

**HYDROCARB-EN, LLC
DEWEY COUNTY
MINERAL DIVESTITURE**

STACK Extension Investment Opportunity – 2019

Cautionary Note

This presentation includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, and as amended. Statements made herein express a belief, expectation or intention and are generally accompanied by words that convey projected future events or outcomes. The forward-looking statements include projections and estimates of the Seller's strategies, future operations, and development plans and appraisal programs, projected acreage position, drilling locations, estimated oil, and natural gas and natural gas liquids production, rates of return, reserves, price realizations and differentials, hedging program, projected operating, general and administrative and other costs, projected capital expenditures, tax rates, efficiency and cost reduction initiative outcomes, liquidity and capital structure and infrastructure assessment and investment. We have based these forward-looking statements on our current expectations and assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. However, whether actual results and developments will conform with our expectations and predictions is subject to a number of risks and uncertainties, including the volatility of oil and natural gas prices, actual decline curves and the actual effect of adding compression to natural gas wells, changes in economic conditions, the amount and timing of future development costs, the availability and demand for alternative energy sources, regulatory changes, including those related to carbon dioxide and greenhouse gas emissions, and other factors, many of which are beyond our control. The actual results or developments anticipated may not be realized or, even if substantially realized, they may not have the expected consequences for our assets.

Oil & Gas Mineral Divestment

The Sellers, have accumulated approximately 554.031613 Net Mineral Acres.

- Said NMA are located in townships 18 North through 16 North, Ranges 14 West through 17 West, the Buy Area.

Oil & Gas Mineral Buy Area

- The Buy Area was delineated via well data throughout the Buy Area, including the new Council Oak, Coffey 1-7H well and the old Sandridge, now Devon, Ethel 1-34 well, and has been known since 2010.
- While employed at Sandridge, the DKT owner planned and drilled the Ethel 1-34. Then planned an additional 30 wells in a package for planned sale. The package sold to Devon before marketing took place. All the older Woodford laterals were planned by said owner, and taken by Devon in the sale.
- The Ethel had the best shows in the Osage and the upper Mississippian intervals, but completed in the Woodford.
- This knowledge led to the early extension of the Stack Play for the Sellers, and the \$196 million divestiture from Sandridge to Devon.

Oil & Gas Mineral Divestment

* New Well, ** Drilling Planned					
Section-Tnship-Rge	County	State	Net Min. Acres	Legal	OGL Information
11-16N-14W	Dewey Co.	OK	20.0000000	SE/4	HBP 3/16th
2-17N-14W	Dewey Co.	OK	40.0000000	W/2 SE/4; S/2 SW/4; SE/4 SE/4	HBP 3/16th
9-17N-14W	Dewey Co.	OK	2.4062500	SW/4	1/5th Leased, PEX 8/15/19, B1639 P425
14-17N-14W	Dewey Co.	OK	10.0000000	SE/4	OGL 1/5th
17-17N-14W	Dewey Co.	OK	2.3330000	SW/4	HBP 3/16th
19-17N-14W	Dewey Co.	OK	60.0000000	E/2 NW/4; NW/4 NE/4	1/5th Leased, PEX 8/15/19, B1639 P425
22-17N-14W	Dewey Co.	OK	0.9375000	NE/4	HBP 3/16th
31-17N-14W **	Dewey Co.	OK	5.7914000	NW/4	HBP 3/16th
32-17N-14W	Dewey Co.	OK	2.7500000	NE/4 SE/4	HBP 3/16th
33-17N-14W **	Dewey Co.	OK	2.6250000	N/2 SW/4 & SE/4 NW/4	HBP 3/16th
6-17N-17W	Dewey Co.	OK	9.9850000	SE/4 SW/4	HBP 3/16th
11-17N-15W	Dewey Co.	OK	5.0000000	W/2 NE/4 & S/2 NW/4	HBP 3/16th
26-17N-17W **	Dewey Co.	OK	3.7500000	SE/4 SW/4	HBP 3/16th
34-17N-17W	Dewey Co.	OK	4.4000000	S/2 SW/4 & W/2 SE/4	3y+2 3/16th PEX 4/11/19, 1611/591, 1611/59
01-18N-14W **	Dewey Co.	OK	20.0000000	NE/4 aka L1 & L2 S/2 NE/4	3y+2 3/16th PEX 5/13/17 B1535 P104
05-18N-15W	Dewey Co.	OK	3.8912500	L3 & L4 & S/2 NW/4	HBP 3/16th B1499 P571
29-18N-15W	Dewey Co.	OK	1.3333000	S/2 SW/4	HBP 3/16th
32-18N-15W	Dewey Co.	OK	5.3333000	NW & W/2 SE & W/2 SW & NE SW	HBP 3/16th
32-18N-15W	Dewey Co.	OK	2.0000000	NW/4; W/2 SE/4; NE/4 SW/4	HBP 3/16th
			202.5360000		

Oil & Gas Mineral Divestment

COUNTY	S	T	R	LEGAL	NET ACRES	OGL CLASS	RI
DEWEY	11	16N	14W	SE/4	40.0000000000	HBP	3/16TH
DEWEY	29	16N	16W	SW/4	16.6665000000	HBP	1/8TH
DEWEY	29	16N	16W	SW/4	13.3332000000	HBP	1/8TH
DEWEY	31	16N	16W	L3 & L4 & E/2 SW/4	5.7000000000	OGL 3	1/5TH
DEWEY	14	17N	14W	SE/4	10.0000000000	OGL 3	1/5TH
DEWEY	15	17N	14W		3.0123000000	HBP	3/16TH
DEWEY	17	17N	14W	SW/4	2.3330000000	HBP	3/16TH
DEWEY	18	17N	14W	L1 & L2 & E/2 NW/4	2.5895000000	HBP	3/16TH
DEWEY	18	17N	14W	L1 & L2 & E/2 NW/4	3.8843000000	HBP	3/16TH
DEWEY	19	17N	14W	E/2 NW/4; NW/4 NE/4	60.0000000000	OGL 3	1/5TH
DEWEY	22	17N	14W	NE/4	0.9375000000	HBP	3/16TH
DEWEY	31	17N	14W	NW/4	5.7914585000	HBP	3/16TH
DEWEY	32	17N	14W	NE/4 SE/4	2.7500000000	HBP	3/16TH
DEWEY	33	17N	14W	N/2 SW/4 and SE/4 NW/4 less and exce	2.6250000000	HBP	3/16TH
DEWEY	34	17N	14W	E/2 SW/4 & W/2 SE/4	12.0000000000	HBP	3/16TH
DEWEY	11	17N	15W		7.5000000000	HBP	3/16TH
DEWEY	11	17N	15W	SE/4	2.5000000000	HBP	3/16TH
DEWEY	11	17N	15W	W/2 NE/4 & S/2 NW/4	5.0000000000	HBP	3/16TH
DEWEY	13	17N	15W		24.0554000000	HBP	3/16TH
DEWEY	13	17N	15W	E/2 NW/4 & W/2 NE/4	5.3333000000	HBP	3/16TH
DEWEY	13	17N	15W	E/2 NW/4 & W/2 NE/4	4.0001000000	HBP	3/16TH
DEWEY	21	17N	15W		1.5850000000	OPEN	
DEWEY	25	17N	15W	W/2 SW/4	13.3333000000	HBP	3/16TH
DEWEY	26	17N	15W	E/2 SE/4	13.3333000000	HBP	3/16TH
DEWEY	1	18N	14W	NE/4 aka L1 & L2 S/2 NE/4	20.0000000000	OGL 3+2	3/16th
DEWEY	5	18N	15W	L3 & L4 & S/2 NW/4	3.8912500000	HBP	3/16TH
DEWEY	27	18N	15W	N/2 NE & NW	1.6666600000	HBP	3/16TH
DEWEY	29	18N	15W	S/2 SW/4	1.3333000000	HBP	3/16TH
DEWEY	29	18N	15W	S/2 SW/4	1.3333000000	HBP	3/16TH
DEWEY	32	18N	15W	NW & W/2 SE & W/2 SW & NE SW	5.3333000000	HBP	3/16TH
DEWEY	32	18N	15W	NW/4; W/2 SE/4; NE/4 SW/4	2.0000000000	HBP	3/16TH
DEWEY	3	18N	16W	L3, L4, S/2 NW/4	10.0050000000	HBP	3/16TH
DEWEY	11	18N	16W	SE/4 SE/4	2.8571450000	OGL 3+2	3/16TH
DEWEY	2	17N	14W	W/2 SE/4; S/2 SW/4; SE/4 SE/4	40.0000000000	HBP	3/16TH
DEWEY	9	17N	14W	SW/4	4.8125000000	OGL 3	1/5TH
					351.4956135000		

Economics

Analysis of the future value of the mineral acres marketed herein provides cash flow analysis of one net mineral acre at a 3/16 royalty interest. This cash flow was generated for the Coffey 1-7H well using the same constraints and type curve data and parameters reflected in investor reports for operators in the area.

Economics, Coffey 1-7H Cash Flow & Ultimate Value, \$9,500 Per NMA

	Gross	Gross	Net	Net	Oil	Gas	Oil	Gas	Annual	Cum Disc.
Year	Oil	Gas	Oil	Gas	Price	Price	Revenue	Revenue	Cash Flow	Cash Flow
	(Mbbbl)	(MMcf)	(Mbbbl)	(MMcf)	(\$/bbl)	(\$/Mcf)	(M\$)	(M\$)	(M\$)	(M\$)
2017	27.15	572.91	0.01	0.17	50	4.05	0.4	0.68	1.06	1.03
2018	36.8	780.11	0.01	0.23	50	4.05	0.54	0.93	1.43	2.36
2019	21.49	456.75	0.01	0.13	50	4.05	0.31	0.54	0.84	3.06
2020	15.84	336.93	0	0.1	50	4.05	0.23	0.4	0.61	3.52
2021	12.7	270.25	0	0.08	50	4.05	0.19	0.32	0.47	3.84
2022	10.73	228.24	0	0.07	50	4.05	0.16	0.27	0.4	4.09
2023	9.34	198.76	0	0.06	50	4.05	0.14	0.24	0.35	4.29
2024	8.33	177.25	0	0.05	50	4.05	0.12	0.21	0.31	4.45
2025	7.5	159.67	0	0.05	50	4.05	0.11	0.19	0.28	4.58
2026	6.86	145.98	0	0.04	50	4.05	0.1	0.17	0.25	4.69
2027	6.31	134.72	0	0.04	50	4.05	0.09	0.16	0.23	4.78
2028	5.82	125.61	0	0.04	50	4.05	0.09	0.15	0.22	4.86
2029	5.34	117.21	0	0.03	50	4.05	0.08	0.14	0.2	4.92
2030	4.91	110.26	0	0.03	50	4.05	0.07	0.13	0.19	4.98
2031	4.52	104.2	0	0.03	50	4.05	0.07	0.12	0.18	5.02
Rem	49.22	1,651.36	0.01	0.48	50	4.05	0.72	1.96	2.49	0.28
Total	232.85	5,570.20	0.07	1.63	50	4.05	3.41	6.61	9.5	5.3
Ult	232.85	5,570.20								

Economics

One net mineral acre leased at a 3/16th royalty interest may generate \$9,500 USD over the life a one-mile STACK Over-pressured Well. This value is further multiplied by the ability of Operators to drill and complete no less than 24 one-mile laterals per 640 acre drilling unit in the Meramec, Osage, & Woodford zones. Accounting for the well density per drilling unit and the average NRI that the mineral inventory dictates, a total estimated future net income due to passive Royalty Interest is arrived as follows:

STACK Over-Pressured Production – Meramec, Osage, & Woodford

1 NMA FNI @ 3/16th RI	1 NMA ADJ Factor	1 NMA FNI Adjusted	# Wells per Section	# Net Mineral Acres	Total Royalty Interest Future Net Income
\$9,500.00	1.0	\$9,500	8	480.9278635	\$36,550,576.26

Economics, Coffey 1-7H Detail

Date: 10/29/2017 11:12:21AM

ECONOMIC PROJECTION

Project Name : STACK Over-Pressured Oil
 Partner : All Cases
 Case Type : MINERAL CASE
 Archive Set : default

As Of Date : 08/01/2017
 Discount Rate (%) : 10.00
 Coffey 1-7H Non-Op

Case : Coffey 1-7H Non-Op - 10WI | 0.0002
 Reserve Cat. : Proved Producing
 Field : STACK
 Operator : Council Oak Resources
 Reservoir : Osage
 Co., State : Blaine - Dewey, OK

Cum Oil (Mfbl) : 0.00
 Cum Gas (MMcf) : 0.00

Year	Gross Oil (Mfbl)	Gross Gas (MMcf)	Net Oil (Mfbl)	Net Gas (MMcf)	Oil Price (\$/bbl)	Gas Price (\$/Mcf)	Oil Revenue (M\$)	Gas Revenue (M\$)	Misc. Revenue (M\$)
2017	27.15	572.91	0.01	0.17	50.00	4.05	0.40	0.68	0.00
2018	36.80	780.11	0.01	0.23	50.00	4.05	0.54	0.93	0.00
2019	21.49	456.75	0.01	0.13	50.00	4.05	0.31	0.54	0.00
2020	15.84	336.93	0.00	0.10	50.00	4.05	0.23	0.40	0.00
2021	12.70	270.25	0.00	0.08	50.00	4.05	0.19	0.32	0.00
2022	10.73	228.24	0.00	0.07	50.00	4.05	0.16	0.27	0.00
2023	9.34	198.76	0.00	0.06	50.00	4.05	0.14	0.24	0.00
2024	8.33	177.25	0.00	0.05	50.00	4.05	0.12	0.21	0.00
2025	7.50	159.67	0.00	0.05	50.00	4.05	0.11	0.19	0.00
2026	6.86	145.98	0.00	0.04	50.00	4.05	0.10	0.17	0.00
2027	6.31	134.72	0.00	0.04	50.00	4.05	0.09	0.16	0.00
2028	5.82	125.61	0.00	0.04	50.00	4.05	0.09	0.15	0.00
2029	5.34	117.21	0.00	0.03	50.00	4.05	0.08	0.14	0.00
2030	4.91	110.26	0.00	0.03	50.00	4.05	0.07	0.13	0.00
2031	4.52	104.20	0.00	0.03	50.00	4.05	0.07	0.12	0.00
Rem	49.22	1,651.36	0.01	0.48	50.00	4.05	0.72	1.96	0.00
Total	232.85	5,570.20	0.07	1.63	50.00	4.05	3.41	6.61	0.00
Ult	232.85	5,570.20							

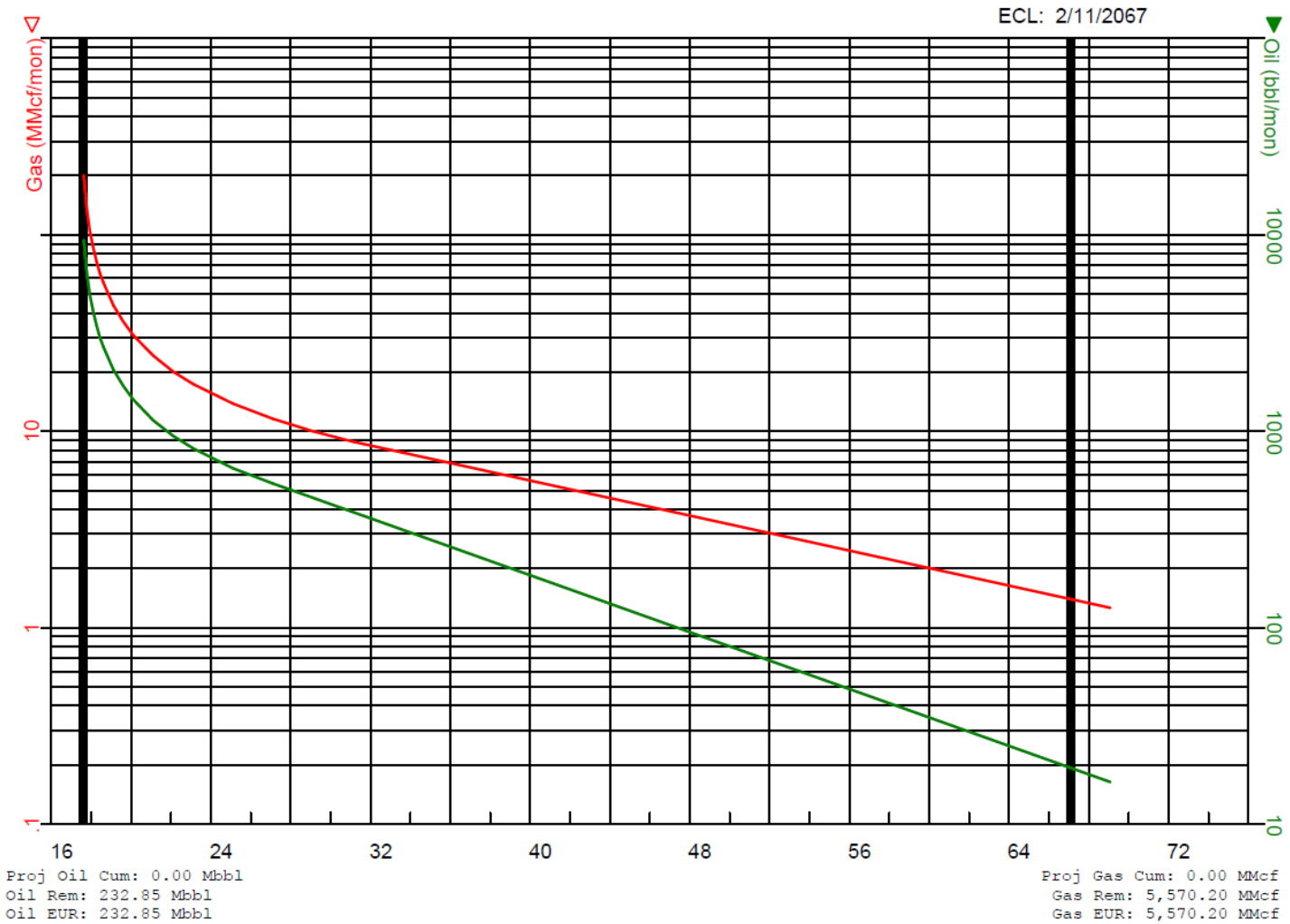
Year	Well Count	Net Tax Production (M\$)	Net Tax AdValorem (M\$)	Net Investment (M\$)	Net Lease Costs (M\$)	Net Well Costs (M\$)	Other Costs (M\$)	Net Profits (M\$)	Annual Cash Flow (M\$)	Cum Disc. Cash Flow (M\$)
2017	1.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	1.06	1.03
2018	1.00	0.03	0.00	0.00	0.00	0.00	0.00	0.00	1.43	2.36
2019	1.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.84	3.06
2020	1.00	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.61	3.52
2021	1.00	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.47	3.84
2022	1.00	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.40	4.09
2023	1.00	0.03	0.00	0.00	0.00	0.00	0.00	0.00	0.35	4.29
2024	1.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.31	4.45
2025	1.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.28	4.58
2026	1.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.25	4.69
2027	1.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.23	4.78
2028	1.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.22	4.86
2029	1.00	0.02	0.00	0.00	0.00	0.00	0.00	0.00	0.20	4.92
2030	1.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.19	4.98
2031	1.00	0.01	0.00	0.00	0.00	0.00	0.00	0.00	0.18	5.02
Rem.		0.19	0.00	0.00	0.00	0.00	0.00	0.00	2.49	0.28
Total		0.52	0.00	0.00	0.00	0.00	0.00	0.00	9.50	5.30

Major Phase :	Oil	Abandonment Date :	2/11/2067
Perfs :	0 - 0	Working Int :	0.00000000
Initial Rate :	2,087.00 bbl/month	Revenue Int :	0.00029297
Abandonment :	19.33 bbl/month	Disc. Initial Invest. (M\$) :	0.00
Initial Decline :	96.00 % year	ROI Investment (disc/undisc) :	0.00 / 0.00
Beg Ratio :	21.063	Years to Payout :	0.00
End Ratio :	72.206	Internal ROR (%) :	0.00
		Present Worth Profile (M\$)	
		PW 5.00% :	6.58
		PW 8.00% :	5.71
		PW 10.00% :	5.30
		PW 12.00% :	4.96
		PW 15.00% :	4.57
		PW 20.00% :	4.09

Economics, Coffey 1-7H Decline

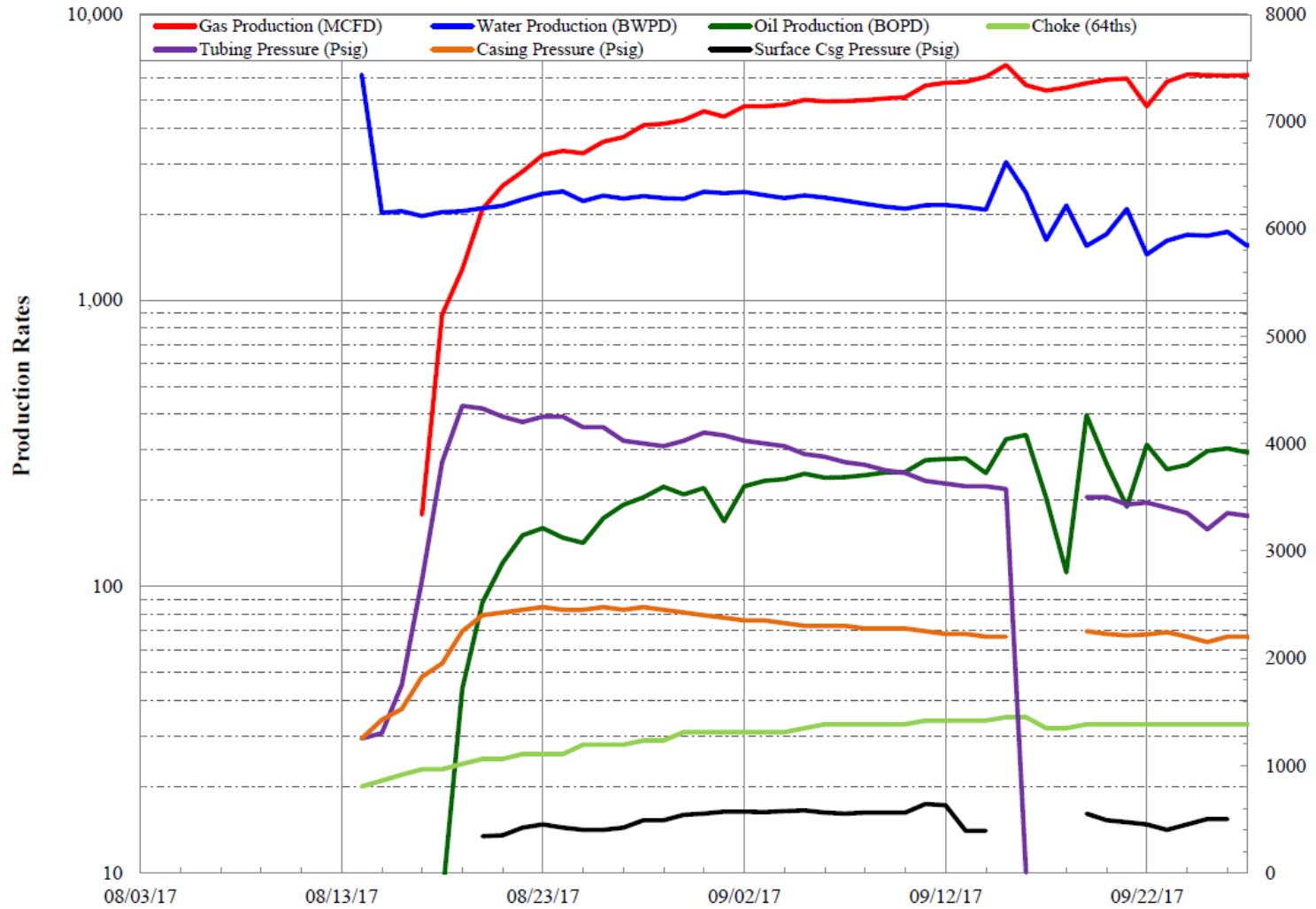
Coffey 1-7H Non-Op
 Oper: Council Oak Resources
 Major Phase: Oil

Field: STACK
 Blaine, OK
 5.30 MS



Economics, Coffey 1-7H, First 48 Days

COFFEY 1-7H



Thank You

Additional data available upon completion of a Confidentiality/Non-Compete Agreement.

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