

The White Paper

Eagle Production Inc.
and OILSTRATA INC

Ross Penn Play Raven Creek Project

A 10,000-acre position in the primary area of the Penn Shale Play. The first well will be spud in the 3rd quarter of 2024. The EPI / Ross #H-1 with a 5200' vertical section and a 4500' lateral with 25 stages of fracing. First production is expected in the last quarter of 2024. Upon a positive evaluation of the first three wells, we will begin drilling a well per month until a third of the acreage is developed or until we have approximately 25 wells in production. At this time, we will consider divestiture opportunities in 2025. The geology, timing and economics for the development of this project are excellent, achieving 4:1+ ROI within 3 years (sensitivity case).

- **10,000 acres @ \$500.00 (Land, Leasing & Legal) \$5,000,000.00**
- **AFE D&C per well is: \$2,564,245.00**
- **3 well total of: \$7,692,735.00**
- **Total for Initial Phase: \$12,692,735.00**
- **225,000 + EUR per well -**
- **78 + Locations (Between 20,000,000 – 15,600,000 BOE) -**
- **15,600,000 + EUR for the project (WD VonGonten PE) -**
- **75% NRI 11,700,000 EUR realized @ (15,600,000 sensitivity case) -**
- **22 Additional developmental wells: \$56,413,390.00 -**
- **Total two-year investment of \$69,106,125.00 -**
- **Exit Strategy planning 2025 with possible divestiture in 2025-2026 -**
- **Anticipated 4:1 + ROI @ \$60- \$65 oil at time of divestiture (sensitivity case) -**
- **53 Remaining PDNP / PUD Locations (Possibility of continued drilling and additional leasing)**

Phase I: Total Lease Capture (Land Work, Legal, Title Opinion & Acreage) is \$500.00 per acre for approximately 10,000 acres, being \$5,000,000. Similar acreage is selling for over \$3,000.00 per acre 100 miles away. When our first wells are in production, the acreage prices will rise quickly.

Phase II: Drill & Complete 3 wells @ \$2,564,245 per well for a total of (\$7,692,735) plus (\$3,750,000). The total investment to this point for 75% WI is \$11,442,735.

Phase III: Evaluate and optimize development plan for the field (22 wells within 2 years).

Additional capital required is \$56,413,390.00 for 22 wells. EPI and our accountants will arrange this funding round. If the 75% WI partner wants to be included they may be in our financing at cost and without any additional cost or promotion. Otherwise, you will be billed by AFE each month as we add additional wells (for the 22 wells).

Phase IV: Continue leasing in the trend and development of the field or plan for divestiture in 2026+. EPI will be carried 1/3 for a 1/4 through phase II. We will be using a standard form AAPL Joint Operating Agreement. This deal is subject to prior sale.

Schedule of Payments

- We will begin drilling (turnkey) the 1st well approximately 120 days after receiving the full 75% WI lease payment.
- Start recording your Assignments with our land team and attorney.
- We will notify you two weeks before the rig moves on location, you will have one week to send your pro rata funds for the 1st well. (in 1/32nds per \$2,564,245 well)
- A new Authorization for Financial Expenditure (AFE) will be made with the exact amount.
- Payment for the second well will be due 3 weeks after the first well begins. We will send an email notification giving you one week's notice; and finally,
- Payment for the third well will be due 3 weeks after the second well begins. We will send an email giving you one week's notice.

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