

# Powder River Basin Conventional Non-Op. Opportunity

CUDA Energy, LLC



CUDA Energy, LLC (“CUDA”) has retained Detring Energy Advisors to market for sale its large, contiguous **~16,500 net acre<sup>(1)</sup>** position in the prolific Powder River Basin. The assets offer the opportunity to acquire:

- (i) non-operated working interest underneath a **focused operator**; (ii) a production base of **~500 Bod (100% oil)** generating **~\$5MM in Cash Flow (NTM)**; (iii) near-term production growth driven by an **active miscible gas flood** program; and (iv) exposure to **horizontal development potential** across multiple stacked-pay targets.

## Increasing Production Base ~500 Bod (net) | 100% Oil

- 56 PDP wells generate strong production and cash flow across the **Barron Flats Unit (“BFU”)** and the **Cole Creek Field Unit (“CCU”)**
  - Avg. PDP: WI: 28% | NRI: 22%
- Resilient cash flow supported by efficient operations and high netbacks
  - PDP Cash Flow: \$5MM (NTM)
  - PDP PV10: \$39MM
  - Netback: \$46/Bbl (Avg. 2022E)
- 2022E PDP exit rate of 600 Bod as gas flood continues trend of increased rate

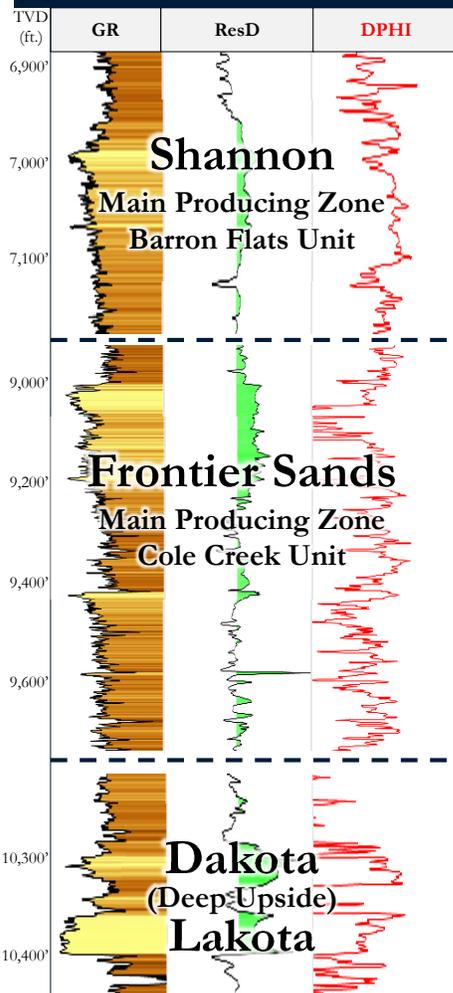
## Miscible Gas Flood Drives Continued Growth

- De-risked production growth from miscible gas flood with proven results
  - Oil production has increased 75% since implementation of gas flood
  - Gas injection volumes increased 10x in 1H2021 with oil production in early response stage
- Significant OOIP of **~230 MMbbls<sup>(2)</sup>**
  - Gas flood projected to drive 40-50% incremental recovery
- New infrastructure with direct access to injection feedstock

## Prudent Operator Actively Developing Substantial Upside

- Canadian Overseas Petroleum Limited (COPL) is sole operator
- Publicly disclosed growth outlook:
  - Plans to increase gas injection in BFU
  - Targeting 17 recompletes in CCU
- BFU deep test completed in September 2021 confirmed six (6) oil-bearing sands with **~250’ total net pay**
- Conventional and unconventional horizontal targets under active development by offset operators
  - Primary Zones: Turner, Frontier

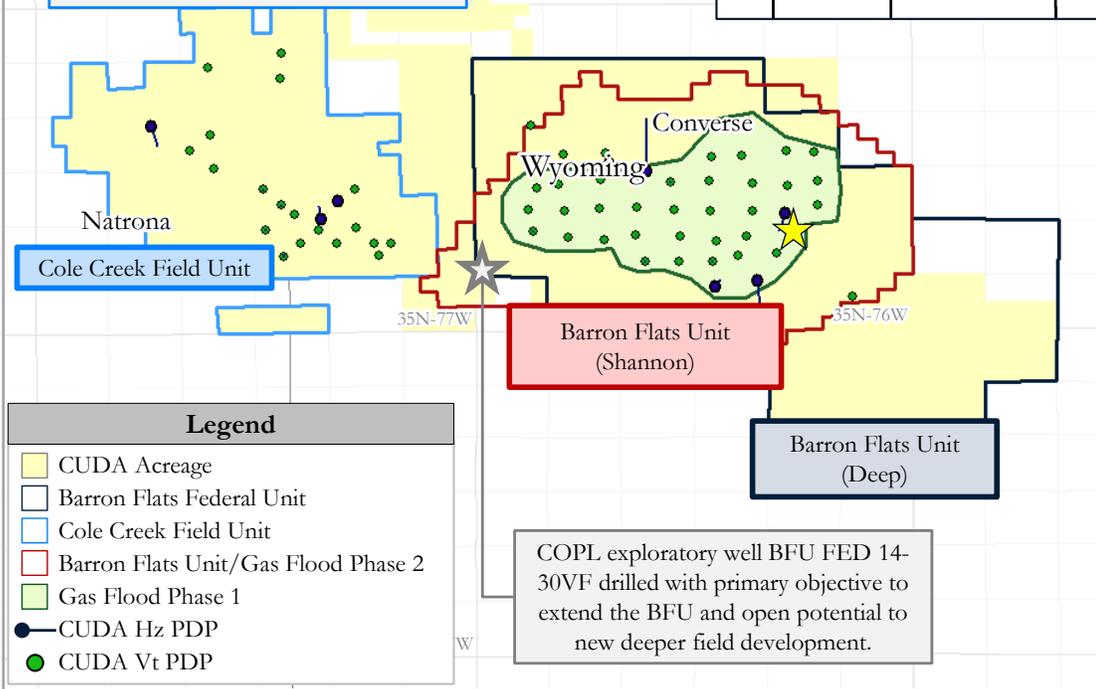
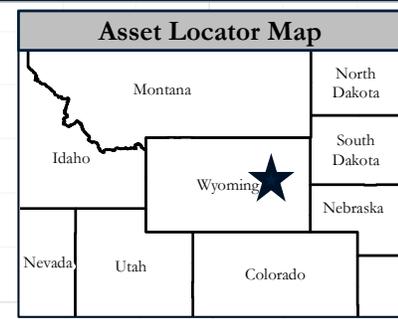
### ★ Type Well (William Valentine 1)



### Location Map | Converse & Natrona Counties, WY | Powder River Basin

Low Risk Drilling Inventory				
Unit	Drill Type	Location Count		
		PUD	PROB	Total
BFU	Vt	24	14	38
CCU	Hz	17	31	48
<b>Total</b>		<b>41</b>	<b>45</b>	<b>86</b>

COPL has shifted short-term operational focus to re-completing up to 17 existing cased wells in the CCU.



**Legend**

- CUDA Acreage
- Barron Flats Federal Unit
- Cole Creek Field Unit
- Barron Flats Unit/Gas Flood Phase 2
- Gas Flood Phase 1
- CUDA Hz PDP
- CUDA Vt PDP

COPL exploratory well BFU FED 14-30VF drilled with primary objective to extend the BFU and open potential to new deeper field development.

Note: Metrics based on Ryder Scott Reserve Report rolled forward to Jan. 1, 2022 at current NYMEX 5-year strip pricing. 1. Inclusive of Cole Creek Field Unit, Barron Flats Federal Unit and Barron Flats Shannon Secondary Recovery Unit. 2. OOIP estimate sourced from recent Ryder Scott evaluation.

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## Process Overview

January 2022						
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					

February 2022						
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					

-  VDR Opens
-  Evaluation Period
-  Bids Due
-  Holidays

CUDA anticipates PSA execution by late February and closing by March 31, 2022.

The process is subject to receivership proceedings in Canada and Chapter 15 proceedings in the US.

## Detring Energy Advisors Contact Information

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Please contact Melinda Faust to request a confidentiality agreement or to learn more about this opportunity. Please route all communications through Detring.



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