



**RECEIVER'S NINTH QUARTERLY REPORT FOR RECEIVERSHIP ESTATES  
(OCTOBER 1, 2023 – DECEMBER 31, 2023)**

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 Ninth Quarterly Report for Receivership Estates* (the "Report") for the period October 1, 2023 through December 31, 2023.<sup>1</sup> 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 (defined below), the Receiver prosecuted the claims process motion and obtained Court approval of such process, continued to identify and attempt to resolve issues with the Railroad Commission of Texas ("RRC"), identified and attempted to resolve pre-receivership reporting issues with the Texas General Land Office (the "GLO"), closed on the Eldorado ranch, held an online, public auction of personal property pursuant to Court-approved procedures, and abandoned, pursuant to Court authorization, certain oil and gas properties throughout seven (7) counties in Texas. Amounts owed for production to third parties unaffiliated with any Receivership Party continued to be identified and final royalty payments have been or are in the process of being issued. A substantial amount of time was spent in the fourth

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

quarter of 2023 on the claims process, including production of approximately 726 transaction schedules for each known investor,<sup>2</sup> and related communications with various creditors, including investors (potential and known), vendors, and governmental agency contacts. At the conclusion of the claims process, the Receiver will propose a distribution methodology for Court approval. Additionally, the Receiver and her team continue to analyze various records relating to other potential assets and/or claims of the Estates.

2. The Receiver and her team had daily communications with investors and creditors, which steadily increased throughout the Reporting Period (defined below) as claims packages were received by investors and known non-investor creditors. Specifically, during this Reporting Period, Ms. Behrends, on behalf of the Receiver, held approximately 150 telephone conferences with known and potential investors (not including those calls with non-investor creditors) regarding the claims procedure, including the proof of claim forms, and questions on their respective transaction schedule and/or net transaction amount. Additionally, the Receiver and her counsel continued daily communications with investors (known and potential) and other creditors via email during the Reporting Period about the status of the Case and the claims procedure timeline.

3. At the beginning of the fourth quarter of 2023, the Receiver had \$9,086,361.25 on deposit. At the end of this Reporting Period (defined below), after payments of operating expenses and Court-approved fees and expenses, the amount on deposit was \$10,036,025.67. As of the filing of this Report (January 30, 2024), \$10,104,127.53 is in the Receivership bank accounts.

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<sup>2</sup> Unfortunately, during this process, the Receiver became aware of numerous individuals or entities who thought their money had been paid to one or more of the Heartland investment funds prior to the Receivership when, in fact, the funds were retained by third parties, including alleged investment advisors and/or feeder funds.

## II. BACKGROUND

4. On December 1, 2021, 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.

5. 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].

6. 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.

7. 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, ¶ 56.

8. 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;
  - E. 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);
  - F. A list of all known creditors with their addresses and the amounts of their claims;
  - G. The status of Creditor Claims Proceedings, after such proceedings have been commenced; and
  - H. The Receiver's recommendations for a continuation or discontinuation of the receivership and the reasons for the recommendations.

Receivership Order, ¶ 57.

9. 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 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 Receivership Estates* [ECF No. 274] was filed October 31, 2022, covering the period of July 1, 2022 through September 30, 2022. The *Receiver's Fifth Quarterly Report for Receivership Estates* [ECF No. 320] was filed January 27, 2023, covering the period of October 1, 2022 through December 31, 2022. The *Receiver's Sixth Quarterly Report for Receivership Estates* [ECF No. 350] was filed on April 14, 2023, covering the period of January 1, 2023 through March 31, 2023. The *Receiver's Seventh Quarterly Report for Receivership Estates* [ECF No. 386] was filed on August 14, 2023, covering the period of April 1, 2023 through June 30, 2023. The *Receiver's Eighth Quarterly Report for Receivership Estates* [ECF No. 426] was filed on October 30, 2023, covering the period of July 1, 2023 through September 30, 2023. This Report covers the period of October 1, 2023 through December 31, 2023 (the "Reporting Period"). Certain information or activity subsequent to December 31, 2023, may be included for context and/or completeness.

10. 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.<sup>3</sup> Proof of claim packages, pursuant to the Court-approved claims procedures, were mailed and/or emailed, where available, to known investors and known non-investor creditors. Publication in regional newspapers was also completed during the Reporting Period pursuant to the Court-approved claims procedures.

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<sup>3</sup> Any reference to "investor" is not intended to categorize or characterize any claim.

### **III. GENERAL OVERVIEW**

11. 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 and investigate assets and liabilities of the Receivership Estates. In prior quarters, the Receiver has taken possession of and sold two aircraft, vehicles, multiple pieces of oil field and construction equipment, real property, Dallas Cowboy tickets, and personal property, and abandoned hundreds of operating and non-operating wells that could not be sold, pursuant to Court-approved sale procedures. 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 and her team have analyzed 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 and her team prepared for and participated in a mediation. The Receiver has worked with various counsel, including, but not limited to, her lead counsel, Dykema Gossett PLLC (“Dykema”), Romero | Kosub, 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 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 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 AND FORENSIC ACCOUNTING ISSUES**

12. During the Reporting Period, A&C finalized and filed Texas franchise tax returns and Texas public information reports for various Receivership Parties. A&C researched and the tax implication of abandonment of certain assets and analyzed multiple intercompany transfers noted on certain Receivership Parties' financial records. Thereafter, A&C determined the nature of intercompany transfers and analyzed the potential tax implication of such transfers. A&C also assisted in responding to various notices from the Internal Revenue Service, Social Security Administration, and other governmental authorities for various Receivership Parties.

13. With respect to forensic accounting, A&C aided the Receiver's counsel throughout the claims process and confirmed interest payments of investors for Heartland's investment funds, whether Heartland-related Receivership Parties received funds, and related issues. A&C also responded to the Receiver's counsel on specific investor questions and provided preliminary guidance on disputed investor claim submissions.

##### **B. INSURANCE**

14. During the Reporting Period, insurance was maintained, as necessary.

##### **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; 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. RECEIPTS AND DISBURSEMENTS**

16. During the Reporting Period, the Receiver deposited \$1,458,924.35, relating to sale of assets, production from oil and gas properties, interest, and other sources. As required by the Receivership Order, a Receipts and Disbursements chart is attached hereto as **Exhibit A**.

#### **E. RECEIVERSHIP PROPERTY**

##### ***a. ESI and Documents***

17. Dykema created and continues to host 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***

18. 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, which was sold before this Reporting Period; an office and storage location in Electra, Texas (the “Electra Office”), which was sold before this Reporting Period; 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”), which was sold during this Reporting Period; 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); and a ranch located off FM 919 in Palo Pinto County, Texas, owned by Dallas Resources, which was sold before this Reporting Period.

i. Dallas Resources Ranch

19. 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. The Receiver incurred approximately \$900.00 in costs related to preparing the Dallas Resources Ranch for sale. The Receiver accepted an offer to purchase the Dallas Resources Ranch on October 26, 2023, and closed the sale on November 15, 2023. Approximately 15-20 sheep and/or goats remained grazing at the Dallas Resources Ranch at the time of closing. The Receivership received \$1,240,995.75 in net sales proceeds. As of the filing of this Report, the Receiver believes she has sold all domestic real property owned by any Receivership Party.

ii. Bahamas Properties

20. There are at least two (2) properties in the Bahamas where funds related to their acquisition can be traced to one or more Receivership Parties. Sunny previously testified in Court that title to two of the properties were in his name and his brother’s name. Roger 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. The Receiver anticipates seeking resolution with the Court to compel the transfer of title to the Bahamian properties to the Estates.

iii. Guatemala Properties

21. 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.

*c. Oil and Gas Properties*

22. There were 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 time addressing issues raised by the RRC, landowners, and other parties and abandoned all of the unsold oil and gas properties (exclusive of Val Verde and Crockett Counties) pursuant to Court order throughout seven (7) Texas counties. Oil and gas operations (exclusive of Val Verde and Crockett Counties) were terminated during this Reporting Period.

i. General Operations

23. General operation of the oil and gas properties included identification of operational issues and remediation of said issues. The Receiver and her team managed oil and gas revenue and expenses, generated monthly lease operating statements, and distributed royalties on a final basis.

24. 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

25. The Receiver and her counsel reviewed RRC alleged violation notices, many of which the circumstances existed before the appointment of the Receiver. The Receiver and her team immediately addressed alleged environmental violations and communicated with RRC staff and/or counsel, as necessary. Prior to abandonment, the Receiver and her team continued to quickly address any RRC alleged violations that pose an environmental risk. As of the filing of this Report, the Receiver is not aware of any pending allegations regarding an environmental risk.

As it has been over ninety (90) days since the Receiver abandoned such properties, the likelihood of identification of such environmental risk that occurred prior to the date of abandonment continues to decrease.

iii. General Liability and Pollution Insurance

26. The general liability and pollution coverage for oil and gas operations was maintained during the Reporting Period.

iv. Environmental Violation Cleanups and Remediation Expenses

27. The Receiver and her team reviewed issues identified by alleged RRC violation notices received during the Reporting Period. One alleged violation deemed to have an environmental risk was located in Wichita County. The Receiver's team determined there was no active threat to the environment.

28. During the Reporting Period, the Receiver spent approximately \$300.00 to investigate the issues identified in Wichita County.

v. Oil and Gas Abandonment

29. 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 certain 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 worked with the RRC prior to the May 4, 2023 hearing to narrow the issues presented in the Oil and Gas Abandonment Motion, but the parties were ultimately unable to reach a resolution prior to the hearing. On May 1, 2023, the Receiver and the RRC, in accordance with the Court's *Order* [ECF No. 333], filed a *Joint Status Report* advising the Court of the remaining issues left for determination at the May 4, 2023 hearing.

30. At the May 4, 2023 hearing, the Court took the Oil and Gas Abandonment Motion under advisement and issued an oral Order that any supplemental briefing of the Receiver and the RRC be filed on or before May 22, 2023. On May 22, 2023, the Receiver filed the *Receiver's Supplemental Brief in Support of Receiver's Motion for Authority to Abandon Interests in Oil and Gas Properties* [ECF No. 296] [ECF No. 366] (the "Receiver's Brief") pursuant to the Court's May 4, 2023 oral Order. The Receiver's Brief provides further authority for the Receiver's position and also details the amount of wells the Receiver presently seeks authority to abandon. The RRC did not file any supplemental briefing on the Oil and Gas Abandonment Motion.

31. On August 15, 2023, the Court entered its *Amended Findings, Conclusions, and Recommendation of the United States Magistrate Judge* [ECF No. 388] (the "Oil and Gas R&R"), recommending that United States District Court Judge Reed O'Connor grant the Oil and Gas Abandonment Motion.

32. On September 5, 2023, the Court entered its *Order Accepting Amended Findings, Conclusions, and Recommendation of the United States Magistrate Judge* [ECF No. 404] (the "Abandonment Order"), granting the Oil and Gas Abandonment Motion. No appeal was timely filed.

33. The Receiver's oil and gas counsel continued execution of the orderly abandonment process so as to leave the abandoned oil and gas properties in a reasonable state with appropriate signage alerting observers to the need to contact the RRC for visible crises, which included an immaterial number of transfers of management of a small number of wellbores to parties determined to be qualified and capable of managing the wellbores at those parties' requests. During this Reporting Period, the Receiver's team applied stickers to signs located at access points off county roads and at tank batteries at each abandoned oil and gas property in Hardeman, Jack,

Palo Pinto, Stephens, Sutton, Wichita, and Young Counties, indicating the appropriate RRC regional field office and respective phone number to call in case of an emergency, as required by RRC regulations. The Receiver and her team completed the abandonment process during this Reporting Period.

34. The Receiver's oil and gas counsel is continuing to evaluate lingering escheat issues.

vi. Val Verde and Crockett Counties Farmout Agreement

35. SDMB's operations in Val Verde and Crockett counties have delivered little production. SDMB continues to address operational issues in hopes of increasing the production under the modified farmout agreement. To date, the Receiver has received *de minimis* revenue from the gas purchaser in relation to the modified farmout agreement.

vii. Palo Pinto Pipeline

36. On December 1, 2022, the Receiver filed the *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"), seeking confirmation from the Court that the Receiver and the Receivership Estates have no right or interest to operate the Palo Pinto Pipeline (also known as C.B. "A" Long, 1, 4", System Id. No. 967677). The Court considered the Pipeline Motion, heard arguments of the Receiver and the RRC, and took the Pipeline Motion under advisement on February 9, 2023.

37. As stated above, the Court entered the Abandonment Order on September 5, 2023, which also granted the Pipeline Motion. During the prior reporting period, the Receiver recorded a notice of abandonment with respect to the Palo Pinto Pipeline in the Official Public Records of Palo Pinto County, Texas.

38. In December 2023, the Receiver received an *Executive Closing*, dated December 14, 2023, from the RRC with respect to the Palo Pinto Pipeline, which provided “[n]o alleged violations were cited during the evaluation.” The RRC pipeline inspection officer noted in his email to the Receiver that he “was informed that Dodson’s pipeline assets have been moved to Palo Pinto Bond Company LLC” and “Dodson Prairie . . . no longer has any pipeline assets requiring the submission of Form 7100.” Additionally, on December 18, 2023, the RRC mailed the Receiver correspondence that included a *Safety Evaluation Summary*, dated December 14, 2023, with respect to the Palo Pinto Pipeline, stating “no alleged violations of the applicable safety regulations were found in the areas reviewed.” As of the date of filing this Report, the Receiver has not received further correspondence from the RRC with respect to the Palo Pinto Pipeline and is not aware of any pending violations alleged by the RRC.

viii. Palmour Accounting and Regulatory Work

39. During the Reporting Period, Palmour continued responding to regulatory and governmental reporting requirements. Palmour continues to analyze and provide reports to various governmental agencies, including, but not limited to, the Texas Comptroller of Public Accounts (the “Comptroller”), the GLO, and the RRC. 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. Palmour played an integral part in preparation and issuance of final royalty payment packages to royalty owners.

40. 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 prior to the Receiver's appointment. These notices are being monitored. Regulatory compliance and management is winding down as a result of the Court-approved abandonment of certain oil and gas properties, and includes, but is not limited to:

- a. Review daily mail, e-mails, etc. from RRC regarding alleged violations, including field or filing violations;
- b. Conference calls, as needed, with the Receiver and her team regarding operations and compliance;
- c. File production reports for Barron Petroleum, ArcoOil, Panther City Energy LLC ("Panther City"), Dodson Prairie Oil & Gas LLC ("Dodson Prairie"), and Leading Edge;
- d. Organize abandonment well lists and order and distribute oil and gas well signs to respective contractor for placement on abandoned oil and gas properties;
- e. Research, prepare, and file GLO-2 and GLO-3 forms for the GLO with respect to Sutton County through the date of abandonment;
- f. Preparation and filing of natural gas monthly tax reporting for various operators with the Comptroller;
- g. Review alleged RRC violation and severance letters on various wells for all operators; and
- h. Correspond with the RRC regarding buyer's withdrawal of various P-4s (Certificate of Compliance and Transportation Authority).

41. Some of the oil and gas-related actions the Receiver and her team took included:

- a. Entry of all revenue received and preparation of revenue, distribution, and joint interest billing statements for periods through the date of abandonment;
- b. Winding down of oil and gas operations (exclusive of Val Verde and Crockett Counties) and consummation of abandonment of certain properties, including identification of operational issues and remediation of same;



- c. Calculated royalties and other amounts due to third parties, including running pay, suspense, and flush reports in WolfePak;
- d. Updated contact information for royalty owners of various operators;
- e. Prepared outstanding suspense and flush revenue lists for Panther City and Barron Petroleum, and worked with Receiver's counsel on issues relating to same;
- f. Voided returned checks for final royalty payments and place back into suspense; and
- g. Preparation and reporting items related to escheatment of suspense revenue.

***d. Jade and other Personal Property***

42. At the time of her appointment, the Receiver seized approximately 447 individual pieces of jade (some are worked into figurines, while some are in their natural state). Upon information and belief, the jade is from Guatemala. The Receiver, pursuant to Court-approved sale procedures, sold the jade in prior reporting periods.

43. On October 24, 2023, the Receiver filed the *Notice of Proposed Public Auction of Personal Property* [ECF No. 423] and the *Notice of Proposed Public Auction of Personal Property* [ECF No. 424] in accordance with Court-approved sale procedures regarding personal property. Vogt Auction Galleries sold certain personal property at an in-person and online auction on December 2, 2023.<sup>4</sup> On December 21, 2023, the auctioneer delivered \$13,960.00 to the Receiver, which was deposited in a Receivership bank account. On December 26, 2023, the Receiver filed the *Receiver's Report Regarding Disposition of Assets at First Auction of Personal Property by Vogt Auction Galleries* [ECF No. 448].

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<sup>4</sup> Vogt Auction Galleries held a second personal property auction on January 1, 2024, which will be covered in the next quarterly report.

44. As of the filing of this Report, the Receiver believes she has disposed of all personal property owned by any Receivership Party that have any recoverable value.

*e. Equipment and Vehicles*

45. As of the filing of this Report, the Receiver believes she has disposed of all equipment and vehicles owned by any Receivership Party that have any recoverable value.

**F. CLAIMS HELD BY RECEIVERSHIP PARTIES**

46. Reid Collins has been engaged to prosecute certain claims held by one or more Receivership Parties.

47. Dykema, on behalf of the Receiver, has begun sending demand letters to certain individuals regarding Texas International Energy Production, Inc. (“TIEP”) promissory notes and/or payments to TIEP investors made by Receivership Party Heartland Production and Recovery Fund LLC and/or Receivership Party The Heartland Group Fund III, LLC. During the Reporting Period, the Receiver received \$66,437.50 in settlement proceeds as a result of Dykema’s efforts.<sup>5</sup>

48. The Receiver and her team continue analyzing potential causes of action held by various Receivership Parties.

**G. KNOWN CREDITORS**

49. 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

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<sup>5</sup> To date, the Receiver has received \$105,968.75 in settlement proceeds as a result of Dykema’s efforts on this matter.

services, if appropriate, and determine the final amount/number of claims of those service providers.

50. The Receiver has compiled a list of known individuals and entities who are creditors and/or investors in the Receivership Parties (or one of its investment vehicles). According to the records located by the Receiver, there are approximately 726 investors that loaned funds to or invested in one or more of the Receivership Parties (and its related investment vehicles), exclusive of any “roll overs.” A&C has completed verification of the amount each known investor has invested or otherwise advanced.

51. 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](http://www.heartlandreceivership.com). The Receiver continually updates the website with investor communications, “frequently asked questions,” key court documents, notices, and reports. During this Reporting Period, Ms. Behrends heavily communicated with the Receiver’s claims agent, vendors, former employees, investors, and other creditors regarding the claims process and respective deadlines. The “Claims Process” page on the Receivership website continues to be updated for investors and other creditors.

#### **H. ADMINISTRATIVE ACTIONS**

52. As stated above, a website has been created to provide information to investors and creditors regarding the status of the Case: [www.heartlandreceivership.com](http://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.

53. An email address has been created for direct communication by investors and other parties in interest: [heartlandreceivership@dykema.com](mailto: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.<sup>6</sup>

#### **I. RECEIVER'S RECOMMENDATIONS**

54. While the Receiver has recovered control of readily identifiable assets and operations 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 and her team continue to analyze and have begun pursuing claims against third parties held by the Receivership Estates. The Receiver and her team continue to reconcile various documents and are preparing formal responses to claimants in accordance with the Court-approved claims procedure. Accordingly, the Receiver recommends that the Case continue to allow the Receiver additional time to evaluate what additional claims or causes of action can be asserted and develop a recommendation to maximize the recovery and distribution to investors and other creditors.

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<sup>6</sup> Ms. Behrends has been, and will continue to be, the point of contact with inquiries with respect to the claims process, investor transaction schedules, and investor and non-investor claim submission. Technical support and claims portal inquiries will continue to be addressed and resolved by Bankruptcy Management Solutions Inc. d/b/a Stretto, the Receiver's claims agent.

Dated: January 30, 2024.

Respectfully submitted,

By: /s/ Danielle Rushing Behrends

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**COUNSEL TO RECEIVER**

**CERTIFICATE OF SERVICE**

I hereby certify that on January 30, 2024, 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 Rushing Behrends

Danielle Rushing Behrends

**EXHIBIT A**

## RECEIPTS AND DISBURSMENTS

	<b>Current Period</b> <b>(10/1/2023 - 12/31/2023)</b>	<b>Cumulative</b>
<b>1. CASH AT BEGINNING OF PERIOD</b>		
*3898 IBC Account	\$ 715,967.86	
*3863 IBC Account	\$ 276,951.39	
*7536 IBC Account	\$ 354.00	
*1565 Western Alliance Account	\$ 250,404.79	
*0955 Western Alliance Sweep Account	\$ 7,842,683.21	
	<b>\$ 9,086,361.25</b>	
<b>2. RECEIPTS</b>		
<i>*3898 IBC Account</i>		
10/04/2023 Deposit from Ranger Gas Gathering LLC - Production Income	\$ 174.17	
10/10/2023 Deposit from Colt Midstream - Production Income	\$ 12,106.76	
11/10/2023 Wire from Gulf Coast Gas Gathering, LLC - Operating Expenses	\$ 1,080.04	
11/14/2023 Deposit from J.P. Morgan Oil & Gas Management - Production Income	\$ 19.35	
12/12/2023 Wire from Gulf Coast Gas Gathering, LLC - Operating Expenses	\$ 3,070.16	
<b>Total Deposits to *3898</b>	<b>\$ 16,450.48</b>	<b>\$ 1,404,901.53</b>
<i>*3863 IBC Account</i>		
10/03/2023 Deposit from Brazos Title, LLC - Sale of Electra Property	\$ 72,805.92	
11/09/2023 Wire from ██████████ - Settlement Funds	\$ 20,468.75	
11/14/2023 Deposit from ██████████ - Settlement Funds	\$ 25,468.75	
11/17/2023 Wire from Guaranty Abstract & Title Company - Sale Proceeds	\$ 1,240,995.75	
12/04/2023 Deposit from Texas State Comptroller - Taxes - Franchise	\$ 5,719.00	
12/06/2023 Wire from ██████████ - Settlement Funds	\$ 15,000.00	
12/07/2023 Deposit from Southwest Texas Electric Cooperative - Utilities	\$ 2,272.46	
12/19/2023 Deposit from ██████████ - Settlement Funds	\$ 5,500.00	
12/21/2023 Deposit from Vogt Enterprises Inc - Sale Proceeds	\$ 13,960.00	
<b>Total Deposits to *3863</b>	<b>\$ 1,402,190.63</b>	<b>\$ 14,357,782.30</b>
<i>*7536 IBC Account</i>		
10/03/2023 Transfer from *3898: \$100,000.00		
11/27/2023 Transfer from *3863: \$288.97		
<b>Total Deposits to *7536</b>	<b>\$ -</b>	<b>\$ 0.01</b>
<i>*1565 Western Alliance Account</i>		
10/31/2023 Interest Income	\$ 418.31	
11/30/2023 Interest Income	\$ 404.79	
12/31/2023 Interest Income	\$ 418.29	
<b>Total Deposits to *1565</b>	<b>\$ 1,241.39</b>	<b>\$ 33,204.99</b>
<i>*0955 Western Alliance Sweep Account</i>		
10/02/2023 Transfer from *1565: \$404.79		
10/31/2023 Interest Income	\$ 13,133.08	
11/01/2023 Transfer from *1565: \$418.31		
11/30/2023 Interest Income	\$ 12,730.99	
12/01/2023 Transfer from *1565: \$404.79		
12/29/2023 Interest Income	\$ 13,177.78	
<b>Total Deposits to *0955</b>	<b>\$ 39,041.85</b>	<b>\$ 100,166.25</b>
<b>3. TOTAL RECEIPTS</b>	<b>\$ 1,458,924.35</b>	<b>\$ 15,896,055.08</b>
<b>4. TOTAL CASH AVAILABLE FOR OPERATIONS</b> <b>(Line 1 + Line 3)</b>	<b>\$ 10,545,285.60</b>	
<b>5. DISBURSEMENTS</b>		
<i>*3898 IBC Account</i>		
10/03/2023 Transfer to *7536: \$100,000.00		
10/03/2023 Check #1704 to Bruce R. Lively Trustee - Royalty Expense	\$ 182.80	
10/04/2023 Check #1701 to 31 Group - Royalty Expense	\$ 114.29	
10/04/2023 Check #1709 to Kayla S. Davidson - Royalty Expense	\$ 57.09	
10/04/2023 Check card to Smart Graphics GTX - Printing and Reproduction Fees	\$ 1,690.86	
10/05/2023 Check #1716 to Contract Oil & Gas Operations LLC - Operating Expenses	\$ 3,863.00	
10/05/2023 Check #1824 to Roy Tomlinson Dies - Royalty Expense	\$ 0.02	
10/06/2023 Check #1710 to Kristen Shurley - Royalty Expense	\$ 64.99	
10/06/2023 ACH to Deluxe - Office Supplies	\$ 312.91	
10/09/2023 Check #1724 to Marjorie E. Boyd - Royalty Expense	\$ 6.03	

## RECEIPTS AND DISBURSMENTS

	Current Period (10/1/2023 - 12/31/2023)	Cumulative
10/09/2023 Check #1725 to Robert Douglas Brown - Royalty Expense	\$ 4.04	
10/09/2023 Check #1728 to Ramsey Cord Burnett - Royalty Expense	\$ 1.58	
10/09/2023 Check #1734 to Karen Elaine Stoner Clifton - Royalty Expense	\$ 1.52	
10/09/2023 Check #1737 to CMC/SC Beckham Holdings, LP - Royalty Expense	\$ 4.00	
10/09/2023 Check #1738 to CMC/Tomalli, LP - Royalty Expense	\$ 4.00	
10/09/2023 Check #1740 to Charlotte Lorraine Daniels - Royalty Expense	\$ 2.33	
10/09/2023 Check #1744 to Nanette Edwards - Royalty Expense	\$ 0.18	
10/09/2023 Check #1751 to Treva Denis Stoner Harbowe - Royalty Expense	\$ 1.52	
10/09/2023 Check #1767 to Nancy Krause - Royalty Expense	\$ 0.36	
10/09/2023 Check #1768 to Betty Lou Van Kirk Langston - Royalty Expense	\$ 12.09	
10/09/2023 Check #1774 to Kari Lavelle Morren - Royalty Expense	\$ 1.32	
10/09/2023 Check #1779 to Susie E. Murdock - Royalty Expense	\$ 0.14	
10/09/2023 Check #1781 to Kyle B Owen Residuary Trust - Royalty Expense	\$ 4.60	
10/09/2023 Check #1795 to The Borcher's Family Trust - Royalty Expense	\$ 6.00	
10/09/2023 Check #1799 to David L. Weidner - Royalty Expense	\$ 4.60	
10/09/2023 Check #1805 to Willie Crane Barnett - Royalty Expense	\$ 1.61	
10/09/2023 Check #1806 to CMC/SC Beckham Holdings, LP - Royalty Expense	\$ 0.64	
10/09/2023 Check #1813 to Alor LLC - Royalty Expense	\$ 3.84	
10/09/2023 Check #1819 to Childress Family Enterprises - Royalty Expense	\$ 4.95	
10/09/2023 Check #1837 to Jason Leslie Paull - Royalty Expense	\$ 8.89	
10/09/2023 Check #1838 to JD Sutton, Inc. - Royalty Expense	\$ 22.46	
10/09/2023 Check #1844 to Lambert Oil & Gas Royalties Co - Royalty Expense	\$ 12.34	
10/09/2023 Check #1846 to Macmin Co., LLC - Royalty Expense	\$ 7.52	
10/09/2023 Check #1849 to McClury Family Living Trust - Royalty Expense	\$ 21.34	
10/09/2023 Check #1852 to Nathanael Emerick - Royalty Expense	\$ 6.05	
10/09/2023 Check #1856 to Sharon Reighley - Royalty Expense	\$ 24.12	
10/09/2023 Check #1872 to CMC/Tomalli, LP - Royalty Expense	\$ 0.64	
10/09/2023 Check #1873 to Tom R. Cook - Royalty Expense	\$ 21.34	
10/09/2023 Check #1890 to Wichita County Clerk - Filing Fees	\$ 110.00	
10/10/2023 Check #1712 to Mark F Shurley - Royalty Expense	\$ 116.25	
10/10/2023 Check #1713 to Mark Shurley Trustee - Royalty Expense	\$ 88.03	
10/13/2023 Check #1792 to Southwest Petroleum Co - Royalty Expense	\$ 1.30	
10/13/2023 Check #1815 to Black Stone Minerals Co, LP - Royalty Expense	\$ 133.81	
10/16/2023 Check #1757 to Eric Hinkson - Royalty Expense	\$ 15.75	
10/16/2023 Check #1760 to Robert D. Hinkson, Jr. - Royalty Expense	\$ 3.45	
10/16/2023 Check #1763 to Claire Lynette Huck - Royalty Expense	\$ 0.80	
10/16/2023 Check #1780 to Janice Simmons Nolan - Royalty Expense	\$ 0.24	
10/16/2023 Check #1790 to Mac Shafer - Royalty Expense	\$ 38.20	
10/16/2023 Check #1830 to Glover Properties Inc. - Royalty Expense	\$ 7.49	
10/16/2023 Check #1842 to John Mark McLaughlin - Royalty Expense	\$ 1.72	
10/16/2023 Check #1870 to Tepe Oil - Royalty Expense	\$ 18.45	
10/17/2023 Check #1718 to Sandra Altum - Royalty Expense	\$ 15.75	
10/17/2023 Check #1721 to Big Sky Mineral Trust - Royalty Expense	\$ 0.91	
10/17/2023 Check #1722 to Richard Boone - Royalty Expense	\$ 0.01	
10/17/2023 Check #1730 to Dodie Sides Cashell - Royalty Expense	\$ 0.06	
10/17/2023 Check #1776 to Lesa Kay Morren - Royalty Expense	\$ 1.32	
10/17/2023 Check #1789 to SGC Royalties LLC - Royalty Expense	\$ 196.51	
10/17/2023 Check #1823 to Diana C. Condra - Royalty Expense	\$ 18.98	
10/17/2023 Check #1836 to James M. Condra Shelter Trust - Royalty Expense	\$ 18.98	
10/17/2023 Check #1841 to John Jacobs - Royalty Expense	\$ 15.62	
10/17/2023 Check #1863 to Sabine Royalty Trust - Royalty Expense	\$ 13.84	
10/17/2023 Check #1867 to Stephens County Tax Office - Royalty Expense	\$ 0.30	
10/17/2023 Check #1869 to Southwestern University - Royalty Expense	\$ 0.02	
10/17/2023 Check #1877 to Oilfield Electric Services - Operating Expenses	\$ 2,012.50	
10/17/2023 Check #1884 to Hardeman County - Filing Fees	\$ 110.00	
10/17/2023 Check #1899 to Palo Pinto County Tax Office - Taxes - Other	\$ 662.17	
10/18/2023 Check #1715 to Suzanne Huddleston - Royalty Expense	\$ 121.66	
10/18/2023 Check #1720 to Clifford Barron - Royalty Expense	\$ 6.00	
10/18/2023 Check #1782 to Allan Patton - Royalty Expense	\$ 0.18	
10/18/2023 Check #1786 to RCPTX, Ltd. - Royalty Expense	\$ 1.02	
10/18/2023 Check #1810 to Keith E Carlson - Royalty Expense	\$ 0.38	



## RECEIPTS AND DISBURSMENTS

	<b>Current Period</b> <b>(10/1/2023 - 12/31/2023)</b>	<b>Cumulative</b>
10/18/2023 Check #1811 to Kent J Carlson Trust - Royalty Expense	\$ 0.38	
10/18/2023 Check #1812 to Roland A Carlson - Royalty Expense	\$ 0.38	
10/18/2023 Check #1827 to Carlson Family Trust - Royalty Expense	\$ 0.38	
10/18/2023 Check #1829 to Diana Gardiner - Royalty Expense	\$ 0.02	
10/18/2023 Check #1840 to Joe Bill Watkins - Royalty Expense	\$ 12.43	
10/18/2023 Check #1879 to DM Backhoe Services - Operating Expenses	\$ 400.00	
10/18/2023 Check #1889 to Young County Clerk - Filing Fees	\$ 110.00	
10/18/2023 Check #1898 to Palo Pinto County Tax Office - Taxes - Other	\$ 447.54	
10/19/2023 Check #1731 to Castle Energy Management LLC - Royalty Expense	\$ 15.60	
10/19/2023 Check #1742 to Emelie Butter Edwards - Royalty Expense	\$ 16.11	
10/19/2023 Check #1748 to Gordon Family Protected TR. FBO - Royalty Expense	\$ 19.35	
10/19/2023 Check #1749 to Gordon Family Protected TR. FBO - Royalty Expense	\$ 19.35	
10/19/2023 Check #1756 to Hinkson Cattle Co Inc - Royalty Expense	\$ 27.13	
10/19/2023 Check #1762 to Janet W Holland Trust #1 - Royalty Expense	\$ 19.76	
10/19/2023 Check #1788 to S & C Properties - Royalty Expense	\$ 0.91	
10/19/2023 Check #1798 to Claride W. Walters Trust #1 - Royalty Expense	\$ 19.76	
10/19/2023 Check #1800 to Imogene Butler Wheeler - Royalty Expense	\$ 16.11	
10/19/2023 Check #1820 to Jennings Children's Family Partnerships - Royalty Expense	\$ 0.26	
10/19/2023 Check #1825 to D Kirk Edwards - Royalty Expense	\$ 23.29	
10/19/2023 Check #1866 to CMC/Spring Gap Partners LP - Royalty Expense	\$ 1.66	
10/19/2023 Check #1876 to Daniel N Wood & Cynthia A Wood - Royalty Expense	\$ 0.08	
10/19/2023 Check #1885 to Stephens County Clerk - Filing Fees	\$ 110.00	
10/20/2023 Check #1703 to Broughton Petroleum, Inc. - Royalty Expense	\$ 78.88	
10/20/2023 Check #1717 to A Bart Brown Inc - Royalty Expense	\$ 33.96	
10/20/2023 Check #1727 to Buckland Energy LLC - Royalty Expense	\$ 9.02	
10/20/2023 Check #1741 to Laura Anne Eargle - Royalty Expense	\$ 2.16	
10/20/2023 Check #1754 to Naomi Ruth Hill - Royalty Expense	\$ 0.07	
10/20/2023 Check #1771 to M.E. Operating & Services Inc - Royalty Expense	\$ 33.08	
10/20/2023 Check #1775 to Laura M Morton - Royalty Expense	\$ 12.46	
10/20/2023 Check #1859 to Roanoke Ranch & Investments - Royalty Expense	\$ 1.16	
10/20/2023 ACH to Texas State Comptroller - Taxes - Oil & Gas	\$ 13.12	
10/23/2023 Check #1699 to Beverly Eddleman - Royalty Expense	\$ 158.50	
10/23/2023 Check #1745 to Billie Rives Flanary - Royalty Expense	\$ 6.03	
10/23/2023 Check #1777 to Teresa Nell Brown Munlin - Royalty Expense	\$ 17.36	
10/23/2023 Check #1783 to Patco Energy Ltd - Royalty Expense	\$ 39.90	
10/23/2023 Check #1816 to Bill Elliott - Royalty Expense	\$ 0.15	
10/23/2023 Check #1818 to E3 Land & Minerals - Royalty Expense	\$ 10.41	
10/23/2023 Check #1826 to Beverly Eddleman - Royalty Expense	\$ 15.75	
10/23/2023 Check #1832 to Hexad Oil Company - Royalty Expense	\$ 13.04	
10/23/2023 Check #1858 to Richard J. Trabulsi Jr. - Royalty Expense	\$ 12.50	
10/23/2023 Check #1902 to Ken Ankenbauer - Royalty Expense	\$ 104.23	
10/23/2023 Check #1908 to Billy Boone - Royalty Expense	\$ 0.13	
10/23/2023 Check #1914 to CMC/Comanche Co LP - Royalty Expense	\$ 6.96	
10/23/2023 Check #1918 to John Hurshel Clepper - Royalty Expense	\$ 1.36	
10/23/2023 Check #1921 to Mariner Conn, LLC - Royalty Expense	\$ 364.72	
10/23/2023 Check #1932 to Charlotte Gale Daughtry - Royalty Expense	\$ 0.13	
10/23/2023 Check #1935 to Forrad Capital LLC - Royalty Expense	\$ 105.17	
10/23/2023 Check #1943 to Conn Hinkson - Royalty Expense	\$ 185.17	
10/23/2023 Check #1949 to James A. Hulse - Royalty Expense	\$ 3.02	
10/23/2023 Check #1950 to M. Kaylea Jones - Royalty Expense	\$ 40.26	
10/23/2023 Check #1953 to Sonia Lynn Kingston Koopman - Royalty Expense	\$ 0.66	
10/23/2023 Check #1955 to Sarah J. Lewis - Royalty Expense	\$ 4.04	
10/23/2023 Check #1957 to Harvey James Lynn - Royalty Expense	\$ 2.68	
10/23/2023 Check #1960 to Brad C. Massey - Royalty Expense	\$ 33.96	
10/23/2023 Check #1961 to Dorothy Fay McKelvy - Royalty Expense	\$ 6.03	
10/23/2023 Check #1967 to Patricia O'Brien Nabers - Royalty Expense	\$ 17.36	
10/23/2023 Check #1970 to Palo Vista Holdings LP - Royalty Expense	\$ 315.45	
10/23/2023 Check #1972 to Billy Qualls - Royalty Expense	\$ 224.32	
10/23/2023 Check #1973 to Ronald Eugene Qualls - Royalty Expense	\$ 224.33	
10/23/2023 Check #1977 to Stephen Loyd Rexroat - Royalty Expense	\$ 1.74	
10/23/2023 Check #1980 to Elnor Sue Rogers - Royalty Expense	\$ 1.74	

## RECEIPTS AND DISBURSMENTS

	<b>Current Period</b> <b>(10/1/2023 - 12/31/2023)</b>	<b>Cumulative</b>
10/23/2023 Check #1992 to Olma Beck Upham - Royalty Expense	\$ 303.50	
10/23/2023 Check #1994 to Patricia Ann Walker - Royalty Expense	\$ 4.04	
10/23/2023 Check #2003 to Stephens County Tax Office - Taxes - Other	\$ 212.18	
10/23/2023 Check #2004 to Contract Oil & Gas Operations LLC - Operating Expenses	\$ 5,538.00	
10/24/2023 Check #1735 to CMC/Palo Pinto Fam Holdings LP - Royalty Expense	\$ 6.96	
10/24/2023 Check #1736 to Cmc/Rock House Partners LP - Royalty Expense	\$ 6.96	
10/24/2023 Check #1769 to Donna Sides Lind - Royalty Expense	\$ 0.06	
10/24/2023 Check #1787 to Eva D Reed - Royalty Expense	\$ 0.01	
10/24/2023 Check #1794 to Alfred A Thackrey - Royalty Expense	\$ 12.09	
10/24/2023 Check #1803 to Bonnie M. Baldrige - Royalty Expense	\$ 20.86	
10/24/2023 Check #1804 to Baldrige Family Land, Ltd - Royalty Expense	\$ 1.66	
10/24/2023 Check #1822 to CMC/Comanche Co LP - Royalty Expense	\$ 1.29	
10/24/2023 Check #1834 to Hollie Jacobs - Royalty Expense	\$ 13.61	
10/24/2023 Check #1854 to CMC/Palo Pinto Fam Holdings LP - Royalty Expense	\$ 1.29	
10/24/2023 Check #1860 to Cmc/Rock House Partners LP - Royalty Expense	\$ 1.29	
10/25/2023 Check #1746 to Suzette Flow - Royalty Expense	\$ 15.76	
10/25/2023 Check #1752 to R Christopher Hass - Royalty Expense	\$ 1.58	
10/25/2023 Check #1761 to Anita Gail Stoner Hobbs - Royalty Expense	\$ 1.52	
10/25/2023 Check #1839 to Joanne L Emerick - Royalty Expense	\$ 4.48	
10/25/2023 Check #1887 to Jack County Clerk - Filing Fees	\$ 110.00	
10/25/2023 Check #2007 to Greco Services - Repairs and Maintenance	\$ 1,272.63	
10/25/2023 Check #2008 to Hardeman County Clerk - Filing Fees	\$ 110.00	
10/25/2023 Check #2009 to Young County Clerk - Filing Fees	\$ 110.00	
10/25/2023 Check #2010 to Sutton County Clerk - Filing Fees	\$ 110.00	
10/25/2023 Check #2011 to Stephens County Clerk - Filing Fees	\$ 110.00	
10/25/2023 Check #2012 to Wichita County Clerk - Filing Fees	\$ 110.00	
10/26/2023 Check #1817 to Estate of William J. Carson, Jr. - Royalty Expense	\$ 20.86	
10/26/2023 Check #1864 to Sleepy Hollow Enterprises, Ltd. - Royalty Expense	\$ 1.66	
10/26/2023 Check #1896 to Quanah ISD & City of Quanah - Property tax	\$ 56.03	
10/26/2023 Check #1897 to Hardeman County - Property tax	\$ 76.21	
10/26/2023 Check #2013 to 821 Energy, LLC - Royalty Expense	\$ 1.23	
10/26/2023 Check #2017 to Larry R. Edwards - Royalty Expense	\$ 27.19	
10/26/2023 Check #2019 to Jamco Energy, LLC - Royalty Expense	\$ 1.96	
10/26/2023 Check #2023 to Ward & Nancy Schlitter - Royalty Expense	\$ 1,717.54	
10/27/2023 Check #1719 to Michael Ray Ankenbauer - Royalty Expense	\$ 16.53	
10/27/2023 Check #1831 to Jazen Wood - Royalty Expense	\$ 0.09	
10/27/2023 Check #1835 to Scottish Rite Hosp for Crippled Children - Royalty Expense	\$ 0.01	
10/27/2023 Check #1875 to William & Carson Family Trust - Royalty Expense	\$ 14.64	
10/27/2023 Check #1900 to Crockett County Tax Office - Property tax	\$ 109.34	
10/30/2023 Check #1784 to Sandra Lee Perdue - Royalty Expense	\$ 3.46	
10/30/2023 Check #1785 to Loretta Rives Ramsey - Royalty Expense	\$ 6.03	
10/30/2023 Check #1871 to Teron Thompson - Royalty Expense	\$ 0.28	
10/30/2023 Check #1882 to Palo Pinto County Clerk - Filing Fees	\$ 110.00	
10/30/2023 Check #1883 to Palo Pinto County Clerk - Filing Fees	\$ 110.00	
10/30/2023 Check #1901 to Sutton County Appraisal District - Taxes - Property	\$ 1,903.08	
10/30/2023 Check #2026 to Palo Pinto County Tax Office - Taxes - Other	\$ 1,175.19	
10/30/2023 Check #2027 to Young Central Appraisal District - Taxes - Property	\$ 469.10	
10/31/2023 Check #1750 to Mark Harrington - Royalty Expense	\$ 33.96	
10/31/2023 Check #1773 to Harold Edward Morren - Royalty Expense	\$ 1.32	
10/31/2023 Check #1843 to JR McGinley Jr Recovable Trust - Royalty Expense	\$ 40.12	
10/31/2023 Check #1851 to Mitchell Royalty LP - Royalty Expense	\$ 15.83	
10/31/2023 Check #1886 to Sutton County Clerk - Filing Fees	\$ 110.00	
10/31/2023 Check #1920 to CMC/Spring Gap Partners LP - Royalty Expense	\$ 7.98	
10/31/2023 Check #2005 to Elodia Garcia, CTOP - Property tax	\$ 139.61	
10/31/2023 Check #2006 to Elodia Garcia, CTOP - Property tax	\$ 142.26	
10/31/2023 Check #2014 to Georgia Ruth Wimberly Atkins - Royalty Expense	\$ 6.90	
11/07/2023 Check #2028 to Bobby Cato - Auction/Property Sale Expenses	\$ 450.00	
11/08/2023 ACH to Deluxe - Office Supplies	\$ 380.00	
11/13/2023 Check #2029 to Bobby Cato - Auction/Property Sale Expenses	\$ 450.00	
11/14/2023 Check #2031 to Kim Alan Robbins - Royalty Expense	\$ 13.35	
11/14/2023 Check #2032 to Pak Energy, LLC - Computer and Internet Expenses	\$ 7,639.22	

## RECEIPTS AND DISBURSMENTS

	<b>Current Period</b> <b>(10/1/2023 - 12/31/2023)</b>	<b>Cumulative</b>
<i>11/27/2023 Transfer to *7536: \$288.97</i>		
11/28/2023 Check #2033 to Wichita County Tax Assessor - Taxes - Property	\$ 793.47	
11/28/2023 Check #2034 to Cherokee Minerals, LP - Royalty Expense	\$ 12.57	
12/04/2023 Check #2035 to Vicki Palmour Consulting, LLC - Accounting	\$ 8,000.00	
12/04/2023 Check #2036 to Law Practice of Darrell R Jones PLLC - Attorney Fees	\$ 16,477.50	
12/11/2023 Check #2037 to Contract Oil & Gas Operations LLC - Operating Expenses	\$ 8,334.51	
12/18/2023 Check #2039 to Pak Energy, LLC - Computer and Internet Expenses	\$ 3,819.62	
12/18/2023 Check #2043 to Andrew Oil & Gas Partnership - Royalty Expense	\$ 12.01	
12/18/2023 Check #2046 to Forrad Capital LLC - Royalty Expense	\$ 476.93	
12/18/2023 Check #2049 to Cherokee Minerals, LP - Royalty Expense	\$ 0.85	
12/18/2023 Check #2050 to Cleroy Inc. - Royalty Expense	\$ 11.07	
12/18/2023 Check #2052 to Diana C. Condra - Royalty Expense	\$ 3.52	
12/18/2023 Check #2070 to Hayden Oil LP - Royalty Expense	\$ 1.08	
12/18/2023 Check #2075 to James M. Condra Shelter Trust - Royalty Expense	\$ 3.52	
12/18/2023 Check #2077 to JD Sutton, Inc. - Royalty Expense	\$ 3.02	
12/18/2023 Check #2081 to Joe Bill Watkins - Royalty Expense	\$ 2.28	
12/19/2023 Check #2090 to Lanroy Inc. - Royalty Expense	\$ 11.61	
12/19/2023 Check #2095 to McClury Family Living Trust - Royalty Expense	\$ 0.18	
12/19/2023 Check #2111 to Palo Vista Holdings LP - Royalty Expense	\$ 1,399.10	
<b>Total Disbursements from *3898</b>	<b>\$ 76,262.81</b>	<b>\$ 748,492.01</b>
<i>*3863 IBC Account</i>		
10/02/2023 Check card to TXU Energy - Utilities	\$ 21.98	
10/02/2023 Check card to Ranch House Storage - Storage	\$ 85.00	
10/02/2023 Check card to Bearcat Self Storage - Storage	\$ 92.01	
10/03/2023 Wire to Palatium Consulting Corp - Computer and Internet Expenses	\$ 500.00	
10/17/2023 Check card to City of Electra - Utilities	\$ 23.69	
11/02/2023 Check card to Ranch House Storage - Storage	\$ 85.00	
11/02/2023 Check card to Bearcat Self Storage - Storage	\$ 92.01	
11/03/2023 Check #1297 to Reid Collins & Tsai LLP - Attorney Fees	\$ 25,000.00	
11/07/2023 Check #1296 to Texas State Comptroller - Taxes - Other	\$ 1,781.35	
11/07/2023 Wire to Palatium Consulting Corp - Computer and Internet Expenses	\$ 500.00	
11/08/2023 Check card to City of Electra - Utilities	\$ 23.69	
11/15/2023 Check #1299 to Palo Pinto Communications - Advertising and Notices	\$ 1,088.00	
11/20/2023 Check #1300 to Baize Self Storage - Storage	\$ 60.00	
11/29/2023 Check card to McClatchy Advertising - Advertising and Notices	\$ 872.04	
12/01/2023 Wire to Palatium Consulting Corp - Computer and Internet Expenses	\$ 500.00	
12/04/2023 Check #1301 to Dykema Gossett PLLC - Receiver & Legal Fees	\$ 241,976.16	
12/04/2023 Check #1302 to Law Offices of Romero Kozub - Attorney Fees	\$ 977.50	
12/04/2023 Check #1303 to Ahuja & Clark, PLLC - Accounting	\$ 128,516.71	
12/04/2023 Check #1304 to Stretto - Professional Fees	\$ 30,328.97	
12/04/2023 Check card to Ranch House Storage - Storage	\$ 85.00	
12/04/2023 Check card to Bearcat Self Storage - Storage	\$ 92.01	
12/07/2023 Check card to Eldorado Success - Advertising and Notices	\$ 266.00	
12/12/2023 Check #1305 to Baize Self Storage - Storage	\$ 30.00	
<b>Total Disbursements from *3863</b>	<b>\$ 432,997.12</b>	<b>\$ 5,111,532.40</b>
<i>*7536 IBC Account</i>		
<b>Total Disbursements from *7536</b>	<b>\$ -</b>	<b>\$ 5.00</b>
<i>*1565 Western Alliance Account</i>		
10/02/2023 Transfer to *0955: \$404.79		
11/01/2023 Transfer to *0955: \$418.31		
12/01/2023 Transfer to *0955: \$404.79		
<b>Total Disbursements from *1565</b>	<b>\$ -</b>	<b>\$ -</b>
<b>6. TOTAL DISBURSEMENTS</b>	<b>\$ 509,259.93</b>	<b>\$ 5,860,029.41</b>
<b>7. ENDING CASH BALANCE</b> <b>(Line 4 - Line 6)</b>		
<i>*3898 IBC Account</i>	\$ 555,866.56	
<i>*3863 IBC Account</i>	\$ 1,246,144.90	
<i>*7536 IBC Account</i>	\$ 100,642.97	
<i>*1565 Western Alliance Account</i>	\$ 250,418.29	

RECEIPTS AND DISBURSMENTS

	<b>Current Period</b> <b>(10/1/2023 - 12/31/2023)</b>	<b>Cumulative</b>
<i>*0955 Western Alliance Sweep Account</i>	\$ 7,882,952.95	
	<b>\$ 10,036,025.67</b>	<b>\$ 10,036,025.67</b>