BBL OPERATING COMPANY

ROBERTSON COUNTY MULTI WELL PROJECT

GREAT BALLS OF FIRE #1-H

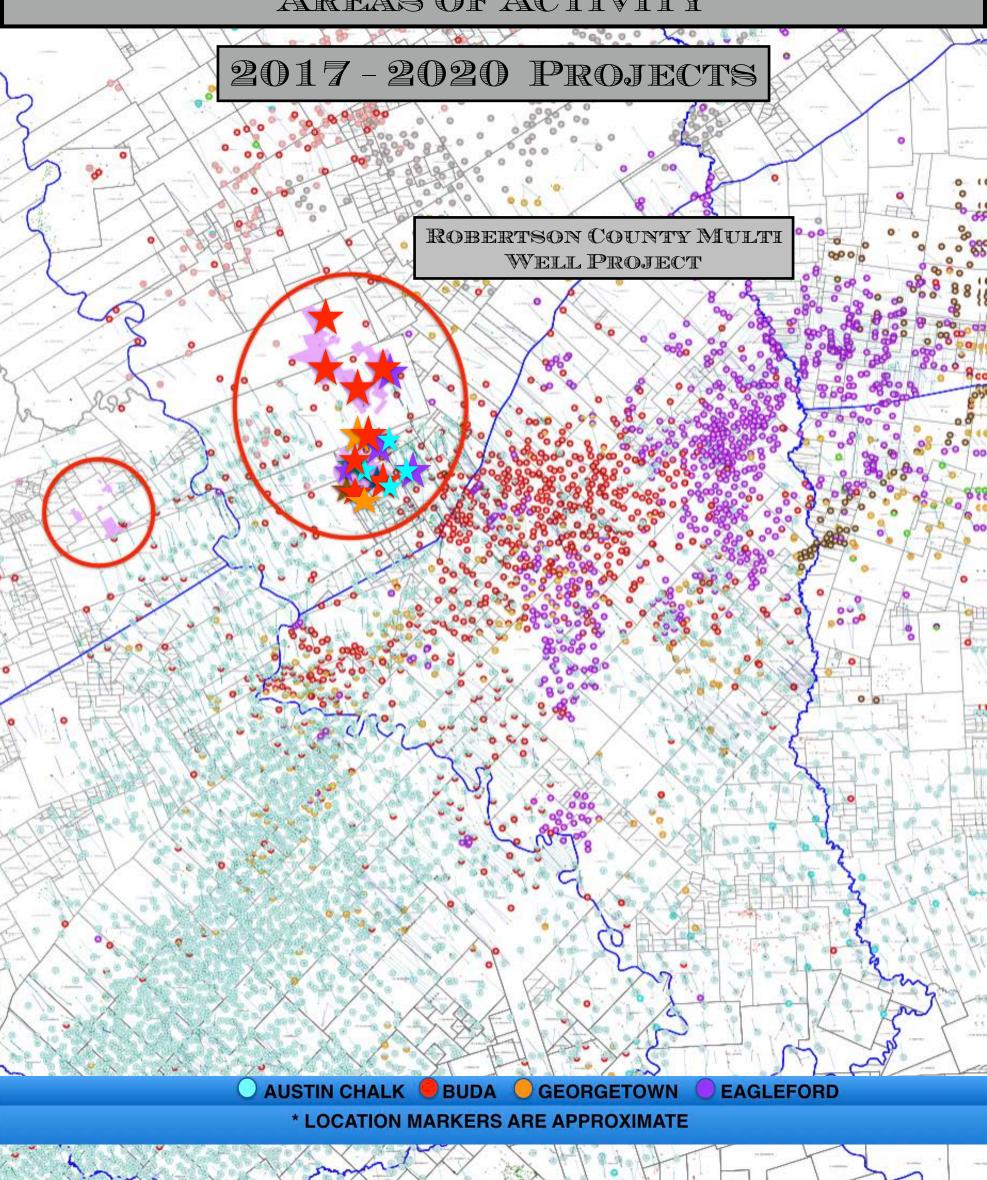
PROJECT BOOK



ROBERTSON COUNTY, TEXAS

SCREAMING EAGLE #1-H 12/2015 = 11/2017
DIAMOND TRIO #1-H AQ 2015
REGAL UNIT #1-H 06/2016 = 5/2017
JOHNNY B. GOODE #1-H 09/2016 = 2018
LONG TALL SALLY #1-H 1/2017=12/2017
BIG BAD JOHN #1-H 2018
SUZIE Q #1-H 2018
GOOD GOLLY MISS MOLLY #1-H 2018

BBL CURRENT AND FUTURE AREAS OF ACTIVITY



BBL OPERATING COMPANY

ROBERTSON COUNTY MULTI WELL PROJECT

GREAT BALLS OF FIRE #1-H

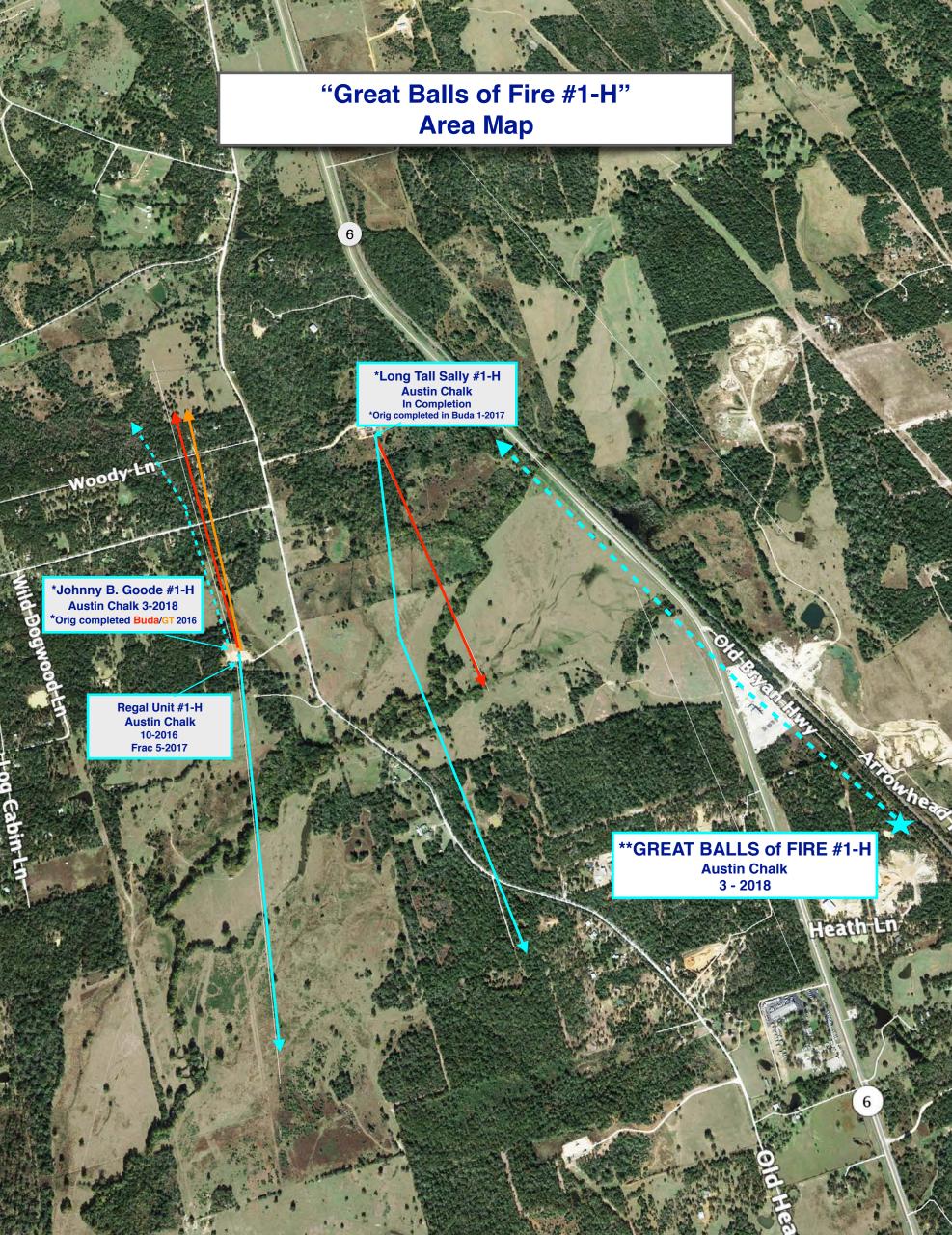
- BBL WILL DRILL THE "GREAT BALLS OF FIRE #1-H" INTO THE AUSTIN CHALK FORMATION AT APPROX. 6,561' WITH A 5000' +/- LATERAL
- 397.89+/- ACRE UNIT
- PROJECT INCLUDES THE ABILITY TO PARTICIPATE IN OFF-SET AUSTIN CHALKS AS WELL AS THE FUTURE EAGLEFORD / WOODBINE MULTI-WELL DEVELOPMENT
- 75 NRI
- STRONG AREA PRODUCTION HISTORY
- * DRILLING DATE: MARCH 2018



GREAT BALLS OF FIRE #1-H 3/2018

DRILLED:
SCREAMING EAGLE #1-H
12/2015 = 11/2017
DIAMOND TRIO #1-H
AQ 2015
LIGHTSEY RE#1-H 2015
REGAL UNIT #1-H
06/2016 = 5/2017
JOHNNY B. GOODE #1-H
09/2016 = 2018
LONG TALL SALLY #1-H
1/2017=12/2017

UPCOMING:
LIGHTSEY RE#1-H 2015 = 2018
BIG BAD JOHN #1-H 2019
SUZIE Q #1-H 2019
GOOD GOLLY
MISS MOLLY#1H 2019



James Grubb, Geologist

BBL Operating Company Great Balls of Fire # 1H Austin Chalk Prospect Robertson County, Texas

The Great Balls of Fire prospect is located in the W. Ann Survey A-287 in Robertson County, Texas.

The well will be drilled toe up in a northwesterly direction to a total depth of 12,500'. The well will land in the lower Austin Chalk and traverse 5,000' of fractured limestone. The target formation is well defined in thickness, depth and productivity by a number of surrounding Chalk wells. The drill bit will land in the lower 30 ' section of an overall 60' lower chalk interval. The well is planned to stay in this zone throughout the 5,000 lateral length. Landing the well in the lower Chalk section allows the frack, when applied, to tap up into additional Chalk section and downward into the Eagle Ford Shale section, the source for the oil.

The regional structural grain in southern Robertson County trends northeast to southwest and dips off to the southeast. Nosing and undulations in the Chalk contours indicate trend changes, which may indicate additional fracture groups on top of those, created by the regional dip. The well is planned to take advantage of this fracture system and the regional dip to cut as much fracturing as possible. A single stage frack is planned after the well is drilled and produced to determine the productivity. Detailed analysis of the shows will aid in planning the frack.

The BBL acreage is located in the center of this very favorable productive trend. Per well cums in the area reach 200,000 to 300,000 and more barrels of oil. This productive area has the benefit of good well control to plan the lateral well and good cumulative production history for over 20 years.

Excellent Chalk production has been established in wells to the east and good fractured Chalk was drilled in the BBL Long Tall Sally immediately to the west of the Great Balls of Fire planned well path. Newer drilling and completion techniques applied in this historic producing area will yield excellent economic results.

The Great Balls of Fire is a good prospect that should penetrate a number of high quality fracture zones throughout the lateral length and make for a good Austin Chalk producer similar to those in the area. This well should be drilled.

James Grubb

JACK JARNEFELD

GEOLOGIST
 GEULUGISI

BBL Operating Company: GREAT BALLS OF FIRE #1-H Austin Chalk Prospect - Robertson County, Texas

The Great Balls of Fire #1-H prospect is located in Robertson County and will be a southeast offset to the Long Tall Sally #1-H and the Regal #1-H RE well to the west that were recently completed by BBL Operating Company. BBL completed the Regal Unit reentry into the Austin Chalk formation on a well that was previously drilled in the Buda and Georgetown formations. The well initially tested at 198BO and BBL has recently completed a single stage Frac on the new lateral with success.

In the most recent BBL well drilled in the area, Long Tall Sally#1-H, and while drilling through the Austin Chalk, I collected excellent samples from the last 50' interval in the base of the lower Chalk.

The Great Balls of Fire will be drilled <u>up dip</u> towards the fracture system that contained the strong shows of oil and gas that was seen in the Long Tall Sally well.

The Great Balls of Fire #1-H prospect additionally offsets to the east and southeast by a collection of Chalk wells with cumulative production over 200,000 BO to 400,000 BO plus range with the majority of those wells still in production. Clayton Williams earlier discovered a highly charged fractured area to the west and drilled 16 wells almost a decade earlier than those to the east.

BBL plans to stimulate the Great Balls of Fire #1-H well with a multi stage frac at a later date. This procedure tends to more completely fracture the formation and production could be greatly increased over the wells in the area that were completed with just the single stage frac technology of the 1990s.

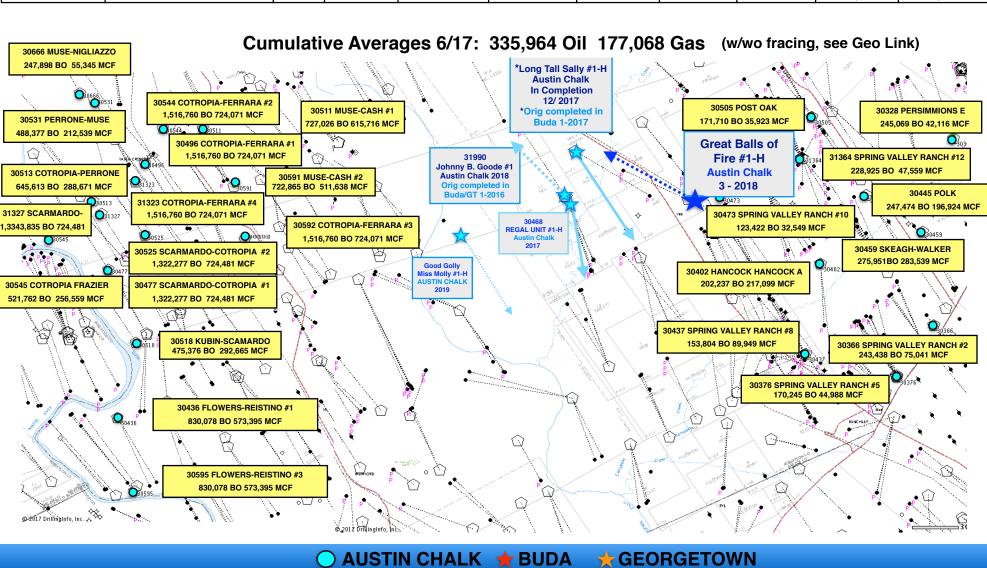
Offsetting wells were either produced with no fracture stimulation or with only a single stage frac. The single stage frac will go to the entire lateral at the same time and most of the frac water will tend to enter the portion of the formation that already contains the largest amount of natural fractures.

The Great Balls of Fire is set in a highly charged fracture area and the high success rate of offsetting wells to the west and east indicates with great certainty that the area has a strong regional fracture system and by stimulation of the well with a multi stage frac, even at a later date the total recovery could be far greater than the offsetting wells

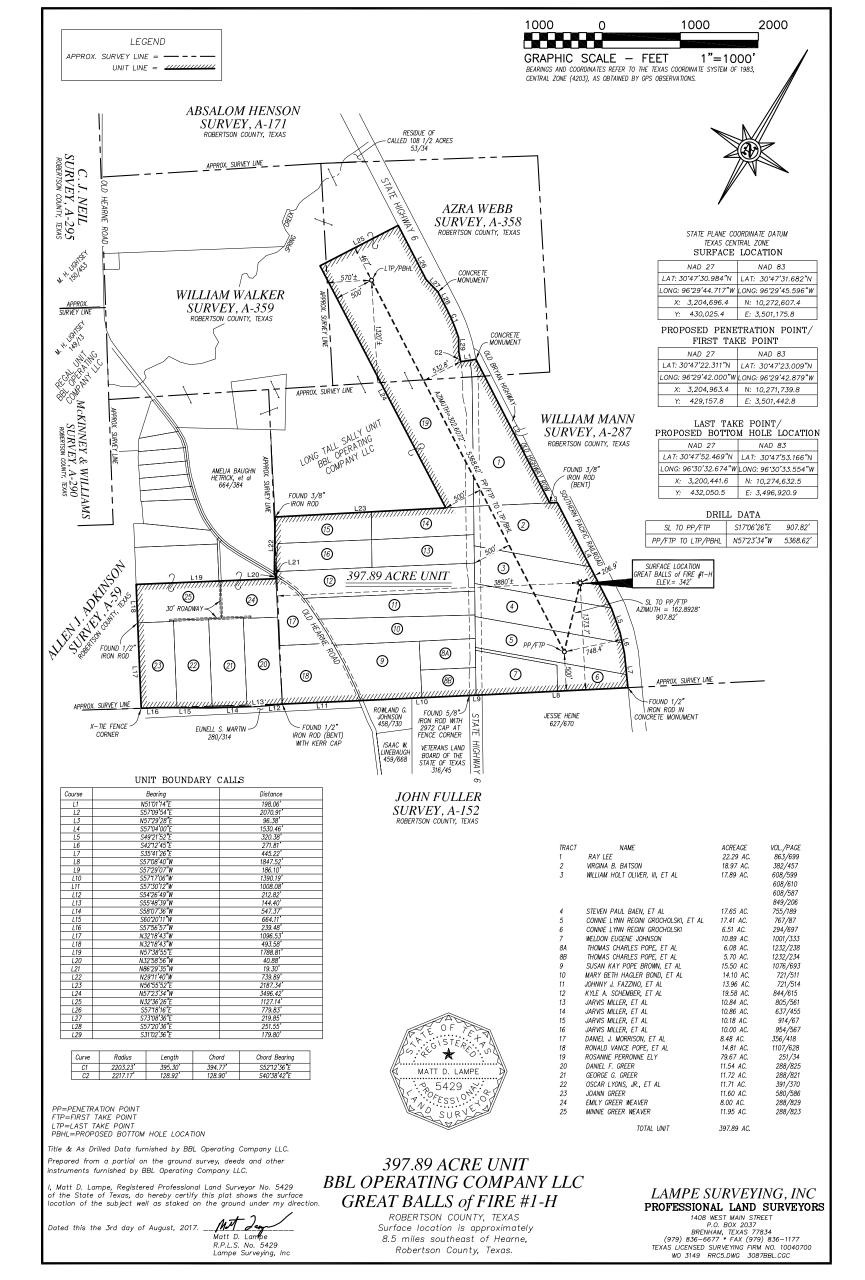
Jack Jarnefeld

Offset Austin Chalk Well Map

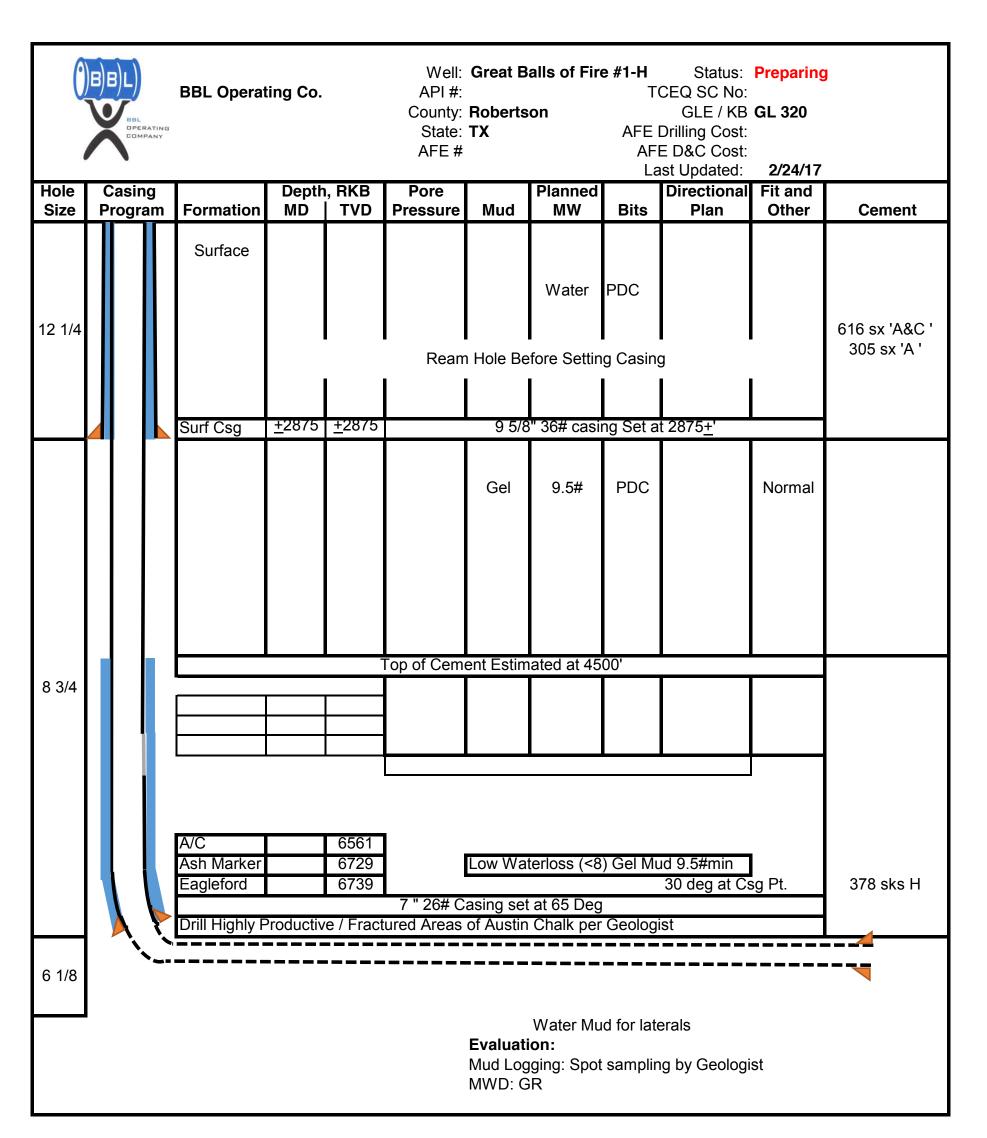
	T			т	т	т —	т —	т——	Т	
			IP	IP	1		Cur. Avg.	Cur. Avg.	Cumulative	
API#	Lease	Well#	(BO/Day)	(MCF/Day)	First Prod	Last Prod	(BO/Day)	(MCF/Day)	'	Gas
42-395-31364	Spring Valley Ranch LL	12	284	99	Feb-09	Jun-17	10.6	11.33	235,434	48,349
42-395-30376	Spring Valley Ranch E	5	416	96	Mar-04	Jun-17	19	3	170,245	44,988
42-395-30473	Spring Valley Ranch J	10	334	118	Feb-03	Dec-16	0.03	0	123,422	32,549
42-395-30505	Post Oak B	2	59	21	Nov-02	Jun-17	6.13	0	171,710	35,923
42-395-30437	Spring Valley Ranch H	8	137	48	Jun-02	Jun-17	27.17	16.57	153,804	89,949
42-395-30402	Hancock-Hancock "A"	1RE	416	96	Jan-02	Jun-17	21.03	22.63	202,237	217,099
42-395-30366	Spring Valley Ranch B	2	293	102	Nov-01	Jun-17	23.8	9.6	243,438	75,041
42-395-30666	Muse-Nigliazzo Unit	1	376	100	Jul-01	Jun-17	13.37	2.43	247,900	55,345
42-395-30545	Cotopia Frazier Unit	1	715	178	Jan-98	Jun-17	24.43	30.77	521,762	256,559
42-395-30531	Perrone-Muse Unit	1	964	335	Sep-97	Jun-17	16.13	31.3	488,377	212,539
42-395-30511	Muse-Cash Unit	1	930	300	Aug-97	Jun-17	28.27	66.7	727,026	515,715
42-395-30591	Muse-Cash Unit	2	392	92	Aug-97	Jun-17	28.27	66.7	727,026	515,715
42-395-30518	Kubin-Scamardo Unit	1	614	181	Jul-97	Jun-17	17.4	29.9	477,946	297,024
42-395-30513	Cotropia-Perrone Unit	1	799	200	Jul-97	Jun-17	34	44.83	645,613	288,671
42-395-30496	Cotropia-Ferrara Unit	1	896	180	Apr-97	Jun-17	29.25	29.25	1,516,760	724,071
42-395-31323	Cotropia-Ferrara Unit	4	289	80	Apr-97	Jun-17	29.25	29.25	1,516,760	724,071
42-395-30592	Cotropia-Ferrara Unit	3	285	20	Apr-97	Jun-17	29.25	29.25	1,516,760	724,071
42-395-30544	Cotropia-Ferrara Unit	2	557	139	Apr-97	Jun-17	29.25	29.25	1,516,760	724,071
42-395-30477	Scamardo-Cotropia Unit	1	798	80	Jan-97	Jun-17	84.17	92.8	1,334,835	737,397
42-395-30525	Scamardo-Cotropia Unit	2	562	190	Jan-97	Jun-17	84.17	92.8	1,334,835	737,397
42-395-31327	Scamardo-Cotropia Unit	3	335	50	Jan-97	Jun-17	84.17	92.8	1,334,835	737,397
42-395-30459	Skeagh-Walker Unit	1	288	112	Sep-96	Jun-17	0	0.55	275,951	283,539
42-395-30595	Flowers-Reistino Unit	3	684	150	Apr-96	Nov-16	39.2	82.6	830,078	573,395
42-395-30436	Flowers-Reistino Unit	1	362	40	Apr-96	Nov-16	39.2	82.6	830,078	573,395
42-395-30445	Polk Unit	1	402	152	Jan-96	Jun-17	2.67	0	247,474	196,924
42-395-30436	Flowers Plantation Unit	1	684	150	Sep-95	Oct-99	121.81	32.35	211,963	53,660
42-395-30328	Persimmon Creek "E"	5	100	14	Mar-93	Jun-17	22.1	3.6	245,069	42,116



LOCATION MARKERS ARE APPROXIMATE SOURCE: DRILLING INFO



GREAT BALLS of FIRE WELLBORE PLAN



RAILROAD COMMISSION OF TEXAS

Form W-2



1701 N. Congress P.O. Box 12967 Austin, Texas 78701-2967 Status: Date:

Tracking No.:

Submitted

02/05/2018 186631

OIL WELL POTENTIAL TEST, COMPLETION OR RECOMPLETION REPORT, AND LOG

OPERATOR INFORMATION

Operator Name: BBL OPERATING COMPANY LLC

Operator No.: 058910

Operator Address: PO BOX 2627 GRAPEVINE, TX 76051-0000

WELL INFORMATION

API No.: 42-395-32002

County: ROBERTSON

Well No.: 1H

RRC District No.: 03

Lease Name: LONG TALL SALLY

Field Name: GIDDINGS (AUSTIN CHALK-3)

RRC Lease No.:

Field No.: 34733500

Location: Section: ,Block: , Survey: HENSON, MRS A, Abstract: 171

Latitude:

Longitude:

This well is located

6.9 miles in a SE

direction from HEARNE.

which is the nearest town in the county.

FILING INFORMATION

Purpose of filing:

Initial Potential

Type of completion: Plug Back

Well Type:

495.19

6399

01/09/2018 **Completion or Recompletion Date:**

Type of Permit

Date

Permit No.

Permit to Drill, Plug Back, or Deepen

Producing

11/03/2017

832498

Rule 37 Exception

Fluid Injection Permit **O&G Waste Disposal Permit**

Other:

COMPLETION INFORMATION

Spud date: 12/05/2017

Date of first production after rig released:

Date plug back, deepening, recompletion, or

GL

Date plug back, deepening, recompletion, or drilling operation commenced: 12/05/2017

drilling operation ended: 12/27/2017

Number of producing wells on this lease in

Distance to nearest well in lease &

this field (reservoir) including this well:

reservoir (ft.): 0.0

Total number of acres in lease:

Elevation (ft.): 318

Total depth TVD (ft.): 6702

Total depth MD (ft.): 12323

Plug back depth TVD (ft.):

Plug back depth MD (ft.): 6418

Was directional survey made other than

inclination (Form W-12)?

Rotation time within surface casing (hours):

0.0 Is Cementing Affidavit (Form W-15) attached?

No

01/09/2018

Recompletion or reclass? No

Multiple completion? No

Type(s) of electric or other log(s) run:

Gamma Ray (MWD)

Electric Log Other Description:

Location of well, relative to nearest lease boundaries

Off Lease: No

of lease on which this well is located:

1046.6 Feet from the

sw Line and

431.7 Feet from the

NW Line of the

LONG TALL SALLY Lease.

FORMER FIELD (WITH RESERVOIR) & GAS ID OR OIL LEASE NO.

Field & Reservoir

Gas ID or Oil Lease No.

Well No.

Prior Service Type

GIDDINGS (BUDA)

27259

111

Producing

W2:

N/A

FOR NEW DRILL OR RE-ENTRY, SURFACE CASING DEPTH DETERMINED BY:

GAU Groundwater Protection Determination

Depth (ft.):

Date: 10/18/2016

SWR 13 Exception

Depth (ft.):

INITIAL POTENTIAL TEST DATA FOR NEW COMPLETION OR RECOMPLETION

Date of test: 01/21/2018

Production method: Pumping

2875.0

Number of hours tested:

38.0

No

Choke size: 38/64

Was swab used during this test?

Oil produced prior to test: 204.00

PRODUCTION DURING TEST PERIOD:

Oli (BBLS): 224.00

Gas (MCF): 72

Gas - Oil Ratio:

Flowing Tubing Pressure: 100.00

Water (BBLS): 230

CALCULATED 24-HOUR RATE

Oil (BBLS): 224.0

Gas (MCF): 72

Oil Gravity - API - 60.:

Water (BBLS): 230

Casing Pressure: 40.00

					CASI	NG RECORI)				
_	Type of	Size	Size	Setting Depth	Stage Tool				Volume		f TOC nt Determined
Row	Casing	<u>(in.)</u>	(in.)	<u>(ft.)</u>	Depth (ft.)	Depth (ft.)	Class	(sacks)	(cu. ft.)	(ft.)	Ву
1	Surface	10 3/4	13 1/2	2750			A/C	942	1847.0	SURF	Circulated to Surface
2	intermediate	7	9 7/8	7318	2900		A/C	503	1065.0	0	Circulated to Surface
3	Intermediate	7	9 7/8	7318			Н	508	620.0	2900	Calculation

LINER RECORD

Liner Hole Row Size (in.) Size (in.)

Liner

Liner Top (ft.) Bottom (ft.) Cement Class

Cement Slurry Top of **Amount Volume Cement** (sacks) (cu. ft.) (ft.)

TOC **Determined By**

N/A

TUBING RECORD

Row 1

Size (in.) 27/8

Depth Size (ft.) 6394

Packer Depth (ft.)/Type

6321 / BAKER MODEL R

Row 1

Open hole? No

From (ft.) L1 6418

To (ft.) 12323.0

ACID, FRACTURE, CEMENT SQUEEZE, CAST IRON BRIDGE PLUG, RETAINER, ETC.

Was hydraulic fracturing treatment performed?

No

Is well equipped with a downhole actuation

sleeve? No

If yes, actuation pressure (PSIG):

Production casing test pressure (PSIG) prior to

Actual maximum pressure (PSIG) during hydraulic

hydraulic fracturing treatment:

fracturing:

Has the hydraulic fracturing fluid disclosure been reported to FracFocus disclosure registry (SWR29)?

No

Row Type of Operation

Amount and Kind of Material Used

Depth Interval (ft.)



RAILROAD COMMISSION OF TEXAS

Form W-2

0.0

Yes

 1701 N. Congress
 Status:
 Submitted

 P.O. Box 12967
 Date:
 10/12/2016

 Austin, Texas 78701-2967
 Tracking No.:
 162849

OIL WELL POTENTIAL TEST, COMPLETION OR RECOMPLETION REPORT, AND LOG

OPERATOR INFORMATION

Operator Name: BBL OPERATING COMPANY LLC Operator No.: 058910

Operator Address: PO BOX 2627 GRAPEVINE, TX 76051-0000

WELL INFORMATION

API No.: 42-395-30468 County: ROBERTSON Well No.: 1H RRC District No.: 03

Lease Name: REGAL UNIT Field Name: GIDDINGS (AUSTIN CHALK-3)

RRC Lease No.: Field No.: 34733500

Location: Section: ,Block: , Survey: NIEL, C J, Abstract: 295

Latitude: 30.77737 Longitude: -96.51575

This well is located 16.25 miles in a SW

direction from FRANKLIN.

which is the nearest town in the county.

FILING INFORMATION

Purpose of filing: Initial Potential Type of completion: Re-entry

Well Type: Producing Completion or Recompletion Date: 09/10/2016

Type of Permit Date Permit No. Permit to Drill, Plug Back, or Deepen 04/25/2016 Permit No. 815108

Rule 37 Exception
Fluid Injection Permit
O&G Waste Disposal Permit

Other:

COMPLETION INFORMATION

Spud date: 05/10/2016 Date of first production after rig released: 09/10/2016

Date plug back, deepening, recompletion, or drilling operation commenced: 05/10/2016

Number of producing wells on this lease in

Date plug back, deepening, recompletion, or drilling operation ended: 07/22/2016

Distance to nearest well in lease &

this field (reservoir) including this well:

Total number of acres in lease: 542.77

Total depth TVD (ft.): 6712

Total depth MD (ft.): 12175

Plug back depth TVD (ft.): 6490

Was directional survey made other than inclination (Form W-12)?

Yes

Plug back depth MD (ft.): 6518

Rotation time within surface casing (hours): Is Cementing Affidavit (Form W-15) attached?

Recompletion or reclass? No Multiple completion? No

Type(s) of electric or other log(s) run: None

Electric Log Other Description:

Location of well, relative to nearest lease boundaries Off Lease: No

of lease on which this well is located: 367.0 Feet from the NW Line and 807.0 Feet from the NE Line of the

INITIAL POTENTIAL TEST DATA FOR NEW COMPLETION OR RECOMPLETION

Date of test: 09/14/2016 Production method: Pumping

Number of hours tested: 24 Choke size: 18/64

Was swab used during this test? No Oil produced prior to test: 235.00

PRODUCTION DURING TEST PERIOD:

Oil (BBLS): 195.00 Gas (MCF): 19

Gas - Oil Ratio: 97 Flowing Tubing Pressure:

Water (BBLS): 165

CALCULATED 24-HOUR RATE

Oil (BBLS): 195.0 Gas (MCF): 19

Oil Gravity - API - 60.: 32.5 Casing Pressure: 50.00

Water (BBLS): 165

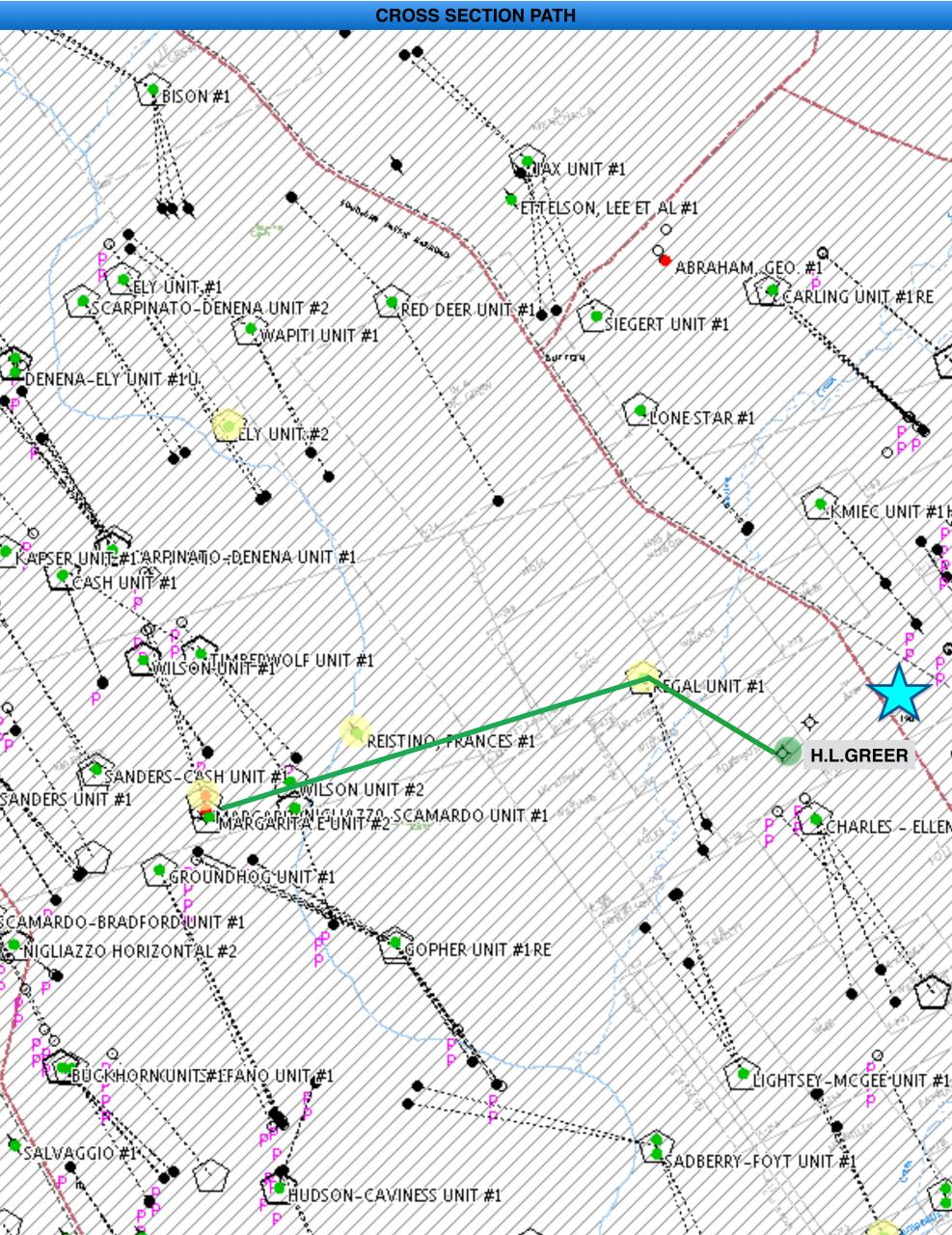
					CASI	NG RECORD					
	Type of	Size	Size	-	Stage Tool				Volume		TOC Determined
Row	Casing	(in.)	(in.)	(ft.)	Depth (ft.)	Depth (ft.)	Class	(sacks)	(cu. ft.)	(ft.)	Ву
1	Surface	10 3/4	14 3/4	1475			Α	630	1434.0	SURF C	irculated to Surface
2	Intermediate	7 5/8	9 7/8	7280	2932		A	565	1267.0	SURF C	irculated to Surface
3	Intermediate	7 5/8	9 7/8	7280		7280	Α	440	559.0	5030	Calculation

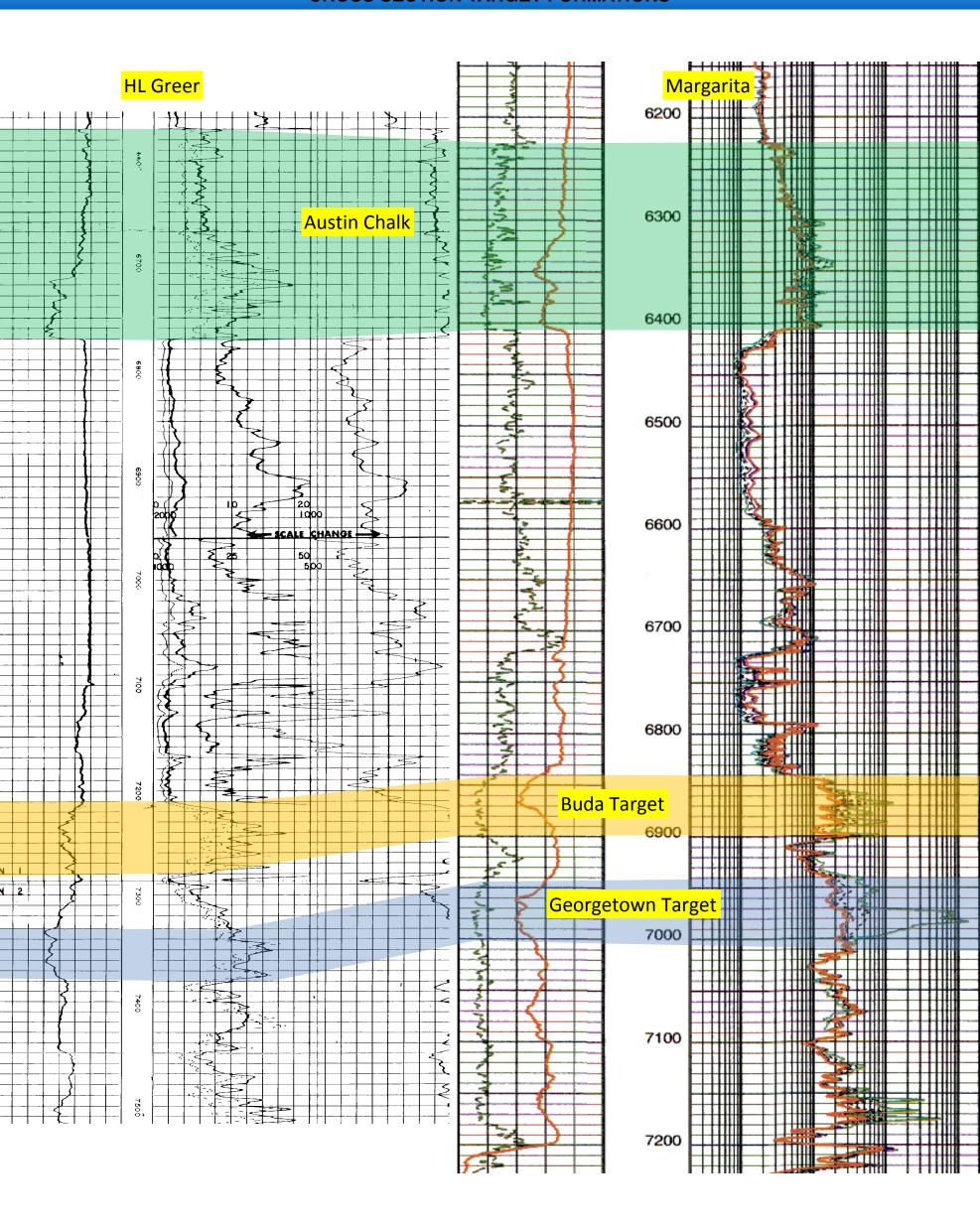
de:					LINER RECORD				
Row 1	Liner Size (in.) 4 1/2	Hole Size (in.) 6 3/4	Liner Top (ft.) 7160	Liner Bottom (ft.) 7766	Cement	Cement Amount (sacks)	Volume	Cement	TOC Determined By

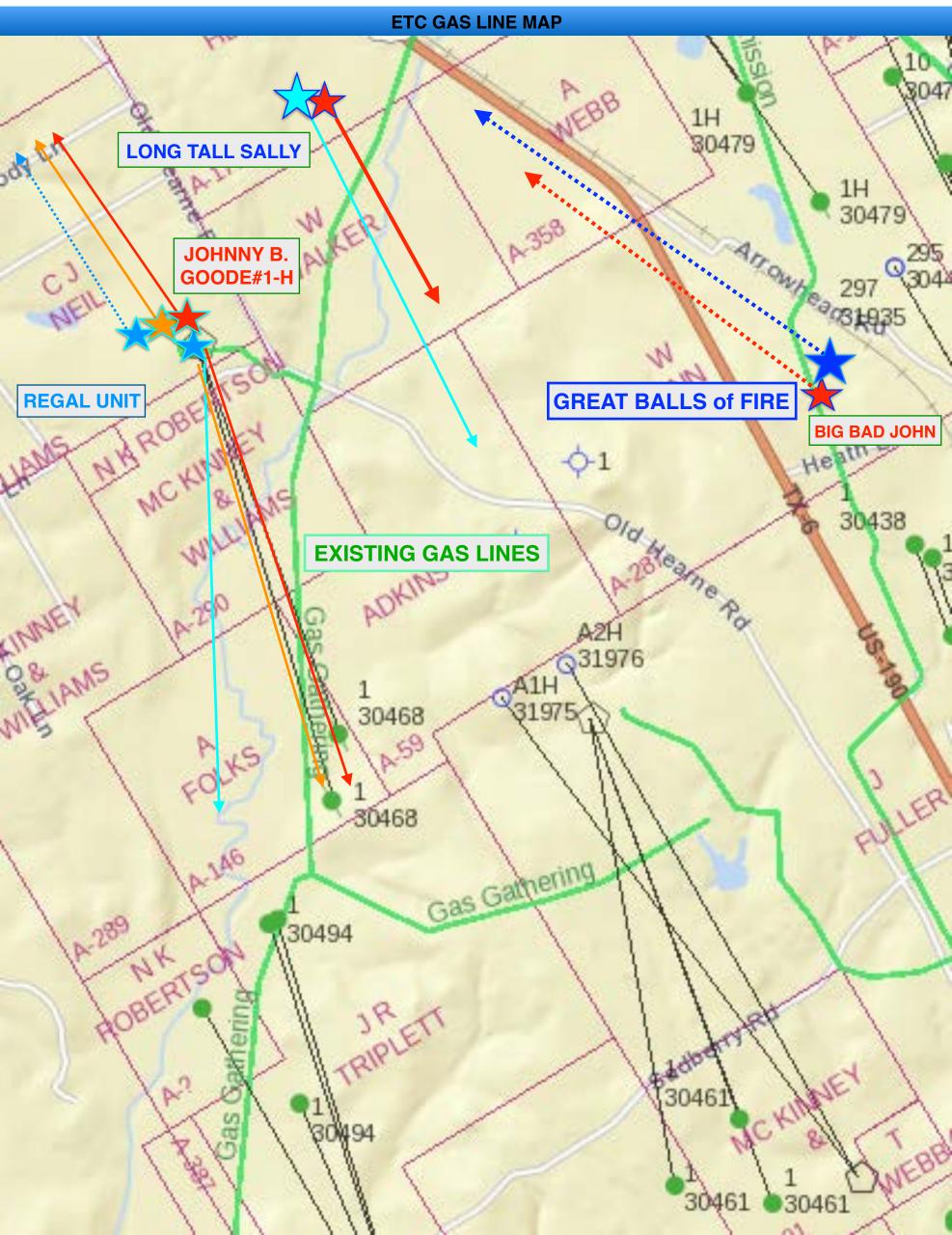
		TUBING RECORD	
Row	Size (in.)	Depth Size (ft.)	Packer Depth (ft.)/Type
1	2 7/8	6490	1

Row	Open hole?	From (ft.)	To (ft.)
1	No	L1 6509	12175.0

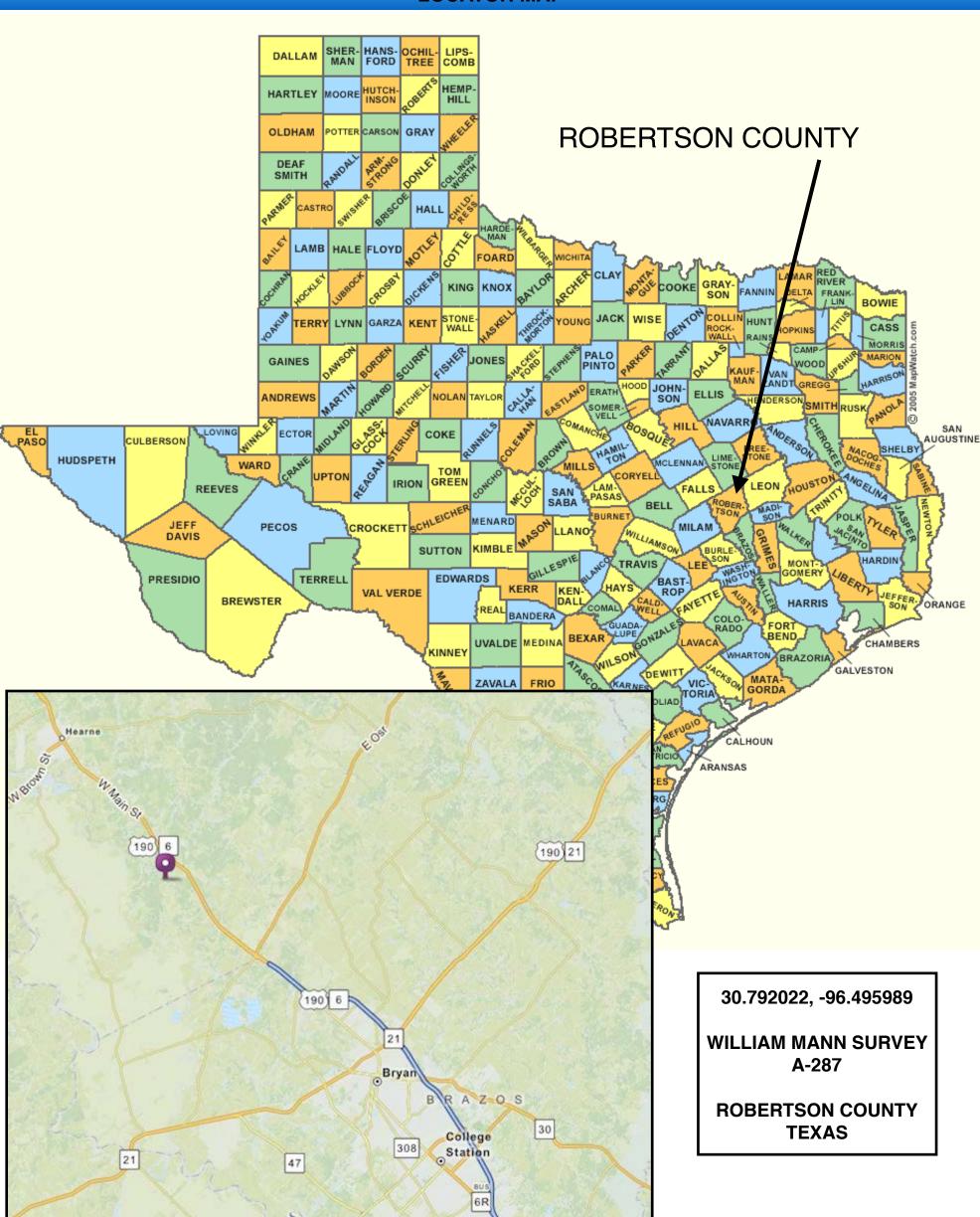
CROSS SECTION TARGET FORMATIONS ØBISØN #1 📆 AX UNIT #1 TRIOLO #1H ETTELSON, LEE ET AL#1 ABRAHAM, GEO. #1 ELY ÚNIT,#1 SCÁRPINATO-DENENA UNIT #2 💆 ČARLING ÜNIT #1'RE RED DEER UNIT #1 ₹wapiti.unit #1 DENENA-ELY UNIT #10 🛂 Lone star #1 ĔĹŶŢIJŃĬŤċ**#**2 ₹₩iệc Unit #1# SEALE, R.H. #1 KAPSÉR UNITE#I:ARPINATIO -DENENA ÚINT #1 Šering vali MICONTHN FEW YOLF UNIT SPRING VALLEY RANCH EGAL UNIT #1 H,L,GREER EKTINO, FRANCES #1 SANDERS UNIT #1 WILSON UNIT #2 Marcaritaleunit#1 ŽĆHARLES – ELLEN UNIT #Ĭ **∳**∄AN@Ô Tekonyo hogo nili *1 \$\$\(\mathbb{R}\)\(\mathbb{B}\)\(\mathbb{H}\)\(\mathbb{P}\) NÖBLES HÜCKABY UNIT #1 CAMARDO-BRADFORDUNIT#1 Sopher unit #1re 🗽 Nigliazzo horizontal #2 ER#IRING V EBUGKHORNKUNITS#£FÁNO UNIT#1 GIGHTSEY-MCGEE UNIT #1 LIGHTSEY CAPPS UNIT #3 Salvaggió#P SADBERRY-FÖYT UNI 📲 DELLEY RUFFINO OUNT #2 M UNIT #2 ĒĤUDSØN-CAVINESS UNIT #1 LIGHTSEY-LANGFORD UNIT #1 REISTÍNO, GATHAN #1 ₫onah#1h







LOCATOR MAP





817-369-4171 P.O Box 69 Colleyville, Texas 76034

WWW.BBL-OPERATING-COMPANY.COM

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