

North Texas Energy Corporation

Williamson County Lease Group

**Reserve Analysis for
December 31, 2023**

Prepared

by

John M. Durkee, PE

December 31, 2023

**Mr. Kevin Jones, CEO/Director
North Texas Energy, Inc.
5057 Keller Springs Road, Suite 300
Addison, Texas 75001**

Re: Reserve Analysis, Williamson County Lease Group

Dear Mr. Jones:

At your request, I have examined the data contained in North Texas Energy's well record files, logs of other operators in the area, reserve reports prepared previously by me and others, public records, the Railroad Commission's database, the NRIS database, and my private files.

I certify that I am a Consulting Petroleum Engineer, registered with the State of Oklahoma, State Board of Registration for Professional Engineers and Land Surveyors, Number 14481 and that I hold no equity position in the Company.

Purpose

The purpose of this report is to estimate the oil reserves of North Texas Energy, Inc. and incorporate into the reserve base producing leasehold acquired since the last reporting period. The effective date of this report is December 31, 2023.

The Company

NTE is an 'Production and Development' (P & D) company whose primary function is to produce oil and gas from the wells it presently owns, will drill, or acquire in the future in order to maximize value to its stockholders. These techniques are for the most part are low impact upon the surface of the land. NTE's locations utilize a small footprint of a few hundred square feet rather than the several acres typically lost to use by the surface owner. All (100%) of the registrant's reserves are covered by this report and all are located in the state of Texas.

Leasehold, Sources of Data and Assumptions

The Rieger lease has been producing since 1993 and is a consistent stripper lease. There are several well bores that could be deepened to the new zone discovered on the Spelling lease.

The first well in this new reservoir is being tested and probable reserves have been attributed to the reservoir based upon that testing.

Volumetrics were computed by standard formulae and have been adjusted for criteria discussed with engineers of the US Securities and Exchange Commission at the time of registration. NTE's stated purpose is to be an oil producer. Its focus is on recovering the oil other companies gave up on decades ago because it was too difficult or impossible to produce with technology existing at the time,

A recent inspection trip to the Rieger Area indicated that the infrastructure necessary to operate has been installed: a tank battery, heater/treater, flow lines, electric lines, and associated switchgear. The wells were all pumping and putting oil into the oil tanks and water into the water tank.

Regulation, Risk and Uncertainty

Production operations are subject to various types of regulation at the federal, state, and local levels. The regulations include maintaining bonding requirements to rework or operate wells, defining potential well locations, specifying well casing integrity, plugging, and abandoning well statutes, and the surface use and restoration of properties on which wells are operated. Operations are also subject to various conservation laws and regulations. These include the regulation of spacing or proration of wells (the density of wells in a given field). In addition, state conservation laws establish maximum rates of production from oil and natural gas wells. The effect of these regulations is to limit the amounts of crude oil and natural gas that can be produced from the Company's wells.

Because federal, state, and local statutes, rules, and regulations undergo constant review and often are amended, expanded, and reinterpreted, it is difficult to predict the future cost or impact of regulatory compliance. However, thoroughly understanding and adhering to federal, state, and local regulations will greatly reduce the operational costs associated with operating an oil and gas company.

The process of estimating oil and natural gas reserves is complex, requiring significant decisions and assumptions in the evaluation of available geological, engineering, and economic data for each reservoir. As a result, the estimates are inherently imprecise evaluations of reserve quantities and could materially affect the quantity and value of the reported reserves. Actual future production of recoverable oil and gas reserves may vary substantially from those assumed in the estimates.

Reserve Potential of North Texas Energy, Inc. as of December 31, 2023

**Estimated Net Reserves and Income Data
 Certain Leasehold Interests of North Texas Energy – Total Net Direct Interests
 As of December 31, 2023**

<u>Net Remaining Reserves</u>	<u>Proved Developed Producing</u>	<u>Probable Undeveloped Non-Producing</u>	<u>Possible Undeveloped Non-Producing</u>
Oil/Condensate – STBO	3,979	68,498	202,676
Gas – MMCF	0	0	0
<u>Income Data (\$)</u>			
Future Gross Revenue	278,561	5,258,577	15,574,994
Deductions	151,200	2,809,773	9,919,828
Future Net Income (FNI)	127,361	2,448,804	5,655,116
Discounted FNI @ 10%	38,157	2,281,355	2,918,219

Summary & Conclusions

The oil reservoirs under an oil lease are somewhat like a savings account where the contents have no financial worth. The value of the account is determined by how rapidly the contents are being depleted.

All (100%) of the registrant's reserves are covered by this report and all are located in the state of Texas. North Texas Energy owns 100% working interest in four-hundred-twenty-seven-point-four (427.4) acres with seven (7) unproductive oil wells, three (3) productive oil wells and zero productive gas wells.

NTE uses methods endorsed by the DOE that find oil that previously eluded other explorationists. The techniques are proprietary and for the most part are low impact upon the surface of the land. NTE's locations utilize a small footprint of a few hundred square feet rather than the several acres typically lost to use by the surface owner.

Qualifications

Mr. Durkee is a Consulting Petroleum Engineer, registered with the State of Oklahoma, State Board of Registration for Professional Engineers and Land Surveyors, number 14481. He has initiated projects through geological and satellite studies, managed drilling and completion programs and operated oil and gas producing properties. He has designed and operated gas pipelines, an LPG extraction plant and several waterfloods, MEOR and polymer floods throughout the Mid-continent region.


He is native to the city of Tulsa and has been the operator of wells in Indiana, Illinois, Tennessee, Kansas, Texas, and Oklahoma since 1972.

Consent

John M. Durkee has consented to the inclusion of this Report in the appropriate filing in the form and context in which it appears and has not withdrawn this consent before lodgment of the relevant registration statement with the U.S. Securities and Exchange Commission (SEC).

Review

A copy of this report was given to and reviewed by North Texas Energy, Inc. for comment on any factual errors; however, the analysis and conclusions contained herein are those of the author alone.

Sincerely yours,

John M. Durkee, PE

