

# Spitfire Energy Group

## *Western Anadarko Basin Saltwater Disposal Assets Opportunity*



### Investment Highlights

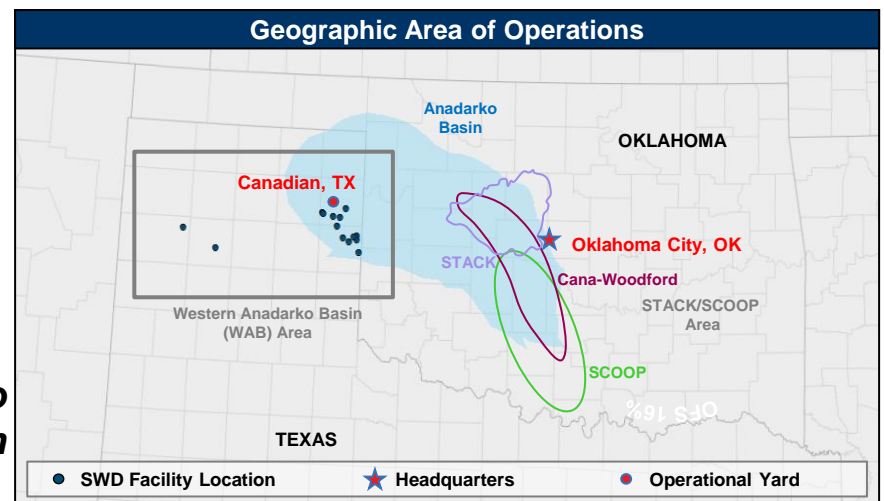
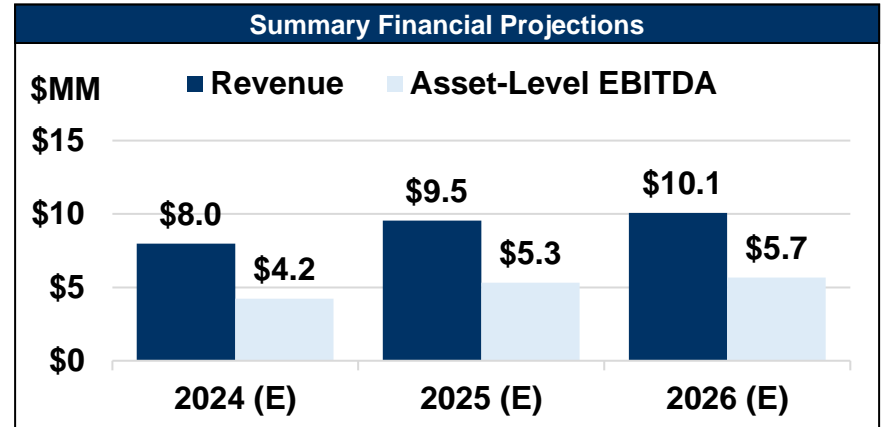
- Spitfire Energy Group is selling its assets in the Western Anadarko Basin, including 14 saltwater disposal wells with an operational capacity of 125,000 Bpd.
- Underutilization of Spitfire's assets in a region with great need for disposal volumes provides excellent upside opportunity.
- Texas RRC not currently approving and/or restricting capacity for Brown Dolomite disposal wells in Spitfire's operational area.
- Total replacement cost for Spitfire's facilities exceeds \$75MM (3<sup>rd</sup> party estimate).
- The assets are projected to generate \$15.2MM of asset-level EBITDA on \$27.6MM of revenue over the next three years with modest development (1-rig).
- Under a more robust drilling program (3-rig), the assets are projected to generate \$37.1MM of asset-level EBITDA on \$59.1MM of revenue over the next three years. The predecessor to Presidio averaged 8-13 rigs for >3 years in the development area.

# Western Anadarko Basin Saltwater Disposal Assets Opportunity

## Opportunity Overview

**Spitfire Energy Group LLC (“Spitfire” or the “Company”) provides saltwater disposal services and infrastructure to oil and gas companies in the Western Anadarko Basin.**

- Spitfire operates 14 strategically-located, commercial saltwater disposal (“SWD”) facilities with a total operational disposal capacity of 125,000 BPD in the Western Anadarko Basin (“WAB”) in Texas and Oklahoma.
- The Spitfire disposal operations also include 168 miles of gathering pipeline.
- The SWD facilities handle both piped and trucked saltwater/flowback for E&P customers operating in the WAB.
- Spitfire’s SWDs are in compliance and current on their H-5 mechanical integrity tests.
- Spitfire’s SWDs are in an excellent position with excess capacity available to capture the great need for water disposal in their operational area.



**ECS is serving as exclusive financial advisor to Spitfire in the sale of the assets under Section 363 of the U.S. Bankruptcy Code.**

# Western Anadarko Basin Saltwater Disposal Assets Opportunity

## Well-Positioned SWD Assets

**Spitfire maintains a network of 14 commercial saltwater disposal facilities in Hemphill (6), Wheeler (6), Oldham (1) and Potter (1) Counties, TX.**

### Equipment and Services Overview

Spitfire operates 14 commercial SWD wells and 168 miles of gathering pipeline located across the Texas Panhandle.

#### Bivins System Overview:

- Blue Goose 201 SWD (Blue Goose) – 10,000 Bbl/d capacity
- Boys Ranch SWD (Tascosa) – 10,000 Bbl/d capacity

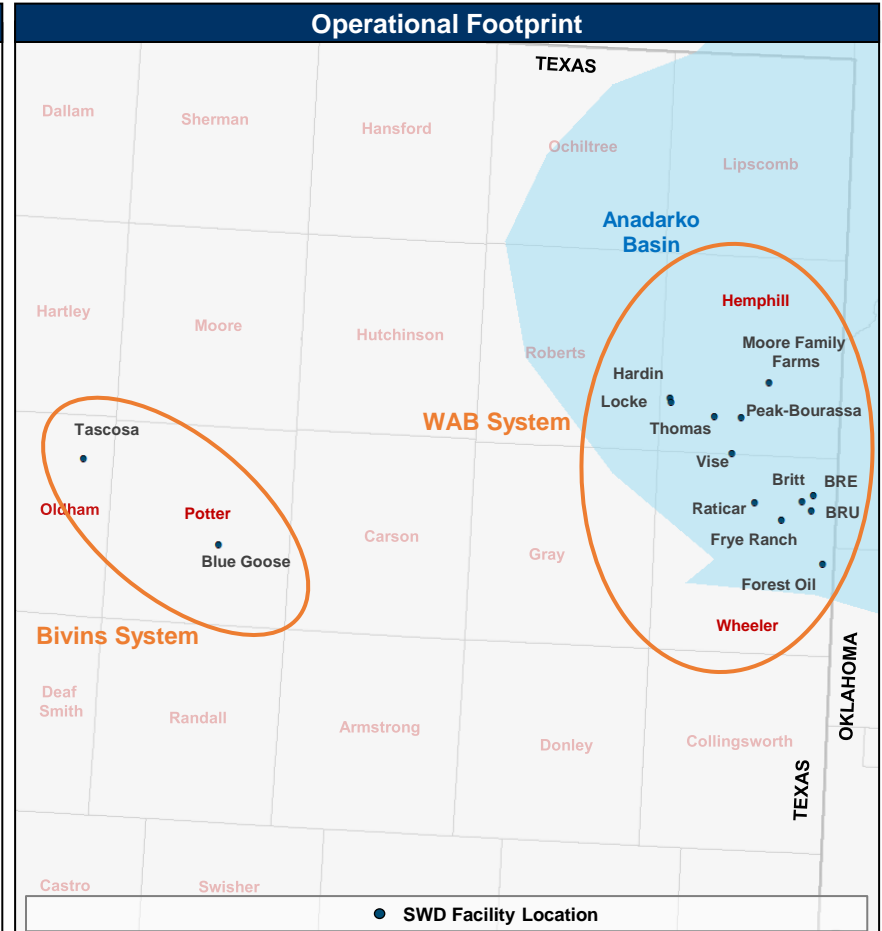
#### WAB System Overview:

- Britt Ranch E 308 (BRE) – 7,500 Bbl/d capacity
- Britt Ranch Unit 3701W (BRU) – 12,500 Bbl/d capacity
- Britt SWD 01 (Britt) – 10,000 Bbl/d capacity
- Forest Oil SWD 153 (Forest) – 10,000 Bbl/d capacity
- Frye Ranch SWD 01 (Frye Ranch) – 7,500 Bbl/d capacity
- Hardin 77 SWD 01 (Hardin) – 5,000 Bbl/d capacity
- Locke 360 (Locke) – 5,000 Bbl/d capacity
- Moore Family Farms SWD 1046 (Moore Family Farms) – 7,500 Bbl/d capacity
- Peak-Bourassa 107 (Peak-Bourassa) – 10,000 Bbl/d capacity
- Raticar SWD 1044 (Raticar) – 10,000 Bbl/d capacity
- Thomas SWD 1048 (Thomas) – 10,000 Bbl/d capacity
- Vise SWD 1052 (Vise) – 10,000 Bbl/d capacity

#### Services:

- **Oilfield liquid waste disposal** – receiving and injecting both flowback and produced water with a current aggregate capacity of 125,000 Bbl/d.
- **Flexible delivery system** – utilizing both trucked and piped volumes.

### Operational Footprint



# Western Anadarko Basin Saltwater Disposal Assets Opportunity

## Transaction Process Overview

	November 2023							December 2023							January 2024						
	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
• <b>Virtual Data Room Available:</b> November 8 <sup>th</sup>				1	2	3	4						1	2		1	2	3	4	5	6
• <b>Qualified Bid Deadline:</b> January 5 <sup>th</sup>	5	6	7	8	9	10	11	3	4	5	6	7	8	9	7	8	9	10	11	12	13
• <b>Auction:</b> January 12 <sup>th</sup>	12	13	14	15	16	17	18	10	11	12	13	14	15	16	14	15	16	17	18	19	20
• <b>Notice of Successful Bidder:</b> January 16 <sup>th</sup>	19	20	21	22	23	24	25	17	18	19	20	21	22	23	21	22	23	24	25	26	27
	26	27	28	29	30			24	25	26	27	28	29	30	28	29	30	31			
								31													

■ VDR Opened   
 ■ CA/VDR Available   
 ■ Offers Due   
 ■ Auction   
 ■ Notice of Successful Bid



### ECS Team

**Russell Weinberg**  
 Managing Director  
 214-219-8201  
 rweinberg@nrgcap.com

**Scott Trulock**  
 Managing Director  
 214-219-8204  
 strulock@nrgcap.com

**James Avondet**  
 Senior Associate  
 214-219-8210  
 javondet@nrgcap.com

**Powers Ramsey**  
 Associate  
 214-219-8208  
 pramsey@nrgcap.com

**Please contact Energy Capital Solutions with any questions regarding Spitfire. A full virtual data room is available upon execution of a confidentiality agreement.**