



SAKHALIN ENERGY
INVESTMENT COMPANY LTD.

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Mr. A.S. Tikhonov
Administration Manager
The National Center for
Development of Innovate Technologies

Dear Mr. Tikhonov,

Royal Dutch SHELL Group of Companies is using corporate reservoir simulator "MoReS" for field development planning, including preparation of Reservoir Management Plans in Russian format, which is required by Central Development Commission under Ministry of Natural Resources. The part of Evaluation module "TimeZYX", developed by TimeZYX Group, was adopted to "MoReS" data formats in 2007, to expertise Reservoir Management Plan issued by Sakhalin Energy Investment Company Ltd. As a result, a special release of "Expertise-TimeZYX" had been created, with option to upload dynamic simulation data from MoReS input and output files.

The practice of using the "Expertise-TimeZYX" shows not only a feasibility of quick and qualitative analysis of static and dynamic reservoir models of oil and gas fields, in line with requirements of the Ministry of Natural Resources of Russian Federation, but also abilities of its wide use for field development optimization work of asset teams in our company.

A set of adjustments of "Expertise-TimeZYX" has been realized by TimeZYX group according to requests from Sakhalin Energy specialists. Now we are going to implement quality check system of field reservoir models with using Expertise-TimeZYX module for all fields of Sakhalin Energy.

With hope on further effective co-operation.

Yours sincerely,

Valery Cholovsky
Field Development Manager