

# Operated North Central Texas Opportunity

Daylight Petroleum LLC



Daylight Petroleum LLC (“Daylight”) has retained Detring Energy Advisors to market for sale certain of its oil and gas leasehold, producing properties, and related assets located in various counties in northern Texas. The assets offer an attractive opportunity to acquire: (i) a **robust, stable production base (330 net Boed)** with an oil-weighted product mix; (ii) **long-term cash flow (\$6.5MM NTM, PDP-only)** bolstered by **attractive operating margins (70% over the NTM period)**; and (iii) multiple opportunities for **further field development through horizontal targeting of conventional reservoirs** and continuation of an **ongoing return-to-production program**.

## Oil-Weighted Production

330 Boed | \$6.5MM NTM Cash Flow

- **Low decline (8%) oil-weighted production (92% oil) provides confidence in future performance**
  - PDP PV10: \$30MM
  - PDP Net Reserves: 1.7 MMMBoe
  - PDP R/P: 14 years
- **High-margin cash flow resilient to any price environment**
  - \$19/Boe lifting costs
  - 70% margin on NTM revenue

## Ongoing RTP & Hz Programs Drive Cash Flow Growth

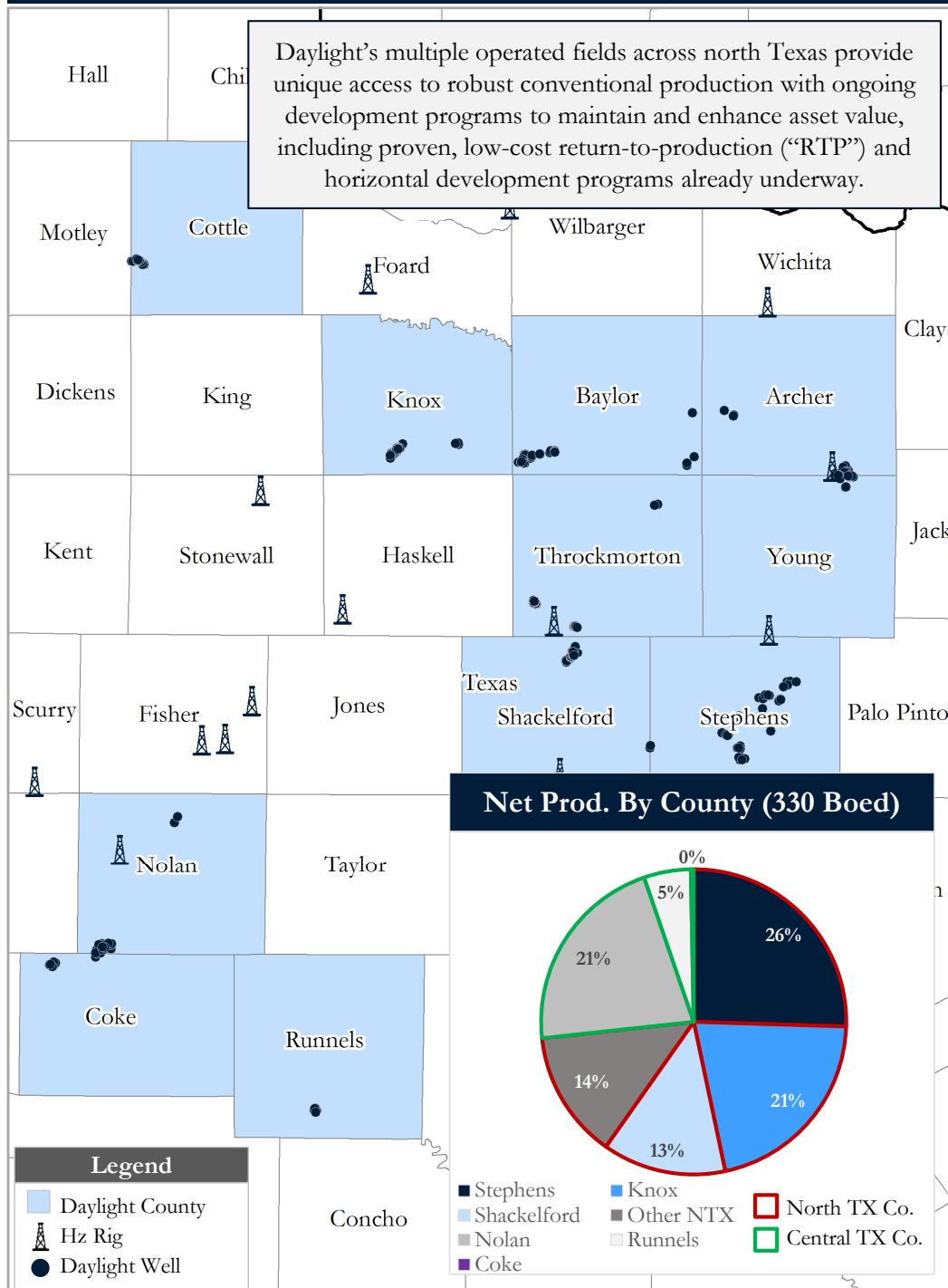
- **Daylight has consistently brought additional wells online since 2018 as part of an extensive RTP campaign**
  - 100+ additional candidates enable production uplift and maintenance
- **Two highly economic hz PUDs targeting reef structures identified**
  - Additional hz potential remains across the position
- **Line-of-sight to ~\$20MM PV10 through identified RTP and horizontal development candidates**

~14,900 Net Acres

PDP Avg. 87% WI | 70% NRI

- **Diverse fields across north Texas contain multiple opportunities for further development & uplift**
- **Asset is 100% operated by Daylight Petroleum**
- **159 producing wells with distributed value and low concentration risk**
- **Acreeage position is 100% HBP**

## Location Map | North Central Texas



Note: All metrics based on preliminary reserves as of 6/1/2022 and NYMEX 5-year strip pricing (as of 4/29/2022).

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**DAYLIGHT  
PETROLEUM**

Process Timeline

| May 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 |    |    |    |    |

| June 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 |    |    |

-  VDR Opens
-  Evaluation Period
-  Bids Due
-  Holidays



Daylight anticipates PSA execution by early July and closing by August 2022.

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 and do not contact Daylight directly.

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