

**RECEIVER’S FIFTH QUARTERLY REPORT FOR RECEIVERSHIP ESTATES
(OCTOBER 1, 2022 – DECEMBER 31, 2022)**

Deborah D. Williamson, in her capacity as the Court-appointed Receiver (the “Receiver”) for the Receivership Parties (as defined in the Court’s December 2, 2021, *Order Appointing Receiver* [ECF No. 17] and receivership estates (collectively, the “Estates”) in the above-captioned case (the “Case” or “Receivership”), hereby files this *Receiver’s Fifth Quarterly Report for Receivership Estates* (the “Report”) for the period October 1, 2022, through December 31, 2022.¹ The *Order Appointing Receiver* [ECF No. 17] (the “Receivership Order”) requires the Receiver to file a report within thirty (30) days of the end of each calendar quarter. Reasonable efforts have been made to fairly and accurately summarize the current status of the Receivership but any summary, of necessity, will omit details. The Receiver will be available to attend a status conference or otherwise respond to the Court’s questions at the Court’s request.

I. OVERVIEW

1. During this Reporting Period, the Receiver completed a fourth auction of equipment, engaged in a Court-approved process in an attempt to sell oil and gas interests, continued the process of obtaining executed division orders for various operators, identified and attempted to resolve issues with the Railroad Commission of Texas (“RRC”), and sold certain equipment through Court-approved procedures for private sales. Amounts owed for production to third parties unaffiliated with any Receivership Party continued to be identified and, upon delivery of a W-9 and a signed division order, payments were issued. Insurance was maintained. Analysis has been substantially completed regarding amounts of the claims of the investors. The Receiver has concluded the sale of the ranch in Palo Pinto County. The Receiver has sought to employ a

¹ Capitalized terms used herein but not otherwise defined shall have the meaning ascribed in the Receivership Order.

proposed claims and distribution agent so as to begin the claims and distribution process. Franchise tax returns have been filed for 2021.

2. The Receiver and her team had daily communications with investors and creditors, including providing a written update to each investor [ECF No. 289].

3. At the beginning of the fourth quarter of 2022, the Receiver had \$6,297,199.02 on deposit. At the end of this reporting period, after payments of operating expenses and court approved fees and expenses, the amount on deposit was \$10,009,033.15. As of the filing of this Report (January 27, 2023), \$9,599,359.82 is in the Receivership bank accounts.

4. During the fourth quarter of 2022 (October 1, 2022—December 31, 2022), the Receiver and her team have focused on the disposition of real property and personal property. On November 30, 2022, the sale of the Palo Pinto Ranch (defined below) closed. The Receiver and her team continue to analyze various records relating to other potential assets and/or claims of the Estates.

II. BACKGROUND

5. On December 1, 2021 (the “Application Date”), the Securities and Exchange Commission (the “Commission”) filed its *Emergency Motion for a Temporary Restraining Order and Emergency Ancillary Relief* [ECF No. 3] which included an application for the appointment of a receiver for the Receivership Parties (the “Application”).

6. On December 2, 2021, this Court determined that entry of an order appointing a receiver over the Receivership Parties was both necessary and appropriate to marshal, conserve, hold, and operate all of the Receivership Parties’ assets (the “Receivership Assets”) pending further order of this Court. Accordingly, the Court entered the Receivership Order on December 2, 2021, appointing Deborah D. Williamson as the Receiver over the Estates in this Case

[ECF No. 17]. That same day, the Court entered the *Order for Temporary Restraining Order and Other Emergency Relief* [ECF No. 12] and the *Asset Freeze Order* [ECF No. 14].

7. Pursuant to the Receivership Order, the Receiver is charged with:

marshaling and preserving all the assets of the Defendants (the “Receivership Assets”) and those assets of the Relief Defendants that: (a) are attributable to funds derived from investors or clients of the Defendants; (b) are held in constructive trust for the Defendants; (c) were fraudulently transferred by the Defendants; and/or (d) may otherwise be includable as assets of the estates of the Defendants (collectively, the “Recoverable Assets”).

Receivership Order, at 2 .

8. Additionally, the Receivership Order provides:

Within thirty (30) days after the end of each calendar quarter, the Receiver shall file and serve a full report and accounting of each Receivership Estate (the “Quarterly Status Report”), reflecting (to the best of the Receiver’s knowledge as of the period covered by the report) the existence, value, and location of all Receivership Property, and of the extent of liabilities, both those claimed to exist by others and those the Receiver believes to be legal obligations of the Receivership Estates.

Receivership Order, at 19 ¶ 56.

9. The Quarterly Status Report is directed to contain the following:

- A. A summary of the operations of the Receiver;
- B. The amount of cash on hand, the amount and nature of accrued administrative expenses, and the amount of unencumbered funds in the estate;
- C. A schedule of all the Receiver’s receipts and disbursements (attached as Exhibit A to the Quarterly Status Report), with one column for the quarterly period covered and a second column for the entire duration of the receivership;
- D. A description of all known Receivership Property, including approximate or actual valuations, anticipated or proposed dispositions, and reasons for retaining assets where no disposition is intended;

A description of liquidated and unliquidated claims held by the Receivership Estate, including the need for forensic and/or investigatory resources; approximate

valuations of claims; and anticipated or proposed methods of enforcing such claims (including likelihood of success in: (i) reducing the claims to judgment; and (ii) collecting such judgments);

- E. A list of all known creditors with their addresses and the amounts of their claims;
- F. The status of Creditor Claims Proceedings, after such proceedings have been commenced; and
- G. The Receiver's recommendations for a continuation or discontinuation of the receivership and the reasons for the recommendations.

Receivership Order, at 19–20 ¶ 57.

10. As stated above, the Receiver was appointed on December 2, 2021. The Receiver previously filed the *Receiver's First Quarterly Report for Receivership Estates* [ECF No. 126] for the period of December 2, 2021, through December 31, 2021. The *Receiver's Second Quarterly Report for Receivership Estates* [ECF No. 189] was filed May 2, 2022, covering the period of January 1, 2022, through March 31, 2022. The *Receiver's Third Quarterly Report for the Receivership Estates* [ECF No. 242] was filed July 30, 2022, covering the period of April 1, 2022, through June 30, 2022. The Receiver's *Fourth Quarterly Report for the Receivership Estates* [ECF No. 274] was filed October 31, 2022, covering the period of July 1, 2022, through September 30, 2022. This Report covers the period of October 1, 2022, through December 31, 2022 (the "Reporting Period"). Certain information or activity subsequent to December 31, 2022, is included for context and/or completeness.

11. One or more of the Heartland-related Receivership Parties raised tens of millions of dollars in the form of short-term promissory notes and equity investments ultimately for the

benefit of the various Defendants and/or the various Relief Defendants. The holders of those notes and equity investments are generally referred to as “creditors” and/or “investors” in this Report.²

III. GENERAL OVERVIEW

12. The Receivership Parties were generally in the business of investing in, purchasing, operating, and producing oil and gas assets. Certain Receivership Parties also own (or owned) real estate and other property. The Receiver has continued to actively recover, inventory, and investigate assets and liabilities of the Receivership Estates. In prior quarters, the Receiver has taken possession of two aircraft, vehicles, multiple pieces of oil field and construction equipment, real property, Dallas Cowboy tickets, and hundreds of operating and non-operating wells. The Receiver has obtained and preserved hard and electronic data from multiple locations controlled by one or more Receivership Parties, their former counsel, and in Panama. The Receiver has also begun to analyze thousands of documents, including, but not limited to, oil and gas documentation, bank account statements, and document production from various parties in interest. The Receiver has worked with various counsel, including, but not limited to, her lead counsel, Dykema Gossett PLLC (“Dykema”), Rose Romero with Romero | Kosub, Darrell Jones and Eric Hillerman with the Law Practice of Darrell R. Jones, PLLC, and Reid Collins Tsai LLP (“Reid Collins”). The Receiver has also worked closely with Ahuja & Clark, PLLC (“A&C”) on tax, accounting, and tracing issues, and Vicki Palmour Consulting LLC (“Palmour”) on RRC regulatory and compliance issues. Many of the tasks performed by the Receiver apply equally to each of the Receivership Estates. Accordingly, the statements and reports contained within this Report should

² Any reference to “investor” is not intended to categorize or characterize any claim.

be read to apply equally to each of the Receivership Estates, except where specifically noted to apply to a specific Receivership Estate.

IV. REPORT

A. TAX ISSUES

13. On April 22, 2022, the Court entered an Order approving the *Application to Employ Ahuja & Clark, PLLC as Accountants to Receiver Effective as of April 1, 2022* [ECF No. 187]. Federal tax returns for 2022 were prepared by A&C and filed on September 15, 2022. During the Reporting Period, A&C prepared the Texas Franchise Tax Returns and the Texas Public Information Reports for the Receivership Parties that had an obligation to file such tax returns. A&C assisted the Receiver and her counsel in responding to various notices from the Internal Revenue Service and state taxing authorities. In addition, A&C continued to provide support in answering the questions of investors related to Schedule K-1's, Partners Share of Income, Deductions, and Credits.

B. INSURANCE

14. During the Reporting Period, insurance was maintained. The Receiver continues to receive additional information and documentation related to existing and/or lapsed coverage and will address and resolve accordingly.

C. CASH ON HAND/ADMINISTRATIVE EXPENSES

15. The Receiver has endeavored to pay all ordinary course administrative expenses, including, but not limited to: amounts related to utilities; field personnel; Contract Oil & Gas Operations LLC ("COGO"); court filing and recording fees; license fees including, but not limited to, WolfePak; taxes; costs related to preparing properties for sale; transportation and towing fees; auction-related fees; and professional fees to Retained Personnel (to the extent allowed by the

Court). The Receiver continues to be cost conscious while balancing the need to protect the value of Receivership Assets and the needs of creditors, investors, and other stakeholders.

D. PALO PINTO PIPELINE

16. On December 1, 2022, the Receiver filed her *Motion to Confirm Receiver Has No Right, Obligation, or Interest to Operate the Palo Pinto Pipeline, or, in the Alternative, to Abandon any Interest in the Palo Pinto Pipeline* [ECF No. 288] (the “Pipeline Motion”). On December 20, 2022, the RRC filed its *Railroad Commission of Texas’ Brief Amicus Curiae in Opposition to Receiver’s Motion to Confirm Receiver Has No Right, Obligation, or Interest to Operate the Palo Pinto Pipeline, or, in the Alternative, to Abandon any Interest in the Palo Pinto Pipeline* [ECF No. 300]. In accordance with the Court’s *Order*, on January 3, 2023, the Receiver filed *Receiver’s Reply to Railroad Commission of Texas’ Brief Amicus Curiae in Opposition to Receiver’s Motion to Confirm Receiver Has No Right, Obligation, or Interest to operate the Palo Pinto Pipeline or, In the Alternative, to Abandon Any Interest in the Palo Pinto Pipeline* [ECF No. 307]. The Court set a hearing on the Pipeline Motion on January 31, 2023, at 1:30 p.m. Central.

E. REMEDIATION EXPENSES

17. The RRC has identified certain violations on the Val Verde and Crockett leases it claimed required remediation for issues which occurred prior to the appointment of the Receiver. Approximately \$35,000.00 was incurred during the Reporting Period to address these issues. Remediation costs included hiring field staff, rental and purchase of equipment, and management of field staff and equipment. Additional costs were incurred after the Reporting Period by the Receiver. As the Receiver understands, all alleged violations requiring remediation on the Val Verde or Crockett leases have been corrected save and except the elimination of certain pits. The lessors have requested that such pits remain available for the convenience of drilling operations.

E. RECEIPTS AND DISBURSEMENTS

18. During the Reporting Period, the Receiver deposited \$4,403,028.93, relating to sale of assets, production from oil and gas properties, and other sources. As required by the Receivership Order, a Receipts and Disbursements chart is attached hereto as **Exhibit A**.

F. RECEIVERSHIP PROPERTY

a. ESI and Documents

19. Dykema created and continues to update a Relativity Epiq platform to store scanned and/or imaged documents so that the documents can be easily reviewed, tagged, and organized for optimal efficiency. Various Retained Personnel utilize this platform on a routine basis related to their scope of work.

b. Real Estate

20. As previously reported, immediately upon being appointed, the Receiver took possession of or obtained access to certain locations, including the Heartland office located in Fort Worth, Texas; the Barron Petroleum LLC (“Barron Petroleum”), Leading Edge Energy LLC (“Leading Edge”), Dallas Resources Inc. (“Dallas Resources”), and ArcoOil Corp. (“ArcoOil”) offices in Graham, Texas, as well as the Graham yard; an office and storage location in Electra, Texas (the “Electra Office”); the ranch in Eldorado, Texas (previously occupied by Defendant Manjit Singh (aka Roger) Sahota (“Roger”), his wife, Relief Defendant Harprit Sahota (“Harprit”), and his son, Relief Defendant Monroe Sahota (“Monrose”)) (the “Dallas Resources Ranch”); the home in San Angelo, Texas, owned by Dallas Resources (previously occupied by Relief Defendant Sunny Sahota (“Sunny”) and his family, which was sold before this Reporting Period) (the “San Angelo House”); and a ranch located off FM 919 in Palo Pinto County, Texas (the “Palo Pinto Ranch”), owned by Receivership Party Dallas Resources.

i. Dallas Resources Ranch

21. The Dallas Resources Ranch is a “ranch” located in Eldorado, Texas, which is owned by Dallas Resources and was occupied by Roger, Harprit, Monroe, and the wife of Monroe until July 31, 2022. To date, the Receiver has incurred \$900.00 in costs related to preparing the Dallas Resources Ranch for sale. The Receiver also sold 167 goats and sheep for a net payment of \$9,516.35. At least 12 sheep and 1 goat remain grazing at the Dallas Resources Ranch. The Receiver continues to market the Dallas Resources Ranch for sale.

ii. Bahamas Properties

22. There are at least two (2) properties in the Bahamas (and potentially a third, or an option, piece of property).³ Funds related to the acquisition of the Bahamian properties (and/or the option) can be traced to a Receivership Party. Sunny Sahota testified that title to two of the properties were in his name and his brother. Roger Sahota asserted in one or more pleadings that “the Sahotas” acquired the Bahama properties. The Receiver has requested that the Sahota-related parties cooperate in transferring control and title to the Receiver. To date, the Sahotas have not done so.

iii. Guatemala Properties

23. The Receiver understands that there may be Receivership Assets in Guatemala. Upon information and belief, one or more of the Heartland Parties spent more than \$490,000.00 on investments in jade and land in Guatemala where jade can allegedly be mined.

iv. Graham Property

24. There is a property located in Graham, Texas, which appears to be owned by 1178137 B.C. Ltd., a Receivership Party. The Receiver has not identified any liens against the

³ <https://www.vrbo.com/2266040>.

Graham Property. The Receiver has incurred \$1,000.00 to date, in costs related to preparing the Graham Property for sale. On January 12, 2023, the Receiver entered into a contract to sell the Graham Property “as is” for \$186,500.00, subject to higher offers. *See generally* ECF No. 313. Higher offers were timely/timely received. The Receiver anticipates closing on the Graham Property in the first quarter of 2023. More information relating to the sale of the Graham Property will be included in the Receiver’s next quarterly report.

v. Palo Pinto Ranch

25. The Palo Pinto Ranch is located around Gordon, Texas,⁴ and was owned by Dallas Resources. The Receiver confirmed that there are no amounts owed on the Palo Pinto Ranch and obtained a release of the lien on file. The Receiver obtained approval of a sale process for the Palo Pinto Ranch and other properties [ECF Nos. 226 and 240]. On October 17, 2022, the Receiver entered into a contract to sell the Palo Pinto Ranch “as is” for \$3,200,000, subject to higher offers [ECF No. 267]. Higher offers were timely received by the Receiver. On November 9, 2022, an auction was held. The auction closed with the successful bid of \$4,490,000.00. The sale of the Palo Pinto Ranch closed on November 30, 2022, with \$4,179,728.72 in net proceeds to the Estates. *See* ECF No. 278.

vii. Electra Property

26. The Electra office and yard is located in Electra, Wichita County, Texas, and is owned by Dallas Resources. The Receiver has confirmed that there are no amounts owed on the Electra property. The Receiver obtained approval of a sale process for the Electra property and other properties [ECF Nos. 226 and 240]. To date, the Receiver has incurred \$1,000.00 in costs

⁴ The Property located in or around Gordon, Palo Pinto County, Texas, with the following description: 972.976 Block: 2 972.976 acres, T&PRR, Co. Survey Abstract #1945 Parcel Id(s): R000005838 R000009449.

related to preparing the Electra property for sale. The Receiver continues to market the Electra property for sale.

c. Oil and Gas Properties

27. There are hundreds of wells located across multiple leases in Texas. The oil and gas assets are not as valuable as the investors were led to believe. During this Reporting Period, the Receiver and her advisors have continued to spend extensive amounts of time addressing issues raised by the RRC, landowners, and other parties.

i. General Operations

28. General operation of the oil and gas properties included identification of operational issues and remediation of said issues. The Receiver and her advisors managed oil and gas revenue and expenses, generated monthly lease operating statements, and distributed royalties on a timely basis. The Receiver and her team completed negotiations with the Parmer family regarding the Receiver's operation of the Parmer saltwater disposal ("SWD") facility from December 2021 through December 2022. A *Release Agreement* was prepared and signed by all owners of the Parmer SWD facility. Final Payments were made to the Parmer family members. The Receiver and her team addressed landowner, working interest, and royalty owner issues related to oil and gas operations on various properties. The issues varied from property access to revenue distribution questions. Communications were maintained and issues were resolved in a timely manner.

ii. General Compliance

29. The Receiver and her counsel reviewed a constant stream of RRC violation notices, many of which existed before the appointment of the Receiver. The Receiver's team immediately addressed violations and communicated with RRC staff, as necessary, to maintain P-5's for all applicable Receivership Parties.

iii. Legal Compliance/Cleanups

30. Field activities to achieve regulatory compliance on the above items were completed on December 31, 2022. The Receiver and her advisors mobilized field resources to cleanup issues identified by the RRC in Val Verde and Crockett counties. The Receiver spent \$12,500.00 in administrative payments to the RRC to settle certain enforcements actions. The Receiver spent approximately \$35,000.00 to correct the violations issued by the RRC on December 15, 2022. On December 20, 2022, the Receiver and her counsel sent personnel and equipment to the Childress Ranch in Crockett County to correct the violations. The personnel cleared cellars of fluid, trash, and debris; covered cellars with expanded metal to prevent biohazardous leaks; welded collars onto 5-1/2" casing; swaged piping; installed a valve and bull-plug; made and installed well signs on the fences surrounding the well; cleaned and scrapped staining and foreign material from piping; organized extra piping and equipment on edge of wellsite; and consolidated all chemical drums and barrels onto one pad at edge of wellsite for disposal at later date. The Receiver's personnel completed their work on December 31, 2022. As of December 31, 2022, the Receiver is waiting for the RRC Field Representative to reinspect the subject properties; indicate the Receiver has addressed all violations; and release/close the subject enforcement actions.

iv. Waiver of Non-Operating Working Interests

31. The Receiver and her counsel reviewed the non-operating working interests in producing wells, wells being drilled in October 2022, and future drilling commitments managed by Atoka Operating, Inc. ("Atoka"). The Receiver and her counsel deemed the interests as high risk and an agreement regarding a waiver of all non-operating working interests' drillings was reached with Atoka.

v. EnergyNet Auction

32. The Court-approved EnergyNet.com, LLC (“EnergyNet”) auction on the eight (8) lots was open to bidders from September 8, 2022, to September 15, 2022. Five (5) EnergyNet lots had winnings bidders at the end of the online auction. This resulted in \$580,900.00 of proceeds being paid to the EnergyNet escrow account. These proceeds will be transferred to the Receiver upon the RRC’s approval of P-4 transfers. EnergyNet sent P-4 transfers to the RRC for all sold lots. Once approved by the RRC, the P-4 transfer paperwork will shift responsibility and authority to produce to another oil and gas operator. The Receiver and her team have had constant communication with the RRC regarding P-4 transfer status. The Receiver and her team have been in constant communication with the operators that purchased lots in September 2022 about timing on the RRC’s approval of P-4 transfers.

33. As of December 31, 2022, the Receiver and her team are still working towards transferring the remaining wells out of the Receivership Entities. The Receiver and her team have been in negotiations with potential buyers for the three (3) remaining EnergyNet lots. The remaining lots include 168 well located across three (3) counties. The Receiver expects proceeds of the remaining three (3) lots to be less than \$10,000.00. If the RRC approves transfers of the relevant P-4s, buyers of these lots will assume plugging and abandonment obligations. If negotiations are successful, the EnergyNet sales process will release the Receivership of operational responsibility from all wells located in the eight (8) lots.

34. The RRC has not approved the transfer of a single P-4. On December 16, 2022, the Receiver filed her *Motion for Authority to Abandon Oil and Gas Properties* [ECF No. 296] (the “Oil and Gas Abandonment Motion”), seeking approval to abandon oil and gas properties where the RRC has not approved transfer of the related P-4 within a reasonable period of time.

The Receiver and her team continue to work with the RRC to narrow the issues presented in the Oil and Gas Abandonment Motion, which the Court set for hearing on March 7, 2023, at 1:30 p.m. Central.

vi. Val Verde Basin Lease and Farmout

35. As stated in the two last quarterly reports, the Receiver previously attempted to generate interest in its Val Verde Basin oil and gas leases (many thousands of acres) and drilled, but unfinished, wells (11 total). No interested parties came forward, with the exception of a small group of interested investors comprised of SDMB Resources LLC (“SDMB”), THXMT, LLC, and Atoka (collectively, the “Underwood Group”).⁵ The Underwood Group originally emerged as the best proposal in the aggregate, and the Receiver submitted the transaction with the Underwood to this Court for approval, which was obtained [ECF No. 268]. Details are not restated herein, but a summary of the comprehensive process to arrive at that arrangement is merited.

36. A non-binding Letter of Intent (“LOI”) was negotiated between the Receiver (through her oil and gas counsel) and the Underwood Group (through their counsel). The LOI described the salient commercial points of a farmout agreement whereby the Underwood Group would contribute material new capital and operating expertise (through Atoka) that the Receiver does not possess, and the Receivership would contribute its Val Verde Basin properties so that the wells already drilled there could be tested and further developed and new wells could be drilled. The LOI also set forth in broad strokes the contingent and known future risk/cost liability allocation between the certain of the Receivership Parties and the Underwood Group.

⁵ This group is informally led by Mr. David Underwood, and the Court is directed to the specific motion for this transaction and supporting affidavits for more detail on these parties.

37. Over the Reporting Period, oil and gas counsel for the Receiver negotiated extensively with counsel for the Underwood Group and counsel for the lessors in the Val Verde Basin leases (the “Lessors”) as to both documentation form and substance to arrive at agreeable specific terms and conditions for a long-term joint venture which would be supported by the Lessors and pertinent surface owners (who may assert entitlement to various rights that could make that venture more challenging and therefore value-impaired). These negotiations culminated in a suite of transaction documents consisting of a *Farmout Agreement*, a *Joint Operating Agreement* (with several appended ancillary production and cost accounting documents), and an Oil and Gas Lease Amendment (collectively, the “Initial Farmout Documentation”), and consents by the Lessors and surface owners to present and future assignments and changes of operatorship of the properties. On October 17, 2022, the Receiver filed her *Motion for Approval of Farmout Agreement and to Extend Lease* [ECF No. 268] (the “Initial Farmout Motion”). The Court held a hearing on the Initial Farmout Motion on November 8, 2022, and entered its *Order* [ECF No. 277] approving the Initial Farmout Motion.

38. Unfortunately, Atoka and THXMT, LLC failed and refused to execute the Initial Farmout Documentation. The Receiver and her advisors then began negotiations with SDMB.

39. On December 16, 2022, the Receiver filed her *Expedited Motion for Approval of Modified Farmout Agreement* [ECF No. 293], seeking approval of a modified agreement with SDMB (the “Second Farmout Motion”). On December 22, 2022, the Court entered its *Order* [ECF No. 304] approving the Second Farmout Motion. The transaction is thought to be value-accretive to the Receivership Estates and is risk-reducing and cost-saving in terms of future and contingent liabilities that were previously materially understated (or misapprehended). SDMB procured

evidence of insurance on January 17, 2023, and is in the process of satisfying the terms of the lease extension.

vii. Palo Pinto Pipeline Audit/Responsibility Determination

40. The Receiver and her counsel communicated with the Oversight & Safety Division of the RRC regarding a Palo Pinto County, Texas, T-4 permitted pipeline, which is known to the RRC as the C.B. “A” Long 1, “4” gas transmission/gathering system (the “Pipeline”). The Receiver and her counsel continued conversations with RRC personnel regarding historic compliance issues associated with the pipeline. The RRC continues to assert that Dodson Prairie is responsible to correct longstanding violations associated with the Pipeline that predated the Receivership.

41. The Receiver and her counsel continued dialogue with the RRC concerning the Receivership’s responsibility to address the violations associated with the Pipeline. The relevant T-4 was never transferred to a Receivership Party. The Receiver believes that the costs associated with compliance should not be borne by any Receivership Party. As stated above, the Court set a hearing on the Receiver’s Pipeline Motion on January 31, 2023, at 1:30 p.m. Central.

viii. Palmour Accounting and Regulatory Work

42. During the Reporting Period, Palmour continued responding to regulatory and governmental reporting requirements of the RRC on the above listed items. Palmour continues to analyze and provide reports to various governmental agencies, including, but not limited to, Texas Workforce Commission, Texas Comptroller of Public Accounts, and the RRC. Palmour continues to process division orders for royalty owners. Palmour also manages WolfePak, an oil and gas software, for the various Receivership Party operators in order to manage revenue and joint interest billing responsibilities. Integral to Palmour’s revenue distribution responsibilities was the

distribution of royalty income owed to third party or unaffiliated royalty owners. Palmour discussed and researched royalty owner status with various oil and gas purchasers and COGO to secure past oil and gas statements to confirm royalty payments were current and, importantly, accurate.

43. The Receiver's team evaluated numerous regulatory non-compliance notices and related issues stemming from deficient regulatory reporting and record keeping by the Receivership Parties. These situations are being actively addressed and corrective actions determined, and where possible, enacted. Similarly, numerous requests and complaints from aggrieved third parties and landowners/royalty owners arising from prior operations and commercial transactions were evaluated and managed. Regulatory compliance and management is actively ongoing (including curative actions), and includes, but is not limited to:

- a. Review daily mail, e-mails, etc. from RRC regarding many violations, including field or filing violations. Research methods to resolve violations in the most economic manner while taking care of any and all pollution problems;
- b. File H-10 (Annual Reports of Water Injected into Wells) on various injection wells;
- c. Review P-5 renewal, and prepare and update P-5 status on Barron Petroleum, ArcoOil, Leading Edge, Panther City, and Dodson Prairie;
- d. File production reports thru November 2022 on all wells;
- e. File corrected production reports for August 2022 on Barron Petroleum wells;
- f. Review RRC violation letters and severances on wells;
- g. Review wells, prepare, and submit Acknowledgement of Critical Customer Designation with attachments to the RRC and electric providers for Leading Edge;
- h. Weekly conference calls with the Receiver and her counsel regarding operations and compliance;
- i. Prepare and file monthly P-18 reports on Parmer SWD facility;

- j. Prepare P-4's (Certificate of Compliance and Transportation Authority) on Crockett County and Val Verde County wells;
 - k. Confer with CPA on Form 1099s for year's end; and
 - l. Confer with the RRC over phone and email regarding the docket on Sahota-related wells.
44. Some of the actions the Receiver and her counsel took included:
- a. Operation of oil and gas properties, including identification of operational issues and remediation of same;
 - b. Researched and reported on pre- and post-receivership production taxes due from Sutton, Val Verde, Schleicher, and Palo Pinto Counties gas production;
 - c. Completed production reporting on behalf of Barron Petroleum. The RRC severed the ability to sell hydrocarbon from many of the Schleicher County leases that were deficient on regulatory reporting. Reports were filed and Barron Petroleum was deemed compliant related to Schleicher County production reporting issues;
 - d. Completed water production and injection reporting on behalf of Barron Petroleum. The RRC issued a notice requiring reporting of water production from Schleicher County leases and injection volumes disposed into the Parmer SWD facility. Reports were filed, and Barron Petroleum was deemed compliant related to Schleicher County water production/injection reporting issues;
 - e. Completed production reporting on behalf of Leading Edge. The RRC severed the ability to sell hydrocarbon from the Wichita County leases that were deficient on regulatory reporting. Reports were filed, and Leading Edge was deemed compliant related to production reporting issues;
 - f. Worked with the RRC Wichita County field inspector to remediate issues from Dodson Prairie-operated lease in Palo Pinto County;
 - g. Completed production reporting on Val Verde County wells on behalf of Barron Petroleum. The RRC indicated pending compliance penalties for deficient production reporting. Reports were filed, and Barron Petroleum was deemed compliant related to Val Verde County production reporting issues;
 - h. Critical infrastructure reports were completed as required by the RRC;
 - i. Prepared and filed various reports with the RRC; and

j. Calculated royalties and other amounts due to third parties.

d. Jade and other Personal Property

45. The Receiver has seized and is safely storing 447 individual pieces of jade (some are worked into pieces of art, while some are in their natural state). Upon information and belief, the jade is from Guatemala. The Receiver has photographed and inventoried the jade but has no opinion as to the value of these items, and the Receiver has not yet developed a marketing plan for the jade. The Receiver also seized watches and some items of jewelry. The Receiver has no opinion as to value of the watches and jewelry and is determining a reasonable marketing procedure for these items. The Receiver obtained approval of this Court to sell or abandon personal property [ECF No. 203].

e. Equipment and Vehicles

46. Permian held a fourth public auction, accessible online or in-person in Midland, Texas, on November 1-2, 2022.

47. Auction gross proceeds were \$1,650.00. After payment of the contractual and Court-approved auctioneer fees, Permian delivered \$1,418.00 to the Receiver for the benefit of the Estates.

48. The Receiver sold certain light use vehicles and other equipment via private sales in October and November 2022, which were owned by and titled in the name of one or more Receivership Parties [ECF No. 266, 281, and 285].

49. The Receiver and her counsel continued to work to obtain replacement titles for various equipment owned by the Receivership Parties. As of the filing of this Report, the Receiver believes she has disposed of all equipment and vehicles owned by any Receivership Party which have any recoverable value.

G. CLAIMS HELD BY RECEIVERSHIP PARTIES

50. Reid Collins has been engaged to prosecute certain claims held by one or more Receivership Parties [ECF Nos. 249, 260, and 261].

H. KNOWN CREDITORS

51. The Receiver is aware of “recurring charges” creditors, such as internet service providers, utilities, and telephone services. The Receiver has taken steps to terminate these services, if appropriate, and determine the final amount/number of claims of those service providers.

52. The Receiver is compiling a list of known individuals who are creditors and/or investors in the Receivership Parties (or one of its investment vehicles). The Receiver has not independently verified that each entity listed in these records is, in fact, a creditor or investor, or the amount invested. However, according to the records located by the Receiver, there are approximately 997 investors that loaned or invested a total of approximately \$122 million to one or more of the Receivership Parties (and its related investment vehicles), exclusive of any “roll overs.” The Receiver is in the process of verifying the names of the investors. A&C has substantially completed verification of the amount each has invested or otherwise advanced.

53. Since her appointment, the Receiver received thousands of phone calls, voicemails, and emails from investors, employees, and other interested parties. The Receiver set up an informational website and a dedicated email address for the Case: www.heartlandreceivership.com. The Receiver continually updates the website with investor communications, “frequently asked questions,” key court documents, notices, and reports.

54. The Receiver has not yet asked the Court to approve creditor claim procedures. On December 20, 2022, the Receiver filed the *Receiver's Application to Employ Bankruptcy Management Solutions Inc. d/b/a Stretto as Claims Disbursement Agent* [ECF No. 302], which the Court has set for hearing on January 31, 2023, at 1:30 p.m. Central. The Receiver does anticipate requesting approval of a creditor claim procedures from the Court, and the retention of a claims and disbursement agent is critical to do so.

I. ADMINISTRATIVE ACTIONS

55. As stated above, a website has been created to provide information to investors and creditors regarding the status of the Case: www.heartlandreceivership.com. A FAQ section is on the website, which should answer the most common questions related to the Case. The FAQs, along with the other sections of the website, allow the Receiver to quickly, inexpensively, and broadly convey information regarding the Case. The Receiver has and will continue to update the website on a rolling basis as information becomes available. Information regarding real property and private sale or auctions of personal property will also be posted to the website on the Notices page.

56. An email address has been created for direct communication by investors and other parties in interest: heartlandreceivership@dykema.com. The email address was initially being monitored by attorneys at Dykema but is now primarily being monitored by a paralegal, who forwards those emails that require the attention of the Receiver or a Dykema attorney.

J. RECEIVER'S RECOMMENDATIONS

57. While the Receiver has recovered control of readily identifiable assets and operations, begun her diligence of identifying additional assets and liabilities, and liquidated certain real and personal property, it is too soon to make a final recommendation as to how the Estates should be resolved. The Receiver has continued the process of liquidating assets, subject

to this Court's approval. Accordingly, the Receiver recommends that the Case continue to allow the Receiver additional time to locate and/or monetize Receivership Assets, evaluate what claims or causes of action can be asserted, and develop a recommendation to maximize the recovery for investors and creditors.

Dated: January 27, 2023.

Respectfully submitted,

By: /s/ Danielle N. Rushing

Danielle N. Rushing
State Bar No. 24086961
drushing@dykema.com
DYKEMA GOSSETT PLLC
112 East Pecan Street, Suite 1800
San Antonio, Texas 78205
Telephone: (210) 554-5500
Facsimile: (210) 226-8395

and

Rose L. Romero
State Bar No. 17224700
Rose.Romero@RomeroKozub.com
LAW OFFICES OF ROMERO | KOZUB
235 N.E. Loop 820, Suite 310
Hurst, Texas 76053
Telephone: (682) 267-1351

COUNSEL TO RECEIVER

CERTIFICATE OF SERVICE

I hereby certify that on January 27, 2023, the foregoing document was served via CM/ECF on all parties appearing in this case, including counsel for Plaintiff Securities and Exchange Commission.

/s/ Danielle N. Rushing
Danielle N. Rushing

EXHIBIT A

RECEIPTS AND DISBURSMENTS

| | Current Period (10/1/2022 - 12/31/2022) | Cumulative |
|---|--|-------------------------|
| 1. CASH AT BEGINNING OF PERIOD | \$ 6,297,199.02 | |
| 2. RECEIPTS | | |
| <i>*3898 IBC Account</i> | | |
| 10/7/22 Wire - Gulf Coast Gas Gathering, LLC | \$ 4,113.83 | |
| 10/13/22 Deposit - Ranger Gas Gathering LLC | \$ 434.24 | |
| 10/20/22 Deposit - BML, Inc | \$ 31,458.08 | |
| 11/07/22 Deposit - Ranger Gas Gathering LLC | \$ 278.91 | |
| 11/15/22 Deposit - Caballo Loco Midstream | \$ 25,046.09 | |
| 11/21/22 Wire - Atoka Operating Inc. | \$ 43,000.00 | |
| 12/02/22 Deposit - Ranger Gas Gathering LLC | \$ 67.43 | |
| 12/14/22 Deposit - United Cooperative Services | \$ 487.24 | |
| 12/14/2022 Deposit - Caballo Loco Midstream | \$ 24,814.47 | |
| 12/21/22 Wire - Gulf Coast Gathering, LLC | \$ 5,564.56 | |
| Total Deposits to *3898 | \$ 135,264.85 | \$ 590,526.66 |
| <i>*3863 IBC Account</i> | | |
| 11/07/22 Deposit - Concho Vallye Electric Cooperative | \$ 256.01 | |
| 11/15/22 Deposit - Producers Livestock Auction Co. | \$ 9,516.35 | |
| 11/22/22 Deposit - Permian | \$ 1,418.00 | |
| 11/22/22 Deposit - William Ellis | \$ 1,000.00 | |
| 12/01/22 Deposit - Palo Pinto County Abstract | \$ 4,179,728.72 | |
| 12/01/22 Deposit - K&K Motors | \$ 36,065.00 | |
| 12/06/22 Deposit - Grant Sparks | \$ 26,030.00 | |
| 12/06/22 Deposit - Kim Dale Rodgers Lacy Rodgers | \$ 3,000.00 | |
| 12/13/22 Deposit - Tony J Byers/Byers Well Service | \$ 10,750.00 | |
| Total Deposits to *3863 | \$ 4,267,764.08 | \$ 11,888,186.81 |
| 3. TOTAL RECEIPTS | \$ 4,403,028.93 | \$ 12,478,713.47 |
| 4. TOTAL CASH AVAILABLE FOR OPERATIONS (Line 1 + Line 3) | \$ 10,700,227.95 | |
| 5. DISBURSEMENTS | | |
| <i>*3898 IBC Account</i> | | |
| 10/03/22 Check #1454 to Mark F Shurley - Royalty Expense | \$ 2,191.68 | |
| 10/03/22 Check #1455 to Mark Shurley Trustee - Royalty Expense | \$ 1,534.11 | |
| 10/03/22 Check #1498 to BJB Transport, LLC - Transportation Expenses | \$ 12,902.50 | |
| 10/04/22 Check #1497 to Colt Midstream - Operating Expenses | \$ 200.00 | |
| 10/04/22 Check #1501 to Jacam Catalyst - Operating Expenses | \$ 1,360.59 | |
| 10/05/22 Check #Check Card to Jacam Catalyst - Operating Expenses | \$ 971.85 | |
| 10/05/22 Check #Check Card to Platinum Vapor Control - Operating Expenses | \$ 3,003.00 | |
| 10/05/22 Check #Check Card to MDC Southwest Electric - Production | \$ 5,872.85 | |
| 10/12/22 Check #1499 to Texas State Comptroller - Taxes - Oil & Gas | \$ 2,947.83 | |
| 10/12/22 Check #1500 to Texas State Comptroller - Taxes - Oil & Gas | \$ 32.63 | |
| 10/13/22 Check #Check Card to United Coop Services - Production | \$ 450.80 | |
| 10/18/22 Check #1503 to Production Meter & Testing - Operating Expenses | \$ 65.00 | |
| 10/24/22 Check #1504 to Young Central Appraisal District - Taxes - Property | \$ 689.18 | |
| 11/01/22 Check #1505 to Texas State Comptroller - Taxes - Oil & Gas | \$ 40.90 | |
| 11/01/22 Check #1506 to Texas State Comptroller - Taxes - Oil & Gas | \$ 46.74 | |

RECEIPTS AND DISBURSMENTS

| | Current Period (10/1/2022 - 12/31/2022) | Cumulative |
|--|--|-------------------|
| 11/01/22 Check #1513 to RCPTX, Ltd. - Royalty Expense | \$ 51.10 | |
| 11/01/22 Check #1517 to Young Central Appraisal District - Taxes - Property | \$ 531.87 | |
| 11/02/22 Check #1507 to Quanah ISD & City of Quanah - Taxes - Property | \$ 66.74 | |
| 11/02/22 Check #1508 to Hardeman County - Taxes - Property | \$ 78.42 | |
| 11/02/22 Check #1511 to Robert D. Hinkson, Jr. - Royalty Expense | \$ 181.72 | |
| 11/03/22 Check #Check Card to Platinum Vapor Control - Operating Expenses | \$ 3,003.00 | |
| 11/03/22 Check #1516 to Joe C. Weidner - Royalty Expense | \$ 62.55 | |
| 11/03/22 Check #1519 to Wichita County Tax Assessor - Taxes - Property | \$ 686.30 | |
| 11/07/22 Check #1514 to The Borchers Family Trust - Royalty Expense | \$ 63.17 | |
| 11/07/22 Check #1515 to David L. Weidner - Royalty Expense | \$ 62.56 | |
| 11/07/22 Check #1518 to Palo Pinto County Tax Office - Taxes - Property | \$ 380.51 | |
| 11/08/22 Check #1443 to John Jacobs - Royalty Expense | \$ 98.64 | |
| 11/08/22 Check #1509 to Colt Midstream - Operating Expenses | \$ 200.00 | |
| 11/08/22 Check #1522 to Railroad Commission of Texas - Business Licenses and Permits | \$ 1,250.00 | |
| 11/09/22 Check #1512 to Kyle B Owen Residuary Trust - Royalty Expense | \$ 62.55 | |
| 11/09/22 Check #1523 to Texas State Comptroller - Taxes - Oil & Gas | \$ 1,973.61 | |
| 11/09/22 Check #1525 to Texas State Comptroller - Taxes - Oil & Gas | \$ 919.49 | |
| 11/10/22 Check #Check Card to Jacam Catalyst - Operating Expenses | \$ 971.85 | |
| 11/10/22 Check #1510 to Clifford Barron - Royalty Expense | \$ 63.17 | |
| 11/15/22 Check #Check Card to United Coop Services - Production | \$ 451.79 | |
| 11/15/22 Check #Check Card to MDC Southwest Electric - Production | \$ 5,380.01 | |
| 11/15/22 Check #1524 to BML, INC - Royalty Expense | \$ 8,642.55 | |
| 11/16/22 Check #1526 to Crockett County Tax Office - Taxes - Property | \$ 110.82 | |
| 11/16/22 Check #1527 to 31 Group - Royalty Expense | \$ 364.67 | |
| 11/18/22 Check #1460 to Richard D Lueker - Royalty Expense | \$ 72.77 | |
| 11/18/22 Check #1531 to Bruce R. Lively Trustee - Royalty Expense | \$ 466.07 | |
| 11/21/22 Check #1533 to E3 Land & Minerals - Royalty Expense | \$ 44.74 | |
| 11/21/22 Check #1538 to Hayden Oil LP - Royalty Expense | \$ 144.05 | |
| 11/22/22 Check #1550 to BML, INC - Royalty Expense | \$ 2,821.53 | |
| 11/23/22 Check #1536 to D Kirk Edwards - Royalty Expense | \$ 116.36 | |
| 11/23/22 Check #1544 to Lanroy Inc. - Royalty Expense | \$ 152.91 | |
| 11/28/22 Check #1535 to Diana C. Condra - Royalty Expense | \$ 60.88 | |
| 11/28/22 Check #1539 to James M. Condra Shelter Trust - Royalty Expense | \$ 60.88 | |
| 11/29/22 Check #1534 to Cleroy Inc. - Royalty Expense | \$ 128.18 | |
| 11/29/22 Check #1543 to Kristen Shurley - Royalty Expense | \$ 238.36 | |
| 11/30/22 Check #1530 to Broughton Petroleum, Inc. - Royalty Expense | \$ 103.80 | |
| 11/30/22 Check #1540 to JR McGinley Jr Recovable Trust - Royalty Expense | \$ 88.28 | |
| 12/01/22 Check #1528 to Alor LLC - Royalty Expense | \$ 29.72 | |
| 12/02/22 Check #1546 to Mark F Shurley - Royalty Expense | \$ 387.74 | |
| 12/02/22 Check #1547 to Mark Shurley Trustee - Royalty Expense | \$ 244.21 | |
| 12/05/22 Check #Check card to Platinum Vapor Control - Operating Expenses | \$ 3,003.00 | |
| 12/07/22 Check #Check card to MDC Southwest Electric - Production | \$ 4,036.94 | |
| 12/09/22 Check #1552 to Palo Pinto County Tax Office - Taxes - Property | \$ 980.83 | |
| 12/12/22 Check #1551 to Wichita County Tax Assessor - Taxes - Property | \$ 896.49 | |
| 12/13/22 Check #Check card to United Coop Services - Production | \$ 448.31 | |
| 12/13/22 Check #1553 to Jacam Catalyst - Operating Expenses | \$ 971.85 | |
| 12/14/22 Check #1548 to Suzanne Huddleston - Royalty Expense | \$ 469.03 | |
| 12/14/22 Check #1549 to Stephens County Tax Office - Taxes - Property | \$ 269.07 | |
| 12/16/22 Check #1554 to Texas State Comptroller - Taxes - Oil & Gas | \$ 22.01 | |
| 12/19/22 Check #1555 to Core Chemical Services - Operating Expenses | \$ 1,741.09 | |

RECEIPTS AND DISBURSMENTS

| | Current Period (10/1/2022 - 12/31/2022) | Cumulative |
|---|--|----------------------|
| 12/21/22 Check #1556 to Gulf Coast Gas Gathering, LLC - Operating Expenses | \$ 1,033.21 | |
| 12/23/22 Check #1557 to Railroad Commission of Texas - Settlement | \$ 8,500.00 | |
| 12/23/22 Check #1558 to Railroad Commission of Texas - Settlement | \$ 4,000.00 | |
| 12/23/22 Check #1559 to Texas State Comptroller - Taxes - Oil & Gas | \$ 5.07 | |
| 12/23/22 Check #1560 to Texas State Comptroller - Taxes - Oil & Gas | \$ 952.66 | |
| 12/23/22 Check #1561 to Texas State Comptroller - Taxes - Oil & Gas | \$ 14.71 | |
| 12/23/22 Check #1562 to Texas State Comptroller - Taxes - Oil & Gas | \$ 12.85 | |
| 12/28/22 Check #1567 to BJB Transport, LLC - Transportation Expenses | \$ 517.50 | |
| 12/28/22 Check #1572 to Gulf Coast Gas Gathering, LLC - Operating Expenses | \$ 500.00 | |
| 12/30/22 Check #1564 to Palo Pinto County Tax Office - Taxes - Property | \$ 615.26 | |
| 12/30/22 Check #1565 to Palo Pinto County Tax Office - Taxes - Property | \$ 76.95 | |
| Total Disbursements from *3898 | \$ 92,194.06 | \$ 273,028.57 |
| <i>*3863 IBC Account</i> | | |
| 10/03/22 Check #Wire to Palatium Consulting Corp - Professional Fees | \$ 500.00 | |
| 10/03/22 Check Card to Ranch House Storage - Storage | \$ 85.00 | |
| 10/03/22 Check Card to Bearcat Self Storage - Storage | \$ 92.01 | |
| 10/04/22 Check Card to SQ Dix Key Shop - Miscellaneous Expense | \$ 161.29 | |
| 10/06/22 Check #1177 to Texas DMV - Automobile Expense | \$ 2.00 | |
| 10/06/22 Check #1178 to Texas DMV - Automobile Expense | \$ 2.00 | |
| 10/06/22 Check #1179 to Texas DMV - Automobile Expense | \$ 2.00 | |
| 10/06/22 Check #1180 to Texas DMV - Automobile Expense | \$ 2.00 | |
| 10/06/22 Check #1181 to Texas DMV - Automobile Expense | \$ 2.00 | |
| 10/06/22 Check #1183 to M-DWSC - Utilities | \$ 214.12 | |
| 10/14/22 Check #1174 to Kneese Land Management Co Ltd - Management Services | \$ 975.00 | |
| 10/14/22 Check Card to State Farm Insurance - Insurance Expense | \$ 438.16 | |
| 10/14/22 Check Card to State Farm Insurance - Insurance Expense | \$ 591.43 | |
| 10/18/22 Check #1184 to City of Electra - Utilities | \$ 23.96 | |
| 10/18/22 Check #1185 to A9 Oilfield Services LLC - Contract Pumper | \$ 1,500.00 | |
| 10/18/22 Check #1186 to Tricia Cato - Janitorial/Cleaning Expense | \$ 1,000.00 | |
| 10/20/22 Check #1187 to Western Appraisal, LLC - Appraisal Services | \$ 3,000.00 | |
| 10/20/22 Check #1188 to Western Appraisal, LLC - Appraisal Services | \$ 5,000.00 | |
| 10/24/22 Check #1189 to Young Central Appraisal District - Taxes - Property | \$ 39,253.27 | |
| 10/27/22 Check Card to Fort Belknap Water Supply - Utilities | \$ 43.59 | |
| 10/31/22 Check #1193 to Green Mountain - Utilities | \$ 436.64 | |
| 10/31/22 Check #1194 to TXU Energy - Utilities | \$ 41.98 | |
| 11/02/22 Check #1190 to Contract Oil & Gas Operations LLC - Contract Operator | \$ 13,613.00 | |
| 11/02/22 Check #1192 to Smith Construction Bonding - Professional Fees | \$ 2,600.00 | |
| 11/02/22 Check #1195 to Wichita County Tax Assessor - Taxes - Property | \$ 1,154.59 | |
| 11/02/22 Check Card to Ranch House Storage - Storage | \$ 85.00 | |
| 11/02/22 Check Card to Bearcat Self Storage - Storage | \$ 92.01 | |
| 11/03/22 Check #Wire to Palatium Consulting Corp - Professional Fees | \$ 500.00 | |
| 11/04/22 Check #1197 to A9 Oilfield Services LLC - Contract Pumper | \$ 4,500.00 | |
| 11/07/22 Check #1191 to Kneese Land Management Co Ltd - Management Services | \$ 2,200.00 | |
| 11/09/22 Check Card to USPS - Postage and Delivery | \$ 449.25 | |
| 11/10/22 Check Card to State Farm Insurance - Insurance Expense | \$ 438.16 | |
| 11/10/22 Check Card to State Farm Insurance - Insurance Expense | \$ 591.43 | |
| 11/14/22 Check #1199 to City of Electra - Utilities | \$ 24.08 | |
| 11/14/22 Check #1200 to Palo Pinto County Abstract - Filing Fees | \$ 38.00 | |
| 11/15/22 Check #1201 to Brazos Communications - Utilities | \$ 7.74 | |

RECEIPTS AND DISBURSMENTS

| | Current Period (10/1/2022 - 12/31/2022) | Cumulative |
|---|--|------------------------|
| 11/15/22 Check #1203 to Pason Systems USA Corp - Settlement | \$ 10,000.00 | |
| 11/16/22 Check #1198 to Bobby Cato - Auction/Property Sale Expenses | \$ 1,050.00 | |
| 11/16/22 Check #1202 to Western Appraisal, LLC - Appraisal Services | \$ 3,000.00 | |
| 11/22/22 Check #1209 to Texas State Comptroller - Taxes - Franchise | \$ 4,350.88 | |
| 11/22/22 Check #1210 to Texas State Comptroller - Taxes - Franchise | \$ 55,399.89 | |
| 11/22/22 ACH to Green Mountain - Utilities | \$ 259.75 | |
| 11/23/22 Check #1196 to Schleicher County - Taxes - Property | \$ 526.63 | |
| 11/23/22 Check #1207 to Aaron W. Erwin, Jr. - Contract Pumper | \$ 2,310.73 | |
| 11/23/22 Check #1208 to Contract Oil & Gas Operations LLC - Contract Operator | \$ 12,013.00 | |
| 11/25/22 Check #1211 to Val Verde County Clerk - Filing Fees | \$ 48.00 | |
| 11/28/22 Check Card to Fort Belknap Water Supply - Utilities | \$ 43.59 | |
| 12/02/22 Check Card to Ranch House Storage - Storage | \$ 85.00 | |
| 12/02/22 Check Card to Bearcat Self Storage - Storage | \$ 92.01 | |
| 12/05/22 Check #Wire to Palatium Consulting Corp - Professional Fees | \$ 500.00 | |
| 12/05/22 Check #1204 to I.W. Carson LLC - Extension | \$ 12,500.00 | |
| 12/05/22 Check #1214 to BDO USA, LLP - Professional Fees | \$ 646.00 | |
| 12/06/22 Check #1215 to A9 Oilfield Services LLC - Contract Pumper | \$ 3,000.00 | |
| 12/09/22 Check #1216 to Dykema Gossett PLLC - Receiver | \$ 119,360.85 | |
| 12/09/22 Check #1217 to Dykema Gossett PLLC - Receiver | \$ 161,810.18 | |
| 12/13/22 Check #1205 to Petro Childress LLC - Extension | \$ 6,250.00 | |
| 12/13/22 Check #1206 to Cactus South LLC - Extension | \$ 6,250.00 | |
| 12/13/22 Check #1219 to Law Practice of Darrell R Jones PLLC - Legal Fees | \$ 56,290.00 | |
| 12/13/22 Check #1220 to Vicki Palmour Consulting, LLC - Accounting | \$ 19,675.00 | |
| 12/13/22 Check #1223 to Bierschwale Land Co. LLC - Professional Fees | \$ 15,000.00 | |
| 12/15/22 Check #1221 to BDO USA, LLP - Professional Fees | \$ 5,670.06 | |
| 12/19/22 Check #1224 to Contract Oil & Gas Operations LLC - Contract Operator | \$ 11,375.00 | |
| 12/20/22 Check #1225 to Western Appraisal, LLC - Appraisal Services | \$ 4,000.00 | |
| 12/20/22 Check #1226 to Bierschwale Land Co. LLC - Professional Fees | \$ 5,000.00 | |
| 12/21/22 Check #1213 to Wyoming Secretary of State - Filing Fees | \$ 160.00 | |
| 12/27/22 Check Card to Fort Belknap Water Supply - Utilities | \$ 43.59 | |
| 12/27/22 Check Card to State Farm Insurance - Insurance Expense | \$ 192.08 | |
| 12/27/22 Check Card to State Farm Insurance - Insurance Expense | \$ 467.76 | |
| 12/27/22 Check #1218 to Law Offices of Romero Kozub - Legal Fees | \$ 1,912.50 | |
| 12/30/22 Check #1228 to TXU Energy - Utilities | \$ 58.53 | |
| Total Disbursements from *3863 | \$ 599,000.74 | \$ 2,253,667.87 |
| 6. TOTAL DISBURSEMENTS | \$ 691,194.80 | \$ 2,526,696.44 |
| 7. ENDING CASH BALANCE | | |
| (Line 4 - Line 6) | \$ 10,009,033.15 | |