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18 בנובמבר 2013

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

**הנדון: דו"ח רזרבות שדה מגד ליום 31.8.2013**

כללי

השותף הכללי מבקש לעדכן את ציבור בעלי היחידות כי לאחר שבשמונת החודשים הראשונים של שנת 2013 הופקו בפועל כ-117 אלפי חביות נפט ממוקטע 8b בבאר מגד 5 (הפקה בפועל זו הינה גבוהה מפרופיל ההפקה אשר נכלל בדו"ח הרזרבות ליום 31.12.2012), ולאחר שבסך הכל מתחילת ההפקה ממוקטע זה הופקו מעל 449 אלפי חביות נפט, פעל השותף הכללי לקבלת עדכון של דו"ח הרזרבות בבאר מגד 5 אשר פורסם ביום 8.10.2013. כמו כן פעל השותף הכללי לקבלת עדכון דו"ח רזרבות ומשאבים מותנים בשדה מגד ליום 31.8.2013 המצ"ב כנספח.

מהנתונים המובאים בטבלה שבסעיף ב' להלן, ניתן לראות כי הערכת הרזרבות בשדה מגד הוגדלה בצורה משמעותית (לפרטים מלאים ראו בטבלאות שבסעיף ב' להלן).

נתוני כמויות

.א

על-פי דוח (להלן: "דו"ח הרזרבות") 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 (המשאבים שבדו"ח הרזרבות מתייחסים רק למשאבים שבזכויות הנפט הקיימות של השותפות חזקת ראש העין ורשיון מכביל) באלפי חביות נכון ליום 31.8.2013, הינן כמפורט להלן:

חלק השותפות (Net) <sup>1</sup> MBBL	סה"כ בנכס הנפט (Gross) MBBL	קטגוריית רזרבות
3,082.1	4,643.8	רזרבות מוכחות 1P (Proved reserves)
5,265.0	7932.8	רזרבות צפויות (Probable Reserves)
8,347.1	12,576.6	סה"כ רזרבות מסוג 2P (Proved+Probable Reserves)
11,361.3	17,118.1	רזרבות אפשריות (Possible Reserves)
19,708.4	29,694.7	סה"כ רזרבות מסוג 3P (Proved+Probable+Possible ) (Reserves)

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).

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 25) ואת מקטע 1 כרזרבות ואת שאר המקטעים (2,3,4,5,6,7 ו-8A) כמשאבים מותנים. כמו כן גז נלווה לא סווג לקטגוריית הרזרבות אלא לקטגוריית 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:

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

ב. התאמה בין נתוני הדו"ח לנתוני דוחות קודמים

להלן מובאת ההשוואה בין הערכות NASI של רזרבות הנפט בשדה מגד ליום 31.8.2013 לבין ההערכות שנכללו בדו"ח הרזרבות הקודם ליום 31.12.2012. לנתוני ההפרש שבטבלאות יש להוסיף את ההפקה בפועל במהלך שמונת החודשים הראשונים בשנת 2013 של 117 אלף חביות שהופקו בין מועדי הדוחות.

הפרש (Gross) MBBL בתוספת 117 אלף החביות שהופקו בין מועדי הדוחות ושיעור הגידול באחוזים	הפרש (Gross) MBBL	סה"כ בנכס הנפט (Gross) MBBL		קטגוריית רזרבות
		ליום 31.12.2012	ליום 31.8.2013	
669.4 גידול של כ-16%	552.4	4,091.4	4,643.8	רזרבות מוכחות ומפותחות 1P (Proved developed reserves)
	3332.4	4,600.4	7932.8	רזרבות צפויות (Probable Reserves)
4,001.8 גידול של כ-46%	3,884.8	8,691.8	12,576.6	סה"כ רזרבות מסוג 2P (Proved+Probable Reserves)
	10,167.6	6,950.5	17,118.1	רזרבות אפשריות (Possible Reserves)
14,169.4 גידול של כ-91%	14,052.4	15,642.3	29,694.7	סה"כ רזרבות מסוג 3P (Proved+Probable+Possible ) (Reserves)

מהנתונים המובאים בטבלה ניתן לראות כי הערכת הרזרבות הוגדלה בצורה ניכרת עיקר ההגדלה הינה בהערכות לגבי הרזרבות מסוג 2p (ההערכה הטובה ביותר) - גידול של כ-46% ו-3p גידול של כ-91%.

בדו"ח מציינת NSAI שהגדלת הרזרבות בשדה מגד נעשתה בהתבסס על נתוני ההפקה בפועל.

המשאבים המותנים בשדה מגד, נכון ליום 31.8.2013, הינם כמפורט להלן:

ג.

### נפט

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

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

### גז נלווה

חלק השותפות (Net)₅	סה"כ בנכס הנפט (Gross) MMCF	קטגוריית המשאבים המותנים
MMCF		
14,047	21,164	אומדן הכמויות הנמוך (1C-Low Estimate)
37,559	56,590	האומדן הטוב ביותר (2C-Best Estimate)
86,514	130,351	האומדן הגבוה (3C-High Estimate)

3 אחרי תשלום תמלוגים למדינה ולשותף הכללי.

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

5 אחרי תשלום תמלוגים למדינה ולשותף הכללי.

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

המשאבים המותנים סווגו בשלב בשלות של הצדקת פיתוח בבחינה (Development Pending).

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 בוצע 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 צפויים, בשלב זה, 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). למעבר מקטגוריית המשאבים לקטגוריית הרזרבות, צפויות עלויות נוספות של כ-10 מליון דולר לכל באר לפרטים ראו בסעיף (6) בפסקה העוסקת בחישוב התזרים המהוון להלן.

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

יצוין כי בהערכת המשאבים המותנים של הנפט אין שינוי לעומת הדו"ח הקודם ליום 31.12.2012 ובקטגוריית הגז ישנה תוספת לא מהותית.

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

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

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- (1) ההערכות לא הותאמו לסיכון; ;
- (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 שבעלותה 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 באזורים לא מפותחים ועל כן הם מבוססים על הערכות של גודל מאגר ויעילות ההפקה (recovery efficiencies) תוך אנלוגיה למאגרים עם מאפיינים גיאולוגיים 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, גיאולוגיות 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 (בנספח 7 של דו"ח הרזרבות צרפה NSAI הערכה של תחזית ההפקה ממקטעים 1 ו-b8 בקידוחים מגד 5, 6, 7 ו-8) 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.

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).

ה. 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 תקופות אלו ואת משכן (למבחי הרגישות למחיר הנפט של נתוני התזרים המהוון ראו בטבלאות להלן). בהתבסס על מחירי המכירה בפועל של הנפט המופק ממגד 5 בשלוש השנים האחרונות (המחיר החוזי נגזר מהמחיר העולמי לחבית נפט) 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 לציד הנותר בקידוח.

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

(5) 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.

(6) בתזרים המהוון המיוחס לחלק השותפות מן הרזרבות שבשדה מגד (דהיינו מקטעים 1 ו- 8B בכל באר), העלות לקדיחת הבאר ופעולות הפרופנט עומדת על 20 מליון דולר. יחד עם זאת בכוונת השותף הכללי להתמקד בקידוחים הבאים גם במקטעים 2 עד 7 (שסווגו כאמור לקטגוריית המשאבים המותנים ונתוני ההפקה מהם אינם כלולים בתחשיב התזרים המהוון) מתוך מטרה לבצע בהם פעולת פרופנט מוצלחת, ולהגיע גם בהם להפקה יציבה. לשם מטרה זו החליט השותף הכללי להשתמש בצנרת דיפון יקרה יותר, ולתכנן את עמידות כל רכיבי הבאר כך שיוכלו לעמוד בלחצים גבוהים יותר המתאימים לפעולת הפרופנט



במקטעים אלו, וכן להגדיל את מספר ימי פעולת הפרופנט והמבחנים בכל קידוח, דבר שצפוי להביא לעליה בעלויות של כ-10 מליון דולר לכל באר (הוצאות נוספות אלו כוללות גם את ציוד ההפקה והתקנתו והשלמת הבאר להפקה). מאחר והתוספת של 10 מליון דולר מיועדת כאמור, למטרה של ביצוע פעולת פרופנט מוצלחת במקטעים שסווגו למשאבים המותנים ולהגיע גם בהם להפקה יציבה, תוספת זו איננה כלולה בתזרים המהוון של הרזרבות, אך היא נכללה בתקציבים המיועדים לקידוחי מגד 6, 7 ו-8.

**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, גיאופיזי 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 בפרויקטים 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).

#### נתוני תזרים מהוון

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בטבלאות להלן ניתנת הערכה של התזרים המהוון באלפי דולר (לפני ולאחר 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

תזרים מהוון לאחר מסים					מסים		תמלוגים					מכירות				
מהוון ב- 20%	מהוון ב- 15%	מהוון ב- 10%	מהוון ב- 5%	מהוון ב- 0%	מס הכנסה	היטל	תזרים לפני מסים (מהוון ב- 10%)	תזרים לפני מסים (מהוון ב- 0%)	עלויות תפעול	עלויות נטישה	עלויות פיתוח	תמלוג-על לשותף הכללי	תמלוגי מדינה	הכנסות	מכירות (BBL) (100%)	
(4,126)	(4,155)	(4,186)	(4,219)	(4,253)	-	-	(4,186)	(4,253)	1,080	-	7,920	-	678	5,424	54,792	2013
9,240	9,573	9,935	10,327	10,756	2,168	-	11,937	12,923	9,159	-	23,760	-	6,549	52,391	529,205	2014
38,322	41,432	44,950	48,952	53,532	17,844	-	59,933	71,377	13,464	-	-	191	12,147	97,179	981,610	2015
-	-	-	-	-	-	-	-	-	10,555	-	-	53,264	9,117	72,937	736,735	2016
9,088	10,699	12,686	15,163	18,281	6,094	-	16,915	24,375	8,021	-	-	12,942	6,477	51,815	523,379	2017
5,779	7,098	8,800	11,018	13,949	4,650	-	11,733	18,598	6,250	-	-	7,579	4,632	37,059	374,333	2018
3,339	4,280	5,547	7,276	9,672	3,224	-	7,396	12,896	5,007	-	-	5,460	3,338	26,700	269,700	2019
1,897	2,537	3,437	4,723	6,592	2,197	-	4,583	8,790	4,112	-	-	3,935	2,405	19,242	194,360	2020
932	1,301	1,843	2,653	3,888	1,296	-	2,457	5,184	3,326	-	-	2,596	1,587	12,692	128,206	2021
358	521	772	1,164	1,792	597	-	1,029	2,389	2,717	-	-	1,557	952	7,614	76,914	2022
118	179	277	438	707	236	-	369	943	2,401	-	-	1,020	624	4,988	50,385	2023
1,210	1,920	3,107	5,143	8,725	2,908	-	4,143	11,633	4,893	495	248	5,267	3,219	25,756	260,159	2024
625	1,035	1,751	3,037	5,409	1,803	-	2,335	7,213	3,876	495	-	3,533	2,159	17,276	174,503	2025
335	578	1,023	1,858	3,475	1,158	-	1,364	4,634	3,206	-	-	2,391	1,462	11,692	118,104	2026
154	278	514	978	1,921	640	-	685	2,562	2,754	-	-	1,621	991	7,928	80,081	2027
58	110	212	422	871	290	-	282	1,161	2,449	-	-	1,101	673	5,384	54,384	2028
9	17	35	74	160	53	-	47	213	2,242	-	-	749	458	3,661	36,984	2029
(23)	(47)	(100)	(218)	(495)	-	-	(100)	(495)	-	495	-	-	-	-	-	2030
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2031
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2032
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2033
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2034
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2035
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2036
67,315	77,356	90,603	108,791	134,983	45,159	-	120,923	180,142	85,511	1,485	31,928	103,206	57,467	459,739	4,643,833	סה"כ

## רזרבות צפויות

תזרים מהוון לאחר מסים					מסים							תמלוגים		מכירות		
מהוון ב- 20%	מהוון ב- 15%	מהוון ב- 10%	מהוון ב- 5%	מהוון ב- 0%	מס הכנסה	היטל	תזרים לפני מסים (מהוון ב- 10%)	תזרים לפני מסים (מהוון ב- 0%)	עלויות תפעול	עלויות נטישה	עלויות פיתוח	תמלוג-על לשותף הכללי	תמלוגי מדינה	הכנסות	מכירות (BBL) (100%)	
79	79	80	80	81	-	-	80	81	6	-	-	-	12	100	1,009	2013
1,530	1,585	1,645	1,710	1,781	621	-	2,218	2,401	2,471	-	9,900	-	2,110	16,883	170,536	2014
(6,014)	(6,502)	(7,054)	(7,682)	(8,401)	(2,800)	-	(9,405)	(11,201)	6,549	-	39,600	(191)	4,965	39,722	401,235	2015
3,937	4,442	5,038	5,748	6,600	2,200	-	6,717	8,799	9,509	-	39,600	(1,563)	8,049	64,395	650,453	2016
8,595	10,118	11,998	14,340	17,289	5,763	-	15,997	23,052	13,506	-	9,900	48,777	13,605	108,841	1,099,404	2017
23,961	29,433	36,488	45,687	57,838	19,279	-	48,650	77,117	16,810	-	-	28,647	17,511	140,085	1,415,003	2018
14,720	18,868	24,454	32,077	42,639	14,213	-	32,605	56,852	12,393	-	-	21,119	12,909	103,273	1,043,159	2019
8,512	11,385	15,425	21,198	29,586	9,862	2,629	21,938	42,077	9,172	-	-	15,631	9,554	76,433	772,055	2020
4,158	5,803	8,220	11,834	17,342	5,781	8,800	15,131	31,923	6,959	-	-	11,859	7,249	57,990	585,753	2021
2,598	3,784	5,604	8,451	13,005	4,335	7,329	10,630	24,669	5,377	-	-	9,164	5,601	44,812	452,644	2022
1,628	2,474	3,830	6,052	9,778	3,259	5,718	7,347	18,756	4,088	-	-	6,967	4,259	34,071	344,147	2023
(249)	(395)	(639)	(1,058)	(1,795)	(598)	4,012	577	1,619	191	(495)	(248)	326	199	1,592	16,081	2024
(259)	(428)	(724)	(1,256)	(2,237)	(746)	2,114	(281)	(869)	(189)	-	-	(323)	(197)	(1,579)	(15,950)	2025
530	914	1,618	2,939	5,496	1,832	6,277	4,004	13,605	3,235	990	248	5,514	3,370	26,962	272,347	2026
260	468	865	1,646	3,233	1,078	4,230	2,285	8,541	2,186	1,485	-	3,725	2,277	18,213	183,968	2027
198	373	721	1,438	2,965	988	2,919	1,671	6,872	1,606	495	-	2,737	1,673	13,383	135,179	2028
145	285	577	1,205	2,609	870	1,957	1,202	5,437	1,185	-	-	2,020	1,234	9,876	99,756	2029
104	213	451	986	2,242	582	1,249	819	4,074	2,976	(495)	-	1,999	1,222	9,775	98,741	2030
39	84	186	426	1,016	339	732	381	2,087	2,651	-	-	1,445	883	7,066	71,378	2031
16	35	82	196	492	164	356	168	1,012	2,416	-	-	1,046	639	5,113	51,651	2032
3	7	17	44	115	38	83	36	236	2,247	-	-	757	463	3,704	37,414	2033
-	-	-	-	-	-	-	-	-	2,125	-	-	225	336	2,686	27,130	2034
(13)	(34)	(89)	(244)	(709)	-	(116)	(103)	(826)	2,037	495	-	-	244	1,950	19,695	2035
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2036
64,478	82,993	108,791	145,817	200,965	67,060	48,290	162,666	316,315	109,508	2,475	99,000	159,880	98,168	785,346	7,932,787	סה"כ

תזרים מהוון לאחר מסים					מסים		תמלוגים					מכירות				
מהוון ב- 20%	מהוון ב- 15%	מהוון ב- 10%	מהוון ב- 5%	מהוון ב- 0%	מס הכנסה	היטל	תזרים לפני מסים (מהוון ב- 10%)	תזרים לפני מסים (מהוון ב- 0%)	עלויות תפעול	עלויות נטישה	עלויות פיתוח	תמלוג-על לשותף הכללי	תמלוגי מדינה	הכנסות	מכירות BBL (100%)	
50	51	51	51	52	-	-	51	52	4	-	-	-	8	64	645	2013
18,080	18,733	19,440	20,208	21,047	7,033	-	25,936	28,080	2,373	-	(9,900)	-	2,936	23,489	237,265	2014
(10,352)	(11,192)	(12,142)	(13,223)	(14,460)	(4,820)	-	(16,189)	(19,280)	7,103	-	(33,000)	107,801	8,946	71,570	722,928	2015
46,805	52,803	59,891	68,328	78,458	26,153	-	79,854	104,611	13,438	-	13,200	(37,594)	13,379	107,034	1,081,153	2016
14,865	17,499	20,750	24,801	29,902	9,967	15,648	38,526	55,517	13,911	-	29,700	(7,436)	13,099	104,791	1,058,499	2017
(14,264)	(17,522)	(21,721)	(27,198)	(34,431)	(11,477)	65,113	12,116	19,205	14,989	-	39,600	22,507	13,757	110,058	1,111,701	2018
(5,159)	(6,613)	(8,570)	(11,242)	(14,944)	(4,981)	74,715	31,423	54,790	22,746	-	39,600	35,726	21,837	174,700	1,764,646	2019
1,040	1,391	1,885	2,590	3,615	1,205	74,789	41,506	79,609	28,156	-	39,600	44,946	27,473	219,783	2,220,035	2020
7,415	10,349	14,660	21,105	30,929	10,310	65,852	50,759	107,091	28,745	-	19,800	47,469	29,015	232,120	2,344,649	2021
6,967	10,147	15,026	22,663	34,873	11,624	48,004	40,719	94,501	20,600	-	-	35,105	21,458	171,664	1,733,980	2022
4,252	6,462	10,005	15,808	25,542	8,514	34,418	26,822	68,473	14,926	-	-	25,437	15,548	124,384	1,256,406	2023
2,665	4,227	6,841	11,324	19,212	6,404	25,112	18,064	50,728	11,058	-	-	18,844	11,519	92,148	930,791	2024
1,797	2,974	5,032	8,726	15,544	5,181	18,737	12,775	39,462	8,494	(495)	-	14,476	8,848	70,785	715,003	2025
321	555	982	1,784	3,337	1,112	7,849	3,619	12,298	2,519	(495)	(248)	4,293	2,624	20,991	212,026	2026
134	241	445	848	1,665	555	4,194	1,716	6,414	1,290	(495)	-	2,199	1,344	10,751	108,599	2027
(53)	(99)	(192)	(383)	(789)	(263)	1,302	61	249	162	495	-	277	169	1,352	13,658	2028
(129)	(254)	(513)	(1,072)	(2,321)	(774)	(218)	(733)	(3,313)	(399)	1,485	-	(679)	(415)	(3,321)	(33,549)	2029
373	763	1,612	3,527	8,019	2,673	11,078	4,376	21,770	5,137	1,485	248	8,735	5,339	42,714	431,450	2030
233	498	1,100	2,521	6,018	2,006	7,931	2,916	15,955	3,694	990	-	6,295	3,848	30,781	310,920	2031
151	337	777	1,867	4,680	1,560	5,819	2,003	12,059	2,737	495	-	4,664	2,851	22,805	230,352	2032
102	237	573	1,441	3,792	1,264	4,269	1,408	9,324	2,033	-	-	3,464	2,117	16,938	171,088	2033
60	147	371	977	2,699	900	3,007	907	6,606	1,511	-	-	2,899	1,574	12,590	127,170	2034
47	119	314	868	2,518	603	2,131	656	5,252	1,124	(495)	-	2,314	1,171	9,365	94,599	2035
18	47	131	378	1,150	383	1,281	319	2,815	2,809	-	-	1,715	1,049	8,389	84,734	2036
9	24	68	207	663	221	739	167	1,624	2,550	-	-	1,273	778	6,225	62,874	2037
3	9	28	90	303	101	338	70	742	2,358	-	-	945	578	4,623	46,698	2038
0	1	3	10	36	12	41	8	89	2,215	-	-	703	430	3,437	34,713	2039
-	-	-	-	-	-	-	-	-	2,110	-	-	127	320	2,557	25,825	2040
(4)	(14)	(49)	(178)	(694)	-	(166)	(61)	(860)	2,031	495	-	-	238	1,904	19,232	2041
75,428	91,919	116,798	156,827	226,413	75,466	471,983	379,795	773,863	220,424	3,465	138,600	346,502	211,836	1,694,691	17,118,087	סה"כ

שוי נוכחי בהון של 20%	שוי נוכחי בהון של 15%	שוי נוכחי בהון של 10%	סה"כ	רגישות / קטגוריה	שוי נוכחי בהון של 20%	שוי נוכחי בהון של 15%	שוי נוכחי בהון של 10%	סה"כ	רגישות / קטגוריה
<b>קיטון במחיר הנפט בשיעור של 10%</b>					<b>גידול במחיר הנפט בשיעור של 10%</b>				
55,320	63,760	74,872	111,888	P רזרבות מוכחות 1 (Proved Reserves)	79,312	90,954	106,340	158,102	P רזרבות מוכחות 1 (Proved Reserves)
52,719	69,740	93,820	181,821	רזרבות צפויות (Probable Reserves)	73,949	93,428	120,256	214,434	רזרבות צפויות (Probable Reserves)
108,039	133,500	168,692	293,709	P סה"כ רזרבות מסוג 2 (Proved+Probable Reserves)	153,262	184,382	226,596	372,536	P סה"כ רזרבות מסוג 2 (Proved+Probable Reserves)
104,000	133,298	179,647	183,612	רזרבות אפשריות (Possible Reserves)	137,844	179,620	246,130	272,804	רזרבות אפשריות (Possible Reserves)
212,039	266,798	348,338	477,321	P סה"כ רזרבות מסוג 3 (Proved+Probable+Possible Reserves)	291,105	364,002	472,726	645,340	P סה"כ רזרבות מסוג 3 (Proved+Probable+Possible Reserves)
<b>קיטון במחיר הנפט בשיעור של 15%</b>					<b>גידול במחיר הנפט בשיעור של 15%</b>				
49,327	56,971	67,024	100,421	P רזרבות מוכחות 1 (Proved Reserves)	85,328	97,769	114,220	169,661	P רזרבות מוכחות 1 (Proved Reserves)
45,343	61,287	84,095	168,904	רזרבות צפויות (Probable Reserves)	78,349	98,234	125,475	220,252	רזרבות צפויות (Probable Reserves)
94,670	118,258	151,119	269,324	P סה"כ רזרבות מסוג 2 (Proved+Probable Reserves)	163,677	196,003	239,695	389,913	P סה"כ רזרבות מסוג 2 (Proved+Probable Reserves)
96,926	123,548	165,431	165,320	רזרבות אפשריות (Possible Reserves)	147,047	192,172	264,037	297,405	רזרבות אפשריות (Possible Reserves)
191,596	241,806	316,550	434,645	P סה"כ רזרבות מסוג 3 (Proved+Probable+Possible Reserves)	310,724	388,175	503,732	687,318	P סה"כ רזרבות מסוג 3 (Proved+Probable+Possible Reserves)

קיטון במחיר הנפט בשיעור של 20%					גידול במחיר הנפט בשיעור של 20%				
43,282	50,139	59,145	88,953	P רזרבות מוכחות 1 )Proved Reserves(	91,391	104,625	122,133	181,221	P רזרבות מוכחות 1 )Proved Reserves(
37,343	51,976	73,206	154,226	רזרבות צפויות )Probable Reserves(	81,958	102,060	129,473	224,223	רזרבות צפויות )Probable Reserves(
80,625	102,115	132,351	243,179	P סה"כ רזרבות מסוג 2 )Proved+Probable Reserves(	173,348	206,685	251,606	405,444	P סה"כ רזרבות מסוג 2 )Proved+Probable Reserves(
90,793	115,242	153,350	150,296	רזרבות אפשריות ) Possible Reserves(	155,510	203,917	281,065	321,387	רזרבות אפשריות ) Possible Reserves(
171,418	217,357	285,702	393,474	P סה"כ רזרבות מסוג 3 )Proved+Probable+Possible Reserves(	328,858	410,602	532,672	726,831	P סה"כ רזרבות מסוג 3 )Proved+Probable+Possible Reserves(

שוי נוכחי בהון של 20%	שוי נוכחי בהון של 15%	שוי נוכחי בהון של 10%	סה"כ	רגישות / קטגוריה	שוי נוכחי בהון של 20%	שוי נוכחי בהון של 15%	שוי נוכחי בהון של 10%	סה"כ	רגישות / קטגוריה
<b>קיטון בכמות הנפט בשיעור של 10%</b>					<b>גידול בכמות הנפט בשיעור של 10%</b>				
57,325	66,068	77,583	115,978	P רזרבות מוכחות 1 (Proved Reserves)	77,306	88,644	103,623	153,987	P רזרבות מוכחות 1 (Proved Reserves)
55,170	72,588	97,158	186,588	רזרבות צפויות (Probable Reserves)	72,492	91,800	118,430	212,083	רזרבות צפויות (Probable Reserves)
112,495	138,655	174,742	302,566	P סה"כ רזרבות מסוג 2 (Proved+Probable Reserves)	149,798	180,444	222,052	366,070	P סה"כ רזרבות מסוג 2 (Proved+Probable Reserves)
107,384	137,802	185,931	191,300	רזרבות אפשריות (Possible Reserves)	133,770	174,241	238,724	263,160	רזרבות אפשריות (Possible Reserves)
219,879	276,457	360,673	493,866	P סה"כ רזרבות מסוג 3 (Proved+Probable+Possible Reserves)	283,568	354,684	460,776	629,230	P סה"כ רזרבות מסוג 3 (Proved+Probable+Possible Reserves)
<b>קיטון בכמות הנפט בשיעור של 15%</b>					<b>גידול בכמות הנפט בשיעור של 15%</b>				
52,333	60,431	71,088	106,543	P רזרבות מוכחות 1 (Proved Reserves)	82,301	94,288	110,133	163,489	P רזרבות מוכחות 1 (Proved Reserves)
49,289	65,914	89,568	176,774	רזרבות צפויות (Probable Reserves)	75,786	95,325	122,157	215,898	רזרבות צפויות (Probable Reserves)
101,622	126,345	160,656	283,318	P סה"כ רזרבות מסוג 2 (Proved+Probable Reserves)	158,088	189,613	232,289	379,387	P סה"כ רזרבות מסוג 2 (Proved+Probable Reserves)
101,863	130,094	174,559	176,325	רזרבות אפשריות (Possible Reserves)	141,387	184,646	253,579	283,824	רזרבות אפשריות (Possible Reserves)
203,485	256,439	335,215	459,643	P סה"כ רזרבות מסוג 3 (Proved+Probable+Possible Reserves)	299,475	374,258	485,868	663,211	P סה"כ רזרבות מסוג 3 (Proved+Probable+Possible Reserves)

קיטון בכמות הנפט בשיעור של 20%					גידול בכמות הנפט בשיעור של 20%				
47,338	54,792	64,593	97,117	P רזרבות מוכחות 1 )Proved Reserves(	87,297	99,932	116,642	172,991	P רזרבות מוכחות 1 )Proved Reserves(
42,925	58,609	81,175	165,998	רזרבות צפויות )Probable Reserves(	79,040	98,783	125,775	219,399	רזרבות צפויות )Probable Reserves(
90,262	113,400	145,767	263,115	P סה"כ רזרבות מסוג 2 )Proved+Probable Reserves(	166,336	198,715	242,418	392,390	P סה"כ רזרבות מסוג 2 )Proved+Probable Reserves(
95,670	121,793	162,708	160,995	רזרבות אפשריות ) Possible Reserves(	148,911	194,973	268,392	304,649	רזרבות אפשריות ) Possible Reserves(
185,932	235,194	308,475	424,111	P סה"כ רזרבות מסוג 3 )Proved+Probable+Possible Reserves(	315,247	393,689	510,809	697,039	P סה"כ רזרבות מסוג 3 )Proved+Probable+Possible Reserves(



אזהרה – יובהר כי נתוני תזרים מהוונים, בין אם חושב בשיעור היוון מסוים או ללא שיעור היוון מייצגים ערך נוכחי אך לא 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 יתמשו 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.

#### חוות דעת של מעריך הרזרבות

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מצורף בזה, דוח רזרבות שהוכן על-ידי NSAI ליום 31.8.2013 ביחד עם הסכמתה להכללתו בדו"ח זה.

#### הצהרת הנהלה

.ח

תאריך ההצהרה: 18.11.2013 ;

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

שם הנושא בתפקיד להערכת המשאבים: טוביה לוסקין ;

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

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

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

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

הרינו לאשר, כי הנתונים שנכללו בדו"ח נערכו לפי המונחים המקצועיים המנויים בפרק ה ובמשמעות הנודעת להם ב- Petroleum Resources Management System (2007) כפי שפרסמו איגוד מהנדסי הפטרוליום (SPE), ארגון האמריקני של גאולוגים בתחום הפטרוליום (AAPG), המועצה העולמית לפטרוליום (WPC) ואיגוד מהנדסי הערכת הפטרוליום (SPEE) כתוקפם בעת הדיווח ;

הרינו לאשר, כי לא נעשה שינוי בזהות המעריך או המבקר שביצע או ביקר את הגילוי בדבר העתודות או המשאבים המותנים האחרון שפרסם התאגיד

הרינו מסכימים להכללת ההצהרה האמורה לעיל בדו"ח זה.

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גבעות עולם נפט בע"מ, השותף הכללי

באמצעות טוביה לוסקין ושמואל בקר

להלן נתוני הפקה בבאר מגד 5:

שנת 2011	שנת 2012	1.1-31/8/2013	
137.2	195.5	116.6	סה"כ תפוקה (המתייחס לחלק השותפות) בתקופה (באלפי חביות - MBBL)
387	388	369	מחיר ממוצע לחבית (המתייחס לחלק השותפות) (בש"ח <sup>7</sup> לחבית)
48	46	37	תמלוגים <sup>8</sup> (כל תשלום שנגזר מתפוקת הנכס המפיק לרבות מההכנסה ברוטו מנכס הנפט) ממוצעים ששולמו לחבית (המתייחסים לחלק השותפות) (בש"ח לחבית)
34	43	46	עלויות הפקה ממוצעות לחבית (המתייחסים לחלק השותפות) (בש"ח לחבית)
305	299	286	תקבולים נטו ממוצעים לחבית (המתייחסים לחלק השותפות) (בש"ח לחבית)
1.34	2.25	1.7	שיעור אזילה בתקופה המדווחת ביחס לסך כמויות הנפט במאגר (ב- %) <sup>9</sup>

אחוזי ההחזקה בחזקת ראש העין הינם כדלקמן:

השותפות-99%

1% –Millenium Quest Pty Ltd

בכבוד רב,

גבעות עולם נפט בע"מ השותף הכללי

באמצעות טוביה לוסקין, מנכ"ל ודירקטור

<sup>7</sup> החישובים בטבלה נעשו בהתבסס על שער הדולר ליום 4.10.2013 3.55 ש"ח לדולר.

<sup>8</sup> 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 לשנת 2012- 21 דולר לחבית ובתקופה 1.1-31.8/2013 17.1 דולר לחבית.

<sup>9</sup> שיעור האזילה הינו שיעור הנפט המופק בשנה מתוך הרזרבות המוכחות והצפויות בתחילת אותה שנה.

## מילון מונחים

"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.

"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)"; "בהפקה (On Production)"; "אושר לפיתוח (Approved for Development)"; "מוצדק לפיתוח (Justified for Development)"; "רזרבות בקטגוריה (1P/2P/3P) 1P/2P/3P" –

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

"פיתוח" – קידוחו וצידו 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 יפתחו 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.

November 14, 2013

Mr. Tovia Luskin  
Givot Olam Oil Ltd.  
16 Hartum Street, Har Hotzvim  
Jerusalem 9145011  
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 November 14, 2013, in public reports to be filed with the Israel Securities Authority (ISA) and the Tel Aviv Stock Exchange (TASE). This report sets forth our estimates of the proved, probable, and possible reserves and future revenue, as of September 1, 2013, 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 September 1, 2013, for these properties.

Sincerely,

**NETHERLAND, SEWELL & ASSOCIATES, INC.**

By:   
\_\_\_\_\_  
Danny D. Simmons, P.E.  
President and Chief Operating Officer

CEI:RGH

November 14, 2013

Mr. Tovia Luskin  
Givot Olam Oil Ltd.  
16 Hartum Street, Har Hotzvim  
Jerusalem 9145011  
Israel

Dear Mr. Luskin:

In accordance with your request, we have estimated the proved, probable, and possible reserves and future revenue, as of September 1, 2013, 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. Based on production performance, we have increased our estimates of reserves for Meged Field from those presented in our report dated February 21, 2013. Also as requested, we have estimated the gross (100 percent) contingent resources, as of September 1, 2013, 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 November 14, 2013, exchange rate was 3.53 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 the definitions and guidelines set forth in the 2007 Petroleum Resources Management System (PRMS) approved by the Society of Petroleum Engineers (SPE) and in accordance with internationally recognized standards, as stipulated by the Israel Securities Authority (ISA). 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. 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

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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. There is a 10 percent probability that the quantities actually recovered will equal or exceed the sum of proved plus probable plus possible reserves.

We estimate the oil reserves and future net revenue before levy and corporate income taxes, discounted at 0 and 10 percent, to the Givot LP interest in these properties, as of September 1, 2013, to be:

Category	Oil Reserves (MBBL)		Future Net Revenue Before Levy and Corporate Income Taxes (M\$)	
	Gross (100 Percent)	Working Interest	Discounted at 0%	Discounted at 10%
Proved	4,643.8	4,597.4	180,142.0	120,923.1
Probable	7,932.8	7,853.5	316,314.7	162,666.0
Proved + Probable	12,576.6	12,450.9	496,456.7	283,589.2
Possible	17,118.1	16,946.9	773,862.6	379,794.6
Proved + Probable + Possible	29,694.7	29,397.8	1,270,319.3	663,383.7

Totals may not add because of rounding.

We estimate the future net revenue after levy and corporate income taxes, discounted at 0, 5, 10, 15, and 20 percent, to the Givot LP interest in these properties, as of September 1, 2013, to be:

Category	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	134,982.7	108,790.8	90,603.0	77,355.6	67,315.5
Probable	200,964.7	145,816.8	108,790.9	82,992.6	64,477.6
Proved + Probable	335,947.4	254,607.6	199,394.0	160,348.2	131,793.1
Possible	226,413.4	156,827.3	116,797.7	91,919.4	75,427.6
Proved + Probable + Possible	562,360.8	411,434.9	316,191.6	252,267.6	207,220.7

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. The 2007 PRMS project maturity sub-class for these reserves is "on production". 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

801 acres per zone per well was used for the reserves estimates. Volumes from the additional reservoir intervals tested in the Megeed 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. Tables I through V present revenue, costs, and taxes by reserves category. Table VI presents Givot LP's historical net production and royalties, operating costs, and net revenue per production unit.

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. These 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 not escalated for inflation.

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 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 not escalated for inflation.

## CONTINGENT RESOURCES

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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. There is no certainty that it will be commercially viable to produce any portion of the contingent resources.

We estimate the gross (100 percent) contingent resources for these properties, as of September 1, 2013, to be:

Reservoir	Gross (100 Percent) Contingent Resources					
	Oil (MBBL)			Gas (MMCF)		
	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)	Low Estimate (1C)	Best Estimate (2C)	High Estimate (3C)
Zone 1 <sup>(1)</sup>	337	582	924	4,253	11,341	27,149
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 <sup>(1)</sup>	153	263	414	7,376	18,607	40,799

<sup>(1)</sup> 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 approximate probability that the quantities of contingent resources actually recovered will equal or exceed the estimated amounts is generally inferred to be 90 percent for the low estimate, 50 percent for the best estimate, and 10 percent for the high estimate. 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. Our estimates 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 volumes, 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. As requested, forecasted gross oil production by reserves



category for certain wells is shown on Tables VII through IX. 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 Table X. The contingent resources and a substantial portion of the reserves 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.

Netherland, Sewell & Associates, Inc. (NSAI) was engaged on September 2, 2013, 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 work data are on file in our office. We have not examined the contractual rights to the properties or independently confirmed the actual degree or type of interest owned. We are independent petroleum engineers, geologists, geophysicists, and petrophysicists; we do not own an interest in these properties nor are we employed on a contingent basis. Furthermore, no limitations or restrictions were placed upon NSAI by officials of Givot LP.

## QUALIFICATIONS

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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 evaluation has been led by Mr. Richard B. Talley, Jr. and Mr. Shane M. Howell. Mr. Talley and Mr. Howell are Vice Presidents in the firm's Houston office at 1221 Lamar Street, Suite 1200, Houston, Texas 77010, USA. Mr. Talley is a Licensed Professional Engineer (Texas Registration No. 102425). He has been practicing petroleum engineering consulting at NSAI since 2004 and has over 5 years prior industry experience. Mr. Howell

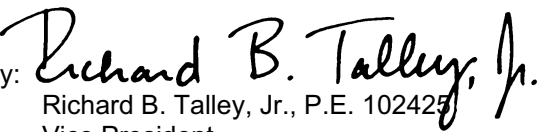
is a Licensed Professional Geoscientist (Texas Registration No. 11276). He has been practicing petroleum geoscience consulting at NSAI since 2005 and has over 7 years prior industry experience.

Sincerely,

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

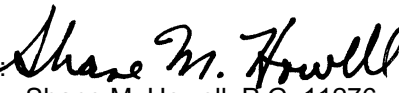
By: 

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

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

Date Signed: November 14, 2013

CEI:RGH

By:   
Shane M. Howell, P.G. 11276  
Vice President

Date Signed: November 14, 2013

## 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

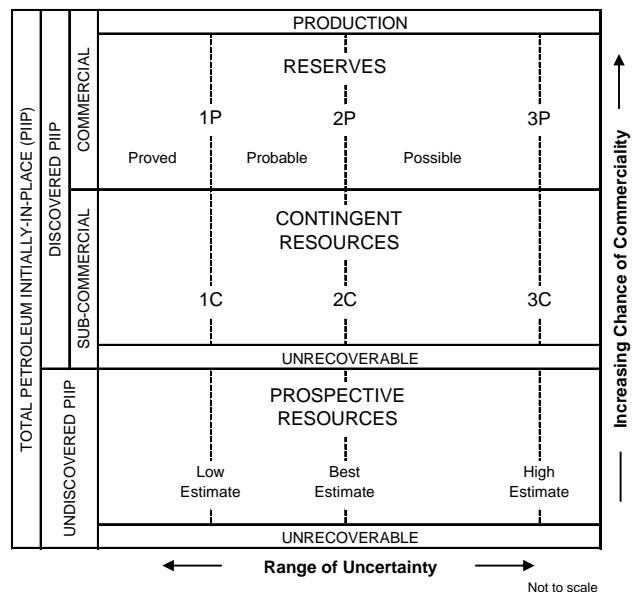


Figure 1-1: Resources Classification Framework.

## PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS

Excerpted from the Petroleum Resources Management System Approved by  
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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

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

### 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:

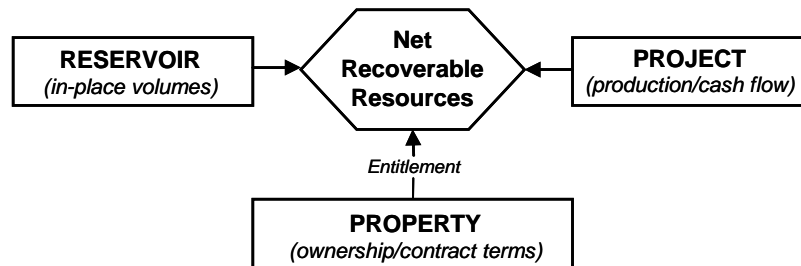


Figure 1-2: Resources Evaluation Data Sources.

- 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

## PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS

Excerpted from the Petroleum Resources Management System Approved by  
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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.

## PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS

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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
<b>Reserves</b>	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.	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>
On Production	The development project is currently producing and selling petroleum to market.	<p>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%.</p> <p>The project "decision gate" is the decision to initiate commercial production from the project.</p>



**PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS**

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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.	<p>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.</p> <p>The project "decision gate" is the decision to start investing capital in the construction of production facilities and/or drilling development wells.</p>
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.	<p>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).</p> <p>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.</p>
<b>Contingent Resources</b>	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.	<p>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.</p> <p>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.</p>
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.	<p>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.</p> <p>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.</p>

**PETROLEUM RESERVES AND RESOURCES CLASSIFICATION AND DEFINITIONS**

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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.
<b>Prospective Resources</b>	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
<b>Developed Reserves</b>	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
<b>Undeveloped Reserves</b>	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
<b>Proved Reserves</b>	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.	<p>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.</p> <p>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.</p> <p>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).</p> <p>Reserves in undeveloped locations may be classified as Proved provided that:</p> <ul style="list-style-type: none"> <li>• The locations are in undrilled areas of the reservoir that can be judged with reasonable certainty to be commercially productive.</li> <li>• Interpretations of available geoscience and engineering data indicate with reasonable certainty that the objective formation is laterally continuous with drilled Proved locations.</li> </ul> <p>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.</p>
<b>Probable Reserves</b>	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.	<p>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.</p> <p>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.</p> <p>Probable estimates also include incremental recoveries associated with project recovery efficiencies beyond that assumed for Proved.</p>

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Category	Definition	Guidelines
<b>Possible Reserves</b>	Possible Reserves are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves.	<p>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.</p> <p>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.</p> <p>Possible estimates also include incremental quantities associated with project recovery efficiencies beyond that assumed for Probable.</p>
<b>Probable and Possible Reserves</b>	(See above for separate criteria for Probable Reserves and Possible Reserves.)	<p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>

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

REVENUE, COSTS, AND TAXES  
TOTAL PROVED RESERVES  
MEGED FIELD, ISRAEL  
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)  
AS OF SEPTEMBER 1, 2013

Period Ending	Active Well Count	Working Interest Revenue <sup>(1)</sup> (M\$)	Royalties				Net Capital Costs (M\$)	Net Abandonment Costs (M\$)	Net Operating Expenses <sup>(2)</sup> (M\$)	Future Net Revenue Before Levy and Corporate Income Taxes Discounted at 0% (M\$)	Future Net Revenue Before Levy and Corporate Income Taxes Discounted at 10% (M\$)
			State (M\$)	Interested Party (M\$)	Third Party (M\$)	Total (M\$)					
12-31-2013	1	5,424.4	678.1	0.0	0.0	678.1	7,920.0	0.0	1,079.8	(4,253.4)	(4,186.4)
12-31-2014	2	52,391.3	6,548.9	0.0	0.0	6,548.9	23,760.0	0.0	9,158.9	12,923.4	11,936.7
12-31-2015	3	97,179.3	12,147.4	191.0	0.0	12,338.5	0.0	0.0	13,464.3	71,376.6	59,933.4
12-31-2016	3	72,936.7	9,117.1	53,264.5	0.0	62,381.5	0.0	0.0	10,555.2	0.0	0.0
12-31-2017	3	51,814.5	6,476.8	12,942.1	0.0	19,418.9	0.0	0.0	8,020.5	24,375.1	16,915.1
12-31-2018	3	37,059.0	4,632.4	7,578.6	0.0	12,210.9	0.0	0.0	6,249.9	18,598.2	11,732.9
12-31-2019	3	26,700.3	3,337.5	5,460.2	0.0	8,797.8	0.0	0.0	5,006.8	12,895.7	7,395.9
12-31-2020	3	19,241.7	2,405.2	3,934.9	0.0	6,340.1	0.0	0.0	4,111.8	8,789.7	4,582.8
12-31-2021	3	12,692.4	1,586.6	2,595.6	0.0	4,182.1	0.0	0.0	3,325.9	5,184.4	2,457.3
12-31-2022	3	7,614.5	951.8	1,557.2	0.0	2,509.0	0.0	0.0	2,716.5	2,389.0	1,029.4
12-31-2023	3	4,988.1	623.5	1,020.1	0.0	1,643.6	0.0	0.0	2,401.4	943.1	369.4
12-31-2024	3	25,755.7	3,219.5	5,267.0	0.0	8,486.5	247.5	495.0	4,893.5	11,633.2	4,142.7
12-31-2025	2	17,275.8	2,159.5	3,532.9	0.0	5,692.4	0.0	495.0	3,875.9	7,212.6	2,334.9
12-31-2026	1	11,692.3	1,461.5	2,391.1	0.0	3,852.6	0.0	0.0	3,205.9	4,633.8	1,363.7
12-31-2027	1	7,928.0	991.0	1,621.3	0.0	2,612.3	0.0	0.0	2,754.2	2,561.6	685.3
12-31-2028	1	5,384.0	673.0	1,101.0	0.0	1,774.0	0.0	0.0	2,448.9	1,161.1	282.4
12-31-2029	1	3,661.4	457.7	748.8	0.0	1,206.4	0.0	0.0	2,242.2	212.8	47.1
12-31-2030	0	0.0	0.0	0.0	0.0	0.0	0.0	495.0	0.0	(495.0)	(99.5)
Total		459,739.5	57,467.4	103,206.2	0.0	160,673.6	31,927.5	1,485.0	85,511.4	180,142.0	120,923.1

Period Ending	Levy Rate (%)	Levy <sup>(3)</sup> (M\$)	Future Net Revenue After Levy and Before Corporate Income Taxes Discounted at 0% (M\$)	Corporate Income Tax Rate <sup>(4)</sup> (%)	Corporate Income Tax <sup>(4)</sup> (M\$)	Future Net Revenue After Levy and Corporate Income Taxes				
						Discounted at 0% (M\$)	Discounted at 5% (M\$)	Discounted at 10% (M\$)	Discounted at 15% (M\$)	Discounted at 20% (M\$)
12-31-2013	0.0	0.0	(4,253.4)	25.0	0.0	(4,253.4)	(4,219.0)	(4,186.4)	(4,155.5)	(4,126.1)
12-31-2014	0.0	0.0	12,923.4	25.0	2,167.5	10,755.9	10,327.4	9,934.7	9,573.4	9,239.8
12-31-2015	0.0	0.0	71,376.6	25.0	17,844.1	53,532.4	48,951.9	44,950.1	41,432.2	38,322.3
12-31-2016	0.0	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
12-31-2017	0.0	0.0	24,375.1	25.0	6,093.8	18,281.3	15,162.9	12,686.3	10,698.8	9,088.2
12-31-2018	0.0	0.0	18,598.2	25.0	4,649.5	13,948.6	11,018.3	8,799.7	7,098.4	5,778.6
12-31-2019	0.0	0.0	12,895.7	25.0	3,223.9	9,671.8	7,276.2	5,546.9	4,279.9	3,339.0
12-31-2020	0.0	0.0	8,789.7	25.0	2,197.4	6,592.3	4,723.3	3,437.1	2,536.7	1,896.6
12-31-2021	0.0	0.0	5,184.4	25.0	1,296.1	3,888.3	2,653.2	1,843.0	1,301.0	932.2
12-31-2022	0.0	0.0	2,389.0	25.0	597.2	1,791.7	1,164.4	772.0	521.3	358.0
12-31-2023	0.0	0.0	943.1	25.0	235.8	707.4	437.8	277.1	179.0	117.8
12-31-2024	0.0	0.0	11,633.2	25.0	2,908.3	8,724.9	5,142.9	3,107.0	1,919.6	1,210.5
12-31-2025	0.0	0.0	7,212.6	25.0	1,803.1	5,409.4	3,036.8	1,751.2	1,034.9	625.4
12-31-2026	0.0	0.0	4,633.8	25.0	1,158.5	3,475.4	1,858.1	1,022.8	578.2	334.8
12-31-2027	0.0	0.0	2,561.6	25.0	640.4	1,921.2	978.3	514.0	277.9	154.3
12-31-2028	0.0	0.0	1,161.1	25.0	290.3	870.8	422.3	211.8	109.5	58.3
12-31-2029	0.0	0.0	212.8	25.0	53.2	159.6	73.7	35.3	17.5	8.9
12-31-2030	0.0	0.0	(495.0)	25.0	0.0	(495.0)	(217.7)	(99.5)	(47.1)	(23.0)
Total		0.0	180,142.0		45,159.2	134,982.7	108,790.8	90,603.0	77,355.6	67,315.5

<sup>(1)</sup> For the purposes of the model, we have not attributed any part of the revenues to services.

<sup>(2)</sup> 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.

<sup>(3)</sup> The estimates of the oil levy are provided by Givot Olam Oil Exploration Limited Partnership (1993).

<sup>(4)</sup> 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.

REVENUE, COSTS, AND TAXES  
PROBABLE RESERVES  
MEGED FIELD, ISRAEL  
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)  
AS OF SEPTEMBER 1, 2013

Period Ending	Working Interest Revenue <sup>(1)</sup> (M\$)	Royalties				Net Capital Costs (M\$)	Net Abandonment Costs (M\$)	Net Operating Expenses <sup>(2)</sup> (M\$)	Future Net Revenue Before Levy and Corporate Income Taxes Discounted at 0% (M\$)	Future Net Revenue Before Levy and Corporate Income Taxes Discounted at 10% (M\$)
		State (M\$)	Partly Interested (M\$)	Third Party (M\$)	Total (M\$)					
12-31-2013	99.9	12.5	0.0	0.0	12.5	0.0	0.0	6.4	81.0	79.7
12-31-2014	16,883.0	2,110.4	0.0	0.0	2,110.4	9,900.0	0.0	2,471.5	2,401.2	2,217.8
12-31-2015	39,722.2	4,965.3	(191.0)	0.0	4,774.2	39,600.0	0.0	6,548.7	(11,200.7)	(9,405.0)
12-31-2016	64,394.8	8,049.4	(1,563.4)	0.0	6,485.9	39,600.0	0.0	9,509.4	8,799.5	6,717.0
12-31-2017	108,841.0	13,605.1	48,777.4	0.0	62,382.5	9,900.0	0.0	13,506.4	23,052.1	15,997.0
12-31-2018	140,085.3	17,510.7	28,647.4	0.0	46,158.1	0.0	0.0	16,810.2	77,117.0	48,650.3
12-31-2019	103,272.7	12,909.1	21,119.3	0.0	34,028.4	0.0	0.0	12,392.7	56,851.6	32,605.1
12-31-2020	76,433.4	9,554.2	15,630.6	0.0	25,184.8	0.0	0.0	9,172.0	42,076.6	21,937.7
12-31-2021	57,989.6	7,248.7	11,858.9	0.0	19,107.6	0.0	0.0	6,958.7	31,923.3	15,130.9
12-31-2022	44,811.7	5,601.5	9,164.0	0.0	14,765.5	0.0	0.0	5,377.4	24,668.9	10,629.5
12-31-2023	34,070.5	4,258.8	6,967.4	0.0	11,226.2	0.0	0.0	4,088.5	18,755.8	7,347.0
12-31-2024	1,592.1	199.0	325.6	0.0	524.6	(247.5)	(495.0)	191.0	1,618.9	576.5
12-31-2025	(1,579.0)	(197.4)	(322.9)	0.0	(520.3)	0.0	0.0	(189.5)	(869.3)	(281.4)
12-31-2026	26,962.4	3,370.3	5,513.8	0.0	8,884.1	247.5	990.0	3,235.5	13,605.3	4,004.1
12-31-2027	18,212.9	2,276.6	3,724.5	0.0	6,001.1	0.0	1,485.0	2,185.5	8,541.2	2,285.2
12-31-2028	13,382.7	1,672.8	2,736.8	0.0	4,409.6	0.0	495.0	1,605.9	6,872.2	1,671.5
12-31-2029	9,875.8	1,234.5	2,019.6	0.0	3,254.1	0.0	0.0	1,185.1	5,436.7	1,202.1
12-31-2030	9,775.4	1,221.9	1,999.1	0.0	3,221.0	0.0	(495.0)	2,975.8	4,073.5	818.8
12-31-2031	7,066.4	883.3	1,445.1	0.0	2,328.4	0.0	0.0	2,650.8	2,087.3	381.4
12-31-2032	5,113.4	639.2	1,045.7	0.0	1,684.9	0.0	0.0	2,416.4	1,012.2	168.1
12-31-2033	3,704.0	463.0	757.5	0.0	1,220.5	0.0	0.0	2,247.3	236.3	35.7
12-31-2034	2,685.9	335.7	225.0	0.0	560.8	0.0	0.0	2,125.1	0.0	0.0
12-31-2035	1,949.8	243.7	0.0	0.0	243.7	0.0	495.0	2,036.8	(825.7)	(103.1)
Total	785,345.9	98,168.2	159,880.3	0.0	258,048.5	99,000.0	2,475.0	109,507.7	316,314.7	162,666.0

Period Ending	Levy <sup>(3)</sup> (M\$)	Future Net Revenue After Levy and Before Corporate Income Taxes Discounted at 0% (M\$)	Corporate Income Tax Rate <sup>(4)</sup> (%)	Corporate Income Tax <sup>(4)</sup> (M\$)	Future Net Revenue After Levy and Corporate Income Taxes				
					Discounted at 0% (M\$)	Discounted at 5% (M\$)	Discounted at 10% (M\$)	Discounted at 15% (M\$)	Discounted at 20% (M\$)
12-31-2013	0.0	81.0	25.0	0.0	81.0	80.4	79.7	79.1	78.6
12-31-2014	0.0	2,401.2	25.0	620.5	1,780.6	1,709.7	1,644.7	1,584.9	1,529.6
12-31-2015	0.0	(11,200.7)	25.0	(2,800.2)	(8,400.5)	(7,681.7)	(7,053.7)	(6,501.7)	(6,013.7)
12-31-2016	0.0	8,799.5	25.0	2,199.9	6,599.6	5,747.5	5,037.8	4,441.6	3,937.1
12-31-2017	0.0	23,052.1	25.0	5,763.0	17,289.1	14,339.9	11,997.7	10,118.0	8,594.9
12-31-2018	0.0	77,117.0	25.0	19,279.2	57,837.7	45,687.4	36,487.7	29,433.3	23,960.8
12-31-2019	0.0	56,851.6	25.0	14,212.9	42,638.7	32,077.5	24,453.8	18,868.3	14,720.2
12-31-2020	2,628.9	39,447.7	25.0	9,861.9	29,585.8	21,197.7	15,425.3	11,384.5	8,511.6
12-31-2021	8,800.2	23,123.1	25.0	5,780.8	17,342.3	11,833.8	8,219.8	5,802.8	4,157.7
12-31-2022	7,329.5	17,339.4	25.0	4,334.9	13,004.6	8,451.3	5,603.5	3,783.8	2,598.1
12-31-2023	5,718.4	13,037.4	25.0	3,259.4	9,778.1	6,051.9	3,830.2	2,474.0	1,627.9
12-31-2024	4,011.6	(2,392.7)	25.0	(598.2)	(1,794.5)	(1,057.8)	(639.0)	(394.8)	(249.0)
12-31-2025	2,113.8	(2,983.1)	25.0	(745.8)	(2,237.3)	(1,256.0)	(724.3)	(428.0)	(258.7)
12-31-2026	6,276.7	7,328.6	25.0	1,832.1	5,496.4	2,938.7	1,617.6	914.4	529.6
12-31-2027	4,230.1	4,311.1	25.0	1,077.8	3,233.3	1,646.4	865.1	467.7	259.6
12-31-2028	2,919.4	3,952.8	25.0	988.2	2,964.6	1,437.7	721.1	372.9	198.4
12-31-2029	1,957.5	3,479.2	25.0	869.8	2,609.4	1,205.1	577.0	285.4	145.5
12-31-2030	1,249.4	2,824.1	25.0	582.3	2,241.8	986.1	450.6	213.2	104.2
12-31-2031	732.1	1,355.2	25.0	338.8	1,016.4	425.8	185.7	84.1	39.4
12-31-2032	355.9	656.3	25.0	164.1	492.2	196.4	81.8	35.4	15.9
12-31-2033	83.2	153.1	25.0	38.3	114.8	43.6	17.3	7.2	3.1
12-31-2034	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
12-31-2035	(116.4)	(709.3)	25.0	0.0	(709.3)	(244.5)	(88.5)	(33.5)	(13.2)
Total	48,290.3	268,024.4		67,059.7	200,964.7	145,816.8	108,790.9	82,992.6	64,477.6

(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) The estimates of the oil levy are provided by Givot Olam Oil Exploration Limited Partnership (1993).

(4) 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.

REVENUE, COSTS, AND TAXES  
PROVED + PROBABLE RESERVES  
MEGED FIELD, ISRAEL  
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)  
AS OF SEPTEMBER 1, 2013

Period Ending	Active Well Count	Working Interest Revenue <sup>(1)</sup> (M\$)	Royalties				Net Capital Costs (M\$)	Net Abandonment Costs (M\$)	Net Operating Expenses <sup>(2)</sup> (M\$)	Future Net Revenue Before Levy and Corporate Income Taxes Discounted at 0% (M\$)	Future Net Revenue Before Levy and Corporate Income Taxes Discounted at 10% (M\$)
			State (M\$)	Interested Party (M\$)	Third Party (M\$)	Total (M\$)					
12-31-2013	1	5,524.3	690.5	0.0	0.0	690.5	7,920.0	0.0	1,086.2	(4,172.4)	(4,106.6)
12-31-2014	2	69,274.3	8,659.3	0.0	0.0	8,659.3	33,660.0	0.0	11,630.4	15,324.6	14,154.5
12-31-2015	3	136,901.6	17,112.7	0.0	0.0	17,112.7	39,600.0	0.0	20,013.0	60,175.9	50,528.5
12-31-2016	4	137,331.6	17,166.4	51,701.0	0.0	68,867.5	39,600.0	0.0	20,064.6	8,799.5	6,717.0
12-31-2017	6	160,655.5	20,081.9	61,719.4	0.0	81,801.4	9,900.0	0.0	21,527.0	47,427.2	32,912.1
12-31-2018	8	177,144.3	22,143.0	36,226.0	0.0	58,369.0	0.0	0.0	23,060.1	95,715.1	60,383.2
12-31-2019	8	129,973.0	16,246.6	26,579.5	0.0	42,826.1	0.0	0.0	17,399.6	69,747.4	40,001.0
12-31-2020	8	95,675.1	11,959.4	19,565.6	0.0	31,524.9	0.0	0.0	13,283.8	50,866.3	26,520.4
12-31-2021	8	70,682.0	8,835.2	14,454.5	0.0	23,289.7	0.0	0.0	10,284.6	37,107.6	17,588.2
12-31-2022	8	52,426.2	6,553.3	10,721.2	0.0	17,274.4	0.0	0.0	8,093.9	27,057.8	11,658.9
12-31-2023	8	39,058.6	4,882.3	7,987.5	0.0	12,869.8	0.0	0.0	6,489.8	19,699.0	7,716.4
12-31-2024	8	27,347.7	3,418.5	5,592.6	0.0	9,011.1	0.0	0.0	5,084.5	13,252.1	4,719.2
12-31-2025	7	15,696.8	1,962.1	3,210.0	0.0	5,172.1	0.0	495.0	3,686.4	6,343.3	2,053.5
12-31-2026	5	38,654.7	4,831.8	7,904.9	0.0	12,736.7	247.5	990.0	6,441.4	18,239.1	5,367.8
12-31-2027	2	26,140.9	3,267.6	5,345.8	0.0	8,613.4	0.0	1,485.0	4,939.7	11,102.8	2,970.5
12-31-2028	1	18,766.7	2,345.8	3,837.8	0.0	6,183.6	0.0	495.0	4,054.8	8,033.3	1,953.9
12-31-2029	1	13,537.3	1,692.2	2,768.4	0.0	4,460.5	0.0	0.0	3,427.3	5,649.5	1,249.2
12-31-2030	1	9,775.4	1,221.9	1,999.1	0.0	3,221.0	0.0	0.0	2,975.8	3,578.5	719.3
12-31-2031	1	7,066.4	883.3	1,445.1	0.0	2,328.4	0.0	0.0	2,650.8	2,087.3	381.4
12-31-2032	1	5,113.4	639.2	1,045.7	0.0	1,684.9	0.0	0.0	2,416.4	1,012.2	168.1
12-31-2033	1	3,704.0	463.0	757.5	0.0	1,220.5	0.0	0.0	2,247.3	236.3	35.7
12-31-2034	1	2,685.9	335.7	225.0	0.0	560.8	0.0	0.0	2,125.1	0.0	0.0
12-31-2035	1	1,949.8	243.7	0.0	0.0	243.7	0.0	495.0	2,036.8	(825.7)	(103.1)
Total		1,245,085.4	155,635.7	263,086.4	0.0	418,722.1	130,927.5	3,960.0	195,019.1	496,456.7	283,589.2

Period Ending	Levy Rate (%)	Levy <sup>(3)</sup> (M\$)	Future Net Revenue After Levy and Before Corporate Income Taxes		Future Net Revenue After Levy and Corporate Income Taxes					
			Discounted at 0% (M\$)	Corporate Income Tax Rate <sup>(4)</sup> (%)	Discounted at 0% (M\$)	Discounted at 5% (M\$)	Discounted at 10% (M\$)	Discounted at 15% (M\$)	Discounted at 20% (M\$)	
12-31-2013	0.0	0.0	(4,172.4)	25.0	0.0	(4,172.4)	(4,138.6)	(4,106.6)	(4,076.3)	(4,047.5)
12-31-2014	0.0	0.0	15,324.6	25.0	2,788.1	12,536.5	12,037.1	11,579.3	11,158.3	10,769.4
12-31-2015	0.0	0.0	60,175.9	25.0	15,044.0	45,131.9	41,270.2	37,896.3	34,930.5	32,308.6
12-31-2016	0.0	0.0	8,799.5	25.0	2,199.9	6,599.6	5,747.5	5,037.8	4,441.6	3,937.1
12-31-2017	0.0	0.0	47,427.2	25.0	11,856.8	35,570.4	29,502.8	24,684.1	20,816.8	17,683.2
12-31-2018	0.0	0.0	95,715.1	25.0	23,928.8	71,786.3	56,705.7	45,287.4	36,531.6	29,739.4
12-31-2019	0.0	0.0	69,747.4	25.0	17,436.8	52,310.5	39,353.6	30,000.7	23,148.3	18,059.2
12-31-2020	5.2	2,628.9	48,237.5	25.0	12,059.4	36,178.1	25,921.0	18,862.3	13,921.2	10,408.2
12-31-2021	23.7	8,800.2	28,307.4	25.0	7,076.9	21,230.6	14,487.0	10,062.8	7,103.9	5,089.9
12-31-2022	27.1	7,329.5	19,728.4	25.0	4,932.1	14,796.3	9,615.7	6,375.5	4,305.1	2,956.1
12-31-2023	29.0	5,718.4	13,980.6	25.0	3,495.1	10,485.4	6,489.7	4,107.3	2,652.9	1,745.7
12-31-2024	30.3	4,011.6	9,240.5	25.0	2,310.1	6,930.4	4,085.1	2,468.0	1,524.7	961.5
12-31-2025	30.9	2,113.8	4,229.4	25.0	1,057.4	3,172.1	1,780.8	1,026.9	606.9	366.7
12-31-2026	32.2	6,276.7	11,962.4	25.0	2,990.6	8,971.8	4,796.8	2,640.4	1,492.5	864.4
12-31-2027	33.6	4,230.1	6,872.6	25.0	1,718.2	5,154.5	2,624.6	1,379.1	745.6	413.9
12-31-2028	34.2	2,919.4	5,113.9	25.0	1,278.5	3,835.5	1,860.0	932.9	482.5	256.6
12-31-2029	34.6	1,957.5	3,692.0	25.0	923.0	2,769.0	1,278.9	612.3	302.9	154.4
12-31-2030	34.9	1,249.4	2,329.1	25.0	582.3	1,746.8	768.4	351.1	166.2	81.2
12-31-2031	35.1	732.1	1,355.2	25.0	338.8	1,016.4	425.8	185.7	84.1	39.4
12-31-2032	35.2	355.9	656.3	25.0	164.1	492.2	196.4	81.8	35.4	15.9
12-31-2033	35.2	83.2	153.1	25.0	38.3	114.8	43.6	17.3	7.2	3.1
12-31-2034	35.2	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
12-31-2035	35.2	(116.4)	(709.3)	25.0	0.0	(709.3)	(244.5)	(88.5)	(33.5)	(13.2)
Total		48,290.3	448,166.4		112,218.9	335,947.4	254,607.6	199,394.0	160,348.2	131,793.1

<sup>(1)</sup> For the purposes of the model, we have not attributed any part of the revenues to services.

<sup>(2)</sup> 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.

<sup>(3)</sup> The estimates of the oil levy are provided by Givot Olam Oil Exploration Limited Partnership (1993).

<sup>(4)</sup> 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.

REVENUE, COSTS, AND TAXES  
POSSIBLE RESERVES  
MEGED FIELD, ISRAEL  
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)  
AS OF SEPTEMBER 1, 2013

Period Ending	Working Interest Revenue <sup>(1)</sup> (M\$)	Royalties			Net Capital Costs (M\$)	Net Abandonment Costs (M\$)	Net Operating Expenses <sup>(2)</sup> (M\$)	Future Net Revenue Before Levy and Corporate Income Taxes	Future Net Revenue Before Levy and Corporate Income Taxes
		State (M\$)	Interested Party (M\$)	Third Party (M\$)				Discounted at 0% (M\$)	Discounted at 10% (M\$)
12-31-2013	63.9	8.0	0.0	0.0	8.0	0.0	4.1	51.8	51.0
12-31-2014	23,489.2	2,936.1	0.0	0.0	2,936.1	(9,900.0)	0.0	2,373.2	28,079.8
12-31-2015	71,569.8	8,946.2	107,800.6	0.0	116,746.8	(33,000.0)	0.0	7,103.4	(19,280.3)
12-31-2016	107,034.1	13,379.3	(37,594.1)	0.0	(24,214.8)	13,200.0	0.0	13,438.1	104,610.9
12-31-2017	104,791.4	13,098.9	(7,435.5)	0.0	5,663.4	29,700.0	0.0	13,911.5	55,516.6
12-31-2018	110,058.4	13,757.3	22,507.0	0.0	36,264.3	39,600.0	0.0	14,989.0	19,205.2
12-31-2019	174,699.9	21,837.5	35,726.1	0.0	57,563.6	39,600.0	0.0	22,746.0	54,790.3
12-31-2020	219,783.5	27,472.9	44,945.7	0.0	72,418.7	39,600.0	0.0	28,156.0	79,608.8
12-31-2021	232,120.2	29,015.0	47,468.6	0.0	76,483.6	19,800.0	0.0	28,745.4	107,091.2
12-31-2022	171,664.0	21,458.0	35,105.3	0.0	56,563.3	0.0	0.0	20,599.7	94,501.0
12-31-2023	124,384.2	15,548.0	25,436.6	0.0	40,984.6	0.0	0.0	14,926.1	68,473.5
12-31-2024	92,148.3	11,518.5	18,844.3	0.0	30,362.9	0.0	0.0	11,057.8	50,727.6
12-31-2025	70,785.3	8,848.2	14,475.6	0.0	23,323.8	0.0	(495.0)	8,494.2	39,462.3
12-31-2026	20,990.5	2,623.8	4,292.6	0.0	6,916.4	(247.5)	(495.0)	2,518.9	12,297.8
12-31-2027	10,751.3	1,343.9	2,198.6	0.0	3,542.5	0.0	(495.0)	1,290.2	6,413.6
12-31-2028	1,352.1	169.0	276.5	0.0	445.5	0.0	495.0	162.3	249.3
12-31-2029	(3,321.4)	(415.2)	(679.2)	0.0	(1,094.4)	0.0	1,485.0	(398.6)	(3,313.4)
12-31-2030	42,713.5	5,339.2	8,734.9	0.0	14,074.1	247.5	1,485.0	5,136.8	21,770.2
12-31-2031	30,781.1	3,847.6	6,294.7	0.0	10,142.4	0.0	990.0	3,693.7	15,955.0
12-31-2032	22,804.8	2,850.6	4,663.6	0.0	7,514.2	0.0	495.0	2,736.6	12,059.1
12-31-2033	16,937.7	2,117.2	3,463.8	0.0	5,581.0	0.0	0.0	2,032.5	9,324.2
12-31-2034	12,589.8	1,573.7	2,898.8	0.0	4,472.6	0.0	0.0	1,510.8	6,606.5
12-31-2035	9,365.3	1,170.7	2,313.9	0.0	3,484.6	0.0	(495.0)	1,123.8	5,251.9
12-31-2036	8,388.7	1,048.6	1,715.5	0.0	2,764.1	0.0	0.0	2,809.4	2,815.2
12-31-2037	6,224.5	778.1	1,272.9	0.0	2,051.0	0.0	0.0	2,549.7	1,623.8
12-31-2038	4,623.1	577.9	945.4	0.0	1,523.3	0.0	0.0	2,357.6	742.2
12-31-2039	3,436.6	429.6	702.8	0.0	1,132.4	0.0	0.0	2,215.2	89.1
12-31-2040	2,556.7	319.6	127.5	0.0	447.1	0.0	0.0	2,109.6	0.0
12-31-2041	1,904.0	238.0	0.0	0.0	238.0	0.0	495.0	2,031.3	(860.3)
Total	1,694,690.6	211,836.3	346,502.5	0.0	558,338.8	138,600.0	3,465.0	220,424.2	773,862.6

Period Ending	Levy <sup>(3)</sup> (M\$)	Future Net Revenue After Levy and Before Corporate Income Taxes Discounted at 0% (M\$)	Corporate Income Tax Rate <sup>(4)</sup> (%)	Corporate Income Tax <sup>(4)</sup> (M\$)	Future Net Revenue After Levy and Corporate Income Taxes				
					Discounted at 0% (M\$)	Discounted at 5% (M\$)	Discounted at 10% (M\$)	Discounted at 15% (M\$)	Discounted at 20% (M\$)
12-31-2013	0.0	51.8	25.0	0.0	51.8	51.4	51.0	50.6	50.2
12-31-2014	0.0	28,079.8	25.0	7,032.9	21,046.9	20,208.4	19,439.9	18,733.0	18,080.2
12-31-2015	0.0	(19,280.3)	25.0	(4,820.1)	(14,460.3)	(13,223.0)	(12,142.0)	(11,191.7)	(10,351.7)
12-31-2016	0.0	104,610.9	25.0	26,152.7	78,458.1	68,328.5	59,890.6	52,803.3	46,804.9
12-31-2017	15,647.7	39,868.9	25.0	9,967.2	29,901.7	24,801.0	20,750.3	17,499.3	14,865.1
12-31-2018	65,113.0	(45,907.8)	25.0	(11,477.0)	(34,430.9)	(27,197.7)	(21,721.2)	(17,521.6)	(14,263.9)
12-31-2019	74,715.5	(19,925.2)	25.0	(4,981.3)	(14,943.9)	(11,242.4)	(8,570.5)	(6,612.9)	(5,159.1)
12-31-2020	74,789.3	4,819.5	25.0	1,204.9	3,614.6	2,589.8	1,884.6	1,390.9	1,039.9
12-31-2021	65,852.1	41,239.1	25.0	10,309.8	30,929.3	21,105.1	14,659.8	10,349.1	7,415.1
12-31-2022	48,004.1	46,496.9	25.0	11,624.2	34,872.7	22,662.8	15,026.2	10,146.6	6,967.1
12-31-2023	34,417.7	34,055.8	25.0	8,513.9	25,541.8	15,808.5	10,005.2	6,462.3	4,252.4
12-31-2024	25,112.0	25,615.7	25.0	6,403.9	19,211.8	11,324.4	6,841.4	4,226.8	2,665.4
12-31-2025	18,736.9	20,725.4	25.0	5,181.4	15,544.1	8,726.2	5,032.1	2,973.8	1,797.2
12-31-2026	7,849.0	4,448.8	25.0	1,112.2	3,336.6	1,783.9	982.0	555.1	321.5
12-31-2027	4,194.0	2,219.6	25.0	554.9	1,664.7	847.7	445.4	240.8	133.7
12-31-2028	1,301.5	(1,052.2)	25.0	(263.1)	(789.2)	(382.7)	(191.9)	(99.3)	(52.8)
12-31-2029	(218.1)	(3,095.3)	25.0	(773.8)	(2,321.5)	(1,072.2)	(513.3)	(253.9)	(129.4)
12-31-2030	11,077.9	10,692.2	25.0	2,673.1	8,019.2	3,527.3	1,612.0	762.7	372.6
12-31-2031	7,931.4	8,023.6	25.0	2,005.9	6,017.7	2,520.9	1,099.7	497.7	233.0
12-31-2032	5,819.4	6,239.6	25.0	1,559.9	4,679.7	1,867.0	777.4	336.6	151.0
12-31-2033	4,268.8	5,055.5	25.0	1,263.9	3,791.6	1,440.7	572.6	237.1	102.0
12-31-2034	3,007.3	3,599.2	25.0	899.8	2,699.4	976.8	370.6	146.8	60.5
12-31-2035	2,131.1	3,120.7	25.0	602.8	2,517.9	867.8	314.3	119.1	47.0
12-31-2036	1,281.5	1,533.7	25.0	383.4	1,150.3	377.6	130.5	47.3	17.9
12-31-2037	739.2	884.7	25.0	221.2	663.5	207.4	68.4	23.7	8.6
12-31-2038	337.9	404.4	25.0	101.1	303.3	90.3	28.4	9.4	3.3
12-31-2039	40.5	48.5	25.0	12.1	36.4	10.3	3.1	1.0	0.3
12-31-2040	0.0	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0
12-31-2041	(166.3)	(694.0)	25.0	0.0	(694.0)	(178.5)	(48.9)	(14.2)	(4.3)
Total	471,983.2	301,879.4		75,466.0	226,413.4	156,827.3	116,797.7	91,919.4	75,427.6

(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) The estimates of the oil levy are provided by Givot Olam Oil Exploration Limited Partnership (1993).

(4) 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.



REVENUE, COSTS, AND TAXES  
PROVED + PROBABLE + POSSIBLE RESERVES  
MEGED FIELD, ISRAEL  
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)  
AS OF SEPTEMBER 1, 2013

Period Ending	Active Well Count	Working Interest Revenue <sup>(1)</sup> (M\$)	Royalties				Net Capital Costs (M\$)	Net Abandonment Costs (M\$)	Net Operating Expenses <sup>(2)</sup> (M\$)	Future Net Revenue Before Levy and Corporate Income Taxes Discounted at 0% (M\$)	Future Net Revenue Before Levy and Corporate Income Taxes Discounted at 10% (M\$)
			State (M\$)	Party Interested (M\$)	Third Party (M\$)	Total (M\$)					
12-31-2013	1	5,588.2	698.5	0.0	0.0	698.5	7,920.0	0.0	1,090.2	(4,120.6)	(4,055.7)
12-31-2014	2	92,763.5	11,595.4	0.0	0.0	11,595.4	23,760.0	0.0	14,003.6	43,404.4	40,090.4
12-31-2015	4	208,471.4	26,058.9	107,800.6	0.0	133,859.5	6,600.0	0.0	27,116.4	40,895.6	34,339.2
12-31-2016	6	244,365.7	30,545.7	14,107.0	0.0	44,652.7	52,800.0	0.0	33,502.7	113,410.3	86,571.2
12-31-2017	8	265,447.0	33,180.9	54,283.9	0.0	87,464.8	39,600.0	0.0	35,438.4	102,943.8	71,437.8
12-31-2018	10	287,202.7	35,900.3	58,733.0	0.0	94,633.3	39,600.0	0.0	38,049.1	114,920.3	72,499.0
12-31-2019	12	304,673.0	38,084.1	62,305.6	0.0	100,389.7	39,600.0	0.0	40,145.5	124,537.7	71,423.9
12-31-2020	14	315,458.6	39,432.3	64,511.3	0.0	103,943.6	39,600.0	0.0	41,439.8	130,475.2	68,026.4
12-31-2021	15	302,802.2	37,850.3	61,923.0	0.0	99,773.3	19,800.0	0.0	39,030.1	144,198.8	68,346.9
12-31-2022	15	224,090.2	28,011.3	45,826.4	0.0	73,837.7	0.0	0.0	28,693.6	121,558.8	52,378.3
12-31-2023	15	163,442.7	20,430.3	33,424.0	0.0	53,854.4	0.0	0.0	21,415.9	88,172.4	34,538.6
12-31-2024	15	119,496.0	14,937.0	24,436.9	0.0	39,373.9	0.0	0.0	16,142.3	63,979.8	22,783.6
12-31-2025	15	86,482.1	10,810.3	17,685.6	0.0	28,495.8	0.0	0.0	12,180.6	45,805.6	14,828.8
12-31-2026	14	59,645.2	7,455.6	12,197.4	0.0	19,653.1	0.0	495.0	8,960.2	30,536.9	8,987.1
12-31-2027	12	36,892.1	4,611.5	7,544.4	0.0	12,156.0	0.0	990.0	6,229.8	17,516.3	4,886.5
12-31-2028	10	20,118.8	2,514.9	4,114.3	0.0	6,629.2	0.0	990.0	4,217.0	8,282.6	2,014.5
12-31-2029	7	10,215.9	1,277.0	2,089.1	0.0	3,366.1	0.0	1,485.0	3,028.7	2,336.0	516.5
12-31-2030	4	52,488.9	6,561.1	10,734.0	0.0	17,295.1	247.5	1,485.0	8,112.6	25,348.7	5,095.4
12-31-2031	2	37,847.5	4,730.9	7,739.8	0.0	12,470.8	0.0	990.0	6,344.5	18,042.3	3,297.0
12-31-2032	1	27,918.3	3,489.8	5,709.3	0.0	9,199.1	0.0	495.0	5,153.0	13,071.2	2,171.5
12-31-2033	1	20,641.7	2,580.2	4,221.2	0.0	6,801.4	0.0	0.0	4,279.8	9,560.5	1,443.9
12-31-2034	1	15,275.7	1,909.5	3,123.9	0.0	5,033.3	0.0	0.0	3,635.9	6,606.5	907.0
12-31-2035	1	11,315.1	1,414.4	2,313.9	0.0	3,728.3	0.0	0.0	3,160.6	4,426.2	552.4
12-31-2036	1	8,388.7	1,048.6	1,715.5	0.0	2,764.1	0.0	0.0	2,809.4	2,815.2	319.4
12-31-2037	1	6,224.5	778.1	1,272.9	0.0	2,051.0	0.0	0.0	2,549.7	1,623.8	167.5
12-31-2038	1	4,623.1	577.9	945.4	0.0	1,523.3	0.0	0.0	2,357.6	742.2	69.6
12-31-2039	1	3,436.6	429.6	702.8	0.0	1,132.4	0.0	0.0	2,215.2	89.1	7.6
12-31-2040	1	2,556.7	319.6	127.5	0.0	447.1	0.0	0.0	2,109.6	0.0	0.0
12-31-2041	1	1,904.0	238.0	0.0	0.0	238.0	0.0	495.0	2,031.3	(860.3)	(60.6)
Total		2,939,776.0	367,472.0	609,588.9	0.0	977,060.9	269,527.5	7,425.0	415,443.2	1,270,319.3	663,383.7

Period Ending	Levy Rate (%)	Levy <sup>(3)</sup> (M\$)	Future Net Revenue After Levy and Before Corporate Income Taxes		Future Net Revenue After Levy and Corporate Income Taxes						
			Corporate Income Tax Rate <sup>(4)</sup> (%)	Corporate Income Tax <sup>(4)</sup> (M\$)	Discounted at 0% (M\$)	Discounted at 5% (M\$)	Discounted at 10% (M\$)	Discounted at 15% (M\$)	Discounted at 20% (M\$)		
12-31-2013	0.0	0.0	25.0	0.0	(4,120.6)	(4,087.2)	(4,055.7)	(4,025.7)	(3,997.3)		
12-31-2014	0.0	0.0	25.0	9,821.0	43,404.4	33,583.5	32,245.4	31,019.3	29,891.3		
12-31-2015	0.0	0.0	25.0	10,223.9	40,895.6	30,671.7	28,047.3	25,754.4	23,738.8		
12-31-2016	0.0	0.0	25.0	28,352.6	113,410.3	85,057.8	74,076.0	64,928.4	57,244.9		
12-31-2017	11.0	15,647.7	25.0	21,824.0	87,296.1	65,472.1	54,303.8	45,434.3	38,316.1		
12-31-2018	42.1	65,113.0	25.0	12,451.8	49,807.3	37,355.5	29,508.0	23,566.2	19,010.0		
12-31-2019	45.5	74,715.5	25.0	12,455.6	49,822.2	37,366.7	28,111.2	21,430.2	16,535.4		
12-31-2020	45.5	77,418.2	25.0	13,264.2	53,056.9	39,792.7	28,510.8	20,746.9	15,312.1		
12-31-2021	45.5	74,652.3	25.0	17,386.6	69,546.6	52,159.9	35,592.1	24,722.6	17,453.0		
12-31-2022	45.5	55,333.6	25.0	16,556.3	66,225.3	49,668.9	32,278.5	21,401.8	14,451.8		
12-31-2023	45.5	40,136.1	25.0	12,009.1	48,036.3	36,027.3	22,298.2	14,112.5	9,115.3		
12-31-2024	45.5	29,123.6	25.0	8,714.0	34,856.2	26,142.1	15,409.6	9,309.4	5,751.5		
12-31-2025	45.5	20,850.7	25.0	6,238.7	24,954.9	18,716.2	10,507.0	6,059.0	3,580.6		
12-31-2026	45.5	14,125.7	25.0	4,102.8	16,411.2	12,308.4	6,580.7	3,622.4	2,047.6		
12-31-2027	45.5	8,424.1	25.0	2,273.1	9,092.2	6,819.2	3,472.3	1,824.5	986.5		
12-31-2028	45.5	4,220.9	25.0	1,015.4	4,061.7	3,046.3	1,477.3	740.9	383.2		
12-31-2029	45.5	1,739.3	25.0	149.2	596.7	447.5	206.7	99.0	49.0		
12-31-2030	45.5	12,327.4	25.0	3,255.3	13,021.3	9,766.0	4,295.7	1,963.1	928.9		
12-31-2031	45.5	8,663.5	25.0	2,344.7	9,378.8	7,034.1	2,946.7	1,285.4	581.8		
12-31-2032	45.5	6,175.3	25.0	1,724.0	6,895.9	5,171.9	2,063.4	859.2	372.0		
12-31-2033	45.5	4,351.9	25.0	1,302.1	5,208.5	3,906.4	1,484.3	590.0	244.3		
12-31-2034	45.5	3,007.3	25.0	899.8	3,599.2	2,699.4	976.8	370.6	146.8		
12-31-2035	45.5	2,014.8	25.0	602.8	2,411.4	1,808.5	623.3	225.7	85.5		
12-31-2036	45.5	1,281.5	25.0	383.4	1,533.7	1,150.3	377.6	130.5	47.3		
12-31-2037	45.5	739.2	25.0	221.2	884.7	663.5	207.4	68.4	23.7		
12-31-2038	45.5	337.9	25.0	101.1	404.4	303.3	90.3	28.4	9.4		
12-31-2039	45.5	40.5	25.0	12.1	48.5	36.4	10.3	3.1	1.0		
12-31-2040	45.5	0.0	25.0	0.0	0.0	0.0	0.0	0.0	0.0		
12-31-2041	45.5	(166.3)	25.0	0.0	(694.0)	(694.0)	(178.5)	(48.9)	(14.2)		
Total		520,273.5			750,045.8	187,684.9	562,360.8	411,434.9	316,191.6	252,267.6	207,220.7

<sup>(1)</sup> For the purposes of the model, we have not attributed any part of the revenues to services.

<sup>(2)</sup> 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.

<sup>(3)</sup> The estimates of the oil levy are provided by Givot Olam Oil Exploration Limited Partnership (1993).

<sup>(4)</sup> 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.

HISTORICAL PRODUCTION AND OPERATING EXPENSE DATA  
MEGED FIELD, ISRAEL  
GIVOT OLAM OIL EXPLORATION LIMITED PARTNERSHIP (1993)  
AS OF SEPTEMBER 1, 2013

Year	Gross Production (MBBL)	Average Per Production Unit (\$/Barrel)				Reserves Depletion Rate <sup>(2)</sup> (Percent)
		Price Received	Royalties Paid <sup>(1)</sup>	Production Costs	Net Revenue	
2011	137.2	109.00	13.60	9.60	85.80	1.70
2012	195.5	109.25	13.00	12.15	84.10	2.25
2013 <sup>(3)</sup>	116.6	104.00	10.45	12.96	80.59	1.34

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

<sup>(1)</sup> Royalties do not include the 2011 General Partner royalties estimated at \$22.30 per barrel, the 2012 General Partner royalties estimated at \$21.00 per barrel, nor the 2013 General Partner royalties estimated at \$17.10 per barrel, to be paid at a future date.

<sup>(2)</sup> The reserves depletion rate is the percentage of yearly oil produced to the estimated proved plus probable reserves shown in our report dated February 21, 2013, which set forth our estimates of reserves for Meged Field as of December 31, 2012.

<sup>(3)</sup> These estimates are based on information through August 2013 and do not include any forecasts for September through December 2013.

FORECASTED GROSS OIL PRODUCTION  
MEGED FIELD, ISRAEL  
AS OF SEPTEMBER 1, 2013

Meged 5 - Zone 8B					
Oil (MBBL)					
Period Ending	Total Proved	Probable	Proved + Probable	Possible	Proved + Probable + Possible
12-31-2013	54.8	1.0	55.8	0.6	56.4
12-31-2014	146.5	7.3	153.8	4.6	158.4
12-31-2015	123.1	12.3	135.4	7.8	143.2
12-31-2016	103.4	15.8	119.2	10.3	129.5
12-31-2017	86.8	18.1	104.9	12.2	117.1
12-31-2018	72.9	19.4	92.4	13.5	105.9
12-31-2019	61.3	20.1	81.3	14.5	95.8
12-31-2020	51.5	20.2	71.6	15.0	86.7
12-31-2021	43.2	19.9	63.1	15.3	78.4
12-31-2022	36.3	19.3	55.6	15.3	70.9
12-31-2023	30.5	18.5	49.0	15.2	64.2
12-31-2024	0.0	43.2	43.2	14.9	58.1
12-31-2025	0.0	38.1	38.1	14.5	52.6
12-31-2026	0.0	0.0	0.0	47.6	47.6
12-31-2027	0.0	0.0	0.0	43.1	43.1
12-31-2028	0.0	0.0	0.0	39.0	39.0
12-31-2029	0.0	0.0	0.0	35.3	35.3
Total	810.3	253.1	1,063.4	318.8	1,382.2

Meged 5 - Zone 1					
Oil (MBBL)					
Period Ending	Total Proved	Probable	Proved + Probable	Possible	Proved + Probable + Possible
12-31-2013	0.0	0.0	0.0	0.0	0.0
12-31-2014	0.0	0.0	0.0	0.0	0.0
12-31-2015	0.0	0.0	0.0	0.0	0.0
12-31-2016	0.0	0.0	0.0	0.0	0.0
12-31-2017	0.0	0.0	0.0	0.0	0.0
12-31-2018	0.0	0.0	0.0	0.0	0.0
12-31-2019	0.0	0.0	0.0	0.0	0.0
12-31-2020	0.0	0.0	0.0	0.0	0.0
12-31-2021	0.0	0.0	0.0	0.0	0.0
12-31-2022	0.0	0.0	0.0	0.0	0.0
12-31-2023	0.0	0.0	0.0	0.0	0.0
12-31-2024	258.0	(258.0)	0.0	0.0	0.0
12-31-2025	174.4	(174.4)	0.0	0.0	0.0
12-31-2026	118.1	247.4	365.5	(365.5)	0.0
12-31-2027	80.1	183.0	263.1	(263.1)	0.0
12-31-2028	54.4	135.2	189.6	(189.6)	0.0
12-31-2029	37.0	99.8	136.7	(136.7)	0.0
12-31-2030	0.0	98.7	98.7	418.5	517.3
12-31-2031	0.0	71.4	71.4	310.4	381.8
12-31-2032	0.0	51.7	51.7	230.4	282.0
12-31-2033	0.0	37.4	37.4	171.1	208.5
12-31-2034	0.0	27.1	27.1	127.2	154.3
12-31-2035	0.0	19.7	19.7	94.6	114.3
12-31-2036	0.0	0.0	0.0	84.7	84.7
12-31-2037	0.0	0.0	0.0	62.9	62.9
12-31-2038	0.0	0.0	0.0	46.7	46.7
12-31-2039	0.0	0.0	0.0	34.7	34.7
12-31-2040	0.0	0.0	0.0	25.8	25.8
12-31-2041	0.0	0.0	0.0	19.2	19.2
Total	722.0	538.8	1,260.9	671.3	1,932.2

Note: The projections for this well are the same as for our report dated October 4, 2013. However, based on future development plans, the operating costs have increased.

FORECASTED GROSS OIL PRODUCTION  
MEGED FIELD, ISRAEL  
AS OF SEPTEMBER 1, 2013

Meged 6 - Zones 8B & 1					
Oil (MBBL)					
Period Ending	Total Proved	Probable	Proved + Probable	Possible	Proved + Probable + Possible
12-31-2013	0.0	0.0	0.0	0.0	0.0
12-31-2014	382.7	163.2	545.9	232.7	778.6
12-31-2015	390.8	189.4	580.2	258.1	838.4
12-31-2016	269.1	154.5	423.6	200.0	623.7
12-31-2017	185.6	124.0	309.7	154.7	464.4
12-31-2018	128.3	98.4	226.6	119.5	346.1
12-31-2019	88.8	77.3	166.0	92.1	258.2
12-31-2020	60.0	61.7	121.8	71.0	192.8
12-31-2021	29.3	60.1	89.4	54.6	144.0
12-31-2022	16.6	49.1	65.7	42.0	107.7
12-31-2023	4.3	44.1	48.4	32.3	80.7
12-31-2024	0.2	34.7	34.9	25.6	60.4
12-31-2025	0.0	16.7	16.7	28.6	45.3
12-31-2026	0.0	2.9	2.9	31.1	34.0
12-31-2027	0.0	0.0	0.0	13.8	13.8
12-31-2028	0.0	0.0	0.0	2.0	2.0
Total	1,555.8	1,076.2	2,632.0	1,358.2	3,990.1

Meged 7 - Zones 8B & 1					
Oil (MBBL)					
Period Ending	Total Proved	Probable	Proved + Probable	Possible	Proved + Probable + Possible
12-31-2013	0.0	0.0	0.0	0.0	0.0
12-31-2014	0.0	0.0	0.0	0.0	0.0
12-31-2015	467.7	199.5	667.2	284.4	951.6
12-31-2016	364.3	183.2	547.4	246.6	794.0
12-31-2017	250.9	148.9	399.8	191.0	590.8
12-31-2018	173.1	119.2	292.3	147.7	440.0
12-31-2019	119.7	94.3	214.0	114.0	327.9
12-31-2020	82.8	73.9	156.8	87.9	244.7
12-31-2021	55.6	59.4	115.0	67.7	182.7
12-31-2022	24.0	60.5	84.5	52.1	136.6
12-31-2023	15.6	46.6	62.1	40.0	102.2
12-31-2024	1.9	43.8	45.7	30.8	76.5
12-31-2025	0.1	32.7	32.8	24.6	57.3
12-31-2026	0.0	13.4	13.4	29.6	43.0
12-31-2027	0.0	1.0	1.0	31.3	32.3
12-31-2028	0.0	0.0	0.0	9.9	9.9
12-31-2029	0.0	0.0	0.0	0.7	0.7
Total	1,555.8	1,076.2	2,632.0	1,358.2	3,990.1

FORECASTED GROSS OIL PRODUCTION  
MEGED FIELD, ISRAEL  
AS OF SEPTEMBER 1, 2013

Meged 8 - Zones 8B & 1					
Oil (MBBL)					
Period Ending	Total Proved	Probable	Proved + Probable	Possible	Proved + Probable + Possible
12-31-2013	0.0	0.0	0.0	0.0	0.0
12-31-2014	0.0	0.0	0.0	0.0	0.0
12-31-2015	0.0	0.0	0.0	172.5	172.5
12-31-2016	0.0	297.0	297.0	72.1	369.1
12-31-2017	0.0	214.5	214.5	58.3	272.8
12-31-2018	0.0	155.1	155.1	46.8	201.9
12-31-2019	0.0	112.3	112.3	37.2	149.5
12-31-2020	0.0	81.4	81.4	29.4	110.8
12-31-2021	0.0	59.0	59.0	23.2	82.2
12-31-2022	0.0	42.9	42.9	18.2	61.1
12-31-2023	0.0	31.2	31.2	14.2	45.4
12-31-2024	0.0	4.3	4.3	28.3	32.7
12-31-2025	0.0	0.0	0.0	14.9	14.9
Total	0.0	997.7	997.7	515.1	1,512.8

MONTE CARLO INPUT DISTRIBUTION SUMMARY  
CONTINGENT RESOURCES  
MEGED FIELD, ISRAEL  
AS OF SEPTEMBER 1, 2013

Parameter	Reservoir	Net Rock Volume (Acre-feet)		Porosity (Decimal)		Oil Saturation (Decimal)		Oil Recovery Factor (Decimal)		Initial Formation Volume Factor (RB/STB) <sup>(1)</sup>
		Triangular Distribution		Triangular Distribution		Normal Distribution		Normal Distribution		
		Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate	
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

Parameter	Reservoir	Net Rock Volume (Acre-feet)		Porosity (Decimal)		Oil Saturation (Decimal)		Oil Recovery Factor (Decimal)		Initial Formation Volume Factor (RB/STB) <sup>(1)</sup>
		Normal Distribution		Triangular Distribution		Normal Distribution		Normal Distribution		
		Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate	Low Estimate	High Estimate	
Matrix	Zone 1 <sup>(2)</sup>	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 <sup>(2)</sup>	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.

<sup>(1)</sup> The abbreviation RB/STB represents reservoir barrels per stock tank barrel.

<sup>(2)</sup> Only matrix volumes are included in contingent resources since fracture volumes for these reservoirs are classified as reserves.