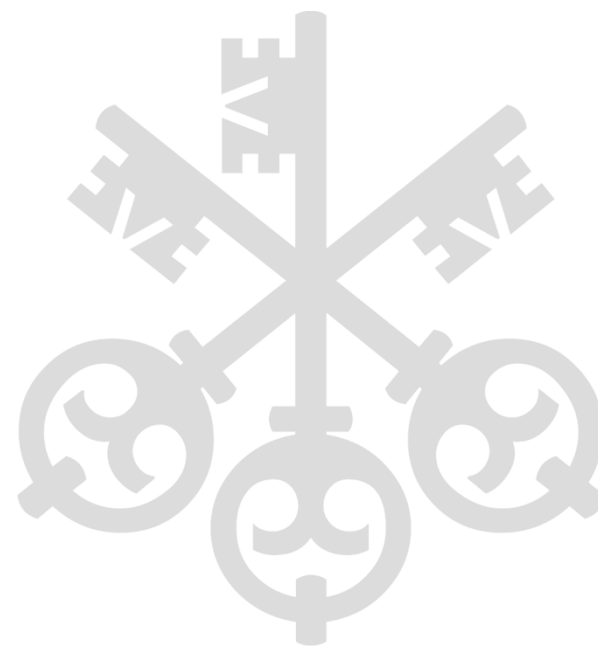


# Utica ORRI Divestiture

## Executive Summary



# Utica ORRI Divestiture

6.5 mmcfepd net<sup>1</sup> (99% gas) | ~6,340 Net Royalty Acres<sup>2</sup> | 1P Net PV<sub>10</sub> of \$57.5 mm<sup>3</sup> | \$14.0 mm/year Net Revenue<sup>3,4</sup>

A Private Seller is offering for sale certain Ohio assets ("the Properties"). The Private Seller has retained UBS Securities LLC ("UBS") as the exclusive financial advisor for this transaction. The Private Seller's preference is to sell the properties in a single cash transaction.

## Investment Considerations

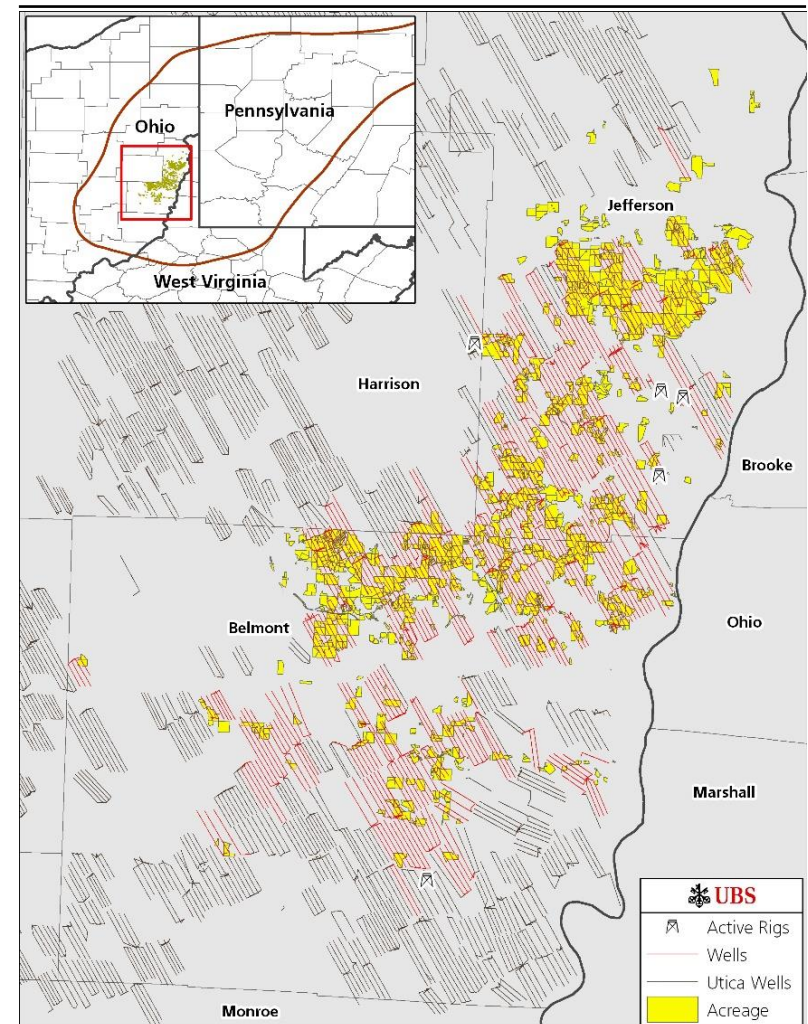
**Quality land position in the core of the Ohio Utica Shale Play**

- Opportunity to acquire Overriding Royalty Interests located in the Dry Gas Core of the Ohio Utica Shale Play
  - Large, contiguous land position of ~6,430 net royalty acres<sup>2</sup>, 87% HBP
  - Large PDP base of over 440 producing wells with an average royalty interest of 0.55%
- Acreage position situated in the geologic sweet-spot of the play with significant over-pressure, high TOC, porosity, OGIP and ideal drilling depths to the Point Pleasant reservoir

**Active nearby development with strong results**

- Exposure to top operators in the Ohio core including Ascent, EQT, Gulfport and XTO
- Consistent track record of activity on property averaging 6 wells completed per month historically
- Sustained activity on acreage position with 5 rigs on or adjacent to the acreage position
- Significant remaining development inventory with over 200 remaining locations at 1,000' inter-well spacing
- Strong line of sight to near-term development with two active Ascent rigs on acreage and over 22 wells in progress

## Utica ORRI Divestiture Map



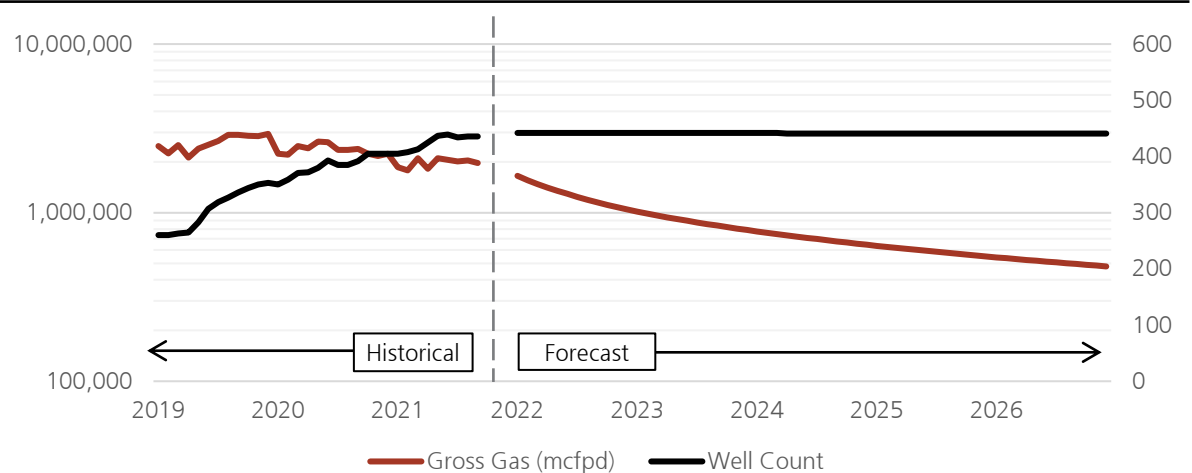
Note:

- 1 PDP Forecast net rate for January 2022
- 2 Normalized to 1/8<sup>th</sup> royalty
- 3 Effective Date as of 01/01/2022; 01/07/2022 NYMEX Strip (2022: \$75.56, \$3.86; 2023: \$69.05, \$3.42; 2024: \$64.65, \$3.19; 2025: \$61.81, \$3.11; 2026+: \$59.87, \$3.09)
- 4 Based on 2022 forecast net revenue

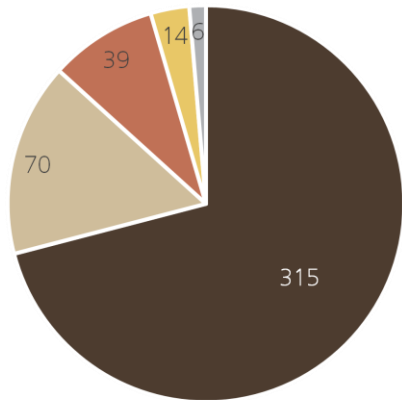
# High Quality, Diversified PDP Production Base

- Dry gas production stream of 6.5 mmmcfpd<sup>1</sup> net (99% gas) with low concentration risk
- Substantial 2022 total proved net revenue of \$14 mm<sup>2,3</sup>
- Highly diversified package with over 450 wellbores
- Low concentration risk with top 25 PDP wells making up only ~24% of PDP PV<sub>10</sub>
- High quality acreage under top active operators in the Play including Ascent, Gulfport, EQT and XTO

## PDP Gross Production

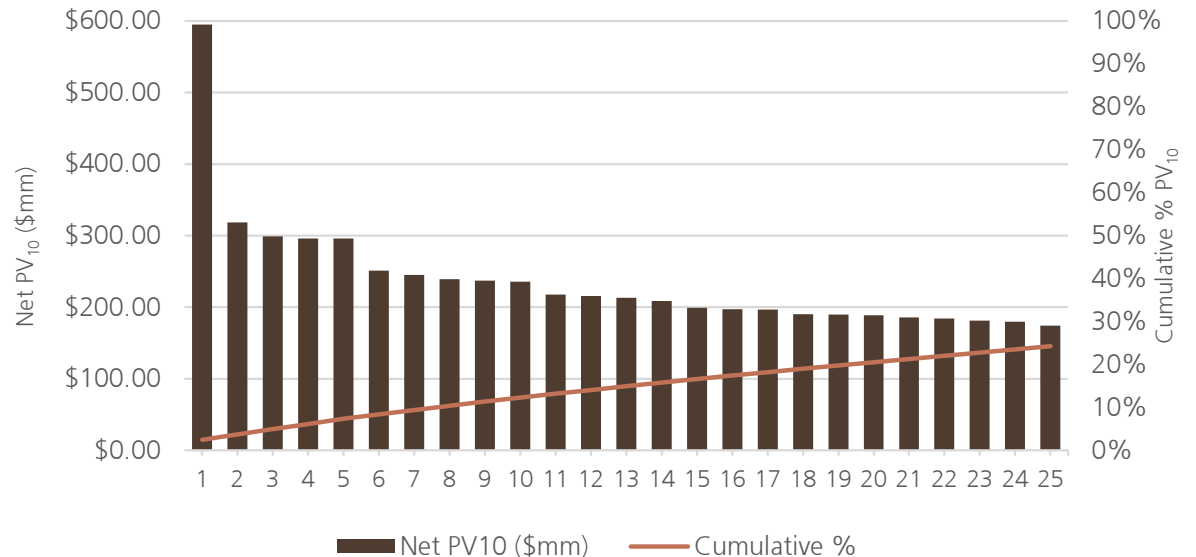


## Wells by Operator



■ Ascent ■ EQT ■ Gulfport ■ XTO ■ Encino

## Top 25 PDP Wells by PV<sub>10</sub> Value<sup>2</sup>



Note:

1 PDP Forecast net rate for January 2022

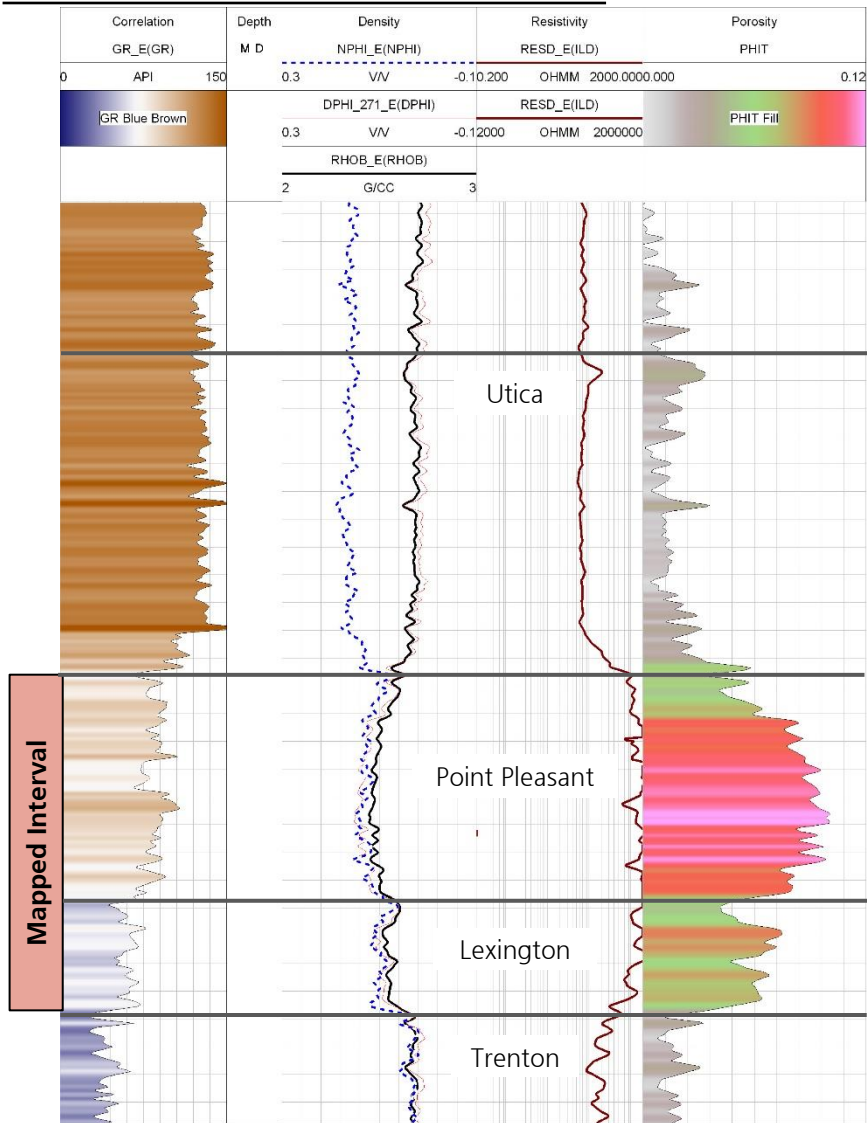
2 Effective Date as of 01/01/2022; 01/07/2022 NYMEX Strip (2022: \$75.56, \$3.86; 2023: \$69.05, \$3.42; 2024: \$64.65, \$3.19; 2025: \$61.81, \$3.11; 2026+: \$59.87, \$3.09)

3 Based on 2022 forecast net revenue

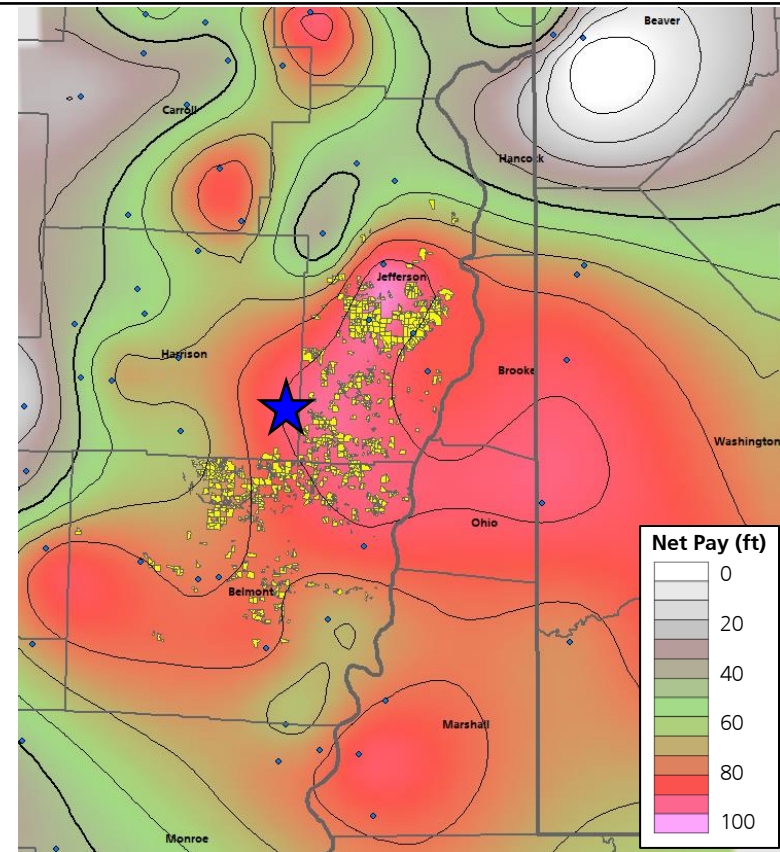


# Geologic Sweet-Spot of Ohio Utica Shale Play

## Type Log



## Point Pleasant Net Pay<sup>1</sup>



- Acreage positioned in highest reservoir quality area of the play with average porosity ranging from 7 to 8% and net thickness approaching 100'
- Ideal structural setting that results in significant over-pressure at ideal drilling depths, driving exceptional well results and new-drill economics
- Contiguous reservoir quality and rock properties across acreage drive repeatable and consistent well results

# Recent Activity Highlights Continued Strong Well Performance

Extremely active and productive area in the core of the Ohio Utica Shale Play

## Pelegreen Farms Pad

**Operator: EAP**

### Pelegreen Farms 39-9-3 10 H

Lateral length: 7,191'  
IP (mcf/10,000'): 36,830  
Comp Date: Feb 2021

### Pelegreen Farms 39-9-3 8H

Lateral length: 7,677'  
IP (mcf/10,000'): 27,599  
Comp Date: Feb 2021

## Cravat Coal Pad

**Operator: Ascent**

### Cravat Coal N SHC HR 7H

Lateral length: 14,715'  
IP (mcf/10,000'): 24,421  
Comp Date: Mar 2021

### Cravat Coal N SHC HR 9H-A

Lateral length: 14,712'  
IP (mcf/10,000'): 24,099  
Comp Date: Mar 2021

### Cravat Coal N SHC HR 1H-A

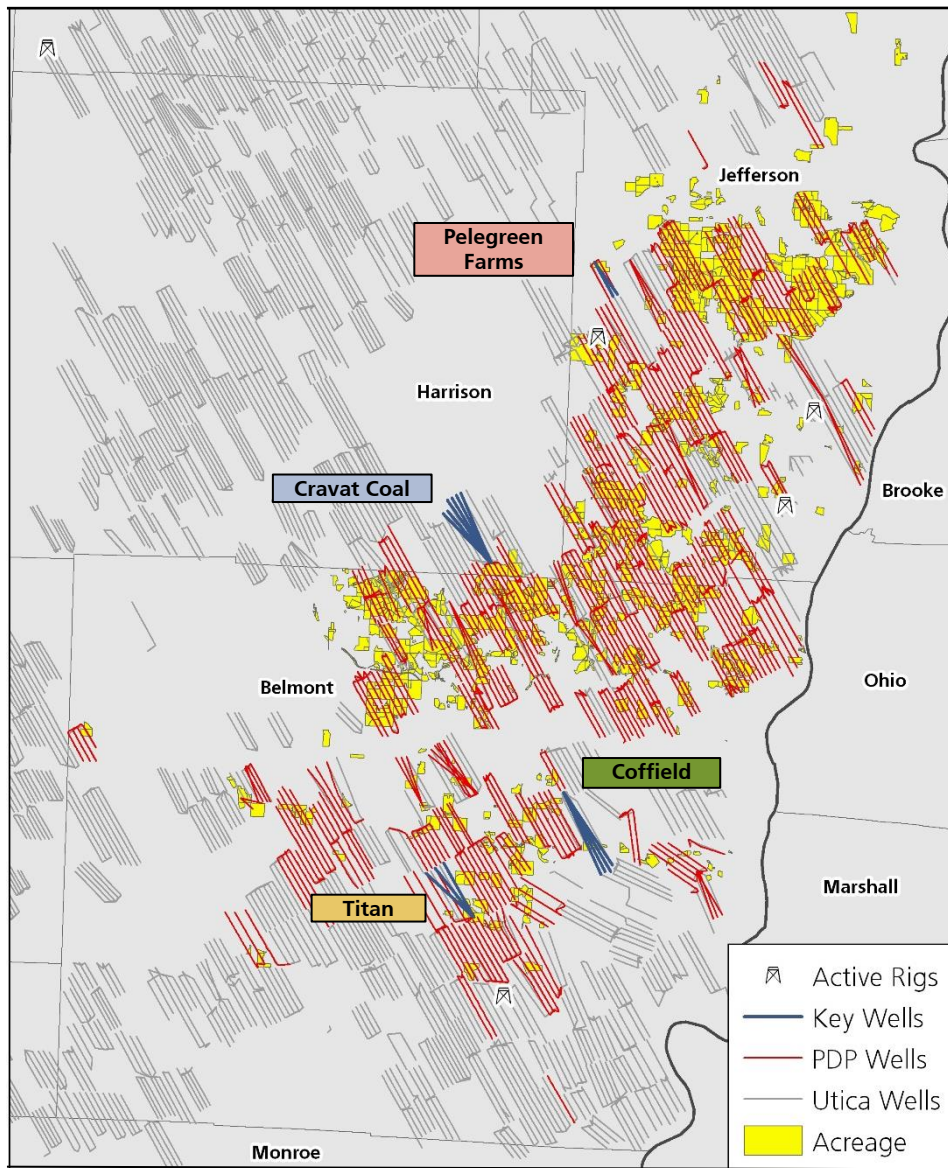
Lateral length: 14,762'  
IP (mcf/10,000'): 23,310  
Comp Date: Mar 2021

### Cravat Coal N SHC HR 5H

Lateral length: 14,786'  
IP (mcf/10,000'): 23,299  
Comp Date: Mar 2021

### Cravat Coal N SHC HR 3H

Lateral length: 13,047'  
IP (mcf/10,000'): 16,905  
Comp Date: Feb 2021



## Coffield Pad

**Operator: Ascent**

### Coffield E RCH BL 6H

Lateral length: 17,185'  
IP (mcf/10,000'): 25,517  
Comp Date: Feb 2021

### Coffield E RCH BL 4H-A

Lateral length: 17,277'  
IP (mcf/10,000'): 27,240  
Comp Date: Feb 2021

### Coffield E RCH BL 8H

Lateral length: 16,915'  
IP (mcf/10,000'): 24,256  
Comp Date: Feb 2021

### Coffield E RCH BL 2H

Lateral length: 17,447'  
IP (mcf/10,000'): 22,052  
Comp Date: Feb 2021

## Titan Pad

**Operator: EQT**

### Tiitan ASM16H11

Lateral length: 11,705'  
IP (mcf/10,000'): 16,891  
Comp Date: Mar 2021

### Tiitan ASM16H5

Lateral length: 11,749'  
IP (mcf/10,000'): 16,829  
Comp Date: Mar 2021

### Tiitan ASM16H1

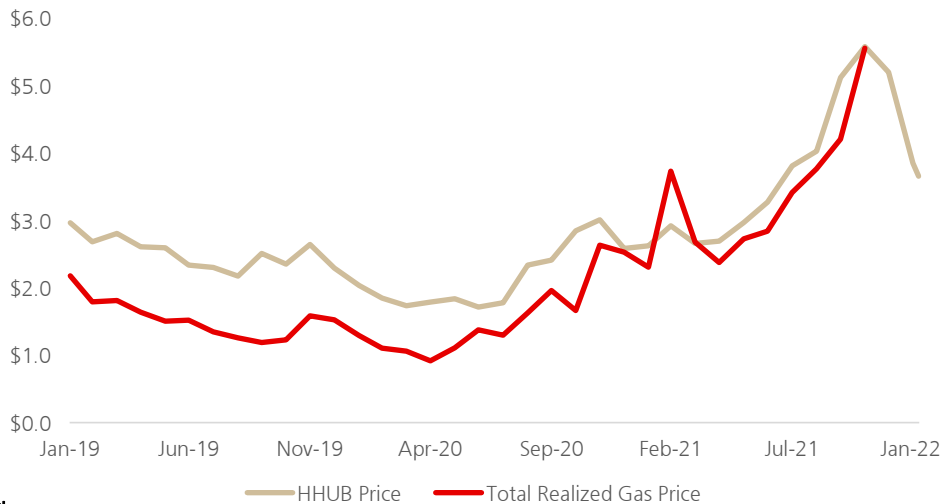
Lateral length: 10,740'  
IP (mcf/10,000'): 16,542  
Comp Date: Mar 2021

# Significant Remaining Inventory of Highly Economic Locations

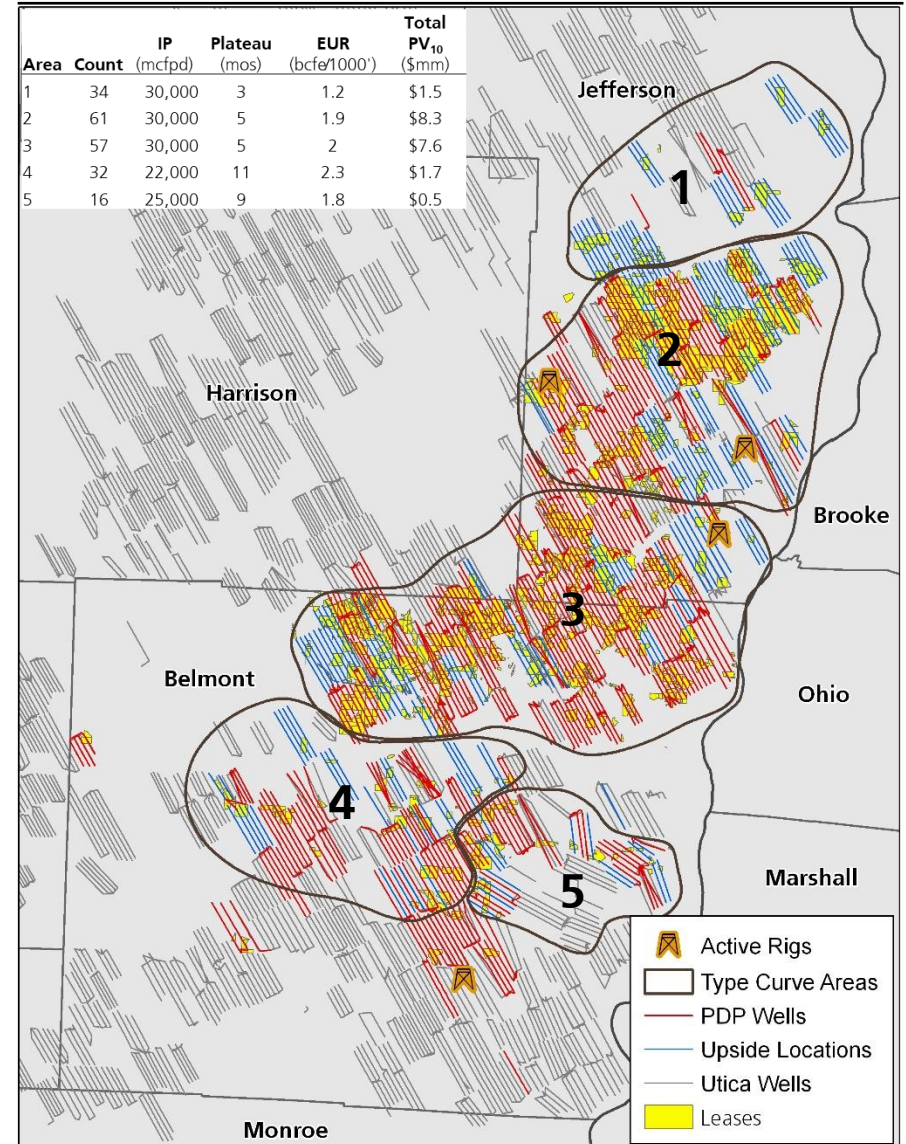
## Highly economic new drill opportunities at current strip and basin differential

- Proven development potential in the Point Pleasant interval of the Utica
  - Up to 100' net thickness; >100 bcf/section (average) gas-in-place
  - 200 PUD locations at 1,000' inter-well spacing
- Type curves underpinned by substantial producing well dataset with modern completion designs and proven 1,000' well spacing
- Strong type curve recoveries in core area locations range from 1.8 to 2.3 BCFE/1000'
- Additional quantified potential in down-spaced locations in Ascent's core area
- Differential improvements over the last six months bolster new-drill economics and continue to improve due to increased take-away optionality

## HHUB and Total Realized Gas Price



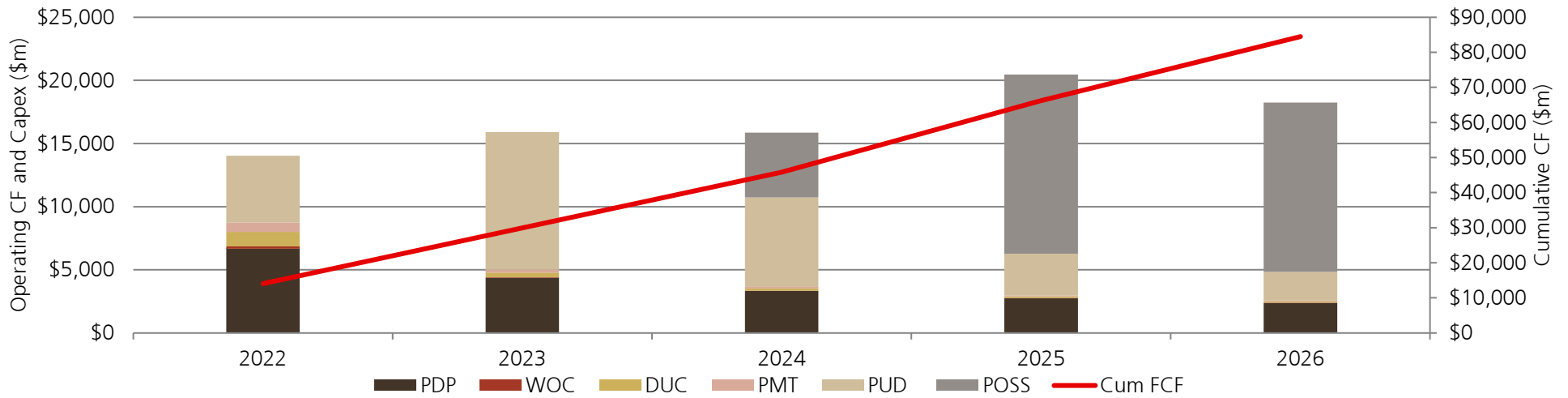
## PDP Wells and Remaining Inventory



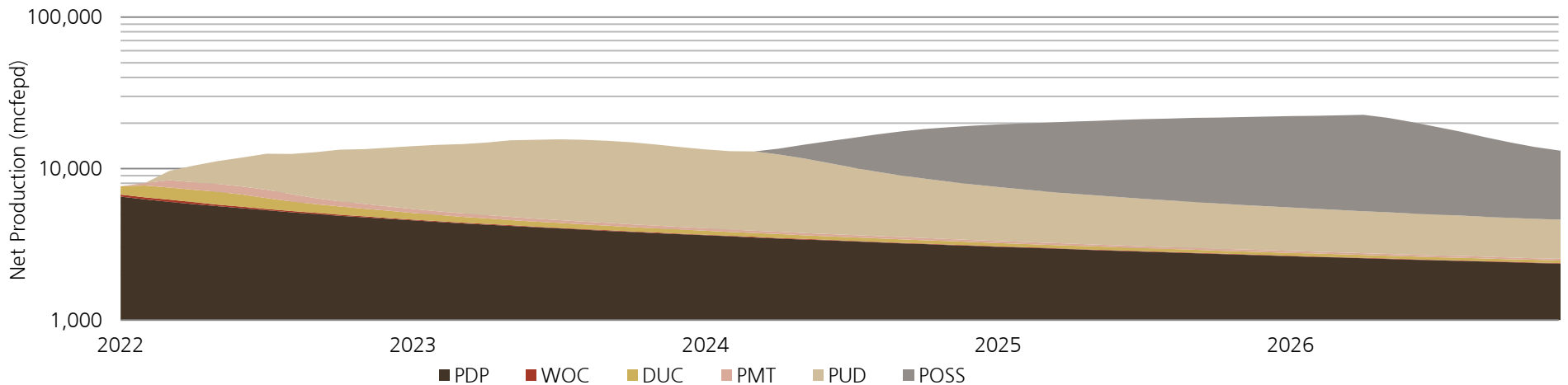
# Production Profile and Potential Future Development<sup>1</sup>

Significant future cash flow potential driven by top active operators in the Utica Play

## Net Operating Cash Flow and Capex Profile



## Net Production Profile



Note:  
1

Effective Date as of 01/01/2022; 01/07/2022 NYMEX Strip (2022: \$75.56, \$3.86; 2023: \$69.05, \$3.42; 2024: \$64.65, \$3.19; 2025: \$61.81, \$3.11; 2026+: \$59.87, \$3.09)

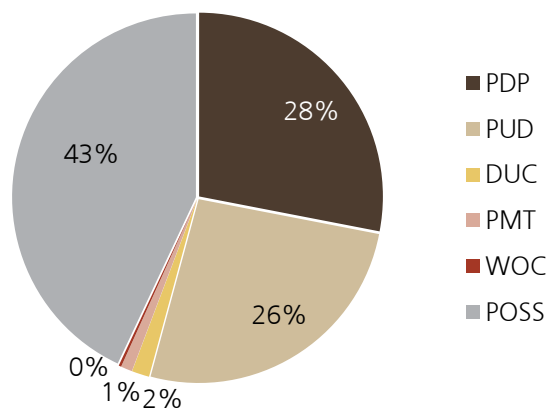
# Summary Reserves and Cash Flows

Gas-rich reserves with significant additional upsides

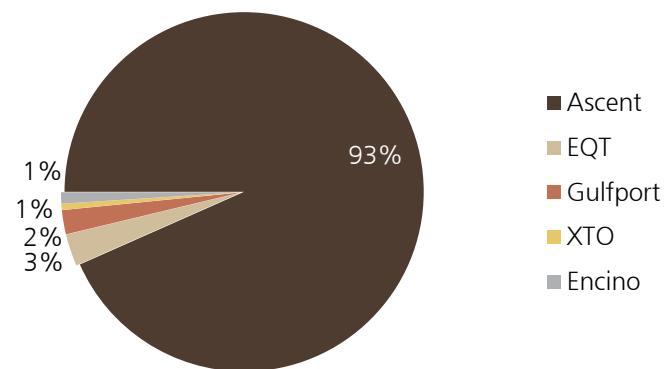
Reserve Report <sup>1</sup> as of 01/01/2022

Reserve Category	Count (#)	Net Reserves			Net PV <sub>10</sub> (\$m)
		Gas (mmcf)	NGL (mb)	Total 6:1 (mmcfe)	
PDP <sup>2</sup>	444	18,805	38	19,031	\$24,490
WOC	4	154	0	154	\$271
DUC	12	1,049	0	1,049	\$2,013
PMT	6	682	0	682	\$1,311
PUD	200	17,411	59	17,764	\$29,463
<b>1P Total</b>	<b>666</b>	<b>38,102</b>	<b>96</b>	<b>38,680</b>	<b>\$57,547</b>
POSS	200	29,183	0	29,183	\$36,573
<b>Grand Total</b>	<b>866</b>	<b>67,285</b>	<b>96</b>	<b>67,863</b>	<b>\$94,120</b>

Net PV<sub>10</sub> by Res Cat



Net PV<sub>10</sub> by Operator



Note:  
1  
2

Effective Date as of 01/01/2022; 01/07/2022 NYMEX Strip (2022: \$75.56, \$3.86; 2023: \$69.05, \$3.42; 2024: \$64.65, \$3.19; 2025: \$61.81, \$3.11; 2026+: \$59.87, \$3.09)  
Inclusive of PDP - NEW



# Process / Contact Information

## Process

- Transaction effective date of January 1, 2022
- Timing
  - Online VDR available by January 17<sup>th</sup> 2022
  - UBS data room presentations beginning January 17<sup>th</sup> 2022 in Houston
  - Bids due February 24<sup>th</sup> 2022
    - Bid instructions will be provided approximately 10 days prior to Bid Date
- Evaluation materials will include:
  - Private Seller’s 3P reserve report and ARIES database
  - Supporting financial, technical and land data
  - Information on key upsides
- Send executed confidentiality agreement and Q&A regarding the assets to [UticaORRI@ubs.com](mailto:UticaORRI@ubs.com)
- Visit our website at [www.ubs.com/adadvisory](http://www.ubs.com/adadvisory)

## Timeline

### January 2022

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

### February 2022

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28					

- Online Data Room (VDR) Available
- Bid Date

## Key Contacts

### Daniel Kohl

Head of A&D Advisory  
Executive Director  
+1-713-331 4661  
[daniel.kohl@ubs.com](mailto:daniel.kohl@ubs.com)

### Jayant Dey

Executive Director  
+1-713-331 4625  
[jayant.dey@ubs.com](mailto:jayant.dey@ubs.com)

### Taylor McClain

Director  
+1-713-331 4610  
[taylor.mcclain@ubs.com](mailto:taylor.mcclain@ubs.com)

### Brandon Scott

Director  
+1-713-331 4613  
[brandon.scott@ubs.com](mailto:brandon.scott@ubs.com)

### Jessica Lewis

Senior Advisor  
+1-713-331 8329  
[jessica.lewis@ubs.com](mailto:jessica.lewis@ubs.com)



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