

MEMORANDUM NO. \_\_\_\_\_



## OIL Inc



(a Texas Corporation)

### OFFERING MEMORANDUM REGULATION D (506c)

30,000,000 Common Shares Maximum  
Offering Price: \$5.00 per Share

Gross Proceeds: \$150,000,000.00

October 25, 2024

### **SUMMARY OF THE OFFERING**

THIS SUMMARY OF CERTAIN ASPECTS OF THE OFFERING IS INTENDED ONLY FOR QUICK REFERENCE AND IS QUALIFIED IN ITS ENTIRETY BY THE MORE DETAILED INFORMATION APPEARING ELSEWHERE IN THIS PRIVATE PLACEMENT MEMORANDUM AND IN ITS EXHIBITS. THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM AND THE EXHIBITS HERETO DESCRIBE IN GREATER DETAIL VARIOUS ASPECTS OF THE OFFERING WHICH THE MANAGEMENT DEEMS MATERIAL TO ANY DECISION TO PURCHASE SHARES AND THE COMPLETE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM AND ALL EXHIBITS SHOULD BE READ AND FULLY UNDERSTOOD BY EACH PROSPECTIVE PARTICIPANT PRIOR TO TENDERING A SUBSCRIPTION FOR THE SHARES OFFERED HEREBY. FOR DEFINITIONS OF CERTAIN TERMS USED IN THIS MEMORANDUM, SEE THE "DEFINITIONS" SECTION.

- 1) **Executive Office:** Oil Inc (The Company) 5801 I-40 West, Suite 107, Amarillo, Texas 79106. The phone numbers are: 806-567-1965 (Office) 214-546-4520 Bob Royal (cell), Bob Royal 1-888-600-0391 (fax) Office Personnel Catherine Greeno.

- 2) **Chief Executive Officer & Chairman:** Bob L. Royal is the Chief Executive Officer who will have primary responsibility for management of the affairs of the Company. Mr. Bob L. Royal's contact information is the same as that specified above.
- 3) **Company:** The Company was formed to operate in the Oil & Gas Industry, invest in Oil & Gas mineral leases, acquire and develop Oil & Gas Wells on the leases. The Company's Team of Professionals with over 100 years of experience in the Oil & Gas Industry leasing quality Oil and Gas Mineral leases, who have been exploring and researching for hydrocarbons on the leases, with geology, mapping, 3D seismic, and a highly qualified, Independent Dr. Geophysicist interpretation of the 3D seismic data, on the Company's leases, have drilled and completed thousands of productive Oil and Gas Vertical and Horizontal Wells.
- 4) The CEO, Bob L. Royal and the Royal Trust, assigned their position to lease the following 100% working interest and net mineral interest to OIL Inc and his promissory notes as payment for certain OIL Inc Common outstanding shares.
- 5) OIL Inc of Amarillo, Texas purchased 100% of the Stock, in a Multi-Million Dollar Stock for Stock transaction, of TDEWALD Well Test, Inc., Contractor Placement and dba RHEDD'S Flowback Services (TDIR) of Amarillo, Texas, and certain shares of The Grappler, Inc. Stock September 18, 2024. TDEWALD Well Test, Inc., has \$9.5MM+- gross revenue, with \$2.9MM+- gross profit over the past three years, which increases the Company's consolidated financials. TDIR has vetting, placing contractors and working in the Permian and Delaware Basins. RHEDD'S Flowback Service has earned a good reputation and trained personnel working in the Permian Basin and the Delaware Basin assisting the many Horizontal Oil & Gas Wells Operators in the Shale play. Mr. Thomas Dewald is a Director of OIL Inc and he and Mr. J. J. Dewald are Officers of OIL Inc. They work, in the field, with personnel they have trained to guide RHEED'S Flowback Services to be a premier Service Company in the Oil & Gas Industry.
- 6) The Company has agreed to and LOI to purchase 9,000 to 18,000 mineral acres, with 26 Horizontal Oil & Gas Wells and, 6 Vertical Oil & Gas Wells producing 2,000 BOEPD NTM gross revenue @\$33.9MM+-, with 60+- PUD locations in the Permian-Delaware Basin of Texas, at a firm price of \$100MM+-and 2.25,MM shares of OIL Inc Common 144 Stock.
- 7) The Company has AEC Oil Company's position to lease 11,000+- Oil and Gas mineral leases acreage in South Texas to exploit 18 high graded infill PUDs and develop up to 552 deep and shallow infill Oil & Gas Wells. The Company was formed and incorporated December 3, 2020, in the State of Texas. The Company's fiscal year will be the calendar year end on December 31. The Company is debt free, with very little overhead, unlike most Independent Oil Companies in today's environment. Most have more debt service than revenue, with high overhead. They have large credit facilities, which increases their debt.

There are many opportunities in the Oil Industry today. The Company will raise both private and public capital by leveraging and selling OIL Inc Common Stock to certain Investors for cash and Oil & Gas Company Operators' Joint-Venture their Oil & Gas Wells and Assets. The Company will retain revenue to the Company for its operations and distribute capital to Joint-Venture. OIL Inc's strategy is to file its IPO and raise capital. OIL Inc's Management

will distribute capital to the Joint-Venture Companies to finance work on their Joint-venture Oil & Gas Wells and Assets on a 80% - 20% bases. The Joint-Venture Companies' Oil & Gas Wells and Assets are assumed to produce revenue for the Joint-Companies and OIL Inc. OIL Inc would additionally acquire royalty minerals, leases, pipelines, infrastructure, producing and shut-in Oil & Gas Wells. The Company plans to pay quarterly dividends based on 25% of the Company's annual net earnings to all Stockholders of Record, with Director approval and list on the OTC NASDAQ Markets. OIL Inc's Management plans to continue raising public Money.

- 8) **Stockholders:** Stockholders are those persons or entities whose subscription to purchase Common Stock in the Company, being an equity ownership interest. The Company is allowed to sell to an unlimited number of accredited Investor/Stockholders.
- 9) **Project:** The Company has AEC Oil Company's position to negotiate with the lease owner representative for the lease of 11,000+- acres in South Texas, previously leased by AEC Oil Company, and develop up to 570 Oil and Gas Wells.
- 10) **Operator:** The Company (hereinafter the "Operator") will be the operator of the wells to which are on The Company's leases. The Operator is the Company or Joint-Operator.
- 11) **Proceeds/Marketing Activities:** The proceeds will be additionally used to fund the costs of filing the Company's OTC filings, NASDAQ listing and the SEC S-1 Registration for the Company's Nasdaq Public IPO Offering and The Company's above plans and General Operations.
- 12) There are certain assumptions with no guarantees of possible projected Revenues and Expenditures, with no audits at this time.
- 13) **Completion Activities:** Such term means the necessary activities including construction, development, configuring the wells and certain pipeline, production and processing facilities that will serve the Wells. The Completion Activities are necessary to bring the production, processing and transportation of the natural gas and oil from The Company's Leases and Wells to the purchaser. There are no costs of the lease purchase activities at this time.
- 14) **Terms of the Offering:** The Company is offering a maximum of 30,000,000 Common shares of OIL Inc Common Stock.
- 15) **Investors Investment per Common Share:** The Company's general operations is the responsibility of the Company. The Investor's investment is in shares of the Company Stock.
- 16) **USE OF CAPITAL:** The Company will use the Capital raised and earned to operate its TDEWALD Well Test, Inc., Contractor Placement and its dba RHEDD'S Flow Back Services. All operations and to operate all leases and Oil & Gas Wells acquired and joint-ventures.
- 17) The Company has AEC Oil Company's position to lease 11000+ mineral acres in South Texas, previously leased, where the Majors play. It is reported that Oil Wells has produced 1.12BBO and 6 TCFG from the Vicksburg fault from 1929 to 1994 and continue to produce.

A highly qualified Independent Geophysicist interpreted the seismic and issued his recommendations for the 11,000+ acres. He states the area is an undeveloped part of the prolific fault system, which is an anomaly to him. He further states he has high graded and identified 18 PUDs in the south area to exploit. He has identified 31 Oil Wells in a debris flow, with the same as Marathon's Brae Field in the North Sea. Marathon's 24 Wells are reported to have produced 200MMBO. He has additionally identified 30 shallow Oil Wells in the Central Area to develop with like signatures of the Oil Field adjacent to the north that produced 75MMBO. The fault has given up 1.12BBO and 6TCFG to 1994 and continues to produce from several fields. He further states it is exploitation not exploration.

NO INCOME IS GUARANTEED FROM THIS OFFERING, BUT RATHER TO REGISTER THE COMPANY'S STOCK WITH THE SEC AND THE COMPANY GENERAL OPERATIONS AND PREPARE FOR A FUTURE PUBLIC OFFERING. BELOW ASSUMED COST.

Audit	\$ 25,000				
Engineering	\$ 125,000				
OTCFiling	\$ 50,000				
Nasdaq list	\$ 50,000				
OEI	\$ 100,000				
Acquisition	\$100,000,000				
9,000+ lease acres					
Operations	\$ 5,000,000				
Total Initial Cost OPERATION	\$105,350,000				
Current @\$70.00 BO					

Assumed Ave. Revenue Post Acquisition	2-30-25	4-30-25	7-30-25	10-30-25	1-30-26
Gross 1 <sup>st</sup> Year End Ave. Revenue	\$ 6,330,000	\$ 11,062,260	\$ 17,217,565	\$ 90,348,652	\$299,206,431

Total 1 <sup>st</sup> Year End Gross Ave. Revenue less decline					\$299,206,431
Monthly Rev	Assumed	Year End			\$ 69,604,516
Planned PP	Assumed:	OIL Inc Common	30,000,000 shares	\$ 5.00 share	\$150,000,000
Dividend	Assumed	Annual 1 <sup>st</sup> yr.	25% of Net	@\$ .27 share	\$ 32,164,691

**\*All calculations above are estimates only. No assurances or guarantees are given that The Company's cost or revenue will be as stated above or the Company will secure certain Loans and Private and Public Offerings or will acquire assumed leases or develop the assumed wells on the leases.**

**18) Expenses of Offering:** The Company will pay certain expenses of this Offering. Prospective investors should be aware that the subscription proceeds from this Offering will be deposited into OIL Inc's account at the Amarillo National Bank of Amarillo, Texas, for use as The Company chooses which may appear not to be directly associated with the expenses of The Company. However, The Company will retain no less than the full amount necessary to fund the obligations of The Company's Costs and the Activities.

**19) Sale of Unsold Stock:** The Company may continue in its efforts to sell any unsold Stock. The Company, or its Affiliates, shall continue to sell its Common Stock to investors for the maximum of 30,000,000 Common Shares @\$5.00 per share.

**20) Distribution of Information by The Company:** The Company's Management, in its capacity as Management, will receive and distribute all information it receives regarding the "The Company" from the Operator of the Wells if any. Most, if not all, of the information concerning the Development Activities and the revenue from The Company's leases will originate from Management will not only be unable to guarantee the accuracy of such information, but may not be able to always ascertain the accuracy of such information without the expenditure of The Company funds for audits and accounting reviews.

**21) Fees to the Management:** The Management will receive a Management fee and bonus for administrative, past and present expenses.

**22) Management Economic Gain:** The Management will receive compensation for their services to The Company.

**23) Transferability of Interests:** Since the Stock has not been registered under the Securities Act of 1933, as amended, or under the securities laws of any state jurisdiction, and pursuant to the terms of the SEC. The Company Stock can only be sold by private treaty to prospective buyers.

**24) Risk Factors, Conflicts of Interest and Tax Matters:** This Offering involves numerous risks, certain conflicts of interest and significant tax considerations.

**25) Source of Funds and Application of Proceeds:** For a complete discussion and explanation of the following table.

SOURCE OF FUNDS	Minimum	Maximum	Percentage	Per Share
Investors	-0-	\$150,000,000	100%	\$5.00
Fees	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL FUNDS	-0-	\$150,000,000	100%	\$5.00

**26) Application of Proceeds:** The Company will contribute 100% of the estimated expenses presented by Management for the Company's activities and fees and operations of The Company. The Company will pay the costs of legal expenses, costs of this Memorandum and related general and administrative expenses.

**27) Participation in Costs:** It is expected that income and investment capital will be used for The Company until The Company successfully completes its proposed (506c) PP. The future income, if any, will be from the sale of the production from The Company's wells on its leases. The Company will pay all of the costs incurred in connection with the lease purchase and well development activities and the initial operation of The Company's. The Stockholders will have the costs of their respective subscription amounts. Management and certain Employees will receive a 10% annual bonus and monthly compensation,

## **PURCHASER SUITABILITY REQUIREMENTS**

**Form of Offering.** The Common Stock Offering is being offered pursuant to certain exemptions from the registration of securities afforded issuers of securities under Section 4(2) of the Securities Act of 1933 and Regulation D (506c) to implement Section 201(a) of the Jumpstart Our Business Startups Act, as promulgated thereunder, and other various securities regulations and statutes of state jurisdictions. The Company has determined that sales of Common Stock will be made to "Accredited Investors" only. Persons from whom subscriptions will be accepted by The Company, in its sole discretion, will be determined on the basis of research by the Company and the signed Subscription Agreement delivered to and completed by each prospective investor. Subscription may be rejected by The Company in its sole discretion for any reason.

An "Accredited Investor" as that term is defined in Rule (501) of Regulation D, shall mean any person who comes within any of the following categories, or any person who the Company reasonably believes comes within any of the following categories, at the time of the sale of the Stock to that person:

- (1) Any bank as defined in section 3(a)(2) of the Securities Act of 1933 or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Securities Act of 1933 whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance General Partner as defined in section 2(13) of the Securities Act of 1933; any investment General Partner registered under the Investment General Partner Act of 1940 or a business development General Partner as defined in section 2(a)(48) of that Act; Small

- Business Investment General Partner licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state or its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance General Partner, or registered investment advisor, or if the employee benefit plan has total assets in excess of \$5,000,000, or if a self directed plan, with investment decisions made solely by persons that are accredited investors;
- (2) Any private business development General Partner as defined in section 202(a)(22) of the Investment Advisers Act of 1940;
  - (3) Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
  - (4) Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;
  - (5) “Any natural person whose individual net worth (i.e., total assets in excess of liabilities excluding the home and home liabilities unless the home is valued at less than the liabilities against it, in which case the excess liabilities should be deducted from your net worth), or joint net worth with your spouse, will at the time of purchase of the Stock be in excess of \$1,000,000.00”
  - (6) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
  - (7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchases are directed by a sophisticated person as described in Section 230.506(b)(2)(ii) of Regulation D;
  - (8) Any entity in which all of the equity owners are accredited investors.

Further definitions and information concerning “Accredited Investors” can be found at [www.sec.gov/divisions/corpfin/regd.htm](http://www.sec.gov/divisions/corpfin/regd.htm)

A subscription will not be accepted from a prospective investor who is not an Accredited Investor. Each prospective investor must also meet any additional, more stringent suitability requirements of the securities laws of the jurisdiction in which he resides as set forth in the Subscription and Agreement and as otherwise required by The Company. In general, a prospective investor must represent to The Company that he has a net worth of at least ten times

his proposed investment in The Company, exclusive of home, home furnishings and personal automobiles. However, such requirement is subject to modification in the sole discretion of The Company if permitted by the securities laws of the jurisdiction in which the prospective investor resides.

With respect to potential investment in the Stock by entities such as Trusts, Individual Retirement Accounts, pension plans or investors subject to ERISA, the investor is urged to consult a qualified advisor such as an attorney, accountant or investment advisor specializing in such matters. Many of the tax benefits to individual investors in the Stock may be substantially reduced or eliminated with respect to an investment made through such entities. In addition, the Stock may not meet the requirements of ERISA with respect to investments for plans subject thereto.

## **RISK FACTORS**

AN INVESTMENT IN THE COMPANY MAY INVOLVE A SUBSTANTIAL RISK OF THE LOSS OF ALL OR A PART OF THE MONIES INVESTED. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS IN DETERMINING WHETHER AN INVESTMENT IN THE STOCK IS SUITABLE FOR THEM. PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR OWN FINANCIAL, TAX AND LEGAL COUNSEL IN CONNECTION WITH THE POSSIBLE PURCHASE OF UNITS.

THE COMPANY CONSIDERS THE FOLLOWING FACTORS TO BE THE MOST SUBSTANTIAL RISKS TO A PROSPECTIVE INVESTOR IN THIS OFFERING IN VIEW OF ALL FACTS AND CIRCUMSTANCES OR WHICH OTHERWISE MAKE THE OFFERING ONE OF HIGH RISK OR SPECULATIVE, I.E., THOSE FACTS WHICH CONSTITUTE THE GREATEST THREAT THAT THE INVESTMENT WILL BE LOST IN WHOLE OR IN PART, OR NOT PROVIDE AN ADEQUATE RETURN.

## **GENERAL RISKS**

**Risks Inherent in Oil and Gas Exploration.** Oil and gas exploration and production involves a high degree of risk, and is marked by unprofitable efforts, not only from dry holes, but from wells which, though productive, do not produce oil or gas in sufficient quantities to return a profit on the amounts expended. The results of any well cannot be determined in advance. The selection of leases and drill sites and the drilling of wells are not exact sciences and the results of such drilling cannot be predicted. The ratio of productive oil and gas wells has been low when compared to the total number of wells drilled. Even though a well is drilled in an area adjacent to known and existing production, there is no assurance that such drilling will locate the productive zones, or that such productive zones, if located, will have the attributes necessary for commercial production sufficient to recoup the capital expended in placing such well in production.



A well may also be ruined or rendered dry or noncommercial during either drilling or completion due to technical or mechanical difficulties. Should a well be successfully drilled to the required depth, and tests thereafter indicate hydrocarbon-formations with sufficient porosity and permeability to warrant completion, there is still no assurance that production will be obtained or that any or all sums expended thereon will be recouped through production. The extent and value of a well, any underlying reservoir of oil or gas, and the amount and rate of future production cannot be determined with reasonable accuracy unless and until the well has a history of continuous production over a period of time sufficient to provide a reservoir engineer with data upon which an evaluation may be reasonably based.

While The Company believes The Company's Services Operations and Leases will be successfully developed and reach profitability, there is no assurance that this projected profit will be fully realized or that the profit will be sufficient to return the Investors' investment, much less the anticipated return thereon.

**Initial Potential Figures and Decline in Production.** Some of the available data on oil and gas wells might refer to "initial production" or "initial potential," which are terms of art in the oil and gas business meaning the early production of a well. Such data is typically recorded after testing operations and the recovery of oil or other fluids used to fracture and stimulate the target formation have been completed. This information is used as a potential indicator of the maximum ability of a well to produce upon completion. Historically, however, the actual sustained production of oil and gas realized from a well is usually less, and may be substantially less on an ongoing basis, than initial production or initial potential ("Initial Potential"). There can be no assurance, therefore, that the actual production to be realized from a well on an ongoing basis following the conclusion of all completion activities with respect thereto will be equal to or approximate the well's initial production or Initial Potential. Prospective investors, when viewing Initial Potential figures as an indication of the extent to which a well may actually produce, or has produced, should keep in mind that actual production is generally less than the Initial Potential figures reported to the state agencies regulating oil and gas production in their jurisdictions. The Initial Potential test is required by the Texas Railroad Commission in order to determine the amount of oil and/or gas allowed to be produced from a well. Therefore, even though a well indicates a potential of production, it is possible that the production rate allowed by the Texas Railroad Commission will be less than the test indicates.

Further, production from all oil and gas wells by its very nature will decline over time. The actual decline curve is subject to numerous factors and cannot, in normal circumstances, be calculated in advance. The production from oil and gas wells is also subject to fluctuation for a myriad of reasons. Oil and/or gas production may not be stable on a month-to-month basis and is subject to drastic decline. Prospective investors should understand that over the economic life of a well any oil or gas production obtained will decline and the well may, as a result of such decline, become non-commercial.

**Marketing Oil and Gas.** The price at which oil and gas may be sold is dependent upon the availability of a ready market for and the actual marketing of any oil and gas produced. The price of production affects the rate of return of capital invested, and, in some instances, affects whether a well, and its production at that price, may be deemed commercial or profitable. The availability of a ready market and the actual marketing depend upon numerous factors beyond the control of the Company, the effect of which factors cannot be predicted. These non-controllable factors which affect the price and the amount of production of oil and gas are imports (quality and

quantity, quota restrictions), allowable production, new discoveries, regulatory laws (including pollution controls), weather conditions, the marketing and competitive position of other fuels, the availability and carrying capacity of pipeline or trucking facilities, and the fluctuation of supply and demand.

**Hazards: Operational and Environmental.** Hazards such as unusual formations, pressures, and other unforeseen conditions are sometimes encountered in drilling wells. Additionally, it is not unusual to encounter unexpected problems or conditions which necessitate the abandonment of the well. Sometimes substantial uninsured liabilities to lessors, third parties or governmental agencies may be incurred in connection with the drilling, operation or abandonment of a well. In addition, numerous environmental liability statutes are potentially applicable to well operations, and these statutes may carry permitting, remediation, and penalty provisions that could have a substantial impact upon the Investor and his investment and may involve direct uninsured liability of the Company. Such expenses may reduce the funds available for distribution to the Investors. The Operator will carry, or cause to be carried, what it believes to be appropriate insurance covering risks associated with Operations, including workman's compensation and/or employee liability insurance, general public liability and property damage insurance, automobile public liability and property damage insurance. There is, however, no assurance that the level of insurance coverage obtained by the Operator will be sufficient to cover all potential liability incurred by the Operator and the Company. Further, there may be occurrences resulting in expenses or liabilities to third parties that are of a nature that cannot now or may not in the future be insured. As a result, investors should be aware of the fact that, in order to maintain their pro rata interest in The Company.

**Delay in Receipt of Income.** Although not expected, unavailability of or delay in connection with pipelines or other transportation systems, delays in obtaining satisfactory contracts and connections for oil and/or gas wells, and other unforeseen circumstances, could also postpone the distribution of income from sales from The Company's leases, if any. Although not expected, other delays, such as problems with pipeline connections and transportation systems may also be experienced with respect to The Company's leases, and could cause delays in the receipt of income from The Company leases sales, if any.

**Regulation and Marketability of Gas or Oil Discovered.** The availability of a ready market for any leases sold by The Company and the price obtained therefor will depend upon numerous factors, including the extent of domestic production and foreign imports of oil and/or gas, the proximity and capacity of pipelines, intrastate and interstate market demands, the extent and effect of federal and state regulations on the sale of natural gas and/or oil in interstate and intrastate commerce, and other government regulations affecting the production and transportation of gas and/or oil.

**Competition.** There are other individuals, partnerships, and major and independent oil companies which are in competition with the Operator, The Company, some of which have greater financial and technical resources than those available to the Operator.

**Possible Shortages.** In the past, increased drilling activities have, from time to time, created shortages of certain equipment necessary in the drilling and/or completion of oil and/or gas wells. Due to a shortage of such equipment and previous inflationary trends, the prices at which equipment was available escalated during such periods. There is a possibility that further price

escalations, either nationally or locally, will increase the operating costs associated with the lease sales activities and the production of oil and natural gas from the area of The Company's leases, thus reducing the distributions, if any, available to the investors. It could be anticipated that such shortage, if any, could cause the price paid for rigs, services and equipment to escalate.

**Well Production.** The completion of a producing well does not indicate the well will produce sufficient hydrocarbons to return a profit to the investors.

## **TAX RISKS**

**Uncertainty of Tax Benefits.** Certain of the federal income tax benefits resulting from ownership and development of oil and gas rights are limited, including the right to claim the percentage depletion allowance. Such benefits are, in some ways, uncertain in their application and availability with respect to specific transactions such as The Company. The extent to which any individual investor may realize tax savings because of deductions from Company activities will vary according to his personal tax situation. PROSPECTIVE INVESTORS ARE URGED TO CONSULT THEIR TAX ADVISOR IN EVALUATING ALL OF THE TAX IMPLICATIONS AND RISKS OF INVESTING IN THE COMPANY.

**Tax Laws Subject to Change.** Continuation of certain tax treatment presently available cannot be assured, and tax benefits related to completion and production could, at any time, retroactively as well as prospectively, be modified or eliminated by legislative, judicial or administrative action. Notwithstanding enactment of legislation modifying, reducing or eliminating various tax benefits, or interpretations of legislation which might require treatment different from the discussion set forth under "Tax Matters," The Company is authorized to expend the entire subscription amounts of the investors and to conduct the business affairs and operations as herein described. The next several paragraphs discuss some recent and other possible changes to the Federal income tax laws.

**The 2004 American Jobs Creation Act:** Allows a deduction (from taxable income for corporations and from adjusted gross income for individuals) equal to a percentage of the taxpayer's qualified production activities income (QPAI) for the taxable year. The deduction is limited to fifty percent (50%) of the wages paid and required to be reported on Form W-2 in the calendar year that ends in the taxable year in which the deduction is claimed. Also, the deduction is allowed for both regular and minimum tax purposes.

The deduction is three percent (3%) of QPAI for taxable years beginning in 2005 and 2006, six percent (6%) of QPAI for taxable years beginning in 2007, 2008, and 2009, and nine percent (9%) for taxable years beginning after 2009.

See "Tax Matters" for a more comprehensive discussion of the 2004 American Jobs Creation Act as it relates to the activities of the Company.

The Company will proceed regardless of the enactment of changes to the Code. For a more complete discussion of recently passed and pending federal tax legislation, see the "Tax Matters" section of this Memorandum.

**Treatment of Tax Items By Investors.** Each investor in The Company's Common Stock will realize a profit should the price of the Company's Stock increase in value for federal income tax purposes on their individual income tax returns as reported to them on their form. Such tax consequences may be affected by various factors.

NO RULING HAS BEEN OR WILL BE REQUESTED FROM THE INTERNAL REVENUE SERVICE AS TO THE PROPER CLASSIFICATION OF THE COMPANY, OR ANY OTHER TAX ASPECTS OF AN INVESTMENT IN THE STOCK. The Company will not obtain an opinion from its counsel regarding certain material tax consequences of an investment in the Company.

**Depletion Allowance.** If The Company's Wells on the acquired leases are placed into production, the percentage depletion allowance should be available to the Company, provided it qualifies as "independent producers." Each investor must individually determine the availability of percentage depletion.

**Penalties.** Code Sections 6111 and 6707, which pertain to the registration with the IRS of "tax shelters," as defined in section 6111 of the Code, set forth penalties for failure to register a "tax shelter." Section 6111 generally defines a tax shelter as an investment in connection with which a reasonable person could infer, from the representations made in connection with the offer and sale of interests, that as of the end of any of the first five (5) years after investment, the aggregate tax shelter ratio available to an investor is more than 2:1. Tax shelter ratio means, with respect to any year, the ratio which (1) the aggregate amount of the deductions and three hundred fifty percent (350%) of the credits which are represented to be potentially allowable to any investor for all periods up to the close of the year bears to or (2) the amount of money contributed by the investor as of the close of the year. Section 6707 sets forth certain penalties for failure to register a tax shelter and provide the shelter's registration number.

## **SPECIFIC RISKS**

The Stock is being offered and sold for investment and may be acquired by the purchaser thereof with the view not to resale. The Stock will not be registered under the Securities Act of 1933, as amended, or any state securities acts, by reason of specific exemptions under the provisions of such acts relating to transactions not involving a public offering or solicitation, which exemptions depend in part upon the investment intent of the purchaser. Accordingly, investors will have to bear the economic risk of their investment for an indefinite period of time. A participant in the Company should not expect to be able to readily liquidate his Stock.

**Termination of the Lease.** In the absence of production or continuing operations, the assignment of the Working Interests to the Company will terminate at the end of its "primary terms." The Company Lease, and any reserved production interests, will also terminate even after revenue and production is established if production or revenue thereafter ceases. The Company Lease is also subject to termination, even during its primary terms, for inadvertent or intentional failure to pay rentals, shut-in gas royalties, or advance or minimum royalties. Upon termination of the Company Lease, all Working Interest owners (including the Company) will be responsible for conducting plugging and abandoning operations, which will include compliance with state conservation regulations, reclamation regulations and other regulatory requirements.

**Recorded Assignment.** At such time as production in Commercial Quantities is achieved, if at all, the Operator will provide a recorded assignment to the Company for its Working Interest. The Operator may retain enough of the Company's share of the Runs to pay that Company's portion of ad valorem taxes and to pay such other items as may be necessary.

**No Diversification of Risk.** The Offering involves performing lease negotiations and acquisition functions in the area of The Company Lease. As a result, investors will lack both geographical and numerical diversification, and the investors' risk with respect to their investment in the Stock is significantly increased as a result.

**Title to Lease.** The Company will receive a recordable assignment and order a title opinion.

**Dependence Upon the Company and its Officers and Key Employees.** The Company's ability to manage the affairs is predominately dependent upon the officers and key employees of The Company and other professionals who are retained by The Company to supervise its operations and. will in large measure rely on the knowledge, skill and expertise of these persons.

**Claims of Creditors.** The Company could possibly become subject to claims of creditors of the Operator to the extent that all holders of Working Interests become liable for costs or expenses associated with The Company leases. However, the Stockholders will have no personal liability for such costs or expenses.

**Suitability of the Investment.** The Stock is not suitable for, and will not knowingly be sold, to anyone who does not meet certain suitability standards, as an accredited investor, described herein or described by the Company. Each prospective investor will be required to represent that he or she meets such standards. An investment in the Stock requires careful and informed study with respect to each prospective investor's individual tax and financial position and, accordingly, each prospective investor is urged to consult with his accountant or financial planner prior to making a decision to acquire Stock in the Company.

**Compliance with State and Federal Securities Laws; Lack of Regulatory Review.** This Offering has not been registered under the Securities Act of 1933, as amended (the "Act"), in reliance on the provisions of Section 4(2) and 3(b) of the Act and Rules 505, 506c and 201(a) of the Jumpstart Our Business Startup Act of Regulation D promulgated thereunder. Reliance will also be made on apparently available exemptions from securities registration under applicable state securities laws. There is no assurance that the Offering presently qualifies or will continue to qualify under such exemption provisions. If, and to the extent suits for rescission are brought and successfully concluded for failure to register this Offering and other offerings which might be sponsored by the Company under the Act or for acts or omissions constituting offenses under the Act, the Securities Exchange Act of 1933, or under applicable state securities laws, both the capital and assets of the Company and the investors could be adversely affected, thus jeopardizing the ability of the Company to conduct business. Further, the time and capital of the Company and ultimately that of the investors could be adversely affected by the need to defend an action or investigation of the Securities and Exchange Commission (the "SEC") or the securities agency of a particular state, even if the Company were ultimately to prevail.

Since the Stock has not been registered with either federal or state regulatory agencies, investors do not have the benefits that may be derived from such a registration and corresponding review by regulatory officials. For that reason, investors must make their own decision as to a

subscription for the Stock with the knowledge that neither federal nor state officials have commented either on the adequacy of the disclosures contained in this Memorandum or the fairness of this Offering.

The Company does intend to register certain of its shares with the SEC, which will therefore restrict the trading of the Stock, subject to; rule 144 of the SEC, with six months holding period post the Company's effective date.

**Recovery of Initial Investment.** Because drilling activity may be stronger in a specific section of the country, prices of goods and services utilized to engage in drilling and in the cost of leasehold interests suitable for a Company of this type may be higher than in other fields or geographic areas, even though prices from the sale of Products may be lower than elsewhere. If such a situation occurs in the area of the Prospect, an investment in the Company may be more expensive than might otherwise be the case. In addition, because of the amount of capital required to engage in operations, payout, or that point in time at which the investors' capital contributions have been returned to them in full from their Stock value of The Company's Stock, could be lengthened, depending upon the amount of production obtained. There are no assurances that the price of gas will remain at current levels, nor can any assurance be made that production levels can be obtained in quantities sufficient to reach payout in the near future. Those matters are beyond the control of the Company.

**Arbitration.** Disputes with the Company or, or any of their agents or representatives arising from the purchase of Stock in the Company by an investor are subject to arbitration in Randall County, Texas, rather than civil litigation filed in federal or state courts. Such dispute resolution may be viewed as depriving investors of their full legal remedies.

**Pricing and Offer of Stock.** The Offering price and terms for the Stock was arbitrarily fixed by the Company based upon the presently contemplated financial needs of the Company. This Offering price bears no relationship to the existing or pro forma assets, book value, net worth or possible future earnings of the Company.

## DEFINITIONS

Certain terms used in this Memorandum have special meanings which are set forth below, and other terms which are of general use in the industry, are also defined below for your reference:

**"ABANDONMENT COSTS"** are all costs (net of amounts recouped by salvage) related to plugging a well and, if after completion, the removal of installations from the well upon determination by the Operator that the well is not or is no longer capable of production in Commercial Quantities.

**"ACCREDITED INVESTOR"** is any person who falls within the definition of "Accredited Investor" as that term is contained in Regulation D, Section 230.501, as adopted by the Securities and Exchange Commission under the Securities Act of 1933, as amended, and as more particularly described in the "Purchaser Suitability Requirements" section of this Memorandum.

**"AFE"** means "Authorization for Expenditure." The AFE contains specifies authority granted to the Operator by the Company, working interest owner, for any cost with respect to a well or prospect, typically prepared in connection with proposed well. AFE, for purposes of this

Memorandum, shall also mean the Operator's good faith estimate of expenses including certain General and Administrative Expenses.

**"AFFILIATE"** means: (a) any person directly or indirectly owning, controlling or holding, with power to vote, 10% or more of the outstanding voting securities of the Company; (b) any person, 10% or more of whose outstanding voting securities are directly or indirectly owned, controlled, or held with power to vote, by the Company; (c) any person directly or indirectly controlling, controlled by or under common control of the Company; (d) any officer or director of the Company; (e) any General Partner for which the General Partner acts as a partner; or, (t) any General Partner under common control with the General Partner or its officers and directors.

**"CODE"** means the Internal Revenue Code of 1986, as amended.

**"COMMERCIAL QUANTITIES"** means that amount of production of Products which an ordinarily prudent person experienced in oil and gas production would, taking into consideration all pertinent surrounding facts and circumstances, deem sufficient for Production in Paying Quantities.

**"COMMERCIAL WELL"** means a well capable of producing Products recoverable in Commercial Quantities.

**"COMPLETED WELL"** means a well that requires no additional work other than connecting the well to surface equipment in order to make it capable of production.

**"COPAS" OR "ACCOUNTING PROCEDURES" OR "ACCOUNTING PROCEDURE JOINT OPERATIONS"** shall mean the accounting procedures attached as an exhibit to the Operating Agreement.

**"DEVELOPMENT PROSPECT" OR "DEVELOPMENT WELL"** shall mean a well drilled on, or a prospect involving, leases near to proven productive areas where the leases are believed to encompass the same geologic feature.

**"DRILL STEM TEST"** shall mean a test of the producing capabilities of a geological zone through the use of special tools mounted on the drill stem.

**"DRILLING AND COMPLETION CONTRACT"** shall mean the Operator Agreement, in the form to perform the Operations on the Wells for the holders of the Working Interests.

**"DRILLING COSTS"** shall mean all costs of the Drilling Phase of the Well, including consulting fees and General and Administrative Expenses.

**"DRILLING PHASE"** shall mean all drilling operations in drilling an oil and gas well to the point at which True Depth is reached but ends before the Completion Phase is begun.

**"DRY HOLE"** shall mean a well which the Company determines, in the exercise of its sole discretion, is not capable of producing Products in Commercial Quantities.

**“ELECTRICAL WELL LOG”** shall mean the record of certain electrical characteristics of the formations traversed by the borehole for the purpose of identifying them and making determinations regarding the nature and amount of fluids they may contain and their location in terms of depth.

**“EXPLORATION ACTIVITIES”** shall mean deepening and development of the 2 oil and gas Wells on Company’s leases farmed-out.

**“GENRAL AND ADMINISTRATIVE EXPENSES”** shall mean all customary and routine accounting, geological, engineering, travel, mail, office rent, telephone, compensation to officers and employees, and other incidental expenses of the Operator necessary for the Operator’s conduct of Operations during the Exploration and Completion Activities and the subsequent operations of the Wells.

**“MANAGEMENT FEE”** shall mean a bonus fee of 10% of net revenue of the Company payable to the Management as compensation for its management of the affairs of the Company.

**“INITIAL POTENTIAL”** shall mean the rate of flow of oil or gas from a newly completed well. The Initial Potential test conducted after completion of a well indicates a theoretical rate of production in barrels of oil and cubic feet of gas. Initial Potential should not be considered indicative of the amount of oil or gas a well can be expected to produce on a sustained basis. It is calculated on a mathematical formula assuming perfect conditions.

**“INTANGIBLE COSTS”** shall mean expenditures made for wages, fuel, repairs, hauling, and supplies, which are used: (i) in the drilling, shooting and cleaning of a well; (ii) in such clearing of ground, draining, road making, surveying and geological works as are necessary in preparation of a well for production; and (iii) in the construction of other physical structures necessary for the drilling of a well and the preparation of the well for production. Intangible Costs include only those expenditures for drilling and developing a well which in and of themselves do not have a salvage value.

**“INVESTORS”** shall mean the purchasers of the Stock. Joint-Venture Companies and Persons.

**“INVESTORS’ PAYMENTS”** shall mean the aggregate Contributions made by the investors for their Stock. The price of one share of Common Stock is \$5.00.

**“LANDOWNER ROYALTY INTEREST”** shall mean a portion of the total production from an oil and gas lease which is not subject to payment of development or Operating Costs, and which the grantor of the lease has retained for himself. The holder of a Landowner’s Royalty Interest is entitled to a share of the proceeds of production free and clear of any development or Operating Costs.

**“LEASE” or “THE COMPANY’S LEASE”** shall mean the certain oil and gas mineral leases and wells bought from others by The Company.

**“LEASE BANK”** shall mean leases bought by The Company and held for resale.

**“LEGAL DESCRIPTION”** of surface and mineral acreage leases.



**“LEASE COSTS”** shall mean all costs associated with the purchase of development rights to oil, gas and minerals, including geology and geophysical costs plus land and legal fees.

**“MANDATORY ASSESSMENT”** shall mean the share of Operating Costs born by each holder of a Working Interest (including the Partnership).

**“MCF”** shall mean the common description for a thousand cubic feet of natural gas.

**“MMCF”** shall mean the common description for a million cubic feet of natural gas.

**“MEMORANDUM”** shall mean this Confidential Memorandum dated October 25, 2024, OIL Inc Stock offered to qualified investors.

**“MINERAL OWNERS”** shall mean those parties owning a Landowner Royalty Interest or an Overriding Royalty Interest in the Prospect.

**“NET REVENUE”** shall mean the portion of Proceeds in excess of the Operating Cost and the General and Administrative Costs incurred by the Company during such period.

**“NET REVENUE INTEREST”** shall mean the percentage of production to which a working interest owner is entitled after deducting costs, or burdens, such as royalties.

**“NON-ACCREDITED INVESTORS”** shall mean person or entities who do not satisfy one or more of the alternative definitions of the term “Accredited Investor” and who, by virtue of their financial resources acumen, satisfy the General Manager or its authorized representative that such investors satisfy the suitability standards imposed by Rule 506 of Regulation D and otherwise meet the financial investment standards set forth in the Execution Documents.

**“NON-OPERATORS”** shall mean the signatory party or parties to the Operating Agreement other than the Operator.

**“NON-OPERATING WORKING INTEREST”** shall mean the Working Interest owned by the Non-Operators.

**“OBJECTIVE DEPTH”** shall mean the lesser of the True Depth or the Objective Formation.

**“OFFERING”** shall mean the offering for sale by this Memorandum of The Company’s Common Stock.

**“OPERATING AGREEMENT”** shall mean the contract between the Operator of the Lease and which is the Company. This agreement, in the form of this Memorandum, provides for, among other things, the sharing of expenses and revenues and accounting methods. The authority of the Operator and restrictions imposed upon it are also contained in this agreement.

**“OPERATING COSTS”** shall mean the customary expenses of operations of oil and/or gas wells, and the producing and marketing of the oil and/or gas therefrom, including, but not limited to, the costs of reworking or similar expenses relating to any well pursuant to the terms of the Operating Agreement, but excluding Drilling Costs and the Completion Costs or the depletion,

depreciation or amortization thereon, or the expenses for recompletion in or deepening to another productive zone.

**“OPERATIONS”** shall mean any activity of the Company related to the deepening and development of the oil and natural gas wells and Completion Activities of the Company Wells.

**“OPERATOR”** shall mean The Company when acting in such capacity under the terms of the Operating Agreement or Joint Operator.

**“OPTIONAL ASSESSMENT”** shall mean an additional amount of capital contributed by Consenting Participants (which may or may not include the Company) for the conduct of a Subsequent Operation:

**“ORGANIZATION EXPENSES”** shall mean the aggregate of: (i) expenses for printing and mailing materials used in connection with the placement of the Stocks; (ii) attorneys and accountants fees incurred in connection with the preparation of this Memorandum; (iii) certain General and Administrative Expenses; and (iv) any other expenses incurred by the Company in connection with the placement of the Shares, including filing fees, and the collection of the Contributions, if any.

**“OVERRIDING ROYALTY INTEREST”** shall mean a portion of the total production from a lease which is not subject to payment of development and operating costs. An overriding royalty interest is similar to a Landowner Royalty Interest but is carved out of the working interest rather than out of a fee mineral interest.

**“PRODUCTION IN PAYING QUANTITIES”** shall mean production of Products in quantities sufficient to yield a return in excess of Operating Costs and the costs of Completion Activities, even though drilling and equipment costs may never be repaid.

**“PRODUCT,” “PRODUCTS” OR “PRODUCTION”** shall mean all oil and gas products produced from the Company Wells.

**“PARTNERSHIP”** shall mean a limited partnership in which Units (Limited Partnership Interests) are offered by a Memorandum.

**“REGULATIONS”** shall mean the United States Treasury Department regulations promulgated under the Code.

**“REVENUE INTEREST”** shall mean the proportionate part of the net revenues from oil and gas production payable to an owner of an interest therein, after payment of all severance taxes and Operating Costs by the owners of the Working Interests.

**“ROYALTY INTEREST”** shall mean a portion of the total production from an oil and gas lease which is not subject to payment of development or Operating Costs, and which the grantor of the lease has retained for himself (e.g., landowner royalty interest) or which is carved out of a lease or other operating interest rather than out of a fee mineral interest (e.g., overriding royalty interest). The holder of a Royalty Interest is entitled to a share of the proceeds of production free and clear of any development or Operating Costs.

**“RUNS”** shall mean gas, measured at standard conditions, moved off the lease or unit for sale.

**“SERVICE” OR “IRS”** shall mean the Internal Revenue Service.

**“SPACING UNIT”** shall mean the area specified by the Operator in compliance with applicable regulations or orders for the drilling and production of the Wells.

**“SPECIAL PROJECT’S”** shall mean additional projects or tasks such as the installation of gathering lines or other transportation or marketing facilities the installation which shall be governed by separate agreements between the parties which any party to the Operating Agreement may propose at any time. Special Projects might include the construction of compressor plants, source water stations, gas production plants, pipelines or other transmission facilities and other “special activities,” such as shooting for seismic data, as distinguished from the more usual drilling, workover and/or producing operations. The cost of a Special Project will be the responsibility of the Company, which shall agree and authorize the Special Project.

**“SUBSCRIPTION PERIOD”** shall mean the period of time during which the Stock shall be offered for sale up to and including January 30, 2025, or such later date not more than sixty (60) days thereafter to which the Company may elect to extend this Offering without notice.

**“SUBSEQUENT OPERATION”** shall mean Operations on the OIL Inc Wells after the drilling, testing, and if warranted, completion (in one zone only) and equipping of the Well which are undertaken pursuant to Optional Assessments, (and thus not Operating Costs) and as otherwise provided in the Operating Agreement.

**“STOCK”** shall mean a single Common Share of OIL Inc Stock in The Company.

**“OIL Inc WELLS”** shall mean one or more wells which are proposed to be drilled on the OIL Inc Leases.

**“WORKING INTEREST”** shall mean the operating interest under an oil and gas lease entitling the holder to conduct drilling and production operations on the leased property. The Working Interest bears all expenses and costs of drilling and completing an oil and/or gas well.

## **TERMS OF THE OFFERING**

**Subscriptions.** Pursuant to this Memorandum, The Company may offer up to Thirty Million (30,000,000) Common Shares of OIL Inc Common Stock, which represents a percentage of the Company outstanding Common Stock of Record, its business and assets. The Company’s CEO signed a Letter of Intent (LOI) to acquire 26 producing Oil & Gas Wells, with infrastructure, together with mineral leases with 100% WI and 75% to 100% NRI of the Company’s oil and natural gas leases and wells (collectively referred to as the “Prospects”). The Company will, therefore, bear all of the costs incurred in connection with the Purchase of the Lease Activities.

The Stock is being offered to selected qualified accredited investors by the Company through its officers, directors and representatives on a “best efforts, part or none” basis at a price of \$5.00 per

Share payable when agreed to purchase, which will be delivered upon payment by Oil Inc's Management.

**Subscription Period.** Operations of the Company currently operates its business prior to Shares being subscribed for and accepted by the Company. The funds will be deposited in the Company's account at the Amarillo National Bank, Amarillo, Texas, as the subscriptions are received to pay certain expenses and operations. If subscriptions for the Shares has not been received by the Company prior to January 30, 2025, or such later date not more than sixty (60) days thereafter, this Offering will be terminated or can be extended at the Company's discretion.

**Subscription Procedures.** Persons intending to subscribe for Stock in the Company should send a completed and signed (i) Purchaser Suitability Questionnaire, (ii) the appropriate Schedules and Exhibits to the Company, (iii) the Subscription Agreement and (iv) a bank wire for their Contribution made payable to the order of the Company. If a Purchaser Representative is utilized by a prospective investor or if the Company determines that a Purchaser Representative is required, the Company will provide a Purchaser Representative Questionnaire to such prospective investor. The Company, in its sole discretion, may reject any subscription for Stock in the Company for any reason.

**Company Account.** The Company account at the Amarillo National Bank will be utilized for the Company. The collected funds will become assets of the Company and deposited in the Company's Account at the Amarillo National Bank upon a sale of Shares. The Company will pay certain expenses of the Offering and may use such funds for other purposes. Prospective investors should be aware that the subscription proceeds from this Offering will be deposited into the Company's general operating account at the Amarillo National Bank for use as the Company deems appropriate. The Company will continue its efforts to sell any unsold Stock. The interest earned on funds in the general operating account will be used by the Company to offset fees and charges, if any.

The Company may continue in its efforts to sell any unsold Stock. The Company, or its Affiliates, may invest in the Stock for its own account, but is not obligated to do so.

## **PLAN OF DISTRIBUTION**

The Stock in The Company described herein may be offered and sold on a "best efforts" basis by one certain engaged Investment Bank and/or Syndicated and the Company (through its officers, directors and employees). Certain sales expenses and certain fees will be paid to licensed Brokers. If the officers of the Company sell Stock or if the Company purchases Stock as herein provided there will not be fees.

## **PROPOSED ACTIVITIES**

INVESTORS SHOULD CAREFULLY REVIEW THE "PROSPECT INFORMATION" ATTACHED HERETO AS EXHIBIT "A" INCLUDED WITH THIS MEMORANDUM, AND IF POSSIBLE, HAVE THIS INFORMATION REVIEWED BY A GEOLOGIST OR PETROLEUM ENGINEER FAMILIAR WITH OIL AND GAS PROPERTIES.

PROSPECTIVE INVESTORS ARE REFERRED TO THE EXECUTIVE SUMMARY AND ASSUMPTIONS SCHEDULES INCLUDED IN THIS CONFIDENTIAL MEMORANDUM AS EXHIBITS “A” AND “B,” RESPECTIVELY, FOR DETAILED DISCLOSURE OF THE RIGHTS AND DUTIES OF THE PARTIES, INCLUDING THE INVESTORS; UNDER THOSE AGREEMENTS. THE OPERATING AGREEMENT AND THE COMPANY AGREEMENT AND THEIR ATTACHMENTS SHOULD BE READ IN THEIR ENTIRETY BY EACH PROSPECTIVE PARTICIPANT FOR A FULL UNDERSTANDING OF THE TERMS THEREUNDER.

**Leasehold Interest.** Upon lease acquisition, production and in accordance to the LOI/PSA Agreement the Company will be granted control of the rights to 100% of the leases, with 75% to 100% Net Revenue Interest (NRI) and 100% of the Working Interest (WI) in The Company’s Leases in Texas Counties and other States.

The 100% Working Interest to be received will be held by the Company and not further apportioned, which is assumed to be approximately 100% of the Working Interest (100% WI) in the Leases Revenue Interest, at the Company’s discretion.

Copies of The Company’s Leases and title opinions, when acquired, will be made available for inspection by any prospective investor upon request. These documents are not made a part of the Memorandum due to their length; however, they are available for inspection upon request when received by the Company. It is recommended each investor review, and become familiar with, the terms of the Lease, and other agreements and the obligations which are imposed upon the Company, and, as a result thereof, the investors as stockholders of the Company’s Common Stock. The Company does not believe that any of the restrictions imposed upon the Company as contained in the Lease and other agreements will interfere with proposed Operations or prevent the Company from perfecting its interest in the Lease.

**The Leases.** The Company proposes to fund the leases and any other cost to market and sell the production from the leases to a qualified buyer. Each prospective investor should carefully review the Project Information and, if possible, have this information reviewed by a geologist or petroleum engineer familiar with oil and gas properties.

**Completion Contract.** The Company intends to pay up to 100% of the costs incurred for the Purchase Activities.

## **PROPOSED LEASE ACQUISITION OPERATIONS**

**Generally.** Proposed operations (including the Lease Acquisition Activities) shall employ what are commonly referred to as prudent techniques to identify certain desirable leases.

**Control Over Revenues.** The Company will receive all revenues.

**Reports.** The Company will maintain accurate records relating to status reports on the lease acquisition and production sales activities of The Company’s Leases and Wells as received by the

Operator and will make them available to all Stockholders of Record. Progress reports will be reported to Stockholders of Record.

**Return on Investment.** There is absolutely no assurance that any of these leases will be acquired or will be productive. However, if sales are or are not achieved, all investors will participate in the Common Stock of the Company.

## **PARTICIPATION IN COSTS AND REVENUES**

It is expected that the primary source of income for the Company will be the Revenue Interest distributed to the Company from the sale of the production from the wells on the leases, if any. The investors will pay for their Stock only.

THE FOREGOING REFLECTS ONLY ESTIMATES OF THE APPLICATION OF THE OFFERING'S PROCEEDS. IT IS NOT BASED ON ANY PRIOR ACTIVITIES. ACTUAL EXPENDITURES MAY VARY MATERIALLY FROM THESE ESTIMATES.

## **COMPENSATION**

The Management, employees and representatives of the Company will receive certain compensation for their services and annual bonuses based on The Company net earnings, Management plans to pay dividends, with Director Approval, based on 25% of The Company's net earnings to all Stockholders of Record.

## **MANAGEMENT**

### **OFFICERS, DIRECTORS AND SIGNIFICANT EMPLOYEES**

The officers and directors of the Company will devote their time and effort to the Company as may be necessary in order to properly conduct and administer the business and affairs of the Company. The officers and directors of the Company are as follows:

**Mr. Bob L. Royal**, age 88, is the founder, Director, Chairman, CEO, COO and Treasurer of The Company, with over 60 years of experience in the Oil Industry. Mr. Royal is the Major Stockholder. Mr. Royal is the Trustee of Royal Trust. Mr. Royal devotes 100% of his time to the Company and will oversee all phases of the operations of the Company. Mr. Royal began in the Oil Industry in Victoria, Texas, learning from Tom O'Conner and Sinclair Oil Company Executives in 1961. He acquired and developed Oil Projects in San Patricio and other Texas and Oklahoma Counties. He was elected Director and CEO of IGEE OTC NASDAQ, and the CEO of Burke Oil Company, a publicly trading company, acquiring 4,000 acres and 40 Oil Wells in Tennessee and producing Wells in Oklahoma. Mr. Royal acquired the control stock position in IGEE. IGEE bought, a service company named Life Partners, Inc., Capital Stock with \$500K assets, with 375MM gross transactions, by reverse merger. IGEE's name was changed to LPHI, which had \$500K assets in 2000 and traded on the Nasdaq Global Markets @\$500MM Market

Cap in 2007. Mr. Royal has been the CEO of public and private Companies that have acquired and developed wells in Texas and Oklahoma throughout many years. Mr. Royal is currently contributing 100% of his time and energy to the operations of The Company and plans to continue. Mr. Royal and his great Team of Professionals have over 100 years of all types of experience in the Oil Industry, buying producing Oil Wells, drilling Oil wells, developing Oil Wells, developing Salt Water Disposal Wells and operating both small and large Oil Industry Projects. They are ready to exploit OIL Inc Projects. Mr. Royal is a very young 88 year old Professional, with a 40 year old mind. He is in excellent mental and physical health that will allow him to operate the Company as Chairman, CEO, COO, Secretary-Treasurer for at least 10 years. With age and experience comes wisdom & knowledge. He has assembled a great Team of Oil Industry Professionals to assist him. Mr. Royal's and his Team's resumes are attached hereto and made a part of this 506c Private Placement Memorandum.

Mr. SCOTT R. ROYAL, age 57, Director, Vice Chairman, President, CFO, Assistant Secretary, General Manager. His expertise is in Employee Relations. Mr. Scott R. Royal. Texas Tech University Bachelor of Science 1995, Scott has worked in the Oil & Gas Business since 1990 with Mr. Bob L. Royal. They negotiated and contracted to buy gas wells from the Bankruptcy Court Trustee representing the Hunt Brothers assets in the 1990s.

Scott has been working with Bob L. Royal in the Oil & Gas Business and coaching football, Basketball, Baseball and Track for over 30 years with several different High Schools, beginning his career at West Texas State College in 1995. He has extensive experience working with others. He has had many assistant coaches under him and coaches over him. This experience in management and on the job training has prepared him to work with others in the Oil and Gas Industry through the years, as well.

MR. STEVE CHANSLOR: AGE 73, ACCOUNTING SPECIALIST, TEAM MEMBER, EDUCATION / PROFESSIONAL DESIGNATIONS Baylor University BBA Certified Public Accountant – 1975 – License not current, Certified Production and Inventory Management, EXPERIENCE: 1/15 – Present Project CFO of EBB Group, Oversee the financial systems and reporting for this M&A advisory company in Dallas, Tx. 7/13 – 1/15 Director of Inventory Costing – Weir Seaboard After Weir Mesa was moved into Weir SPM in Ft. Worth, I was moved to Weir Seaboard in Houston to oversee the project implementation of the Syteline ERP implementation project and the inventory costing/cost accounting system. 7/07 – 6/13 VP Controller - Weir Mesa CFO for Weir Mesa Manufacturing in Odessa, Texas, a \$50 million manufacturer of oilfield servicing equipment owned by The Weir Group PLC, a multi-billion public company traded on the London Exchange. Implemented monthly financial reporting procedures which included converting to GAAP accounting procedures which include closing and reporting by the 3<sup>rd</sup> day following the end of the month. Responsible for all financial planning, reporting, analysis, IFRS compliance, general accounting, capital budgeting & approval, etc. 6/06 – 6-07 Project Consulting Served as Interim SEC Reporting Manager for DynCorp International, Inc. Set up the new disclosure tables that are required for proxy statements covering executive and director compensation, including the compensation discussion and analysis. Also set up the company's two 10Ks that are scheduled for submission on June 30, 2007. Served as temporary controller for the Fittings Division of Trinity Industries in preparation for sale and worked at Dresser, Inc. as an operational liaison between corporate office and field operations to ensure that all accounting and reporting is fully compliant and consistent with corporate policies as well

as U.S. GAAP. 9/05 – 6/06 Dresser On/Off Valve Division Interim Controller – Modern Supply Co. Interim Controller of \$30 million operation that manufactures and sells valves to the pipeline industry. Responsible for all accounting and financial reporting, including all SEC reporting. Introduced the BPCS operating system as well as Hyperion Enterprise for use in consolidation and financial reporting. 8/03 – 9/05 Consultant, Dallas, TX. A public, project-based professional services firm created to help clients execute strategies on a more cost effective basis by providing experienced and high-caliber accounting, finance, internal audit, IT and HR professionals. *Associate leading field work on a variety of clients* Responsible for documenting, evaluating and testing internal controls to fully comply with the requirements of Sarbanes-Oxley. This includes advising the client on the best method of complying with SOX regulations. Addressed deficiencies with well-designed procedural solutions. Served as Interim Controller, insuring the integrity of the company's general ledger and reported financial results. Implemented a system for accounting for the cost of sales in a more complete and accurate manner and established a supportable value for excess and obsolete inventory. Developed and implemented monthly procedures to insure that the month-end closing and reporting process results in accurate and reliable balances. Researched problems causing a debit in a normally credit balance account, identifying issues with changing of inventory standard costs. Calculated restructuring costs for a division that was in the process of moving to a new location. 1999 - 2002 Pillowtex Corporation Vice President/Corporate Controller Responsible for all accounting, planning and reporting, including SEC reporting and investor relations. The Company filed Chapter 11 in October 2000. Oversee a staff of 150 people, which includes 3 division controllers and their plant personnel.

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Mr. Thomas Dewald, age 35, Director and Senior Vice President, Field Overseer, and President of TDEWALDWELLTEST, Inc., Mr. Dewald is the COO of Contractor Placement, wells testing and flowback operations. Mr. Dewald has operated in the Oil & Gas Fields for over 14 years and has been very successful in Contractor Placement and the Flowback Services assisting several operators and furnishing contractors to others throughout the Nation for the past 3 years and in the Permian and Delaware Basin, Texas, Shale play with gross revenues of \$9.5MM+- and \$2.9MM+- Gross Profit.

Mr. J. J. Dewald age 33, Vice President and Vice President of TDEWALDWELLTEST, Inc. Mr. J. J. Dewald is a former Marine, over 6 years, with a tour in Afghanistan. He has operated in the Oil & Gas Fields for the past 9 years, training others and has been very successful in the Flowback and other Services assisting Thomas Dewald, with Contractor Placement and several operators for the past 3 years in the Permian and Delaware Basins, Texas, Shale Play.

Mr. Brad Massey, Chief Geologist, Team Member has served as Vice President and Senior Petroleum Geologist for Slate Holdings, Inc. since co-founding the corporation with Max E. Smith in 2006. Through an extensive friendship of more than 15 years, Mr. Massey and Mr. Smith have partnered Slate Exploration, L.L.P., Slate Oilfield Services. Mr. Massey obtained his degree in Petroleum Geology from the University of Texas. Mr. Massey is specialized in Completion, Drilling, Blowout Prevention, Sampling, Lithological Analysis of Hydrocarbon Values through Log Analysis, and Acquisitions. Mr. Massey has an extensive knowledge of both offshore and onshore drilling and completion. In a



career of more than 30 years Mr. Massey has held positions with Shell Oil Company and Marathon Oil Corporation, where he was instrumental in the drilling of the Fort Worth Basin. Mr. Massey began as an Independent geological consultant in 1986. Through a number of independent studies, Mr. Massey was instrumental in mapping the bed thickness and thinning effects of the Barnett Shale Formation within the Fort Worth Basin. This embracing knowledge would lead the way for successful leasing of more than 850,000 acres. With Mr. Massey's experience and knowledge, Slate Holdings, Inc. recently completed a new field discovery in Wilbarger County, Texas. With the many successes as this, it has allowed Slate Holdings, Inc. to become a durable corporation.

**Investment Objectives:** Management will, file to be an OTC Company, register with the SEC, list on the NASDAQ Markets and file OIL Inc S-1 underwritten IPO and engage a Broker Dealer to raise funds for the following: Management's objectives are (i) to develop its current leases and bring a continuing stream of oil and gas mineral leases of high quality, low risk, high yield industry type oil and gas opportunities to The Company and its Stockholders and (ii) to receive high monthly cash flow through the perpetual life of the Company.

### **CONFLICTS OF INTEREST**

Most of the areas of conflicts of interest which are described below are common to many oil and gas drilling projects. The terms contained herein are intended to ameliorate the conflicts of interest inherent in such a situation to the extent practicable, taking into consideration, among other things, the uncertainties involved in attempting to determine in advance the location of wells to be drilled, progress of drilling and other exploration in the area of the affected leases, the outcome of drilling operations and the preparation of the equipment and facilities needed to produce, process and transport the production from such wells.

### **TAX MATTERS**

The most significant federal income tax aspects of an investment in The Company are discussed below. The full implications of the federal, state and local tax laws which may affect the tax consequences of participating in the Investment are too complex and numerous to be described herein. Also, the discussion which follows is necessarily general. EACH PROSPECTIVE INVESTOR SHOULD SATISFY HIMSELF AS TO THE INCOME AND OTHER TAX CONSEQUENCES OF PARTICIPATION IN THE STOCK BY OBTAINING ADVICE FROM HIS OWN TAX ADVISOR.

The following discussion is directed primarily to individual cash basis taxpayers who are citizens and residents of the United States. Other prospective investors in the Company, such as corporations, partnerships, trusts (including qualified retirement plans), and resident aliens, should consult their tax advisors concerning special rules applicable to them before investing in the Company.

The following paragraphs contains information about recently passed, pending or proposed federal tax legislation:

The 2004 American Jobs Creation Act, §102, added §199 which allows a deduction (from taxable income for corporations and from adjusted gross income for individuals) equal to a percentage of the taxpayer's qualified production activities income (QPAI) for the taxable year. The deduction is limited to fifty percent (50%) of the wages paid and required to be reported on Form W-2 in the calendar year that ends in the taxable year in which the deduction is claimed. Also, the deduction is allowed for both regular and minimum tax purposes.

The deduction is three percent (3%) of QPAI for taxable years beginning in 2005 and 2006, six percent (6%) of QPAI for taxable years beginning in 2007, 2008, and 2009, and nine (9%) for taxable years beginning after 2009. If the taxpayer's taxable income is less than QPAI, the applicable percentage is applied to taxable income, instead of QPAI. For a taxpayer that is a member of an affiliated group (based on a modified §1504(a) definition), all members are treated as a single taxpayer and the deduction is allocated among them based on each member's QPAI.

Qualified production activities income is defined as domestic production gross receipts, reduced by the sum of: (1) cost of goods sold allocable to the receipts; (2) other expenses, deductions and losses directly allocable to those receipts; and (3) a ratable share of expenses, deductions, and losses that cannot be allocated directly to the receipts or to another class of income. Domestic production gross receipts includes gross receipts derived from any sale, exchange, lease, rental, or license of qualifying production property or natural gas manufactured, produced, grown, or extracted by the taxpayer in whole or in significant part in the United States.

In addition, major changes to the tax laws are discussed from time to time in both the House of Representatives and the Senate, and one or more proposals for significant changes to the Code may be advanced during the next several years. Those proposals include a consumption tax, a flat tax, and various forms of limitations on deductions. Any such changes, if adopted, would likely have a negative effect on any tax benefits resulting from ownership of the Units.

The Company will proceed regardless of the enactment of any changes to the Code.

Investors should realize that the purchase of Stock will not result in tax shelter benefits, and it is not possible to profit from an investment in oil and gas properties merely through the tax benefits that may be made available thereby. Each investor must understand that unless he purchases a Stock with the intention of profiting from the economic return from it, exclusive of any ancillary tax benefits which may under certain circumstances result, then the investor may not be entitled to recognize any tax benefits.

Many provisions of current federal income tax law affect taxpayers who participate in the exploration for and production of oil and gas through direct investment as provided by the Company. Certain of these, such as the option to deduct intangible drilling and development costs and the depletion allowance, are incentives for production of domestic oil and gas, and confer tax benefits on investors in exploration and production ventures, which may reduce the economic cost of participation. Other provisions, such as recapture provisions, may adversely affect investors. The federal income tax provisions relating to oil and gas exploration and production ventures are generally quite complex, and are in some respects subject to uncertainty in their application to specific transactions.

The discussion is founded upon the provisions of the Code in effect on the date of this Memorandum. In construing the pertinent provisions of the Code, consideration was given to its legislative history, existing and proposed regulations promulgated by the Treasury Department,

judicial decisions construing its provisions, and administrative rulings and practices of the IRS then in effect. The discussion is subject to amendment of the Code, issuance of new regulations, changes in judicial construction of the Code, and changes in IRS ruling positions and administrative practices, any of which may occur at any time. These developments may materially, and possibly adversely, affect the tax aspects and consequences summarized below, and could be applied retroactively, so as to affect transactions previously entered into. In particular, Code provisions may be interpreted by the Treasury Department, IRS or reviewing courts differently from the way such provisions have been interpreted by the Company.

Some Code provisions, which are discussed below, are subject, in some instances, to substantial uncertainty and controversy in their application. Their application depends, in some instances, on the resolution of factual issues about which reasonable persons could differ. Furthermore, certain of the tax consequences of investment in the Stock are dependent upon the individual circumstances of investors. No assurance can be given that IRS will not challenge the tax consequences claimed by investors in the Opportunity, or that a reviewing court will not sustain the position taken by IRS. In this regard it should be noted that the Company does not intend to obtain an IRS ruling regarding any of the tax consequences of investment in the Stock.

THE COMPANY DOES NOT EXPECT TO OBTAIN A WRITTEN OPINION FROM ITS COUNSEL REGARDING THE ADEQUACY OF THIS DISCUSSION, AND THE AVAILABILITY OF THE MATERIAL TAX BENEFITS OF INVESTMENT IN THE PARTNERSHIP.

**Depletion.** Owners of economic interests in oil and gas properties which produce income are entitled to deductions for depletion, which is similar to the depreciation deduction allowable with respect to tangible property. The depletion deduction permitted is the greater of “cost depletion” or “percentage depletion,” if the latter is available. Cost depletion is determined by reference to the capitalized cost, or “basis”, of the property in question, and the estimated units of recoverable oil or gas from the property; the allowable deduction in any year is the estimated cost of the property (basis in the property to be produced) sold in that year. When the taxpayer’s basis in the property has been fully recovered through cost depletion deductions, no further cost depletion is allowable.

The percentage depletion deduction is an arbitrary deduction of a specified percentage of the gross income of a depletable property, limited to no more than one hundred percent (100%) of net income from the property thereafter.

The percentage currently deductible with respect to oil and gas properties is generally fifteen percent (15%). The statutory percentage depletion rate on marginally producing oil and gas wells (i.e.; stripper wells and heavy oil wells) is increased by one percent (1%), subject to maximum rate increase of ten percent (10%), for each whole dollar that the average domestic wellhead price of crude oil for the immediately preceding calendar year is less than \$50 per barrel. Currently, due to the cost per barrel of oil, the statutory percentage depletion rate increase for marginally producing oil and gas wells remains at fifteen percent (15%).

Unlike cost depletion, percentage depletion may be claimed without regard to the basis of the property in question (though it reduces that basis), for so long as the property produces gross income. Under Code section 613A, the availability of percentage depletion with respect to gross

income from oil and gas wells is largely dependent upon the personal circumstances of the individual owner of an interest in an oil or gas property. Set forth below is a brief summary of the current restrictions. Accordingly, each prospective investor should consult his own tax advisor concerning the availability to him of percentage depletion with respect to gross income from the Stock before investing in the Stock.

Percentage depletion is available with respect to gross income from oil and gas wells only to “independent producers and royalty owners,” as defined in Code Section 613A, and then only with respect to a limited amount of production, being one thousand (1,000) barrels of oil per day (or equivalent amounts of gas). An independent producer is a person who neither refines crude oil in substantial quantities nor sells oil or gas at retail in substantial quantities, either directly or through a related person or business. Even if available, the percentage depletion deduction may not exceed sixty-five percent (65%) of the taxpayer’s taxable income for the taxable year in question, calculated without reference to the percentage depletion. Depletion deductions that cannot be used because of this limitation can be carried over to succeeding years, subject to an ongoing sixty-five percent (65%) limitation.

Depletion deductions are subject to recapture under Code Sec. 1254, to the extent they reduced a property’s tax basis. When Section 1254 property is disposed of, the lesser of the aggregate amount of depletion deductions, or the excess of, in the case of sale, exchange, or involuntary conversion, the amount realized, or, in the case of any other disposition, the fair market value of such property over the adjusted basis of the property, is treated as ordinary income.

**Intangible Drilling and Development Costs.** The Company has the option of deducting as ordinary and necessary business expenses the intangible drilling and development costs for oil, gas, or geothermal wells or capitalizing and amortizing them. Intangible expenditures that are included in the category of intangible drilling and development costs include those made for wages, fuel, repairs, hauling, supplies, and other items, which are incidental to, and necessary for, the drilling and preparation of wells for the production of oil, gas, or geothermal energy. To be classified in this manner, the item cannot have a salvage value. Intangible expenditures include those made for wages, fuel, repairs, hauling, supplies, and other items, which are incidental to, and necessary for, the preparation of wells for the production of oil, gas, or geothermal energy, but do not include equipment and other tangible assets that must be capitalized and depreciated. Previously deducted IDC must be recaptured as ordinary income on the disposition of a section 1254 property.

## **COMPETITION, MARKETS AND REGULATION**

**Competition.** The oil and gas industry in the United States is highly competitive. Numerous companies and individuals are engaged in the domestic exploration for oil and gas. Many of the companies and individuals so engaged possess financial resources, facilities, and technical staffs far greater than those of the Company and the Operator. The Company and Operator will encounter frequent and intense competition from both major oil companies and other independent contractors in its effort to secure leases equipment necessary for the Activities and other operating phases of The Company’s Leases. Such competition may cause a substantial increase in drilling, completing and operating costs and the procurement costs for facilities, equipment and other items related to the Exploration and Completion Activities. In addition to these increasing costs,

the unavailability of labor or certain vital equipment could significantly delay work on and conclusion of the Exploration or Completion Activities of potential lease buyers.

**Markets.** The marketing of any leases from The Company's leases and the price that they will bring in the marketplace will be influenced by a number of factors which are beyond the control of the Company Partner and the Operator. Neither can the effect of these factors be accurately measured. These factors include the extent of domestic production and importation of oil and gas, actions by the Organization of Petroleum Exporting Countries (OPEC), the availability of adequate pipeline and other transportation facilities beyond those included in the Completion Activities, the marketing of competitive fuels, and other matters effecting the pricing of production and the availability of a ready market, such as fluctuations in supply and demand and the effect of state and federal regulation of oil and natural gas and their substitute fuels. Consequently, there is no assurance that the Operator or the Company will be able to market any of the leases at favorable prices.

**Oil Price Controls.** There are currently no federal price controls on oil production; however, there can be no assurance that Congress will not enact controls in the future.

**State Regulation.** The State of Texas and Oklahoma regulates the production of oil and gas and the conduct of oil and gas operations. State laws and related regulations are generally intended to prevent waste of oil and gas and to protect the correlative rights and opportunities to produce oil and gas between owners of a common reservoir. The amount of oil produced is also regulated by the assignment of allowable rates of production to each well so producing. Such regulations may restrict the sale of the leases purchased of The Company's Leases. Regulations require permits before wells are spotted, control well spacing, protect against waste, aid in the conservation of natural gas and oil, and guard against adverse environmental consequences.

**Regulation of the Environment.** The development and production of oil and natural gas are subject to various federal and state laws and regulations to protect the environment. Various state and federal governmental agencies are considering, and some have adopted, other laws and regulations regarding environmental control that could adversely affect the business of the Company, the leases sales activities and the operation of The Company's Operation. Compliance with such legislation and regulations, together with any penalties resulting from noncompliance therewith, will increase the cost of oil and natural gas development, production and processing. Certain of these costs may ultimately curtail The Company's Operations. The Company does not presently anticipate that compliance with federal, state and local environmental regulations will have a material adverse effect on capital expenditures, earnings or the competitive position of The Company's Leases in the oil and natural gas industry.

## **LEGAL PROCEEDINGS**

There are, to the best of Company's knowledge, no legal proceedings pending against the Company or The Company Leases that will adversely affect the lease acquisition activities or the financial condition of the Company or its ability to carry on the business of the Company.

## **FINANCIAL INFORMATION ON THE COMPANY**

The Company was organized in 2020. For information concerning the financial condition of The Company, please consult the Company Management as follows: The Company's intent is to complete the acquisition of 9,000 to 18,000 mineral acres, with 26 producing Horizontal and 6 vertical Oil & Gas wells, with 60+- PUD locations to exploit, currently producing 2,000BOEPD from 26 Horizontal Oil & Gas Wells, with 6 vertical wells, infrastructure and waste water disposal systems in the Permian-Delaware Basin and 11,000+- acres lease in South Texas, with 500+- Oil & Gas Wells to exploit.

OIL Inc is pursuing this \$150MM 506c PP and the opportunity to file OTC, list on the NASDAQ Markets and to register its S-1 IPO to raise capital for its oil field services, to buy mineral leases, Oil Wells and field equipment and begin developing wells on its Projects. The Company is an E & P research and acquisition Company and has had \$9.5MM consolidated revenue with no debt to date. The recent acquisition of T Dewald Well Test, Inc., Contractor Placement and subsidiary RHEDD'S Flow Back Services (TDIR) which has had gross revenues of \$9.5MM+- and \$2.9MM+- Gross Profit for the past 3 years and assumes Operators and Contractors Placement will continue to require their services, which increases the Company operations and revenue.

### **ADDITIONAL INFORMATION**

This Memorandum does not purport to state all of the relevant provisions of the documents referred to or the matters of the terms relevant to the purchase of Stock. Each prospective investor or his Purchaser Representative, if any, may, therefore, review at the offices of the Company, after reasonable prior notice to the Company, any materials, agreements and documents relating to this Offering or any matters set forth herein. The Company's Management, through its authorized representatives, will answer any question, to the extent that the Company possesses such information or can acquire it without unreasonable effort or expense, necessary to verify the accuracy of the information set forth herein. The Company has not entered into any agreements, what-so-ever, with any person and entity that is not disclosed herein.

**Questions or requests for additional information should be directed to the Company Management and Representatives at the following address: 5801 I-40 West, Amarillo, Texas 79106, 806-567-1965 Office 214-546-4520, BLR Cell, 1-888-600-0391 fax [robert@aecoil.com](mailto:robert@aecoil.com), [blr@oilinc.us](mailto:blr@oilinc.us), [www.oilinc.us](http://www.oilinc.us), [RHEDDSFLOWBACK.COM](http://RHEDDSFLOWBACK.COM)**

## SUBSCRIPTION AGREEMENT

OIL Inc  
5801 I-40 West, Suite 107  
Amarillo, Texas 79106  
Attention: Bob L. Royal, CEO

Gentlemen:

The undersigned has received and read the Private Placement Memorandum (the "Memorandum"), which offers The Company's Common Stock ("Stock") in OIL Inc Common Stock, formed under the laws of the State of Texas (the "Company").

1. **Subscription.** Subject to the terms and conditions of this Subscription Agreement, the provisions of the Memorandum, the undersigned hereby subscribes to Stock in the Company for an amount equal to the dollar amount set forth below, and the undersigned hereby agrees that this subscription shall be irrevocable and shall survive the death or disability of the undersigned. The undersigned understands that pending the expiration of the subscription period as set forth in the Memorandum, funds tendered as subscriptions to the Company will be held in a special segregated escrow account maintained with a bank. The undersigned further understands that if this subscription is not accepted or if the minimum subscription amount is not met, all funds received by the Company pursuant hereto will be returned to the undersigned (with accrued interest, if any, and less expenses of the escrow).

2. **Payment.** The undersigned encloses herewith a check payable to or wire transfer payment to "OIL Inc" in the full amount of the purchase price of the Stock being subscribed for. Such funds will be held for my benefit, and will be returned promptly, with incurred interest, if any, thereon if this Subscription Agreement is not accepted by The Company, the offering is terminated pursuant to its terms or by the Company, or the Minimum Amount of stock is not sold.

3. **Deposit of Funds.** All funds received as provided in Section 2 hereof shall be deposited in the Company's Account as specified in the Memorandum.

4. **Acceptance of Subscriptions.** The undersigned acknowledges that the Company has the right to accept or reject this subscription, in whole or in part, and that this subscription shall be deemed to be accepted by the Company only when it is signed by the Company Management. The undersigned agrees that subscriptions need not be accepted in the order received. If this subscription is rejected in whole or the offering is terminated or the minimum amount is not raised, all funds received from the undersigned will be returned without interest thereon, and this Subscription Agreement shall thereafter be of no further force or effect. If this subscription is rejected in part, the funds for the rejected portion of this subscription will be returned without interest thereon, and this Subscription Agreement shall continue in full force and effect to the extent this subscription was accepted.

5. **Representations by The Company.** The Company hereby represents and warrants as follows:

(a) The Company is a Texas corporation duly organized, existing and in good standing under the laws of the State of Texas and has the power to conduct its business.

(b) The Stock will be duly and validly authorized and when issued in accordance with the terms hereof, will be duly and validly issued, fully paid and non-assessable.

(c) The net proceeds from the sale of the Stock will be applied for the uses specified in the Memorandum.

6. **Representations, Warranties and Covenants by the Undersigned.** The under-signed hereby represents and warrants to and covenants with the Company, its agents and employees and with any selling dealer who has solicited this subscription, as follows:

(a) The Stock is not registered under the Securities Act of 1933 (the "Securities Act") or any state securities laws. The undersigned understands that the Offering is intended to be exempt from registration under the Securities Act by virtue of Section 4(2) and/or Section 4(6) of the Securities Act and the provisions of Regulation D or regulation (506c) promulgated thereunder, based, in part, upon the representations, warranties and agreements contained in this Subscription Agreement;

(b) The undersigned has received the Memorandum and all other documents requested by the undersigned, has carefully reviewed them and understands the information contained therein;

(c) Neither the Securities and Exchange Commission nor any state securities commission has approved the Stock offered or passed upon or endorsed the merits of the offering or confirmed the accuracy or determined the adequacy of the Memorandum. The Memorandum has not been reviewed by any Federal, state or other regulatory authority;

(d) The undersigned acknowledges that all available documents, records, and books pertaining to the investment in the Stock (including, without limitation, the Memorandum) have been made available for inspection by him;

(e) The undersigned has had a reasonable opportunity to ask questions of and receive answers from a person or persons acting on behalf of the Company concerning the Offering and all such questions have been answered to the full satisfaction of the undersigned;

(f) In evaluating the suitability of an investment in the Company, the undersigned has not relied upon any representation or other information (oral or written) other than as stated in the Memorandum;

(g) The undersigned is unaware of, and in no way relying on, any form of general solicitation or general advertising in connection with the Offering;

(h) The undersigned has taken no action which would give rise to any claim by any person (other than the Company or a brokerage firm that has signed a selling agreement with the Company) for brokerage commissions, finders' fees or the like relating to this Subscription Agreement or the transactions contemplated hereby and, in turn, to be paid to its selected dealers;



(I) The undersigned has such knowledge and experience in financial, tax, and business matters so as to enable him to utilize the information made available to him in connection with the Offering to evaluate the merits and risks of an investment in the Units and to make an informed investment decision with respect thereto;

(j) The undersigned is not relying on the Company or the Management respecting the tax and other economic considerations of an investment in the Stock, and the undersigned has relied on the advice of, or has consulted with, only his own advisors;

(k) The undersigned is acquiring the Stocks solely for his own account for investment;

(l) The undersigned agrees to bear the economic risk of the investment.

(m) The undersigned has adequate means of providing for his current needs and foreseeable personal contingencies and has no need for the undersigned's investment in the Stock to be liquid;

(n) The undersigned is aware that an investment in the Stock involves a number of very significant risks and has carefully read and considered the matters set forth under the caption "Risk Factors" in the Memorandum;

(o) The undersigned is an "institutional investor" as that term is defined under Rule 144A under the Securities Act or meets the requirements of at least one of the suitability standards for an "accredited investor" as set forth in the Accredited Investor Certification contained herein, and is therefore an "accredited investor" as that term is defined in Regulation D under the Securities Act and specified under "Suitability Standards for Investors" in the Memorandum. All information contained herein and attachments hereto do not contain any untrue statements of fact or omit to state any fact necessary in order to make the statements and information contained herein not misleading;

(p) The undersigned: (I) if a natural person represents that he or she has reached the age of 21 and has full power and authority to execute and deliver this Subscription Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof and has adequate means for providing for his or her current financial needs and anticipated future needs and possible contingencies and emergencies and has no need for liquidity in the investment in the Stock; (ii) if a corporation, partnership, association, joint stock company, trust, unincorporated organization or other entity represents that such entity was not formed for the specific purpose of acquiring the Stock, such entity is duly organized validly existing and in good standing under the laws of the state of its organization, the consummation of the transactions contemplated hereby is authorized by, and will not result in a violation of state law or its charter or other organizational documents, such entity has full power and authority to execute and deliver this Subscription Agreement and all other related agreements or certificates and to carry out the provisions hereof and thereof and to purchase and hold the Stock, the execution and delivery of this Subscription Agreement has been duly authorized by all necessary action, this Subscription Agreement has been duly executed and delivered on behalf of such entity and is a legal, valid and binding obligation of such entity; and (iii) if executing this Subscription Agreement in a representative or fiduciary capacity, represents that it has full power and authority to

execute and deliver this Subscription Agreement in such capacity and on behalf of the subscribing individual, ward, partnership, trust, estate, corporation, or other entity for whom the undersigned is executing this Subscription Agreement, and such individual, ward, partnership, trust, estate, corporation, or other entity has full right and power to perform pursuant to this Subscription Agreement and make an investment in the Company, and that this Subscription Agreement constitutes a legal, valid and binding obligation of such entity. The execution and delivery of this Subscription Agreement will not violate or be in conflict with any order, judgment, injunction, agreement or controlling document to which the undersigned is a party or by which it is bound;

(q) The undersigned has had the opportunity to obtain any additional available information necessary to verify the accuracy of the information contained in the Memorandum and all available documents received or reviewed in connection with the Offering and has had the opportunity to meet with representatives of the Company and to have them answer any questions and provide additional information regarding the terms and conditions of this particular investment and the finances, operations, business and prospects of the Company and the Offering deemed relevant by the undersigned and all such questions have been answered and requested information provided to its full satisfaction;

(r) The undersigned represents to the Company accurate and may be relied upon by the Company and the Company in determining the availability of an exemption from registration under federal and state securities laws in connection with the Offering. The undersigned further represents and warrants that it will notify the Company immediately upon the occurrence of any material change therein occurring prior to the Company's issuance of the Stock;

(s) The undersigned has significant prior investment experience, including investment in non-listed and non-registered securities. The undersigned is knowledgeable about investment considerations in privately placed investments. The undersigned has a sufficient net worth to sustain a loss of its entire investment in the Company in the event such a loss should occur. The undersigned's overall commitment to investments which are not readily marketable is not excessive in view of its net worth and financial circumstances and the purchase of the Stock will not cause such commitment to become excessive. The investment is a suitable one for the undersigned;

(t) The undersigned is satisfied that he has received information with respect to all matters which it considers material to its decision to make this investment;

(u) The undersigned acknowledges that any estimations of market size, projected revenues or expenses and regulatory approvals included in the Memorandum were prepared by the Company Management for the Company in good faith but that the attainment of such projections and estimations cannot be guaranteed by either the Company Management or the Company;

## **NOTICES TO SUBSCRIBERS**

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND SUCH LAWS. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF

THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. SUBSCRIBERS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

SUBSCRIBERS SHOULD REVIEW THE MEMORANDUM WHEREIN NOTICES TO SUBSCRIBERS RESIDING IN CERTAIN STATES ARE SET FORTH IN ACCORDANCE WITH SECURITIES LAWS OF SUCH STATES.

7. **Indemnification.** The undersigned agrees to indemnify and hold harmless both the Company Management and the Company, its officers, directors, employees, agents, control persons and affiliates against all losses, liabilities, claims, damages, and expenses (including, but not limited to, any and all expenses incurred in investigating, preparing, or defending against any litigation commenced or threatened) by reason of or arising out of any actual or alleged false representation or misrepresentation or warranty or breach or omission to state a material fact by the undersigned of any agreement herein or in any other document delivered in connection with this Subscription Agreement.

8. **Irrevocability; Binding Effect.** The undersigned hereby acknowledges and agrees that the subscription hereunder is irrevocable by the undersigned, except as required by applicable law, and that this Subscription Agreement shall survive the death or disability of the undersigned and shall be binding upon and inure to the benefit of the parties and their heirs, executors, administrators, successors, legal representatives, and permitted assigns. If the undersigned is more than one person, the obligations of the undersigned hereunder shall be joint and several and the agreements, representations, warranties, and acknowledgments herein shall be deemed to be made by and be binding upon each such person and his heirs, executors, administrators, successors, legal representatives, and permitted assigns.

9. **Modification.** This Subscription Agreement shall not be modified or waived except by an instrument in writing signed by the party against whom any such modification or waiver is sought.

10. **Notices.** Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be mailed by certified mail, return receipt requested, or delivered against receipt to the party to whom it is to be given (a) if to the Partnership, at the address set forth above, or (b) if to the undersigned, at the address set forth on the signature page hereof (or, in either case, to such other address as the party shall have furnished in writing in accordance with the provisions of this Section 10). Any notice or other communication given by certified mail shall be deemed given at the time of certification thereof, except for a notice changing a party's address which shall be deemed given at the time of receipt thereof.

11. **Assignability.** This Subscription Agreement and the rights, interests and obligations hereunder are not transferrable or assignable by the undersigned and further agrees that the transfer or assignment of the Stock shall be made only in accordance with all applicable laws.

12. **Applicable Laws.** This Subscription Agreement shall be governed by and construed in accordance with the internal laws of the State of Texas without regard to its conflicts of laws principles. The undersigned hereby irrevocably submits to the jurisdiction of any Texas or United States Federal court sitting in Texas over any action or proceeding arising out of or relating to this Subscription Agreement or any agreement contemplated hereby, and the undersigned hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such Texas or Federal court. The undersigned further waives any objection to venue in such state and any objection to an action or proceeding in such state on the basis of a non-convenient forum. The undersigned further agrees that any action or proceeding brought against the Partnership shall be brought only in an Texas or United States Federal courts sitting in Texas. THE UNDERSIGNED AGREES TO WAIVE ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS SUBSCRIPTION AGREEMENT OR ANY DOCUMENT OR AGREEMENT CONTEMPLATED HEREBY.

13. **Blue Sky Qualification.** The right of the undersigned to purchase Stock under this Subscription Agreement are expressly conditioned upon the exemption from qualification of the offer and sale of the Stock from applicable Federal and state securities laws. The Company shall not be required to qualify this transaction under the securities laws of any jurisdiction and, should qualification be necessary, the Company shall be released from any and all obligations to maintain its offer, and may rescind any sale contracted, in the jurisdiction.

14. **Miscellaneous.**

(a) This Agreement, constitutes the entire agreement between the undersigned and the Company with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings, if any, relating to the subject matter hereof. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by a written document executed by the party entitled to the benefits of such terms or provisions.

(b) The undersigned's representations and warranties made in this Agreement shall survive the execution and delivery hereof and of the Stock.

(c) Each of the parties hereto shall pay its own fees and expenses (including the fees of any attorneys, accountants, appraisers or other engaged by such party) in connection with this Agreement and the transactions contemplated hereby whether or not the transactions contemplated hereby are consummated.

(d) This Agreement may be executed in one or more counterparts each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

(e) Each provision of this Subscription Agreement shall be considered separable and if for any reason any provision or provisions hereof are determined to be invalid or contrary to applicable law, such invalidity shall not impair the operation of or affect the remaining portions of this Subscription Agreement.

(f) Paragraph titles are for descriptive purposes only and shall not control or alter the meaning of this Subscription Agreement as set forth in the text.

(g) All pronouns and any variations thereof used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require.

**Accredited Investor Certification**  
**(Check the appropriate box(s) for yes)**

- ☐ (I) I am a natural person who had individual income of more than \$200,000 in each of the most recent two years or joint income with my spouse in excess of \$300,000 in each of the most recent two years and reasonably expect to reach that same income level for the current year ("income", for purposes hereof, should be computed as follows: individual adjusted gross income, as reported (or to be reported) on a Federal income tax return, increased by (1) any deduction of long-term capital gains under Section 1202 of the Internal Revenue Code of 1986 (the "Code"), (2) any deduction for depletion under Section 611 et seq. of the Code, (3) any exclusion for interest under Section 103 of the Code and (4) any losses of a partnership as reported on Schedule E of Form 1040);
- ☐ (ii) I am a natural person whose individual net worth (i.e., total assets in excess of total liabilities excluding the home and home liabilities unless the home is valued at less than the liabilities against it, in which case the excess liabilities should be deducted from your net worth), or joint net worth with my spouse, will at the time of purchase of the Units be in excess of \$1,000,000;
- ☐ (iii) The undersigned is a bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; an insurance company as defined in Section 2(13) of the Act; an investment company registered under the Investment Corporation Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; a Small Business Investment Corporation licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or if a self-directed plan, with investment decisions made solely by persons that are "accredited investors."
- ☐ (iv) The undersigned is a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.
- ☐ (v) The undersigned is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000.
- ☐ (vi) The undersigned is a trust, which trust has total assets in excess of \$5,000,000, which is not formed for the specific purpose of acquiring the

Common Shares offered hereby and whose purchase is directed by a sophisticated person as described in Rule 506 (b) ii of Regulation D and who has such knowledge and experience in financial and business matters that he is capable of evaluating the risks and merits of an investment in the Units;

☐ (vii) I am a manager, director or executive officer of the Partnership or General Partner; or

☐ (viii) The undersigned is an entity (other than a trust) in which all of the equity owners meet the requirements of at least one of the above subparagraphs.

\* \* \* \* \*

IN WITNESS WHEREOF, the undersigned has executed this Subscription Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 2024\_.

_____	x \$5.00	=	_____
(Shares Purchased)	(Stock Price per share)		(Subscription Amount)

If the undersigned is an INDIVIDUAL, or if purchased as JOINT TENANTS, as TENANTS IN COMMON, or as COMMUNITY PROPERTY:

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Signature of Undersigned

\_\_\_\_\_  
Signature of Undersigned

\_\_\_\_\_  
Street Address (or Post Office Box)

\_\_\_\_\_  
Date

\_\_\_\_\_  
City, State and Zip Code

\_\_\_\_\_  
E-Mail

If the undersigned is a PARTNERSHIP, CORPORATION, or TRUST:

\_\_\_\_\_  
Name of Partnership,  
Corporation or Trust

\_\_\_\_\_  
Federal Taxpayer  
Identification Number

By: \_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Street Address (or Post Office Box)

\_\_\_\_\_  
Date

\_\_\_\_\_  
City, State and Zip Code

\_\_\_\_\_  
State of Organization

SUBSCRIPTION ACCEPTED AND AGREED

this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_.

OIL Inc  
Bob L. Royal

Chief Executive Officer

## **OIL Inc**

### **Subscription Agreement Signature Page**

#### **GENERAL INSTRUCTIONS**

AFTER YOU HAVE CAREFULLY REVIEWED THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM AND HAVE DECIDED TO SUBSCRIBE FOR ONE OR MORE SHARES OF THE COMMON STOCK OF THE COMPANY, PLEASE OBSERVE THE FOLLOWING INSTRUCTIONS:

1. Complete and execute all applicable documents in accordance with the instructions on the next page.
2. Verify that all applicable blanks, dates and signatures are properly completed for each completed and executed document to assure its legal validity.
3. Return:
  - a) The entire Subscription Booklet, fully and accurately completed and executed; and
  - b) Bank wire, check, bank draft or money order for the amount in cash made payable too: OIL Inc, 5801 West I-40, Amarillo, Texas, 79106, Fed Name Amarillo National Bank, ABA #111300958, Amarillo National Bank, , Amarillo, Texas, 79124, Account #8351104.

Upon the acceptance by the Company of your subscription, you will be sent the executed Stock Certificates from OIL Inc's Management's Transfer Agent.

4. Deliver or mail to:

Bob L. Royal, CEO  
Oil Inc.  
5801 I-40 West, Suite 107  
Amarillo, Texas 79106

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If you have questions regarding the above, please contact:

Bob L. Royal  
(214) 546-4520 Cell

#### **INSTRUCTIONS FOR EXECUTION OF SUBSCRIPTION AGREEMENT**

1. Read carefully and completely.
2. Complete all information requested.
3. Make certain your signature is properly witnessed.

4. Make certain to include your social security or tax identification number.

Name(s) Typed or Printed

\_\_\_\_\_  
\_\_\_\_\_

Subscription Amount

\$ \_\_\_\_\_ Date \_\_\_\_\_

Social Security Number of Federal Tax I.D. Number \_\_\_\_\_

Mailing Address

\_\_\_\_\_

Zip

\_\_\_\_\_

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR MOST STATE SECURITIES ACTS. THE SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION OF THEM UNDER THE SECURITIES ACT OF 1933 AND/OR THE STATES' SECURITIES ACTS, OR AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER THAT SUCH REGISTRATION IS NOT REQUIRED UNDER SUCH ACT OR ACTS.

Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

OIL Inc

s/BOB L. ROYAL/s Chief Executive Officer

Bob L. Royal, Chairman, CEO, COO

Exhibit "A"





## OIL Inc

### EXECUTIVE SUMMARY October 12, 2024



OIL Inc is a Texas Corporation, located at 5801 I-40 West, Suite 107, Amarillo, Texas 79106, (The Company) doing business in the Oil & Gas Industry. The Company's Chairman, CEO, Bob L. Royal, has over 60 years in the Oil Industry and over \$50MM in the Oil Industry. Mr. Royal has been the Chairman, CEO of OTC Companies. Mr. Royal took Life Partners, Inc. public by reverse acquisition in 2000, with \$500k assets and \$375MM in gross earnings. He became the largest single public Stockholder. LPHI traded on the NASDAQ Global Markets @\$50.00 a share August 2007, with a \$500MM Market Cap. LPI originated and created Senior Like Settlements in 1997, which is currently a multi-\$Billion Industry. Mr. Royal liquidated his stockholdings in 2008, receiving a great return.

**OIL Inc TEAM:** The Company's Great Professional Team of Oil & Gas Industry and Financial Professionals with over 100 years of Education, technical and OJT experience, are owner/operators, Chief geologist, Independent geophysicist, engineers, drilling and completion experts, Field operators, accounting experts and consulting experts. The Company's Team has Texas, Oklahoma, New Mexico and Worldwide experience. They have leased thousands of mineral acres, drilled, completed and produced thousands of Oil & Gas Wells, with infrastructure. NTG is the Company's choice for engineering and development of the Company's Wells.

The Company's CEO has agreed to a letter of intent (LOI) to purchase 9,000+- mineral acres, with an additional 9,000+- mineral acres to be re-leased and/or leased. That is currently producing 2,000 BOEPD from 26 Horizontal Oil & Gas Wells and 6 vertical Oil & Gas Wells NTM gross revenue @\$33.9MM+-, with over 90 PUD drilling locations in the Texas Permian-Delaware Basin. The Seller developed their plan to exploit the project, with all proprietary data in a multi-page presentation. The Company is purchasing the Project for \$100MM+- and 2.25MM shares of the Company's 144 Common Stock @\$20.00 per share for the transaction, being \$45MM, totaling \$145MM.

Plans and strategies are to conduct additional 3D seismic interpretation by a highly qualified Independent Dr. Geophysicist, with his and the Company's Chief Geologist research of the Project. The Company's CEO would then engage NTG to engineer and develop the designated wells on the locations identified by a highly qualified Dr. Geophysicist. The Company's Contractor Placement Services would furnish contractors to NTG and The Company's subsidiary TDEWALD Well Test, Inc., dba RHEDD'S Flowback Services (TDIR) would assist NTG with completion of the Wells, constructing infrastructure and tank batteries and overseeing.

The Company purchased 100% of the Stock of TDIR, of Amarillo, Texas, in a multi-million dollar Stock Transaction September 18, 2024. TDIR had gross revenues over the past 3 years of \$9.5MM+- in 2022, 2023 and 2024 with \$2.9MM+- gross profit, which increases the Company's consolidated financials. Additionally, the Company is negotiating with a Global Engineering Company for a Master Service Agreement to make available our services to their Global Company. The Company's services will begin in the Texas Permian-Delaware Basin, in 2024. Servicing the Global Company's assumed Horizontal Wells with assumed AFEs @\$9.6MM+- each.

This addition expands the Company by providing our Subsidiaries and personnel's services who will conduct well Test, and flowback the newly drilled wells for the completion process for the Global Company. Oil Inc's Subsidiaries and personnel will construct the infrastructure, flow lines, and tank batteries and put the new Oil & Gas Wells on-line producing. OIL Inc's Management's plans and strategies are to duplicate the above described services many times, earning the respect of the Global Company. TDIR's Management has guided several Operators year over year to increase production of their Oil & Gas Wells, creating increased gross revenues.

The Company's Subsidiary Company, TDIR was established to Test Wells and Flowback drilled wells for completion. As time pasted; Management approved more contractors. TDIR currently qualifies, vets, trains and makes contractors available to companies and operators. TDIR., which in turn has signed Master Service Agreements (MSAs) with the Companies and Operators. TDIR., has signed MSAs with hundreds of Companies and Operators to furnish thousands of contractors in several different States throughout the Nation.

TDIRs, current data base is 10 MSAs with 2 pending and hundreds, in contact with, who currently or will need contractors in the near future. TDIR, currently has in their date base 50 qualified, vetted and insured contractors who or currently working or ready to go to work anywhere in the Nation or the free world. The Permian Basin and the Delaware Basin are the current primary locations for the contractors in the Oil & Gas Industry.

The MSAs Companies deliver payments to TDIR, within 30 to 45 days, which is from highly respected vetted Companies. TDIR, initially pays the contractors within 19-26 days and continues to pay them weekly for their future services. In the event a company who has signed an MSA does not pay timely, for any reason, TDIR, files a lien, for payment, on the company and the project owner operator, after notification.

The Company's Management plans to engage one certain Dr. Geophysicist, who shall interpret The Company's 3D Seismic. He has Interpreted the 3D Seismic, conducted his due diligence on the 11,000+- South Texas, mineral acres lease and issued his Executive Summary. The Company further plans to engage One certain Global Company to develop their Oil & Gas Wells. The Company's Subsidiary Companies and personnel will furnish the support services to assist the Global Company to drill and complete the Company's wells.

The Company's 2<sup>nd</sup> Project it plans to formally execute the targeted lease, previously leased, of one certain South Texas 11,000+- acres, which off-sets a Gas Field where several Deep Gas & Oil Wells were developed, with the majority currently producing. It is the same as buying producing wells with several PUD drilling locations. The Company's initial Project is 18 high graded infill off-

set drilling locations, valued at the Industry Standard 5X developed assumed value of \$630M+-, @\$70.00 BO. The Company's cost is only the lease bonus.

The Company's 2<sup>nd</sup> Project is located in the South Texas Oil & Gas Country, where the Major's play. The pipeline infrastructure and the end user/gas buyer (Kinder Morgan) is in place. The terms of the lease are for 3 years. One deep Well holds 640 acres (held by production) HBP. 17 deep Wells holds the 11,000+- acres HBP. RRC of Texas rules are 160/320 acres spacing per deep Well and the RRC of Texas rules are 40 acres spacing for all shallow wells. The Company's Management assumes it will lease the Project AEC Oil Company, an associated Company, entered a PSA to acquire the lease April 19, 2018, with AEC paying down on 11,000+- acres lease, by issuing shares of AEC Common Stock and \$90,000.00 cash initially. Acquire the lease, when paid in-full. AEC did not complete the transaction.

The highly qualified Professional Dr. Geophysicist has issued his report of the lease formations, he states is an incomplete development of the Fault and the 11,000+- acres lease for infill development of offset drilling locations. His projections are based on information he has compiled from his 3D seismic interpretations, his professional study of the lease, 40 off-set proven producing wells and highly productive Fields with stacked pay and many wells near the lease.

The Company's Management estimates monthly operation gross assumed production of 400BOEPD per deep gas well. History shows by reviewing good off-set developed deep wells in the formation there is no decline for 3+- years and very little saltwater to dispose, with large Oil & Gas Hydrocarbon Reserves. The deep flowing vertical Gas Wells are choked back, as stated by the Engineer who developed the off-set wells and who The Company's Chief of Field Operations plans to engage, as consulting engineer, for the development of our off-set, infill, PUD drilling locations, into producing wells. A good off-set well reviewed by the Dr. Geophysicist has produced 3.2BCF and 100,000BC. Many of the good wells reviewed and studied by the Dr. Geophysicist, have produced for 5 or more years at equally high volumes. Kinder Morgan's Representative stated to the Company's CEO that Kinder Morgan would buy all Gas the Company finds in the County and will assist and contract to buy Gas from The Company. The Company's first yearend gross revenue is projected to be \$94MM+- @\$70.00+- BO, w/\$28MM+- from production carried to year 2, from shallow and deep Oil Wells and off-set infill producing Gas wells based on OIL Inc's assumed yearend accumulated Oil & Gas Wells, and NGLs yearend gross developed production.

The Company assumes it is possible to develop 50 to 70 deep vertical Oil & Gas wells at 160 to 320 acres spacing and up to 500 shallow Oil Wells at 40 acres spacing on the lease, with the 3D seismic signature of stacked compartmentalized formations from 1700' to 7100' shallow and 7100' to 11000' high pressure proven with deeper formations to explore from the 3D seismic interpretation to include possible unconventional shale development and deeper Oil.

A potentially exciting and significant play was identified by the Dr. Geophysicist within the western central portion of the 3D seismic lease area. A mappable, 2200 acres debris flow, several hundred feet thick, encased in shale which is found with the same as Marathon's Brae Field in the North Sea reported to have produced 200MMBO from 24 Wells. Dr. Geophysicist is familiar with the Brae Field and has identified 31 Debris Flow Oil & Gas Wells locations in the debris flow and over 30 shallow Oil & Gas Well locations in the Central Area, as well. He has also

high graded over 18 deep off-set deep Oil & Gas drilling locations on the (2700+ acres) southern part of the lease. Management Estimates the 5x value of 18 deep developed infill drilling locations calculates to \$630+-MM @\$70.00BO. The Company's Head Geologist, who is a field professional has estimated the AFE to be \$200.00 per foot for each well, which he estimated is currently \$2MM per deep 10,000' vertical flowing Oil & Gas well assumed to produce 400BOEPD. A Debris Flow vertical Oil Well is estimated @\$1.6MM, with estimated 400BOPD to 1,000BOPD and gas. His additional AFE for each shallow vertical Oil Well would cost \$700k+- to \$1.2MM average per well. It is assumed each shallow Oil Well would produce 50BOPD to 200BOPD+- and gas. OIL Inc's CEO signed an Engagement Agreement with Netherland Sewell Engineering Firm (NSAI) to engineer the 2700 acres lease, with 18 to 24 PUDs locations September 18, 2018. Additionally, NSAI would continue their engineering for the Company's entire lease and the Company's future producing wells.

The Dr. Geophysicist has had positions with Major Oil Companies for over 30 years, working worldwide and being with Mobil Oil Company for 16 years. He interpreted 3D Seismic for Mobil OIL Company and headed several of Mobil Oil Company's operations, interpreted the 3D seismic for more than 10 years while discovering several Oil & Gas fields and drilling many vertical Oil & Gas Wells to TD of 30,000'. His specialty is South & West Texas, including the Permian Basin. He retired from Mobil and established an Independent LLC, his operation of interpreting and identifying drilling locations by interpreting 3D Seismic for others. The Company plans to engage the Dr. Geophysicist to interpretate the 3D seismic of the 18,000+- acres for infill drilling locations recommendations and his guidance for development.

He has interpreted the 3D Seismic on the 11,000+- acres lease Project and has discovered both deep and shallow Oil Wells locations to exploit on the Oil & Gas Project. He conducted his research of off-set producing wells. He has high-graded over 18 infill drilling locations on the southern part of the South Texas mineral lease Project. He states the 11,000+- lease is an incomplete development of the Fault and the lease to exploit. He further states that the drilling locations are exploitation not exploration, with like 3D seismic signatures, as the good off-set wells. He further states he has identified hundreds of shallow Oil Well drilling locations and over 24 deep Oil & Gas infill PUDs, with high gravity Condensate and NGLs drilling locations. The lease lies between a shallow Oil Field on the north that has produced 75MM BO and the off-set Deep Gas/Condensate Field on the South, with 40 producing wells, which all are located in the South Texas Oil Country that has produced 1.12B BO and 6T cubic feet of gas reported from 1929 through 1994 and continues to produce in several fields.

The Company is negotiating to acquire the lease, with favorable terms, and Management's plans are for the Company's Chief of Field Operations and Professionals to aggressively develop the 11,000+- acres lease Project by exploiting the Shallow and Debris Flow PUD locations in the Central Area and the off-set infill drilling locations, with 18 high graded Infill PUD locations in the south initially then continue to exploit the entire lease as the Dr. Geophysicist directs. Plans are to develop deep high BTU gas with high gravity Condensate, NGL, Debris Flow (DF) and shallow Oil Wells the 1st year. Develop more of the same type Wells the 2<sup>nd</sup> and 3<sup>rd</sup> years and the same type Wells yearly. Which are projected, but not guaranteed, to have \$Billion estimated 5x values from OIL & Gas Wells @\$70.00 BO.

Additionally, the Company will engage Fisher, Moore & Company, PLLC, Accounting of Midland, Texas, Weaver Auditing (PCAOB) of Forth Worth, Texas and Security Transfer of Frisco, Texas.

The Netherland Sewell Associates, Inc., (NSAI) Reservoir Engineering Firm of Houston and Dallas, Texas, is the chosen engineering Firm and would be engaged by the Company. The Company further plans to engage Vinson and Elkins Attorney Firm of Houston and Dallas, Texas, as the Companies Attorneys.

The Company to invest in an 80% interest Ownership in certain Projects and/or Operator's Oil & Gas Wells.

The Company's goal is to file its S-1 Registration, of certain OIL Inc shares, of its Common Stock immediately. The chosen Investment Bank, Broker Dealer is JP Morgan. The Company's Management to negotiate with JP Morgan to assist the Company with its planned IPO. Plans are for a firm offering to raise \$1B to \$1.5B, and list on the NASDAQ Markets, with an effective date after the Securities Commissions' (SEC) comments, in approximately 4 to 6 months from filing. Continue to raise capital, as appropriate with APOs and pay quarterly dividends thereafter with Director approval.

October 24, 2024

OIL Inc

s/Bob L. Royal  
Chairman CEO

#### **CONTRACTOR PLACEMENT SERVICES**

OIL Inc, (The Company) of Amarillo, Texas, purchased 100% of the Stock of TDEWALD Well Test, Inc., and DBA Subsidiary, RHEDDS Flowback Services, of Amarillo, Texas, in a multi-million dollar Stock Transaction, September 18, 2024. TDEWALD Well Test, Inc., Contractor Placement and its DBA Subsidiary, RHEEDS Flowback Services had gross earnings over the past 3 years averaging \$9.5MM+- gross revenue, with \$2.9MM+- gross profit. Additionally, the Company is negotiating with a Global Engineering Company for a Master Service Agreement to furnish our services to their Global Company. The Company's services will begin in the Delaware Basin adjacent to the Permian Basin of Texas, in 2024. Servicing the Global Company's Horizontal Wells with assumed AFEs up to 9.6MM+- each.

This addition expands the Company by providing our Subsidiaries and personnel's services who will conduct well Test, Contractor Placement and flowback the newly drilled well for the completion process for the Global Company. Oil Inc's Subsidiaries and personnel will construct the infrastructure, flow lines, and tank batteries and put the new Oil & Gas Wells on-line producing. OIL Inc's Management's plans and strategies are to duplicate the above described services many times, earning the respect of the Global Company.

The Company's Subsidiary Company, TDEWALD Well Test, Inc., Subsidiary RHEDDS Flowback Services was established to Test Wells and Flowback drilled wells for completion. As time-pasted, Management approved more contractors. TDEWALD Well Test, Inc., Management currently qualifies, vets and makes contractors available to companies, TDEWALD Well Test, Inc., which in turn signs Master Service Agreements (MSAs). TDEWALD Well Test, Inc., has signed

MSAs with hundreds of Companies to furnish thousands of contractors in several different States throughout the Nation.

TDEWALD Well Test, Inc', current data base is agreements with Companies 10 MSAs with 2 MSAs pending and hundreds of MSAs, in contact with, who currently or will need contractors in the near future. TDEWALD Well Test, Inc., currently has in their data base 50 qualified, vetted and insured contractors who or currently working or ready to go to work anywhere in the Nation and the free world. The Permian Basin and the Delaware Basin are the current primary locations for the contractors in the Oil & Gas Industry.

Experienced 1099 Contractors receive \$1,500.00 per day. TDIR receives 10%, being \$150.00 per day for each experienced 1099 Contractor placed on the job. 25 Contractors is \$3,750.00 per day, 30 days is \$112,500.00 per month, 12 months is \$1.35MM annually. In-experienced 1099 Contractors, which are trained by TDIR, receive an average of \$500.00 per day. TDIR receives 40%, being \$200.00 per day for each in-experienced 1099 Contractor placed on the job. 25 Contractors is \$6,000.00 per day, 30 days is \$180,000.00, \$2.16MM totaling \$3.51MM, times 5 = \$17.55MM annually.

The MSAs Companies deliver payments to TDIR, within 30 to 45 days, which is from highly respected vetted Companies. TDIR, initially pays the contractors, by direct deposit, within 19 to 26 days and continues to pay them weekly for their future services. In the event a company who has signed an MSA does not pay timely, for any reason, TDIR files a lien, for payment, on the company and the project owner operator, after notification.

## **PLANS & STRATEGIES**

I find that most Company's Management do not desire to be public because of the rules, regulations, constant filing required and cost. In the event they do go public they would traditionally raise capital one (1) time because of further dilution of their stock. They would use the capital raised to develop their assets and pay themselves. They would then be required to file quarterly, annually, all changes, adhering to the rules, regulations and the cost of a public company. Companies traditionally offer interest in their Oil & Gas Wells to private investors at 75%+ to the investors, retaining 25% or less to develop their Oil & Gas Wells. They also borrow capital from high interest lenders or hedge their assets, which limits their net profits.

My plans and strategies are for OIL Inc to file its IPO to initially raise capital to acquire and operate the Company profitably and continue filing APOs raising additional capital, while diluting the Company's Outstanding Common Stock. The additional capital to be used to acquire and develop additional assets, general operations and the Company's reserves. Creating larger gross and net revenues from OIL Inc's IPO's and APO's OIL Inc initiates and large cash reserves.

OIL Inc's CEO will engage one certain (PCAOB) qualified Auditing Firm to audit OIL Inc's consolidated financials. Oil Inc's CEO will present OIL Inc plans and consolidated information deck to one or more investment Banking Broker Dealers for a firm offering. Oil Inc's CEO will engage one certain Attorney Firm's Securities Attorney to register certain shares of OIL Inc Common Stock, with the SEC, to raise capital for OIL Inc's assumed IPO.

A red herring would be created when the Attorney delivered OIL Inc's registration documents to the SEC. OIL Inc's CEO assumes OIL Inc could hypothecate the assumed Offering for an agreed amount of the assumed Offering within 30 to 60 days, to be repaid at the effective date.

It is anticipated the SEC will issue their comments, which the Securities Attorney will answer and after SEC comments, and an effective date would be scheduled. OIL Inc's CEO would file to list on the Nasdaq Markets. The BD would deliver the capital raised to OIL Inc., and OIL Inc's Common Stock would begin trading on the Nasdaq Markets.

OIL Inc would use the capital received from OIL Inc to develop their Oil & Gas Wells, which will create additional gross revenue and net earnings for the Stockholders and OIL Inc.

OIL Inc's CEO will enter into an agreement with the BD. OIL Inc's CEO would instruct the Securities Attorney to Register an APO of Oil Inc Common Stock for the BD to sell to the BD Investors, based on the assumptions and from the assets revenue. Every new offering will dilute OIL Inc's Common outstanding Stock with added revenue from newly developed or acquired assets. It is assumed, OIL Inc's Common Stock would increase in value.

OIL Inc plans to continue to register APOs of OIL Inc Common Stock and offer OIL Inc Common Stock to the BD investors. OIL Inc shall continue to joint-venture with Independent Oil & Gas Operators and shall acquire Oil & Gas Wells, mineral leases, royalty interest, and other assets while continuing to offer additional OIL Inc Common shares to raise capital. OIL Inc shall use Other People's Money (OPM) to build a well Capitalized Company.

It is further agreed, by the Directors, that OIL Inc Stockholders can borrow up to 20% of their Oil Inc Common Stock, based on the Company's current Stock quote, with Director approval.

The Transfer Agent engaged by OIL Inc's CEO will deliver all OIL Inc Common Stock to those who pay \$5.00 per share, as described herein, prior to OIL Inc's IPO.

Exhibit "B" (Chairman, CEO)

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### **BOB L. ROYAL**

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8/1989 – Present Royal Trust, Trustee

- Mr. Royal is the Chairman and CEO of OIL Inc. Mr. Royal is currently operating OIL Inc Executive office in Amarillo, Texas. He is leading his Team of Professionals with over 100 years combined experienced in the Domestic and in the International OIL industry and Financial Professionals. They are negotiating financing to develop OIL Inc's Projects. Once the financing is made available, OIL Inc shall secure and develop the OIL Inc Projects. Mr. Royal is a disabled Korean War Theater Veteran with a VA corrected hearing loss. He incorporated a non-profit Texas Corporation named USA WARRIORS, Inc., for the benefit of our USA Veterans, who have served our Country.

### **EXPERIENCE**

6/17 – Present Chairman, CEO, President, Director of OIL Inc, Andover Energy Corporation (AEC), AEC Oil Company and Trustee Royal Trust.

- Chief Operating Officer of OIL Inc. OIL Inc's 1<sup>st</sup> Project is 9,000 to 18,000 mineral acres, with 26 producing Horizontal Wells, with

infrastructure, producing 2,000BOEPD, in the Permian/Delaware Basin of Texas. The 2<sup>nd</sup> Project is 11,000+- acres mineral lease with 24 infill off-set PUDs, with a highly qualified Dr. Geophysicist 3D Seismic interpretation, identification and recommendation for an incomplete development of the Fault and OIL Inc's Project. Royal Trust founded OIL Inc, a Texas Corporation filed to do business in Texas, that operates from its Executives Offices in Amarillo, Texas. OIL Inc was established to do business in the Oil & Gas Industry. Plans are to file private and public registrations. AEC Oil Company signed A PSA to acquire 100% WI of the 11,218 acres mineral lease, with 71% NRI in South Texas. OIL Inc has assembled a Team of Professionals to exploit the lease. The Dr. Geophysicist with his resume of 16 years with Mobil, running Mobil's 3D Seismic and other operations for over 10 years has interpreted the 3D Seismic on AEC's lease, which he calls an incomplete development of the Fault, with off-set infill wells to exploit. Mr. Royal has engaged a highly qualified Geologist, as Chief of Field Operation to exploit the infill Wells on the Lease. AEC engaged NSAI to engineer the reserves of the lease Oil & Gas Reserves, negotiated with Kinder Morgan to buy OIL Inc's Gas in the County, negotiating to engage Weaver Auditors. OIL Inc is offering shares of its Common Stock by Private Placement to finance OIL Inc's registration for its S-1 IPO. Mr. Royal enjoys the Oil Business and ranching. Mr. Royal currently offices, in Amarillo, Texas. Mr. Royal is currently the Chairman, CEO and President of OIL Inc, Andover Energy Corporation and AEC Oil Company, two private Texas Corporation. OIL Inc is planning to exploit its Star County Project with the Team of Professionals using their skills and experience. AEC additionally plans to file an S-1 Public Registration of its Common Stock and list on the Nasdaq Capital Markets at the effective date.

6/2002 – 1/2016 Royal Trust, Trustee.

- Occupied and operated the Royal Ranch in Parker County, running both cattle and horses on several Texas ranches from 1961.

8/13 – 6/17

Chairman, CEO, President, Treasurer, Director of BIBC, Ltd., Trustee Royal Trust

- Chief Operating Officer of BIBC, Ltd., mineral leases, producing well, oil field equipment, drilling, completion and workover rigs operations.

9/09 - 8/13

Chairman, CEO, CFO, Secretary, Treasurer, Director of, Exterra Energy, Inc., OTC, EENI.

- Oil and Gas production, acquiring producing and shut-in Oil wells and mineral leases in the Barnett Shale in the Fort Worth Basin and the giant East Texas Woodbine Field in Texas, and hands-on operations, filing 10Q, 10Ks and Audits with the Securities & Exchange



Commission and operating an OTC Public Company, with public Stockholders and Transfer Agents.

- 8/1995 – 9/09 Chairman, CEO, President, Treasurer, Director of Royalco Oil & Gas Corporation.
- Oil & gas lease acquisition, shut-in and producing wells, 280 miles Brady, Texas gas pipeline, with a 12MMCF Storage Facility, which furnished the City of Brady and Brown County Industrial with natural Gas and 20MM engineered Barnett Shale Natural Gas Reserves, with 3PUDs, which were exchanged to Exterra Energy, Inc., OTC, EENI for 90% of the Common shares of EENI.

- 6/1985 – 1/2000 Chairman, CEO, President, Treasurer and Director of I.G.E., Inc., OTC, IGEE
- In 1982 Mr. Royal was elected to the Board of Directors of I.G.E., Inc., a Massachusetts Oil Corporation listed on the NASDAQ stock market. I.G.E., Inc., owned oil & gas concessions in off-shore Central America, 4,000 acres and 40 wells in Tennessee. I.G.E., Inc. merged with Austin-Royal Corporation in 1985. Clifton Investment Trust owned 53% of I.G.E., Inc., Common Stock. I.G.E., Inc., acquired 100% of the Common Stock of Life Partners, Inc., January 19, 2000, which was in the Viatical Settlement Business in Waco, Texas, with audited assets of \$500,000.00 and administrating the sale and purchase of \$375MM life insurance policies of terminally ill, persons. LPI created Senior Life Settlements in 1997. I.G.E., Inc., name was changed to LPHI, OTC, which was traded on the NASDAQ Global Markets @\$50.00 a share August 2007, with a Market of \$500MM. Clifton Investment Trust capitalized a Bahamian International Business Corporation with its LPHI Common Stock, through my dear friend and Attorney in Nassau The Bahamas, I had known since 1982.

11/1982 – 6/1985

Mr. Royal leased 73,000 sq. ft. of executive offices in Dallas and Houston. He then filled the offices with x-Exxon technical people, who knew of projects they developed and sold to each other, with Burke Oil Company, OTC, the Public Company that leased the offices, participated in 25% with the people in their project. He later exchanged certain shares of Burke Oil Company and another OTC Company's Common Stock for National Barter Trade Credits from an Oklahoma City Firm. Traded National Barter Trade Credits for several commodities, including \$50,000.00 jet aircraft charter, was introduced by the Jet Base owner to Vic Vickrey, the General Manager of the Aladdin Hotel & Casino of Las, Vegas, Nevada.

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- He Negotiated to buy the Aladdin Hotel & Casino and the Sands Hotel & Casino, which he planned to time/share 700 rooms of the Aladdin and 400 rooms of the Sands. Jack Pratt, the owner of the Sands Hotel and Casino, he knew through his VA Mortgage Company, from Dallas, Texas, offered to sale him the Sands Hotel and Casino for

\$10.00 down and other considerations, and assume is \$40MM debt with Suma Corporation, Howard Hughes Corporation, which owned all his Hotels. The Aladdin and the Sands each had \$40MM losses and the sands had \$10MM markers from south of the Border. Vic Vickrey, who became his dear friend, introduced him to Mike Sloan who represented absentee owners through their Attorneys, at a meeting at the Aladdin Continental Dinning Room, with Jack's Attorney and Ed Prat who was operating the Sands for Jack. The Attorney suggested he partner with Wayne Newton. He met with Mike Sloan the next morning in Mr. Royal's suite. Mike represented Ed Torres, the owner of the Aladdin, and offered him the Aladdin for \$66MM, paying-off the old owners \$16MM, the Teamsters \$32MM, Mr. Torres and Wayne Newton \$12MM and \$6MM for the front area on the strip. The Hotel and Casinos were each losing \$1.25MM monthly. He considered the purchase of both but felt he should decline, which he did, after being comped #4 in the executive suite at the top of the Aladdin for 30 days.

12/1975 – 11/1982 Chairman, CEO, Treasurer of Royal-Logan Oil Corporation

- Mr. Royal founded Royal Logan Oil Corporation, with offices in Corpus Christi, Texas, and Dallas, Texas in 1975, with leases and wells in San Patricio County. He operated that company for over 7 years. Mr. Royal was instrumental in acquiring leases and oil wells in Panola County, Texas, in the same fields Clint Murchison and H. L. Hunt Oil were producing. In 1980, he merged Royal Logan with Austin-Royal Oil Corporation. Austin-Royal Oil Corporation acquired production fields in Texas, Louisiana and Oklahoma.

Mr. Royal owned and operated Royal Mortgage Company, a VA Lender, with offices in Dallas, Texas and Killeen, Texas. He worked with real estate agents originated VA loans for their Veterans Clients, packaged them and sold them to Lomas Nettleton of Dallas, Texas.

6/1975 – 12/1975 Mr. Royal traveled to New Mexico, buying turquoise and legal Indian Artifacts. He also traveled to Bogota, Columbia, traded and imported emeralds and legal Columbian Artifacts in 1975.

6/1961 – 6/1975 Mr. Royal's Real Estate, Automotive, and Mobile Home Ventures were in Victoria, San Antonio, Harker Heights and Copperas Cove, Texas

- Mr. Royal has over 60 years of experience in the Oil and Gas Industry and Real Estate Business, buy, selling, trading and developing Oil and Gas Leases, Wells, Oil Wells Rigs, Oil Field waste water treatment and real estate. Mr. Royal entered the Real Estate Industry and the Oil & Gas Industry in 1961 in Victoria, Texas. Mr. Royal excelled in the Real Estate Industry in Copperas Cove, Fort Hood, Texas, buying 50 houses, building residential and commercial and trading ranch properties

throughout the State of Texas, while investing in the Automobile Industry and the Mobile Home Industry. Mr. Royal learned about the Oil business from Tom O'Connor and Sinclair Oil in Victoria Texas in 1961, after returning for Korea.

12/1957 – 6/1961 Education and Military Duty

- Bob Royal was attending TCU and the First Texas National Guard Academy, as a Cadet, in 1957. Mr. Royal entered the active US Army and served his Country. Serving in the Korean Theater, in the La Cross Guided Ground to Ground Missile Battalion, first completing the electronic computer school at Fort Sill, Oklahoma and receiving a secret clearance, a Veteran in the Korean Foreign War Theater, honorable discharge May 1961.

6/1955 – 12/1957 Attended TCU and worked at Convair Aircraft Plant at Fort Worth, Texas Was cleared not being a communist and worked in The Electrical Department, Tool service and served on the Flight Line. Helped construct the B36 Flying Fortress, the F102, F106 Fighter Jets and the B58 Super Sonic Hustler Aircraft. He was on the flight line along with all workers at Convair for the B58 Hustler's maiden flight.

Exhibit "C" (Vice Chairman, President, CFO, Assistant Secretary)

Mr. SCOTT R. ROYAL, age 57, Director, Vice Chairman, President, CFO, Assistant Secretary General Manager and Employee Relations. Mr. Scott R. Royal. Texas Tech University Bachelor of Science 1995, Scott has worked in the Oil & Gas Business since 1990 with Mr. Bob L. Royal. Scott has been coaching football, Basketball, Baseball and Track for over 30 years with several different High Schools, beginning his career at West Texas State College in 1995. He has extensive experience working with others. He has had many assistant coaches under him and coaches over him. This experience in management and on the job training has prepared him to work with others in the Oil and Gas Industry through the years, as well.

Exhibit "D" (Accounting Specialist)

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## STEVE CHANSLOR

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### EXPERIENCE

#### **1/15 – Present Project CFO of EBB Group**

- Oversee the financial systems and reporting for this M&A advisory company in Dallas, Tx.

#### **7/13 – 1/15 Director of Inventory Costing – Weir Seaboard**

- After Weir Mesa was moved into Weir SPM in Ft. Worth, I was moved to Weir Seaboard in Houston to oversee the project

implementation of the Syteline ERP implementation project and the inventory costing/cost accounting system.

**7/07 – 6/13 VP Controller - Weir Mesa**

- CFO for Weir Mesa Manufacturing in Odessa, Texas, a \$50 million manufacturer of oilfield servicing equipment owned by The Weir Group PLC, a multi-billion public company traded on the London Exchange. Implemented monthly financial reporting procedures which included converting to GAAP accounting procedures which include closing and reporting by the 3<sup>rd</sup> day following the end of the month. Responsible for all financial planning, reporting, analysis, IFRS compliance, general accounting, capital budgeting & approval, etc.

**6/06 – 6-07 Project Consulting**

- Served as Interim SEC Reporting Manager for DynCorp International, Inc. Set up the new disclosure tables that are required for proxy statements covering executive and director compensation, including the compensation discussion and analysis. Also set up the company's two 10Ks that are scheduled for submission on June 30, 2007.
- Served as temporary controller for the Fittings Division of Trinity Industries in preparation for sale and worked at Dresser, Inc. as an operational liaison between corporate office and field operations to ensure that all accounting and reporting is fully compliant and consistent with corporate policies as well as U.S. GAAP.

**9/05 – 6/06**

**Dresser On/Off Valve Division**

**Interim Controller – Modern Supply Co.**

- Interim Controller of \$30 million operation that manufactures and sells valves to the pipeline industry. Responsible for all accounting and financial reporting, including all SEC reporting. Introduced the BPCS operating system as well as Hyperion Enterprise for use in consolidation and financial reporting.

**8/03 – 9/05**

**Consultant, Dallas, TX**

- A public, project-based professional services firm created to help clients execute strategies on a more cost effective basis by providing experienced and high-caliber accounting, finance, internal audit, IT and HR professionals.

***Associate leading field work on a variety of clients***

- Responsible for documenting, evaluating and testing internal controls to fully comply with the requirements of Sarbanes-Oxley. This includes advising the client on the best method of complying with SOX regulations.
- Addressed deficiencies with well-designed procedural solutions.
- Served as Interim Controller, insuring the integrity of the company's general ledger and reported financial results.
- Implemented a system for accounting for the cost of sales in a more complete and accurate manner and established a supportable value for excess and obsolete inventory.

- Developed and implemented monthly procedures to insure that the month-end closing and reporting process results in accurate and reliable balances.
  - Researched problems causing a debit in a normally credit balance account, identifying issues with changing of inventory standard costs.
  - Calculated restructuring costs for a division that was in the process of moving to a new location.
- 1999 - 2002**
- Pillowtex Corporation**  
***Vice President/Corporate Controller***
- Responsible for all accounting, planning and reporting, including SEC reporting and investor relations. The Company filed Chapter 11 in October 2000.
  - Oversee a staff of 150 people, which includes 3 division controllers and their plant personnel.
  - Reduced the month-end close from 30 days to 8 days and streamlined the monthly internal financial reporting and measurements to focus on key profitability and performance measurements.
  - Introduced financial planning disciplines that allow the company to realistically set targets and communicate more effectively with outside parties, including both investors and lenders.
  - Created a financial organization that is built on responsibility and accountability for clearly identified results.
- 1992 - 1999**
- Global Industrial Technologies, Inc.**  
***Vice President/Controller***
- Directed a staff with responsibilities for all financial analysis, due diligence on acquisitions and divestitures and SEC and shareholder reporting.
  - Established a cash management system that provides detail controls over all cash requirements and allows for proper management of over \$200 million of debt capital.
  - Communicated complex financial issues to all levels of the organization including the Board of Directors and investment analysts.
  - Established the SEC reporting format, oversaw shareholder and Board of Director reporting and supervised the quarterly and annual reporting for this newly created, publicly traded corporation.
  - Analyzed and provided management and financial planning in support of 6 acquisitions and 6 divestitures valued in excess of \$200 million.
- 1978 - 1992**
- Dresser Industries**  
***Controller - Instrument Division (1990 - 1992)***  
***Director of Finance - Construction Equipment (European Ops) (1986 - 1988)***  
***Audit Manager (1978 - 1986; 1988 - 1990)***
- Directed all accounting, information system and financial planning and reporting functions for this division with annual sales of \$125

million. Directed a staff of 50 at four domestic and seven foreign locations.

- Improved annual profitability \$500,000 by managing the divestiture of a joint venture.
- Analyzed performance of existing operations, identified potential acquisitions and implemented operational improvements.
- Directed all accounting, information system and financial planning and reporting functions at 4 domestic locations and 7 foreign affiliates including sites in Brazil, Saudi Arabia, Canada, Germany, the United Kingdom and Singapore.
- Reduced accounts receivable DSO by 40% by implementing a cross-functional project team.
- Supervised Informational System managers in determining software and hardware solutions for both the financial and operational systems required within manufacturing operations. In addition to implementing accounting and financial reporting systems, oversaw the creation and implementation of systems to handle bill of material, inventory and Material Resource Planning (MRP).
- Responsible for all accounting, financial reporting/ planning and MIS functions for this \$100 million division.
- Worked with Sales and Marketing Management at this international acquisition to ensure that pricing was well monitored. Eliminated marginally profitable or unprofitable sales by establishing and coordinating a pricing procedure to identify the profit on machines prior to order entry.
- Eliminated thousands in write-offs and dramatically improved cash flow by negotiating with a bank to underwrite loans to distributors.
- Reduced inventory costs nearly \$1 million by correcting an unfavorable consignment inventory arrangement with a distributor in the United Kingdom.
- Reduced reporting time from 45 to 2 days and enabled accurate financial reporting in US dollars through the planning and directing of computerized financial reporting system.
- Directed the internal audit effort for this large multinational manufacturing company to improve the control environment within their operations, identifying ways to improve productivity and lower investment capital.
- Identified operational improvements, lowered invested capital and improved the control environment within operations. Supervised a staff of 15 auditors, reshaping the focus of the auditing team from finding "errors" to improving operational performance.
- Developed groundwork utilized as the operational turnaround strategy for a South African manufacturing operation reporting a \$1 million loss of inventory at years end. As leader of team selected to evaluate this operation, analyzed planning, reporting and purchasing systems to determine their problem.
- Analyzed joint venture with a Norwegian corporation. Achieved profitability in this joint venture through implementing changes to both management and processes.

**1973 - 1976      Main LaFrentz  
Audit Senior**

## **EDUCATION / PROFESSIONAL DESIGNATIONS**

**Baylor University  
BBA**

**Certified Public Accountant – 1975 – License not current  
Certified Production and Inventory Management**

### **Exhibit “E”**

**Mr. Thomas Dewald, 35, is Director, Senior Vice President and Overseer of OIL Inc’s Field Operations, President of TDewald Well Test, Inc.. Operator of Contactor Placement and dab Rhedds Flowback.com.**

## **THOMAS DEWALD TDEWALDWELLTEST INC DBA RHEDDS**

4918 Matador Trl / Amarillo, Tx / 806-576-9091

### **Skills Summary**

Frac Support, Drill-Outs, Flowback, Well Testing, Production Operations, Wellhead Operations (Torque and Test) and Greasing. Flowback & Production Supervisor help design production facilities, production allocations, test meters by tank and correctly re K-Factor when needed, run everyday rig up, schedule third parties when job starts and release when needed, help find established third parties that are cost efficient but work hard. Help assist engineers via call with everyday operations (flowback reports, production numbers, production designs etc.) Lead safety operations over crew and established great communication with HSE personnel and make sure job is being performed safely. Bypass and fix issues with flowback & production separators. For example, adjusting and fixing liquid level controllers, gas regulators, kimray repairs etc. Correctly gather wellhead info! Dump Sand Traps and monitor sand output, Ensure Tubing and Casing psi’s always reading correctly, well temp and check choke and stems in-case it’s plugged up, washed out etc. Numbers gathered hourly is always a big battle once watched closely. Gather all 24 Hr Well data (ESP info, Compressors, Jet Pumps, Tubing & Casing Psi etc.) Lead safety meetings with my team and third parties and make sure JSA, Work Permits etc. are filled out.

To sum it up I was the flowback and production superintendent for PRI Operating and established many great friends and knowledge while I was out there and we all worked as a great team.

## **Education**

### **Degree / Date of Graduation**

Caprock High School  
Graduated 2008

West Texas A&M  
Aug 2008 – May 2011  
69 Credit Hours Completed

## **Experience**

### **Cameron International**

#### **Flowback And Wellhead Ops.**

July 2011 to Oct 2014  
Ran Flowback Ops, Well Testing and Nipple Up / Down Wellheads, Grease Wellheads after Frac Stages. Worked in Pennsylvania, Texas, Oklahoma and Punta Arenas, Chile during the tenure with Cameron. This is where it all began for me and learned a lot of my skills.

### **TDewaldWell Test, Inc**

Oct 2014 to July 2017  
Started my own company and still worked with Cameron International (Now Schlumberger company) as a self-contractor. Was the lead on flowback ops, wellhead frac ops, drill outs and production operations. Worked a lot in North Dakota, Oklahoma, New Mexico, Pennsylvania, and Texas during this adventure.

### **TDewaldWell Test, Inc (PRI Operating)**

July 2017 to July 2020  
Lead Flowback Operator during these years for PRI Operating. Gather Hourly Numbers, Monitor Casing, Well Temp, Sand Output, Choke Management, Separators and strapped and Kolor Kut tanks. Create Flowback Reports and ensure all well data was correct and inputted to WellEz at 6 AM and 6 PM.

### **TDewaldWell Test, Inc (PRI Operating Flowback/Production Consultant and VTX (Buyout Jan 2023))**

July 2020 to Oct 2023  
Lead all Flowback & Production Operations in the field. 250 Wells and 50+ Facilities. Part of the consultant team to lead operations in the field safely and efficiently. Looked over flowback reports and make sure all were good and inputted before deadline, performed production allocations daily in the field and help solve issues with production numbers. Schedule third parties and lead everyday field operations. Have daily meetings with engineers, office, third parties and consultant team to brainstorm future projects, safety and well data in the field. Fixed production facilities that were having issues and was on call 24 Hours/Day and insured during malfunctions safely bypass, fix or shut in wells using safe protocols. Communication is key and always made sure proper communication was being used.

### **TDewaldWell Test, Inc (DBA Rhedds)**

Oct 2023 to Present  
Currently Operating an office and providing Contractors that are skilled, trained to parties that are needing extra help.

## **Exhibit "F"**

Mr. J. J. Dewald age 33, Vice President and Vice President of TDEWALDWELLTEST, Inc. Mr. J. J. Dewald is a former Marine, of 6 years, with a tour in Afghanistan. He has operated in the Oil & Gas Fields for 9 years, training others and has been very successful in the Flowback Services



assisting Thomas Dewald and assisting several operators for the past 3 years in the Permian and Delaware Basins, Texas, Shale Play.

#### **Exhibit “G”**

Brad C. Massey – Senior Petroleum Geologist, Chief Geologist

**Mr. Massey has served as Vice President and Senior Petroleum Geologist for Slate Holdings, Inc. since co-founding the corporation with Max E. Smith in 2006. Through an extensive friendship of more than 15 years, Mr. Massey and Mr. Smith have partnered Slate Exploration, L.L.P., Slate Oilfield Services. Mr. Massey obtained his degree in Petroleum Geology from the University of Texas. Mr. Massey is specialized in Completion, Drilling, Blowout Prevention, Sampling, Lithological Analysis of Hydrocarbon Values through Log Analysis, and Acquisitions. Mr. Massey has an extensive knowledge of both offshore and onshore drilling and completion. In a career of more than 30 years Mr. Massey has held positions with Shell Oil Company and Marathon Oil Corporation, where he was instrumental in the drilling of the Fort Worth Basin. Mr. Massey began as an Independent geological consultant in 1986. Through a number of independent studies, Mr. Massey was instrumental in mapping the bed thickness and thinning effects of the Barnett Shale Formation within the Fort Worth Basin. This embracing knowledge would lead the way for successful leasing of more than 850,000 acres. With Mr. Massey’s experience and knowledge, Slate Holdings, Inc. recently completed a new field discovery in Wilbarger County, Texas. With the many successes as this, it has allowed Slate Holdings, Inc. to become a durable corporation.**

Exhibit “F” (Consultant)

### **RODERICK B. HERRING**

Prescott, AZ 86305

rodherring@me.com C: 310.926.1066

#### **EXPERIENCE**

**RED ROCK SECURED, LLC**

**09/16 – Present**

*Co-Founder / CFO*

- El Segundo, CA / Los Angeles, CA. \$14M/yr  
precious metals and bitcoin retail brokerage shop.
- Recapitalized original Red Rock Secured, then a  
shell company in good standing, with new ownership and business model.

- Grew business to \$14M gross revenue and 21 employees in 3 years with \$100K initial funding.
- Setup and run all non-sales and marketing operations: website, software development, metals trading, payroll/benefits, insurance, Quickbooks accounting, financial reporting to investors, office network and telephony IT, legal, built the website and ecommerce functionality, and designed and built custom marketing ROI software and custom automated sales order management software that interfaces with suppliers inventory and PO through automated customer sales invoices.

## LYTE INDUSTRIAL SERVICES, LLC

10/10 – Present

### *Founder / President*

- Prescott, AZ. Engineering and technology incubator for industrial solid and waste stream recycling technologies.
- Current Mining Projects – Prescott, AZ:  
completing funding for installation of a DC Plasma Arc furnace for precious metals ore refining. Patented process and equipment to recover higher yields as compared to all current methods of precious metals from mixed ore feeds; conducting survey and assays on acquisition target mine claims – federal and patented land with lode and placer tailings; JV on Silver Star mine to survey and create production plan/permits for silver and antimony hard rock mine on 100 patented acres.
- Current Oil Field Projects; JV with Nap Industries, LLC to sell, install and operate patented oxidation and desalinization water treatment system to cheaply remediate oil well waste water – receive in Jan 2020 WY Oil & Gas Commission approval and permits for use; JV with NPC Technology, Inc. to upgrade, sell, install and operate patented oil well drill cuttings and frack sand incinerator furnace designed to economically and environmentally treat and reuse the hazardous material generated when drilling oil wells.
- Lyte originally generated revenue with steel grit, garnet and alumina blast media recycling business. Serviced waste generators and resold recoverable grit. Iron dust/fines by-product is used in Ironkast’s ‘Ferrock’ product.
- Hands-On R&D Efforts: opportunity identification, technology solutions design, market assessment, marketing and sales, website design and programming, CAD design, environmental safety – permitting and compliance, financial and accounting management, laboratory analysis, fabrication shop work (metal-working), and prototype development and testing.

### Past Projects:

- IronKast Technologies, LLC JV – with Dr. David Stone. 07/2014 – 2017. Patented iron-carbonate alternative to calcium carbonate Portland Cement. Material is cured by CO2 (carbon negative) and generates free H2 during curing.
- Eco Squared Solutions Inc. / Eco Frack JV - 02/2014 – 5/2015 ([www.ecosqrd.com](http://www.ecosqrd.com)). Consultant and CEO. Designed, built and pilot tested frac water treatment system in Dilley, TX. Eco Frack systems included oil-water separators, electronic coagulation, micro filtration, Fenton’s oxidation processes, air-diffusion, and multi-media filtration. Also built, tested and patented “Eco Chill” – an advanced method to control the pour and cooling of various metals during the casting process for more precision and quality in complex mold designs.
- TNWaste Inc. JV - 06/2012 – 01/2014. TNWaste is a green LEEDS certified landfill in Knoxville, TN. Trial processing of ASR (auto shredder residue) to remove non-ferrous metals and hi-grade remaining mixed organics for fuel stock at a Cemex cement plant.
- Uryka Resources, LLC – JV: 10/2010 – 05/2012. Developed air classification and new heavy media fluidized bed density sortation system to separate various ferrous and non-ferrous metals as well as mixed organics from a waste stream called ASR (auto shredder residue). JV was with a chemist and co-founder of MBA Polymers the largest plastics separation and recycler at the time.

**RED ROCK SECURED, LLC****12/08 – 08/10**Co-Founder / Chief Financial Officer

- El Segundo / Los Angeles, CA. Online lead generation and Mortgage processing center.
- Secured Fannie Mae special vendor number and tentative wholesale mortgage workout processing contract.
- Developed proprietary loss mitigation and loan modification software under HARP.
- Grew operations to \$1.3M gross rev with 45 sale people, compliance, processing agents.
- Operations ceased with new mortgage refinancing regulations.

**ALENA INTERNET CORP. / INTERMIX MEDIA****01/07 – 11/08**Chief Operating Officer

- Los Angeles, CA. Online direct response marketing and ad serving provider.
- Acquisition and transition management – managed acquisition due diligence and transition of a leveraged buyout from Fox Interactive Media & MySpace.com (News Corp).
- Interim CEO – lead separation operations from parent company Fox (News Corp); \$40M Gr Rev, 80 employees
- Managed further legal and operational activities concerned with dividing Alena into two separate companies – Hydroderm and eForce Media, Inc.
- Planned and led startup and transition activities including: new payroll provider, acquired all new business insurance plans, employee health insurance and benefits, 401K & FSA plans, migrated to Great Plains accounting software, commercial bank and merchant accounts, and CSR/call center outsourcing.

**eCOST.COM / PCMALL****09/03 – 10/06**Vice President, Operations & Transition

- Los Angeles, CA. Publically traded online discount retailer.
- Responsible for fulfillment, logistics, IT and business operations - \$250M/yr, 135 employees.
- Responsible for \$4M operations build-out budget throughout the separation from PC Mall for warehouse building and equipment, phone system and IVR, computer hardware and software, and HQ equipment.
- Lead on the divestiture of eCost from the parent company PC Mall including: creating new operating procedures, separate IT mainframe systems, general ledger system (Great Plains), new departments in accounting, HR, purchasing and IT as well as a entire in-house logistics and fulfillment capability.
- Initiated operations for a 165K sq. ft. distribution center in Memphis, TN from site location, real estate acquisition, layout, construction, permitting, security, staffing and operational start-up.
- Outfitted complete back-office IT infrastructure including: a 12 server web-farm, 2 HP 3000 mainframes, 2 SAN and 25 SQL application servers.
- Selected and transitioned eCOST to a new 401K provider (Fidelity), payroll processing provider (ADP) and managed implementation and startup of Great Plains general ledger accounting software.

- Established offshore Philippine operations for call center, purchasing and accounting functions.

## **iSUPPLi.COM**

**09/00 – 06/03**

### Director, Product Management – “Suppli Network”

- Los Angeles, CA. Outsourced supply chain management and market research for the electronic components industry.
- Patent holder for Suppli Network’s - “Enhanced Vendor Managed Inventory System and Process” (#60/354,813) using custom planning functionality interfaced with JD Edwards OneWorld ERP.
- Managed services product lifecycle, from inception through implementation, pilot and production.
- Designed and implemented a hybrid trade finance tool creating an off-balance-sheet customer loan facility through a partnership with GE Capital Corp.
- Conducted pre-sales solutions support with FSR’s as a supply chain subject matter expert working with large hi-tech OEM and EMS to capture requirements and design custom service solutions.

## **OPERATIONS AND SYSTEM CONSULTING**

**02/99 – 07/00**

### Independent Consulting Contractor

- uctionNet.com** – interim COO; business plan development, venture funding and IT development activities. **A**
- arStation.com/Motoreyes.com** – created requirements analysis and functional design for procurement and fulfillment. CarStation provided ecommerce solutions to both auto mechanical and collision repair segments. **C**
- hatsHotNow.com** – created requirements analysis and functional design for their auction web-store. WHN was an e-commerce and licensing company for pop culture merchandise - entertainment and sports items. **W**

## **SEMESTER AT SEA (SS UNIVERSE EXPLORER)**

**09/98 – 12/98**

### Assistant Executive Dean

- all 1998 voyage-Itinerary included ports of call in: Japan, Vietnam, China, Malaysia, India. Egypt, Israel, Turkey and Morocco. **F**
- ne semester operations and logistics staff position for 700 college students on a worldwide voyage. **O**
- anaged multi-departmental staff of 28 across - retail, IT, finance, travel, health and library positions. **M**

## **UBID.COM / PCMALL**

**11/96 – 09/98**

### Director of Operations

- Los Angeles, CA - PCMall is a \$1B multi-channel retailer of computer hardware and software that incubated and took public uBid.com – an internet auction site for consumer products.
- roject team member for successful uBid.com launch: spearheaded distribution center staffing, equipment acquisition, and WMS setup (MacPac/PKMS). **P**

- ed acquisition of two companies including due diligence and site visits; prepared quarterly inventory reserve schedules, and created cash flow forecasts. L
- nterim warehouse manager for the Memphis distribution center – 365K sq. ft, 175 personnel. I
- identified and implemented process improvement initiatives in accounting/IT, eight nationwide retail stores, Memphis DC and the LA call center, including virtual warehouse supplier connectivity. I
- rafted financial & disclosure statements for the uBid.com S-1 filing. D

## ACCENTURE (ANDERSEN CONSULTING, LLP)

03/93 – 11/96

### Senior Consultant – Strategic and Operations Group

- os Angeles, CA. Engagements included Fortune 500 clients: Time-Warner, McDonnell Douglas Aerospace, Dial, Cast Alloys, Oakley, JR Simplot, International Rectifier, Burlington Air Express, ComStream, Golden State Foods, Harley Davidson and Kwikset/Black and Decker. L
- orked in the Supply Chain Management and Manufacturing Operations Group with industrial and consumer products companies. W
- esponsible for strategy and opportunity assessment, requirements definition, process and organizational design, cost/benefit analysis, quality management plans, project management, technology interfaces and change management throughout the implementation. R
- ormal training on best practices in: lean principles, cellular manufacturing, six-sigma quality/TQM, activity based costing, incentive based pay, forecasting and scheduling, and requirements analysis. F
- onducted BOM and group technology reviews, time studies, MRP functionality assessments, set-up reduction, supplier scorecards, kanban/JIT replenishment, and production scheduling. C

## OTHER EXPERIENCE

- ***www.rodherring.com***
- BOARDSPANK.COM – Owner/Founder – 2002 – current. Manufacture and distribute surfboard waxes
- AUDI AG – International Marketing internship at Audi HQ located in Ingolstadt Germany. Summer 1992
- THUNDERBIRD – Graduate teaching assistant (TA) - Corporate Finance. Glendale, AZ. 1992
- CITRANS / ALLIED VAN LINES – Operations Manager, San Francisco, CA. 1988 - 1991
- PACIFIC STOCK EXCHANGE / COAST OPTIONS – Options floor trader, San Francisco, CA. 1987 - 1988
- BEAR STEARNS & CO. – Undergraduate Internship, fixed-income trading, San Francisco, CA. 1986
- PRIVATE PILOT LICENSE – 1981 and COMMERCIAL DRIVERS LICENSE (current CDL)

## EDUCATION

**American Graduate School of International Management – Thunderbird, MBA (finance)**

**1992**

Self-Funded grad school and expenses 100%

<b>European Business School – Frankfurt, Germany,</b> Thunderbird exchange program	<b>1991</b>
<b>University of Colorado, Boulder,</b> B.S., Business Administration (marketing)	<b>1986</b>
<b>Arthur Andersen/Andersen Consulting (now Accenture)</b> – Certified training included: Financial Audit School, Client Relationship Mgmt, TQM (Total Quality Mgmt), Software Design (Cobol, Visual Basic and C++), Process Design and Efficiency Mgmt (JIT), Material Requirements Planning, Distribution and Logistics Mgmt, Supply Chain Mgmt, and financial modeling	<b>1993 - 1996</b>
<b>American Production &amp; Inventory Control Society (APICS)</b> – CPIM (Certified in Production and Inventory Management)	<b>1994</b>
<b>Semester at Sea, Institute for Shipboard Education,</b> undergraduate Student on the Spring 1983 <b>1983 &amp; 1984</b> and again on the Spring 1984 worldwide voyages aboard vessel <b><i>S.S. Universe Explorer</i></b>	

## INTERESTS

Distance running, surfing, backpacking/camping, mechanics, & classic motorcycles

## Miscellaneous Background Information

> Born and raised in Germantown, TN (Memphis). The family business was Ramrod Oil Production Co. founded by my father the businessman and my uncle the geologist. The two wildcatted for 10 years before forming one of the first syndicated investment offering to drill multiple wells which did strike and yielded over 22 producing wells – some to this day throughout Louisiana and East Texas. My father was a successful serial entrepreneur starting and running an additional 5 businesses in a chemical plant in Memphis with patents, a farm in Mississippi, a large appliance distribution center in Nashville, a second oil exploration company – Nimrod, a chain of auto repair and tune-up shops, and a commercial builder for custom designed homes. I worked beside him through the entire life cycles of each unique business

> The family was also involved in a commercial horse barn stabling horses for hire and offering training and show event support to Hunter jumpers. Showed New Venture Farms riders nationally.

> I worked all summers in the family construction business learning the trades from frame carpentry, stone masonry, electrical and HVAC. Summers not spent working for the construction business were with my uncle on the Ramrod well sites.

> I received a private pilot's license at 18 and a commercial truck drivers license at 19 which is current in CA to this day and drove summers during college cross-country for American Van Lines Special Products division.

> I worked throughout undergrad earning approximately 25% of my living and tuition expenses that included a \$18,000 student undergrad loan. In undergrad I worked for the University theater department helping build sets for plays and became an IATSE Motion Pictures Guild union member to work as a 'rowdie' at the local coliseum setting up and breaking down sets for large rock concert tours and also ran a super-trooper spotlight during big concerts. Work and study program!

> I paid for 100% of my MBA at Thunderbird through student loans and repaid all \$74,000 on time with good credit. The decision to go to college was not as a place to spend time and not work but to better prepare to work and learn all facets of running your own company – an investment that was very large with large consequences with your own 'hard earned dime'.

> In grad school I did well in corporate finance, the top of the class and was given a job by the head of the department after classes as a teaching assistant tutoring student having difficulty with the subject matter.

> After grad school I took a job with Andersen Consulting (now Accenture) when it was first breaking away from the then existent Arthur Andersen Big 5 consulting firm. I was part of a team in S. Cal to help form and staff a new division under their Strategic Consulting division called the "Manufacturing Productivity Group". I spent my entire time at Andersen working with Fortune 500 companies on the manufacturing and production floors re-engineering, implementing process improvements, reducing cycle-time, building quality at the source for major projects with CEO oversight. We worked with everything from the nose assemblies for McDonnell Douglas MD-80's to Titan missile bodies, to Harley Davidson final assembly lines to Kwikset door locksets, to Golden State food distribution to International Rectifier wafer fab operations to JR Simplot French fries production from potatoes to McDonalds bags. A very wide variety of projects all with high level company oversight, financial controls and visibility throughout the organization. Andersen trained us extensively before during and after each project on Best Practices in change management, TQM, financial measurement & reporting, project management, and software integrations to name only several. It was a PhD in practical daily business.

### **Exhibit "G" (Consultant)**

#### **Mr. Mike Butler**

Graduated from Texas A&M University in 1974 with a degree in Civil Engineering.

1974 to 1976 - Amoco Production Company, Tyler, Texas – Petroleum Engineer

1976 to 1984 - Sohio Petroleum Company, OKC - Petroleum Engineer / District Engineer

1984-1987 - Hadson Petroleum Corporation, OKC - VP Petroleum Engineer

1988 - 1993 - Independent Consulting Petroleum Engineer

1993 to current - TBK Energy Company, Owner and Petroleum Engineer. Self employed owner in the oilfield as an exploration and production company in Oklahoma. Work with company and/or 3<sup>rd</sup> party geologist, landmen, attorneys, etc. to successfully drill, complete, and produce many oil and gas wells in various counties of Oklahoma. Provide consulting engineering/operations services to various companies.

Exhibit "H" (Consultant)

**David A. (Tony) Porter**  
**208 S. Barker**  
**El Reno, Oklahoma 73036**  
**Home (405) 262-2046 Cell (405) 519-1120**

An accomplished Operations Manager, Sales and Marketing Manager and Analyst for drilling companies, drilling fluids companies, directional drilling companies and a 4 billion dollar fund company. Proven success in engineering solutions, project management, and experience with major oil companies including, but not limited to Chesapeake Energy, Sandridge Energy, El Paso Energy, EOG, Apache and Devon Energy. Success through relationships at all levels of management.

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**PROFESSIONAL EXPERIENCE**

**Voyager Drilling Company LLC, Oklahoma City, Oklahoma** 2014-  
2015

*A five rig drilling company providing daywork drilling contracting services for oil companies drilling in Oklahoma, Kansas and Texas.*

**Manager of Business Development**

Responsible for marketing and drilling contracts in the Mid-Continent Region.

**Dan D Drilling Company LLC, Lamont, Oklahoma** 2013-  
2014

*A fifteen rig drilling company providing daywork drilling contracting services for oil companies drilling in Oklahoma, Kansas and Texas.*

**Contracts and Marketing Manager**

Responsible for marketing and drilling contracts in the Mid-Continent Region.

**Energy Fluids Incorporated, Oklahoma City, Oklahoma** 2011-  
2013

*Privately owned Drilling Fluids and LCM Company with personnel located in Oklahoma, Texas and Colorado.*

**Sales and Marketing Representative**

Responsible for the sales and marketing of drilling fluids and lost circulation services.



**Forrest Drilling Company LLC Oklahoma City, Oklahoma**  
**2009-2010**

*A seven rig drilling company providing daywork drilling contracting services for oil companies drilling in Oklahoma, Texas, Louisiana and Mississippi.*

**Contracts and Marketing Manager**

Responsible for all marketing and drilling contracts in the Mid-Continent, Arkoma and Ark La Tex Regions.

- Moved contracts from a by well basis to multi well basis, and to two year term contracts.
- Grew operations from one operating rig to seven in a six month period

**Ultimate Drilling Company, LLC Oklahoma City, Oklahoma** **2006-2009**

*A seven rig drilling company providing daywork drilling contracting services for oil companies drilling in Oklahoma, Texas and Louisiana.*

**Operations Manager**

Responsible for total operation of seven (7) drilling rigs, including the acquisition of all drilling equipment, rig construction, safety, personnel, marketing and contracts, billing and payroll.

- Grew drilling company from a one drilling rig to seven rigs in eighteen months.
- Responsible for the purchase of all drilling equipment required to build seven rigs.
- Responsible for the design, construction and modification of drilling rigs and optional equipment required in drilling.
- Responsible for design, development and implementation of a marketing plan for the Ark La Tex, Arkoma and Anadarko Basins
- Responsible for the development of a two year - operator financed - long term contract for the Ark La Tex operating area.
- Responsible for developing and implementing Safety and Safety Bonus Program. Company was awarded for Small Employer Award of Excellence for a safety program which meets or exceeds safety criteria as set down by Oklahoma State Department of Labor and OSHA.
- Responsible for the hiring of all supervisory and rig personnel, payroll and Bonuses.

**Diamond Back Energy Services, LLC, Oklahoma City, Oklahoma**

2006

Wholly owned subsidiary of the Wexford Capital and sister company to Gulfport Energy, Windsor Energy,

Great

White Pressure Control and Bronco Drilling

**Company Representative**

- Responsible for analyzing and determining the value of companies' being considered for acquisition by either Diamond Back Energy Services, Great White Energy Services and Bronco Drilling with result being, increased stock value.
- Determining the value of target companies, as represented by their current management.
- Determining what modifications would be required to make each individual entity viable or more profitable.
- Determining the costs required to purchase at each entity and which Wexford controlled company would benefit the most from that acquisition.

**Bronco Drilling Company, Oklahoma City, Oklahoma**

2004-2006

Wholly owned subsidiary of the Wexford Capital and sister company to Gulfport Energy, Windsor Energy,

Great

White Pressure Control

**Contracts and Marketing Manager**

Responsible for all marketing and drilling contracts for entire US market including the Anadarko, Arkoma and Ark La Tex Basins, the Marcellus Shale Play, the Bakken Shale play.

- Moved all contracts from a well by well basis, to long term and multi rig, multi well contracts.
- Grew sales and marketing from six operating rig to a *build and acquire* program which added thirty-eight rigs over a twenty-four month period.
- Implementation of a bonus based safety program for all personnel including the company owned transportation company

**Weatherford International, Oklahoma City, Oklahoma**

2004

Multi National Oilfield Service Company operating in eighty-three countries around the world

**Mid Continent Area Sales Representative**

- Responsible for the sales and marketing of all directional drilling and related services in the Mid-Continent Region

**Cimarron Services, Tulsa / El Reno, Oklahoma**

2003

*Privately owned Petroleum Consulting Company with personnel located in Oklahoma, Texas and New Mexico.*

**Vice President**

- Responsible for the marketing, contracts and placement of all the drilling personnel including drilling consultants and office based drilling engineers.
- Built consulting base from four men to thirteen men in an 11 month period.  
Increased marketing and operating are from Oklahoma, Texas and New Mexico.

**Oxley Petroleum/New Prospect Company Ft. Smith, AR/ El Reno, Oklahoma**

*Privately owned Petroleum Company with operations in Arkansas and Oklahoma*

**Manager of Business Development and Operations**

2001-2003

- Responsible for establishing an area operating office for Western Oklahoma
- Responsible for all drilling operations for all Oxley Petroleum operated wells in Anadarko Basin
- Supervision of all New Prospect Drilling personnel in Western Oklahoma
- Supervision of all Oxley Production personnel in Western Oklahoma
- Responsible for generation of all drilling and completion AFE well costs for all Oxley operated wells in Anadarko Basin
- Responsible for development of all daily drilling procedure and reporting system
- Responsible for generation of all daily production operations I Western Oklahoma.

**Patterson Drilling Company Oklahoma City, Oklahoma**

1999-

2001

*The largest public owned land based drilling company in the United States*

**Contracts and Marketing Manager – Mid-Continent Division**

- Responsible for contracts and establishing a presence for Patterson Drilling in the

- Mid Continent by contracting their initial four rigs into Oklahoma
- Establishing a safety and bonus program for all hourly employees
- Management - of all day to day operations.

**Bayard Drilling Company, Oklahoma City, Oklahoma**

**1997-1999**

*An Oklahoma based Public Drilling Company providing services to operators in Oklahoma, Texas and Louisiana*

**Contracts and Marketing Manager**

- Responsible for Sales and Marketing of rigs in the Mid-Continent Region, including all turn-key and footage bidding as required.

**Ward Drilling Company Enid, Oklahoma**

**1989-1997**

*A privately owned seven rig drilling company providing services for oil companies operating in Oklahoma and Texas.*

**Contracts and Marketing Manager**

- Responsible for contracts for all wells including; bidding of all footage and Turn-key wells. The purchase of all materials required in drilling those wells and management of day-to-day operations of each rig.

**Grace Drilling Company Oklahoma City, Oklahoma**

**1982-1989**

*The largest Public Drilling Company in the US*

**Contracts & Marketing Manager/Turn-key Engineer**

- Responsible for contracts and marketing of all rigs in Western Oklahoma and West Texas, including all day work, footage and turn-key bids and all daily operations and purchase of tangibles required in footage and turnkey wells.

**NL Industries – Baroid Drilling Fluids & McCullough Wireline Services**

*A public owned Oilfield Service Company with worldwide operations*

**1972-1982**

**Field Representative, Mud Engineer, ADT Engineer, Operations Engineer  
Sales Engineer with Baroid & McCullough Wireline - MWD Services**

- Worked for Baroid of Canada for three years in the Canadian High Arctic, NWT  
Yukon and man made islands and Drill ships in the Beaufort Sea - based out of  
Calgary, Alberta
- Worked Wyoming and Utah – based in Rock Springs, Wyoming  
Worked Ohio, Kentucky, West Virginia, New York, Pennsylvania, Indiana and  
Illinois – based in Charleston, West Virginia.
- Worked the Mid-Continent Region based in Oklahoma City, OK

#### **Harvey Workover & Drilling Company     Harvey, Louisiana**

1968-1972

*A family owned drilling and workover business with services in the Inland waters of South Louisiana*

#### **Roustabout, Roughneck, Motor Man and Relief Driller**

- A workover and drilling business which provided posted Barge rigs for workover  
services to a depth of 25,000' and drilling services to a depth of 14,000' for the inland  
waters of the Louisiana Gulf Coast.

## **Education**

1987	Grace Management Practices Course
1980	NL McCullough MWD Technology
1976	NL Baroid Computerized Applied Drilling Technology
1974	NL Baroid Applied Drilling Technology
1972	NL Baroid Drilling Fluids Course
1966 – 1969	West Jefferson High School

Harvey, Louisiana

## **Affiliations**

1999	IADC – Oklahoma/Texas Panhandle Chapter Oklahoma City, Oklahoma <i>Chairman</i>
1991- 1997	IADC – Oklahoma/Texas Panhandle Chapter Oklahoma City, Oklahoma <i>Chairman, Vice-Chairman and Treasurer</i> Served concurrent terms at each position

## **Skills**

Proficient in Microsoft Office: Word, Works, and Excel.

Able to navigate Internet Applications.

Proven record of management, supervisory ability, sales, marketing, pre-well planning, project coordination and post well evaluation.

Reference Available upon Request