

# Core SCOOP/Merge/STACK Opportunity



Castell Oil Company

Castell Oil Company (“Castell”) is offering for sale its oil & gas producing properties, leasehold, and related assets located throughout the core of the SCOOP/Merge/STACK play of Central Oklahoma (the “Assets”). The Assets offer an attractive opportunity to acquire operated and non-operated leasehold across the core liquids-rich gas and over-pressured windows of the region.

## 5,050 Net Acres

55% Operated | ~40% HBP

- Operated Assets: 2,780 net acres across Canadian, Garvin, & Dewey counties (75% Canadian/Merge) (midstream undedicated)
- Non-Op. Assets: 2,270 net acres, with operations potential through forced pooling
  - Diversified footprint with exposure to premier operators including DVN, NFX, EOG, CLR, XEC, and others
- Term Acreage: ~45% subject to regulatory pooling and/or spacing activity

## Top-Tier U.S. Basin With 101 Horizontal Rigs Running

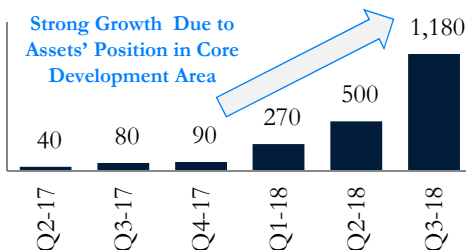
- >2,300 identified gross locations across multiple proven horizons including the Woodford, Springer, and Mississippian (Meramec/Osage/Sycamore)
- 30 hz wells in-progress (15 completing, 11 DUC, 4 drilling) with 13 add'l wells elected
  - 90 hz spuds on-lease in 2018
  - 32 hz rigs currently drilling within 3 miles of Castell acreage
- Continued improvement in well performance and economics resulting from optimized completions, longer laterals, and pad development across all benches

## Substantial Production Base<sup>(1)</sup>

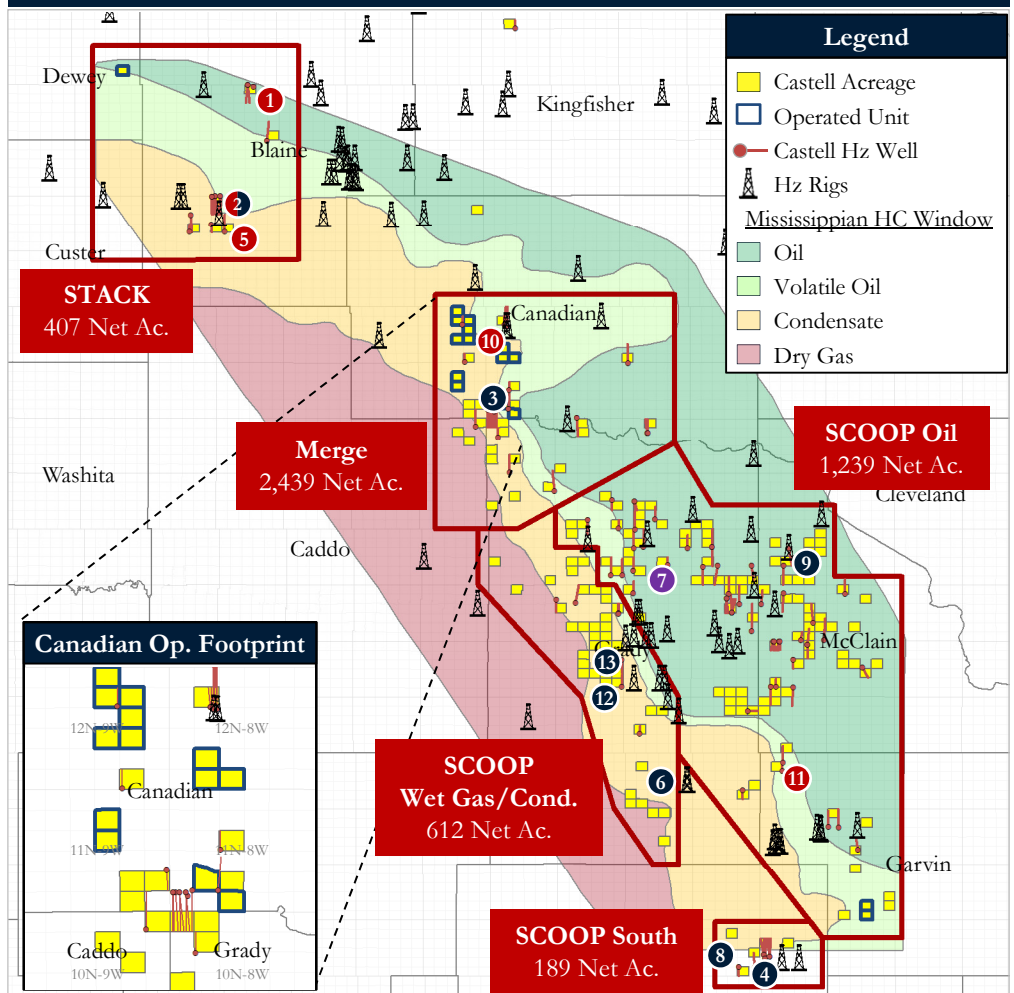
~1,200 Boed | ~50% Liquids

- ~\$15.5MM PDP PV10
- \$5MM+ op. cash flow (NTM PDP)
- 101 producing wells (100% non-op)

## Hist. Net Production (Boed)



## Location Map | Central Oklahoma



Well Name	Operator	Zone	Well Count	TLL (ft)	IP (Boed)	IP/Mft	% Oil	IP Type
1 Chipmunk (Coyote) Infill Dev.	Devon	Mississippian	4	8,660	5,900	681	78%	IP30
2 Simba Infill Development	Continental	Miss./Woodford	7	10,068	4,460	443	11%	24-Hr
3 Shelly Infill Development	XEC	Woodford	9	10,000	1,358	136	21%	IP30
4 Ely Infill Development	Newfield	Woodford	8	10,000	1,443	144	37%	IP30
5 Kevin FIU 1-20-17XH	Continental	Mississippian	1	10,079	4,502	447	15%	IP30
6 Anita Fowler 1-27X26H	Gulfport	Woodford	1	5,950	3,166	532	15%	24-Hr
7 KL Fulton 1-21H	Continental	Springer	1	4,317	2,122	492	76%	24-Hr
8 Cottonwood E.1-25-24XH	Continental	Woodford	1	8,441	1,597	189	36%	IP30
9 Curry 21X 1VH	EOG	Woodford	1	10,214	1,594	156	90%	IP30
10 Summer Moon 2H	Paloma	Mississippian	1	4,955	1,519	307	50%	IP30
11 Castle 1-8SH	Casillas	Mississippian	1	4,923	1,127	229	47%	IP30
12 Grant 25-24 1WH	Camino	Woodford	1	5,800	3,791	654	8%	24-Hr
13 Tyler 13-24 1XH	Camino	Woodford	1	7,800	3,781	485	8%	IP30
<b>Total Average</b>				<b>9,124</b>	<b>2,751</b>	<b>316</b>		

1. Net production, present value, and cash flow based on preliminary reserve database utilizing 2/1/2019 strip pricing and an effective date of 3/1/2019.

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## Process Calendar

February 2019						
S	M	T	W	T	F	S
					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		


March 2019						
S	M	T	W	T	F	S
					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						

Castell anticipates PSA execution and closing by mid April and May 31<sup>st</sup>, 2019, respectively.

While a single buyer is preferred, Castell is accepting individual offers on the operated and non-operated sub-portions of the broader sales package.

VDR Opens
  Data Rooms
  Bids Due

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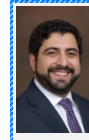
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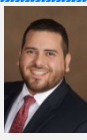


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