

# OIL & GAS ASSET **CLEARINGHOUSE**



## **Operated Working Interest Package**

Gaines and Yoakum County, Texas

**COMPREHENSIVE A&D SERVICES FOR THE OIL & GAS INDUSTRY**

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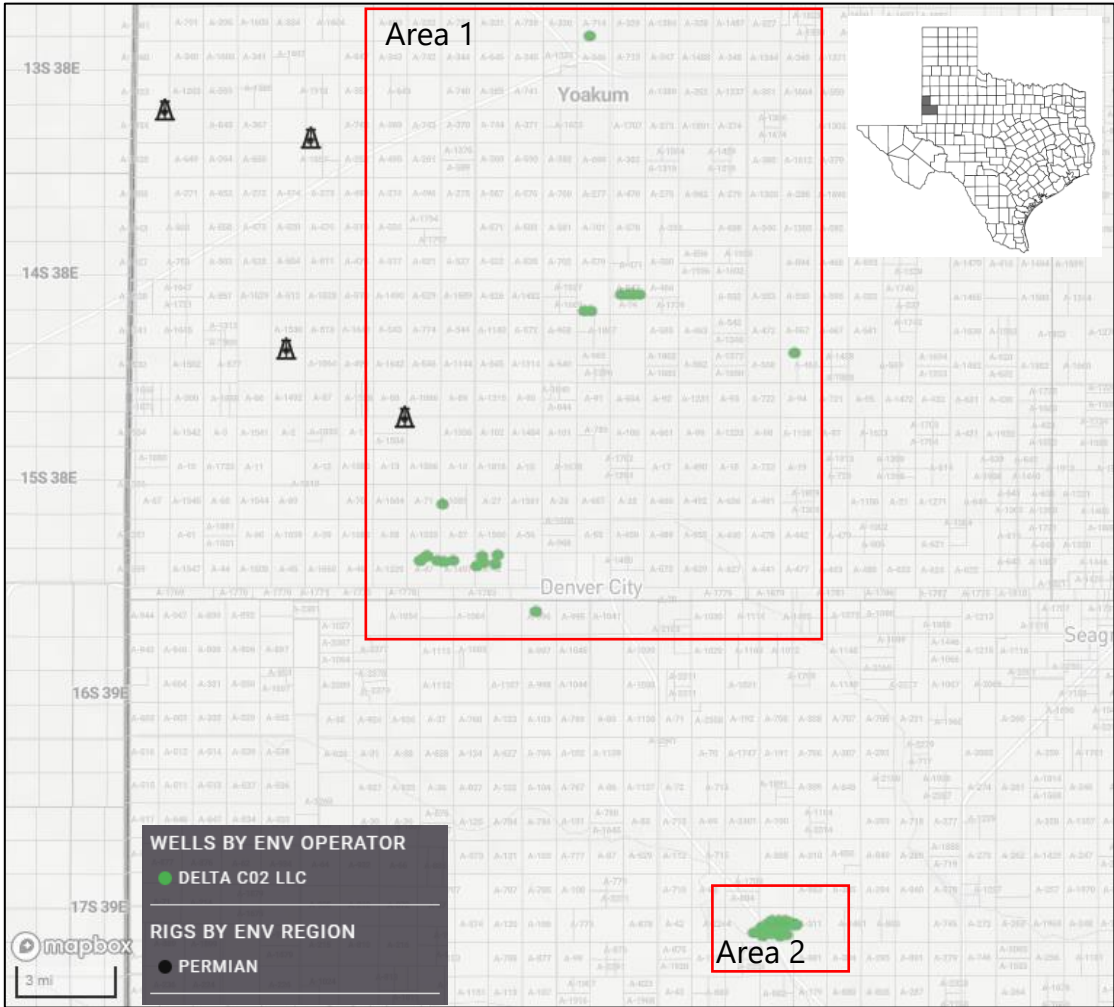
# Executive Summary

**Bids Due  
May 27, 2021**

**Private Sale**

The Oil and Gas Asset Clearinghouse, LLC is partnering with Delta CO2, LLC. to market an operated working interest package that includes two areas which can be bid on separately or as a whole.

<b>Overview</b>	<ul style="list-style-type: none"> <li>Operated working interest in <b>51 wells</b> on <b>2,353 gross acres</b> located in Gaines and Yoakum County, Texas</li> <li>Operated by Delta CO2, LLC.</li> <li><b>84 / 66%</b> Avg. ownership (WI / NRI)</li> <li><b>Area 2</b> is an active <b>waterflood</b></li> </ul>
<b>Current Production and Cash Flows</b>	<ul style="list-style-type: none"> <li><b>133 / 90 bopd</b> Avg. oil production (gross / net)</li> <li><b>\$108,501 / mo.</b> Operating Income (01/21)</li> <li><b>\$4.4 PDP PV<sub>15</sub></b><sup>[2,3]</sup></li> </ul>
<b>Reserves</b>	<ul style="list-style-type: none"> <li><b>266 Mbbls</b> net oil reserves</li> <li>Stable cash flow due to being a legacy asset with low decline</li> <li>Low inactive well inventory</li> <li>Shallow production with no short-term P&amp;A obligations</li> </ul>



Asset Summary	
Gross Acres	2,353
Wells / Avg. WI / Avg. NRI	51 / 84% / 66%
Oil Production – bopd (gross / net)	133 / 90
PDP PV <sub>15</sub> (\$MM) <sup>[2,3]</sup>	\$4.4
NTM Cash Flow (\$MM) <sup>[2,3]</sup>	\$1.2

[1] Production is 6-month average (9/20-2/21)  
 [2] Effective Date: Feb. 2021  
 [3] Price deck: 4/20/2021 NYMEX Strip Pricing

# PDP Reserve & CF Summary

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## PDP Summary<sup>[1]</sup>

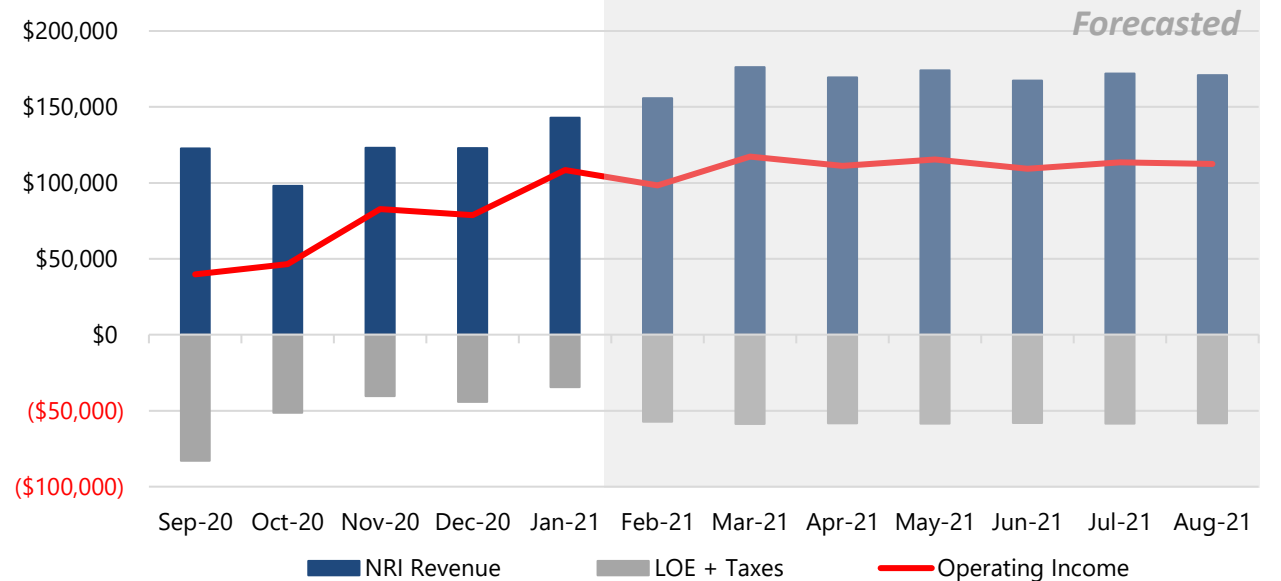
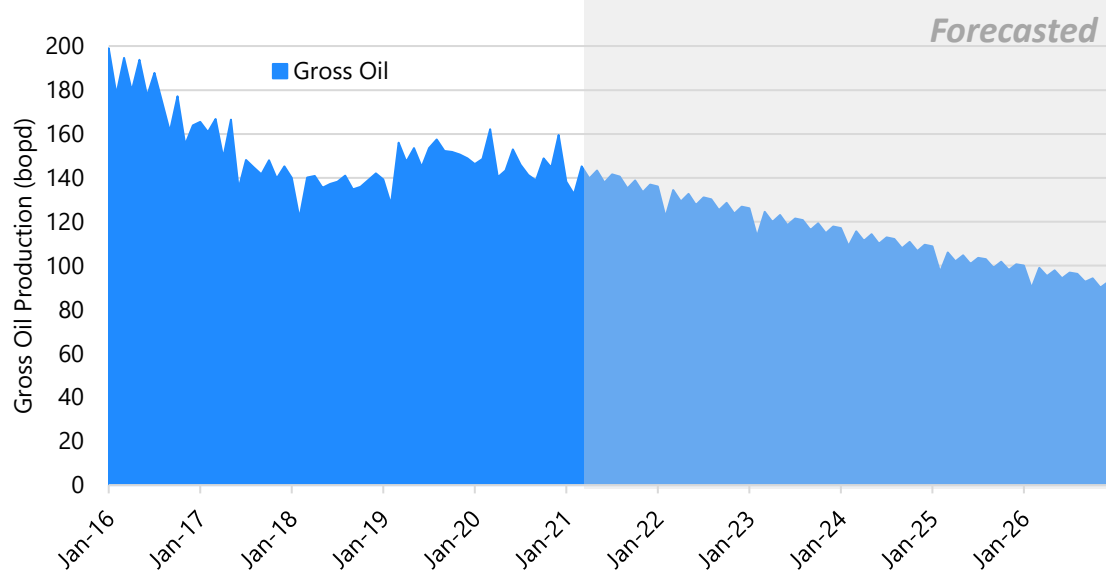
- 34 active **oil wells** / 13 active **injection wells** / 2 active **SWD**
- 141 / 81 avg. oil production – bopd (gross / net)
- Producing from the San Andres and Wichita Albany reservoirs

## Cash Flow Summary<sup>[2,3,4]</sup>

- \$108,501/ mo. Operating Income (Jan. 2021)
- \$4.4MM PDP PV<sub>15</sub>
- NTM Cash Flow \$1.2MM

Reserve & CF Summary	
Net PDP Reserves (Mbbbl)	266
Avg. Annual Decline	~ 9%
Monthly Operating Income (\$) <sup>[4]</sup>	\$108,501
NTM Cash Flow (\$MM)	~\$1.2
PDP PV <sub>15</sub> (\$MM)	~\$4.4

## Production & Net Cash Flow



[1] Production is 6-month average (9/20-2/21)

[2] Effective Date: Feb. 2021

[3] Price deck: 4/20/2021 NYMEX Strip Pricing

[4] Operating Income (1/21)

# Operator Activity (Area 1)

**Bids Due**  
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**Private Sale**

## Operator Presence in the Vicinity

Occidental's Yoakum Wasson Clearfork Unit 4613H well, with a lateral length of 7,106 feet, achieved an average IP24 of 1,061 BOE/d in September 2019

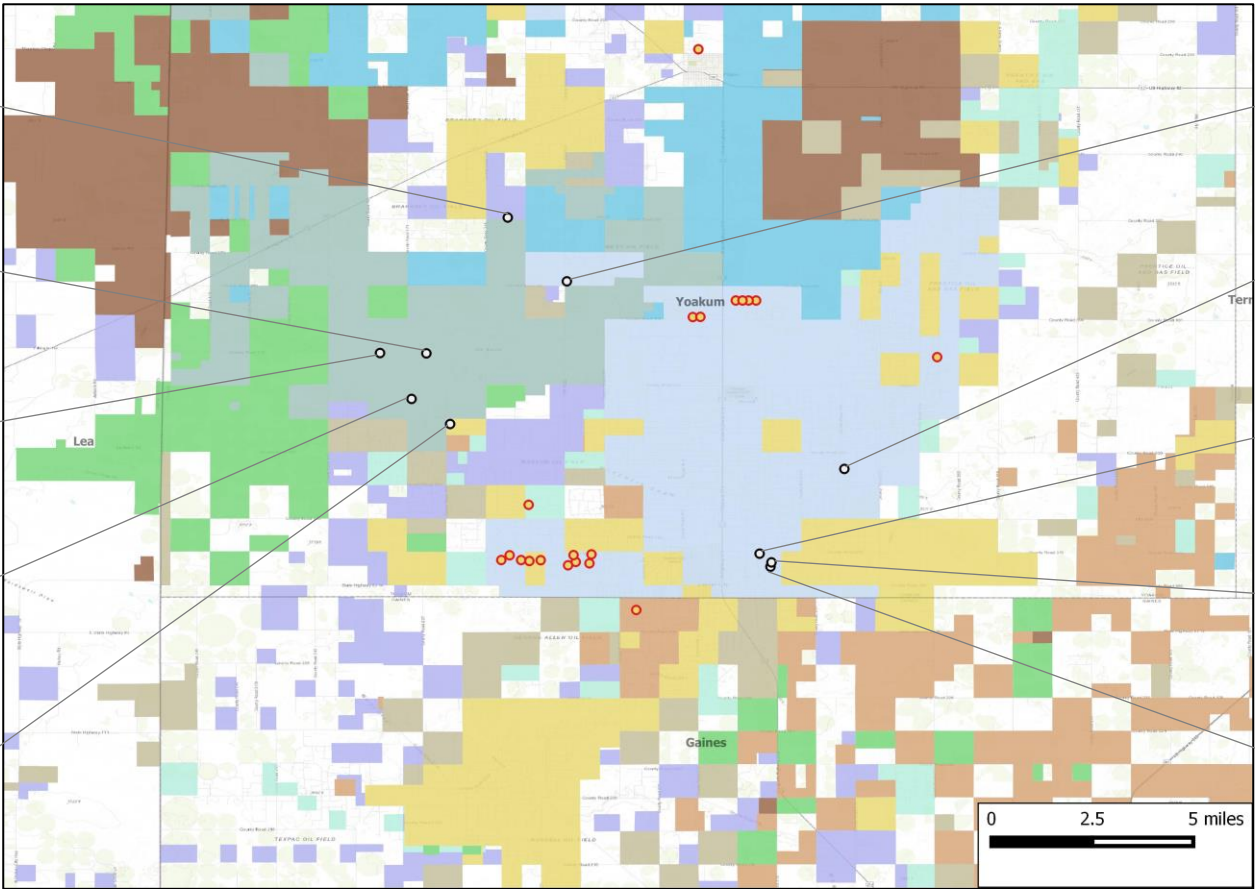
Johnny Tyler 577 3H; 14-Mar-2021  
**Riley Permian Operating Co.**  
San Andres  
IP24: **546 BOE/d (84% oil)**  
Lateral length: **5,073 feet**

Brushy Bill 707-730 E 25XH; 13-Jul-2019  
**Riley Permian Operating Co.**  
San Andres  
IP24: **790 BOE/d (89% oil)**  
Lateral length: **6,980 feet**

Longhorn 708 2XH; 13-Aug-2019  
**Ring Energy**  
San Andres  
IP24: **645 BOE/d (96% oil)**  
Lateral length: **6,775 feet**

Huckleberry 730-771 8XH; 9-Nov-2020  
**Riley Permian Operating Co.**  
San Andres  
IP24: **951 BOE/d (92% oil)**  
Lateral length: **6,232 feet**

Madcap 731-706 8XH; 17-Feb-2020  
**Riley Permian Operating Co.**  
San Andres  
IP24: **527 BOE/d (90% oil)**  
Lateral length: **7,691 feet**



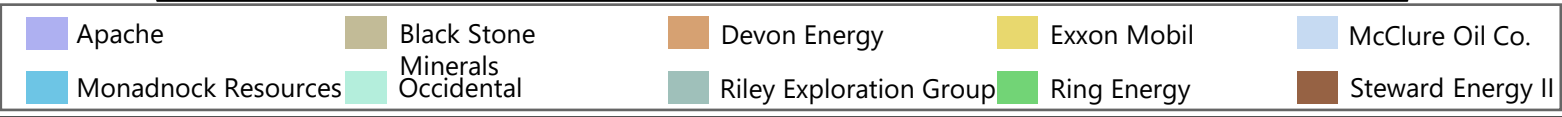
Shenandoah 639-670 8XH; 1-Mar-2021  
**Riley Permian Operating Co.**  
San Andres  
IP24: **545 BOE/d (82% oil)**  
Lateral length: **7,663 feet**

Scorpion 3 3H; 9-Oct-2019  
**Occidental**  
Wasson 72  
IP24: **724 BOE/d (99% oil)**  
Lateral length: **3,635 feet**

Yoakum Wasson Clearfork Unit 4612H; 30-Sep-2019  
**Occidental**  
Wasson 72  
IP24: **917 BOE/d (100% oil)**  
Lateral length: **6,429 feet**

Yoakum Wasson Clearfork Unit 4613H; 2-Sep-2019  
**Occidental**  
IP24: **1,061 BOE/d (100% oil)**  
Lateral length: **7,106 feet**

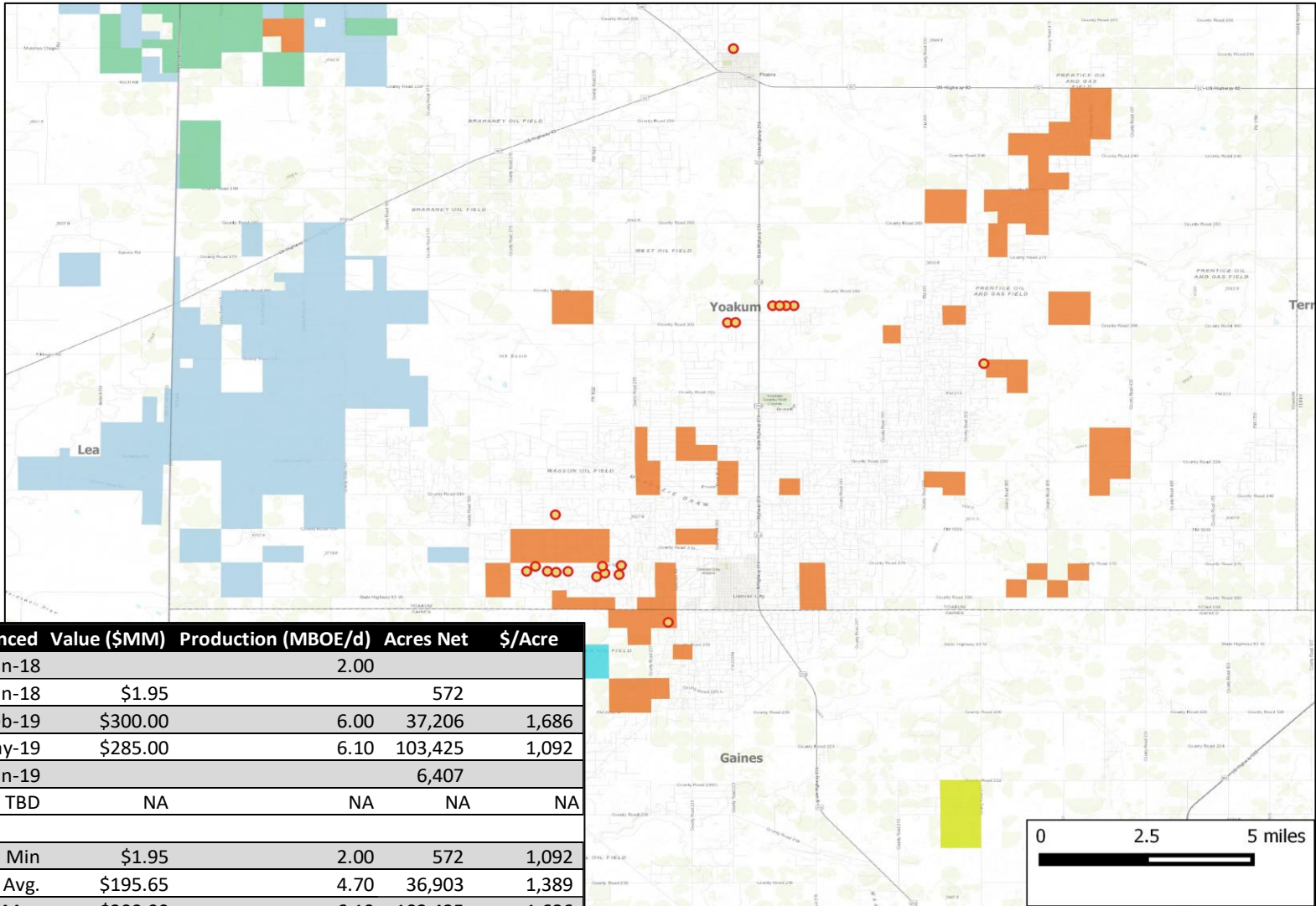
Yoakum Wasson Clearfork Unit 4614H; 1-Apr-2020  
**Occidental**  
Wasson 72  
IP24: **930 BOE/d (100% oil)**  
Lateral length: **8,068 feet**



# Historical Transaction (Area 1)

**Bids Due  
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**Private Sale**



Buyers	Sellers	Date Announced	Value (\$MM)	Production (MBOE/d)	Acres Net	\$/Acre
Epic Permian Operating LLC	Plantation Petroleum Co	Jan-18		2.00		
Permex Petroleum	Energy Properties 2000-I LLC	Jun-18	\$1.95		572	
Ring Energy	Wishbone Energy Partners	Feb-19	\$300.00	6.00	37,206	1,686
Sabinal Energy Operating LLC	Diamondback Energy	May-19	\$285.00	6.10	103,425	1,092
Undisclosed Buyer	PPC Operating Company LLC	Jun-19			6,407	
TBD	Delta Oil & Gas	TBD	NA	NA	NA	NA
		Min	\$1.95	2.00	572	1,092
		Avg.	\$195.65	4.70	36,903	1,389
		Max	\$300.00	6.10	103,425	1,686

Footnotes: Transacted properties may include acreage not visible in snapshot

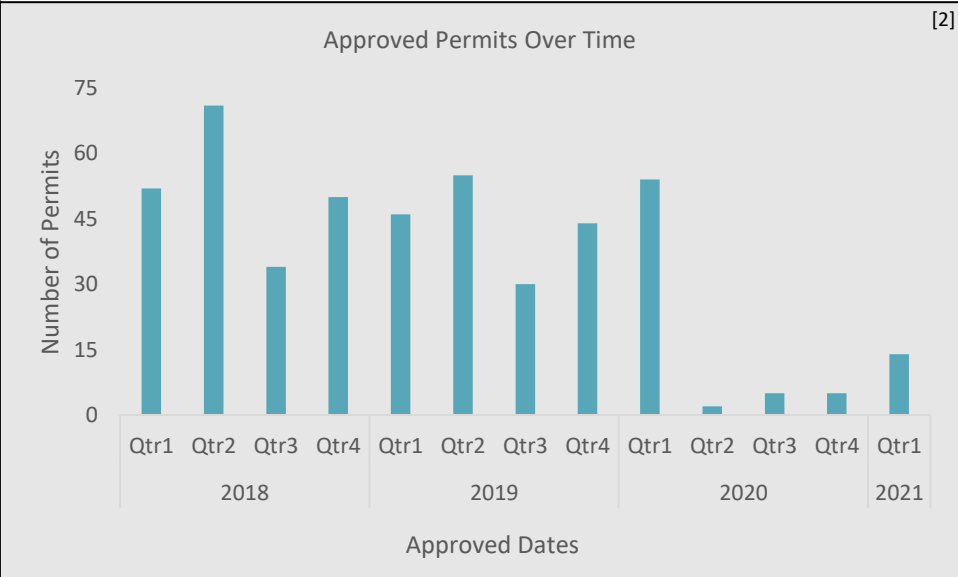
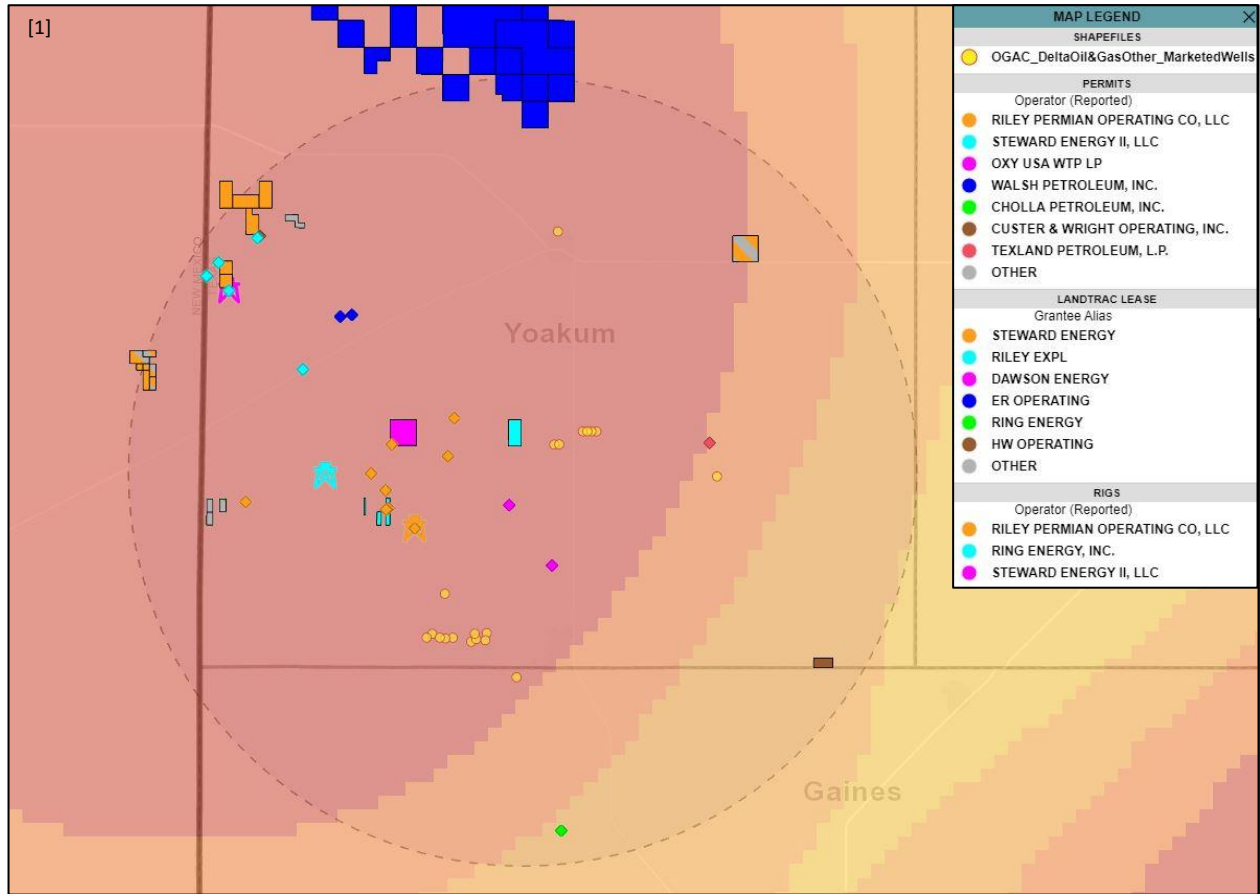
# Developmental Activity (Area 1)

**Bids Due  
May 27, 2021**

**Private Sale**

## Developmental Activity in the Vicinity

83 permits have been approved within the highlighted AOI since January 2020



Footnotes: [1] Lease Activity heatmap for the last 6 months, approved permits, landtrac leases and active rigs within a 15-mile radius of the marketed assets during the last 6 months  
[2] Permits approved within a 15-mile radius of the marketed assets

# Operator Activity (Area 2)

**Bids Due  
May 27, 2021**

**Private Sale**

## Operator Presence in the Vicinity

Occidental's Seminole San Andres Unit 4021S, with a lateral length of 4,097 feet, achieved an average IP24 of 997 BOE/d in July 2018

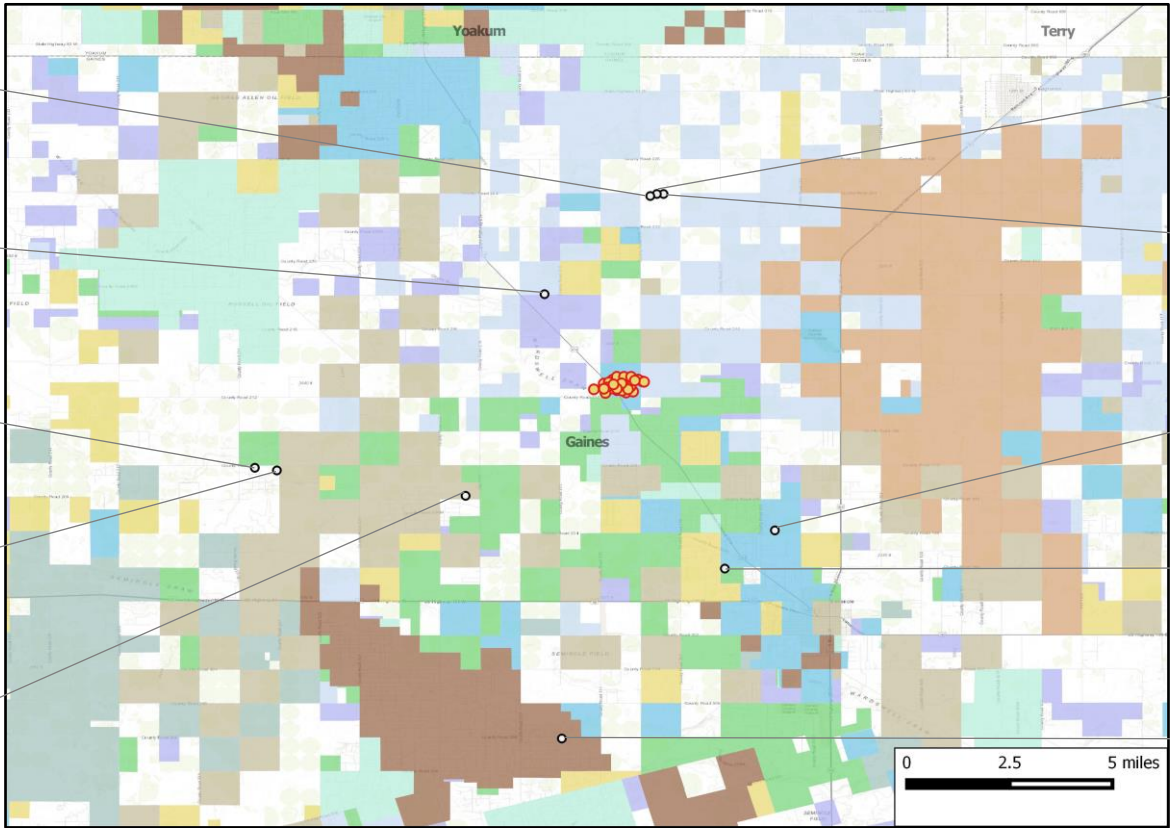
Peters, Ellen B. 5H; 6-Aug-2018  
**Ring Energy**  
San Andres  
IP24: **474 BOE/d (100% oil)**  
Lateral length: **3,689 feet**

Loki 2H; 6-Oct-2018  
**Ring Energy**  
San Andres  
IP24: **290 BOE/d (100% oil)**  
Lateral length: **4,471 feet**

Kinder Morgan Bergen P 02; 29-Jan-2019  
**Kinder Morgan Production Co**  
San Andres  
IP24: **1.13 MMcfe/d (77% gas)**  
Lateral length: **335 feet**

Kinder Morgan Bergen P 15; 8-Dec-2018  
**Kinder Morgan Production Co**  
San Andres  
IP24: **212 BOE/d (87% oil)**  
Lateral length: **325 feet**

West Seminole Sa Unit 416; 6-Jan-2018  
**Occidental**  
IP24: **180 BOE/d (97% oil)**  
Lateral length: **1,950 feet**



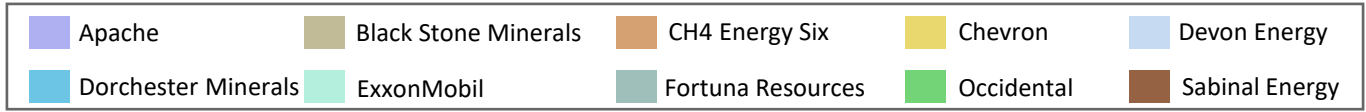
Peters, Ellen B. 4H; 6-Aug-2018  
**Ring Energy**  
San Andres  
IP24: **431 BOE/d (100% oil)**  
Lateral length: **5,708 feet**

Peters, Ellen B. 3H; 13-Dec-2018  
**Ring Energy**  
San Andres  
IP24: **455 BOE/d (82% oil)**  
Lateral length: **4,213 feet**

Seminole San Andres Unit 3703R; 3-May-2018  
**Occidental**  
San Andres  
IP24: **206 BOE/d (63% oil)**  
Lateral length: **192 feet**

Seminole San Andres Unit 4021S; 23-Jul-2018  
**Occidental**  
San Andres  
IP24: **997 BOE/d (60% oil)**  
Lateral length: **4,097 feet**

Syco Unit 11; 9-Nov-2019  
**Sabinal Energy Operating**  
Clear Fork  
IP24: **149 BOE/d (95% oil)**  
Lateral length: **1,166 feet**



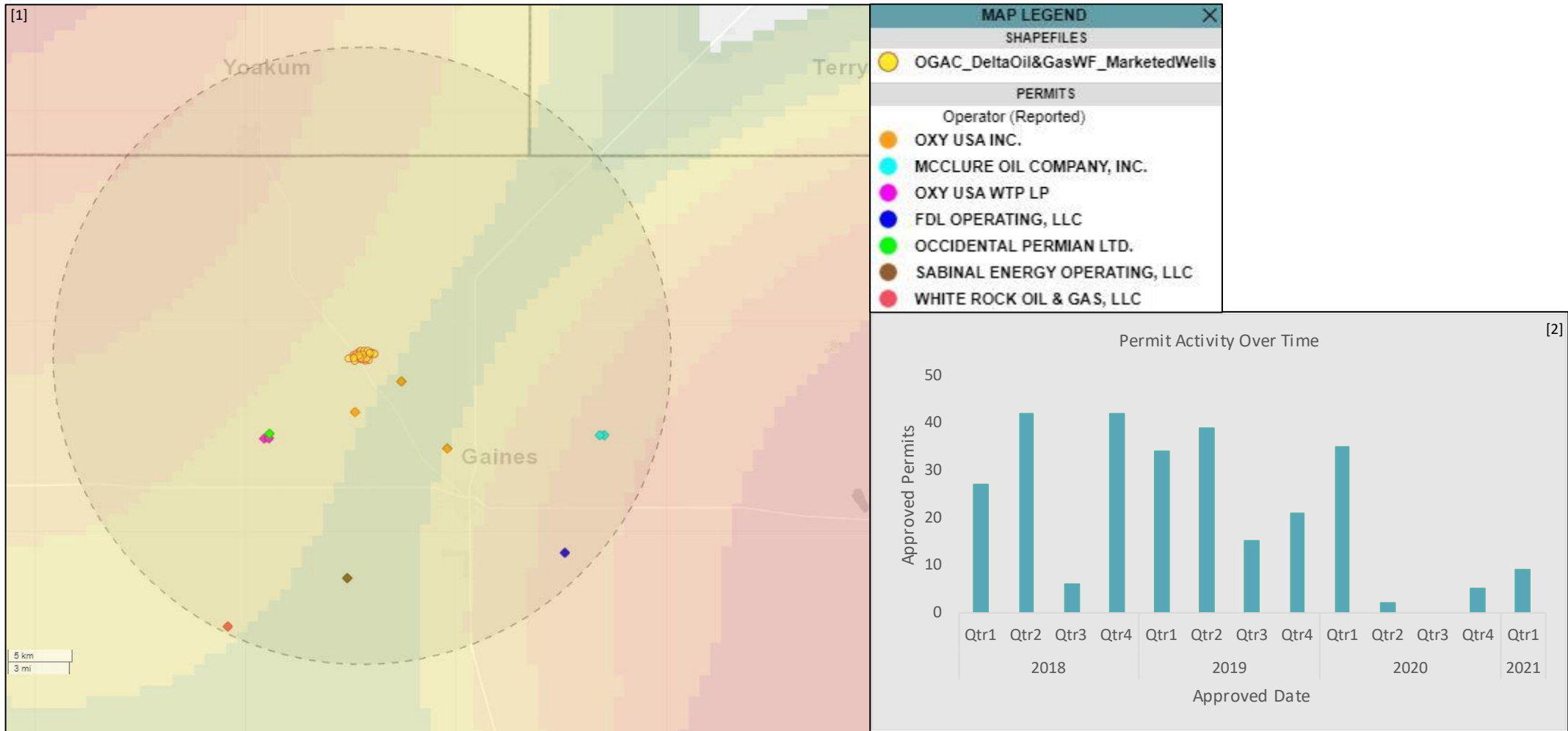
# Developmental Activity (Area 2)

**Bids Due**  
May 27, 2021

**Private Sale**

## Developmental Activity in the Vicinity

162 permits have been approved within a 15-mile radius of the marketed properties since January 2019



Footnotes: [1] Lease Activity heatmap for the last 3 months and approved Permits within a 15-mile radius of the marketed assets during the last 3 months  
[2] Permits approved within a 15-mile radius of the marketed assets



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## Sale Process

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- Virtual data room available April 28<sup>th</sup>, 2021
- Bids due May 27<sup>th</sup>, 2021
- Bid instructions available in VDR
- Effective date of May 1<sup>st</sup>, 2021

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

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

 VDR Open  
 Bids Due  
 Effective Date

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For additional questions or information, please contact our team:

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