LIZZY #1H

2 WELL PROGRAM

Fisher County, Texas

SEIDLER OIL & GAS

Seidler Oil & Gas is an independent energy company engaged in developing Salt Water Disposal Facilities and funding oil and natural gas exploration, development, and production. Our mission is to actively seek exciting, new, profitable investment opportunities for our **clients. We commit to creating a balanced, diverse** investment portfolio with unparalleled customer service and dedication. Seidler is fueled by success and driven by integrity.

SEIDLER
OIL & GAS

Fueled by success - driven by integrity.

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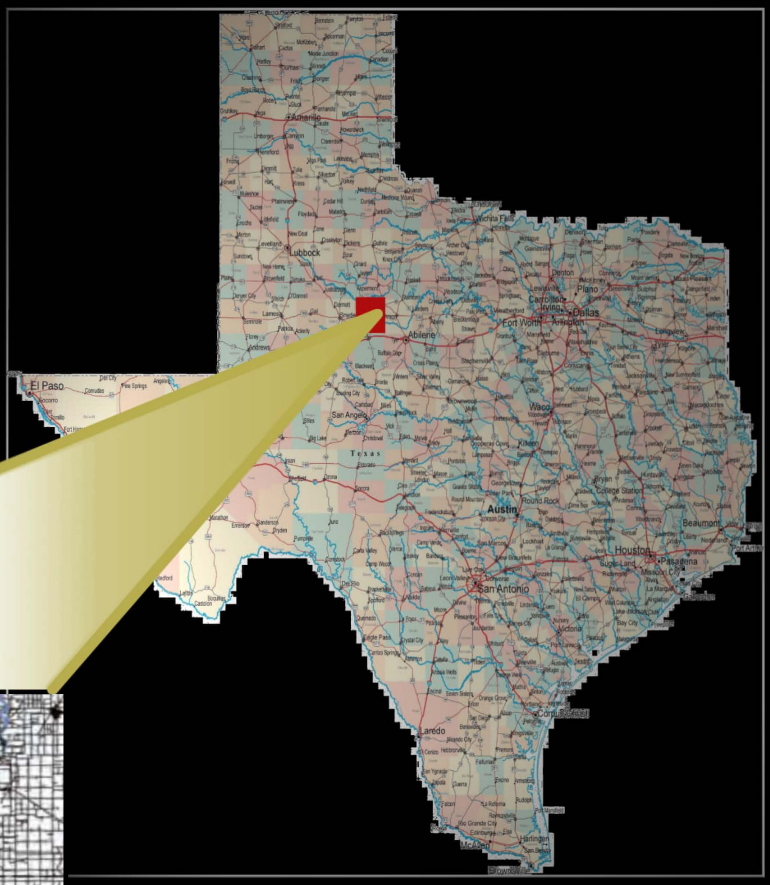
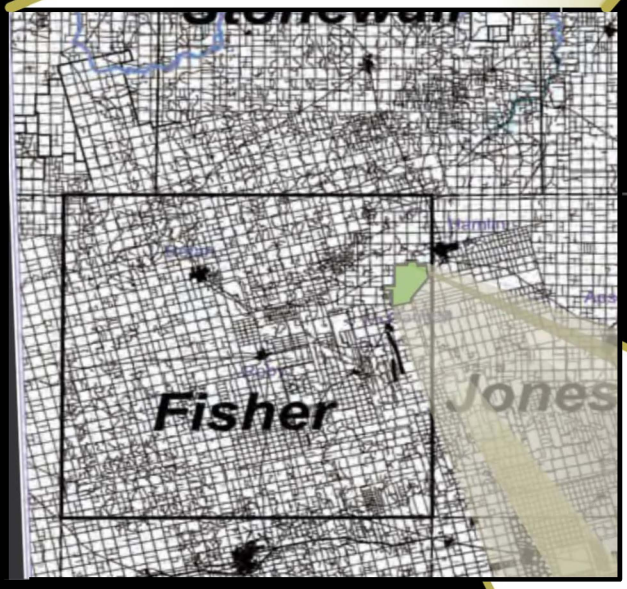
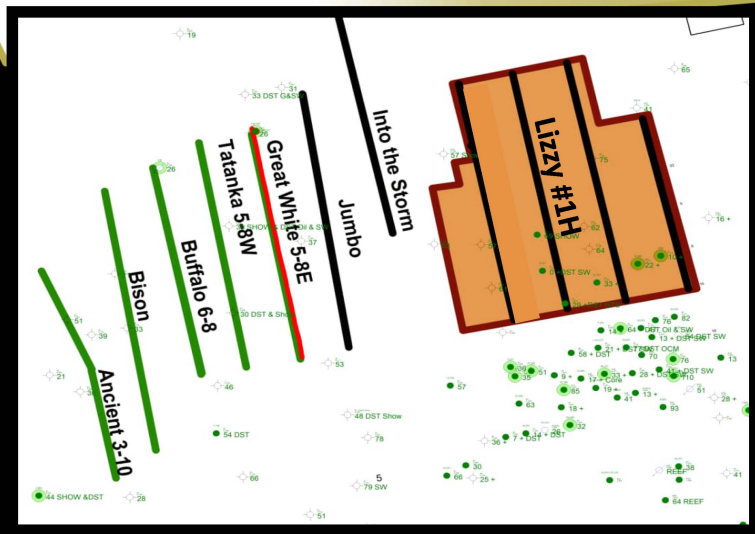
Lizzy #lH

2 Well Program

Fisher County, Texas







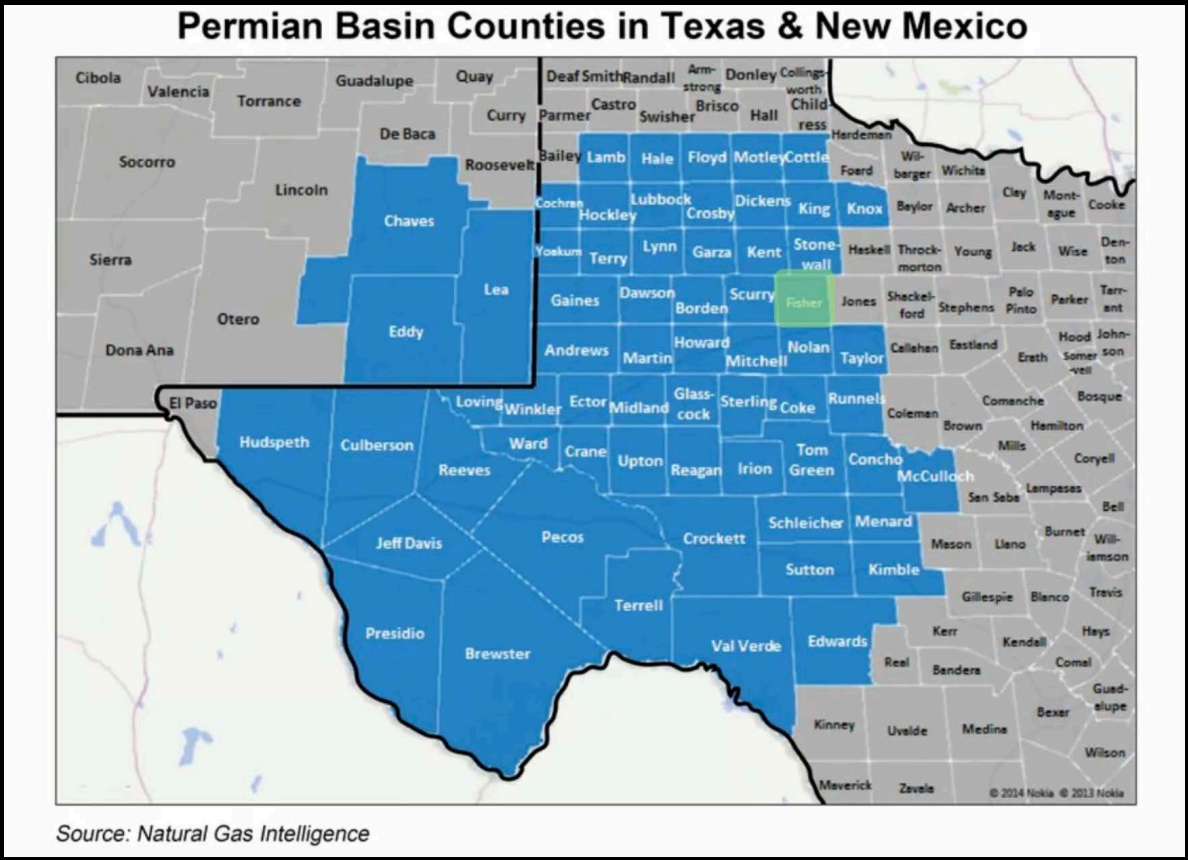
Permian Basin Expansion: Beyond the Core

By February 2026, the Permian Basin has shifted from a period of frantic expansion into a phase of disciplined, high-output sustainability, solidifying its role as a matter of National Security and a pillar of global stability.

The "New Permian" has expanded its footprint significantly, moving from the traditional core of Midland and Odessa into a 66-county expanse across West Texas and Southeast New Mexico.

The Eastern Shelf (Texas): While the Midland Basin remains a titan, the expansion into the Eastern Shelf—specifically Fisher County—represents the "new frontier." Fisher County has emerged as the most prolific county on the Eastern Shelf, proving that mature areas can be completely revitalized through horizontal drilling, fracking and extraction development.

Tier-2 to Tier-1: Counties once considered "marginal" (such as Ward, Reagan, and Andrews) have been reclassified as Tier-1 acreage due to stacked-play potential, where operators target multiple layers (Wolfcamp, Spraberry, Bone Spring) from a single drilling pad.



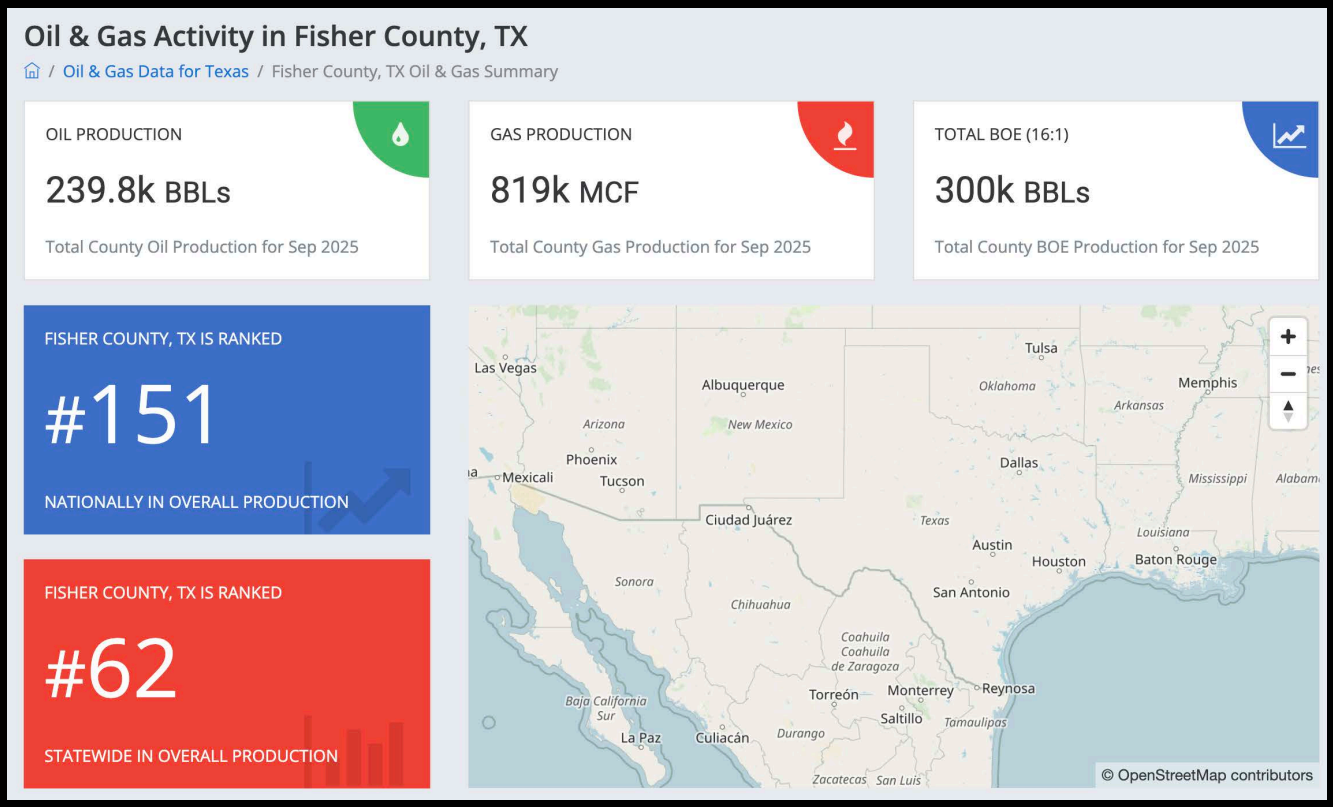
Source: Natural Gas Intelligence

The Permian Basin Context: Global Dominance

Output is expected to reach 6.73 million b/d, with a 2026 forecast holding around 6.6 million b/d, the Permian Basin solidified its status as the world's premier energy powerhouse, production is at record levels, it is expected to stabilize near 6.5–6.6 million bpd in 2026–2027 as operators face depletion of top-tier acreage. To put this in perspective, the Permian's daily output now outpaces the total production capacity of Saudi Arabia's massive Ghawar Field, traditionally the world's largest. This surge underscores the world-class nature of the region's subsurface assets and the efficacy of modern extraction technology.

Fisher County: The Crown Jewel of the Eastern Shelf

In Fisher County, Texas, the oil and gas landscape has been revitalized by a modern "boom" centered on the Oolitic (or "Oolite") section of the Strawn formation. While Fisher County has a long history of vertical production, horizontal drilling has fundamentally changed the county's potential by unlocking reservoirs that were previously too thin or tight to be economically viable.



Fisher County On The Rise

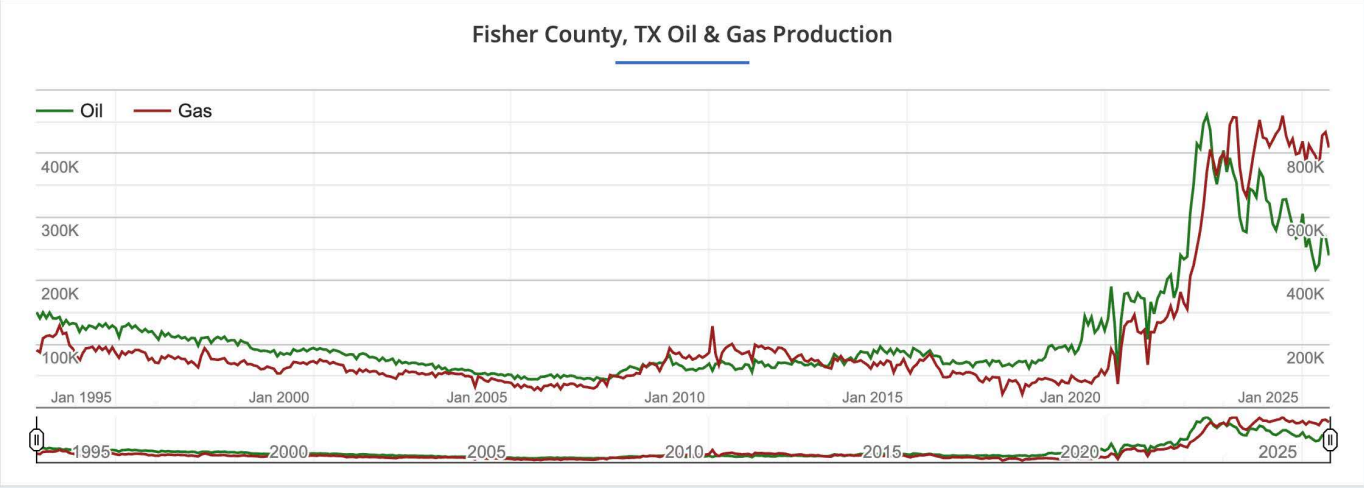
As of late 2025 and entering 2026, Fisher County consistently outpaces its Eastern Shelf peers—such as Nolan, Jones, and Stonewall—in both crude oil volume and high-pressure natural gas production. It currently ranks #76 for natural gas and #45 for oil production statewide in Texas, an elite position for a county outside the Midland Basin core. While the "Core" Midland and Delaware basins garner much of the national headlines, Fisher County has undergone a quiet but powerful transformation:

- The "Oolitic" Breakthrough: By leveraging horizontal drilling to tap into the Oolitic section of the Strawn formation, Fisher County has unlocked a massive, liquid-rich reservoir that was previously bypassed by conventional vertical drilling.
- The Oolitic Advantage: The county's "X-factor" is the Oolitic section of the Strawn formation. Unlike the deeper shale plays to the west, this carbonate reservoir features superior natural porosity. When paired with modern 6,000+ foot horizontal laterals, these wells deliver "Permian-style" production rates with the lower operating costs typical of the Eastern Shelf.
- A Proven Payzone Trend: The development of the Lizzy #1-H is not a speculative "wildcat" venture. It is a strategic extension of a proven geological corridor. By sitting on the same trend as the Great White and Tatanka wells—the Lizzy #1-H targets a "ready-made" reservoir that has already validated Fisher County as the Eastern Shelf's primary economic engine.
- Production Records: Driven by this new technology and a refined understanding of the Eastern Shelf's unique geology, Fisher County has reached all-time highs in both oil and natural gas production.
- Regional Leader: Fisher's current production metrics often outpace neighboring counties on the Eastern Shelf, making it the primary focal point for operators seeking high-margin, oil-weighted returns outside of the more congested core areas.

Within the broader success story of the Permian Basin, Fisher County has emerged as the definitive standout performer. Strategically positioned on the Eastern Shelf, the county has distinguished itself as the most prolific producer in this specific region of the basin, undergoing a sophisticated industrial renaissance.

While neighboring counties have historically relied on vertical "stripper" wells, Fisher County's recent ascent is driven by a unique convergence of geology, drilling, fracking and extraction technologies.

Year	Oil (BBL)	Gas (MCF)
2020	1,826,029	2,404,409
2021	2,142,188	3,228,865
2022	4,405,551	7,043,497
2023	4,138,217	9,657,552
2024	3,662,822	10,146,749
2025	2,728,678	8,924,839



Fisher County: A Modern Renaissance

Following a resurgence that began in 2018, Fisher County has achieved record-breaking oil and gas production levels. This "new boom" is the result of a convergence between sophisticated geoscience and modern horizontal drilling and completion technologies. The county's primary growth drivers are found within the Strawn and Oolitic formations, where recent discoveries have unlocked substantial recoverable reserves.

The Lizzy #1-H is strategically engineered to exploit the same geological characteristics that have made the Great White and Tatanka wells regional benchmarks. Central to this success is the Oolitic section of the Strawn formation, a high-energy carbonate reservoir characterized by unique "oolites"—spherical sedimentary grains that create superior natural porosity and permeability.

Natural Gas is Producing at Historic Highs

While Fisher County is historically "oily," natural gas production has surged to record levels recently. Why?

- Associated Gas: Modern horizontal wells in the Oolitic Strawn produce a high volume of "associated gas" alongside the oil. Because these new wells are so much more productive than historic vertical ones, the total volume of gas being brought to the surface has eclipsed historic levels.
- Deeper Targets: As operators push into deeper sections of the Eastern Shelf (the geological region Fisher sits on), the gas-to-oil ratio (GOR) often increases.
- Infrastructure: Improved pipeline capacity in the Permian Basin region has allowed operators to capture and sell gas that might have been flared in previous decades.

The Lizzy #1-H Development Program

The Lizzy #1-H ("The Lizzy") is a strategic oil and gas drilling program designed to capitalize on this record-breaking momentum.

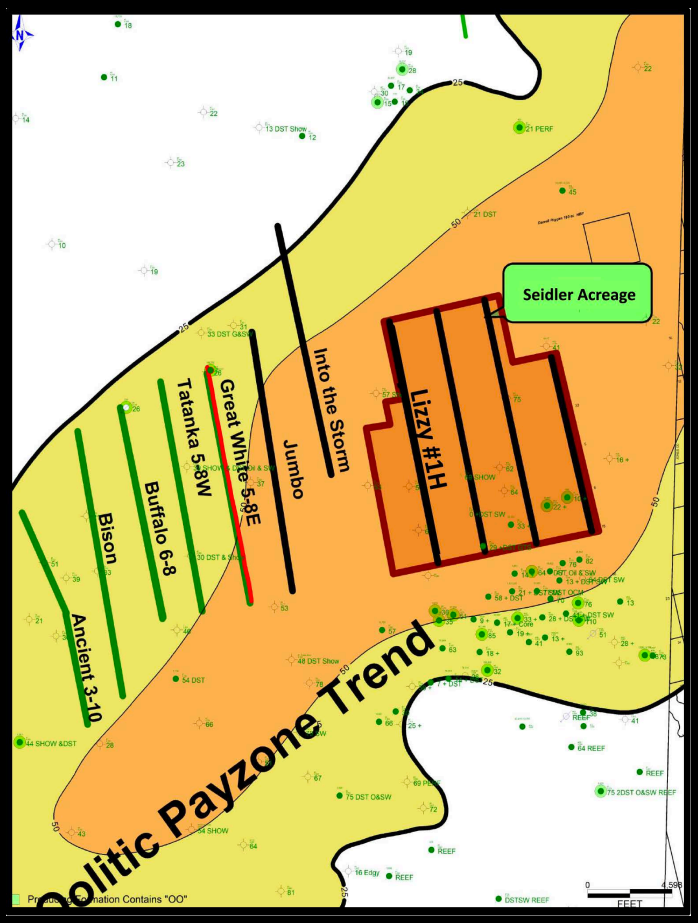
Strategic Positioning: The Lizzy acreage is located directly within the proven Oolitic payzone trend. It sits just miles east of the highly productive Great White and Tatanka wells, which have already demonstrated the immense potential of this formation.

Drilling Specifications: Permitted location API #151-33387 and operated by Crimson Energy Partners IV, LLC, the well is engineered with a 5,300' vertical depth and a 6,200' horizontal lateral to maximize contact with the prolific Oolitic reservoir.

Integrated Saltwater Disposal (SWD) Infrastructure: The program includes the development of a dedicated Saltwater Disposal Well (SWD). Eliminating third-party hauling and disposal fees, significantly lowering Lease Operating Expenses (LOE).

By combining the proven geology of the Eastern Shelf with the operational expertise of Crimson Energy Partners, the Lizzy #1-H program offers a direct pipeline into the most productive segment of Fisher County's ongoing energy renaissance.

Strategic Positioning



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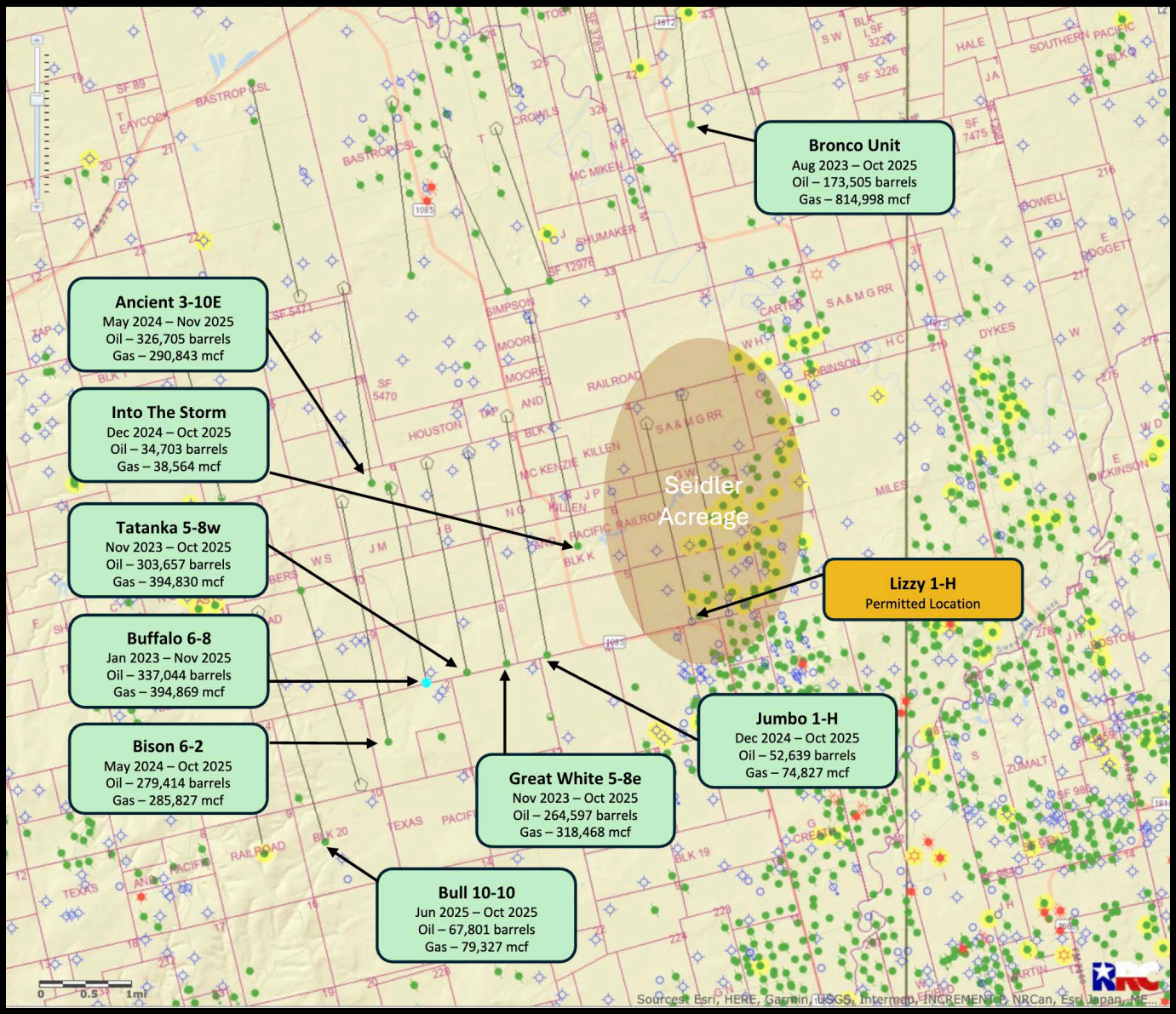


Close Producing Wells of Interest

- The Ancient 3-10E stands out as a top-tier performer in the Fisher County Oolitic play, particularly regarding its total energy output. While several wells in the trend are heavy oil producers, the Ancient 3-10E demonstrates a "rich" gas profile that exceeds the volumes of many neighboring properties. Its gas production of 22.7k MCF is significantly higher than other high-performing oil wells like the Bull 10-10 (16.9k MCF) and the Bison 6-2 (16.5k MCF).

- The Buffalo 6-8 (API # 42-151-33288} is located approximately 1.5 miles west of the Lizzy #lH in the same geological formation. The Buffalo has produced up to 756 barrels of oil daily and 851 MCF of natural gas daily. The Buffalo has produced 337,044 BBL and 394,869 MCF as of November 2025. The Buffalo was drilled and completed by Cholla Petroleum.

- Cholla Petroleum has recently completed two additional wells - the Tatanka (API# 42-151-33330} and the Great White (API# 42-151-33331} between the Buffalo and the Lizzy #1H acreage. These two wells are among the largest producing properties in Fisher County.

- The Bronco Unit #1H (API# 42-151-33312}, approximately 3 miles north of the Oolitic acreage play, came online in September 2023. The Bronco is reported to make up to 670 barrels of oil daily and 2,334 mcf of natural gas per day.

Most Current Production (Sep 2025)

Property Name	Oil Production	Gas Production	Active Wells
ANCIENT 3-10E	16.5k BBLS	22.7k MCF	1
BISON 6-2	10.8k BBLS	16.5k MCF	1
BRONCO UNIT	2.6k BBLS	20.8k MCF	1
BUFFALO 6-8	4.7k BBLS	9.9k MCF	1
BULL 10-10	14.3k BBLS	16.9k MCF	1
GREAT WHITE 5-8E	7.4k BBLS	19.4k MCF	1
JUMBO	2.3k BBLS	5.4k MCF	1
TATANKA 5-8W	8.6k BBLS	8.6k MCF	1

Ancient 3-10E

Property Summary

Key data points for Ancient 3-10e

County	Fisher County, TX
Operator	CHOLLA PETROLEUM INC
Production Dates	May 2024 - Nov 2025
Total Oil Production	326,705 BBLs
Total Gas Production	290,843 MCF
Recent Oil Production	15,399 BBLs in Oct 2025
Recent Gas Production	24,037 MCF in Oct 2025
Wells on Property	1

Bull 10-10

Property Summary

Key data points for Bull 10-10

County	Fisher County, TX
Operator	CHOLLA PETROLEUM INC
Production Dates	Jun 2025 - Oct 2025
Total Oil Production	67,801 BBLs
Total Gas Production	79,327 MCF
Recent Oil Production	14,308 BBLs in Sep 2025
Recent Gas Production	16,935 MCF in Sep 2025
Wells on Property	1

Great White 5-8E

Property Summary

Key data points for Great White 5-8e

County	Fisher County, TX
Operator	CHOLLA PETROLEUM INC
Production Dates	Nov 2023 - Oct 2025
Total Oil Production	264,597 BBLs
Total Gas Production	318,468 MCF
Recent Oil Production	7,390 BBLs in Sep 2025
Recent Gas Production	19,383 MCF in Sep 2025
Wells on Property	1

Tatanka 5-8W

Property Summary

Key data points for Tatanka 5-8W

County	Fisher County, TX
Operator	CHOLLA PETROLEUM INC
Production Dates	Nov 2023 - Oct 2025
Total Oil Production	303,657 BBLs
Total Gas Production	394,830 MCF
Recent Oil Production	8,581 BBLs in Sep 2025
Recent Gas Production	23,634 MCF in Sep 2025
Wells on Property	1

Bison 6-2

Property Summary

Key data points for Bison 6-2

County	Fisher County, TX
Operator	CHOLLA PETROLEUM INC
Production Dates	May 2024 - Oct 2025
Total Oil Production	279,414 BBLs
Total Gas Production	285,827 MCF
Recent Oil Production	10,820 BBLs in Sep 2025
Recent Gas Production	16,460 MCF in Sep 2025
Wells on Property	1

Buffalo 6-8

Property Summary

Key data points for Buffalo 6-8

County	Fisher County, TX
Operator	CHOLLA PETROLEUM INC
Production Dates	Jan 2023 - Nov 2025
Total Oil Production	337,044 BBLs
Total Gas Production	394,869 MCF
Recent Oil Production	4,652 BBLs in Oct 2025
Recent Gas Production	9,648 MCF in Oct 2025
Wells on Property	1

Bronco Unit

Property Summary

Key data points for Bronco Unit

County	Fisher County, TX
Operator	WALSH & WATTS INC
Production Dates	Aug 2023 - Oct 2025
Total Oil Production	173,505 BBLs
Total Gas Production	814,998 MCF
Recent Oil Production	2,553 BBLs in Sep 2025
Recent Gas Production	20,788 MCF in Sep 2025
Wells on Property	1

Jumbo

Property Summary

Key data points for Jumbo

County	Fisher County, TX
Operator	CHOLLA PETROLEUM INC
Production Dates	Dec 2024 - Oct 2025
Total Oil Production	52,639 BBLs
Total Gas Production	74,827 MCF
Recent Oil Production	2,636 BBLs in Sep 2025
Recent Gas Production	6,537 MCF in Sep 2025
Wells on Property	1

Into The Storm

Property Summary

Key data points for Into The Storm

County	Fisher County, TX
Operator	CHOLLA PETROLEUM INC
Production Dates	Dec 2024 - Oct 2025
Total Oil Production	34,703 BBLs
Total Gas Production	38,564 MCF
Recent Oil Production	2,056 BBLs in Sep 2025
Recent Gas Production	4,197 MCF in Sep 2025
Wells on Property	1

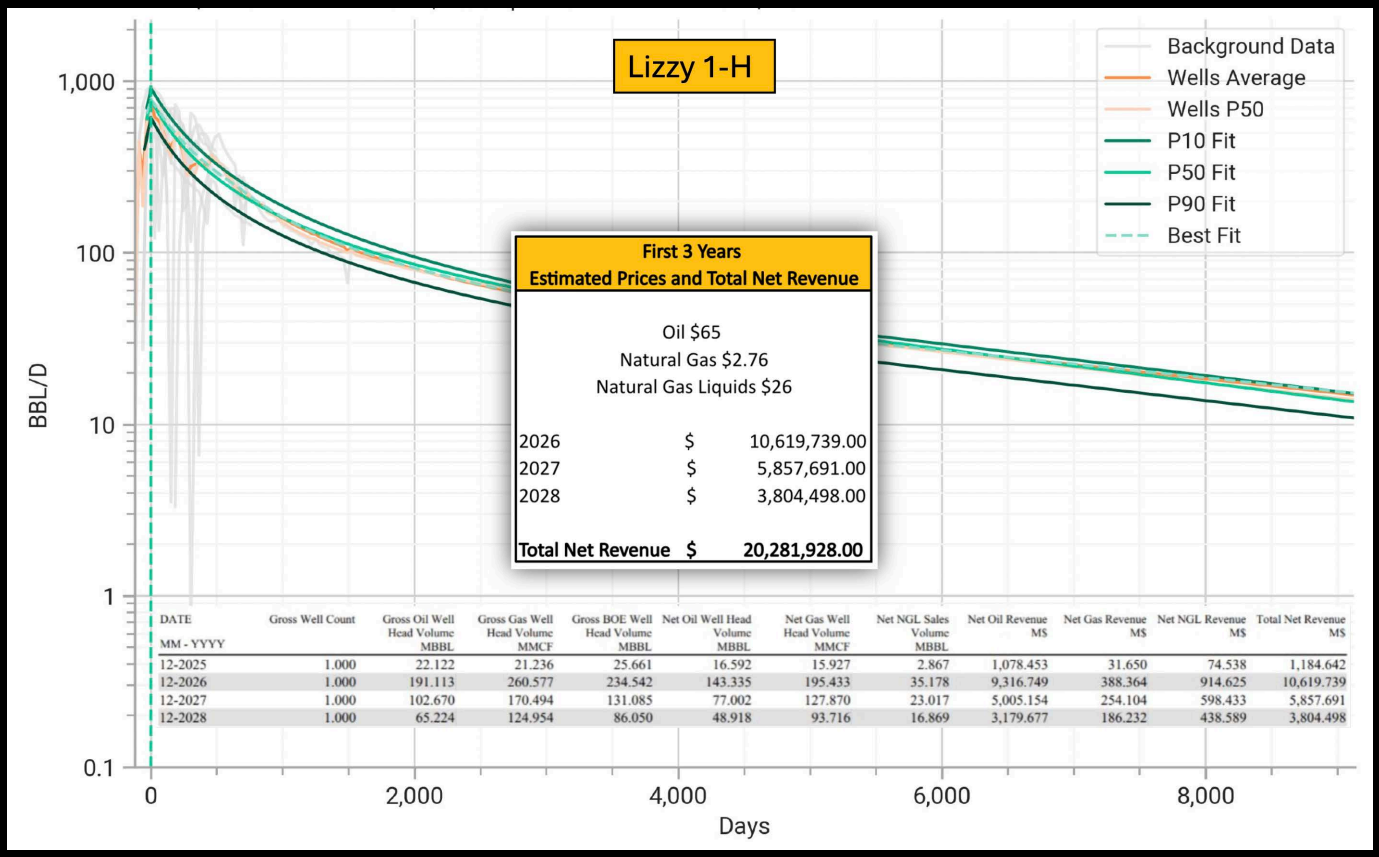
Economics and Reserves

Report Details

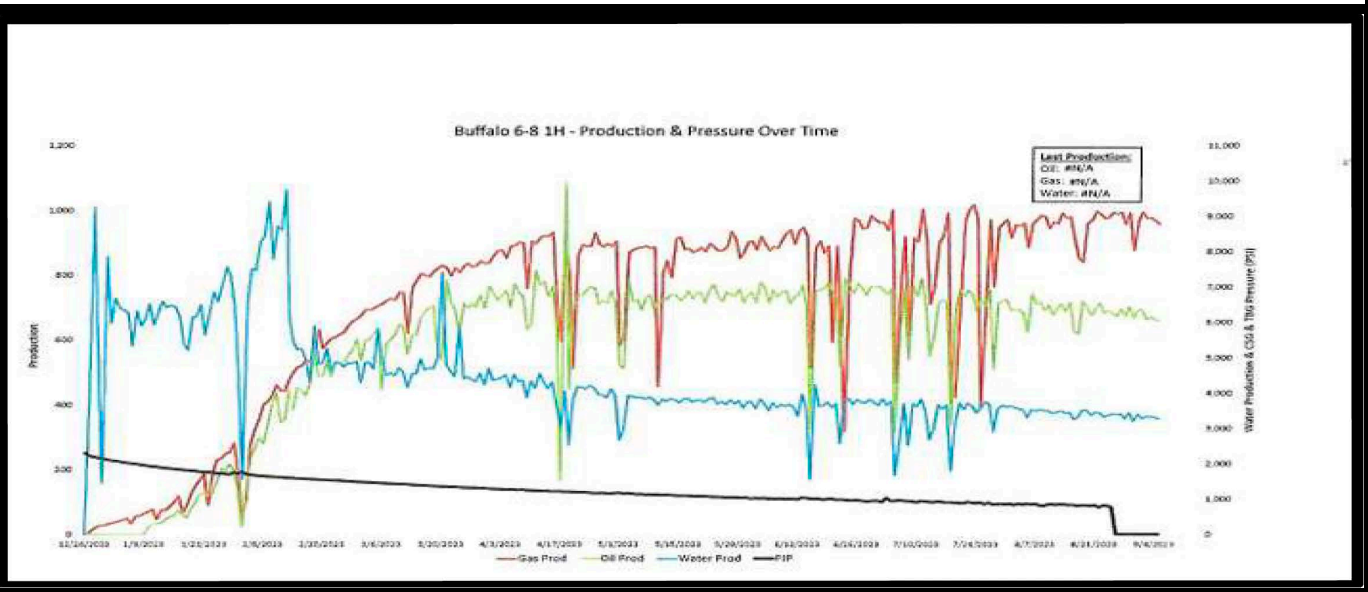
- Date Run: 02/05/2026
- Project Name: Seidler Fisher Co. Prospect
- As Of Date: 12/01/2025

Metrics

- EUR: Best 799,200 BOE
- Econ Well Life (years): 35.00
- IRR (%): 167.863



DATE MM - YYYY	Gross Well Count	Gross Oil Well Head Volume MBBL	Gross Gas Well Head Volume MMCF	Gross BOE Well Head Volume MBBL	Net Oil Well Head Volume MBBL	Net Gas Well Head Volume MMCF	Net NGL Sales Volume MBBL	Net Oil Revenue M$	Net Gas Revenue M$	Net NGL Revenue M$	Total Net Revenue M$
12-2025	1.000	22.122	21.236	25.661	16.592	15.927	2.867	1,078.453	31.650	74.538	1,184.642
12-2026	1.000	191.113	260.577	234.542	143.335	195.433	35.178	9,316.749	388.364	914.625	10,619.739
12-2027	1.000	102.670	170.494	131.085	77.002	127.870	23.017	5,005.154	254.104	598.433	5,857.691
12-2028	1.000	65.224	124.954	86.050	48.918	93.716	16.869	3,179.677	186.232	438.589	3,804.498



Lizzy #1H Well Economics

Total Production		Days	Price	Potential Gross Monthly Revenue	NRI%	Potential Monthly Revenue 1% WI in each well $195,000 Investment		Months to Payout $195,000 Investment
750	BOPD	30	$75.00	$ 16,875		Gross	$ 14,094	
2,000	MCFD	30	$4.50	2,700		(Severance Tax)	(1,141)	
				$ 19,575	72.00%	(OP EXP)	(300)	
							$ 12,653	15.02
500	BOPD	30	$75.00	$ 11,250		Gross	$ 9,072	
1,000	MCFD	30	$4.50	1,350		(Severance Tax)	(782)	
				$ 12,600	72.00%	(OP EXP)	(300)	
							$ 7,990	23.78
300	BOPD	30	$75.00	$ 6,750		Gross	$ 5,346	
500	MCFD	30	$4.50	675		(Severance Tax)	(475)	
				$ 7,425	72.00%	(OP EXP)	(300)	
							$ 4,571	41.57

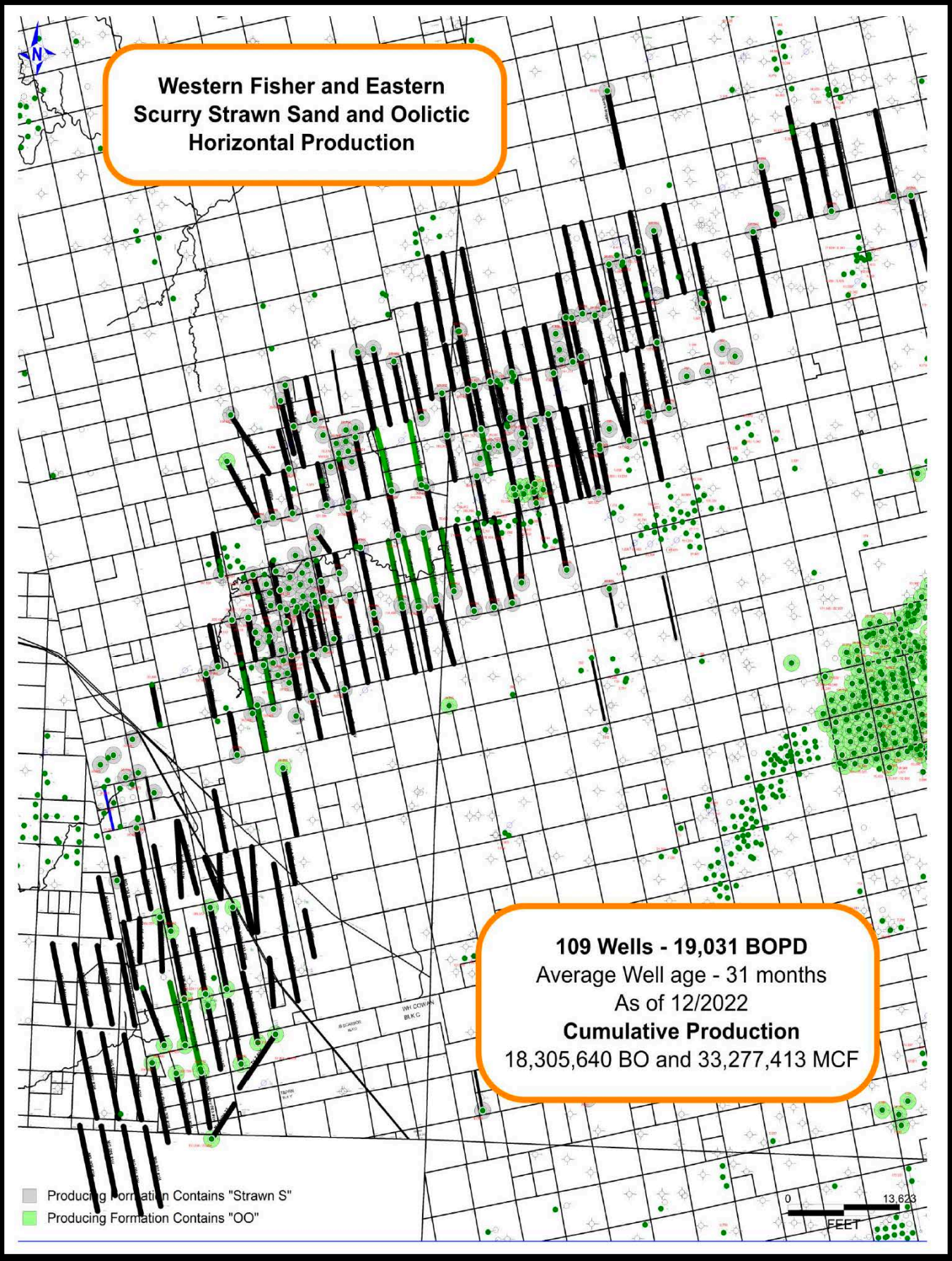
Total Production		Days	Price	Potential Gross Monthly Revenue	NRI%	Potential Monthly Revenue 1% WI in each well $195,000 Investment		Months to Payout $195,000 Investment
750	BOPD	30	$65.00	$ 14,625		Gross	$ 12,042	
2,000	MCFD	30	$3.50	2,100		(Severance Tax)	(1,000)	
				$ 16,725	72.00%	(OP EXP)	(300)	
							$ 10,742	17.69
500	BOPD	30	$65.00	$ 9,750		Gross	$ 7,776	
1,000	MCFD	30	$3.50	1,050		(Severance Tax)	(683)	
				$ 10,800	72.00%	(OP EXP)	(300)	
							$ 6,793	27.97
300	BOPD	30	$65.00	$ 5,850		Gross	$ 4,590	
500	MCFD	30	$3.50	525		(Severance Tax)	(415)	
				$ 6,375	72.00%	(OP EXP)	(300)	
							$ 3,875	49.03

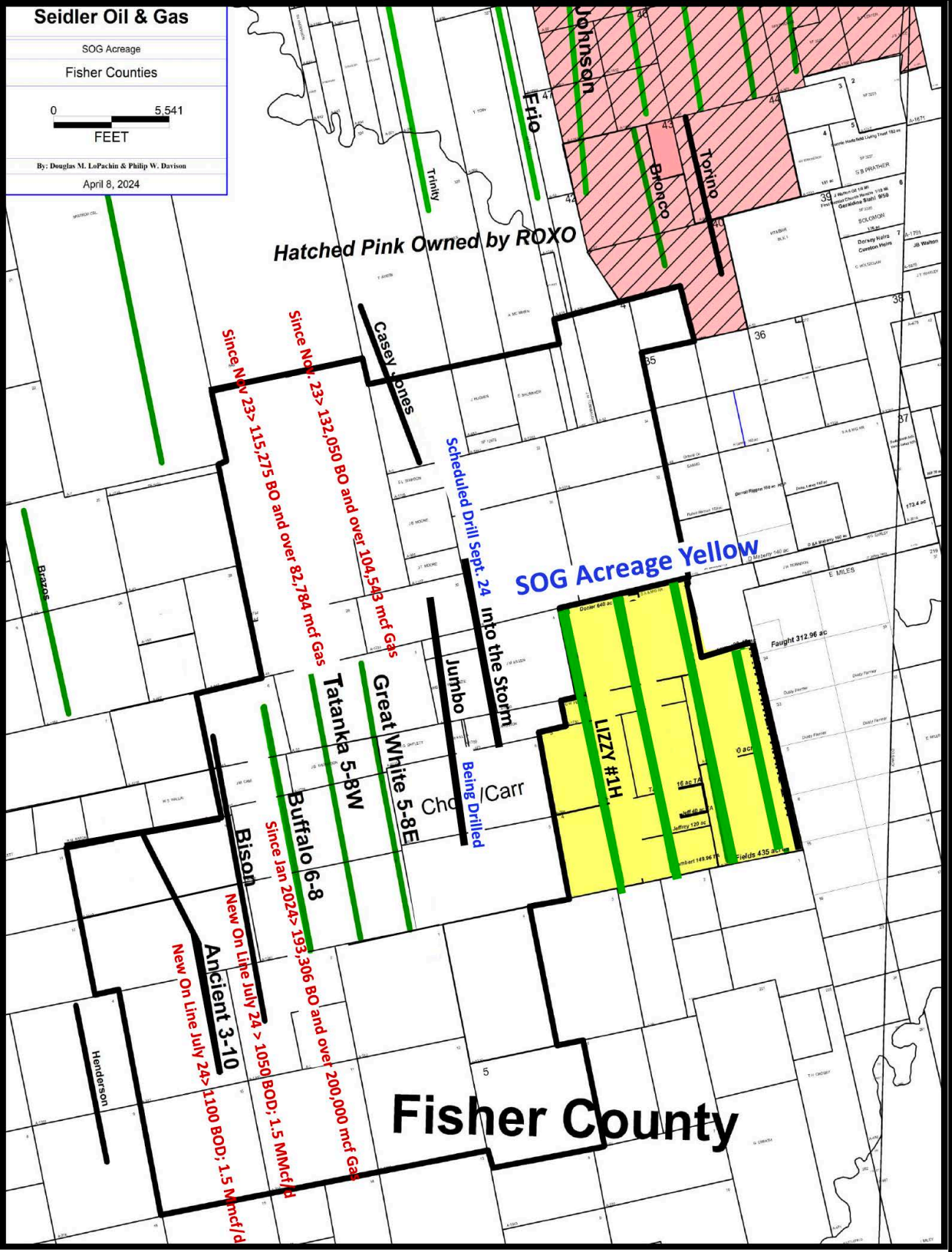
Total Production		Days	Price	Potential Gross Monthly Revenue	NRI%	Potential Monthly Revenue 1% WI in each well $195,000 Investment		Months to Payout $195,000 Investment
750	BOPD	30	$55.00	$ 12,375		Gross	$ 9,990	
2,000	MCFD	30	$2.50	1,500		(Severance Tax)	(859)	
				$ 13,875	72.00%	(OP EXP)	(300)	
							$ 8,831	22.08
500	BOPD	30	$55.00	$ 8,250		Gross	$ 6,480	
1,000	MCFD	30	$2.50	750		(Severance Tax)	(584)	
				$ 9,000	72.00%	(OP EXP)	(300)	
							$ 5,596	34.85
300	BOPD	30	$55.00	$ 4,950		Gross	$ 3,834	
500	MCFD	30	$2.50	375		(Severance Tax)	(354)	
				$ 5,325	72.00%	(OP EXP)	(300)	
							$ 3,180	61.32

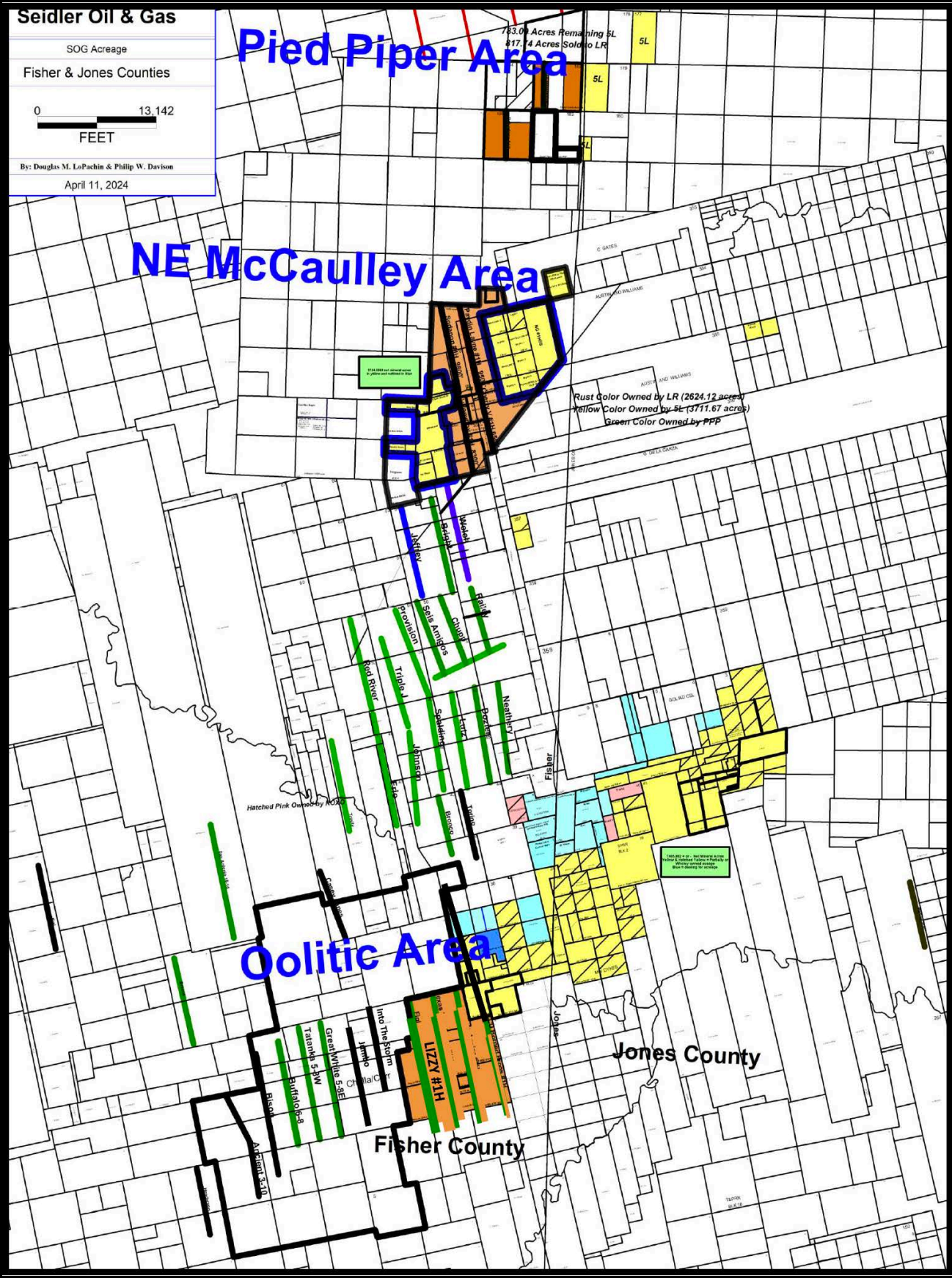
THIS ILLUSTRATION REPRESENTS ONLY AN ESTIMATE OF REVENUE THAT MAY BE RECEIVED WITH RESPECT TO A ONE PERCENT WORKING INTEREST AND THE PRODUCTION LEVELS STATED. VARIANCES IN PRODUCTION RATES, COMMODITY PRICES, AND LEASE OPERATING EXPENSES WILL DIRECTLY IMPACT NET REVENUE. THIS ILLUSTRATION IS SUBJECT TO ALL OF THE RISKS DESCRIBED IN "RISK FACTORS" AND ELSEWHERE IN THE PRIVATE PLACEMENT MEMORANDUM YOU RECEIVED.

THIS PROSPECT COULD BE A "DRY HOLE" AND RESULT IN ZERO REVENUE

Maps & Logs


Western Fisher and Eastern
Scurry Strawn Sand and Oolictic
Horizontal Production
109 Wells - 19,031 BOPD
Average Well age - 31 months
As of 12/2022
Cumulative Production
18,305,640 BO and 33,277,413 MCF
Producing Formation Contains "Strawn S"
Producing Formation Contains "OO"
0
13,623
FEET


Seidler Oil & Gas
SOG Acreage
Fisher Counties
0
5,541
FEET
By: Douglas M. LoPachin & Philip W. Davison
April 8, 2024
Johnson
Frio
Trinity
Bronco
Torino
Hatched Pink Owned by ROXO
Casey Jones
Since Nov 23> 115,275 BO and over 82,784 mcf Gas
Since Nov. 23> 132,050 BO and over 104,543 mcf Gas
Scheduled Drill Sept. 24
Into the Storm
Being Drilled
SOG Acreage Yellow
Brazos
Jumbo
Great White 5-8E
Tatanka 5-8W
Buffalo 6-8
LIZZY #1H
Faught 312.96 ac
Bison
Ancient 3-10
Since Jan 2024> 193,306 BO and over 200,000 mcf Gas
New On Line July 24 > 1050 BOD; 1.5 MMcf/d
New On Line July 24> 1100 BOD; 1.5 Mmcf/d
Henderson
Fisher County


Seidler Oil & Gas
SOG Acreage
Fisher & Jones Counties
0
13,142
FEET
By: Douglas M. LoPachin & Philip W. Davison
April 11, 2024
Pied Piper Area
783.00 Acres Remaining 5L
617.14 Acres Soldto LR
5L
NE McCaulley Area
Rust Color Owned by LR (2624.12 acres)
Yellow Color Owned by 5L (3711.67 acres)
Green Color Owned by PPP
Justley
Weddel
Fidelity
Provision
Seals Amigos
Church
Red River
Triple J
Johnson
Seaborn
Lentz
Bezdek
Neathery
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LIZZY #1H
Jones County
Fisher County

Tax Advantages of Investing in Oil & Gas

Why Invest in Oil and Gas?

Oil and gas can offer certain tax benefits, often associated with specific types of investments and structures. Here are some ways in which investing in oil and gas might lower taxes:

1. **Intangible Drilling Costs (IDCs):** Investors in oil and gas exploration and drilling projects may be able to deduct intangible drilling costs (IDCs). These costs include expenses related to drilling that don't have a salvage value, such as labor, drilling fluids, and specific rental fees. Deducting IDCs can result in a reduction of taxable income.
2. **Depletion Allowance:** Investors in oil and gas properties may be eligible for a depletion allowance. Depletion is a tax deduction that accounts for the reduction in the value of an oil or gas reservoir as it is produced. This allowance allows investors to recover a portion of their investment tax-free. The depletion allowance is currently 15% of gross revenue.
3. **Pass-Through Entities:** Many oil and gas investments are structured as pass-through entities, such as Limited Partnerships or Limited Liability Companies (LLCs). In these structures, income and deductions pass through to the individual investors, who report them on their tax returns. This can allow investors to benefit from certain tax advantages associated with business activities.

Here are some potential benefits associated with investing in oil and gas:

1. **Income Generation:** Certain oil and gas investments, such as royalty interests or income-focused partnerships, can provide regular income through dividends or distributions. This can be appealing to investors seeking consistent cash flow.
2. **Potential for Capital Appreciation:** Depending on the success of exploration and drilling activities, investors may experience capital appreciation as the value of oil and gas reserves increases. If the exploration leads to successful production, the value of the investment can rise.
3. **Tax Benefits:** As mentioned earlier, there are potential tax benefits associated with oil and gas investments, including deductions for intangible drilling costs, depletion allowances, and, in some cases, tax credits. These tax advantages can help offset the overall tax liability for investors.
4. **Diversification:** Investing in oil and gas can diversify an investment portfolio. Since the performance of the oil and gas sector is often influenced by factors different from those affecting other sectors, it can serve as a hedge against risks associated with economic fluctuations.
5. **Inflation Hedge:** Oil and gas investments, particularly those tied to the production of commodities, can act as a hedge against inflation. The value of energy resources often rises with inflation, providing a potential safeguard for investors against the eroding effects of rising prices.
6. **Global Demand:** The demand for energy, including oil and gas, is consistently high globally. Investments in this sector can be driven by the growing demand for energy resources, especially in emerging economies.

Tax Advantages of Investing in Oil & Gas

Why Invest in Oil and Gas?

It's crucial to emphasize that investing in oil and gas carries risks, including commodity price volatility, regulatory changes, and geological uncertainties. Before making investment decisions, individuals should conduct thorough due diligence, consider their risk tolerance, and, when necessary, seek advice from financial professionals. Additionally, staying informed about market trends and developments in the energy sector is essential for making informed investment decisions.

The classification of income from oil and gas investments as passive or active can depend on the level of involvement and the specific nature of the investment. Here's a general distinction between passive and active income in the context of oil and gas investments:

1. **Passive Income:**

Oil Royalties and Distributions: If an investor receives income from a passive investment in oil and gas, such as a royalty or a limited partnership interest, this income is typically considered passive. Royalties are payments made to mineral rights owners based on a percentage of production, and distributions from a passive investment are often generated without direct involvement in day-to-day operations.

Limited Partnership Interests: Many oil and gas investments are structured as limited partnerships or similar entities, where investors have limited decision-making roles. Income generated through limited partnership interests is often treated as passive.

2. **Active Income:**

Working Interests and Direct Operations: If an investor actively participates in the operations of an oil and gas project, such as through a working interest, the income generated may be considered active. Active participation may involve involvement in decision-making, drilling operations, and day-to-day management of the project.

Material Participation: In some tax jurisdictions, participation and involvement in oil and gas activities can determine whether the income is passive or active. Material participation requirements may be used to classify the income, and meeting certain thresholds of involvement could categorize it as active income.

Tax laws are complex, and the specific tax benefits available can depend on various factors, including the type of investment, the structure of the investment vehicle, and the investor's circumstances. Before making any investment decisions, it's advisable to consult with a tax professional or financial adviser who can provide guidance based on your specific situation and the latest tax regulations. Additionally, tax laws can change, so staying informed about the latest codes is crucial.

Common Oil Field Terms

"BBL" stands for "barrels." It is a unit of volume commonly used to measure and quantify the production, consumption, and transportation of crude oil and other petroleum products. One barrel is equivalent to 42 U.S. gallons or approximately 159 liters. The term "BBL" is widely used when referring to oil and gas quantities, such as barrels of oil produced per day (BOPD) or minutes in a pipeline. "MBO" is an acronym for thousands of barrels of oil.

"BOE" is a unit of energy based on the approximate energy released by burning one barrel (42 U.S. gallons or 159 liters) of crude oil. It is used to aggregate different types of energy resources (oil, natural gas, etc.) into a standard measure to facilitate comparisons. For example, if a company produces oil and natural gas, it might express its total production in terms of BOE to provide a standardized metric. "MMBO" is an acronym for "millions of barrels of oil equivalent." BOE" is a unit of energy based on the approximate energy released by burning one barrel (42 U.S. gallons or 159 liters) of crude oil. It is used to aggregate different types of energy resources (oil, natural gas, etc.) into a standard measure to facilitate comparisons. For example, if a company produces oil and natural gas, it might express its total production in terms of BOE to provide a standardized metric.

"MCF" stands for "thousand cubic feet." It is a unit of measurement used to quantify natural gas volumes. The "M" represents one thousand in Roman numerals, and "C.F." stands for cubic feet. Therefore, when you see "MCF," it denotes a volume of natural gas equal to one thousand cubic feet. This unit is commonly used to express natural gas production, consumption, or reserves. For example, if a natural gas well produces 5,000 MCF daily, it has 5 million cubic feet of natural gas daily. Similarly, reserves or resources of natural gas can be expressed in MCF to indicate the volume in thousands of cubic feet.

"MMCF" stands for "million cubic feet." It is a unit of measurement used to quantify natural gas volumes. The "MM" represents one million in Roman numerals, and "C.F." represents cubic feet. Therefore, when you see "MMCF," it denotes a volume of natural gas equal to one million cubic feet. This unit is commonly used to express natural gas production, consumption, or reserves. For example, if a natural gas well produces 5,000 MMCF daily, it produces 5 million cubic feet of natural gas daily. Similarly, reserves or resources of natural gas can be expressed in MMCF to indicate the volume in millions of cubic feet.

"BCF" stands for "billion cubic feet." It is a unit of measurement used to quantify natural gas volumes. The "B" represents one million in Roman numerals, and "C.F." stands for cubic feet. Therefore, when you see "BCF," it denotes a volume of natural gas equal to one million cubic feet. This unit is commonly used to express natural gas production, consumption, or reserves. For example, if a natural gas well produces 5,000 BCF daily, it has 5 billion cubic feet of natural gas daily. Similarly, reserves or resources of natural gas can be expressed in BCF to indicate the volume in billions of cubic feet.

"BHA" stands for "Bottom Hole Assembly." The Bottom Hole Assembly refers to the lower part of a drill string used in drilling operations. It is the assembly of tools and equipment located at the bottom end of the drill string, just above the drill bit. The BHA plays a crucial role in the drilling process, as it contains various tools and components designed for specific functions such as drilling, measurement, and wellbore evaluation. The components of a Bottom Hole Assembly can include the drill bit, mud motor, measurement-while-drilling (MWD) tools, logging-while-drilling (LWD) tools, and other specialized equipment. The configuration of the BHA can vary depending on the specific requirements of the drilling operation, such as the type of formation being drilled and the objectives of the well. In summary, the Bottom Hole Assembly is a critical part of the drilling system, and it is responsible for carrying out various tasks to facilitate the drilling of oil and gas wells.

"BOE" stands for "Barrel of Oil Equivalent." It is a unit of energy representing the approximate energy content of one barrel (42 U.S. gallons or about 159 liters) of crude oil. The term is used to standardize and aggregate different types of energy resources, such as oil and natural gas, into a standard measure. The conversion is typically based on the energy content rather than the volume or mass of the substances being compared. The typical conversion is that 1 BOE equals the energy released by burning one barrel of crude oil, allowing a more straightforward comparison of different energy sources and facilitates energy production and consumption discussions in a unified metric.

"BOP" stands for "Blowout Preventer." A Blowout Preventer is a critical piece of safety equipment used in drilling operations to control and prevent the uncontrolled release of oil or natural gas from a well during drilling. It is designed to seal the wellbore in the event of a blowout a sudden and uncontrollable release of oil or gas. The Blowout Preventer is typically located on the wellhead and comprises various components, including hydraulic systems, rams, and valves. Different Blowout Preventers, such as annular and ram preventers, each serve specific functions in well control. The primary purpose of a Blowout Preventer is to provide a barrier that can be activated to shut in the well and prevent the escape of hydrocarbons in the event of an unexpected increase in pressure. Blowout Preventers are a critical part of well control systems and are an essential safety feature in drilling operations to prevent blowouts and mitigate the risk of catastrophic well incidents.

"D.P." refers to the Drilling Platform. This term describes a platform or structure used for drilling operations.

"GIP" commonly stands for "Gas Initially in Place." GIP refers to the estimated total quantity of natural gas in a subsurface reservoir before any extraction or production activities occur. It represents the total volume of gas that is theoretically available in the reservoir. Gas Initially In Place is an essential parameter in reservoir engineering and petroleum economics, providing insight into the potential resource base of a natural gas reservoir. However, it's important to note that not all the gas initially in place may be recoverable due to technical and economic constraints. The estimation of GIP involves various geological and engineering assessments, which are critical factors in evaluating the overall potential of a gas field.

"M.D." can stand for "Measured Depth." Measured Depth refers to the length of the wellbore or hole that has been drilled, and it is typically measured from the surface to a specific point down the well. This measurement helps assess the Depth at which various formations, reservoirs, or target zones are encountered during drilling operations. The term "M.D." is often used in contrast to "TVD" (True Vertical Depth), which considers the inclination and direction of the well bore to provide a measurement of the actual vertical Depth from the surface to the target point. So, when you encounter "M.D." in the oil and gas industry, it generally refers to the measured wellbore depth. "M.D." also stands for "Mud Density." Mud density refers to the thickness or weight of the drilling mud, a specially designed fluid used during drilling operations to lubricate the drill bit, carry drill cuttings to the surface, and provide pressure to prevent well blowouts. Maintaining the appropriate mud density is crucial for well stability and effective drilling. However, it's important to note that "M.D." can have different meanings depending on the context.

"M.W." can stand for different terms depending on the specific context. Two common interpretations are:

1. Mud Weight (M.W.): Mud weight refers to the density or weight of the drilling mud used in drilling operations. It is a crucial parameter that drillers monitor and control to ensure proper wellbore stability and prevent blowouts. Mud weight is typically measured in pounds per gallon or pounds per cubic foot.
2. Mud Weighted (M.W.): In some contexts, "M.W." can also stand for "Mud Weighted," indicating that specific measurements or calculations have been adjusted or corrected based on the properties of the drilling mud.

As with many acronyms in the oil and gas industry, the precise meaning of "M.W." will depend on the specific application or discipline within the field.

Common Oil Field Terms

"MWD" stands for "Measurement While Drilling," MWD tools refer to the suite of instruments and sensors incorporated into the drill string to gather real-time data while drilling a well. These tools provide critical information about the well bore, including its inclination, azimuth, and sometimes formation properties.

Critical components of MWD tools may include:

1. Directional Sensors: These sensors help determine the wellbore's inclination and azimuth, providing information about the well's deviation from the vertical and its orientation.
2. Gamma-Ray Sensors: Gamma-ray sensors measure the natural gamma radiation emitted by formations surrounding the well bore. This information aids in identifying different rock layers and formations.
3. Magnetometers: Magnetometers measure the Earth's magnetic field, providing additional data for determining the wellbore's direction.
4. Pressure and Temperature Sensors: These sensors monitor down-hole conditions, helping operators make decisions related to well bore stability and drilling fluid properties. The real-time data collected by MWD tools is crucial for well bore navigation, geosteering, and overall well bore placement. It allows drilling engineers to make informed decisions to optimize the drilling process and ensure the well is drilled accurately to its intended target.

"POOH" stands for "Pulling Out of Hole." It refers to withdrawing the drill string and other bottom-hole assembly components from the well bore during drilling operations. Pulling out of the hole is a standard operation when the drill bit or other equipment needs to be replaced; maintenance or other operations necessitate retrieving the drill string.

"RIH" (Running in Hole) is used when the drill string and equipment are lowered or run into the wellbore during drilling. POOH and RIH are routine operations in the drilling process and are carried out as needed to perform various wellbore tasks.

"PUD" stands for "Proved Undeveloped." It is a classification used in the assessment of oil and gas reserves. Reserves are categorized based on the degree of certainty regarding their recoverability and the stage of development. "Proved reserves" refer to estimated quantities that geological and engineering data demonstrate with reasonable certainty to be recoverable in the future from known reservoirs under existing economic and operating conditions. The term "undeveloped" in PUD indicates that these reserves are in known reservoirs but are not yet in production and are awaiting development. In summary, PUD reserves are quantities of oil and gas considered proven but still awaiting the necessary development activities to bring them into production.

"P/U" can stand for "Pick Up." This term is used in the context of various operations involving the handling or retrieval of equipment in a well bore. For example, "P/U" might be used in phrases like:

1. P/U Tubing refers to picking up or retrieving tubing from the wellbore.
2. P/U Casing refers to picking up or retrieving casing from the wellbore.

These operations are part of routine activities during well construction, maintenance, or workover operations, where equipment such as tubing or casing is lowered into or retrieved from the well bore using the drilling rig or other specialized equipment. The term "P/U" helps communicate specific actions related to handling equipment in the well.

"Rotate Drilling" typically refers to rotating the drill string, including the drill bit, to create a borehole or wellbore in the subsurface. This rotation allows the drill bit to cut through the rock formations, and the drilling mud or drilling fluid is circulated to carry the cuttings to the surface. The rotation of the drill string is one of the fundamental components of the drilling process, and it helps advance the well bore. The drilling rig's rotary table or top drive system imparts rotational motion to the drill string. Drilling can involve various techniques, and the term "Rotate Drilling" emphasizes the importance of the rotational aspect in the overall drilling operation. It distinguishes this process from other phases of drilling, such as tripping (pulling out the drill string) or making connections (adding or removing drill pipe).

"Section" can have different meanings depending on the specific context. Here are a couple of possible interpretations:

1. Land Surveying and Leasing: In the context of land leasing and surveying, a "section" typically refers to a unit of land measurement. In the United States, a section is a square tract of land, typically one mile by one mile, and it is a standard unit for dividing and describing land parcels.
2. Geological and Wellbore Interpretation: In geological and well bore interpretation, a "section" may refer to a unit of measurement along a well bore. For example, well logs or geological interpretations may be divided into sections to analyze specific intervals or formations.

SIP" can refer to various terms depending on the specific context. Three common interpretations are:

1. SIP - Seismic Inversion Package: In geophysics and exploration, SIP can stand for Seismic Inversion Package. Seismic inversion is a technique used to estimate rock and fluid properties in subsurface formations based on seismic data. It helps in mapping and understanding the characteristics of the subsurface, aiding in the exploration and development of oil and gas reservoirs.
2. SIP - Sucker Rod Pumping: In the context of production operations, SIP can also refer to Sucker Rod Pumping. Sucker rod pumps are commonly used in the oil industry to lift liquids, including oil or water, from a well to the surface. This method is a form of artificial lift.
3. SIP - Shut-In Pressure: refers to the pressure observed at the well bore when the well is closed or shut in. Shutting in a well involves closing the valves at the surface isolating the well bore from the production or reservoir. When the well is shut in, pressure builds up at the wellhead due to the natural pressure in the reservoir. Shut-in Pressure is a crucial parameter in well testing and reservoir evaluation. It provides insights into the reservoir's pressure and helps reservoir engineers and geoscientists assess reservoir characteristics, such as pressure depletion, connectivity, and potential production rates. The Shut-in Pressure is typically measured and recorded at the surface, and the data is used for analysis and decision-making in the optimization and management of oil and gas reservoirs.

"Slide drilling" generally refers to a drilling technique used in directional or horizontal drilling. It involves controlling the wellbore's inclination or direction by adjusting the drill bit's orientation without rotating the entire drill string. In slide drilling, the drill bit is intentionally kept in a fixed position, and the drilling direction is achieved by changing the angle of the drill pipe, creating a curved or slanted well bore. This technique is often employed when drilling deviated or horizontal wells to reach specific targets or reservoirs. Slide drilling is a crucial method in directional drilling operations, providing a way to navigate the well bore through different geological formations or to access specific reservoir zones. It allows for precise well placement and reservoir contact, enhancing overall well performance and hydrocarbon recovery.

Common Oil Field Terms

"Stand" can refer to a couple of different things:

1. Drill Pipe Stand: A "stand" can refer to a set or group of connected drill pipes positioned vertically in a drilling rig's derrick or mast. These stands usually comprise multiple individual joints of drill pipe connected end-to-end. Stands are added or removed during drilling as the drill string is tripped in or out of the well bore.
2. Measurement Unit: In some contexts, "stand" might be used as a unit of measurement for specific quantities related to oil and gas production or reserves. For example, "barrels per stand" could refer to the production rate or reserves calculated in terms of the number of barrels of oil.

"T.D." commonly stands for "Total Depth." Total Depth refers to the deepest point reached by the drill bit in a well bore. It marks the completion of the drilling process for that well. When a well gets its total Depth, the drill bit has penetrated the planned Depth, and drilling activities for that well bore are typically concluded. The measurement of total Depth is crucial for various reasons, including assessing the geological formations, evaluating the potential reservoirs, and determining the overall success of the drilling operation. Total Depth is often expressed in feet or meters, depending on the unit of measurement used in a particular region or project.

"Tripping in the hole" refers to lowering the drill string back into the well bore, including the drill bit and other bottom hole assembly components. This operation is the opposite of "tripping out of the hole," where the drill string is pulled out of the well bore. Tripping in the hole is a routine operation during drilling activities and is performed for various reasons, including:

1. Changing or Replacing Equipment: It allows for replacing the drill bit or other drill string components.
2. Adding or Removing Drill Pipe: This facilitates adding or removing sections of the drill pipe to adjust the length of the drill string.
3. Performing Maintenance: Tripping in the hole may require routine maintenance or repairs.

The term "tripping" comes from the historical practice of manually handling individual drill pipe joints during these operations. Modern drilling rigs often use automated systems to facilitate tripping operations, improving safety and efficiency.

"TVD" stands for "True Vertical Depth." True Vertical Depth is a measurement that represents the vertical distance from a specific point in a wellbore to a reference point at the surface. Unlike measured Depth (M.D.), which is the length of the well bore along the path drilled (regardless of deviation), TVD accounts for the inclination or variation of the well bore. It provides a more accurate measure of the vertical Depth, considering the actual vertical distance from the surface to the target point in the subsurface. TVD is critical in well planning, reservoir evaluation, and other aspects of drilling and production operations where an accurate understanding of the wellbore's actual vertical position is required.

"AFE" stands for "Authorization for Expenditure." An Authorization for Expenditure is a document that outlines the estimated costs and expenditures associated with a specific oil and gas project or well. The operator presents a formal proposal to the working interest partners, seeking their approval and financial commitment for the planned activities. The AFE typically includes details such as:

1. Project Description: Describing the scope of work or the nature of the project.
2. Estimated Costs: Provide a breakdown of the anticipated costs associated with drilling, completion, and other relevant activities.
3. Risks and Contingencies: Outlining potential risks and including contingency plans.
4. Authorization Details: Describing the terms and conditions for the partners' approval and participation.

Working interest partners review the AFE, and if they agree with the proposed costs and activities, they authorize the expenditure of funds for the project. A signed AFE allows the operator to move forward with the planned operations and serves as a financial commitment from the participating parties.

"ESP" typically stands for "Electric Submersible Pump." An Electric Submersible Pump is a type of pump submerged in the wellbore, typically near the bottom of an oil or water well. ESPs lift fluids, such as oil or water, from the well to the surface. Critical components of an ESP system include:

1. Motor: The electric motor is at the bottom of the pump and powered by surface electricity.
2. Pump: The pump is responsible for lifting the fluids to the surface. The electric motor drives it.
3 .Seals and Cables: The system is equipped with seals to prevent fluid from entering the motor, and electrical cables deliver power to the motor.

ESP systems are commonly employed in wells with high lifting requirements or challenging down-hole conditions. They are instrumental in enhancing the production rate of oil wells, providing artificial lift to bring fluids to the surface efficiently.

"B.C." stands for Barrels of Condensate. In the context of oil and gas production, "B.C." could refer to barrels of condensate. Condensate is a light liquid hydrocarbon mixture often found in association with natural gas.

SEIDLER
OIL & GAS

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Full Corporate Name Seidler Oil & Gas, LP
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Federal Tax ID#: 20-5242029

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