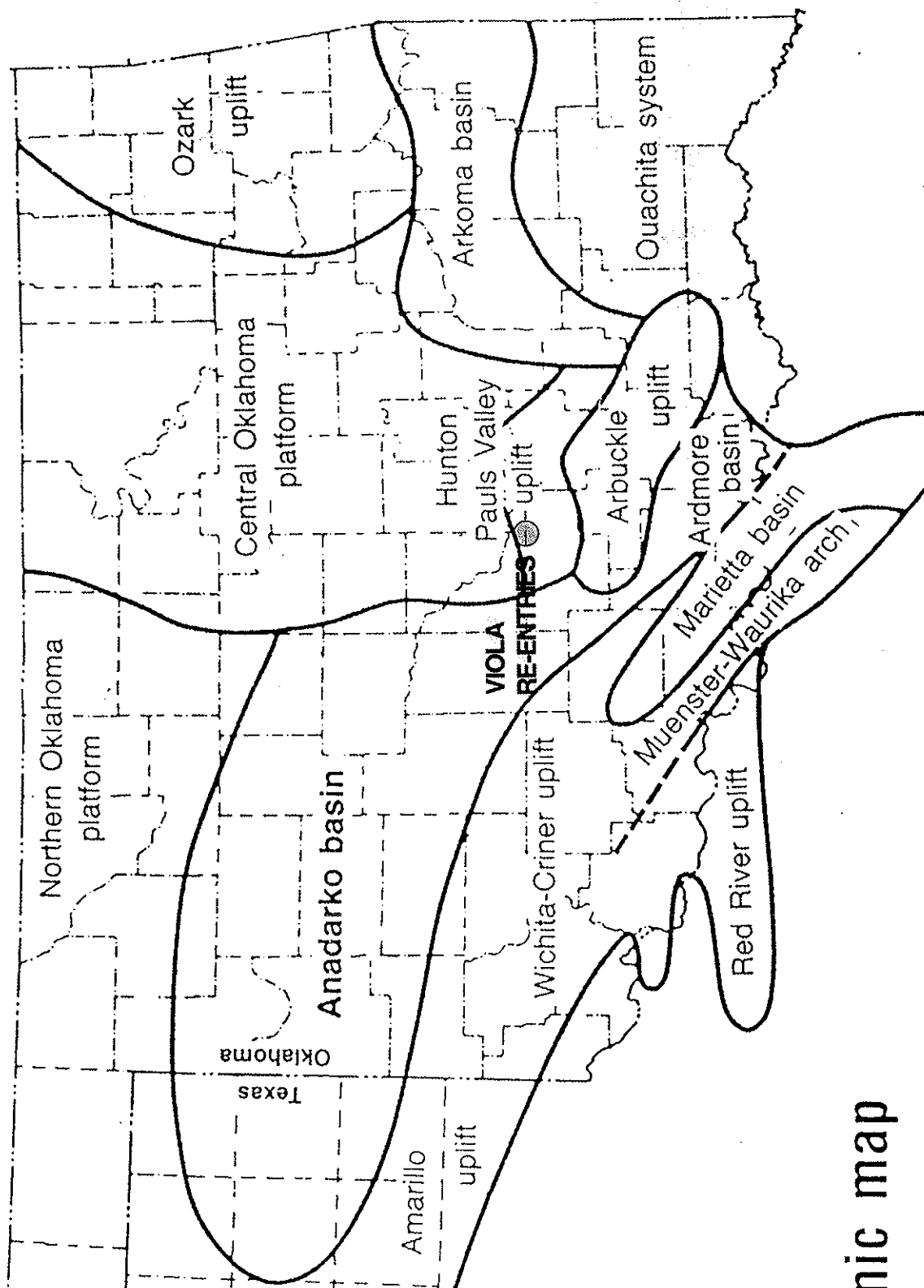


Colbert, Pocahontas and Loughmiller Re-entry Prospects

McClain and Garvin Counties, Oklahoma

GLB Exploration, Inc.
7716 Melrose Lane
Oklahoma City, Oklahoma 73127

(405) 787-0049



Tectonic map

GENERAL INFORMATION

PROSPECT NAME: Colbert, Pocahontas and Loughmiller

WELL NAME: Colbert #1-32, Pocahontas #1-34 and Loughmiller #1-4

TOTAL DEPTH: 6,300' re-entry

OPERATOR: GLB Exploration, Inc.

PROSPECT AREA: Sections 32, 33 and 34-5N-1W and 4-4N-1W, McClain and Garvin Counties, Oklahoma

ANTICIPATED REENTRY DATES: fourth quarter of 2012

POTENTIAL PAY OBJECTIVE: Viola

RESERVE POTENTIAL PER WELL: 25,000 – 75,000 BO per well for the Viola plus associated gas

SPACING: currently spaced on 80 acre units

POSSIBLE DEVELOPMENT LOCATIONS: 6+

ACREAGE IN PROSPECT AREA: 290 +/- acres. Checking and leasing other interests at this time

NET REVENUE DELIVERED: 79%

ACREAGE COST: \$295 per net acre

PROSPECT FEE TO GEOLOGIST: \$6,000 per re-entry

RE-ENTRY COST: \$342,160 COMPLETION COST: \$510,629

TERMS: See Land and Trade Summary

Neither this memorandum, nor the prospect it represents, is an offer for sale, nor has it been submitted or reviewed by the Securities and Exchange Commission, any other agency or authority of the U. S. Federal Government, the State of Oklahoma, or agencies of any other State. The information contained herein is provided by GLB Exploration, Inc. exclusively for the individuals receiving it, and for said individuals' private use only. The information provided is intended as a guide for evaluating this prospect. The reserves are provided as a courtesy and are not a prediction of the outcome of this venture. **You may lose all of your investment if the Colbert #1-32, Pocahontas #1-34 or Loughmiller #1-4 is a dry hole.**

GEOLOGICAL DISCUSSION

The Colbert #1-32, Pocahontas #1-34 and Loughmiller #1-4 are re-entry well candidates located in the southeast quadrant of McClain County and north central part of Garvin County. The re-entries are located approximately 2 miles northwest of the town of Paoli. Main objective is the Viola limestone. Reserves from the Viola can range between 25,000 and 75,000 BO.

Over the last 30 years many wells were drilled in the northern Garvin County and southern McClain County area looking for very large reserves from the Bromide and Oil Creek sandstones. When oil prices were low, the operators tended to plug the wells quickly if there was no Bromide or Oil Creek potential. They seldom tested the Viola, despite the fact that there are over 100 wells in the vicinity that have each made over 25,000 barrels of oil from the Viola. Most of the abandoned wells have had good quality, relatively modern logging suites run in them. This enables an accurate re-evaluation in the light of current oil prices.

I have done a detailed study of the Viola in this area. This study discovered a much higher degree of reservoir compartmentalization, both horizontal and vertical, than had generally been assumed by the industry. I believe I have developed a methodology to identify bypassed Viola oil.

The first test of our method was the re-entry of the Ropet, Carson by GLB in the NE/4 of Section 4-4N-2W. The Carson was plugged and abandoned on 11/16/1987. Our re-entry of this well was put on production on 6/28/2012 and has made 2,269 BO (average of 117 BOPD) through 7/17/2012.

The proposed re-entries are very similar to the Carson well. If each re-entry is successfully it has offset potential. The re-entries are as follows:

- 1) Ranken Energy, Colbert #1-32 in Section 32-5N-1W. This well has two well developed porosity zones in the upper Viola. The zone from 5,956' to 6,000' (44') has an average porosity of 9% and an average water saturation of 23%. The zone from 6,070' – 6,086' (16') has an average porosity of 16% and an average water saturation of 30%. The zones from 5,956' – 6,000' and 6,070' – 6,086' correlate to the producing interval in the GLB Carson.
- 2) Ranken Energy, Pocahontas #1-34 in Section 34-5N-1W. This well has porosity though out the Viola interval, but its main pay is near the bottom. The zone from 5,950' – 5,982' (32') has an average porosity of 5% and a water saturation of 32%. The zone from 6,014' – 6,064' (50') has an average porosity of 7% and a water saturation of 22%. A similar well to the Pocahontas #1-34 reentry is the An-Son, Qualls #1 in section 34-5N-2W. The Qualls has made 50,240 BO from this same Viola zone.
- 3) The Ranken, Loughmiller #1-4 in Section 4-4N-1W does not have the high porosity zones of the Colbert or Pocahontas, but it has fair to good porosity though out with over 230' of porosity at or over 4%. We expect this to also be an excellent well.

Included with the brochure are the three logs above. I also enclose and production map and structure map on top of the Viola.

I recommend initial re-entry of the Colbert #1-32 followed by the Pocahontas #1-34 and Loughmiller #1-4. All three wells have an excellent shot at making economic Viola oil wells.

Roger Wenzel
Petroleum Geologist
July 2012

LAND AND TRADE SUMMARY

GLB Exploration, Inc. presently owns leasehold covering approximately 290+/- net acres, more or less located in the tracks listed on the table below. GLB continues to lease at this time. Any additional acreage will also be offered at the terms below. The acreage currently in hand is summarized below:

Land Summary

Description	Net Revenue	Net Acres	Status
W/2 SW/4 Section 34-5N-1W Pocahontas Re-Entry unit	79%	80	Leased and Pooled
S/2 Section 34-5N-1W	79%	70	Leased
S/2 Section 4-4N-1W Loughmiller #1-4	79%	70	Leased
E/2 Section 32-5N-1W Colbert #1-32	79%	70	Leased

1. GLB is offering an 85% working interest in the prospect. Re-entry drilling costs are being promoted at a 15% carried working interest to casing point on the first re-entry in each prospect. All costs after casing point and future development wells will be "heads up".

The acreage is to be delivered at the net revenue interests stated above. Acreage will be sold at \$295.00 per net acre. Any new leases purchased or farmed in after the sale of the prospect up to 850 acres will be charged at cost plus \$50 per acre and will be delivered at a 79% NRI unless acreage is acquired at less than 79% through pooling or farmin. Any new leases purchased or farmed in over 850 acres will be delivered at cost and the same 79% NRI. In such event the buyer will receive the acreage at the same net revenue as that received by GLB. Buyer will pay their proportionate share of actual costs to acquire any orders from the Oklahoma Corporation Commission for each drillsite.

2. Prospect fee of \$6,000.00 per prospect proportionately reduced to your interest purchased to the prospect geologist.
3. The acreage is spaced on 80 acre units.
4. An Area of Mutual Interest (AMI) will be established for the Prospects covering Sections 32, 33 and 34-5N-1W and 4-4N-1W, McClain and Garvin Counties, Oklahoma.

Anticipated re-entry date will be during the fourth quarter of 2012. **This prospect is subject to prior sale.**

ECONOMIC SUMMARY

FORMATION: Viola

WORKING INTEREST % (WI): 100.00 TO CASING POINT, 85 AFTER CASING POINT

NET REVENUE INTEREST % (NRI): 79%

ESTIMATED INVESTMENT @ 100%

PROSPECT FEE (85%)	15,300
ACREAGE COST (85%)	72,717
DRILLING COST (100%)	342,160
COMPLETION COST (85%)	<u>434,034</u>
TOTAL INVESTMENT	\$864,211

ESTIMATED REVENUE (using Viola potential)

50,000 BO X \$85.00 X .79 NRI X .93 TAX X .85 WI = \$2,654,104
200,000 MCF X \$5.00 X .79 NRI X .93 TAX X .85 WI = \$ 624,495

TOTAL REVENUE: = \$3,278,599

RETURN ON INVESTMENT

\$3,278,599 / \$864,211 = 3.79:1

ESTIMATED PAYOUT AT 40 BOPD

40 BO X \$85.00 X .79 NRI X .93 TAX X .85 WI X 30 DAYS = 63,698
100 MCF X \$5.00 X .79 NRI X .93 TAX X .85 WI X 30 DAYS = 9,367
LESS OPERATIONS: (ASSUME \$1,500 PER MONTH) X .85 WI = 1,275

MONTHLY INCOME \$73,065

PAYOUT \$864,211 / \$73,065 = 11.82 MONTHS

Please note the entire cost of the acreage and prospect fee for the three prospects is being placed on the cost / economics of the first re-entry well.

ESTIMATED COSTS

Estimated costs for a 10% and 25% working interest are detailed below. Costs associated with the acreage and drilling will be billed before drilling commences. Completion costs will be billed if a completion is attempted.

	11.764705% BCP <u>10.000000% ACP</u>	29.411764% BCP <u>25.000000% ACP</u>
PROSPECT FEE	1,800.00	4,500.00
ACREAGE COST	8,555.00	21,388.00
REENTRY COST	<u>40,254.00</u>	<u>100,635.00</u>
RISK MONEY	50,609.00	126,523.00
COMPLETION	<u>51,062.00</u>	<u>127,657.00</u>
TOTAL COST	101,671.00	254,180.00

Please note the entire cost of the acreage and prospect fee for the three prospects is being placed on the cost / economics of the first re-entry well.

GLB EXPLORATION, INC.
AUTHORIZATION FOR EXPEDITURES

A/E NO: 071812

DESCRIPTION: SECTION 4-4N-2W, SW NE

COUNTY, STATE: GARVIN, OKLAHOMA

PROJECT: COLBERT, POCAHONTAS OR LOUGHMILLER

WELL NAME: COLBERT, POCAHONTAS OR LOUGHMILLER Reentry

AREA: SOUTH CENTRAL OKLAHOMA

OPERATOR: GLB EXPLORATION, INC.

STRAIGHT HOLE, SOIL FARMING, SINGLE ZONE COMPLETION

DRILLING INTANGIBLES

DRILLING

COMPLETED WELL

Abstract & Title Opinion	\$ 4,500.00	\$ 2,500.00
Mobilization	55,000.00	
Location	45,000.00	
Surface Damages & Water	30,000.00	
Footage:	-	
Daywork: <u>8 days @ \$13,000</u>	104,000.00	
Rental Equipment	15,000.00	
Cement & Services		
Bits	5,000.00	
Logging: <u>Induction, Neutron Density, Microlog</u>	-	
Geological/Mud Logger Supervision	-	
Mud Material & Chemicals	9,000.00	
Trucking & Labor	3,500.00	
Engineering Supervision	10,000.00	
Drilling Overhead	5,000.00	
Plug and Abandon	5,000.00	
Miscellaneous	6,000.00	
Mud Wastehaul off (Closed System)	15,000.00	
Permits & Insurance	2,500.00	
Other Contingencies	25,160.00	
TOTAL DRILLING INTANGIBLE COST	\$ 339,660.00	

COMPLETION INTANGIBLES

Completion Unit: <u>10 days @ \$4,000</u>	\$ 40,000.00
Cement, Services & Centralizers	10,000.00
Completion Overhead	5,000.00
Bond Log & Perforating	5,000.00
Acid Treatment	15,000.00
Fracture Treatment	150,000.00
Trucking, Labor, & Casing Crews	9,000.00
Engineering Supervision	6,000.00
Welding	1,200.00
Misc. Rentals	8,000.00
Other Contingencies	20,136.00
TOTAL COMPLETION INTANGIBLE COST	\$ 271,836.00

EQUIPMENT TANGIBLES

Casing (C): <u>40' of 16" (WITH CEMENT)</u>	-	
Casing (S): <u>612' of 8 5/8"</u>	Already set	
Casing (P): <u>6,300' of 5 1/2" @ \$12.75</u>		80,325.00
Tubing: <u>6,300' of 2 7/8" @ \$5.60</u>		35,280.00
Wellhead Equipment	2,500.00	8,500.00
Tank Battery		25,000.00
Separator & Treater		10,000.00
Flow Lines		5,000.00
Pumping Unit & Engine		40,000.00
Rods		12,000.00
Subsurface Equipment		5,000.00
Other Contingencies		17,688.00

Total Equipment Tangible Cost	2,500.00	\$ 238,793.00
Total Well cost	\$ 342,160.00	\$ 510,629.00
GRAND TOTAL COMPLETED WELL COST		\$ 852,789.00

OPERATOR: GLB EXPLORATION, INC.

BY: GLENN BLUMSTEIN

DATE: JULY 18, 2012

NON OPERATOR: _____

WORKING INTEREST: _____

BY: _____

DATE: _____

This AFE is only an estimate of the anticipated costs. By returning one signed copy you agree to pay all drilling costs and all completion costs should a completion be attempted.