

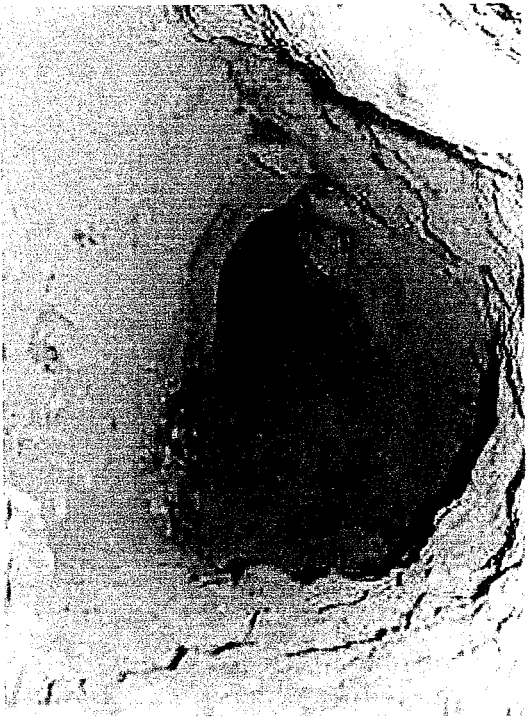


NUMEROUS GOVERNMENT AGENCIES CONTINUE TO SEARCH
FOR SOLUTIONS TO ILLEGAL TUNNEL PROBLEM

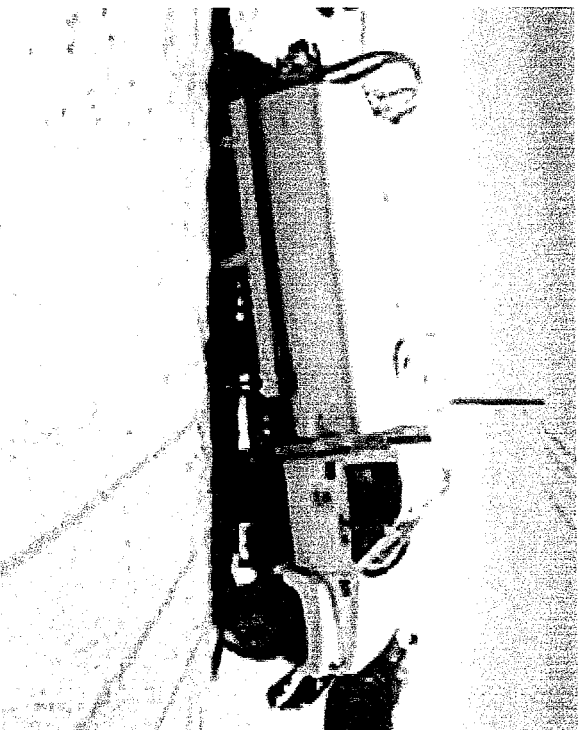


TENS OF MILLIONS
INVESTED:
NO SOLUTION

Human intelligence continues to be the source



“Technology, so far, only detected 3 tunnels of the dozens of tunnels discovered over the years. Human intelligence or, in the Yuma case, sheer luck, have tipped authorities off.”



“The Border Patrol in Yuma, Ariz., employed a unique method to locate the latest tunnel used to smuggle drugs and people underneath its fences. A water truck drove over it and caused the clandestine structure to collapse.”



TUNNEL ACTIVITY INCREASES

The tunnel activity may be increasing as a result of construction of the U.S.-Mexico border fencing, suggests a May 2008 report from the Congressional Research Service.

The fence is deterring some illegal border crossings, however it is driving smugglers and illegal entrants to other locations and other technologies.

INCLUDING MORE SOPHISTICATED TUNNELS

Concrete Floors
Electrical Power



Ventilation
Wide Passage

CURRENT EVENTS



There have been 112 tunnels discovered under the two U.S. borders since 1990. Twenty-four were found in 2008, according to Amy Clymer, senior analyst at U.S. Northern Command and operational manager of the rapid reaction tunnel joint capability development program, which partners with DHS' science and technology directorate.

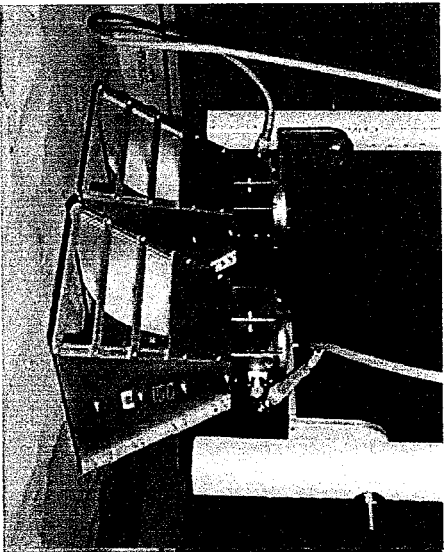


Jason McKenna is the senior research geophysicist at the U.S. Army Engineer Research and Development Center

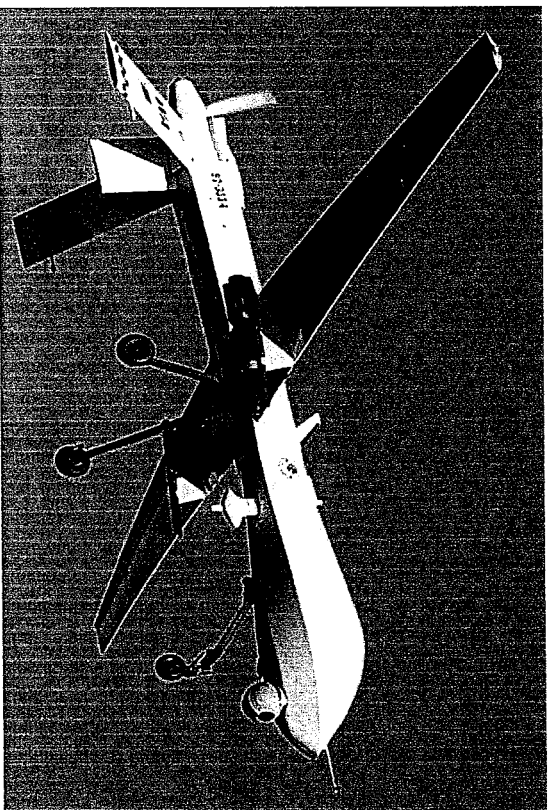
McKenna said finding a catch-all sensor is almost impossible. The program is working on a suite of technologies. Some sensors will concentrate on listening for the telltale signs of tunnel digging or criminals transiting underground. Others will search for the underground passages, themselves.

CURRENT CONCEPTS

WE BELIEVE OUR OFFERING IS SUPERIOR IN ALL RESPECTS



Ground penetrating radar



Remotely piloted vehicles

Handheld radar



The CrossWell Solution

- A high power, low frequency acoustic transmitter
- Will detect and continuously monitor all illegal tunnel activity over a wide area (3-6 square miles)
- Designed to be placed permanently downhole
- Couples with current passive sensor technology

The CrossWell Tool is Production-Ready

- Based on 12 years of commercial experience in oil and gas
- Zero failure rate
- Fully automated system – minimal operations cost
- 24 hour real-time monitoring
- Superior imaging detail
- Long service life/Minimal maintenance

- The rugged CrossWell acoustic source will reliably operate downhole for a period of 15–25 years.
- It is a fully automated device/system that does not require expensive operating specialists.

COST/BENEFITS

- CrossWell's technology can provide reliable, fool-proof, real-time awareness of any tunnels currently existing or being built
- Can be fully deployed along 50 miles of urbanized border within one year
- Amortized cost is less than \$1 million per year

The CrossWell Solution to America's Border Insecurity?

An impenetrable, cost-effective, underground
wall protecting America's borders from illegal
tunnel activity.

The following image shows CrossWell's ability to monitor rock fractures in shale gas formations. The crossover application to tunnel detection requires no further adaptations, studies, technical developments.

FIG 02

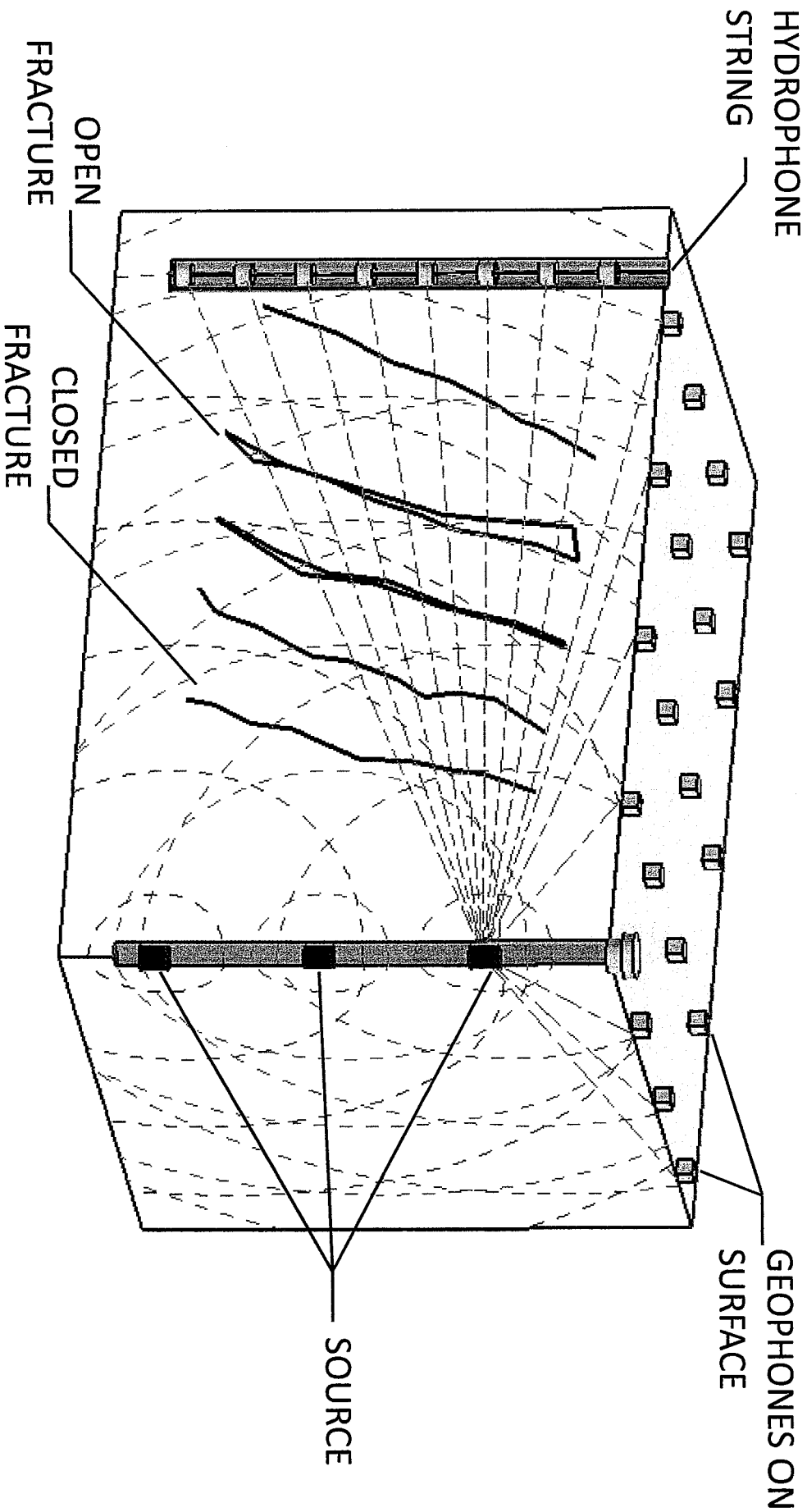


FIG 2 shows that by measuring from borehole to surface and borehole to borehole one might monitor fracture intensity and also whether the state of the fractures is changing over time, i.e., after a frac has opened fractures are they closing over time? By conducting ongoing surveys, one could monitor the development of fractures, whether they remained open, or closed over time. These techniques could be used in deciding whether to refrac a reservoir.

KEY PERSONNEL

CEO: Paolo Lauretti -- former senior executive, Schlumberger Ltd.
Expert engineer in downhole measurement technologies.

Vice President: Owen Jones -- Primary investor, Atlanta, GA

James Applegate, Phd. -- geophysicist with 40 years of global experience in oil and gas. Headed DOD research team on tunnel detection technologies. Denver, Co

Phillip Sanger, Phd. -- Director, Center for Rapid Product Realization, Western Carolina University, Cullowhee, NC
Kenneth Burbank, Phd. -- Department of Engineering and Technology, Western Carolina University, Cullowhee, NC

Layton Payne -- expert in development and marketing of seismic imaging technologies, Houston, TX

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