

EXIT STRATEGY AND UPSIDE OVERVIEW

- OUR EXIT STRATEGY IS TO SALE ALL ACREAGE, WELLS, NATURAL GAS PRODUCTION AND THE 105 MILE NATURAL GAS PIPELINE IN 36 – 42 MONTHS. OUR COUNTDOWN STARTS IN 2024.
- WE WILL RECOMPLETE 3 NATURAL GAS PAY ZONES FOR PRODUCTION IN ROUGHLY 800 WELLS WITHIN THE AREA OF INTEREST MAP ON PAGE 8 OF BOOK.
- WE WILL RECOMPLETE THESE PAY ZONES AT AN APPROXIMATE DEPTH OF 600' - 1200'+/- PER WELL TO PROVE UP THE ACREAGE WITHIN THE AREA OF INTEREST.
- PLEASE REVIEW BELOW THE POTENTIAL PAYOFF TO INVESTORS FOR \$125,000

POTENTIAL PAYOFF TO INVESTOR

\$125,000 LEASE BANK

GAS PRICE EST. = \$5.00 per mcf

HIGH UPSIDE

= 64,000 ACS * 569.9MCFG (EST. GAS IN-PLACE) = 36.5BCF

= 36.5BCF * \$5 = **\$182.3M** (10' OF NET PAY)

= \$182.3M * .07% = \$12.7M (SEV. TAX)

= \$182.3M - \$12.7M = **\$169.7M**

= \$169.7M * 1.00% ORRI = \$1.697M

= **\$1.697M NET CASH TO INVESTOR**

= **\$100,000 LEASE BUY BACK AMT. TO INVESTOR**

= **\$1.797M TOTAL CASH TO INVESTOR**

= **\$1.797M/\$125K = 14:1 ROI**

****ORRI IS BASED ON TOTAL REVENUE****

POTENTIAL PAYOFF TO INVESTOR PER LEVEL

\$62,500 (.50%) = \$899K

\$31,250 (.25%) = \$449K

\$15,625 (.125%) = \$225K

(PAY OFF BASED ON A 14:1 ROI)

****MCF/D PRODUCED FROM THE OKLAHOMA GEOLOGICAL SURVEY FILE REPORT FOR CBM (COAL BED METHANE WELLS)**

These are only projections, and no guarantees are made, nor can be made as to ultimate productivity of any oil and gas lease.