



OIL & GAS ASSET
CLEARINGHOUSE

CLAY
PETROLEUM

**Operated Working Interest
Package**

Gray & Sherman Counties, Texas

COMPREHENSIVE A&D SERVICES FOR THE OIL & GAS INDUSTRY

WWW.OGCLEARINGHOUSE.COM

Executive Summary

**Bids Due
June 25, 2020**

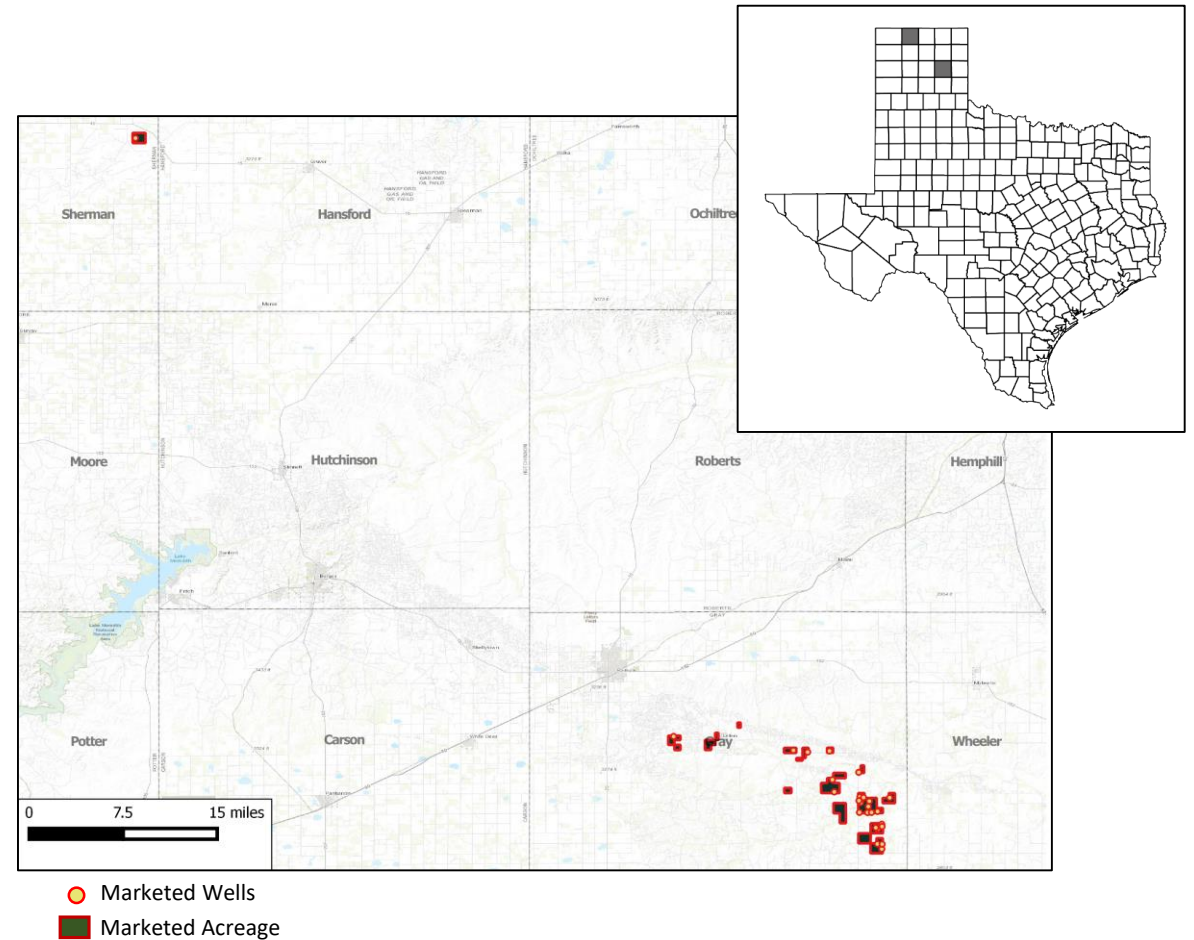
Private Sale

The Oil and Gas Asset Clearinghouse, LLC is partnering with Clay Petroleum to market an operated working interest package that includes 61 gas wells in Gray and Sherman Counties, Texas.

Asset Highlights

- Operated working Interest in 61 gas wells in Gray and Sherman Counties, Texas
- Producing from the Granite Wash and Brown Dolomite formations
- Operated by Clay Petroleum
- 9,712 / 9,616 acres (gross / net)
- 352 / 295 avg daily gas production (gross / net)
- \$8,340 / mo avg net cash flow (last 15 months)

Total producing wells	42
WI / NRI / ORRI / RI	99 / 83 / 13* / 0.4* %
Net Daily Production*	0 / 295 (bopd / mcf/d)
Avg. Net Cash Flow*	\$8,340 / mo



Operator Presence in the Vicinity

Seek Energy's Spearman 23 2602 well, with a lateral length of 4,632 feet, achieved an average IP24 of 83 BOE/d in December 2018

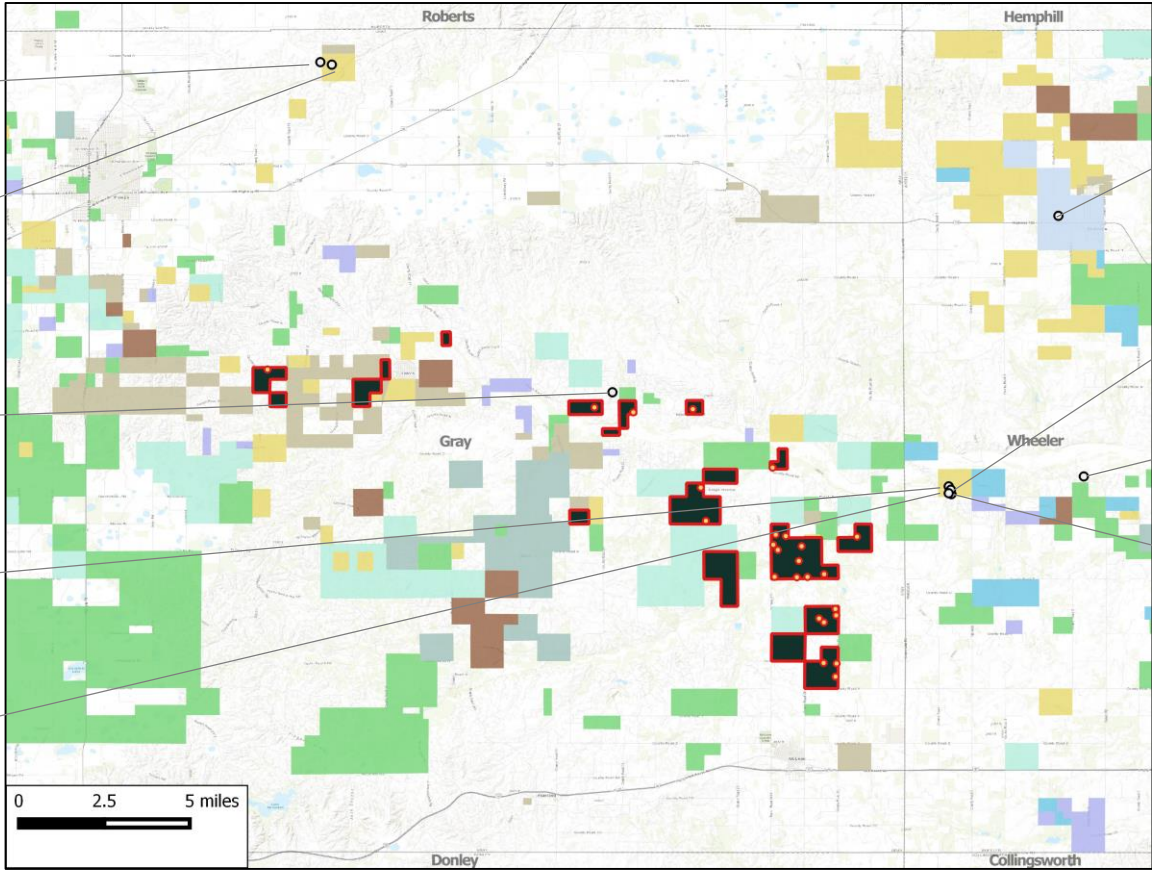
Spearman 23 2602; 2-Dec-2018
Seek Energy
 Virgil, Virgil Lime
 IP24: 83 BOE/d (69% oil)
 Lateral length: 4,632 feet

Spearman 23 5; 29-Feb-2016
Seek Energy
 Granite Wash
 IP24: 64 BOE/d (75% oil)
 Lateral length: 965 feet

Chapman -A- 4; 14-Jan-2016
Jade Enterprises
 IP24: 1 BOE/d (80% oil)
 Lateral length: 418 feet

Sheets J 2052; 26-Apr-2017
J-Brex Company
 IP24: 21 BOE/d (87% oil)
 Lateral length: 96 feet

Sheets J 3052; 25-Apr-2017
J-Brex Company
 IP24: 10 BOE/d (74% oil)
 Lateral length: 366 feet

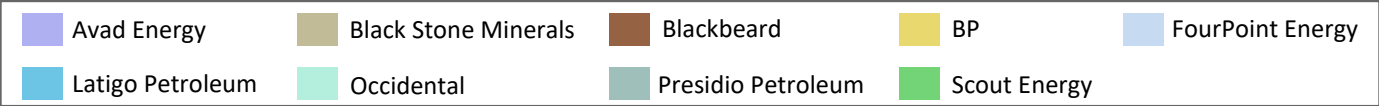


Mobeetie R 155; 10-Jul-2015
Mobeetie Resource Dev
 Douglas, Missouri, Missouri Basal, Missouri, Up.
 IP24: 9 BOE/d (91% oil)

Sheets 1; 20-Nov-2015
J-Brex Company
 IP24: 10 BOE/d (84% oil)
 Lateral length: 122 feet

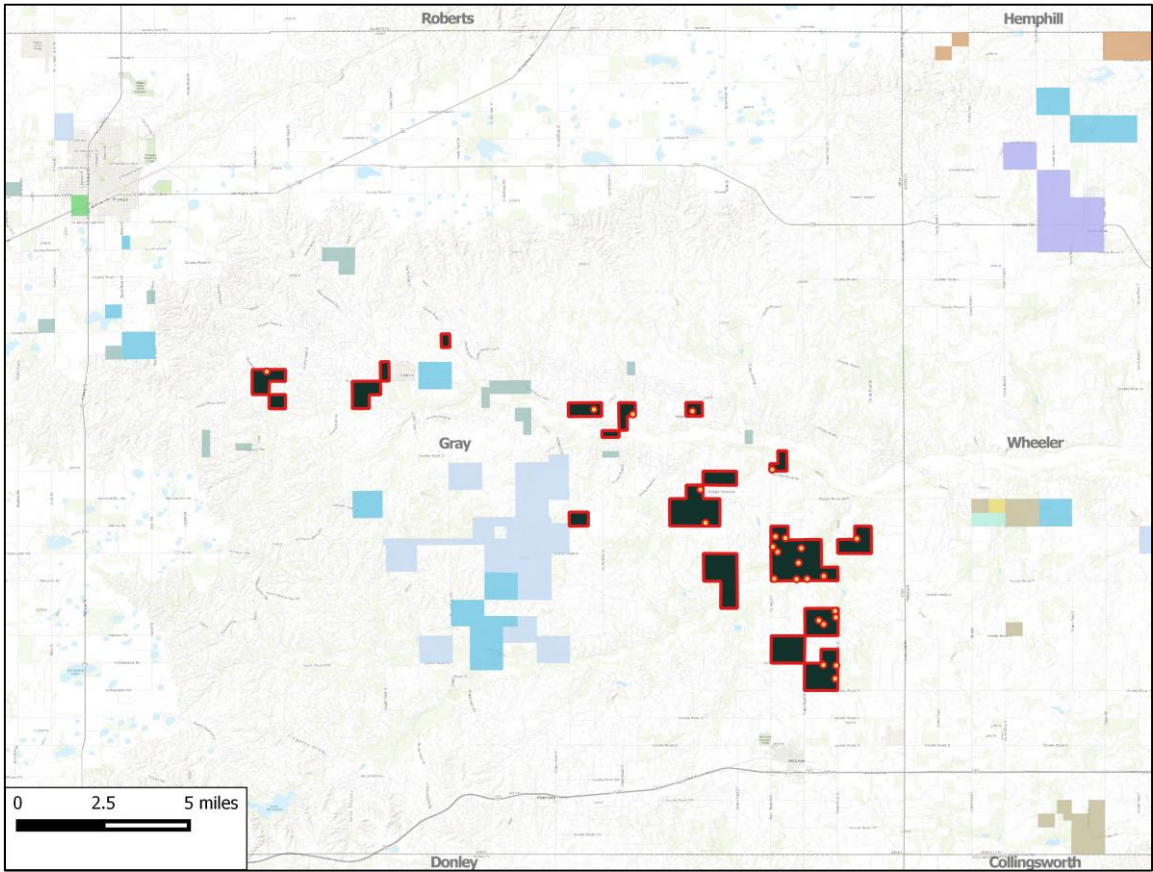
PC-B 1; 11-Mar-2016
Aberlour Operating
 IP24: 1 BOE/d (60% oil)
 Lateral length: 50 feet

Sheets J 4052; 27-Apr-2017
J-Brex Company
 IP24: 5 BOE/d (64% oil)
 Lateral length: 126 feet



Footnotes: Wells within a 20-mile radius tested post Jan-2015

Private Equity Presence in the Vicinity

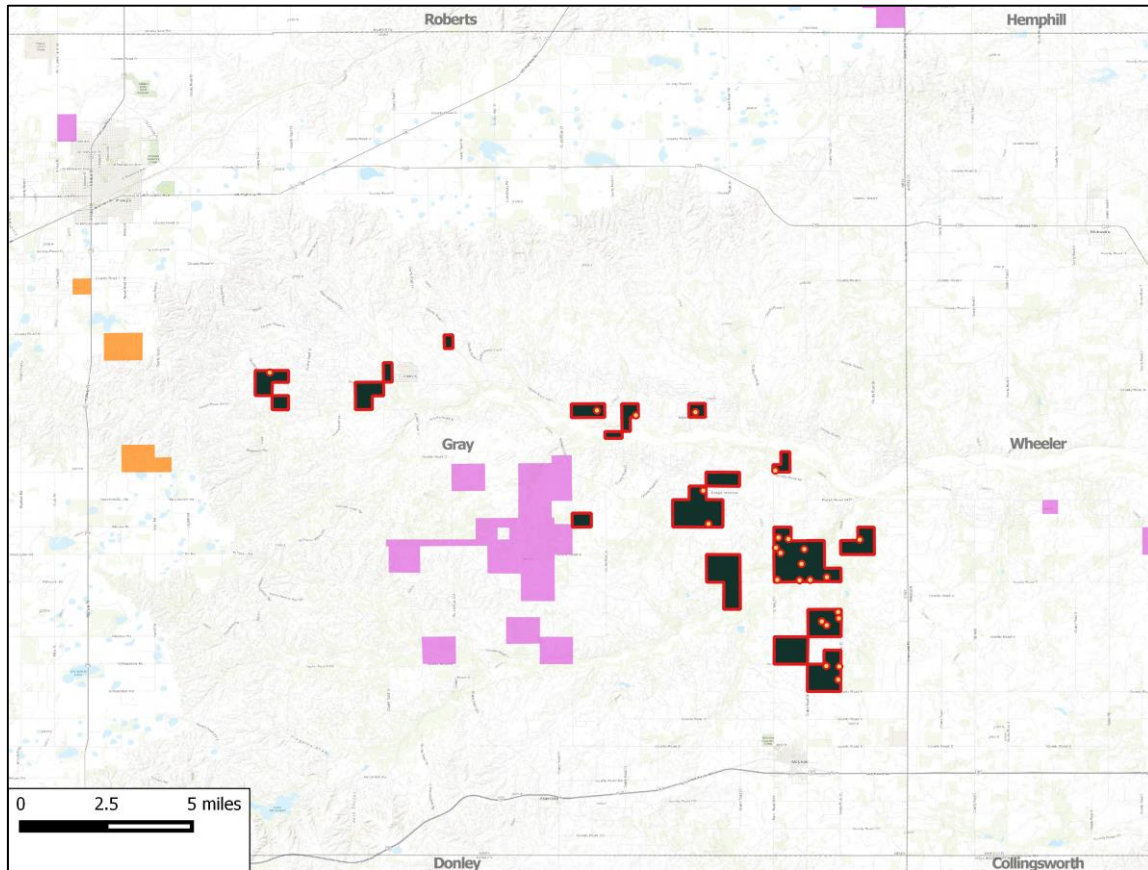


Presidio Petroleum LLC
 Presidio Investment Holdings LLC and Morgan Stanley Energy Partners formed a strategic partnership in Jun-2018, whereby Morgan Stanley made a majority equity investment in Presidio Petroleum LLC.
 Commitment (\$): **Undisclosed**
 Brief: Anadarko Basin focused company

Blackbeard Operating LLC
 Blackbeard Operating LLC received equity commitment from NGP Energy Capital Management in 2014.
 Commitment (\$): **Undisclosed**
 Brief: Assets in Permian, Midcontinent, Gulf Coast and Ark-La-Tex

Avad Energy Partners LLC
 AVAD Energy Partners LLC received an equity commitments from Pearl Energy Investments, NGP Energy Capital Management, and its management team in Jan-2017.
 Commitment (\$): **\$77.5 million**
 Brief: Focused on acquiring and developing conventional oil and natural gas properties

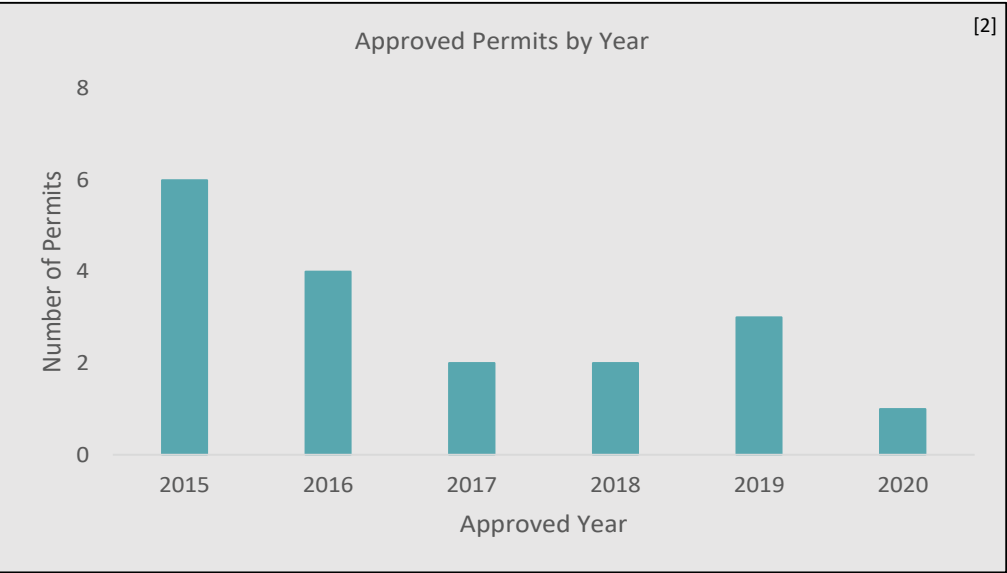
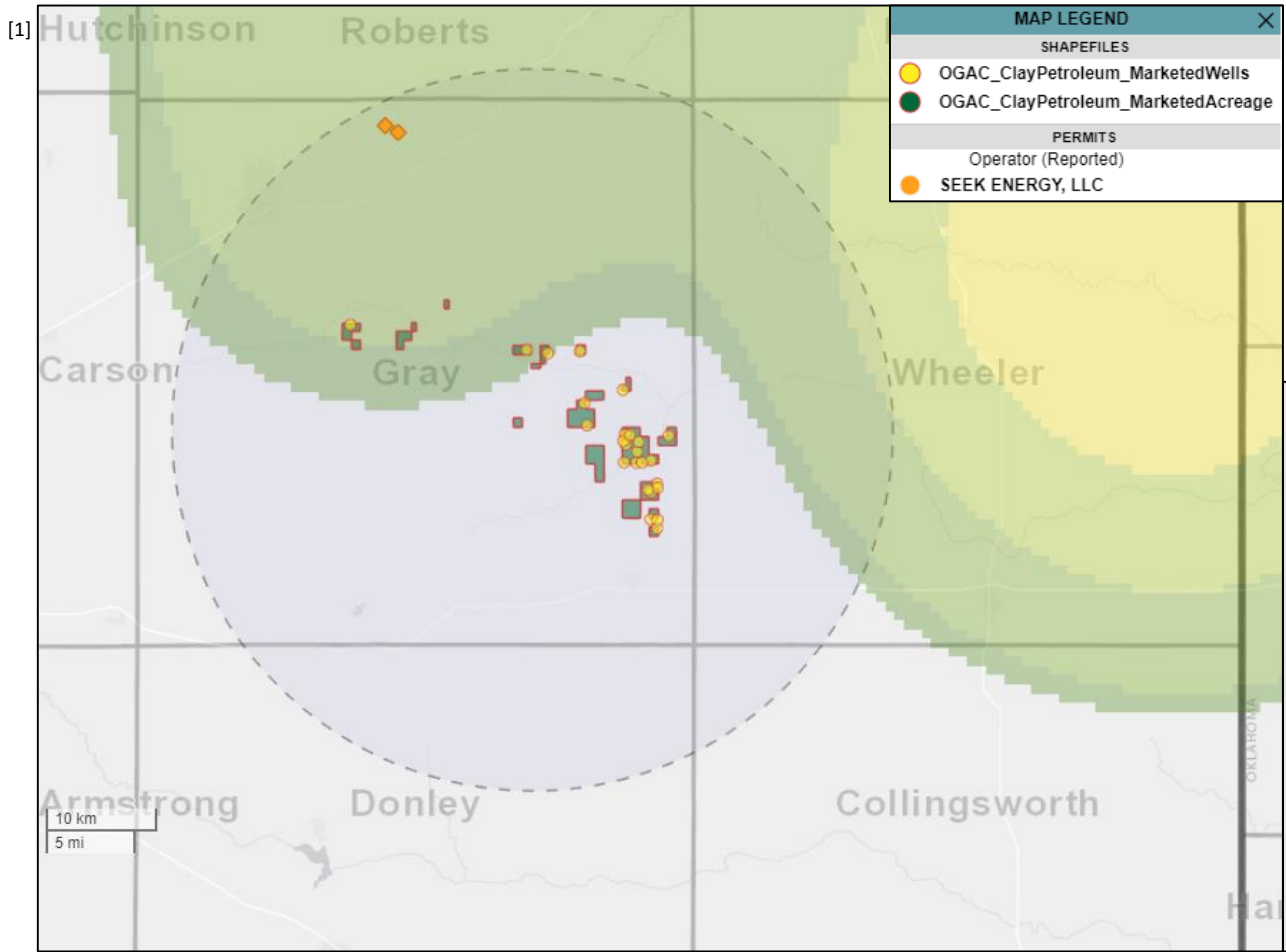
Historical Transactions



Contango Oil & Gas – Will Energy Corp; Sep-19
Deal Type: **Property**
Deal Value: **\$23 million**
Assets: **159,872 net acres (95% HBP) which includes 147,312 in Texas Panhandle**
1.4 MBOE/d (34% liquids, 75% operated) of current Production

Presidio Petroleum Co – Apache; Jul-19
Deal Type: **Property**
Deal Value: **\$367 million**
Assets: **~435,000 net acres (~90% HBP)**
25.9 MBOE/d (50% gas, 30% NGLs, 20% oil, 85% operated) of net Production



Developmental Activity in the Vicinity



Footnotes: [1] Permit Activity heatmap for the last 6 months, approved permits within a 20-mile radius of the marketed assets during the last 6 months
[2] Permits approved within a 20-mile radius of the marketed assets

Sale Process

- Electronic data room available June 2, 2020
- Bids due June 25, 2020
- Bid instructions available in EDR

May							June							
Su	M	T	W	Th	F	Sa	Su	M	T	W	Th	F	Sa	
31					1	2		1	2	3	4	5	6	 EDR Open
3	4	5	6	7	8	9	7	8	9	10	11	12	13	 Bids Due
10	11	12	13	14	15	16	14	15	16	17	18	19	20	
17	18	19	20	21	22	23	21	22	23	24	25	26	27	
24	25	26	27	28	29	30	28	29	30					

For additional questions or information, please contact our team:

Bo Wanger
Business Development
bwanger@ogclearinghouse.com
(972) 302 - 4930

Tyler Post
Engineer
Tpost@ogclearinghouse.com
(903) 520 - 2278

Matt Stowers
Transaction Manager
Matt@ogclearinghouse.com
(832) 601-7657

Oil & Gas Asset Clearinghouse

Phone: (281) 873-4600

Email: sales@ogclearinghouse.com

Clay Petroleum ("Company") is selling operated working interest in 61 gas wells in Gray and Sherman Counties, Texas. Oil & Gas Asset Clearinghouse, LLC ("Clearinghouse") is the exclusive technical, marketing, and transaction advisor for this sale. The Company and Clearinghouse make no representations or warranties, either express or implied, as to the accuracy or completeness of this information or its suitability for any purpose. The sales process contemplated herein is not exclusive. The Company and Clearinghouse reserve the right to withdraw all or any portion of the assets or change all or any terms of this sales process at any time without notice to any potential purchaser.