

MID-CONTINENT ENERGY EXCHANGE

Oil & Gas Asset Auctions



Lot 5951 Data Packet

Sultan 1-30-19-18XH

Non-Op Working Interest in
McClain County, OK

In this Document:

[Lot Summary](#)

[Income and Expenses](#)

[Production](#)

[Misc.](#)

[Outgoing Conveyance](#)



Summary

BidEx Lot #5951

Lease Name:	Sultan 1-30-19-18XH Non-op WI
County/State:	McClain, OK
Asset Type:	Partial Working Interest
Legal Description:	Sec 30-6N-1W
API:	35-087-22387
GWI:	0.00584430
NRI:	0.00428279
Net Monthly Income:	\$1,043.71
Operator:	Charter Oak Production Co.
Purchaser:	Phillips 66 Company

Disclaimer: Bidders must conduct their own due diligence prior to bidding at the auction. Bidders shall rely upon their own evaluations of the properties and not upon any representation either oral or written provided here. This is a summary of information provided by the seller to Mid-Continent Energy Exchange.



Income and Expenses

Summary

4 months income/expense info

Total Income \$4,579.07

Total Expenses \$404.25

Net Income \$4,174.82

Net Monthly Income \$1,043.71

Statement Date	Net Income	Expenses	Total
2/16/2025	\$1,175.68	\$61.14	\$1,114.54
1/15/2025	\$958.58	\$49.84	\$908.74
12/16/2024	\$1,255.73	\$65.29	\$1,190.44
11/17/2024	\$1,189.08	\$227.98	\$961.10
TOTALS	\$4,579.07	\$404.25	\$4,174.82
Monthly Average	\$1,144.77	\$101.06	\$1,043.71

CHARTER OAK PRODUCTION CO., LLC
 13929 QUAIL POINTE DRIVE
 OKLAHOMA CITY, OK 73134
 (405)286-0361

SETTLEMENT STATEMENT

Account:

Date: 02/16/2025

Summary by PROPERTY:

PROPERTY#	Description	Net Income	Expenses	YOU OWE	ACH - WIRE TRANSFERS
	UNPAID PREVIOUS BALANCE			(164.79)	
SULTAN	SULTAN 1-30-19-18XH	1,114.54	15.85	15.85	1,114.54
Totals:		1,114.54	15.85	(148.94)	1,114.54
Credit Balance Do Not Pay -----^					

FOR INQUIRIES ABOUT YOUR ACCOUNT, PLEASE CALL 405-286-0361

Owner#:	Check#/Date	Gross Revenue:	Working	Royalty	Deductions	Withholding	Pmt Amount
	N/A	Check Totals:	1,175.68		61.14		1,114.54
	02/16/2025	2025 Totals:	2,134.26		110.98		2,023.28

PLEASE INCLUDE YOUR OWNER #/ACCOUNT NAME ON YOUR PAYMENT

CHECKS RECEIVED AFTER THE 1ST OF THE MONTH MAY NOT REFLECT ON CURRENT STATEMENT.

From: CHARTER OAK PRODUCTION CO., LLC
To:

For Checks Dated 02/16/2025 and For Billing Dated 01/31/2025
Account: Page 2

PROPERTY: (SULTAN) SULTAN 1-30-19-18XH County: CLEVELAND, OK

Revenue:

Prd Date	Prod	Price Per	Volume/Share	Description	Property Amt	Your Share
11/2024	GAS	\$/MCF:2.45	2,535 /10.86	GAS SALES:	6,220.36	26.64
	Wrk NRI:	0.00428279		GAS PRODUCTION TAX:	323.53-	1.39-
				Net Income:	5,896.83	25.25
12/2024	GAS	\$/MCF:3.56	5,485 /23.49	GAS SALES:	19,543.33	83.70
	Wrk NRI:	0.00428279		GAS PRODUCTION TAX:	1,016.10-	4.35-
				Net Income:	18,527.23	79.35
12/2024	OIL	\$/BBL:69.24	2,371.21 /10.16	OIL SALES:	164,174.20	703.12
	Wrk NRI:	0.00428279		OIL PRODUCTION TAX:	8,537.15-	36.56-
				Net Income:	155,637.05	666.56
12/2024	OIL	\$/BBL:69.24	1,221.53 /5.23	OIL SALES:	84,574.59	362.22
	Wrk NRI:	0.00428279		OIL PRODUCTION TAX:	4,397.93-	18.84-
				Net Income:	80,176.66	343.38
Total Revenue for PROPERTY						1,114.54

Expenses:

Reference	Description	Deck/AFE	Invoice Amt	Total	Your Share
Operating Costs					
COMPRESSOR RENTAL					
0340990-IN	ESTIS COMPRESSION LLC UNIT 1032 DECEMBER 2024	1	8,400.00	8,400.00	49.97
FIELD DIRECT & MONITORING					
92314915	IHS GLOBAL INC JANUARY 2025	1	7.00		
0005850-S0	ELYNX TECHNOLOGIES LLC JANUARY 2025	1	170.00		
R-10044	INSTRUMENTATION SERVICE GROUP LLC CAMERA SYSTEM SUBSCRIPTION	1	450.00	627.00	3.73
INSURANCE					
RBO17520	WELL INSURANCE	1	53.86	53.86	0.32
MONTHLY ADMIN O/H					
RBO17521	MONTHLY ADMIN O/H	1	685.00	685.00	4.07
MONTHLY PUMPER CHARGE					
158 DECEM	MYERS OILFIELD SERVICE	1	500.00	500.00	2.97
ROUSTABOUT CREW					
18492	C&M ROUSTABOUT SERVICE REMOVE FLANGES FROM COMPRESSOR	1	156.60		
19361	C&M ROUSTABOUT SERVICE DIG UP FLOWLINE & REPAIR LEAK	1	1,490.40	1,647.00	9.80
TRUCKING					
19518	C&M ROUSTABOUT SERVICE MOVE GAS BUSTER TO NORTH SIDE OF COMPRESSOR	1	135.00	135.00	0.80
UTILITIES					
132487637-2	OG&E BILLING PERIOD 12/20/24-1/21/25	1	40.09	40.09	0.24
VACUUM TRUCK					
85873	C&M TRANSPORT SERVICES, LLC EMPTY BERM	1	259.20		
17655	C&M ROUSTABOUT SERVICE CLEAN OUT CHEMICAL CONTAINMENTS, EMPTY CELLARS	1	118.80		

From: CHARTER OAK PRODUCTION CO., LLC
To:

For Checks Dated 02/16/2025 and For Billing Dated 01/31/2025
Account: Page 3

PROPERTY: (SULTAN) SULTAN 1-30-19-18XH (Continued)

Expenses: (Continued)

Reference	Description	Deck/AFE	Invoice Amt	Total	Your Share
86515	C&M TRANSPORT SERVICES, LLC EMPTY BERM	1	453.60	831.60	4.95
VALVES & FITTINGS					
44927	TRIPLE T SUPPLY LLC FULL CIRCLE COLLAR LEAK CLAMP	1	72.57	72.57	0.43
WATER DISPOSAL					
12/24 ROCK	DISPOSAL WELL USAGE 8016 BBL WATER DISPOSAL	1	4,008.00	4,008.00	23.84
WATER HAULING					
89346	C&M TRANSPORT SERVICES, LLC HAUL WATER TO DISPOSAL	1	604.80		
89504	C&M TRANSPORT SERVICES, LLC HAUL WATER TO DISPOSAL	1	907.20	1,512.00	9.00
WATER & LINES					
SUL/SAH PI	PIPELINE USAGE 10/24 12992.00 BBL	1	7,145.60-		
SUL/SAH PI	PIPELINE USAGE 10/24 15821.50 BBL	1	8,701.83-	15,847.43-	94.27-
Total Operating Costs				2,664.69	15.85

PROPERTY Summary:	<u>Net Rev Int</u>	<u>Wrk Int</u>	<u>WI Revenue</u>	<u>Expenses</u>	<u>Net Cash</u>
SULTAN	0.00428279	0.00594832	1,114.54	15.85	1,098.69

CHARTER OAK PRODUCTION CO., LLC
13929 QUAIL POINTE DRIVE
OKLAHOMA CITY, OK 73134
(405)286-0361

SETTLEMENT STATEMENT

Account:

Date: 01/15/2025

Summary by PROPERTY:

		Net		YOU	ACH - WIRE
PROPERTY#	Description	Income	Expenses	OWE	TRANSFERS
	UNPAID PREVIOUS BALANCE			(86.71)	
SULTAN	SULTAN 1-30-19-18XH	908.74	(78.08)	(78.08)	908.74
Totals:		908.74	(78.08)	(164.79)	908.74
Credit Balance Do Not Pay -----^					

FOR INQUIRIES ABOUT YOUR ACCOUNT, PLEASE CALL 405-286-0361

Owner#:	Check#/Date	Gross Revenue:	Working	Royalty	Deductions	Withholding	Pmt Amount
	N/A	Check Totals:	958.58		49.84		908.74
	01/15/2025	2025 Totals:	958.58		49.84		908.74

PLEASE INCLUDE YOUR OWNER #/ACCOUNT NAME ON YOUR PAYMENT

CHECKS RECEIVED AFTER THE 1ST OF THE MONTH MAY NOT REFLECT ON CURRENT STATEMENT.

From: CHARTER OAK PRODUCTION CO., LLC
To:

For Checks Dated 01/15/2025 and For Billing Dated 12/31/2024
Account: Page 2

PROPERTY: (SULTAN) SULTAN 1-30-19-18XH County: CLEVELAND, OK

Revenue:

Prd Date	Prod	Price Per	Volume/Share	Description	Property Amt	Your Share
10/2024	GAS	\$/MCF:2.69	7,773 /33.29	GAS SALES:	20,928.31	89.63
	Wrk NRI:	0.00428279		GAS PRODUCTION TAX:	1,088.39-	4.66-
				Net Income:	19,839.92	84.97
11/2024	OIL	\$/BBL:69.31	1,932.08 /8.27	OIL SALES:	133,910.46	573.51
	Wrk NRI:	0.00428279		OIL PRODUCTION TAX:	6,963.40-	29.82-
				Net Income:	126,947.06	543.69
11/2024	OIL	\$/BBL:69.31	995.32 /4.26	OIL SALES:	68,984.18	295.44
	Wrk NRI:	0.00428279		OIL PRODUCTION TAX:	3,587.20-	15.36-
				Net Income:	65,396.98	280.08

Total Revenue for PROPERTY

908.74

Expenses:

Reference	Description	Deck/AFE	Invoice Amt	Total	Your Share
Operating Costs					
CHEMICAL & CHEM TREATMENT					
CI293725	IMPERATIVE CHEMICAL PARTNERS INC EBO-1065	1	2,476.43	2,476.43	14.73
COMPRESSOR RENTAL					
0339403-IN	ESTIS COMPRESSION LLC UNIT 1032 RENTAL NOVEMBER 2024	1	8,400.00	8,400.00	49.97
FIELD DIRECT & MONITORING					
92293913	IHS GLOBAL INC NOVEMBER 2024	1	6.99		
0005850-S0	ELYNX TECHNOLOGIES LLC DECEMBER 2024	1	170.00	176.99	1.05
INSURANCE					
RBO17139	WELL INSURANCE	1	53.86	53.86	0.32
MONTHLY ADMIN O/H					
RBO17140	MONTHLY ADMIN O/H	1	685.00	685.00	4.07
MONTHLY PUMPER CHARGE					
157 NOVEM	MYERS OILFIELD SERVICE	1	500.00	500.00	2.98
ROUSTABOUT CREW					
18346	C&M ROUSTABOUT SERVICE CHANGE SGT ON SEPARATOR	1	626.40		
18452	C&M ROUSTABOUT SERVICE UNPLUMB COMPRESSORS NEAR WELLHEAD	1	313.20	939.60	5.59
SUPERVISION					
2566	WILLIAM C GOGGANS COMPRESSOR	1	1,600.00	1,600.00	9.51
UTILITIES					
132487637-2	OG&E DECEMBER 2024	1	31.08	31.08	0.19
VACUUM TRUCK					
84773	C&M TRANSPORT SERVICES, LLC PULL BOTTOMS	1	259.20	259.20	1.54
VALVES & FITTINGS					
43907	TRIPLE T SUPPLY LLC ANGLE BODY LEVER BAR	1	2,932.14	2,932.14	17.44
WATER DISPOSAL					
11/24 ROCK	DISPOSAL WELL USAGE 6102 BBL WATER DISPOSAL	1	3,051.00		

From: CHARTER OAK PRODUCTION CO., LLC
To:

For Checks Dated 01/15/2025 and For Billing Dated 12/31/2024
Account: Page 3

PROPERTY: (SULTAN) SULTAN 1-30-19-18XH (Continued)

Expenses: (Continued)

Reference	Description	Deck/AFE	Invoice Amt	Total	Your Share
11/24 LADD	DISPOSAL WELL USAGE 260 BBL WATER DISPOSAL	1	130.00	3,181.00	18.92

WATER & LINES

PIPELINE	PIPELINE USAGE 18898 BBL	1	10,393.90-		
PIPELINE	PIPELINE USAGE 12389 BBL	1	6,813.95-		
SUL/SAH PI	PIPELINE USAGE 09/24 13628.00 BBL	1	7,495.40-		
SUL/SAH PI	PIPELINE USAGE 09/24 16079.50 BBL	1	8,843.73-		
SUL/SAH PI	PIPELINE USAGE 10/24 1480.00 BBL	1	814.00-	34,360.98-	204.39-
Total Operating Costs				13,125.68-	78.08-

PROPERTY Summary:	<u>Net Rev Int</u>	<u>Wrk Int</u>	<u>WI Revenue</u>	<u>Expenses</u>	<u>Net Cash</u>
SULTAN	0.00428279	0.00594832	908.74	78.08-	986.82

CHARTER OAK PRODUCTION CO., LLC
13929 QUAIL POINTE DRIVE
OKLAHOMA CITY, OK 73134
(405)286-0361

SETTLEMENT STATEMENT

Account:

Date: 12/16/2024

Summary by PROPERTY:

		Net		YOU	ACH - WIRE
PROPERTY#	Description	Income	Expenses	OWE	TRANSFERS
SULTAN	SULTAN 1-30-19-18XH	1,190.44	(86.71)	(86.71)	1,190.44
Totals:		1,190.44	(86.71)	(86.71)	1,190.44
Credit Balance Do Not Pay -----^					

FOR INQUIRIES ABOUT YOUR ACCOUNT, PLEASE CALL 405-286-0361

Owner#:	Check#/Date	Gross Revenue:	Working	Royalty	Deductions	Withholding	Pmt Amount
	N/A	Check Totals:	1,255.73		65.29		1,190.44
	12/16/2024	2024 Totals:	17,525.76		12,617.56		4,908.20

PLEASE INCLUDE YOUR OWNER #/ACCOUNT NAME ON YOUR PAYMENT

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From: CHARTER OAK PRODUCTION CO., LLC
To:

For Checks Dated 12/16/2024 and For Billing Dated 11/30/2024
Account: Page 2

PROPERTY: (SULTAN) SULTAN 1-30-19-18XH County: CLEVELAND, OK

Revenue:

Prd Date	Prod	Price Per	Volume/Share	Description	Property Amt	Your Share
10/2024	OIL	\$/BBL:72.17	2,681.44 /11.48	OIL SALES:	193,514.67	828.78
	Wrk NRI:	0.00428279		OIL PRODUCTION TAX:	10,062.47-	43.09-
				Net Income:	183,452.20	785.69
10/2024	OIL	\$/BBL:72.17	1,381.35 /5.92	OIL SALES:	99,689.38	426.95
	Wrk NRI:	0.00428279		OIL PRODUCTION TAX:	5,183.69-	22.20-
				Net Income:	94,505.69	404.75

Total Revenue for PROPERTY

1,190.44

Expenses:

Reference	Description	Deck/AFE	Invoice Amt	Total	Your Share
Operating Costs					
INSURANCE					
RBO16758	WELL INSURANCE	1	53.86	53.86	0.32
MONTHLY ADMIN O/H					
RBO16759	MONTHLY ADMIN O/H	1	685.00	685.00	4.07
MONTHLY PUMPER CHARGE					
156 OCTOB	MYERS OILFIELD SERVICE	1	500.00	500.00	2.98
UTILITIES					
132487637-2	OG&E	1	31.08	31.08	0.18
	NOVEMBER 2024				
WATER DISPOSAL					
10/24 ROCK	DISPOSAL WELL USAGE	1	3,948.00	3,948.00	23.49
	7896 BBL WATER DISPOSAL				
WATER & LINES					
SUL/SAH PI	PIPELINE USAGE 07/24	1	6,813.95-		
	12389 BBL				
SUL/SAH PI	PIPELINE USAGE 07/24	1	10,393.90-		
	18898 BBL				
SUL/SAH PI	PIPELINE USAGE 09/24	1	2,644.95-	19,852.80-	118.09-
	4809 BBL				
Total Operating Costs				14,634.86-	87.05-
Intangible Drilling Costs					
LAND / LEGAL					
4344-0196M	ELIAS, BOOKS, BROWN & NELSON	SUL001-1	15.70		
	CLEAN UP PL SEC 19-6N-1W				
4344-0197M	ELIAS, BOOKS, BROWN & NELSON	SUL001-1	40.82	56.52	0.34
	CLEAN UP PL SEC 30-6N-1W				
Total Intangible Drilling Costs				56.52	0.34

Total Expenses for PROPERTY

14,578.34- 86.71-

Billing Summary	LOE	1	0.00594832	14,634.86-	87.05-
by Deck/AFE	DRILLING	SUL001-1	0.00594832	56.52	0.34

PROPERTY Summary:	Net Rev Int	Wrk Int	WI Revenue	Expenses	Net Cash
SULTAN	0.00428279	0.00594832	1,190.44	86.71-	1,277.15

CHARTER OAK PRODUCTION CO., LLC
13929 QUAIL POINTE DRIVE
OKLAHOMA CITY, OK 73134
(405)286-0361

SETTLEMENT STATEMENT

Account:

Date: 11/17/2024

Account: - Statement of Account:

Date	Reference	Description	Charges	Credits
10/14/2024		Balance Forward		(25,395.35)
10/30/2024	193949		25,395.35	
		New Balance Forward	0.00	

Summary by PROPERTY:

PROPERTY#	Description	Net Income	Expenses	YOU OWE	ACH - WIRE TRANSFERS
SULTAN	SULTAN 1-30-19-18XH	1,189.08	227.98		961.10
	Totals:	1,189.08	227.98	0.00	961.10

FOR INQUIRIES ABOUT YOUR ACCOUNT, PLEASE CALL 405-286-0361

Owner#:	Check#/Date	Gross Revenue:	Working	Royalty	Deductions	Withholding	Pmt Amount
	N/A	Check Totals:	1,254.31		293.21		961.10
	11/17/2024	2024 Totals:	16,270.03		12,552.27		3,717.76

PLEASE INCLUDE YOUR OWNER #/ACCOUNT NAME ON YOUR PAYMENT

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From: CHARTER OAK PRODUCTION CO., LLC
To:

For Checks Dated 11/17/2024 and For Billing Dated 10/31/2024
Account: Page 2

PROPERTY: (SULTAN) SULTAN 1-30-19-18XH County: CLEVELAND, OK

Revenue:

Prd Date	Prod	Price Per	Volume/Share	Description	Property Amt	Your Share
09/2024	GAS	\$/MCF:2.07	6,265 /26.83	GAS SALES:	12,990.91	55.64
	Wrk NRI:	0.00428279		GAS PRODUCTION TAX:	675.82-	2.90-
				Net Income:	12,315.09	52.74
09/2024	OIL	\$/BBL:70.06	2,636.50 /11.29	OIL SALES:	184,721.24	791.12
	Wrk NRI:	0.00428279		OIL PRODUCTION TAX:	9,605.50-	41.14-
				Net Income:	175,115.74	749.98
09/2024	OIL	\$/BBL:70.06	1,358.20 /5.82	OIL SALES:	95,159.43	407.55
	Wrk NRI:	0.00428279		OIL PRODUCTION TAX:	4,948.28-	21.19-
				Net Income:	90,211.15	386.36

Total Revenue for PROPERTY

1,189.08

Expenses:

Reference	Description	Deck/AFE	Invoice Amt	Total	Your Share
Operating Costs					
CHEMICAL & CHEM TREATMENT					
CI267702	IMPERATIVE CHEMICAL PARTNERS INC EBO-1065	1	675.39	675.39	4.02
COMPRESSOR RENTAL					
0337595-IN	ESTIS COMPRESSION LLC UNIT 2266 COMPRESSOR RENTAL OCTOBER 2024	1	7,875.00		
0337596-IN	ESTIS COMPRESSION LLC UNIT 1032 COMPRESSOR RENTAL OCTOBER 2024	1	8,400.00	16,275.00	96.81
FIELD DIRECT & MONITORING					
92250955	IHS GLOBAL INC SEPTEMBER 2024	1	7.00		
92272864	IHS GLOBAL INC OCTOBER 2024	1	7.04		
0005850-S0	ELYNX TECHNOLOGIES LLC OCTOBER 2024	1	168.00		
0005850-S0	ELYNX TECHNOLOGIES LLC NOVEMBER 2024	1	170.00	352.04	2.09
INSURANCE					
RBO16363	WELL INSURANCE	1	53.86	53.86	0.32
MISCELLANEOUS EQUIPMENT					
115625	C&M ROUSTABOUT SERVICE PIPE & MATERIALS FOR VALVE GUARDS	1	605.00	605.00	3.60
MONTHLY ADMIN O/H					
RBO16364	MONTHLY ADMIN O/H	1	685.00	685.00	4.07
MONTHLY PUMPER CHARGE					
155 SEPTE	MYERS OILFIELD SERVICE	1	500.00	500.00	2.98
ROUSTABOUT CREW					
18182	C&M ROUSTABOUT SERVICE TILL TRENCH, FILL IN, & SMOOTH DITCH LINE	1	2,862.00		
18184	C&M ROUSTABOUT SERVICE BUILD VALVE GUARDS, HANG SIGNS, & SET ON LOCATION	1	1,260.36		
17269	C&M ROUSTABOUT SERVICE REPLACE GASKET ON WATER PUMP FLANGE TO TANK	1	469.80		

From: CHARTER OAK PRODUCTION CO., LLC
To:

For Checks Dated 11/17/2024 and For Billing Dated 10/31/2024
Account: Page 3

PROPERTY: (SULTAN) SULTAN 1-30-19-18XH (Continued)

Expenses: (Continued)

Reference	Description	Deck/AFE	Invoice Amt	Total	Your Share
17578	C&M ROUSTABOUT SERVICE REPLACE WATER DUMP ON KNOCKOUT	1	469.80		
18016	C&M ROUSTABOUT SERVICE REPLACE SGT ON SALES SIDE OF KNOCKOUT	1	712.80		
18030	C&M ROUSTABOUT SERVICE MOW LOCATION, SPRAY WEEDS, LOCATE WATER HYDRANT AT BARN	1	999.00		
18148	C&M ROUSTABOUT SERVICE DITCH WATER LINE	1	2,505.60		
18175	C&M ROUSTABOUT SERVICE RUN WATER LINE, COVER TRENCH	1	2,862.60	12,141.96	72.22
SUPERVISION					
2563	WILLIAM C GOGGANS REMOVE COMPRESSOR	1	500.00	500.00	2.98
UTILITIES					
132487637-2	OG&E OCTOBER 2024	1	31.08	31.08	0.18
VACUUM TRUCK					
79603	C&M TRANSPORT SERVICES, LLC EMPTY BERM	1	777.60	777.60	4.63
VALVES & FITTINGS					
7014	OUTLAW PUMP & SUPPLY LLC KIMRAY BP VALVE	1	1,560.11		
CI267711	IMPERATIVE CHEMICAL PARTNERS INC LINE CHECK, 3/8" ELBOWS, 3/8" UNIONS	1	107.50	1,667.61	9.92
WATER DISPOSAL					
ROCKWOO	DISPOSAL WELL USAGE 7606 BBL WATER DISPOSAL	1	3,803.00	3,803.00	22.62
WATER HAULING					
76476	C&M TRANSPORT SERVICES, LLC HAUL WATER TO DISPOSAL	1	259.20	259.20	1.54
Total Operating Costs				38,326.74	227.98

PROPERTY Summary:		<u>Net Rev Int</u>	<u>Wrk Int</u>	<u>WI Revenue</u>	<u>Expenses</u>	<u>Net Cash</u>
SULTAN		0.00428279	0.00594832	1,189.08	227.98	961.10

CHARTER OAK PRODUCTION CO., LLC

13929 QUAIL POINTE DRIVE
 OKLAHOMA CITY, OK 73134
 (405)286-0361
 Fax: (405)286-4396

A F E

CHARTER OAK PRODUCTION CO
 13929 QUAIL POINTE DR
 OKLAHOMA CITY, OK 73134

Account: 99990

Date: 10/03/2022

Authority For Expenditure

AFE#	SUL001	Property#	SULTAN
Description	SULTAN 1-30-19-18XH SECTIONS 30-6N-1W, 19-6N-1W & 18-6N-1W MULTIUNIT WOODFORD HORIZONTAL CLEVELAND/MCCLAIN COUNTY, OKLAHOMA MD = 22,950'	Property Desc	SULTAN 1-30-19-18XH
		County/State	CLEVELAND, OK

	Description	DRILLING
<i>Intangible Drilling Costs</i>		
	DRILLING OVERHEAD	7,500.00
	BITS & REAMERS	90,000.00
	CASING CREW	20,000.00
	CEMENTING & SERVICES	47,500.00
	DIRECTIONAL SERVICES	532,000.00
	CONTRACT SUPERVISION	98,000.00
	DRILLING FLUIDS	485,000.00
	DRILLING-MOBILIZATION	100,000.00
	DRILLING-DAYWORK	780,000.00
	ELECTRIC SERVICES	10,000.00
	ENGINEERING & SUPERVISION	25,000.00
	FUEL, OIL & CHEMICALS	210,000.00
	INSURANCE	18,135.00
	LAND / LEGAL	75,000.00
	MISCELLANEOUS & SUPPLIES	10,000.00
	MUD LOGGER	45,000.00
	PERMITS	500.00
	PIPE INSPECTIONS	15,000.00
	PITS & DISPOSAL	142,675.00
	RAT HOLE SERVICE	48,500.00
	RENTAL EQUIPMENT	175,000.00
	ROADS LOCATION & PADS	110,000.00
	ROUSTABOUT CREW	5,000.00
	SURFACE CASING	43,750.00
	SURFACE WELLHEAD	8,500.00
	SURFACE DAMAGES	80,000.00
	SURVEYING	3,000.00
	TRUCKING & HAULING	20,000.00

Description	DRILLING
WATER HAULING	2,500.00
WATER & LINES	15,000.00
WELDING	4,000.00
INTERMEDIATE CASING	691,220.00
Total - Intangible Drilling Costs	3,917,780.00
TOTAL DRILLING	3,917,780.00

Summary by Owner		DRILLING		Running Total
Owner#	Owner Name	Decimal Interest	Amount	Amount
99990	CHARTER OAK PRODUCTION CO	1.00000000	3,917,780.00	3,917,780.00

Description	COMPLETION
Intangible Completion Costs	
ACIDIZING & FRACTURING	3,450,000.00
CASING CREW / TONGS	32,500.00
CEMENTING & SERVICES	135,000.00
COIL TUBING	175,000.00
COMPLETION OVERHEAD	7,500.00
COMPLETION UNIT	20,000.00
ELECTRIC SERVICES	55,000.00
ENGINEERING/SUPERVISION	67,500.00
EQUIPMENT RENTAL	200,000.00
FLOW TESTING	15,000.00
INSURANCE	31,250.00
LAND / LEGAL	25,000.00
LOGGING & PERFORATING	225,000.00
MISCELLANEOUS	35,000.00
PACKERS & PLUGS	85,000.00
PITS & DISPOSALS	20,000.00
ROADS & LOCATION	5,000.00
ROUSTABOUT SERVICES	50,000.00
TRUCKING & HAULING	25,000.00
RIGHT OF WAY	75,000.00
VALVES & FITTINGS	55,000.00
WELDING	3,500.00
WATER & LINES	175,000.00
Total - Intangible Completion Costs	4,967,250.00

Equipment Costs

GAS METERING EQUIPMENT	15,000.00
PRODUCTION CASING	822,200.00
PUMPS-DOWNHOLE	175,000.00
TANK BATTERY	145,000.00
TUBING	111,700.00
TUBING HEAD	8,000.00
WELLHEAD	9,500.00
Total - Equipment Costs	1,286,400.00

TOTAL COMPLETION 6,253,650.00

Summary by Owner		COMPLETION		AFE Total
Owner#	Owner Name	Decimal Interest	Amount	Amount
99990	CHARTER OAK PRODUCTION CO	1.00000000	6,253,650.00	10,171,430.00



Production





SULTAN 1-30-19-18XH

Lease #: 08723004600000

Lease and Production Information

State	County	Operator			
OK	MCCLAIN	CHARTER OAK PRODUCTION CO LLC			
Location	Meridan	Quarter Call	Formation	Horizontal	Production Months
18-06N-01W	Indian	AL		No	19
			Oil		Gas
First Prod Date			2023-04-01		
Last Sale			2024-10-01		
Daily Rate			45.66		
MoM Change			23		
YoY Change			10485		
Cumulative			33738		

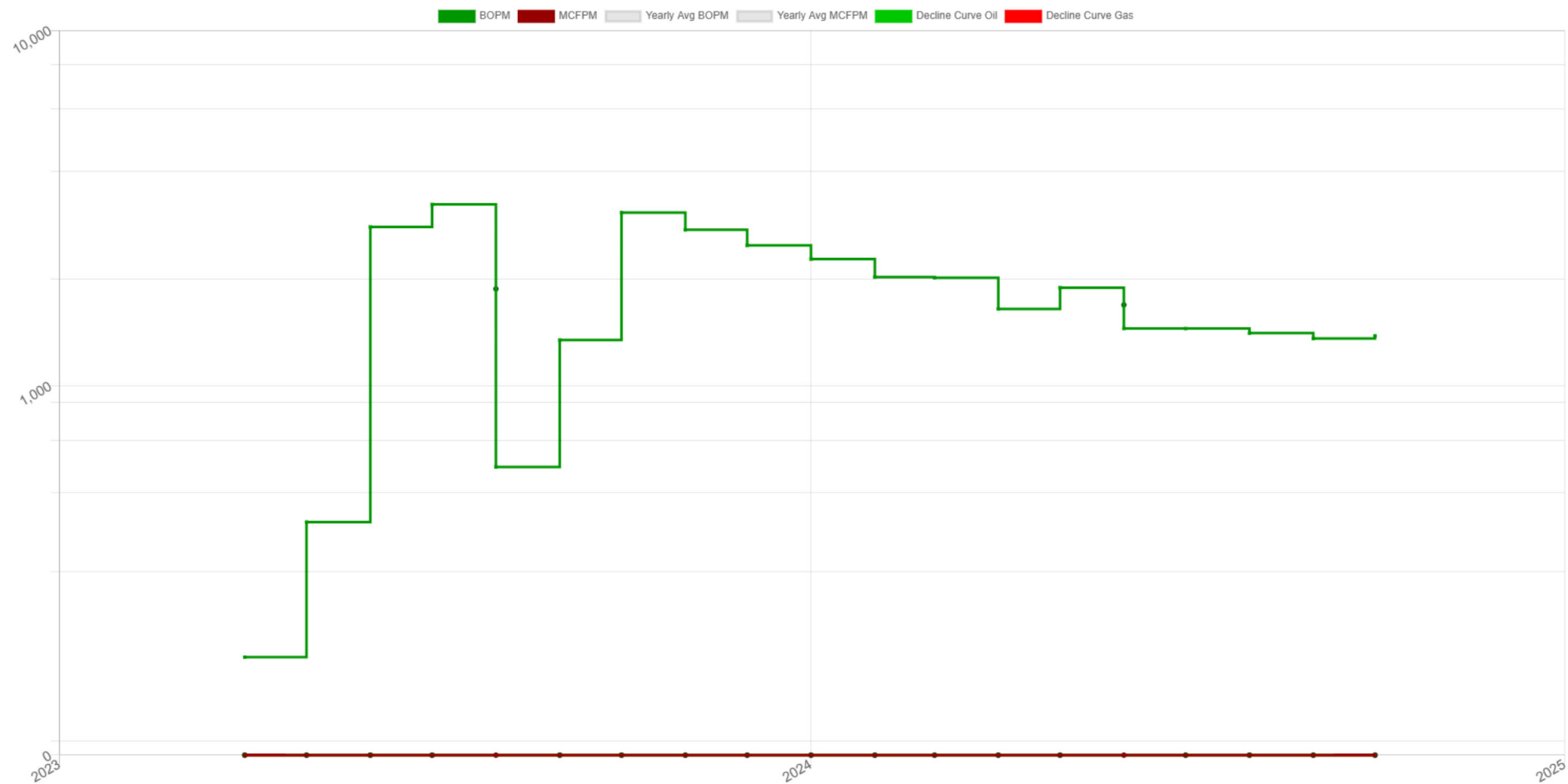
Production Snapshot

Month	BOPM	MCFPM
11-2023	2747	
12-2023	2483	
01-2024	2271	
02-2024	2021	
03-2024	2014	
04-2024	1645	
05-2024	1888	
06-2024	1449	
07-2024	1448	
08-2024	1406	
09-2024	1358	
10-2024	1381	
Average	1843	

Annual Averages

Year	Avg BOPM	Avg MCFPM
2023	1873	
2024	1688	

SULTAN 1-30-19-18XH - Production Plot





SULTAN 1-30-19-18XH

Associated Wells

Total Well Count: 1

Well Name	API	Operator				Type	Status
SULTAN	35-087-22387	CHARTER OAK PRODUCTION CO LLC				Oil	Active
Location	Spot	Foot-NS		Foot-EW	Foot-ref	Zone	
31-06N-01W	NE NE NE NE	245		283	NE		
Spud	Completion			First Production			
2022-09-03	2023-05-20			2023-04-04			
Elevation	MD	TV-TD	Cmpl-Top	Cmpl-Btm	PBTD	Drill-Dir	Lateral
DF: 1121	22950						
Prod Csg	Prod: 22578' of 5 1/2" Csg., 20#, w/2983 sx cmt. TOC @ 3460						
Surf Csg	Surf: 290' of 13 3/8" Csg., 54.5#, w/185 sx cmt. TOC @ SURFACE						
Inter Csg	Inter: 6301' of 9 5/8" Csg., 40#, w/300 sx cmt. TOC @ 1272						

Well Test

Date	BOPD	MCFPD	BWPD
2024-01-01	290	159	636



Misc. Info



OIL AND GAS DIVISION ORDER

CHARTER OAK PRODUCTION CO., LLC
13929 QUAIL POINTE DRIVE
OKLAHOMA CITY, OK 73134

10/03/2023

Owner Number: _____
Type of Interest: W
Decimal Interest: 0.00584430

Property Name: SULTAN 1-30-19-18XH Property #: SULTAN-R1
Legal Description: SECTION 18-6N-1W & 19-6N-1W & 30-6N-1W
CLEVELAND, OK
Effective Date: 04/01/2023
Production GAS: Y OIL: Y

EVIDENCE OF TITLE: In the event of a dispute at any time concerning the title to the minerals or royalties or to any portion of the proceeds thereof, Charter Oak may hold the proceeds, without interest, until evidence of ownership satisfactory to Charter Oak has been furnished. The undersigned agrees to notify Charter Oak promptly in writing of any changes in the decimal interest set forth above, and all such changes shall be effective the first day of the month following receipt of such notice. Charter Oak is relieved of any responsibility for determining when any interest set forth herein is changed, and will be held harmless from any loss or expense where adequate written notice is not provided.

SETTLEMENT: Settlement shall be based on the net proceeds payable under the controlling Oil Contract, Gas Purchase Contract, processing agreement or other agreement or lease, to which reference is made for all purposes. Charter Oak assumes no duty to make or continue to make payments to those executing this division order beyond the requirements of the applicable contract or lease.

PAYMENTS: Payment shall be made monthly by check mailed or ACH (Direct Deposit) to the party or parties, according to the decimal interest shown herein. Each party signing hereby warrants and guarantees their title to the oil/gas or proceeds thereof credited to such owner according to the decimal interest herein indicated and agrees to indemnify and hold Charter Oak harmless from all loss, cost or expense incurred by it because of payments as set out above. Payments of less than \$100.00 may be accumulated by Charter Oak and paid when the total amount due equals \$100.00. Accounts accumulated at least \$10.00 will be paid annually.

DISTRIBUTION: Charter Oak is authorized to deduct joint interest billing expenses from the undersigned's interest in payment of joint interest billings related to working interest of the undersigned in wells with Charter Oak.

COUNTERPART: This agreement may be executed in multiple counterparts all of which together shall constitute a single division order and is binding on all parties.

REGULATIONS: Payments to owners described herein shall be subject to all present and future federal, state and local laws, regulations or orders and the terms and conditions contained herein.

INDEMNITY: The owner agrees to indemnify and hold payor harmless from all liability resulting from the payments made to the owner in accordance with such division of interest, including but not limited to attorney fees or judgements in connection with any suit that affects the owner's interest to which payor is made a party.

DATE SIGNED

SIGN

INTEREST OWNER

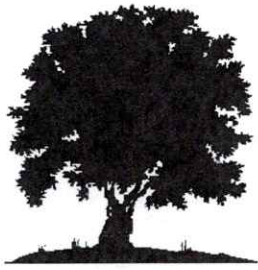
CURRENT ADDRESS/PHONE #

10.12.2023

TAX ID / SS# OF OWNER

83-3743996

FAILURE TO FURNISH YOUR SOCIAL SECURITY / TAX ID NUMBER WILL RESULT IN WITHHOLDING TAX IN
ACCORDANCE WITH FEDERAL LAW AND ANY TAX WITHHELD WILL NOT BE REFUNDABLE TO PAYOR.



Charter Oak Production Co., LLC

13929 Quail Pointe Drive, Oklahoma City, OK 73134
Phone 405-286-0361 Fax 405-286-4396

INSTRUCTIONS FOR EXECUTING DIVISION ORDERS

Please execute the enclosed Division Order(s) in accordance with the instructions listed below and return the original Division Order(s), completed, to this office for further handling. Feel free to make a copy of the Division Order(s) for your files.

EXECUTION:

Individual

Sign your name exactly as it appears on the Division Order. Any changes must be accompanied by legal documentation.

Agent, Estate Representative, Trustee, Etc.

Sign the Division Order and provide a copy of the document(s) granting you the authority to execute on behalf of the owner.

Corporations

The Division Order must be signed by the President or Vice-President and attested by the Corporate Secretary or Assistant Secretary, with the corporate seal affixed.

LLCs

The Division Order must be signed by the Managing Member.

Partnerships

All partners must sign unless signed by one authorized partner. In the event of the latter, a copy of the document granting signatory rights must be provided.

Attorney-In-Fact

Sign the Division Order and provide a copy of the power of attorney, recorded in the county where the mineral interest lies.

ADDRESS:

Verify your address. Please indicate any necessary corrections in the space provided at the bottom of the form for an address change/correction and please add a phone number contact.

TAX IDENTIFICATION NUMBER:

Your Social Security or Federal Tax Identification Number may be listed on the Division Order. If so, verify the accuracy of this number and indicate any necessary corrections. If the number is not shown, please complete, sign and date the enclosed W-9.

****IMPORTANT NOTICE****

AS PROVIDED BY THE INTERNAL REVENUE SERVICE (IRS), FAILURE TO PROVIDE YOUR TAXPAYER IDENTIFICATION NUMBER AS WELL AS A COMPLETED W-9 MAY IMPOSE A MAXIMUM BACKUP WITHHOLDING FROM YOUR REVENUE PAYMENTS, WHICH IS NOT REFUNDABLE.

WELL
Sultan 1-30-19-18XH



API
35-087-22387-0000

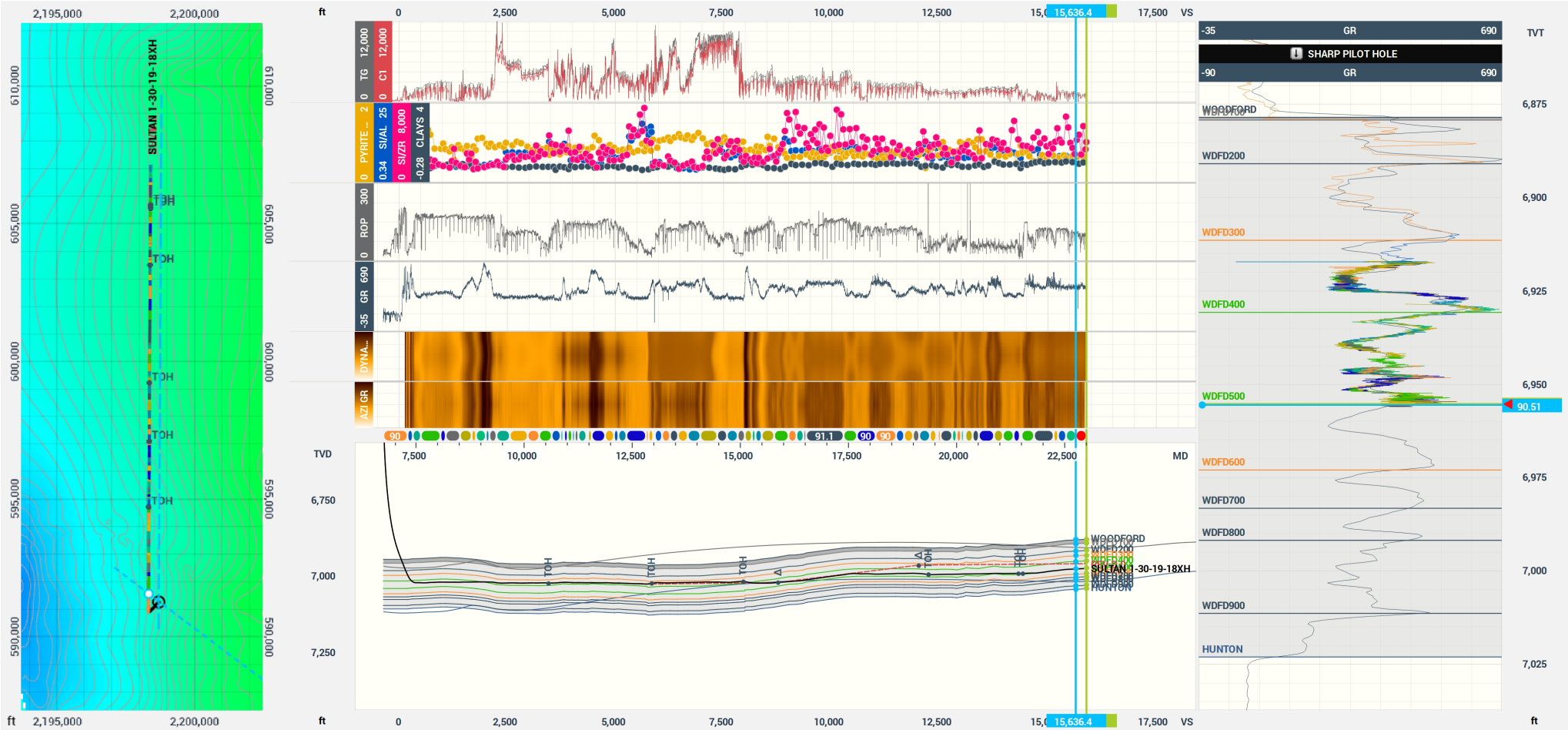
TYPEWELL
Sharp Pilot Hole

FIELD

INTERPRETER
JSessions/CMauldin

DATE
2022-09-28 04:38 PM

VS AZIMUTH
0.3°



Wellbore Last Survey Position			Last Surveys						Interval		Woodford -	
96.1	below	Woodford	MD	INCL	AZ GN	TVD	VS	DLS	Total MD		Hunton	
67.5	above	Hunton	22,995.0	90.83	0.2	6,973.7	15,861.9	0.7	Total VS			
			23,019.0	90.83	0.2	6,973.4	15,885.9	0.0	In-Zone %			
			Last Segment Dip						Average Dip			
			90.51°						Exit/Enter in			

As of the 23019' MD, 6973.38' TVD survey, at 90.83° inc, the wellbore is:
Woodford: 96' BELOW @ 6877' TVD
Hunton: 67' ABOVE @ 7041' TVD

BEFORE THE CORPORATION COMMISSION
OF THE STATE OF OKLAHOMA

<u>APPLICANT:</u>	CAPSTONE LAND COMPANY)	
)	
<u>RELIEF SOUGHT:</u>	POOLING)	
)	CAUSE CD NO.
<u>LEGAL DESCRIPTION:</u>	SECTION 30,)	
	TOWNSHIP 6 NORTH,)	2022-003682
	RANGE 1 WEST,)	
	MCCLAIN COUNTY, OKLAHOMA)	ORDER NO.

FINDINGS AND ORDER

729333

1. **Hearing Date and Place:** This cause came on for hearing on October 4, 2022, before Jacqueline Miller, Administrative Law Judge, Oklahoma Corporation Commission, Jim Thorpe Building, Oklahoma City, Oklahoma.

2. **Appearances:** Eric Huddleston, attorney for Applicant.

3. **Companion Causes:** None.

4. **Notice and Jurisdiction:** Notice has been given by publication as required by Commission Rules and Affidavits of Publication have been filed. Those owners whose names and addresses were attainable have been given actual notice by first-class mail, certified and return receipt requested, pursuant to Rule 165:5-7-7. An adjudicative inquiry was conducted by the Administrative Law Judge into the sufficiency of the search to ascertain the names and addresses of all owners and if a diligent effort had been made to locate all affected interest owners. Applicant has made a meaningful and diligent search of all reasonably available sources at hand to ascertain those parties that are entitled to notice and the whereabouts of those entitled to notice but who were served only by publication. The Commission finds the process to be proper and has jurisdiction over the subject matter and the parties. The Respondents that were dismissed from this matter are shown on the Exhibit "A" attached hereto, along with the remaining Respondents hereto.

5. **Amendment:** None.

6. **Relief Requested:** To pool and adjudicate the rights and equities of the owners named in Exhibit "A" underlying the lands described in the caption hereof for the common sources of supply described below and to designate the Applicant or some other party as operator.

7. **Relief Granted and Election Period:** The requested relief is granted, and the rights and equities of all owners named in Exhibit "A" are hereby pooled, adjudicated, and determined in the lands described in the caption hereof for the following common sources of supply.

<u>Common Source of Supply</u>	<u>Size of Unit</u>	<u>Order No.</u>
Basal Pennsylvanian Unconformity Woodford Hunton	640-acre	658404

The owners named in Exhibit "A" shall be afforded the following elections as to all or any portion of said owner's interest within 20 days from the date of this Order.

7.1 Participate Woodford Target: To participate in the development of the unit and common sources of supply by agreeing to pay such owner's proportionate part of the actual cost of the well and unit covered hereby and by paying, as set out below, to Operator such owner's proportionate part of the estimated completed for production cost thereof, or by making arrangements for such payment satisfactory to the Operator, within 25 days from the date of the Order (which costs reflect the 35% allocation as to Section 30):

Completed as a dry hole	\$1,371,223.00
Completed for production	\$3,560,000.50

Pursuant to the multiunit horizontal well in Cause CD No. 2022-003156, the unit well will be completed in Sections 18, 19, and 30, Township 6 North, Range 1 West, McClain and Cleveland County, Oklahoma. The unit well will target the Woodford common source of supply, with the Basal Pennsylvanian Unconformity and Hunton as adjacent common sources of supply. Such costs are to be allocated to each Section based upon the length of the completion interval in each Section. It is anticipated that approximately 35% of the completion interval will be located in Section 30, 40% of the completion interval will be located in Section 19, and 25% of the completion interval will be located in Section 18, and the costs shall be allocated on these percentages on an interim basis, subject to adjustment by a Final Order to issue in Cause CD No. 2022-003156.

In the event an owner elects to participate in said unit well, but fails or refuses to pay such owner's proportionate part of the completed for production cost or provide the Operator with an irrevocable letter of credit therefore, or make other arrangements for such payment satisfactory to Operator, all within the periods of time as prescribed in this Order, then such owner shall be deemed to have elected to accept, inclusive of burdens, the highest cash bonus for which, because of burdens, such owner's interest qualifies as set out in paragraphs 7.2, 7.3, or 7.4 (or 7.5 for overburdened interests). Payment of such cash bonus option shall be made by Operator within 35 days after the last day of which such defaulting owner should have paid the proportionate part of such costs or should have made satisfactory arrangements for the payment thereof under this Order.

7.2 Cash Consideration: To accept \$75.00 per acre cash bonus plus the normal 1/8 royalty interest, as defined in 52 O.S., Section 87.1(e)(2001), as a fair, reasonable, and equitable bonus to be paid to each owner who elects not to participate in said unit well by paying such owner's proportionate part of the costs; provided, that any party unable to deliver a 7/8th interest shall be required to elect one of the following options or to participate in the drilling of the well. Such cash bonus is to be paid within 35 days from the date of this Order and when so paid shall be satisfaction in full of all rights and interests of such owner in the well covered hereby.

7.3 Cash Consideration: To accept \$50.00 per acre cash bonus plus a total royalty of 15% as a fair, reasonable, and equitable bonus to be paid unto each owner who elects not to participate in said unit by paying such owner's proportionate part of the cost. Provided that any party unable to deliver an 85% interest shall not be able to elect as to this option, but may elect to participate in the drilling of the well or one of the following options. Such cash bonus is to be paid within 35 days from the date of this Order and when so paid shall be satisfaction in full for all rights and interests of such owner in the unit. In the event an owner's interest is subject to a royalty, overriding royalty, or other burden on production in excess of the normal 1/8 royalty as defined herein, then such excess royalty, overriding royalty, or other burden shall be charged against the 2.5% of 8/8 overriding or excess royalty, and the same shall be reduced by the amount of any such excess.

7.4 To accept a total royalty of 3/16 as a fair, reasonable, and equitable bonus to be paid unto each owner who elects not to participate in said unit by paying such owner's proportionate part of the cost. Provided that any party unable to deliver a 13/16th interest shall not be able to elect as to this option, but may elect to participate in the drilling of the well or the following option, if applicable. Such bonus is to be paid within 35 days from the date of this Order and when so paid shall be satisfaction in full for all rights and interests of such owner in the unit. In the event an owner's interest is subject to a royalty, overriding royalty, or other burden on production in excess of the normal 1/8 royalty as defined herein, then such excess royalty, overriding royalty, or other burden shall be charged against the 1/16 of 8/8 overriding or excess royalty, and the same shall be reduced by the amount of any such excess.

7.5 Special Finding: There are parties within the drilling and spacing unit whose interests were burdened beyond fair market value prior to the filing date of this Application. Those parties whose interests are burdened in excess of 3/16th (those parties who are unable to deliver an 81.25% net revenue interest), shall not be allowed to elect either paragraphs 7.2, 7.3, or 7.4 above. With regard to any well on the unit, such parties may either participate under the provisions of paragraph 7.1 above, or accept the total sum of \$10.00 in full consideration of their entire interest in the unit.

7.6 Subsequently Created Burdens: In the event a party creates a subsequently created burden on its interest after the filing date of the application in this Cause, then in the event such party elects either the bonus and royalty, fails to elect to participate, elects to participate and fails or refuses to pay the completed well costs or

timely make satisfactory arrangements with the Operator, or is deemed to have elected the bonus and royalty, under an initial Unit well, or any subsequent well proposal, then the responsibility to pay for any subsequently created burden shall be the sole responsibility of the party under these circumstances and in no event the responsibility of the Applicant/Operator in this Cause.

7.7 Special Finding: The evidence showed that the parties have treated all of the formations named in this Order as a single unit and that the parties intend to develop all formations as a single unit. The drilling of the initial well will provide valuable information as to all of the named formations which will allow the participating parties to formulate a plan to develop all formations as a single unit. The leasing within the area has included all of the formations as a single unit, and the values set forth in this Order represent values for all formations in the aggregate. No party has requested an election as to less than all of the formations, and it is in the interest of preventing economic waste to provide for a single election as to all formations. It is therefore appropriate to treat all of the formations as a single aggregated unit.

No Deferred Election for non-targeted common source(s) of supply:
The Commission finds that there is no existing production in the geographic area of the captioned land from the Basal Pennsylvanian Unconformity, Woodford, and Hunton common sources of supply, therefore, pursuant to 52 Okla. Stat. § 87.1(h), no deferred election is being given for the non-targeted common source(s) of supply.

8. Failure to Elect: In the event any owner fails to elect within the time and in the manner as set forth in paragraph 7, then such owner shall be deemed to have elected to accept, inclusive of burdens, the highest cash bonus option for which, because of burdens, such owner's interest qualifies as set out in paragraphs 7.2, 7.3, or 7.4 (or 7.5 for overburdened interests) for the common sources of supply named in paragraph 7 hereof. If any owner elected other than to participate in said unit by paying the owner's pro rata share of the costs of the unit well or fails to make an election, such owner shall be deemed to have relinquished unto Operator all of such owner's right, title, interest, or claim in and to the unit, except for any normal $\frac{1}{8}$ royalty interest, and other share in production to which such owner may be entitled by reason of any election hereunder.

9. Operator: Charter Oak Production Co., LLC, an owner of the right to drill in said drilling and spacing unit, is designated Operator of the unit well and common sources of supply covered hereby. Operator has a current plugging bond or financial statement on file with the Corporation Commission.

9.1 Elections: All elections required in paragraph 7 should be communicated to the Operator in writing at the following address as required in this Order. All written elections must be mailed postmarked within the election period as set forth in paragraph 7; provided such election may be mailed certified mail with return receipt requested in which event such certified election must be deposited in the post office within the election period set forth in paragraph 7.

**Charter Oak Production Co., LLC
13929 Quail Pointe Drive
Oklahoma City, OK 73134**

9.2 Payment of Well Costs: Any party electing to participate shall send well cost payment to the following address:

**Charter Oak Production Co., LLC
13929 Quail Pointe Drive
Oklahoma City, OK 73134**

10. Participation in Subsequent Operations: Only those owners participating in the initial well drilled hereunder as provided above will be allowed to participate in subsequent wells drilled within common sources of supply covered hereby. Owners electing or deemed to have elected the cash option plus royalty provided in paragraphs 7.2, 7.3, or 7.4 (or 7.5 for overburdened interests) shall receive no additional cash consideration for subsequent wells, but shall receive the royalty provided therein for subsequent wells. The term subsequent well for the purposes of paragraphs 10 and 11 shall not include any side-tracking or other operation with respect to the initial unit well, by virtue of any mechanical or other problems arising directly in connection with the drilling, completing, equipping, or producing of the initial unit well or any subsequent well. No party subject to this Order shall have the right to make any subsequent elections as to any such side-tracking or other operations in the initial unit well.

11. Election on Subsequent Operations: Only the Operator may propose the drilling of a subsequent well, it shall notify those owners who participated in the initial well drilled hereunder of its intent to drill a subsequent well, and said owners will have 20 days from the date of receipt of said notice to elect whether to participate in the subsequent well. The notice provided by the Operator shall include the estimated dry hole costs and estimated completed well costs of the subsequent well. Owners electing to participate must pay, or make satisfactory arrangements with the Operator to secure the payment, of their proportionate share of said completed well costs within 25 days from the date of receipt of notice from the Operator. Owners electing not to participate in a subsequent well may elect as to any of the options provided for in paragraphs 7.2, 7.3, or 7.4 (or 7.5 for overburdened interests) for which their interest qualifies. An interest qualifies for a particular royalty in question when the sum of the owner's net revenue interest, together with all overriding royalties and other burdens on such interest, and the royalty in question, do not exceed 1.00. Those owners failing to elect within the period provided, or those owners electing to participate but failing to pay their share of the estimated well costs within the period provided, shall be deemed to have elected not to participate in the subsequent well and shall thereafter receive the greatest bonus and lowest royalty for which such interest qualifies herein, inclusive of all burdens for all subsequently drilled wells. Anytime an owner elects or is deemed to have elected not to participate in a subsequent well in the pooled unit, then that owner shall not be

allowed to participate in future wells in the pooled unit. Said owner's right to participate in the proposed well and all future wells shall be immediately and by operation of law, transferred to the Operator. The Operator shall commence the subsequent well within 180 days of the well proposal. Any well proposal made under this provision shall expire after 180 days if no operations for the drilling of the well have been commenced and all parties shall be restored to their status prior to the subsequent well or wells proposal. The Oklahoma Corporation Commission shall retain jurisdiction over the drilling and completion costs for subsequent wells.

12. **Operator Lien:** Operator, in addition to any other rights provided herein, should have a lien, as set out in 52 O.S., Section 87.1(e) (2017), on the interest of any owner subject to this Order, who has elected to participate in the well by paying such owner's proportionate part of the costs thereof.

13. **Special Findings:**

13.1 Notice has been given by publication as required by Commission rules and Affidavits of Publication have been filed. Owners whose names and addresses were attainable have been given actual notice by mail. An adjudicative inquiry was conducted by the Administrative Law Judge into the sufficiency of the search to ascertain the names and addresses of all owners and whether a diligent effort had been made to locate all affected interest owners. Applicant has made a meaningful and diligent search of all reasonably available sources to ascertain those parties entitled to notice and the whereabouts of those entitled to notice but who were served only by publication. The Commission finds the process was proper and that the Commission has jurisdiction over the subject matter and the parties. Applicant and Operator is an owner of the right to drill on the drilling and spacing unit and to develop and produce the common sources of supply. Applicant has proposed the drilling of a well on said unit to develop the common sources of supply as a unit. A bona fide effort was made by Applicant to reach an agreement with each respondent in such drilling and spacing unit to pool their interest and to develop the drilling and spacing unit common sources of supply as a unit; however, no agreement with the respondents was made.

13.2 As stated in Paragraph 7.1, this unit is part of a multiunit horizontal well which includes Sections 18, 19, and 30. The Operator expects to drill a number of horizontal wells through these units and the location and spacing of the wells is critical for the effective and efficient development of Sections 18, 19, and 30. In addition, the ability to drill more than one well from each surface location prevents economic waste and reduces the environmental impact of drilling the well.

13.3 Prior to the payment of bonus consideration and/or royalty consideration by Applicant to a Respondent, said Respondent must provide a properly completed Internal Revenue Service Form W-9 [Request for Taxpayer Identification Number and Certification] to Applicant. The form being required is for federal tax purposes. A Respondent shall not be entitled to payment by Applicant until such time as the appropriate Form W-9 has been furnished.

14. **Filing of Affidavit:** The Applicant or its attorney shall file with the Secretary of the Commission, within 10 days from the date of this Order, an Affidavit stating that a copy of this Order was mailed within 3 days from the date of the Order to all parties pooled by this Order, whose addresses are known.

15. **Commencement of Operations:** The evidence showed that the initial well has been commenced. Operator shall pursue diligent operations to completion.

16. **Escrow Account:** If any payment of bonus due and owing under this Order cannot be made because the person entitled thereto cannot be located or is unknown, then said bonus shall be paid into an escrow account within 90 days after this Order and shall not be commingled with any funds of the Applicant or Operator. Any royalty payments or other payments due to such person shall be paid into an escrow account by the holder of such funds. Responsibility for filing reports with the Commission as required by law and Commission rule as to bonus, royalty or other payments deposited into escrow accounts shall be with the applicable holder. Such funds deposited in said escrow accounts shall be held for the exclusive use of, and sole benefit of, the person entitled thereto. It shall be the responsibility of the Operator to notify all other holders of this provision and of the Commission rules regarding unclaimed monies under pooling orders.

17. **Conclusion:** The relief requested is necessary to prevent or to assist in preventing the various types of waste of oil or gas prohibited by statute, or any of said wastes, and to protect or assist in protecting the correlative rights of interested parties. Such requested relief, as set forth above, should be granted and IT IS SO ORDERED.

CORPORATION COMMISSION OF OKLAHOMA

[REDACTED]
DANA L. MURPHY, CHAIRMAN

[REDACTED]
BOB ANTHONY, VICE CHAIRMAN

[REDACTED]
J. TODD HIETT, COMMISSIONER

CERTIFICATION

DONE AND PERFORMED by the Commissioners participating in the making of this Order, as shown by their signatures above, this 20th day of October, 2022.

BY ORDER OF THE COMMISSION:



[REDACTED]
Stacy D. Marzec, Acting Commission Secretary

REPORT OF THE ADMINISTRATIVE LAW JUDGE

The foregoing Findings and Order is the report and recommendation of the Administrative Law Judge.

APPROVED:

[REDACTED]

10/16/2022

Jacqueline Miller
Administrative Law Judge

Date

[REDACTED]

10/17/2022

Reviewer

Date

APPROVED AS TO FORM AND CONTENT:

[REDACTED]

Eric Huddleston

APPLICANT: CAPSTONE LAND COMPANY
CAUSE CD NO. 2022-003682
EXHIBIT "A"

RESPONDENTS WITH KNOWN ADDRESSES:

1. Charter Oak Production Company, LLC
13929 Quail Pointe Drive
Oklahoma City, OK 73134

2. Chickasaw Agency
Superintendent
PO Box 2240
Ada, OK 74820

3. Chickasaw Nation
PO Box 1548
Ada, OK 74821

4. Choctaw Nation of Oklahoma
c/o Real Property Management Office
PO Box 1210
Durant, OK 74702

5. Don Atwood, a/k/a Don W. Atwood, a/k/a
Don Wayne Atwood
303 W. Center Street
Lexington, OK 73051

6. Exco, Inc.
Address unknown

7. Florence Kelly, nee Johnson
1416 Glenbrook Drive
Oklahoma City, OK 73118

8. Gail Ann McCurdy, now Hurley
3713 Barwick Court
Norman, OK 73072

9. Gregory D. Deaver and Cathryn M. Deaver
28269 170th Street
Wayne, OK 73095

10. Harlow Royalties Ltd.
22499 Imperial Valley Drive
Houston, TX 77073-1173

11. J. David Dawley & Mendi Marie Dawley
2313 Autumn Lane
Oklahoma City, OK 73071

12. James Alton Finnell, Jr.
PO Box 203
Morris, OK 74445

13. Jimmy (Jimmie Ray) Bray, Deceased
c/o Helen Bray
109 Ashlawn Court
Anderson, SC 29625-5139

14. Katherine Elizabeth Gorham, nee
Johnson
PO Box 122
Paradise, MT 59856

15. Kerr McGee Oil Industries, Inc.
5 Greenway Plaza, Suite 110
Houston, TX 77046

16. Laura Ann Abegg
3770 Michael John Drive
Swansea, IL 62226

17. Linda K. Dansereau, nee Atwood
16808 Fishmarket Road
McCloud, OK 74851

18. Lynda Sue Clark
9324 SW 28th Street
Oklahoma City, OK 73128-3234

19. Lynda Sue Clark and Jerry B. Willis
2541 SW 25th Street
Oklahoma City, OK 73108-6026
dismissed

20. Marcus L. Weatherall and Gloria A.
Weatherall Revocable Trust dated November
29, 2004 - Marcus L. Weatherall and Gloria A.
Weatherall, Co-Trustees
3301 Barbary Road
Grapevine, TX 76051

21. Melinda Helton
1884 E. Crescent Way
Chandler, AZ 85249

22. Michael David Carmichael
240 Binns Boulevard
Columbus, OH 43204

23. Myrna Duncan Moore, f/k/a Myrna Stoops
1005 Wakefield Road
Perry, OK 73077

24. Rita Easley
4216 NW 154th Street
Edmond, OK 73013

25. Russell Kelly Johnson, III
1641 Grable Cove Lane
Spring, TX 77379
dismissed

26. Sharon Marie Shoemaker, a/k/a Sharon
M. Shoemaker
2185 County Road 1400
Alex, OK 73002
dismissed

27. Steven Lee Carmichael
1021 E. Garden Avenue
Coeur d'Alene, ID 83814

28. Susan L. Hart
Address unknown

29. William Thomas Johnson
6403 Malcom Drive
Dallas, TX 75214
dismissed

RESPONDENTS LISTED FOR CURATIVE PURPOSES ONLY WITH KNOWN ADDRESSES:

30. Bruce Wayne Taylor
1409 NW 175th Street
Edmond, OK 73012-9715

31. Jones-Fondren Holdings, LLC
PO Box 131315
Houston, TX 77219

32. Summer-Uhles, LLC
PO Box 1125
Jenks, OK 74037

RESPONDENTS WITH UNKNOWN ADDRESSES:

33. Alice Lucille Finnell, nee Atwood,
Deceased
ADDRESS UNKNOWN

34. Alvin O. (Owen) Bray
ADDRESS UNKNOWN

35. Arnold Taylor, Deceased
ADDRESS UNKNOWN

36. Charles F. Johnson, Deceased
ADDRESS UNKNOWN

37. Chester A. Burkett, Deceased
ADDRESS UNKNOWN

38. Clyde Newton Johnson, Deceased
ADDRESS UNKNOWN

39. Dewayne (Dea Wayne) Bray, Deceased
ADDRESS UNKNOWN

40. Dolly Grace Atwood, nee Johnson,
Deceased
ADDRESS UNKNOWN

41. Donal Bray, Deceased
ADDRESS UNKNOWN

APPLICANT: CAPSTONE LAND COMPANY
CAUSE CD NO. 2022-003682
EXHIBIT "A"

42. Elsie Myers
ADDRESS UNKNOWN

43. Estelle Shepard (a/k/a Brown)
ADDRESS UNKNOWN

44. Evalyn Jane Brown Johnson a/k/a Eva J.
Brown a/k/a Evalyn Jane Lasher
ADDRESS UNKNOWN

45. Frances T. Burkett, a/k/a Frankie
Tennessee Johnson, Deceased
ADDRESS UNKNOWN

46. Francis Dale Bray, Deceased
ADDRESS UNKNOWN

47. James Homer Johnson, Deceased
ADDRESS UNKNOWN

48. James, a/k/a Jim Homer Johnson, Jr.,
Deceased
ADDRESS UNKNOWN

49. Janice G. Rousey Trust u/t/a dated
9/1/2000 - Janice G. Rousey, Trustee
ADDRESS UNKNOWN

50. Jerry A. (Allen) Bray, Deceased
ADDRESS UNKNOWN

51. Lillian G. Johnson, Deceased
ADDRESS UNKNOWN

52. Lois Aline Johnson, a/k/a Lois Aline
Helton, Deceased
ADDRESS UNKNOWN

53. Lucille Hay, a/k/a Lucille Marie Hay, a/k/a
Lucille A. Hay, Deceased
ADDRESS UNKNOWN

54. Marie E. Carmichael, a/k/a Evelyn Marie
Carmichael, nee Johnson, Deceased
ADDRESS UNKNOWN

55. Marion Wesley Atwood, Deceased
ADDRESS UNKNOWN

56. Marvin Collie Atwood, Deceased
ADDRESS UNKNOWN

57. Mary Ophelia Johnson, Deceased
ADDRESS UNKNOWN

58. Maude M. Dean, Deceased
ADDRESS UNKNOWN

59. Mildred W. Johnson, nee Jones,
Deceased
ADDRESS UNKNOWN

60. Robert Samuel Gallamore and Letha V.
Gallamore, Deceased
ADDRESS UNKNOWN

61. Ruby E. Lindt, a/k/a Ruby E. Lind,
Deceased
ADDRESS UNKNOWN

62. Russell Kelly Johnson, Jr., Deceased
ADDRESS UNKNOWN

63. Russell Kelly Johnson, Sr., Deceased
ADDRESS UNKNOWN

64. William Charles Carmichael, Deceased
ADDRESS UNKNOWN

RESPONDENTS LISTED FOR CURATIVE
PURPOSES ONLY WITH UNKNOWN
ADDRESSES:

65. Dorothy Ann Owen Bryan Family Trust
dated 7/29/1989 - Dorothy Ann Owen Bryan,
Trustee
ADDRESS UNKNOWN

66. Emma Jean Bray, Deceased
ADDRESS UNKNOWN

67. Estate of C.S. Burgess
ADDRESS UNKNOWN

68. Estate of James Doyle Taylor, Deceased
ADDRESS UNKNOWN

69. Frances M. Bray, Deceased
ADDRESS UNKNOWN

70. Greta C. Bray, Deceased
ADDRESS UNKNOWN

71. Irene Burgess, Deceased
ADDRESS UNKNOWN

**OIL AND GAS LEASE
(PAID-UP)**

THIS AGREEMENT, made and entered into this 27th day of October, 2022 by and between, **WILLIAM J. ROUSEY, TRUSTEE OF THE JANICE G. TRUST U/T/A DATED 9/1/2000**, whose address is 1205 4TH Ave., Purcell, Oklahoma 73080, hereinafter called **Lessor** (whether one or more) and **PERENNIAL ENERGY PARTNERS, LLC**, whose address is * 12000 Brookhollow Rd., Oklahoma City, OK 73120, hereinafter called **Lessee**.

WITNESSETH That the said Lessor, for and in consideration of Ten and More DOLLARS, cash in hand paid, the receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of Lessee to be paid, kept and performed, have granted, demised, leased and let and by these presents do grant, demise, lease and let exclusively unto the said Lessee, for the purpose of exploring by geophysical and other methods, mining and operating for oil (including but not limited to distillate and condensate), gas (including casing head gas, helium, coal bed methane gas, and all other constituents), and for laying pipelines, and building tanks, power stations, structures thereon, the right to use existing well bores, flow lines and other production related equipment, to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of McClain, State of Oklahoma, described as follows, to-wit:

**SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF FOR
LEGAL DESCRIPTION AND ADDITIONAL LEASE PROVISIONS**

It is agreed that this lease shall remain in force for a term of Two (2) years from the date above (hereinafter referred to as "primary term") and as long thereafter as oil or gas, or either of them, is produced from said land, or lands spaced or unitized therewith or the leased premises are being developed.

In consideration of the premises the said Lessee covenants and agrees: to deliver to the credit of Lessor, in the pipeline to which it may connect its wells, the 3/16ths part of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises, less a proportionate deduction for any transportation or other fees or taxes charged to the Lessee; to pay Lessor for gas (including casing head gas and coal bed methane gas) of whatsoever nature or kind (with all of its constituents) produced and sold or used off the leased premises or used in the manufacture of products therefrom, 3/16ths of the gross proceeds received from any party (whether or not an affiliate of Lessee) for the gas sold, used off the premises, or in the manufacture of products therefrom, less a proportionate part, of any production, severance and other excise taxes and costs and/or fees incurred by Lessee in making marketable Lessor's share of gas, and/or in gathering, transporting, processing, compressing or otherwise marketing Lessors share of gas, but in no event more than 3/16ths of the net amount actually received by the Lessee from any such party. Said payments to be made to Lessor at the address stated above. During any period (whether before or after the expiration of the primary or extended term hereof) when neither oil nor gas is not being so sold or used and the well or wells are shut in and there is no current production of oil or gas or operations on said leased premises sufficient to keep this lease in force, Lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net acre retained hereunder such payment or tender to be made, on or before the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in, to the royalty owners. When such payment or tender is made, it will be considered that oil or gas is being produced within the meaning of the entire lease.

If, at the expiration of the primary term, Lessee is engaged in operations for the drilling, testing or reworking of any well on the lands covered by this lease or on lands spaced or unitized herewith, this lease nevertheless shall continue in force and effect so long as the operations for drilling, testing or reworking of any well are being conducted with no cessation of more than ninety (90) consecutive days and, if such operations result in production, so long thereafter as oil, gas or other hydrocarbons are produced from the leased premises or from acreage spaced or unitized herewith. If, during any extension or continuation of the primary term of this lease, by production or otherwise, a change in spacing or in the well pattern, as prescribed by the Oklahoma Corporation Commission or other governmental authority would otherwise result in all or a portion of the land covered by this lease being no longer held by production or otherwise subject to the terms hereof, Lessee shall have the right to conduct the following continuous drilling operations and maintain this lease as to all lands covered hereby. For a period of ninety (90) days after such order or regulation changing the spacing or well pattern affecting all or a part of the land covered hereby becomes final, Lessee shall have the right to commence drilling operations on that part of the land covered hereby which would no longer be held by production or on other lands which are included in the area which would no longer be held by production, and if such operations result in production, as to such land, this lease shall be extended for so long thereafter as oil, gas, or other hydrocarbons is produced.

Lessee is hereby granted the right at any time and from time to time to unitize the leased premises or any portion or portions thereof, as to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production primarily of oil or primarily of gas with or without distillate. However, no unit for the production primarily of oil shall embrace more than 40 acres plus a tolerance of ten-percent thereof; provided that if any governmental authority shall prescribe a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be so prescribed or as may be used in such allocation of allowable. Lessee is also hereby granted the right, at any time, to amend, modify, alter or cancel said unitization agreement as may be necessary in Lessee's judgment to include or exclude different strata, royalty owners or lands or such other information as is deemed necessary by Lessee. Operations upon and production from the unit shall be treated as if such operations were upon or such production was from the leased premises whether or not the well or wells are located thereon. The entire acreage within a unit shall be treated for all purposes as if it were covered by and included in this lease except that the royalty on production from the unit shall be as below provided, and except that in calculating the amount of any shut in gas royalties, only the part of the acreage originally leased and then actually embraced by this lease shall be counted. With respect to production from the unit, Lessee shall pay Lessor, in lieu of other royalties thereon, only such proportion of the royalties stipulated herein as the amount of Lessors' acreage placed in the unit bears to the total acreage in the unit.

Lessee shall retain a continuing right-of-way and easement over, upon and across all of the leased premises to the extent necessary for Lessee and/or its gas purchaser to conduct its operations on the leased premises or lands spaced therewith, regardless if part of the leased premises revert or be released to Lessor.

If said Lessor owns a less interest in the above described land which is less than the entire and undivided fee simple estate therein, then the royalties herein provided, shall be paid to the Lessor only in the proportion which Lessors' interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, oil and water produced from said land for its operations thereon, except water from wells of Lessor.

When requested by Lessor, Lessee shall bury its pipelines below plow depth.

I-2022-014125

Book 2821 Pg 353

11/04/2022 8:00am

Pg 0353-0355

Fee: \$22.00 Doc: \$0.00

Pam Beller - McClain County Clerk
State of OK



No well shall be drilled nearer than 200 feet to the house or barn now on the leased premises, without the written consent of the Lessor.

Lessee shall pay for all damages caused by its operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns. However, no change or division in ownership of the land or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the land or royalties shall be binding on the Lessee until after the Lessee has been furnished with a written transfer or assignment or true copy thereof. In case Lessee assigns this lease, in whole or in part, Lessee shall be relieved of all obligations to the assigned portion or portions arising subsequent to the date of assignment.

If, at any time within the primary term of this lease and while the same remains in force and effect, Lessor receives any bona fide offer, which Lessor is willing to accept from any party offering consideration to Lessor for a lease (top lease) covering any or all of the substances covered by this lease or covering all or a portion of the land described herein, with the top lease becoming effective upon the expiration of this lease, Lessor hereby agrees to immediately notify Lessee in writing of said offer, setting forth the proposed Lessee's name, bonus consideration and royalty to be paid for such lease, and Lessor shall include a copy of the lease form to be utilized which form shall reflect all pertinent and relevant terms and conditions of the top lease. Lessee shall have fifteen (15) days after receipt from Lessor, of a complete copy of any such offer to advise Lessor in writing of its election to enter into an oil and gas lease or extend the primary term of this lease with Lessor on equivalent terms and conditions as made in the top lease. If Lessee fails to notify Lessor within the aforesaid fifteen (15) day period of its election to meet any such bona fide offer, Lessor shall have the right to accept said offer. It is understood that any top lease acquired by Lessee herein pursuant to this provision, shall not limit the term or otherwise affect the validity of this lease. Any top lease granted by Lessor to a third party, without prior notification to Lessee, as set out above, shall be null and void.

When operations or production are delayed or interrupted by lack of water, labor or material, or by fire, storm, flood, war, rebellion, insurrection, riot, strike, differences with workmen, or failure of carriers to transport or furnish facilities for transportation or lack of market in the field for the minerals produced, or as a result of any Federal or State law, or of some order, rule, regulation, requisition or necessity of any government or governmental authority, or any official acting thereunder, or as the result of any cause whatsoever beyond the control of Lessee, the time of such delay or interruption shall not be counted against Lessee and this lease shall remain in force during such delay or interruption and ninety (90) days thereafter, anything in this lease to the contrary notwithstanding.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules and Regulations, and this lease shall not be terminated, in whole or in part, nor Lessee held liable in damages, for failure to comply therewith if compliance is prevented by, or such failure is the result of any such Law, Order, Rule or Regulation. The provisions of this lease are contractual in nature and each party's responsibility arising out of or relating to this lease, or breach hereof, shall be limited to actual damages for breach of the provisions of this lease, and neither party shall have any liability in tort to the other party.

This lease shall be effective as to each lessor on execution hereof as to his or her interest and shall be binding on those signing, notwithstanding some of the Lessors above named may not join in the execution hereof. The word "Lessor" as used in this lease means the party or parties who execute this lease as Lessor, although not named above.

Lessee may at any time and from time to time surrender this lease as to any part or parts of the leased premises by delivering or mailing a release thereof to Lessor, or by placing a release of record in the proper County.

Lessor hereby warrants and agrees to defend the title to the lands herein described and agrees that the Lessee shall have the right at any time to redeem for Lessor by payment, any mortgages, taxes or other liens on the above-described lands, in the event of default of payment by Lessor, and be subrogated to the rights of the holder thereof.

IN TESTIMONY WHEREOF, I/we sign this the _____ day of _____, 2022.

LESSOR: Janice G. Rousey Trust U/T/A dated 9/1/2000

[Redacted Signature]

William J. Rousey, Trustee of the Janice G. Rousey Trust
U/T/A dated 9/1/2000

State of OKLAHOMA

County of MCCLAIN



The foregoing instrument was acknowledged before me this 1st day of November, 2022 by
William J. Rousey, Trustee of the Janice G. Rousey U/T/A dated 9/1/2000.

My commission expires: 10-19-2024

Notary Number: 04009498

[Redacted Signature]
Notary Public

VIEW ADDITIONAL LAND RECORDS AT
I-2022-014125 Book 2821 Pg 354

11/04/2022 8:00am

Pg 0353-0355

Fee: \$22.00 Doc: \$0.00

Pam Beller - McClain County Clerk

State of OK

OKCOUNTYRECORDS.COM

EXHIBIT "A"

Attached to and made part of that certain Oil and Gas Lease dated October 27, 2022 between William J. Rousey, Trustee of the Janice G. Rousey Trust U/T/A dated 9/1/2000, as Lessor; and Perennial Energy Partners, LLC, as Lessee, and covering the Lands referenced in the following Legal Description:

LEGAL DESCRIPTION

TOWNSHIP 6 NORTH, RANGE 1 WEST

Section 30: East 5 acres of the NE 10 acres of Lot 15; and E2 NW4 NE4 SW4 (less 2.45 acres originally reserved in the AP 3/138 to consider the CF&SF RR ROW), being 2.55 acres; and W2 NW4 NE4 SW4; and 71.62 acres described as: Beginning at NW/c of NE 10 acres of Lot 11; thence East 125 feet; thence South 38 degrees 30' East 144 feet; thence South 49 degrees 30' East 150 feet; thence South 57 degrees 0' East 726 feet; thence South 56 degrees 30' East 2640 feet; thence South 38 degrees 30' E 737.8 feet; thence West 1618.4 feet; thence South 660 feet; thence West 660 feet; thence North 1980 feet; thence West 660 feet; thence North 660 feet; thence West 660 feet; thence North 660 feet to POB, being 79.63 acres (less and except 8.01 acres originally reserved in ULD 39/660 to consider CF&SF RR ROW, containing 94.63 acres, more or less.

It is the intention to lease all of the Lessor's interest in **Section 30, Township 6 North, Range 1 West, McClain County, Oklahoma**

ADDITIONAL LEASE PROVISIONS

- 1) **DEPTH CLAUSE:** This lease shall terminate at the expiration of the primary term insofar as it covers all rights deeper than 100 feet below the base of the stratigraphic equivalent of the Woodford Formation on the lands covered hereby or on lands with which said lands or a portion thereof have been pooled or unitized, provided, if the Lessee, its successor or assigns, should be engaged in the operation of drilling, deepening, sidetracking or reworking a well or wells on the leased premises or on lands with which said lands or a portion thereof have been pooled or unitized, then this lease shall continue in effect as to all formation and depths until said operations have been completed and total depth has been established.
- 2) **PUGH CLAUSE:** Notwithstanding anything to the contrary in this lease, all portions of this lease not included in a unit created by the Oklahoma Corporation Commission and not producing or upon which drilling operations have not commenced, shall be released as the expiration of the primary term of this lease.
- 3) **SHUT-IN ROYALTY:** Notwithstanding anything to the contrary herein, it is understood and agreed that this lease may not be maintained in force for any one continuous period of time longer than two (2) consecutive years after the expiration of the primary term hereof solely by the provision of the shut-in royalty clause.

END OF EXHIBIT "A"

I-2022-014125

Book 2821 Pg 355

11/04/2022 8:00am

Pg 0353-0355

Fee: \$22.00 Doc: \$0.00

Pam Beller - McClain County Clerk
State of OK

VICTIM NATIONAL LAND RECORDS AT
OKCOUNTYRECORDS.COM

I-2022-014506

Book 2823 Pg 160

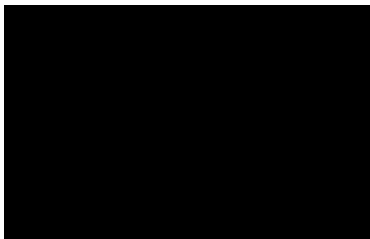
11/15/2022 8:00am

Pg 0160-0164

Fee: \$26.00 Doc: \$0.00

Pam Beller - McClain County Clerk
State of OKBy MA, Deputy
Return to:**ASSIGNMENT OF OIL, GAS, AND MINERAL LEASES**

This Assignment of Oil, Gas, and Mineral Leases ("Assignment"), dated the **9th** day of **NOVEMBER, 2022**, and as of the effective date and time of each respective oil, gas and mineral lease listed in Exhibit "A", is made by **PERENNIAL ENERGY PARTNERS, LLC**, an Oklahoma limited liability company, whose address is 12000 Brookhollow Rd, Oklahoma City, Oklahoma 73120 ("Assignor"); for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, does by these presents, subject to the terms and conditions hereinafter set forth, **GRANT, BARGAIN, SELL, CONVEY, ASSIGN, TRANSFER, SET OVER AND DELIVER**, all of Assignor's right title and interest unto the below listed parties ("Assignee" whether one or more) in the proportion shown opposite their name:



80%

20%

in and to all the oil, gas and mineral leases (the "Leases") described in Exhibit "A", attached hereto and made a part hereof, and the lands covered thereby, together with all rights incident thereto and appurtenances thereon, located in **MCCLAIN COUNTY, OKLAHOMA**.

This Assignment is made subject to the terms and provisions of the Leases and Assignee, by execution hereto, agrees to assume the responsibilities and obligations under the terms and provisions of the Leases as of the effective date of this Assignment.

TO HAVE AND TO HOLD all Leases, together with all rights, titles, interests, estates, remedies, powers and privileges thereunto appertaining unto Assignee and its successors, legal representatives and assigns forever.

Assignor does hereby bind itself, its heirs, successors and assigns, to warrant and forever defend all and singular title to the Leases unto Assignee's successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof, by through or under Assignor, but not otherwise whether express or implied. Assignor conveys the Leases free and clear of any mortgage, deed of trust, lien or encumbrance created by Assignor, but not otherwise.

In addition to this Assignment, Assignor shall execute, acknowledge, and deliver to Assignee, in a timely manner and without further consideration, any documents or instruments that Assignee may reasonably require, including, without limitation, further assignments or conveyances required by any state or federal authority, deeds and consents to further evidence the assignment and conveyance of the Leases by Assignor to Assignee.

This Assignment shall bind and inure to the benefit of Assignor and Assignee and their respective successors and assigns.

I-2022-014506 Book 2823 Pg 161
11/15/2022 8:00am Pg 0160-0164
Fee: \$26.00 Doc: \$0.00
Pam Beller - McClain County Clerk
State of OK

IN WITNESS WHEREOF, the undersigned has executed this instrument on the date of the acknowledgement annexed hereto, but effective for all purposes as of the date of this Assignment.

ASSIGNOR:
Perennial Energy Partners, LLC
An Oklahoma limited liability company

[Redacted Signature]

Turner Rooney, Manager

ACKNOWLEDGEMENT

STATE OF OKLAHOMA

COUNTY OF OKLAHOMA

This instrument was acknowledged before me on this 9th day of November 2022, by Turner Rooney, Manager of Perennial Energy Partners, LLC, on behalf of said company.

[Redacted Signature]
Notary Public

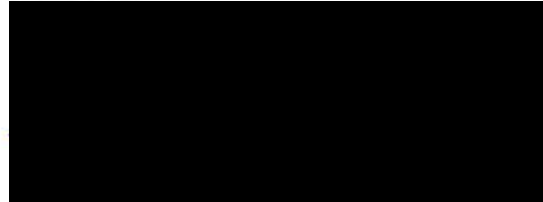
My Commission expires: 5-17-23
Commission No: 11004467



I-2022-014506 Book 2823 Pg 162
11/15/2022 8:00am Pg 0160-0164
Fee: \$26.00 Doc: \$0.00
Pam Beller - McClain County Clerk
State of OK

IN WITNESS WHEREOF, the undersigned has executed this instrument on the date of the
acknowledgement annexed hereto, but effective for all purposes as of the date of this
Assignment.

ASSIGNEE:



ACKNOWLEDGEMENT

STATE OF TEXAS

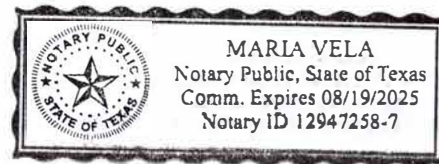
COUNTY OF Upshur

This instrument was acknowledged before me on this 10th day of November
2022, by [REDACTED] on behalf of said company.

[REDACTED]
Notary Public

My Commission expires:

8-19-2025
Commission No: 12947258-7



I-2022-014506
11/15/2022 8:00am

Book 2823 Pg 163
Pg 0160-0164

Fee: \$26.00 Doc: \$0.00
Pam Beller - McClain County Clerk
State of OK

IN WITNESS WHEREOF, the undersigned has executed this instrument on the date of the
acknowledgement annexed hereto, but effective for all purposes as of the date of this
Assignment.

ASSIGNEE:
Bannockburn Energy, LLC
An Oklahoma limited liability company

[Redacted Signature]

Turner Rooney, Manager

ACKNOWLEDGEMENT

STATE OF OKLAHOMA

COUNTY OF OKLAHOMA

This instrument was acknowledged before me on this 9th day of November
2022, by Turner Rooney, Manager of Bannockburn Energy, LLC, on behalf of said company.

[Redacted Signature]
Notary Public



My Commission expires:

5-17-2023

Commission No: 11004467

I-2022-014506 Book 2823 Pg 164
11/15/2022 8:00am Pg 0160-0164
Fee: \$26.00 Doc: \$0.00
Pam Beller - McClain County Clerk
State of OK

Exhibit "A"

Attached to and made a part of that certain Assignment of Oil, Gas, and Mineral Leases dated November 9, 2022, from Perennial Energy Partners, LLC, Assignor, to Cotton Valley Resources, LLC, and Bannockburn Energy, LLC, Assignees.

Lessor: William J. Rousey, Trustee of the Janice G. Rousey Trust U/T/A dated 9/1/2000

Lessee: Perennial Energy Partners, LLC

Recorded Date: 11/4/2022

Book/Page: 2821/353

STR: 30-6N-1W

Legal: East 5 acres of the NE 10 acres of Lot 15; and E2 NW4 NE4 SW4 (less 2.45 acres originally reserved in the AP 3/138 to consider the CF&SF RR ROW), being 2.55 acres; and W2 NW4 NE4 SW4; and 71.62 acres described as: Beginning at NW/c of NE 10 acres of Lot 11; thence East 125 feet; thence South 38 degrees 30' East 144 feet; thence South 49 degrees 30' East 150 feet; thence South 57 degrees 0' East 726 feet; thence South 56 degrees 30' East 2640 feet; thence South 38 degrees 30' E 737.8 feet; thence West 1618.4 feet; thence South 660 feet; thence West 660 feet; thence North 1980 feet; thence West 660 feet; thence North 660 feet; thence West 660 feet; thence North 660 feet to POB, being 79.63 acres (less and except 8.01 acres originally reserved in ULD 39/660 to consider CF&SF RR ROW, containing 94.63 acres, more or less.

End of Exhibit "A"

14506

~~30-6N111~~



Conveyance Document

Please note the following draft deed/assignment has been prepared by the seller in advance of sale. The successful buyer agrees to accept title to the lots pursuant to said deeds or assignments. Seller shall not be obligated or required to modify or change said deeds or assignments unless a correction is required to properly convey the interests being sold.

LIMITED ASSIGNMENT & BILL OF SALE

STATE OF OKLAHOMA §
 §
COUNTY OF MCCLAIN §

That [REDACTED], whose address is [REDACTED]
[REDACTED] as Assignor, hereby forever ASSIGNS, TRANSFERS, AND CONVEYS specifically limited to the proportion(s) stated herein, and specifically limited to and subject to the terms and reservations as further set forth, described and incorporated herein, *all (100%)* of Assignor's Leasehold and Working Interest ONLY (specifically excluding —without limitation— and Assignor does reserve, retain and except, any fee mineral interest, fee royalty interest, non-participating royalty interest, overriding royalty interest, and the like) to the following party, being known as Assignee:

in and to those certain Oil, Gas and Mineral Lease(s), the well(s), and any real property as it pertains to the production of hydrocarbons, as set forth herein, located in the referenced County and State (the "Property"), and limited to the interests described, as follows:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

IT BEING SPECIFICALLY UNDERSTOOD THAT ASSIGNOR DOES RESERVE, EXCEPT AND RETAIN and the above assignment and grant is limited so as to specifically reserve and except any and all other interests Assignor owns in and to the land or lands described herein, including, but not limited to any and all rights, title and interests that Assignor received by virtue of any other Oil, Gas and Mineral Lease, or any Assignment, Bill of Sale, Conveyance or vesting document outside of those specifically delineated and described on Exhibit "A" herein.

TO HAVE AND TO HOLD, subject to the terms, limitations and reservations herein; all (100%) of Assignor's right, title, and interest in and to the Property, together with all and singular the rights and appurtenances belonging in any way to Assignor, by Assignee and Assignee's heirs, personal representatives, successors and assigns forever. Assignee agrees to assume responsibility of, including but not limited to payment of any and all expenses related to the property, ad valorem taxes and/or property taxes assessed to the Property through the calendar year 2025.

ASSIGNEE AGREES TO HOLD ASSIGNOR HARMLESS FOR ANY AND ALL LIABILITY ASSOCIATED WITH PLUGGING AND/OR ENVIRONMENTAL MATTERS ASSOCIATED WITH THE PROPERTY AS DESCRIBED ON EXHIBIT "A".

This assignment is made subject to (1) the Leases described in Exhibit "A" and (2) all restrictions, covenants, leases, assignments, permits, licenses, easements, rights-of-way and all other contracts and agreements affecting or pertaining to the Subject Property, or any portion of the Subject Property, which are of record as of the effective date, and all laws, regulations and ordinances of governmental authorities affecting or pertaining to Subject Property, but only to

the extent that any such matters, are valid and subsisting. The Assignee assumes and agrees to pay, perform and discharge its pro rata share of all obligations and liabilities incurred before, on and/or after the effective date and Assignor indemnifies Assignee and Assignee indemnifies Assignor with respect hereto prior to the effective date. Assignor is expressly relieved of any plugging and abandonment expenses.

Release of Claims by Assignor. Assignor, its successors and assigns, hereby release, quitclaim, acquit, indemnify and forever discharge Assignee, its successors and assigns, from any and all known or unknown actions, causes of action, claims, demands, complaints, litigation, damages, costs, loss of service, expenses, compensation, wages, taxes, attorney's fees, covenants, contracts, controversies, agreements, promises and any and all liabilities of any kind or nature whatsoever at law and equity or otherwise, which Assignor has ever had, now has, or potentially has, on account of, or arising out of, any rights Assignor may have against Assignee, its successors or assigns.

Release of Claims by Assignee. Assignee, its successors and assigns, hereby release, quitclaim, acquit, indemnify and forever discharge Assignor, its successors and assigns, from any and all known or unknown actions, causes of action, claims, demands, complaints, litigation, damages, costs, loss of service, expenses, compensation, wages, taxes, attorney's fees, covenants, contracts, controversies, agreements, promises and any and all liabilities of any kind or nature whatsoever at law and equity or otherwise, which Assignee has ever had, now has, or potentially has, on account of, or arising out of, any rights Assignee may have against Assignor, its successors or assigns.

Mutual Release and Indemnity Contractual. The terms of the foregoing mutual release and indemnification are contractual and are not merely recitals. The foregoing mutual releases and indemnifications are given voluntarily and are not based upon any representations other than those made herein, and Assignor and Assignee agree that the releases may be pled as an absolute and final bar to any and all claims which may be made on account of the matters aforesaid. The parties acknowledge that the covenants, promises, releases, indemnities and agreements contained in this Agreement provide good and sufficient consideration for every other promise, duty, release, indemnification, obligation, covenant, agreement and right contained in this Agreement. THIS IS A GLOBAL, GENERAL RELEASE.

THIS CONVEYANCE IS SPECIFICALLY LIMITED TO ONLY THE DESCRIBED OIL, GAS AND MINERAL LEASE(S) AND THEIR ASSOCIATED REAL PROPERTY, IF ANY, DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND DOES NOT INCLUDE ANY BLANKET OR COUNTY-WIDE CONVEYANCE OF ASSIGNOR'S INTERESTS; FURTHER IT DOES NOT INTEND TO CONVEY OR ASSIGN ANY PREVIOUSLY ACQUIRED OR AFTER-ACQUIRED TITLE, OR ANY INTEREST(S) OBTAINED BY ASSIGNOR OUTSIDE OF THOSE INTERESTS SPECIFICALLY DELINEATED BY VIRTUE OF THE OIL, GAS AND MINERAL LEASE(S) SPECIFICALLY DESCRIBED ON EXHIBIT "A" HEREIN AND ACQUIRED THEREUNDER.

Assignor and Assignee agree to take all further actions and execute, acknowledge, and deliver all necessary or useful documents to carry out the purpose of this Assignment, given without Warranty of any kind or manner, express or implied. THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF ANY KIND, EXPRESS OR IMPLIED.

{Signature & Notary Pages to Follow}

Lot _____

EXECUTED as of the date herein but effective starting with production runs after March 1, 2025.

ASSIGNOR:

BY: _____

STATE OF TEXAS §

§

COUNTY OF UPSHUR §

This foregoing instrument was acknowledged before me on _____, 2025 by _____.

Notary Public State of Texas

Lot _____

ASSIGNEE:

BY: _____

STATE OF _____ §
§
COUNTY OF _____ §

This foregoing instrument was acknowledged before me on _____, 2025 by
_____ in his capacity as _____ of _____.

Notary Public State of _____

EXHIBIT A

SPECIFICALLY LIMITED TO (1) ONLY THOSE INTERESTS IN THE OIL, GAS AND MINERAL LEASE(S) SPECIFICALLY DESCRIBED HEREIN; AND (2) THAT WHICH WERE OBTAINED BY ASSIGNOR ONLY BY VIRTUE OF THE FOLLOWING OIL, GAS AND MINERAL LEASES, AND/OR ASSIGNMENT(S) AND NO OTHER, FURTHER, ASSIGNOR DOES SPECIFICALLY RESERVE AND EXCEPT ANY AND ALL OTHER INTERESTS, IF ANY, RECEIVED BY ASSIGNOR BY VIRTUE OF ANY OTHER LEASE, DOCUMENT, DEED, ASSIGNMENT, CONVEYANCE OR VESTING DOCUMENT, OUTSIDE OF THE FOLLOWING:

Leases & Legal Descriptions:

Lessor:

Lessee:

Recorded Date:

Book/Page:

Legal:

Well(s):

Limitation:

Limited to only those rights acquired in the above-described properties and that were obtained by virtue of that Assignment, Conveyance and Bill of Sale, dated _____, and filed as Document _____, Official Public Records of _____.