

Midland Basin – AFE for Development WI

Opportunity

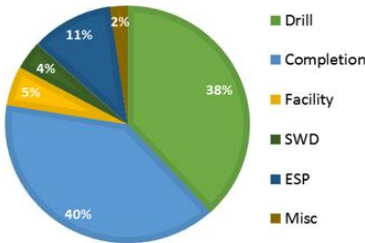
- **AFE - Wellbore Only Development**
 - 2% WI in 19-well development, 6.24% NRI
 - Type Curve EUR: 505 MBO (combined WCA/LSPBY/WCB)
 - Spacing Equivalent: 6-7 wells/bench/unit
- **Cash Flow/Operator**
 - \$5.6 MM PV10%
 - \$9.9 MM PV0%
- **Operator/Location**
 - Martin County
 - Offset wells provide good analog data for EUR & IP30
 - Lower Spraberry: 510 MBO
 - Wolfcamp A: 570 MBO
 - Operator: ConocoPhillips
- **Response Deadline for Participation**
 - March 28, 2022

Historical Prod & Income

- **CAPEX – 19 Wells + Facilities**
 - Price/Well: \$7.08 MM; AFE WI Portion: ~\$192k
 - Total: \$3.64 MM

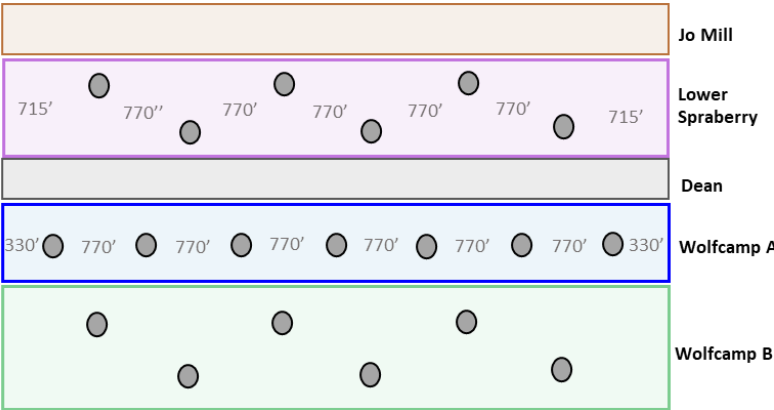
	8/8ths/Well (\$MM)	AFE/Well (\$MM)	19 Well Cost (\$MM)
Acreage	-	\$0.050	\$0.95
Drill	\$2.38	\$0.048	\$0.90
Completion	\$3.33	\$0.067	\$1.27
Facility	\$0.50	\$0.010	\$0.19
ESP	\$0.60	\$0.012	\$0.23
Misc	\$0.28	\$0.006	\$0.10
Total	\$7.08	\$0.192	\$3.64

CAPEX CATEGORIES



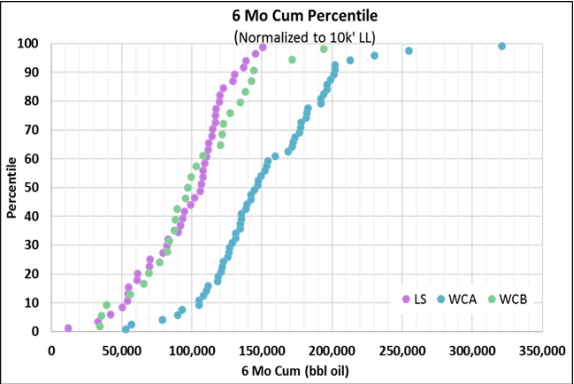
Development/Spacing Info

4 Well Development Spacing within the Unit



Adjacent Well Performance (10k' LL – based on Spacing/Unit)

	10K' Laterals	10K' Laterals	10K' Laterals	10K' Laterals	10K' Laterals
Lease	Gratis	Merlin	Maximus	Lilly	Middle Knott
Operator	CRQST	SM Energy	SM Energy	Fang	Fang
Spacing	34 Wells/Unit	26 Wells/Unit	18 Wells/Unit	18 Wells/Unit	16 Wells/Unit
Avg 6 Mo Cum	110 MBO	110 MBO	110 MBO	120 MBO	92 MBO
Avg EUR	505 MBO	400 MBO	459 MBO	590 MBO	535 MBO
Avg LL	10,013	10,505	10,461	10,356	9,997
Avg ppt lbs/ft	3,741	1,874	1,854	1,602	1,148
Avg bbl/ft	51	52	50	42	39



Map/Location

