluations are currently ongoing with a view to confirming that the project is commercially viable and providing the basis for selection of an appropriate development plan. The critical contingencies have been identified and are reasonably expected to be resolved within a reasonable time frame. Note that disappointing appraisal/evaluation results could lead to a re-classification of the project to "On Hold" or "Not Viable" status. The project "decision gate" is the decision to undertake further data acquisition and/or studies designed to move the project to a level of technical and commercial maturity at which a decision can be made to proceed with development and production.
Development Unclarified or on Hold	A discovered accumulation where project activities are on hold and/or where justification as a commercial development may be subject to significant delay.	The project is seen to have potential for eventual commercial development, but further appraisal/evaluation activities are on hold pending the removal of significant contingencies external to the project, or substantial further appraisal/evaluation activities are required to clarify the potential for eventual commercial development. Development may be subject to a significant time delay. Note that a change in circumstances, such that there is no longer a reasonable expectation that a critical contingency can be removed in the foreseeable future, for example, could lead to a reclassification of the project to "Not Viable" status. The project "decision gate" is the decision to either proceed with additional evaluation designed to clarify the potential for eventual commercial development or to temporarily suspend or delay further activities pending resolution of external contingencies.

PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS

Excerpted from the Petroleum Resources Management System Approved by the Society of Petroleum Engineers (SPE) Board of Directors, March 2007

Class/Sub-Class	Definition	Guidelines
Development Not Viable	A discovered accumulation for which there are no current plans to develop or to acquire additional data at the time due to limited production potential.	The project is not seen to have potential for eventual commercial development at the time of reporting, but the theoretically recoverable quantities are recorded so that the potential opportunity will be recognized in the event of a major change in technology or commercial conditions. The project "decision gate" is the decision not to undertake any further data acquisition or studies on the project for the foreseeable future.
Prospective Resources	Those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.	Potential accumulations are evaluated according to their chance of discovery and, assuming a discovery, the estimated quantities that would be recoverable under defined development projects. It is recognized that the development programs will be of significantly less detail and depend more heavily on analog developments in the earlier phases of exploration.
Prospect	A project associated with a potential accumulation that is sufficiently well defined to represent a viable drilling target.	Project activities are focused on assessing the chance of discovery and, assuming discovery, the range of potential recoverable quantities under a commercial development program.
Lead	A project associated with a potential accumulation that is currently poorly defined and requires more data acquisition and/or evaluation in order to be classified as a prospect.	Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to confirm whether or not the lead can be matured into a prospect. Such evaluation includes the assessment of the chance of discovery and, assuming discovery, the range of potential recovery under feasible development scenarios.
Play	A project associated with a prospective trend of potential prospects, but which requires more data acquisition and/or evaluation in order to define specific leads or prospects.	Project activities are focused on acquiring additional data and/or undertaking further evaluation designed to define specific leads or prospects for more detailed analysis of their chance of discovery and, assuming discovery, the range of potential recovery under hypothetical development scenarios.

Table 2: Reserves Status Definitions and Guidelines

Status	Definition	Guidelines
Developed Reserves	Developed Reserves are expected quantities to be recovered from existing wells and facilities.	Reserves are considered developed only after the necessary equipment has been installed, or when the costs to do so are relatively minor compared to the cost of a well. Where required facilities become unavailable, it may be necessary to reclassify Developed Reserves as Undeveloped. Developed Reserves may be further sub-classified as Producing or Non-Producing.
Developed Producing Reserves	Developed Producing Reserves are expected to be recovered from completion intervals that are open and producing at the time of the estimate.	Improved recovery reserves are considered producing only after the improved recovery project is in operation.
Developed Non-Producing Reserves	Developed Non-Producing Reserves include shut-in and behind-pipe Reserves.	Shut-in Reserves are expected to be recovered from (1) completion intervals which are open at the time of the estimate but which have not yet started producing, (2) wells which were shut-in for market conditions or pipeline connections, or (3) wells not capable of production for mechanical reasons. Behind-pipe Reserves are expected to be recovered from zones in existing wells which will require additional completion work or future re-completion prior to start of production. In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.

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Status	Definition	Guidelines
Undeveloped Reserves	Undeveloped Reserves are quantities expected to be recovered through future investments:	(1) from new wells on undrilled acreage in known accumulations, (2) from deepening existing wells to a different (but known) reservoir, (3) from infill wells that will increase recovery, or (4) where a relatively large expenditure (e.g. when compared to the cost of drilling a new well) is required to (a) recomplete an existing well or (b) install production or transportation facilities for primary or improved recovery projects.

Table 3: Reserves Category Definitions and Guidelines

Category	Definition	Guidelines
Proved Reserves	Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations.	If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate. The area of the reservoir considered as Proved includes (1) the area delineated by drilling and defined by fluid contacts, if any, and (2) adjacent undrilled portions of the reservoir that can reasonably be judged as continuous with it and commercially productive on the basis of available geoscience and engineering data. In the absence of data on fluid contacts, Proved quantities in a reservoir are limited by the lowest known hydrocarbon (LKH) as seen in a well penetration unless otherwise indicated by definitive geoscience, engineering, or performance data. Such definitive information may include pressure gradient analysis and seismic indicators. Seismic data alone may not be sufficient to define fluid contacts for Proved reserves (see "2001 Supplemental Guidelines," Chapter 8). Reserves in undeveloped locations may be classified as Proved provided that: • The locations are in undrilled areas of the reservoir that can be judged with reasonable certainty to be commercially productive. • Interpretations of available geoscience and engineering data indicate with reasonable certainty that the objective formation is laterally continuous with drilled Proved locations. For Proved Reserves, the recovery efficiency applied to these reservoirs should be defined based on a range of possibilities supported by analogs and sound engineering judgment considering the characteristics of the Proved area and the applied development program.
Probable Reserves	Probable Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves.	It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate. Probable Reserves may be assigned to areas of a reservoir adjacent to Proved where data control or interpretations of available data are less certain. The interpreted reservoir continuity may not meet the reasonable certainty criteria. Probable estimates also include incremental recoveries associated with project recovery efficiencies beyond that assumed for Proved.

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Category	Definition	Guidelines
Possible Reserves	Possible Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves.	The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (3P), which is equivalent to the high estimate scenario. When probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate. Possible Reserves may be assigned to areas of a reservoir adjacent to Probable where data control and interpretations of available data are progressively less certain. Frequently, this may be in areas where geoscience and engineering data are unable to clearly define the area and vertical reservoir limits of commercial production from the reservoir by a defined project. Possible estimates also include incremental quantities associated with project recovery efficiencies beyond that assumed for Probable.
Probable and Possible Reserves	(See above for separate criteria for Probable Reserves and Possible Reserves.)	The 2P and 3P estimates may be based on reasonable alternative technical and commercial interpretations within the reservoir and/or subject project that are clearly documented, including comparisons to results in successful similar projects. In conventional accumulations, Probable and/or Possible Reserves may be assigned where geoscience and engineering data identify directly adjacent portions of a reservoir within the same accumulation that may be separated from Proved areas by minor faulting or other geological discontinuities and have not been penetrated by a wellbore but are interpreted to be in communication with the known (Proved) reservoir. Probable or Possible Reserves may be assigned to areas that are structurally higher than the Proved area. Possible (and in some cases, Probable) Reserves may be assigned to areas that are structurally lower than the adjacent Proved or 2P area. Caution should be exercised in assigning Reserves to adjacent reservoirs isolated by major, potentially sealing, faults until this reservoir is penetrated and evaluated as commercially productive. Justification for assigning Reserves in such cases should be clearly documented. Reserves should not be assigned to areas that are clearly separated from a known accumulation by non-productive reservoir (i.e., absence of reservoir, structurally low reservoir, or negative test results); such areas may contain Prospective Resources. In conventional accumulations, where drilling has defined a highest known oil (HKO) elevation and there exists the potential for an associated gas cap, Proved oil Reserves should only be assigned in the structurally higher portions of the reservoir if there is reasonable certainty that such portions are initially above bubble point pressure based on documented engineering analyses. Reservoir portions that do not meet this certainty may be assigned as Probable and Possible oil and/or gas based on reservoir fluid properties and pressure gradient interpretations.

The 2007 Petroleum Resources Management System can be viewed in its entirety at http://www.spe.org/spe-app/spe/industry/reserves/prms.htm.

NETHERLAND, SEWELL & ASSOCIATES, INC.

REVENUE, COSTS, AND TAXES
PROVED RESERVES
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)
MEGED FIELD, ISRAEL
AS OF DECEMBER 31, 2011

Period Ending	Active Well Count	Working Interest Revenue[1] (M$)	Royalties				Net Capital Costs (M$)	Net Abandonment Costs (M$)	Net Operating Expenses[2] (M$)	Net Revenue Before Levy and Corporate Income Taxes Discounted at 0% (M$)	Levy Rate (%)	Levy (M$)	Net Revenue After Levy and Before Corporate Income Taxes Discounted at 0% (M$)	Corporate Income Tax Rate[3] (%)	Corporate Income Tax[3] (M$)	Future Net Revenue After Levy and Corporate Income Taxes				
			State (M$)	Interested Party (M$)	Third Party (M$)	Total (M$)										Discounted at 0% (M$)	Discounted at 5% (M$)	Discounted at 10% (M$)	Discounted at 15% (M$)	Discounted at 20% (M$)
12-31-2012	1	18,457.7	2,307.2	0.0	0.0	2,307.2	8,415.0	0.0	3,545.0	4,190.4	0.0	0.0	4,190.4	25.0	1,790.1	2,400.3	2,342.5	2,288.6	2,236.3	2,191.2
12-31-2013	2	35,713.6	4,464.2	0.0	0.0	4,464.2	32,175.0	0.0	6,417.4	(7,343.0)	0.0	0.0	(7,343.0)	25.0	0.0	(7,343.0)	(6,824.8)	(6,364.8)	(5,954.3)	(5,586.0)
12-31-2014	3	119,512.0	14,939.0	3,193.9	0.0	18,132.9	148.5	0.0	13,733.2	87,497.4	0.0	0.0	87,497.4	25.0	21,614.5	65,882.9	58,317.6	51,914.8	46,454.6	41,765.7
12-31-2015	3	75,483.0	9,435.4	47,760.6	0.0	57,196.0	0.0	0.0	9,125.5	9,161.6	0.0	0.0	9,161.6	25.0	2,030.5	7,131.1	6,011.6	5,108.3	4,372.3	3,767.2
12-31-2016	3	47,775.0	5,971.9	9,770.0	0.0	15,741.9	0.0	0.0	6,230.0	25,803.1	0.0	0.0	25,803.1	25.0	6,190.9	19,612.2	15,746.2	12,772.0	10,456.5	8,634.0
12-31-2017	3	30,301.0	3,787.6	6,196.6	0.0	9,984.2	0.0	0.0	4,404.0	15,912.9	0.0	0.0	15,912.9	25.0	3,718.3	12,194.5	9,324.5	7,219.5	5,653.6	4,473.7
12-31-2018	3	17,939.3	2,242.4	3,668.6	0.0	5,911.0	0.0	0.0	3,112.2	8,916.2	0.0	0.0	8,916.2	25.0	1,969.2	6,947.0	5,059.0	3,738.9	2,800.7	2,123.8
12-31-2019	3	8,385.8	1,048.2	1,714.9	0.0	2,763.1	0.0	0.0	2,113.8	3,508.9	0.0	0.0	3,508.9	25.0	654.5	2,854.4	1,979.7	1,396.6	1,000.6	727.2
12-31-2020	2	2,284.6	285.6	467.2	0.0	752.8	0.0	1,485.0	1,543.1	(1,496.2)	0.0	0.0	(1,496.2)	25.0	0.0	(1,496.2)	(988.3)	(665.5)	(456.1)	(317.7)
12-31-2021	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
12-31-2022	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
12-31-2023	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
12-31-2024	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
Total		355,852.0	44,481.5	72,771.7	0.0	117,253.2	48,738.5	1,485.0	50,224.1	146,151.2		0.0	146,151.2		37,968.0	108,183.2	90,967.9	77,408.4	66,566.2	57,779.1

Totals may not add because of rounding

[1] For the purposes of the model, we have not attributed any part of the revenues to services.
[2] Operating expenses are intended to include only direct project-level costs and the estimate of the portion of the headquarters general and administrative overhead expenses of Givot Olam Oil Limited Partnership (1993) that can be directly attributed to this project.
[3] Corporate income tax rates and estimates of corporate income taxes are provided by Givot Olam Oil Exploration Limited Partnership (1993) and are its expected corporate income taxes per year.

Figure 1

NETHERLAND, SEWELL & ASSOCIATES, INC.

REVENUE, COSTS, AND TAXES
PROBABLE RESERVES
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)
MEGED FIELD, ISRAEL
AS OF DECEMBER 31, 2011

Period Ending	Working Interest Revenue[1] (M$)	Royalties				Net Capital Costs (M$)	Net Abandonment Costs (M$)	Net Operating Expenses[2] (M$)	Net Revenue Before Levy and Corporate Income Taxes Discounted at 0% (M$)	Levy Rate (%)	Levy (M$)	Net Revenue After Levy and Before Corporate Income Taxes Discounted at 0% (M$)	Corporate Income Tax Rate[3] (%)	Corporate Income Tax[3] (M$)	Future Net Revenue After Levy and Corporate Income Taxes				
		State (M$)	Interested Party (M$)	Third Party (M$)	Total (M$)										Discounted at 0% (M$)	Discounted at 5% (M$)	Discounted at 10% (M$)	Discounted at 15% (M$)	Discounted at 20% (M$)
12-31-2012	884.8	110.6	0.0	0.0	110.6	0.0	0.0	92.5	681.8	0.0	0.0	681.8	25.0	170.4	511.3	499.0	487.5	476.8	466.8
12-31-2013	9,975.0	1,246.9	0.0	0.0	1,246.9	7,920.0	0.0	1,398.8	(590.7)	0.0	0.0	(590.7)	25.0	0.0	(590.7)	(549.0)	(512.0)	(479.0)	(449.3)
12-31-2014	50,000.4	6,250.1	2,407.1	0.0	8,657.2	34,650.0	0.0	6,784.3	(91.0)	0.0	0.0	(91.0)	25.0	(22.8)	(68.3)	(60.4)	(53.6)	(48.1)	(43.3)
12-31-2015	81,249.6	10,156.2	26,654.4	0.0	36,810.6	34,650.0	0.0	10,049.8	(260.8)	0.0	0.0	(260.8)	25.0	(65.2)	(195.6)	(164.9)	(140.1)	(119.9)	(103.3)
12-31-2016	100,747.3	12,593.4	20,602.8	0.0	33,196.2	12,375.0	0.0	11,085.0	44,091.1	0.0	0.0	44,091.1	25.0	11,022.8	33,068.3	26,549.8	21,535.0	17,630.8	14,557.8
12-31-2017	76,394.1	9,549.3	15,622.6	0.0	25,171.9	0.0	0.0	7,983.2	43,239.1	0.0	0.0	43,239.1	25.0	10,809.8	32,429.3	24,796.9	19,199.0	15,034.9	11,897.1
12-31-2018	49,230.3	6,153.8	10,067.6	0.0	16,221.4	0.0	0.0	5,144.6	27,864.3	0.0	0.0	27,864.3	25.0	6,966.1	20,898.3	15,218.8	11,247.5	8,425.1	6,389.0
12-31-2019	29,898.0	3,737.2	6,114.1	0.0	9,851.4	0.0	0.0	3,124.3	16,922.2	0.0	0.0	16,922.2	25.0	4,230.6	12,691.7	8,802.4	6,209.8	4,449.2	3,233.4
12-31-2020	12,430.3	1,553.8	2,542.0	0.0	4,095.8	0.0	(1,485.0)	1,232.1	8,587.4	0.0	0.0	8,587.4	25.0	1,673.8	6,913.6	4,566.6	3,075.2	2,107.5	1,467.8
12-31-2021	3,929.0	491.1	803.5	0.0	1,294.6	0.0	0.0	1,648.1	986.3	0.0	0.0	986.3	25.0	246.6	739.8	465.4	299.1	196.1	130.9
12-31-2022	271.5	33.9	55.5	0.0	89.5	0.0	3,960.0	1,444.1	(5,222.0)	0.0	0.0	(5,222.0)	25.0	0.0	(5,222.0)	(3,128.6)	(1,919.6)	(1,203.7)	(769.9)
12-31-2023	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
12-31-2024	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	415,010.5	51,876.3	84,869.6	0.0	136,746.0	89,595.0	2,475.0	49,986.7	136,207.8		0.0	136,207.8		35,032.1	101,175.7	76,995.8	59,427.6	46,469.7	36,776.9

Totals may not add because of rounding.

[1] For the purposes of the model, we have not attributed any part of the revenues to services.
[2] Operating expenses are intended to include only direct project-level costs and the estimate of the portion of the headquarters general and administrative overhead expenses of Givot Olam Oil Limited Partnership (1993) that can be directly attributed to this project.
[3] Corporate income tax rates and estimates of corporate income taxes are provided by Givot Olam Oil Exploration Limited Partnership (1993) and are its expected corporate income taxes per year.

Figure 2

NETHERLAND, SEWELL & ASSOCIATES, INC.

REVENUE, COSTS, AND TAXES
PROVED + PROBABLE RESERVES
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)
MEGED FIELD, ISRAEL
AS OF DECEMBER 31, 2011

Period Ending	Active Well Count	Working Interest Revenue[1] (M$)	Royalties				Net Capital Costs (M$)	Net Abandonment Costs (M$)	Net Operating Expenses[2] (M$)	Net Revenue Before Levy and Corporate Income Taxes Discounted at 0% (M$)	Levy Rate (%)	Levy (M$)	Net Revenue After Levy and Before Corporate Income Taxes Discounted at 0% (M$)	Corporate Income Tax Rate[3] (%)	Corporate Income Tax[3] (M$)	Future Net Revenue After Levy and Corporate Income Taxes				
			State (M$)	Interested Party (M$)	Third Party (M$)	Total (M$)										Discounted at 0% (M$)	Discounted at 5% (M$)	Discounted at 10% (M$)	Discounted at 15% (M$)	Discounted at 20% (M$)
12-31-2012	1	19,342.5	2,417.8	0.0	0.0	2,417.8	8,415.0	0.0	3,637.5	4,872.2	0.0	0.0	4,872.2	25.0	1,960.6	2,911.7	2,841.5	2,776.2	2,715.1	2,658.0
12-31-2013	2	45,688.6	5,711.1	0.0	0.0	5,711.1	40,095.0	0.0	7,816.2	(7,933.7)	0.0	0.0	(7,933.7)	25.0	0.0	(7,933.7)	(7,373.8)	(6,876.8)	(6,433.3)	(6,035.4)
12-31-2014	4	169,512.4	21,189.1	5,601.0	0.0	26,790.1	34,798.5	0.0	20,517.5	87,406.4	0.0	0.0	87,406.4	25.0	21,591.7	65,814.7	58,257.2	51,861.0	46,406.4	41,722.4
12-31-2015	6	156,732.6	19,591.6	74,415.0	0.0	94,006.5	34,650.0	0.0	19,175.3	8,900.8	0.0	0.0	8,900.8	25.0	1,965.3	6,935.5	5,846.7	4,968.2	4,252.4	3,663.9
12-31-2016	8	148,522.3	18,565.3	30,372.8	0.0	48,938.1	12,375.0	0.0	17,315.0	69,894.3	0.0	0.0	69,894.3	25.0	17,213.7	52,680.6	42,295.9	34,307.1	28,087.3	23,191.8
12-31-2017	8	106,695.2	13,336.9	21,819.2	0.0	35,156.1	0.0	0.0	12,387.1	59,152.0	0.0	0.0	59,152.0	25.0	14,528.1	44,623.8	34,121.3	26,418.4	20,688.5	16,370.8
12-31-2018	8	67,169.6	8,396.2	13,736.2	0.0	22,132.4	0.0	0.0	8,256.7	36,780.5	0.0	0.0	36,780.5	25.0	8,935.3	27,845.3	20,277.8	14,986.4	11,225.7	8,512.8
12-31-2019	8	38,283.8	4,785.5	7,829.0	0.0	12,614.5	0.0	0.0	5,238.2	20,431.1	0.0	0.0	20,431.1	25.0	4,885.0	15,546.1	10,782.0	7,606.3	5,449.9	3,960.6
12-31-2020	8	14,715.0	1,839.4	3,009.2	0.0	4,848.6	0.0	0.0	2,775.2	7,091.2	0.0	0.0	7,091.2	25.0	1,673.8	5,417.4	3,578.3	2,409.6	1,651.4	1,150.1
12-31-2021	6	3,929.0	491.1	803.5	0.0	1,294.6	0.0	0.0	1,648.1	986.3	0.0	0.0	986.3	25.0	246.6	739.8	465.4	299.1	196.1	130.9
12-31-2022	1	271.5	33.9	55.5	0.0	89.5	0.0	3,960.0	1,444.1	(5,222.0)	0.0	0.0	(5,222.0)	25.0	0.0	(5,222.0)	(3,128.6)	(1,919.6)	(1,203.7)	(769.9)
12-31-2023	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
12-31-2024	0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
Total		770,862.5	96,357.8	157,641.4	0.0	253,999.2	130,333.5	3,960.0	100,210.8	282,359.0		0.0	282,359.0		73,000.1	209,358.9	167,963.7	136,836.0	113,036.0	94,556.0

Totals may not add because of rounding.

[1] For the purposes of the model, we have not attributed any part of the revenues to services.
[2] Operating expenses are intended to include only direct project-level costs and the estimate of the portion of the headquarters general and administrative overhead expenses of Givot Olam Oil Limited Partnership (1993) that can be directly attributed to this project.
[3] Corporate income tax rates and estimates of corporate income taxes are provided by Givot Olam Oil Exploration Limited Partnership (1993) and are its expected corporate income taxes per year.

Figure 3

NETHERLAND, SEWELL & ASSOCIATES, INC.

REVENUE, COSTS, AND TAXES
POSSIBLE RESERVES
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)
MEGED FIELD, ISRAEL
AS OF DECEMBER 31, 2011

Period Ending	Working Interest Revenue[1] (M$)	Royalties				Net Capital Costs (M$)	Net Abandonment Costs (M$)	Net Operating Expenses[2] (M$)	Net Revenue Before Levy and Corporate Income Taxes Discounted at 0% (M$)	Levy Rate (%)	Levy (M$)	Net Revenue After Levy and Before Corporate Income Taxes Discounted at 0% (M$)	Corporate Income Tax Rate[3] (%)	Corporate Income Tax[3] (M$)	Future Net Revenue After Levy and Corporate Income Taxes				
		State (M$)	Interested Party (M$)	Third Party (M$)	Total (M$)										Discounted at 0% (M$)	Discounted at 5% (M$)	Discounted at 10% (M$)	Discounted at 15% (M$)	Discounted at 20% (M$)
12-31-2012	517.7	64.7	0.0	0.0	64.7	0.0	0.0	54.1	398.9	0.0	0.0	398.9	25.0	99.7	299.2	292.0	285.2	279.0	273.1
12-31-2013	17,254.5	2,156.8	0.0	0.0	2,156.8	0.0	0.0	1,803.1	13,294.6	0.0	0.0	13,294.6	25.0	2,218.8	11,075.7	10,294.1	9,600.3	8,981.0	8,425.6
12-31-2014	76,780.1	9,597.5	61,699.1	0.0	71,296.6	990.0	0.0	8,068.1	(3,574.6)	0.0	0.0	(3,574.6)	25.0	(646.1)	(2,928.4)	(2,592.2)	(2,307.6)	(2,064.9)	(1,856.4)
12-31-2015	65,382.0	8,172.8	(28,992.5)	0.0	(20,819.8)	990.0	0.0	6,677.0	78,334.8	0.0	0.0	78,334.8	25.0	19,606.5	58,528.4	49,340.5	41,926.8	35,885.9	30,919.5
12-31-2016	58,056.4	7,257.0	11,872.5	0.0	19,129.6	32,175.0	0.0	7,514.8	(763.0)	0.0	0.0	(763.0)	25.0	2,234.8	(2,997.7)	(2,406.8)	(1,952.2)	(1,598.3)	(1,319.7)
12-31-2017	84,174.1	10,521.8	17,213.6	0.0	27,735.4	34,650.0	0.0	10,355.4	11,433.3	0.0	0.0	11,433.3	25.0	2,561.3	8,872.0	6,783.9	5,252.4	4,113.2	3,254.8
12-31-2018	111,360.5	13,920.1	22,773.2	0.0	36,693.3	34,650.0	0.0	13,196.4	26,820.6	9.1	8,896.2	17,924.6	25.0	4,184.1	13,740.4	10,006.2	7,395.2	5,539.4	4,200.7
12-31-2019	130,669.1	16,333.6	26,721.8	0.0	43,055.5	34,650.0	0.0	15,214.2	37,749.4	27.7	25,671.0	12,078.4	25.0	2,722.6	9,355.8	6,488.7	4,577.6	3,279.8	2,383.5
12-31-2020	117,716.1	14,714.5	24,072.9	0.0	38,787.5	11,385.0	0.0	12,813.7	54,730.0	34.0	24,903.4	29,826.6	25.0	7,159.7	22,667.0	14,972.1	10,082.2	6,909.7	4,812.3
12-31-2021	69,724.0	8,715.5	14,258.6	0.0	22,974.1	0.0	0.0	7,286.2	39,463.8	37.4	15,137.0	24,326.7	25.0	5,784.7	18,542.1	11,664.3	7,497.7	4,915.1	3,280.5
12-31-2022	39,292.7	4,911.6	8,035.4	0.0	12,947.0	0.0	(3,960.0)	3,927.9	26,377.9	38.7	8,193.2	18,184.7	25.0	2,943.7	15,241.0	9,131.2	5,602.6	3,513.1	2,247.0
12-31-2023	19,111.7	2,389.0	3,908.3	0.0	6,297.3	0.0	0.0	3,234.7	9,579.7	39.2	3,752.1	5,827.6	25.0	1,159.9	4,667.7	2,663.3	1,559.9	935.6	573.5
12-31-2024	7,325.8	915.7	1,498.1	0.0	2,413.8	0.0	7,425.0	2,337.2	(4,850.2)	39.2	1,008.9	(5,859.1)	25.0	0.0	(5,859.1)	(3,184.0)	(1,760.0)	(1,021.2)	(599.9)
Total	797,364.7	99,670.6	163,061.1	0.0	262,731.7	149,490.0	3,465.0	92,682.6	288,995.5		87,561.9	201,433.5		50,229.6	151,203.9	113,453.5	87,740.1	69,667.5	56,594.5

Totals may not add because of rounding.

[1] For the purposes of the model, we have not attributed any part of the revenues to services.
[2] Operating expenses are intended to include only direct project-level costs and the estimate of the portion of the headquarters general and administrative overhead expenses of Givot Olam Oil Limited Partnership (1993) that can be directly attributed to this project.
[3] Corporate income tax rates and estimates of corporate income taxes are provided by Givot Olam Oil Exploration Limited Partnership (1993) and are its expected corporate income taxes per year.

Figure 4

NETHERLAND, SEWELL & ASSOCIATES, INC.

REVENUE, COSTS, AND TAXES
PROVED + PROBABLE + POSSIBLE RESERVES
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)
MEGED FIELD, ISRAEL
AS OF DECEMBER 31, 2011

Period Ending	Active Well Count	Working Interest Revenue[1] (MS)	Royalties State (MS)	Royalties Interested Party (MS)	Royalties Third Party (MS)	Royalties Total (MS)	Net Capital Costs (MS)	Net Abandonment Costs (MS)	Net Operating Expenses[2] (MS)	Net Revenue Before Levy and Corporate Income Taxes Discounted at 0% (MS)	Levy Rate (%)	Levy (MS)	Net Revenue After Levy and Before Corporate Income Taxes Discounted at 0% (MS)	Corporate Income Tax Rate[3] (%)	Corporate Income Tax[3] (MS)	Future Net Revenue After Levy and Corporate Income Taxes Discounted at 0% (MS)	Discounted at 5% (MS)	Discounted at 10% (MS)	Discounted at 15% (MS)	Discounted at 20% (MS)
12-31-2012	1	19,860.2	2,482.5	0.0	0.0	2,482.5	8,415.0	0.0	3,691.6	5,271.1	0.0	0.0	5,271.1	25.0	2,060.3	3,210.8	3,133.5	3,061.4	2,994.1	2,931.1
12-31-2013	2	62,943.1	7,867.9	0.0	0.0	7,867.9	40,095.0	0.0	9,619.3	5,360.9	0.0	0.0	5,360.9	25.0	2,218.8	3,142.0	2,920.3	2,723.4	2,547.8	2,390.2
12-31-2014	4	246,292.5	30,786.6	67,300.1	0.0	98,086.6	35,786.5	0.0	28,585.5	83,831.8	0.0	0.0	83,831.8	25.0	20,945.6	62,886.2	55,665.0	49,553.4	44,341.6	39,866.0
12-31-2015	6	222,114.7	27,764.3	45,422.5	0.0	73,186.8	35,640.0	0.0	26,052.3	87,235.6	0.0	0.0	87,235.6	25.0	21,771.8	65,463.8	55,187.3	46,895.1	40,138.3	34,583.4
12-31-2016	8	206,578.7	25,822.3	42,245.3	0.0	68,067.7	44,550.0	0.0	24,829.7	69,131.3	0.0	0.0	69,131.3	25.0	19,448.4	49,682.8	39,889.1	32,354.8	26,489.0	21,872.1
12-31-2017	10	190,869.3	23,858.7	39,032.8	0.0	62,891.4	34,650.0	0.0	22,742.6	70,585.3	0.0	0.0	70,585.3	25.0	17,089.4	53,495.8	40,905.2	31,670.9	24,801.7	19,625.6
12-31-2018	12	178,530.2	22,316.3	36,509.4	0.0	58,825.7	34,650.0	0.0	21,453.2	63,601.3	9.1	8,896.2	54,705.1	25.0	13,119.4	41,585.7	30,284.0	22,381.6	16,765.2	12,713.5
12-31-2019	14	168,952.8	21,119.1	34,550.9	0.0	55,670.0	34,650.0	0.0	20,452.3	58,180.5	27.7	25,671.0	32,509.5	25.0	7,607.6	24,901.9	17,270.8	12,183.9	8,729.7	6,344.1
12-31-2020	15	132,431.1	16,553.9	27,082.2	0.0	43,636.0	11,385.0	0.0	15,588.9	61,821.2	34.0	24,903.4	36,917.8	25.0	8,833.4	28,084.3	18,550.5	12,491.8	8,561.2	5,962.4
12-31-2021	13	73,653.1	9,206.6	15,062.1	0.0	24,268.7	0.0	0.0	8,934.2	40,450.1	37.4	15,137.0	25,313.1	25.0	6,031.3	19,281.8	12,129.7	7,796.8	5,111.1	3,411.3
12-31-2022	11	39,564.3	4,945.5	8,090.9	0.0	13,036.4	0.0	0.0	5,372.0	21,155.9	38.7	8,193.2	12,962.6	25.0	2,943.7	10,019.0	6,002.6	3,683.0	2,309.4	1,477.1
12-31-2023	7	19,111.7	2,388.9	3,908.3	0.0	6,297.3	0.0	0.0	3,234.7	9,579.7	39.2	3,752.1	5,827.6	25.0	1,159.9	4,667.7	2,663.3	1,559.9	935.6	573.5
12-31-2024	5	7,325.6	915.7	1,498.1	0.0	2,413.8	0.0	7,425.0	2,337.2	(4,850.2)	39.2	1,008.9	(5,859.1)	25.0	0.0	(5,859.1)	(3,184.0)	(1,780.0)	(1,021.2)	(599.9)
Total		1,568,227.2	196,028.4	320,702.5	0.0	516,730.9	279,823.5	7,425.0	192,893.4	571,354.4		87,561.9	483,792.5		123,229.7	360,562.8	281,417.3	224,576.1	182,703.4	151,150.5

Totals may not add because of rounding

[1] For the purposes of the model, we have not attributed any part of the revenues to services.
[2] Operating expenses are intended to include only direct project-level costs and the estimate of the portion of the headquarters general and administrative overhead expenses of Givot Olam Oil Limited Partnership (1993) that can be directly attributed to this project.
[3] Corporate income tax rates and estimates of corporate income taxes are provided by Givot Olam Oil Exploration Limited Partnership (1993) and are its expected corporate income taxes per year.

Figure 5

HISTORICAL PRODUCTION AND OPERATING EXPENSE DATA
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)
MEGED FIELD, ISRAEL
AS OF DECEMBER 31, 2011

Year	Net Production (MBBL)	Average Price Received Per Production Unit ($/BBL)	Average Royalties Paid Per Production Unit[1] ($/BBL)	Average Production Costs Per Production Unit ($/BBL)	Average Net Revenue Per Production Unit ($/BBL)	Reserves Depletion Rate[2] (Percent)
2011	137.2	109.0	13.6	9.6	85.8	1.7

Note: Values in this table have been provided by Givot Olam Oil Exploration Limited Partnership (1993); these values have not been independently confirmed.

[1] Royalties do not include the 2011 General Partner royalties estimated at $22.3 per barrel (BBL) to be paid at a future date.
[2] The reserves depletion rate is the percentage of yearly oil produced to the estimated proved plus probable reserves at the beginning of that year per this report.

Figure 6

NETHERLAND, SEWELL & ASSOCIATES, INC.

FORECASTED GROSS OIL PRODUCTION
MEGED FIELD, ISRAEL
AS OF DECEMBER 31, 2011

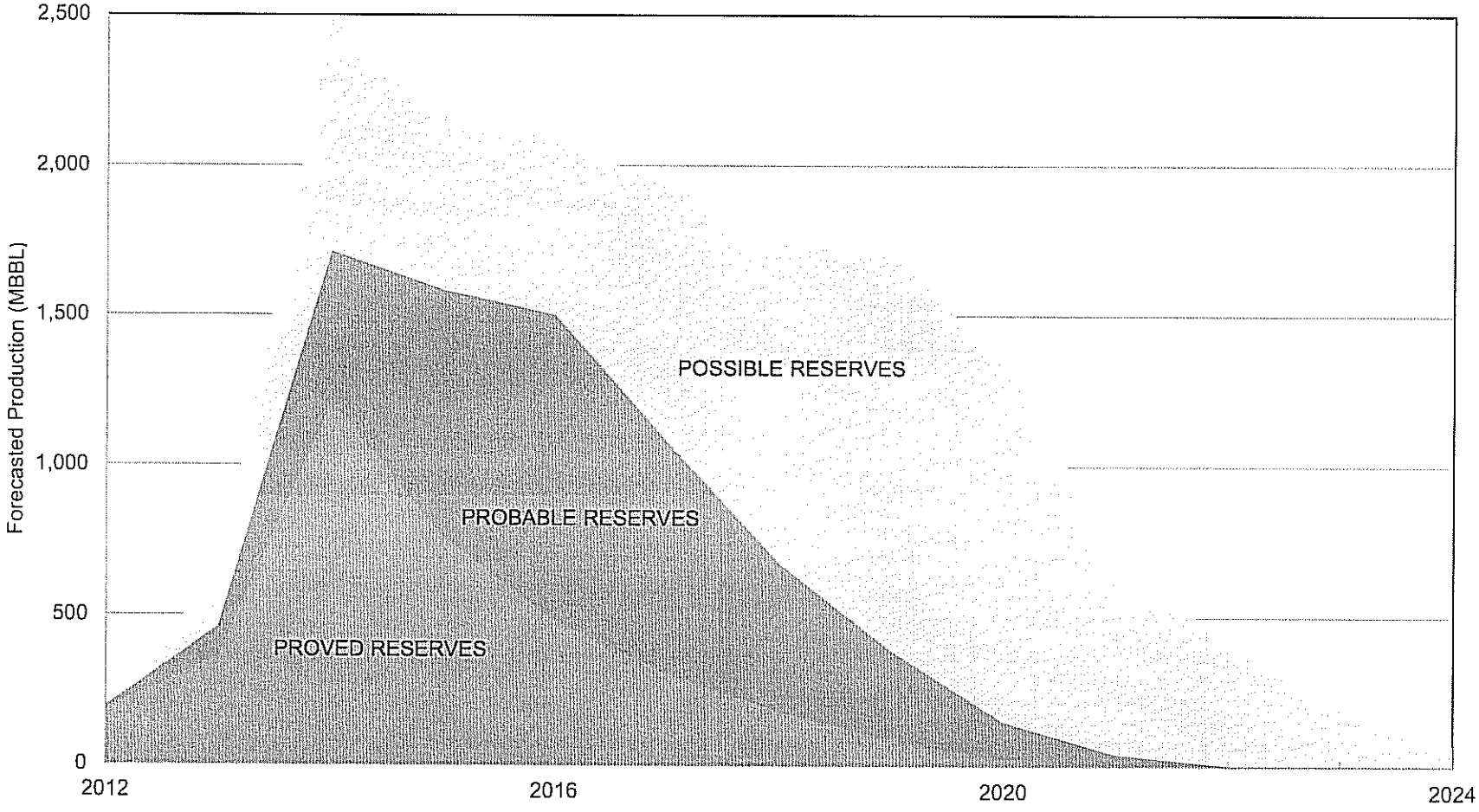

Figure 7

All estimates and exhibits herein are part of this NSAI report and are subject to its parameters and conditions.

NETHERLAND, SEWELL & ASSOCIATES, INC.

MONTE CARLO INPUT DISTRIBUTION SUMMARY
CONTINGENT RESOURCES
MEGED FIELD, ISRAEL
AS OF DECEMBER 31, 2011

		Net Rock Volume (Acre-feet) Triangular Distribution		Porosity (Decimal) Triangular Distribution		Oil Saturation (Decimal) Normal Distribution		Oil Recovery Factor (Decimal) Normal Distribution		Initial Formation Volume Factor
Parameter	Reservoir	Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate	(RB/STB)[1]
Fracture	Zone 2	61,957	234,366	0.007	0.023	0.80	0.95	0.10	0.50	1.92
	Zone 3	78,607	251,692	0.007	0.023	0.80	0.95	0.10	0.50	1.92
	Zone 4	64,741	236,717	0.007	0.023	0.80	0.95	0.10	0.50	1.91
	Zone 5	60,700	211,261	0.007	0.023	0.80	0.95	0.10	0.50	1.90
	Zone 6	75,814	231,493	0.007	0.023	0.80	0.95	0.10	0.50	1.89
	Zone 7	42,054	197,201	0.007	0.023	0.80	0.95	0.10	0.50	1.87
	Zone 8A	41,550	194,835	0.007	0.023	0.80	0.95	0.10	0.50	2.16

		Net Rock Volume (Acre-feet) Normal Distribution		Porosity (Decimal) Triangular Distribution		Oil Saturation (Decimal) Normal Distribution		Oil Recovery Factor (Decimal) Normal Distribution		Initial Formation Volume Factor
Parameter	Reservoir	Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate	(RB/STB)[1]
Matrix	Zone 1[2]	76,317	114,476	0.03	0.04	0.50	0.70	0.05	0.10	1.92
	Zone 2	32,549	81,373	0.01	0.03	0.50	0.70	0.05	0.10	1.92
	Zone 3	29,024	72,561	0.01	0.03	0.50	0.70	0.05	0.10	1.92
	Zone 4	23,406	117,029	0.02	0.04	0.50	0.70	0.05	0.10	1.91
	Zone 5	17,171	85,857	0.02	0.03	0.50	0.70	0.05	0.10	1.90
	Zone 6	30,461	152,305	0.02	0.03	0.50	0.70	0.05	0.10	1.89
	Zone 7	13,437	33,592	0.01	0.03	0.50	0.70	0.05	0.10	1.87
	Zone 8A	94,601	141,901	0.03	0.04	0.50	0.70	0.05	0.10	2.16
	Zone 8B[2]	44,348	66,523	0.03	0.04	0.50	0.70	0.05	0.10	2.46

Note: Low estimate is equivalent to the 90th percentile (P90) value for each distribution variable, and high estimate is equivalent to the 10th percentile (P10) value for each distribution variable.

[1] The abbreviation RB/STB represents reservoir barrels per stock tank barrel.
[2] Only Matrix volumes are included in contingent resources since Fracture volumes for these reservoirs are classified as reserves.

Figure 8