

# 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. = \$2.50 per mcf**

### HIGH UPSIDE

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

= 36.5BCF \* **\$2.50** = **\$91.2M** (10' OF NET PAY)

= \$91.2M \* .07% = \$6.4M (SEV. TAX)

= \$91.2M - \$6.4M = **\$84.8M**

= \$84.8M \* 1.00% ORRI = \$848K

= **\$848K NET CASH TO INVESTOR**

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

= **\$948K TOTAL CASH TO INVESTOR**

= **\$948K/\$125K = 7:1 ROI**

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

### **POTENTIAL PAYOFF TO INVESTOR PER LEVEL**

**\$62,500 (.50%) = \$450K**

**\$31,250 (.25%) = \$225K**

**\$15,625 (.125%) = \$112.5K**

**(PAY OFF BASED ON A 7:1 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.