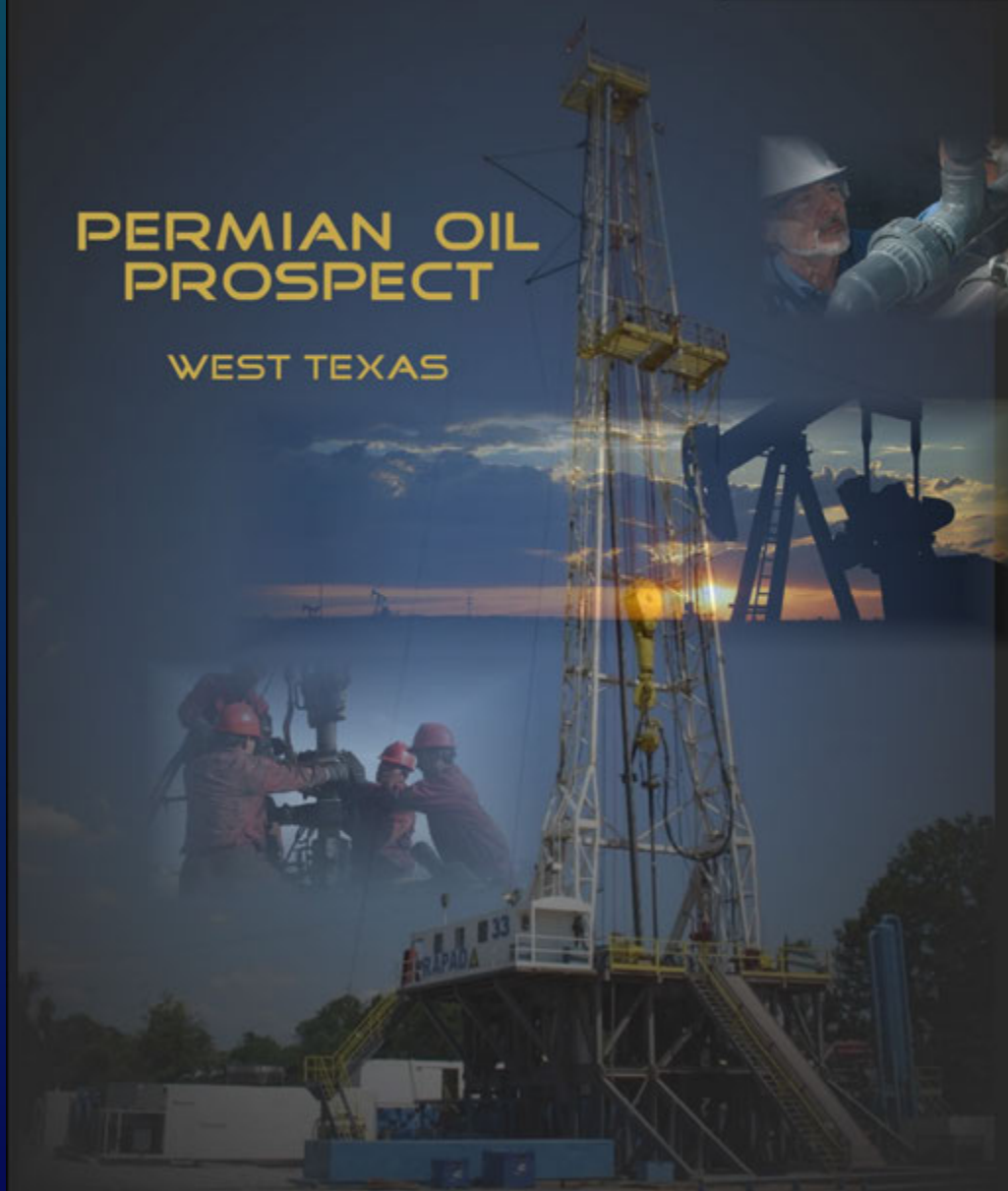


# PERMIAN OIL PROSPECT

WEST TEXAS



2020

## Oil & Gas Tax Benefits

The tax benefits of gas and oil can be powerful. For investors in a high income bracket, and for investors who have generated considerable income in the past year, the tax benefits of gas and oil investments can offer legitimate ways to protect revenues and income from higher taxation.

### **No Drilling Required**

35 wells have previously been drilled in the Permian Oil Prospect, hence no additional drilling costs to investors.

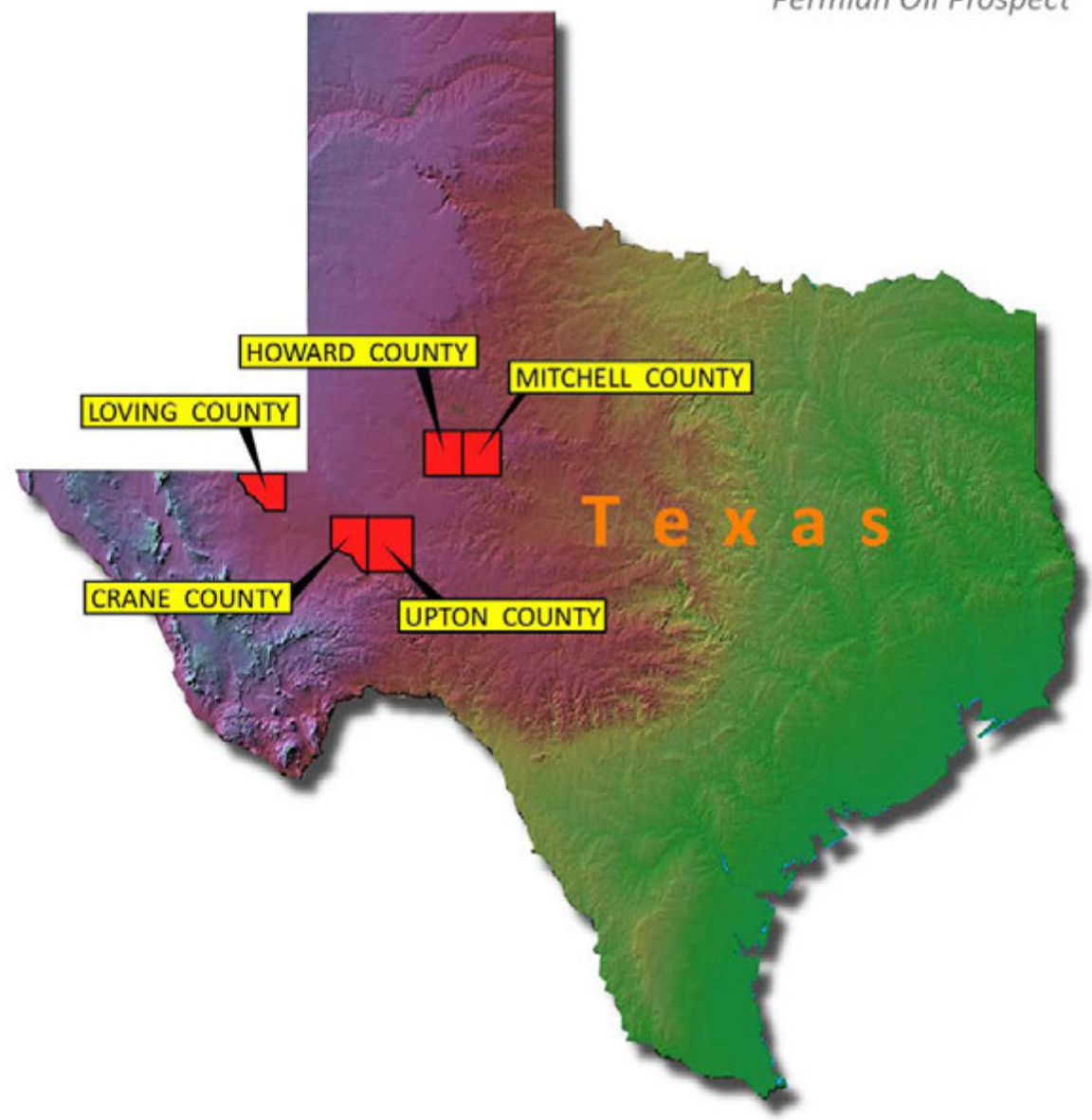
### **5:1 ROI for the Permian Oil Prospect**

(ROI) is a financial metric of profitability that is widely used to measure the return or gain from an investment. ROI is a simple ratio of the gain from an investment relative to its cost.



# Location Map

*Permian Oil Prospect*



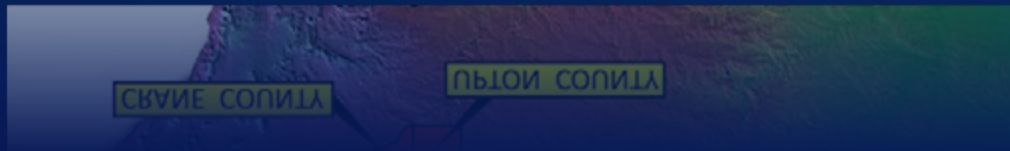
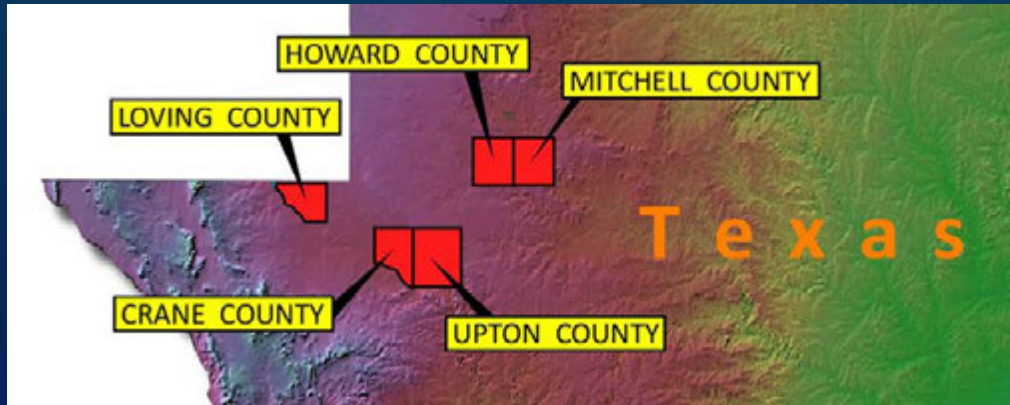
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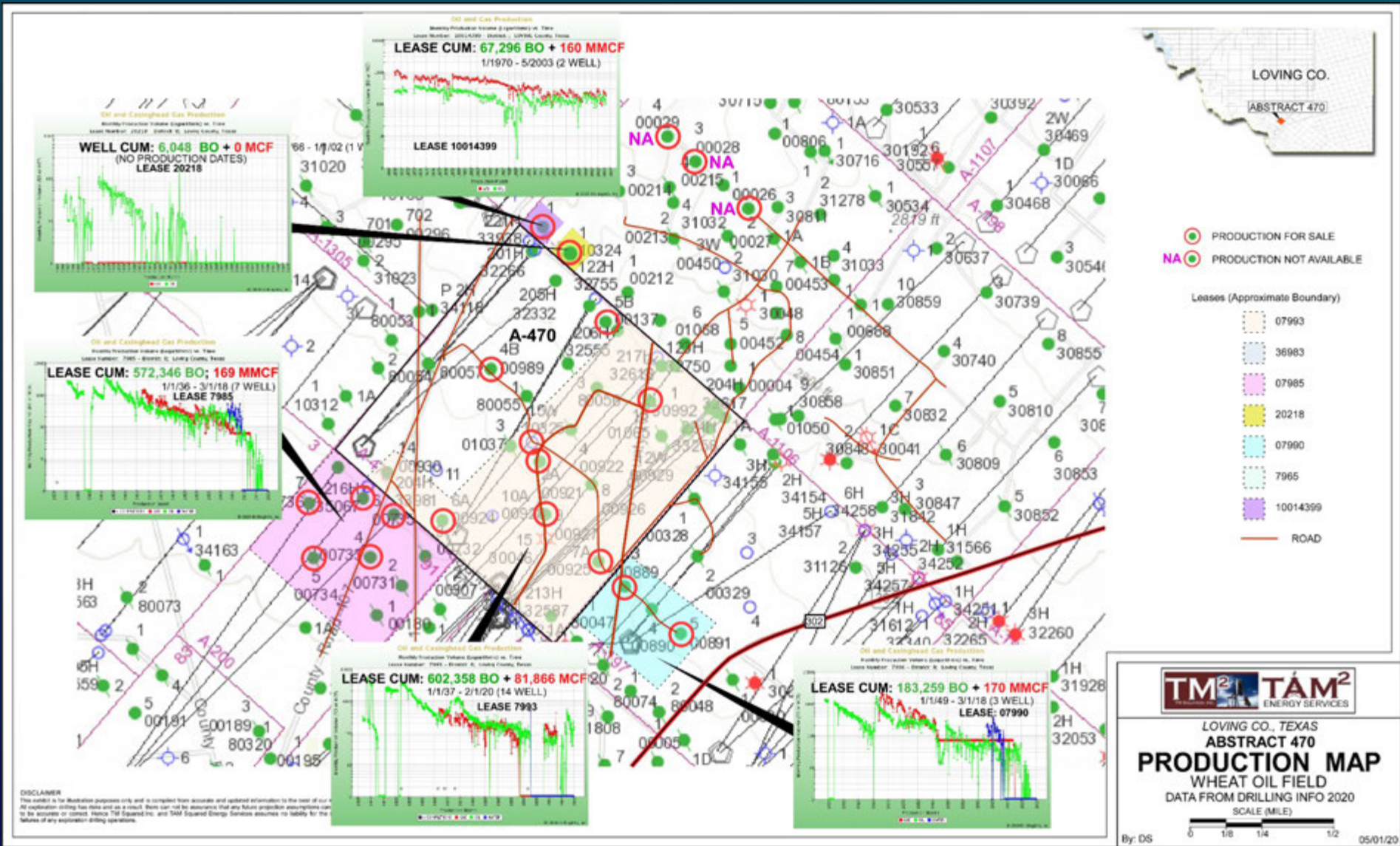
# Oil & Gas Development

## Permian Oil Prospect Overview

Located in the oil rich Permian Basin in west Texas, this prospect consists of 35 previously drilled wells in 5 different counties. Our geology staff has evaluated these wells as a workover and has recommended putting these wells back into production. The wells produced from various shale members from approximately 3,000 to 4000 ft.

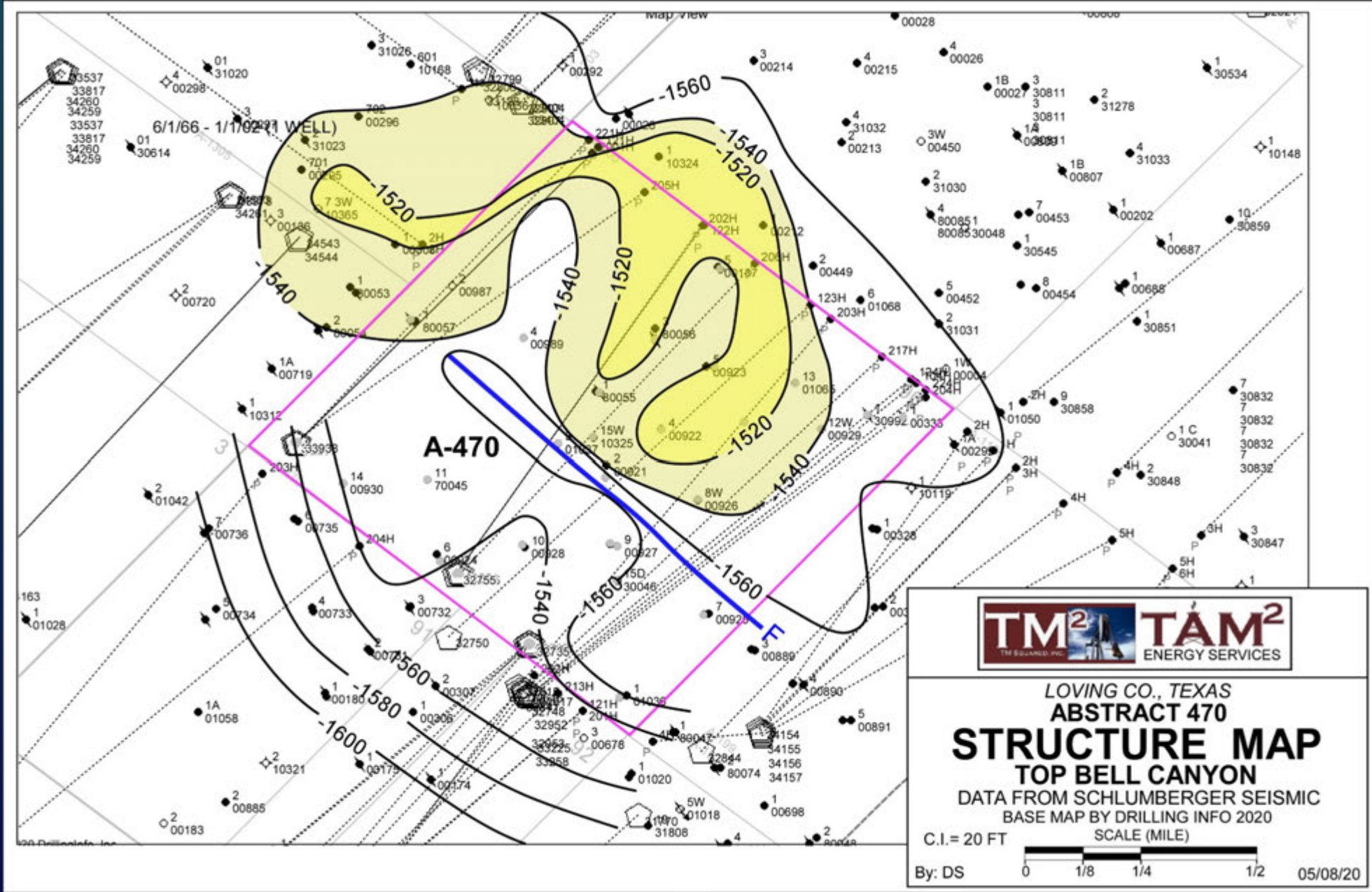
- Several undrilled PUD locations available
- Recharged reservoir from injection
- Low risk, potential 20-50 net feet of pay zone
- Excellent well controlled geology
- On lease SWD facility





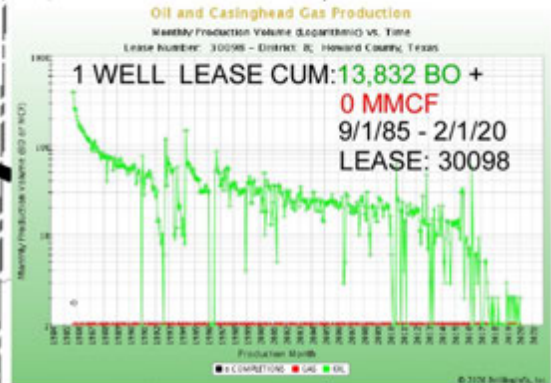
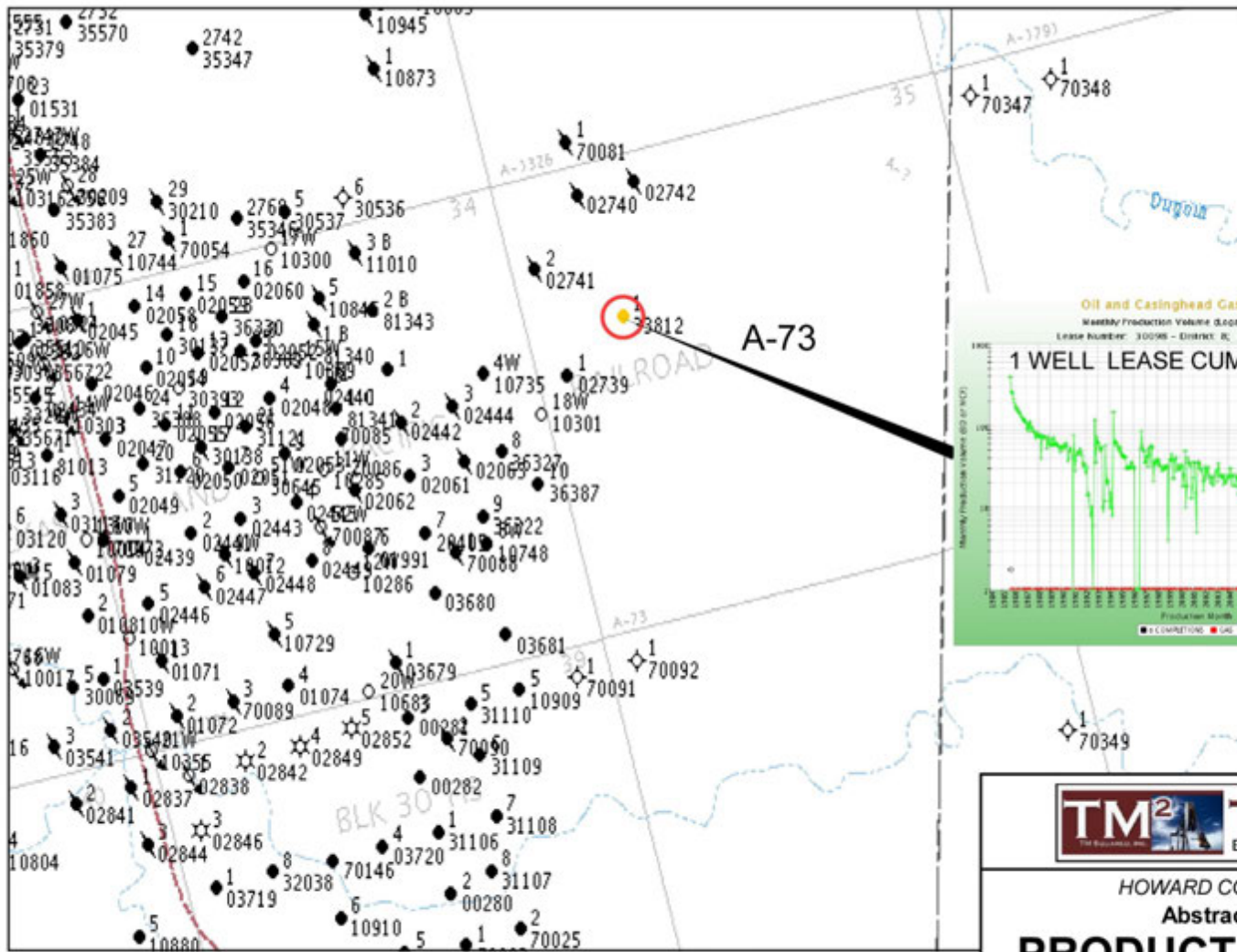
**DISCLAIMER**

This exhibit is for illustration purposes only and is compiled from accurate and updated information to the best of our knowledge. All exploration drilling has risks and as a result, there can not be assurance that any future projection assumptions can be proved to be accurate or correct. Hence TM Squared, Inc. and TAM Squared Energy Services assumes no liability for the success or failures of any exploration drilling operations.




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 PRODUCTION FOR SALE

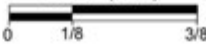


HOWARD CO., TEXAS  
Abstract 73

# PRODUCTION MAP

DATA FROM DRILLING INFO 2020

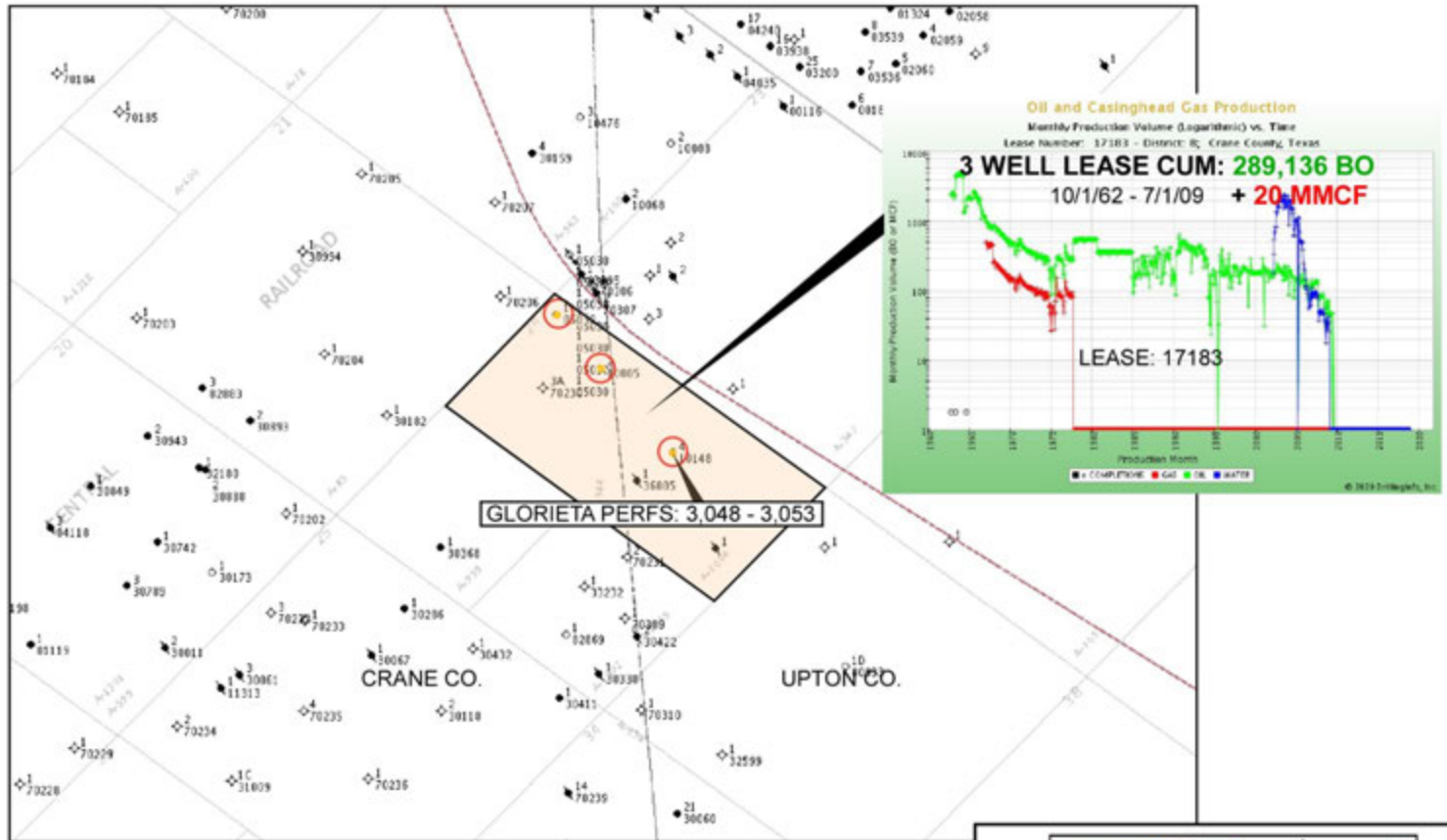
SCALE (MILE)



By: DS 05/01/20

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PRODUCTION FOR SALE

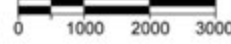


CRANE CO. / UPTON CO., TEXAS

**PRODUCTION MAP**

DATA FROM DRILLING INFO 2020

SCALE (FEET)



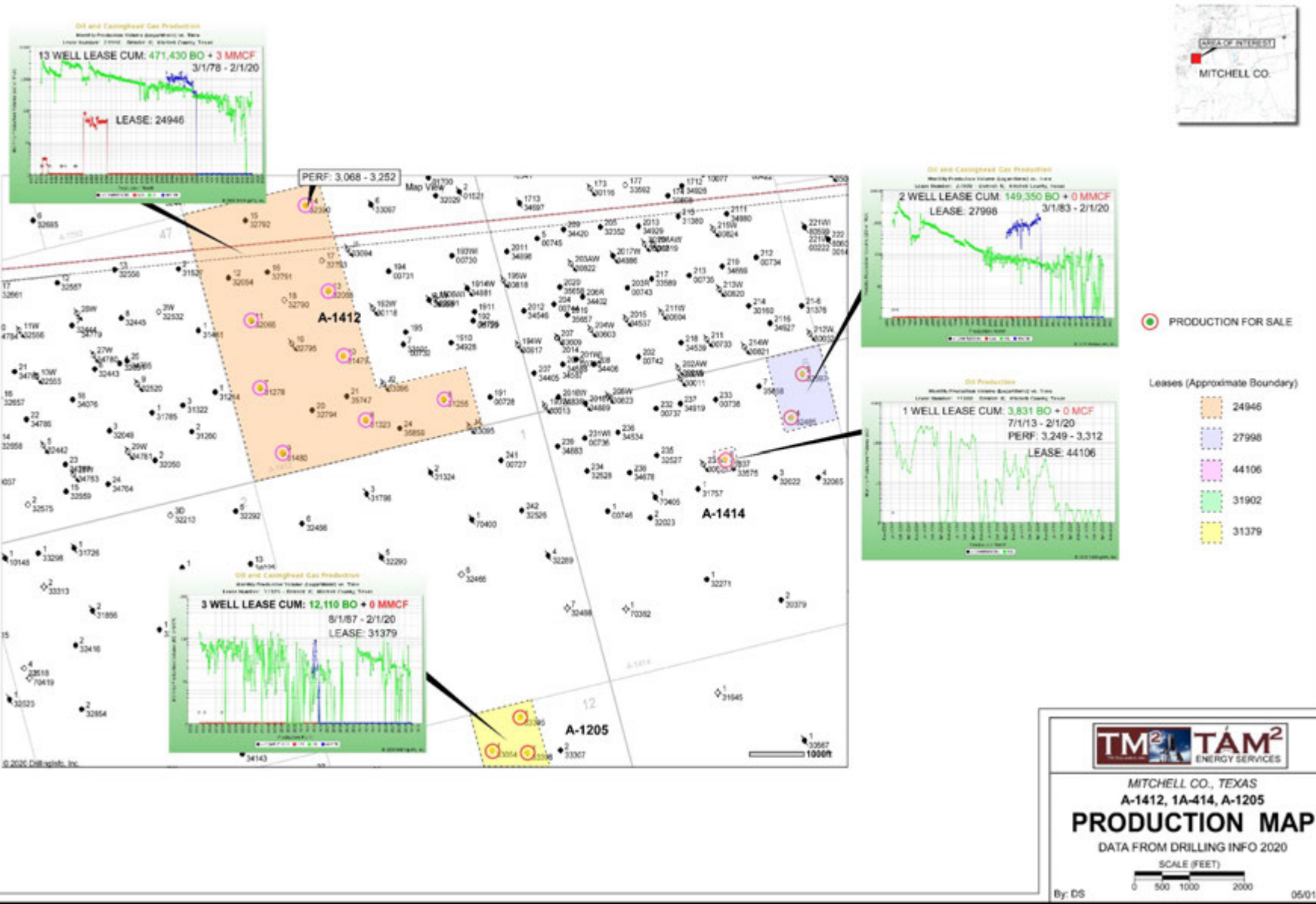
By: DS

05/01/20

**DISCLAIMER**

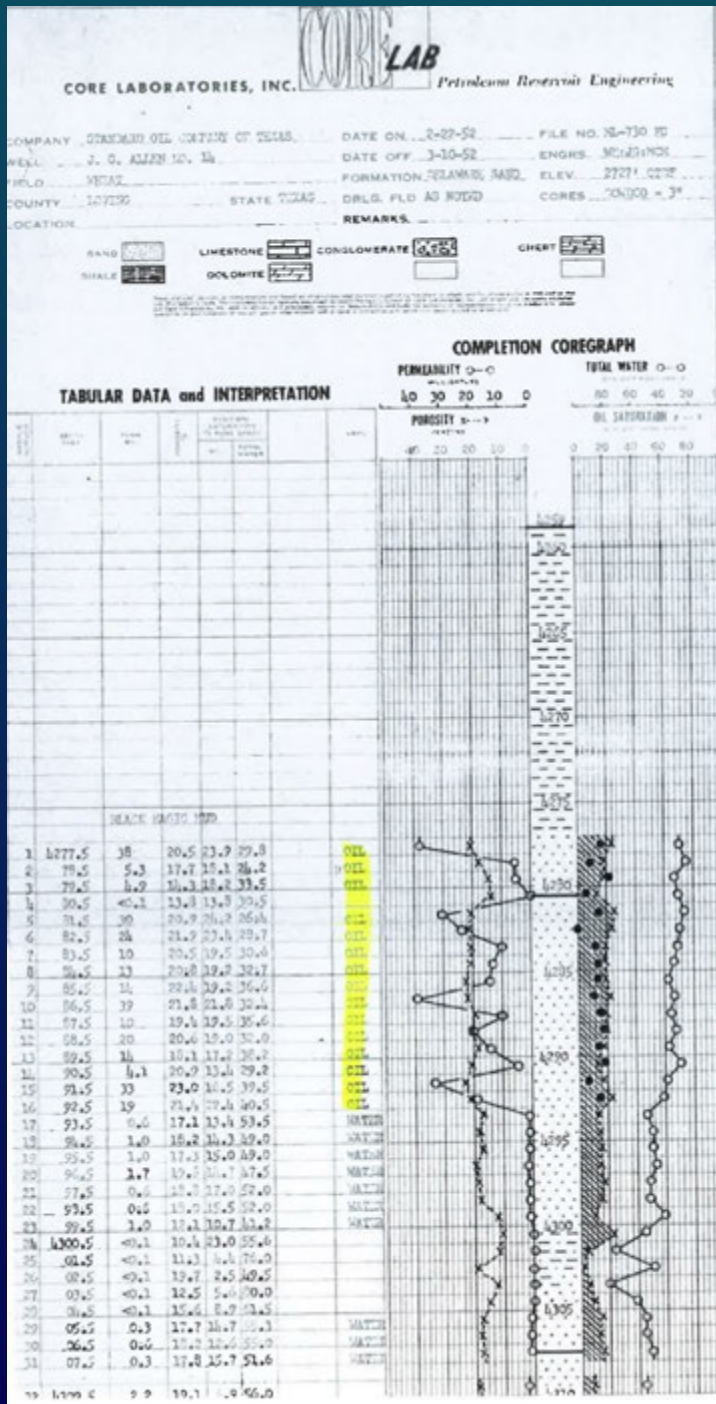
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## Permian Oil Prospect Mud Log Analysis



Located near the western corner of A-470, the C.G. Allen #14 well mud log shows oil shows at approximated 4,277' – 4,293'.

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## Permian Basin

# Production Prospect

Summary		Development Well Profile		Economics	
<b>Prospect Details</b>		<b>IP Rate</b>		Months to Payout..... 12	
Total Working Interest Offered (%)	20%	Oil (Bbl/d).....	50	<b>Cash Flow</b>	
Cost Per 1% Working Interest (\$)	16,000	Gas (Mcf/d).....		1-Year Net Cash Flow.....	480,904
Total Working Interest Purchased (%)	20%	<b>EUR</b>		5-Year Net Cash Flow.....	2,133,919
Investment Amount (\$)	320,000	Oil (Bbl).....	200,000	<b>ROI</b>	
<b>Tax Analysis</b>		Gas (Mcf).....	0	Cash.....	3.8x
Personal Tax Bracket (%)	35%	Decline Rate (%).....		Tax Adjusted.....	5.1x
Investment Tax Deduction (%)	90%	Oil (%).....	2.5%	<b>Severance + Ad Valorem Tax</b>	
Tax Deduction (\$)	288,000	Gas (%).....	7.5%	Oil (%).....	2.5%
Tax Savings (\$)	100,800	<b>Drilling Capex (\$)</b> .....		Gas (%).....	7.5%
Tax Adjusted Cost of Investment (\$)	219,200	LOE (\$/Mo).....	\$6,000	<b>Total Wells Drilled</b> .....	
<b>Interest</b>		<b>Drilling Pace (Wells/Mo)</b> .....		0	
Well Net Revenue Interest (%)	80.0%				
Carried Interest (%)	5.0%				
Net Revenue Interest to Investor (%)	75.0%				
<b>Commodity Price Assumptions</b>					
Oil Price per Barrel	42.25				
Gas Price per Mcf	2.25				

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YEAR	BBL/YR.	MCF/YR.	\$/BBL	\$/MCF	GROSS OIL VALUE	GROSS GAS VALUE	TOTAL GROSS VALUE	ANNUAL LOE/TAXES	ANNUAL NET INCOME	FUTURE CASH FLOW
1	12,775	0	\$40.00	\$1.50	\$511,000	\$0	\$511,000	\$25,550	\$45,669	\$45,669
2	12,392	0	\$40.00	\$1.50	495,670	0	495,670	24,784	44,299	89,969
3	12,020	0	\$40.00	\$1.50	480,800	0	480,800	24,040	42,970	132,939
4	11,659	0	\$40.00	\$1.50	466,376	0	466,376	23,319	41,681	174,620
5	11,310	0	\$40.00	\$1.50	452,385	0	452,385	22,619	40,431	215,051
6	10,970	0	\$40.00	\$1.50	438,813	0	438,813	21,941	39,218	254,269
7	10,641	0	\$40.00	\$1.50	425,649	0	425,649	21,282	38,041	292,310
8	10,322	0	\$40.00	\$1.50	412,879	0	412,879	20,644	36,900	329,210
9	10,012	0	\$40.00	\$1.50	400,493	0	400,493	20,025	35,793	365,003
10	9,712	0	\$40.00	\$1.50	388,478	0	388,478	19,424	34,719	399,722
11	9,421	0	\$40.00	\$1.50	376,824	0	376,824	18,841	33,678	433,400
12	9,138	0	\$40.00	\$1.50	365,519	0	365,519	18,276	32,667	466,067
13	8,864	0	\$40.00	\$1.50	354,553	0	354,553	17,728	31,687	497,755
14	8,598	0	\$40.00	\$1.50	343,917	0	343,917	17,196	30,737	528,491
15	8,340	0	\$40.00	\$1.50	333,599	0	333,599	16,680	29,815	558,306
16	8,090	0	\$40.00	\$1.50	323,591	0	323,591	16,180	28,920	587,226
17	7,847	0	\$40.00	\$1.50	313,884	0	313,884	15,694	28,053	615,279
18	7,612	0	\$40.00	\$1.50	304,467	0	304,467	15,223	27,211	642,490
19	7,383	0	\$40.00	\$1.50	295,333	0	295,333	14,767	26,395	668,884
20	7,162	0	\$40.00	\$1.50	286,473	0	286,473	14,324	25,603	694,487
TOTAL	194,268	0	\$40.00	\$1.50	7,770,703	0	7,770,703	388,535	694,487	
PARAMETERS								DISCOUNT	NPV (100%)	W.I. VALUE
Working Interest				0.2000			RATE		1.000	
Net Revenue				0.1500						
Initial BOPD				35.00			10%	322,906	\$322,906	
Oil Production Decline				3.00%						
Initial MCFD				4,000			12%	287,299	\$287,299	
Gas Production Decline				0.00%						
LOE/BBL or BOE				\$2.00			15%	245,289	\$245,289	
Oil Price/BBL				\$40.00						
Gas Price/MCF				\$0.00			20%	195,746	\$195,746	



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For additional information on the 35 well Permian Oil Prospect, please contact:  
W.A Westmoreland, CEO of TM2 Inc. and Managing Member of TAM2 Operating LLC.

