



KING OPERATING CORPORATION

UNIQUE OPPORTUNITY IN OIL & GAS

KOP III



DISCLOSURE INFORMATION

This document contains forward-looking statements as defined in the Securities Act of 1933 and the Securities Exchange Act of 1934, including projections, estimates, and assumptions about our business, oil and gas reserves, exploration and development plans, and market conditions. These statements can be identified by terms like "may," "will," "expect," "estimate," "believe," and similar expressions. Such statements are subject to risks and uncertainties, and actual results may differ materially due to factors like economic conditions, price volatility, regulatory changes, drilling risks, and market dynamics.

Investors should not rely solely on these forward-looking statements, as they are speculative and subject to change. The partnership intends to develop its properties, but revenue from new wells may take time due to factors like permitting, funding, and service availability. There may also be a delay in receiving payments for oil or gas sold. We undertake no obligation to update these statements unless required by law.

This document is not an offer to sell or a solicitation to buy securities. Investments involve risks, including the potential loss of capital, and should only be considered after reviewing the Confidential Private Placement Memorandum (PPM), which contains important investment details, risks, and terms. Oil and gas prices can be volatile, and the partnership has no control over pricing. Past performance is not indicative of future results.



WHY KING?

KING STRATEGY

SCALE IT AND SELL IT™ FOR A MULTIPLE

KOPX is a unique investment vehicle for accredited¹ investors forecasting to ...

- Reduce your tax liability
- Achieve monthly distributions
- Receive a potential ROI multiple on exit

¹ Accredited: >\$1M net worth or \$200k+ individual (or \$300k+ married) income for the last 2 years with the expectation of the same for the current year. Certain other qualifications may apply.

Acquire → Develop → Divest

Multiple oil and gas assets are acquired, developed, and divested to help mitigate risk while maximizing diversified financial value in the development of oil and gas assets.



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WHY KOPII?

OIL & GAS DRILLING & SERVICES

Up to **2.8x** (Management Case Forecast)

\$125M tax-advantaged, income-producing, limited partnership opportunity in oil and natural gas with the potential to return up to 2.8x to Partners in 3-5 years **assuming the fully subscribed fund is closed** through production and divestiture of partnership's assets valued at approximately \$350MM net to Partners.



ASSET DEVELOPMENT THROUGH PARTNERSHIPS



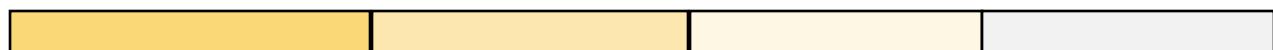
BUY OILFIELD SERVICES: SAND PLANTS

2025

2026

2027

2028-2029



- Raise \$125 million.
- Target: Drill 14 wells and purchase sand plants.
- Begin sending out revenue asap.
- Partners to receive 2025 tax benefits.
- Continue sending out distributions.
- The value of the asset, if sold, potentially is worth a 1.7-2.2x multiple.
- The value of the asset, if sold, potentially is worth a 2.2-2.8x multiple.



WHY KOPII?

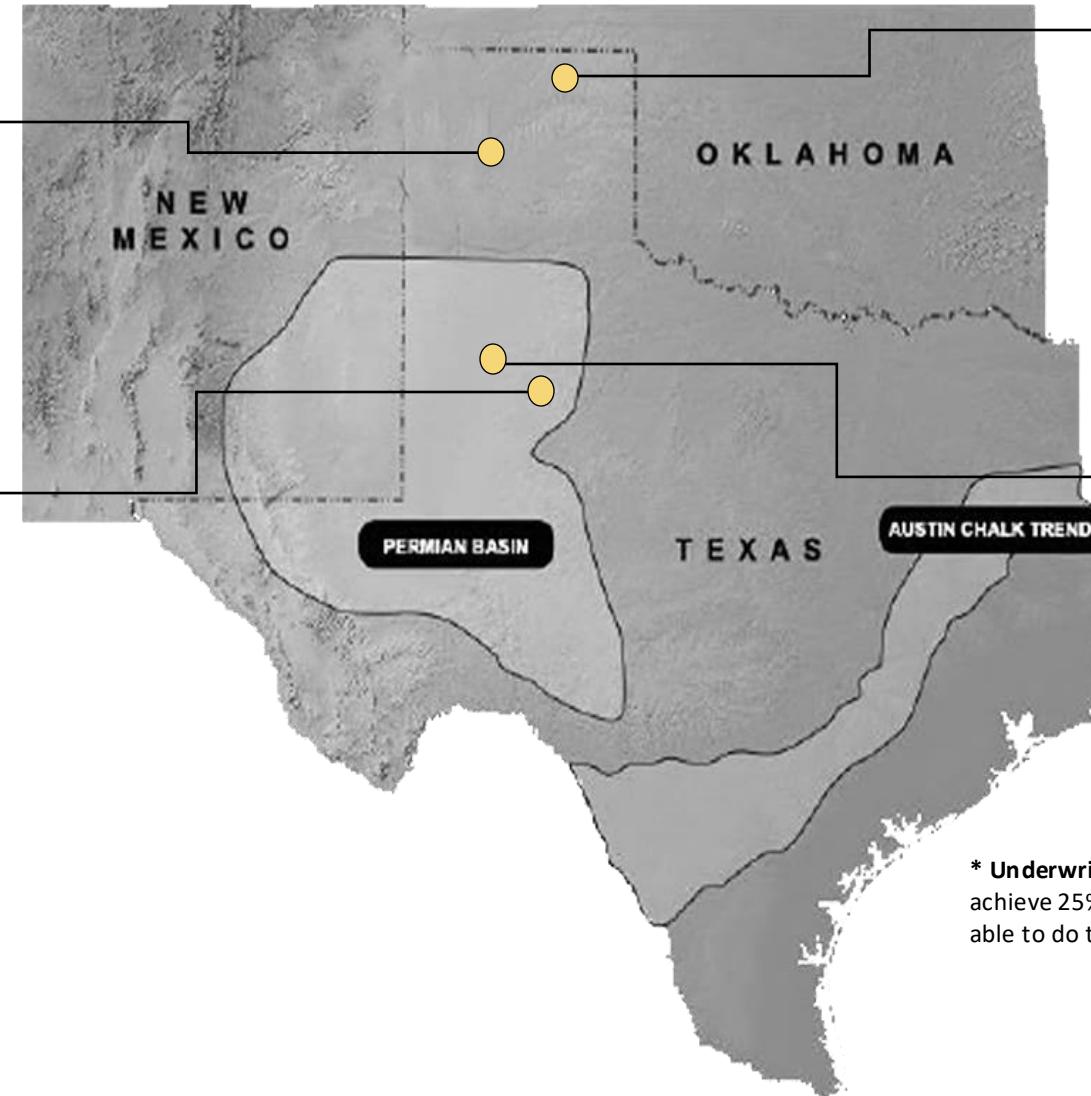
TARGETED DRILLING LOCATIONS

Sunlight — Bivins Ranch

- Over 60,000 contiguous acres
- Multi-well horizontal drilling program commenced in 12/2024
- 348-square-mile 3D license and infrastructure
- Canyon Lime Formation
- **Over 100% IRR**
- Up to four wells

Fisher County

- Currently partnering in four wells with Browning and Cholla
- Reviewing additional acreage in the area
- Goen Limestone Formation
- **> 90% IRR**



Mid-Continent

- 17,000+ acres
- Horizontal and vertical wells
- Operates in 7 counties in Western Anadarko Basin
- **> 50% IRR**
- Two to four wells

Vesuvius — Hockley County

- 3,700 contiguous acres
- Multi-well horizontal drilling program commencing 11/2024
- San Andres Formation
- **> 100% IRR**
- Two to four wells

* **Underwriting Assumptions:** We target prospects that we believe achieve 25% IRR (Internal Rate of Return) and a 3x multiple. If we are able to do that, then these are the potential returns at a portfolio level.



WHY KOPIII?

ACHIEVE VALUE IN THREE WAYS

REDUCED TAX BURDEN

Up to
100% Deduction
(Over Life of Partnership)

Reduce rate of taxation

Reduce tax burden in Year 1
by as much as **\$52,000.***

This estimate does not represent a promise or guarantee.
Consult your tax professional for tax advice.

MONTHLY DISTRIBUTIONS

9%

14%

DOWNSIDE
TARGET
AVERAGE

* Monthly Distribution target averages are based upon information available at this time. These figures are subject to change based upon numerous factors, including, but not limited to, drilling results, production volumes, expenses, and commodity pricing.

UPSIDE POTENTIAL MULTIPLE ON EXIT

2.8X \$560K

\$200K

2025

2029

* Multiple on Exit projections are based upon information available at this time. These figures are subject to change. Please see the variables and assumptions made on the projected net operating cash flow slide.

DISCLOSURE: The foregoing financial illustrations are “forward looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995 and are based on numerous variables and assumptions which, although believed in good faith to be reasonable, may prove to be incorrect and could cause actual results to differ materially from those projected. Please refer to the King Operating Partners III LP Confidential Private Placement Memorandum dated October 29, 2024, as amended or supplemented, for a description of some of the risks and uncertainties to which the foregoing financial illustrations are subject. Possible 100% tax deduction occurs over the term of the investment. It is not all a firstyear deduction. It derives from: intangible drilling costs; Section 168(k) bonus depreciation deduction for qualified assets; regular depreciation deductions; depletion deductions; and associated fees as a current year deduction. These deductions reduce the Partner’s tax basis in KOPIII on a pro rata basis for utilization with regard to a divestiture of Partnership assets.



OUR VALUE

REDUCED TAX BURDEN

Forecast to generate year one tax losses to offset **ordinary** income [*illustration below*].

Your Investment	\$200,000
Deduction Factor ¹	75%
Year One Deduction	\$150,000
Marginal Tax Rate ²	40%
ESTIMATED TAX SAVINGS	\$60,000

Monthly distribution qualifies as a partnership distribution which, providing that the partnership is generating a “taxable” loss at year-end, are not taxable.

¹ IDC (Intangible Drilling Cost) deduction and other applicable deductions are projected at 75% in year one. Consult your tax professional for professional tax advice or a guarantee. Based upon current tax laws. This table has been created for illustration purposes only. ² Tax rates sourced from [IRS.gov](#) for “Married Filing Jointly,” and the published rate makes some consideration for state income tax. If sand is included, this could reduce the projected deductions for year one.



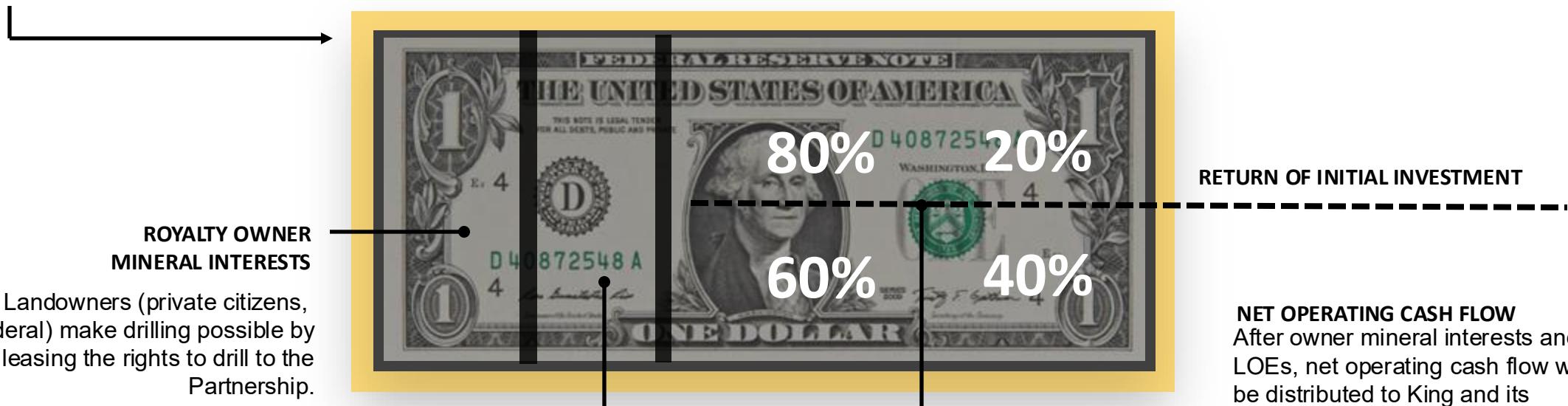
OUR VALUE

MONTHLY DISTRIBUTIONS

The forecasted Monthly Distribution is calculated using a formula that includes 3 simple elements: price, production, and expenses.

OIL & GAS SOLD TO "FIRST PURCHASERS"

Think of a first purchaser as a wholesaler. While the published market price for a unit of a gas or oil resource is close to what a first purchaser pays, there is a discount due to transportation and processing fees. They buy the raw resources produced.



Landowners (private citizens, non-federal) make drilling possible by leasing the rights to drill to the Partnership.

LEASE OPERATING EXPENSES

Lease Operating Expenses (aka LOEs) represent the expenses to produce the resources.

RETURN OF INITIAL INVESTMENT

After owner mineral interests and LOEs, net operating cash flow will be distributed to King and its Partners, as available on an 80/20 split until Partner return of capital and then the split is a waterfall to 60/40.



OUR WELLS

ASSET - LEVEL WELL ECONOMICS

WELL	FORMATION	D&C COST (\$M)	EUR (MBOE)	IP30 (BOE/d)	BREAK EVEN (\$/BOE)	IRR @ \$70 OIL
BIVINS (TX)	CANYON LIME	\$11.2	2,000	1,129	\$32	62.1%
VESUVIUS (HOCKLEY)	SAN ANDRES	\$3.0	450	274	\$35	80.3%
MID-CON (ANADARKO)	MARMATON	\$5.5	592	766	\$42	62.4%



WHY KOPIII?

PROJECTED SENSITIVITY ANALYSIS

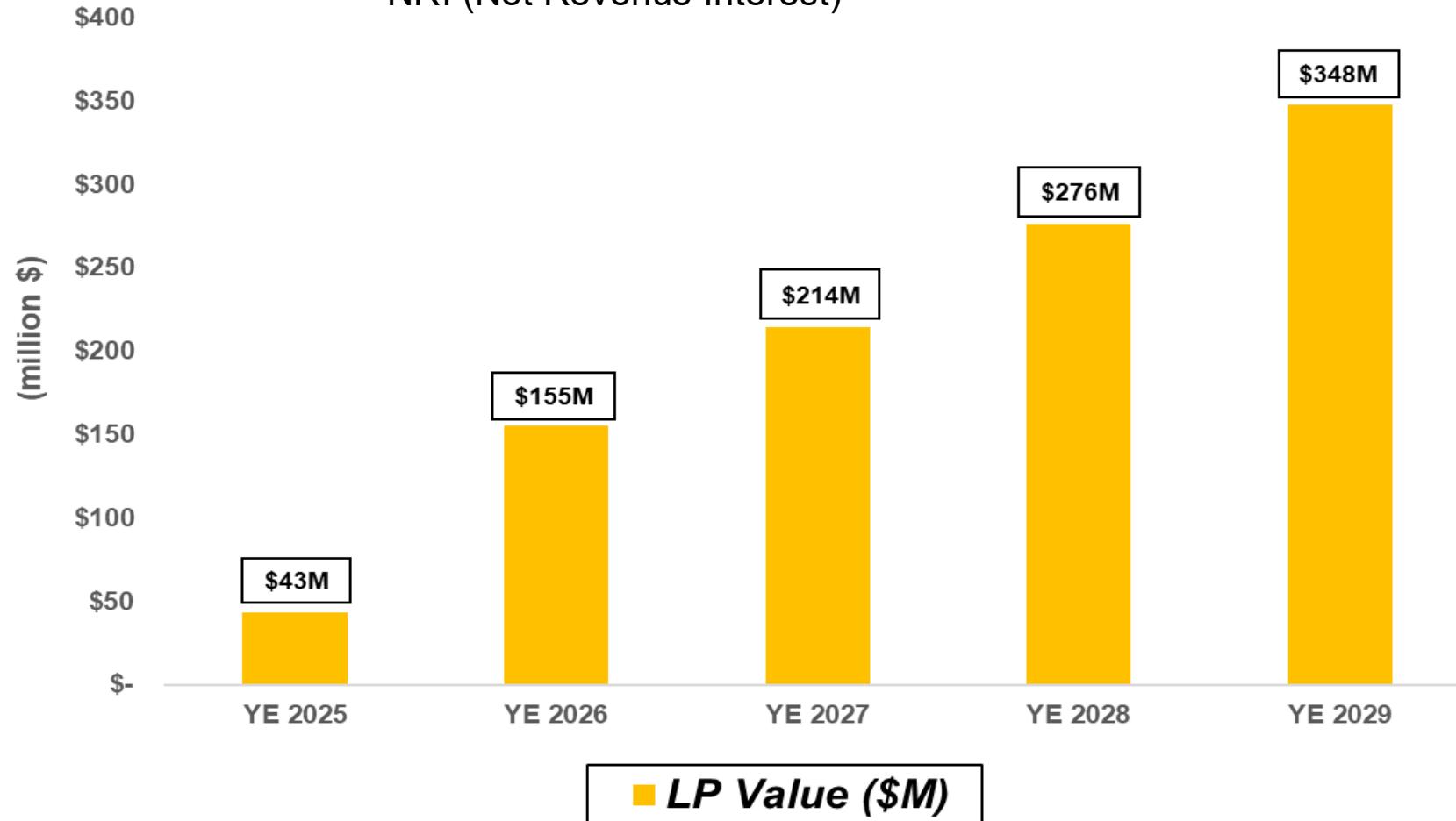
PROJECTED ASSUMPTIONS	\$50 Oil/\$3 Gas	\$60 Oil/\$3.50 Gas	\$70 Oil/\$4 Gas	\$80 Oil/\$4.50 Gas
Potential Peak Production (BOE/d)	5,343	5,343	5,343	5,343
Potential Avg 5-yr Monthly Distributions	15.96%	27.87%	29.69%	31.56%
Net Potential Total Value	\$320M	\$328M	\$348M	\$369M
Potential ROI on Invested Capital	2.56x	2.62x	2.78x	2.95x

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WHY KOPII?

RETURN PROFILE



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OUR TRACK RECORD

TAX BENEFITS | MONTHLY DISTRIBUTIONS

Reduce Your Tax Liability Significantly



2021-2024

AVERAGE ANNUALIZED TAX
DEDUCTION

83%

Achieve Monthly Distributions



2021-2024

AVERAGE ANNUALIZED DISTRIBUTION

7%



For illustration purposes only

KING OPERATING CORPORATION



ADVANTAGES OF KING

HOW WE STAND APART

TYPICAL O & G COMPANIES

- ✓ Tax Benefits
- ✓ Passive Income
- ✗ Quarterly Distributions
- ✗ Once wells are Dry, Program is Over.
- ✗ There is No Exit Strategy
- ✗ There is No Target Hold
- ✗ Struggle to pivot with market uncertainty

KING OPERATING MODEL

- ✓ Tax Benefits
- ✓ Passive Income
- ✓ Monthly Distributions
- ✓ Quality leverage to develop additional wells
- ✓ Real Exit Strategy
- ✓ Target Hold 3-5 Years
- ✓ Ability to pivot based on market realities



NEXT STEPS

TAKE A POSITION TODAY



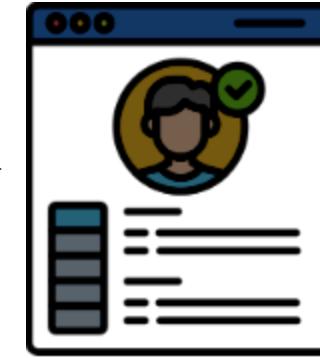
SUBSCRIBE

- Review Private Placement Memorandum
- Complete Subscription Documentation



WIRE FUNDS

- Receive Confirmation
- Send Letter of Third-Party Accreditation (LOA)



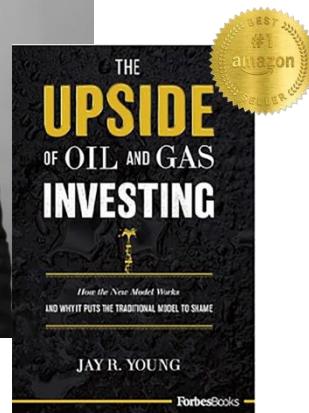
PORTAL

- Receive access within 30 days of Subscription
- View Investment Position, Monthly Statements, K-1s



UPDATES

- 2-Minute Drill Weekly Videos
- Monthly Insider Newsletter
- Monthly Formal Updates from the Executive Team



COMPANY LEADERSHIP

J A Y R . Y O U N G , F O U N D E R & C E O

With over three decades of experience, known for his strategic foresight and entrepreneurial leadership in the energy sector. Amazon #1 Best-Selling author of “The Upside of Oil and Gas Investing,” a Forbes Books publication that shares his deep industry insights.



OUR TEAM

200+ YEARS COMBINED

COO Steve Mullican, EVP of Operations Kelly Duncan, EVP of Land and Business Development Bill Phillips, Geologist Mark Ayers, Production Advisor Ryan Goeres,, Senior Geoscientist Blake Gillespie, and Land Manager Aaron Ledyard have more than 200 years of combined experience in the oil and gas industry.



Steve Mullican, Chief Operating Officer



Kelly Duncan, EVP, Operations



Bill Phillips, EVP, Land & Bus. Development



Mark Ayers, Geologist



Ryan Goeres, Production Advisor



Blake Gillespie, Senior Geoscientist



Aaron Ledyard, Land Manager