

# Colorado Upstream Property Opportunity



Kirkwood Oil & Gas, LLC & Wesco Operating, Inc.

**Kirkwood Oil & Gas, LLC** (“Kirkwood”) through its operating subsidiary **Wesco Operating, Inc** (“Wesco”) is offering for sale its vertical operated interests in Moffat and Washington Counties, Colorado as well as its interests in the Iles Station storage tank (“Assets”). The assets offer an attractive opportunity to acquire 12 liquids-rich wellbores (**100% liquids**) producing ~**106 Boed (net)** generating a **resilient, high-margin cash flow** stream driven by efficient operations. Kirkwood has retained PetroDivest Advisors as its exclusive advisor related to the transaction.

## Durable Cash Flow From Stable, Vintage Wellbores<sup>(1)</sup>

- **The efficiently operated asset generates meaningful cash flow**
  - \$1.1MM NTM PDP cash flow
  - \$3.6MM PDP PV-10%
- **Conventional oil production on a low-decline profile provides reliable cash flow and future performance**
  - 12 Vertical PDP Wells
  - 4 injector/water disposal wells
  - Net PDP Reserves: ~ 615 MBo
- **Ten+ years of production history provides confidence in forecast volumes and cash flow**
- **Turnkey asset with recent workover investment ensures reliable production for tenured wellbores and no idle wells**
- **Multiple behind pipe recompletion opportunities across position**

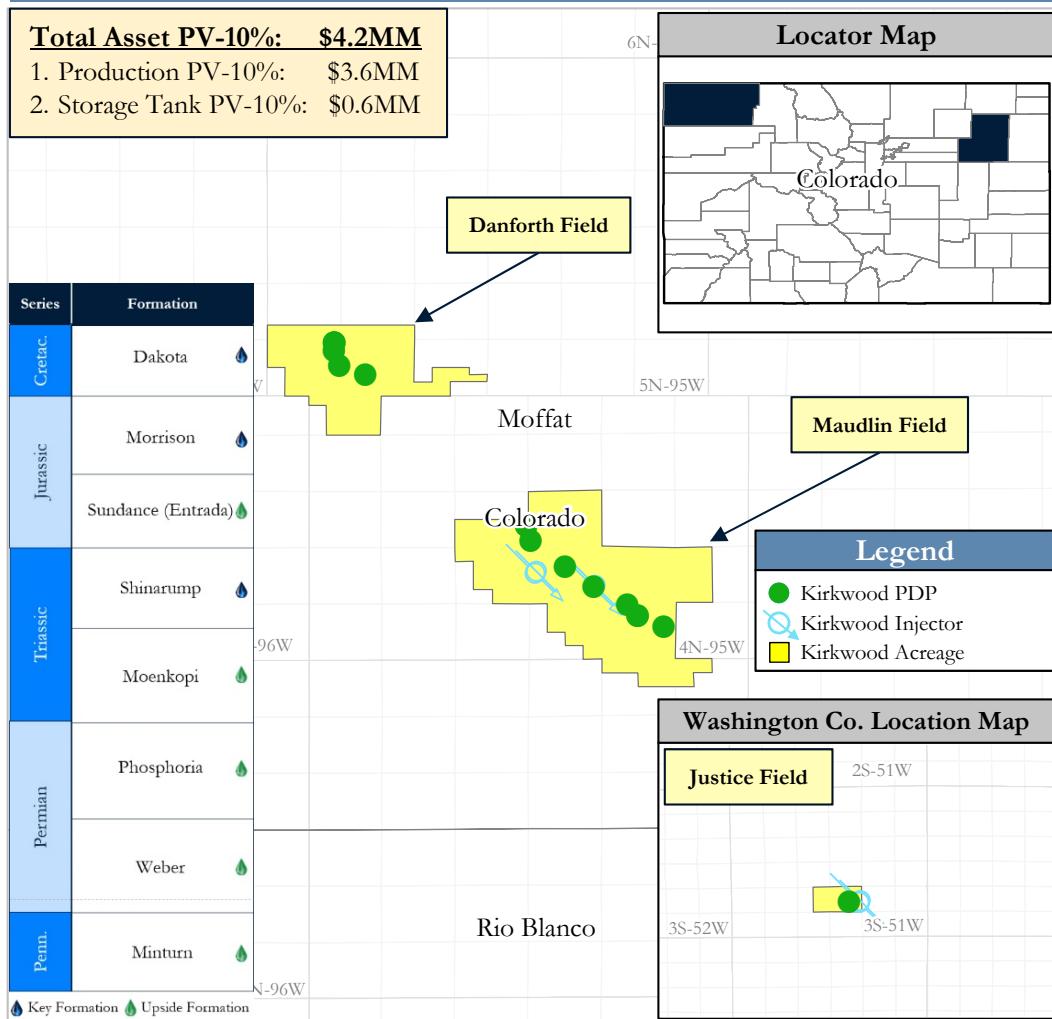
## Area Storage Tank Provides Additional Monthly Cashflow

- **Iles Station is a 10,000 bbl floating top tank connected to the Tesoro Logistics Northwest Pipeline**
- **The tank is leased to EnWest Marketing and furnishes ~\$90M of additional NTM CF**
  - \$0.6MM PV-10%

## High Ownership Interest and Operational Control

- **Ownership Interest:**
  - 100% avg PDP working interest
  - 84% avg PDP net revenue interest
- **16 wells total (12 prod. / 4 inj.)**
  - Danforth: 5
  - Maudlin: 9
  - Justice: 2

## Location Map | Colorado



## Historical vs. Forecast Net Production



1. Prod., reserves, and cash flow based on a prelim. reserves database as of 11/1/2021 using 10/11/2021 NYMEX 5-year strip pricing.

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## Process Calendar

October 2021						
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	30
31						

November 2021						
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	30				

- VDR Opens
- Evaluation Period
- Bids Due
- Holidays

Kirkwood anticipates PSA execution by early December and closing by mid-January 2022.

## Contact Information | PetroDivest Advisors



**PETRO  
DIVEST**  
ADVISORS

**Jerry Edrington**  
Director  
jerry@petrodivest.com  
(713) 595-1017

**Tony Fazio**  
Vice President  
tony@detring.com  
(713) 595-1006

**John Woolley**  
Analyst  
john@detring.com  
(804) 929-8911

Please contact Jerry Edrington to request access to the virtual data room or to learn more about this opportunity. Please route all communications through PetroDivest Advisors and do not contact Kirkwood directly.

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