

## Cowley County Hittle Field Sale

- 960 acres HBP covering most of the 10.9 Million BO Hittle Field (Layton Sand, Miss, Bartlesville, Arbuckle Dolomite)
- Current Production 62 BOPD (Arbuckle)
- 55 BOPD production from a single well Lewis/Kelly #1
- Conservative PDP Reserves from Lewis/Kelly #1 estimated @ 326,561 BO
- 88,281 BO produced since StrataKan re-activated the field in 2018
- 4,200 ft deep Arbuckle Disposal included in sale w/ 7” casing and 4.5” tubing, permitted to 15,000 BWPD
- Allred 1-18 Producing well is a proven de-pressuring well and increases production significantly on offset Lewis lease
  
- Massive development potential through the bit or existing wellbore re-entry.
- De-watering/pressuring has been proven successful with existing producing wells, potential is unlimited
  
- Layton Sandstone primary and waterflood potential throughout the field
  
- Large late model equipment and gated tank facility
  
- Lewis H-1 re-activated should bring lease production to 65-70 BOPD (needs ESP repair)
- Lewis Kelly #1 (55 BOPD) has high producing fluid level and would accept larger ESP. Currently moving 1,800 BWPD +/-
- Purchaser pays premium oil pricing.
- Average Net monthly operating profit of \$101,000.00 (2 wells)
- NRI Lewis Lease 82%
- NRI Allred Lease 80%

Frank #1 wellbore could be equipped

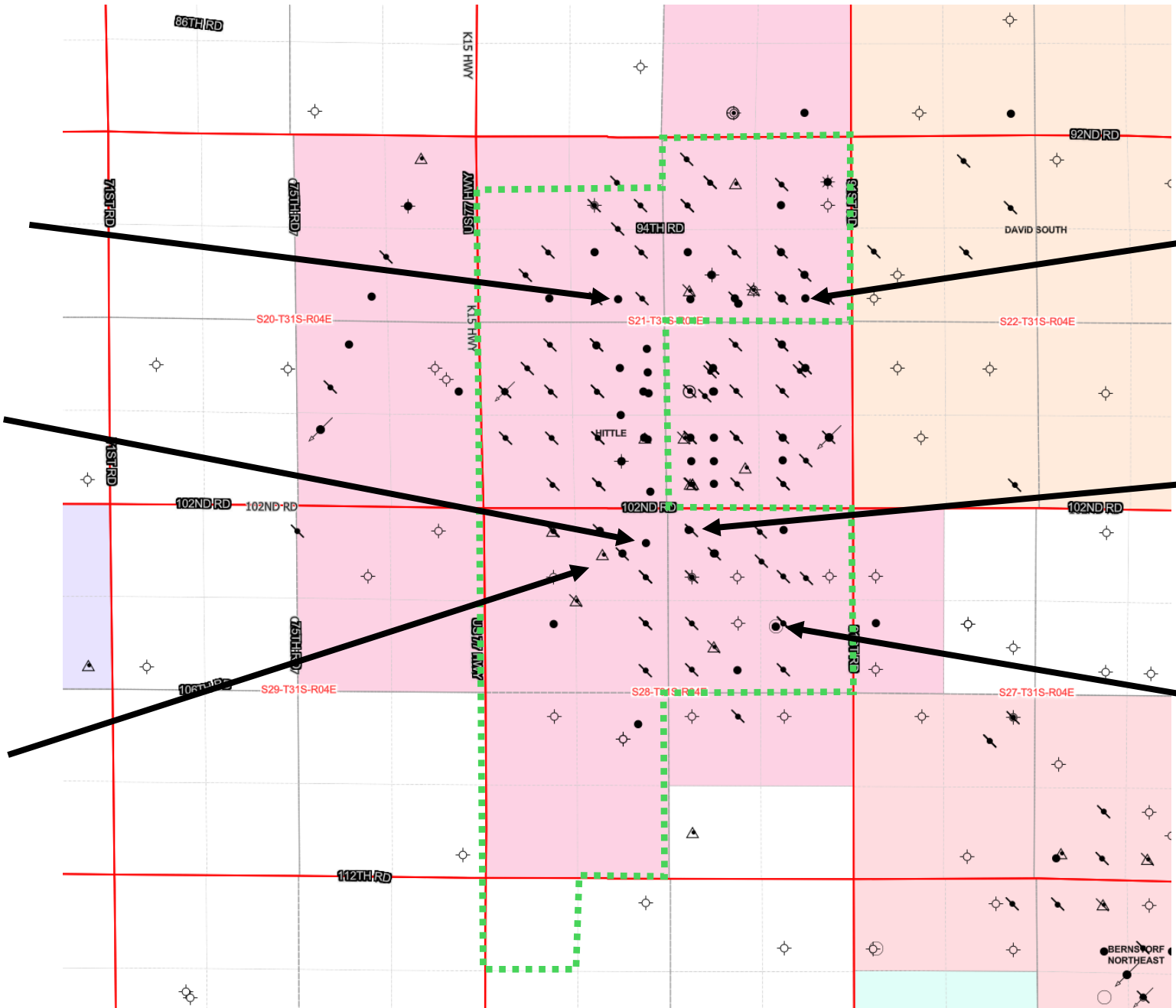
Allred 1-28 Producing well, proven de-pressure well

StrataKan operated deep SWD

Hittle H-1 Could be equipped easily, 57,000 BO 1997-2015

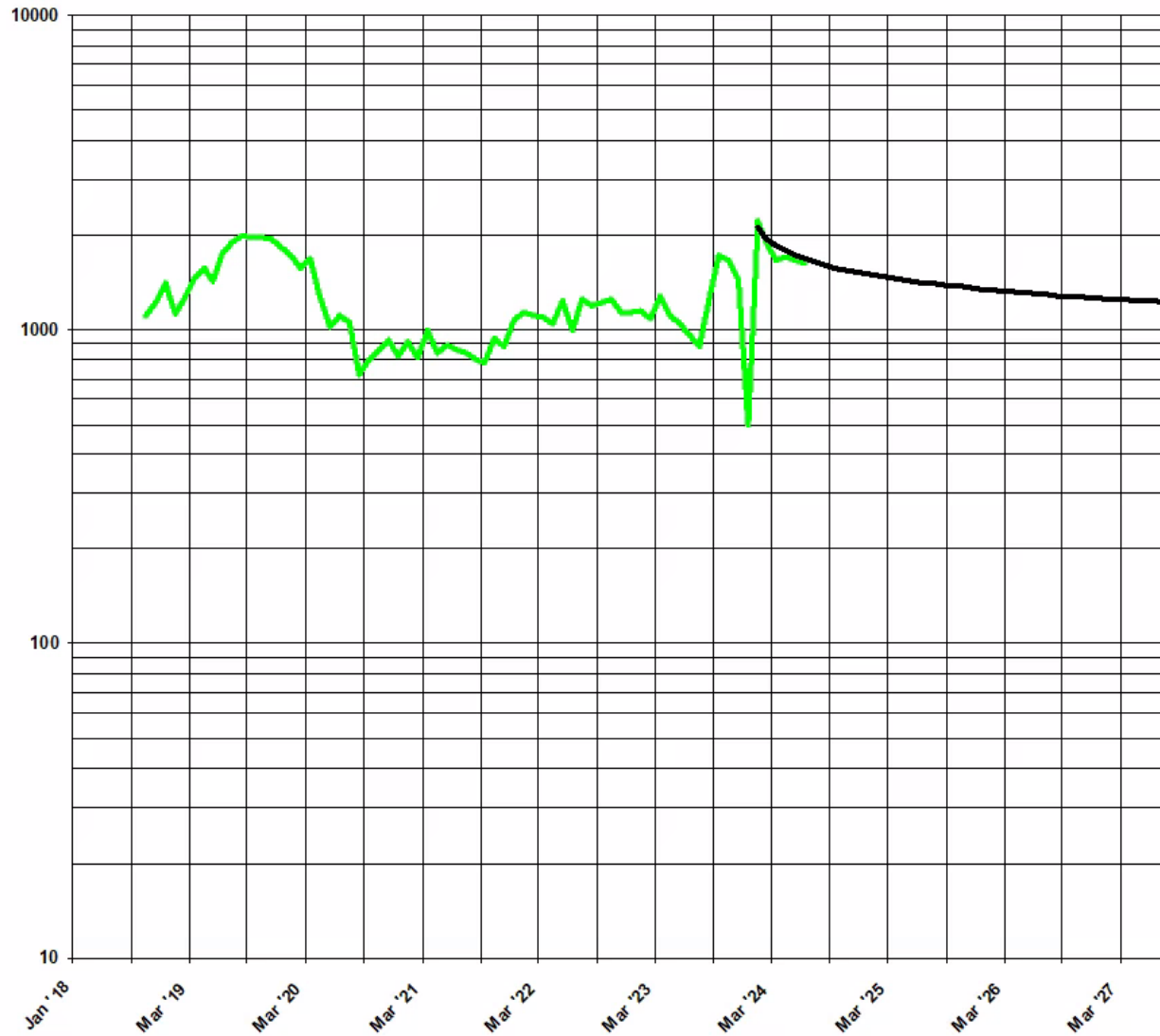
Lewis/Kelly #1 (55 BOPD)

Lewis H-1, will increase lease production significantly when ESP is repaired



# Example DCA for Lewis Kelly #1 Well

BOPM/MCFPM Lewis, Hittle Field, , Section 28-31S-4E, Cowley, County



	<i>BO</i>	<i>MCF</i>
<i>Produced</i>	88,281	0
<i>Reserves</i>	326,561	0
<i>Total</i>	414,841	0
<i>CR Life (Yr)</i>	17.9	

<i>Trailing Periods (Averages)</i>	12
<i>NRI</i>	0.82000000
<i>BOPM</i>	1519.9
<i>MCFPM</i>	0.0
<i>NWI Bopm</i>	1246.3
<i>NWI Mcfpm</i>	0.0
<i>Oper Expense.</i>	\$19,000 OR
<i>NWI Profit</i>	\$75,293
<i>Lifting Cost (BOE)</i>	17.8
<i>Econ Limit Bopm</i>	309.3
<i>Econ Limit Mcfpm</i>	0.0

Oil: 1/1/2024 2220 Bopm @ 80% ADR Hyper  
Exp. 6

No.	Status	Date	Bopd	Bwpd
1	Active		0.0	0.0
H-1	Active		0.0	0.0