

# Permian Basin Mineral & Royalty Opportunity



Private Seller

A private seller (“Seller”) has retained Detring Energy Advisors to market for sale its oil and gas mineral and royalty interests across the prolific Midland & Delaware Basins. The assets offer an attractive opportunity to acquire (i) **significant near-term cash flow** garnered from 180 horizontal PDP and 32 horizontal DUCs/Permits; (ii) **725 NRA** of diversified exposure across **the two highest-returning basins** in the Lower 48; and (iii) **~700 additional, highly economic horizontal locations across the Wolfcamp, Bone Spring, and Spraberry targets**, with continuous pad development expected across the properties from top regional operators, including Diamondback, EOG, Pioneer, among others.

**725 Net Royalty Acres**  
~30% Delaware & ~70% Midland

- **High-quality acreage across the Midland and Delaware Basins with exposure to well-capitalized, Permian-focused operators**
  - Top operators include Diamondback, Endeavor, EOG, Pioneer, and others
- **Substantial cash flow growth from active development across minerals**
  - 15 DUCs and 17 permits on-minerals coming online over the next year as operators quickly resume dev’t

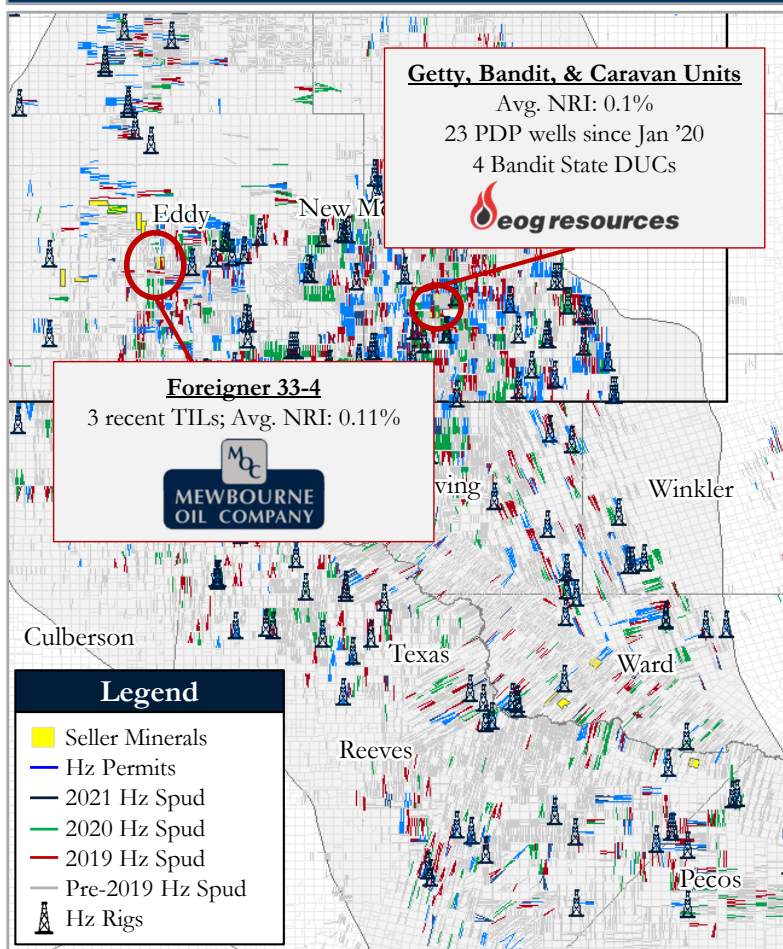
**Multiple Horizons & World-Class Inventory**

- **Operators completing prolific wells across multiple economic Wolfcamp, Spraberry and Bone Spring targets**
  - IP’s, EUR’s, and operator ROR’s consistently top 1,000 Boed, 1 MMBoe, and 100%, respectively
- **Total 3P net reserves of 1.7 MMBoe across ~1,000 wells and locations**
  - Rapidly developed, high-quality inventory provides years of sustained, elevated production

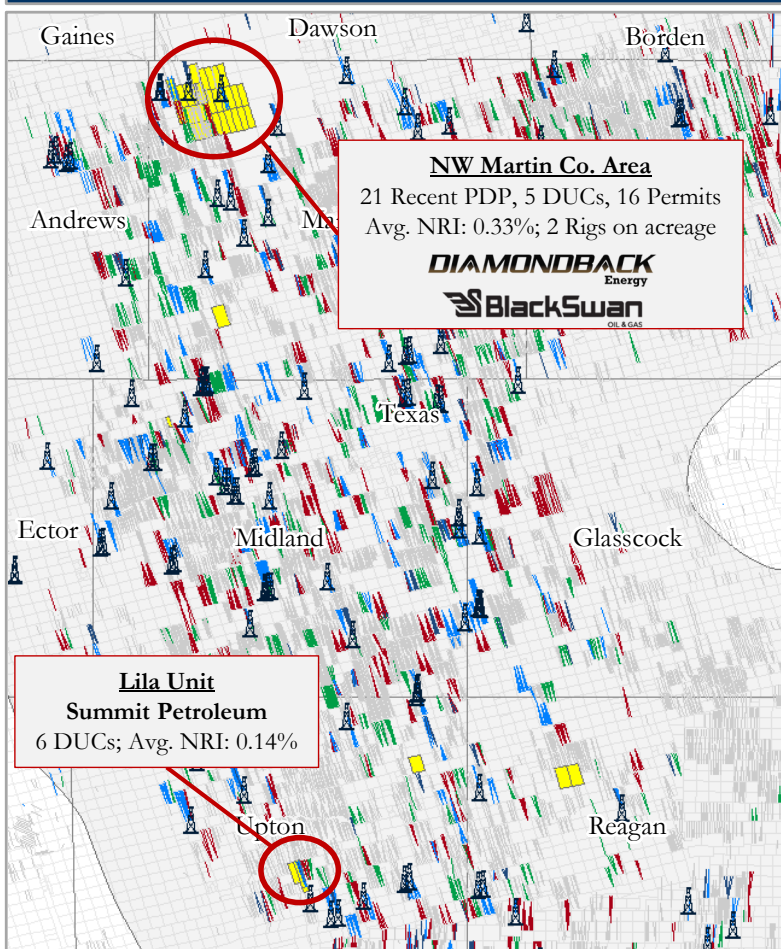
**\$2.2MM NTM Cash Flow**  
(PDP/DUC/Permit)

- **Cash flow continues to increase as commodity prices surge and rigs return to the Permian Basin**
  - ~315 current basin-wide hz rigs vs. 230 hz rigs 1 year ago (Mid. + Del.)
- **Operators have shifted almost exclusively to pad development, a boon for mineral owners**
  - Well-understood geology and well performance allow for simultaneous completion of multiple targets

## Delaware Basin



## Midland Basin



Note: Net Royalty Acres (“NRA”) normalized to 1/8 royalty. All metrics based on preliminary reserves as of Jun 1, 2022, at current strip pricing.

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

Private Seller



## Process Timeline

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		

July 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						

-  VDR Opens
-  Evaluation Period
-  Bids Due

Seller anticipates PSA execution and closing mid-July and the end of August, respectively.  
Offers for all properties are preferred; however, offers by basin will also be considered.

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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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