

## East Texas Austin Chalk Opportunity

Walter Oil & Gas Corporation



**Detring Energy Advisors** has been engaged by **Walter Oil & Gas Corporation** (“Walter”) to market for sale its **oil & gas assets and leasehold** in Polk, Tyler, and Jasper Counties, Texas. These assets offer:

- (i) **~10,900 net acres concentrated in the productive fairway**; (ii) **~800 Boed of liquids-weighted production** from 18 producing Austin Chalk wells (average WI >60%); (iii) **~\$5MM high-margin PDP cash flow** (NTM) with a **~60% margin** and low lifting costs; and (iv) **10 high-return horizontal Austin Chalk locations** to enhance long-term asset performance with a **total 3P PV10 of \$32MM**.

**~\$5MM NTM PDP Cash Flow**  
~800 Boed Net Prod. | ~60% Liquids

- **Diverse production stream generated from 18 modern Austin Chalk horizontal wells**
  - PDP Net Reserves: 1.9 MMBoe
  - PDP PV10: \$18.6MM
- **High-margin cash flow stream underpins future development costs**
  - ~60% cash flow margin

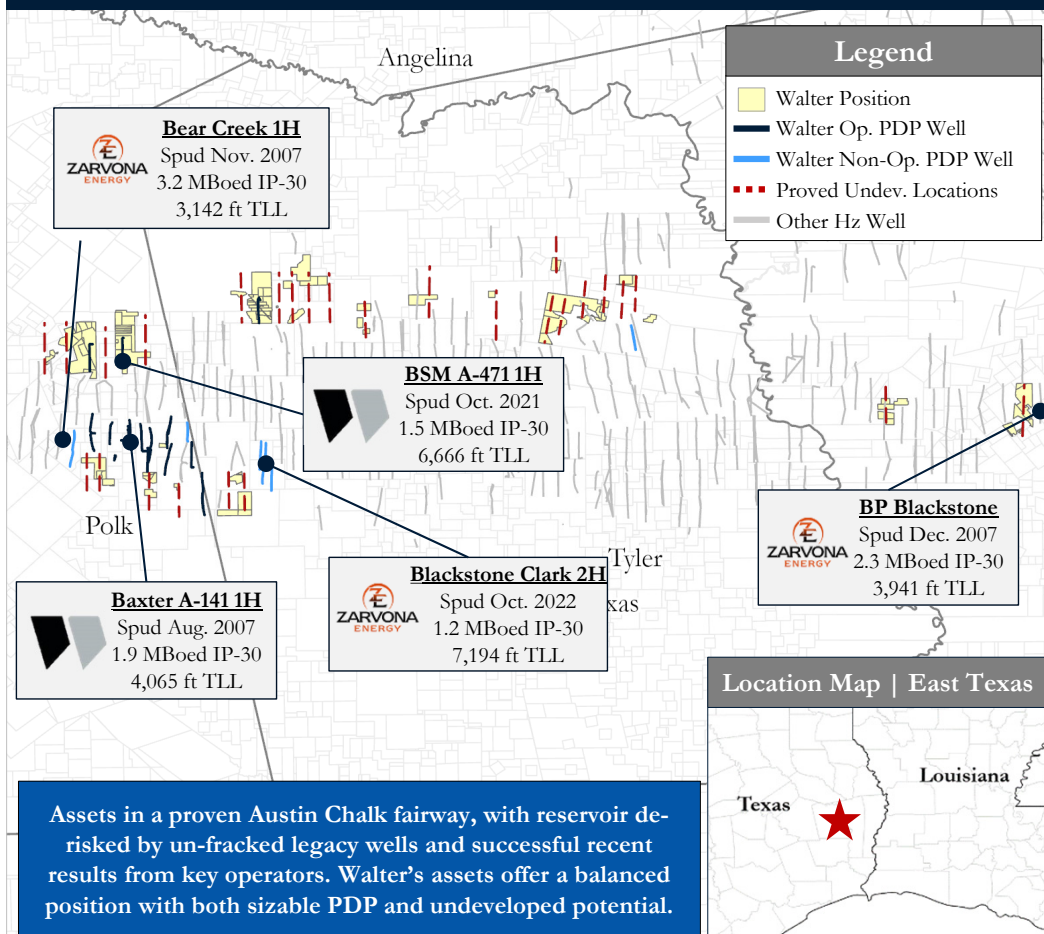
**~10,900 Net Acre Position**  
Concentrated Footprint | >40% HBP

- **Concentrated development footprint spanning a proven Austin Chalk development fairway**
  - Recent, modern completion wells achieved ~150+ Boed/Mft
- **Supported by ample Gulf Coast takeaway infrastructure**
  - Asset is only ~60% developed, with substantial value to be realized via further drilling

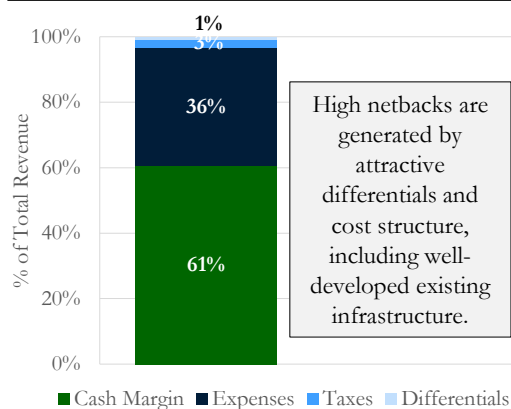
**10 High-Return Hz Locations**  
Significant Reserves & Value

- **10 attractive new-drill horizontal locations, averaging ~7,000’ TLL**
  - New-drill IP-30s of ~1.8 MBoed and EURs of ~2.0 MMBoe generate IRRs >40% on average
- **Substantial additional value unlocked via full development on a 1 rig program over 1-2 years**
  - 3P Net Reserves: 5.2 MMBoe
  - 3P PV10: \$32.4MM

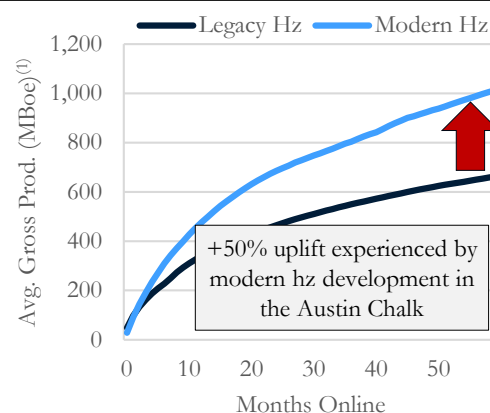
### Location Map | East Texas



**High-Margin Cash Flow**  
Resilient, Low Lifting Cost PDP Base



**Improved Performance From Modern Completions**



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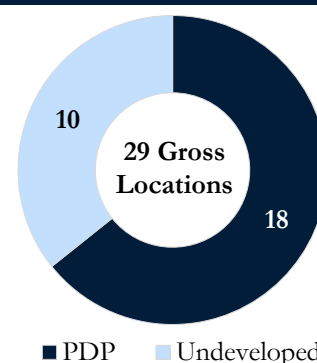
### Significant, Liquids-Rich Austin Chalk Production & Development Potential

Walter's assets offer a **concentrated Austin Chalk footprint** with **significant PDP cash flow** to enable further development of **de-risked upside across 10 attractive horizontal locations**. Future new-drill locations in the southern performance fairway offer an **average IP30 of ~1,800 MBoed and ~2.0 MMBoe EUR (~35% oil)**, ensuring rapid capital recycling and accelerated value realization (**~40% IRR+**). Additional **northern locations offer further potential, long-term**, to continue improving asset performance.

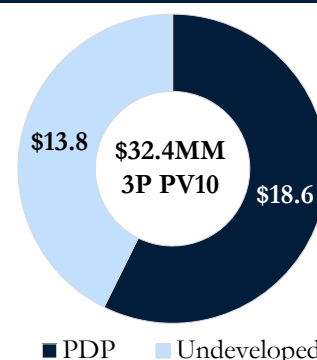
#### Reserves Summary | As of May 1, 2025

	Gross Wells	Net Prod. Boed	Net Reserves					Capex & NPV	
			Oil (MMBbl)	Gas (Bcfe)	NGL (MMBbl)	Total		Capex (\$MM)	PV10 (\$MM)
						MMBoe	% Liq.		
Producing									
Producing - Operated	12	662	0.5	3.1	0.6	1.6	67%	\$0.4	\$14.3
Producing - Non-Operated	6	137	0.1	1.6	0.0	0.4	33%	NA	4.3
Shut-In - Operated	1	0	NA	0.0	0.0	NA	NA	NA	(0.1)
Producing Total	19	799	0.6	4.7	0.6	1.9	60%	\$0.4	\$18.5
Undeveloped									
Southwest Position	7	NA	0.6	6.7	0.3	2.0	44%	\$17.9	\$9.0
Southeast Position	3	NA	0.5	4.0	0.2	1.3	49%	14.2	4.8
Undeveloped Total	10	NA	1.0	10.7	0.5	3.3	46%	\$32.2	\$13.8
Grand Total	29	799	1.6	15.3	1.0	5.2	51%	\$32.5	\$32.4
Reserve Category									
Producing	18	799	0.6	4.7	0.6	1.9	60%	\$0.4	\$18.6
Undeveloped	10	NA	1.0	10.7	0.5	3.3	46%	32.2	13.8
Shut-In	1	0	NA	0.0	0.0	NA	NA	NA	(0.1)
Reserve Category Total	29	799	1.6	15.3	1.0	5.2	51%	\$32.5	\$32.4
Grand Total	29	799	1.6	15.3	1.0	5.2	51%	\$32.5	\$32.4

#### Gross Well Count



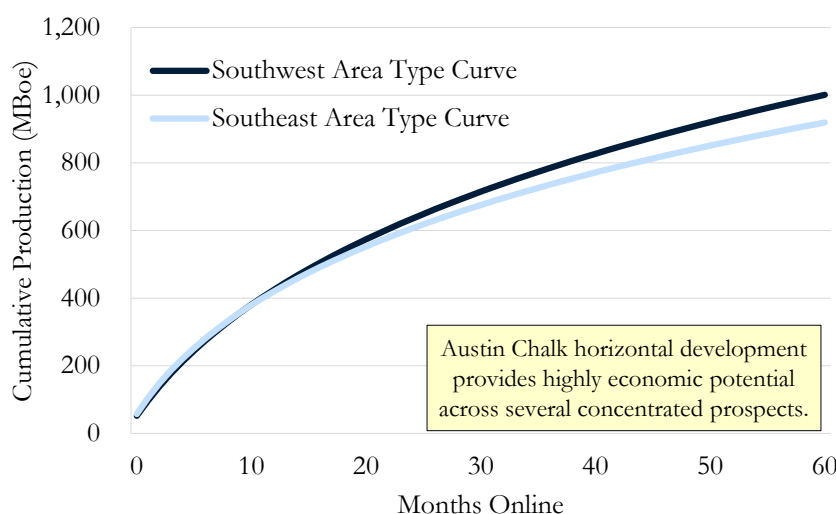
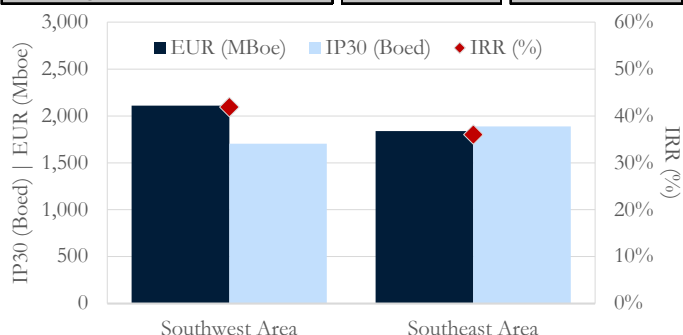
#### PV10 By Reserve Category



A strong production profile from flowing wells enables efficient recycling of cash flow into profitable development across the position throughout the asset's life. Developing identified horizontal opportunities has the potential to double the current asset value in a short timeframe using a 1-rig program.

### Highly Economic, Proven Development Across the Austin Chalk Reservoir<sup>(1)</sup>

Location & IRR		IP-30		EUR	
Area	IRR (%)	Total (Boed)	Boed/ Mft.	Total (MMBoe)	MMBoe/ Mft.
Southwest Area	42%	1,700	170	2,110	211
Southeast Area	36%	1,900	189	1,840	184
<b>Average</b>	<b>39%</b>	<b>1,800</b>	<b>180</b>	<b>1,975</b>	<b>197</b>



Note: All metrics based on preliminary reserves as of 5/1/2025 and 4/30/2025 NYMEX 5-year strip pricing. 1. Type Curve metrics are normalized to 10,000'.

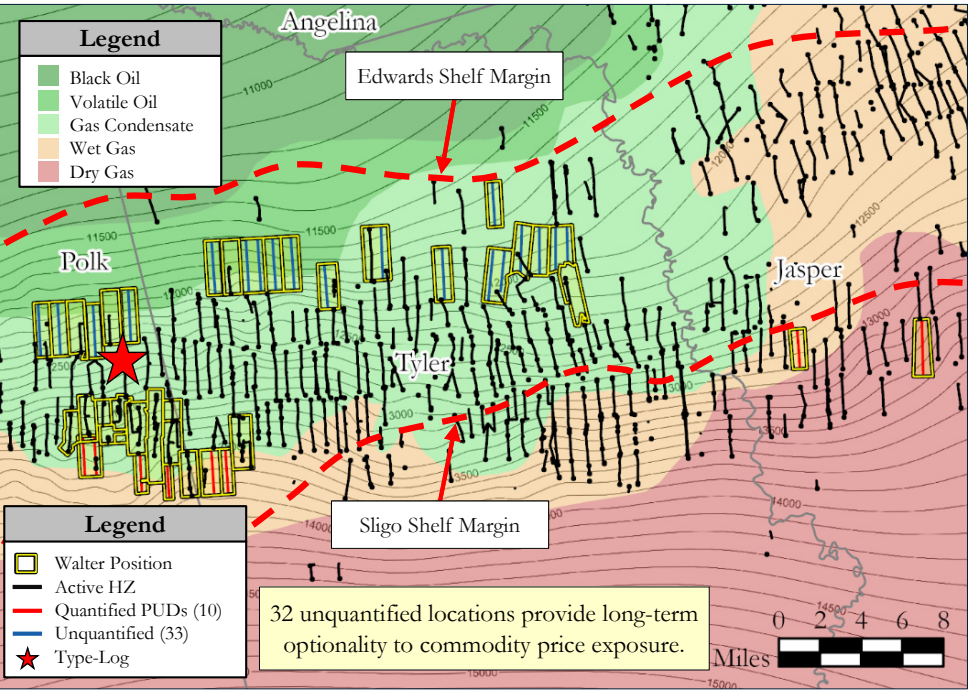
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Walter Oil & Gas Corporation

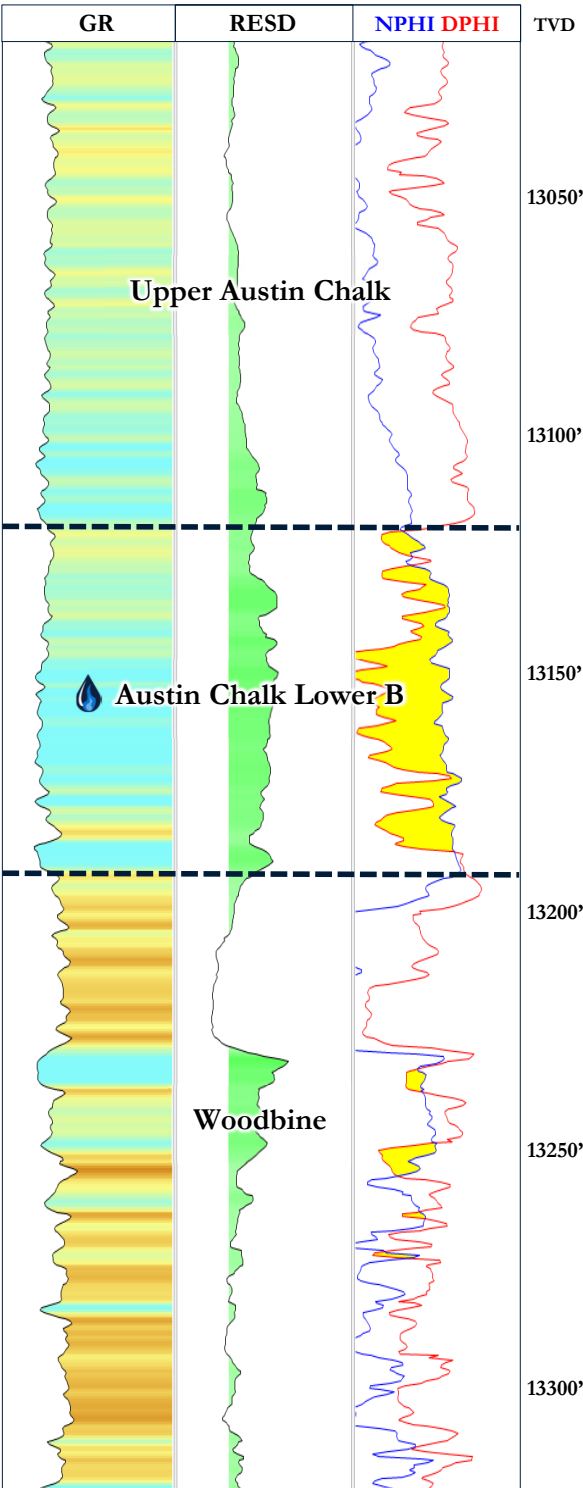


Walter’s position resides in Brookeland Field within the Eastern Austin Chalk Trend of East Texas, where the Lower B Zone displays increased thickness between the Sligo and Edwards Shelf Margins. The naturally fractured Lower B Zone has been targeted horizontally for years, however, recent horizontals using modern completion techniques have significantly outperformed legacy results, achieving ~50% greater production compared to 2010-2019 legacy wells. Walter’s position offers exposure to abundant potential upside locations across the various phase windows, providing optionality on future developable commodity mix. Additional upside potential exists in the underlying Woodbine.

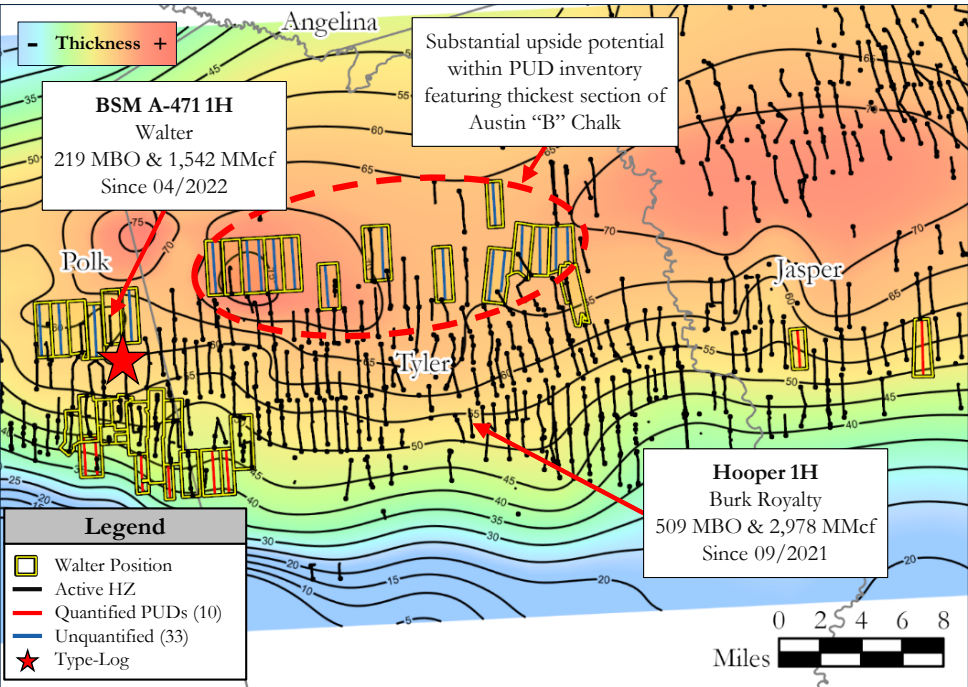
Austin Chalk Structure (SSTVD’)



★ St Regis Paper Company 1H



Austin B Chalk Isopach (ft.)





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Walter Oil &amp; Gas Corporation



## Process Timeline

May 2025						
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 2025						
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 2025						
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

Holidays

Walter anticipates PSA execution by the end of July and closing by early September 2025.

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Please route all communications through Detring and do not contact Walter directly.

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