



**PETROLEDGER**  
FINANCIAL SERVICES

# PROFESSIONAL MANAGEMENT

*MAXIMIZING ASSET PROFITABILITY*

*The first inclination of most mineral, royalty and/or leasehold owners is to react to proposed offers while staying “inside the box” - this box being defined by the oil or gas company. They want you to play by their rules, which often obfuscate your options (and rights) regarding your interests. Whether you inherited an interest with little supporting records or have accumulated more properties than you can keep up with, PetroLedger Financial Services can effectively provide a customized professional management solution based on our experience and unique industry insights. This ensures that all your options are made available to you and weighed with your investment strategy to achieve their maximum value.*

## THE CHALLENGE

Without professional management it is easy to be led down a path of Option A or Option B, without understand that Options C or D (either of which might have greater value to you) are even on the table. Individuals who attempt to personally manage their interests can easily lose time to their own careers, or just let opportunities pass by without knowing it. Or they may believe hiring an attorney is their only alternative. However, most oil and gas attorneys do not stay current with the transactional information of multiple states and basins.

## SCENARIOS

### Example 1

You (the *lessor*) receive a lease proposal for your oil or gas asset from a *lessee*. The lease form they provide includes a sliding scale lease bonus and royalty option with no special provisions.

#### Our response:

PetroLedger could propose a custom lease form incorporating drilling obligations, rights of reverter, minimum spacing requirements and other provisions you may not know are available. We could quickly identify your options, determine your leverage and,

consequently, help you find the most advantageous position for your asset without leaving money on the table.

#### The outcome:

This could mean the difference between one well being drilled to earn your acreage vs four wells drilled to earn the same acreage, with non-productive depths terminating (eliminating any future lease and maximizing development opportunities).

### Example 2

An oil and gas leasing campaign has led to an offer on your minerals.

#### Our response:

With our expertise and expansive industry network, PetroLedger could immediately identify whether or not this company is prospective, looking to sell for a quick profit (a *flipper*), or even working for a much larger company that is hoping to fly under the radar.

#### The outcome:

It is likely the offer you have received is in a geographic area we have experience with. In some cases, our best deals were accomplished by declining initial offers and waiting for the larger company to come in and make a deal at a higher value.

At other times, our industry insights and knowledge have allowed us to acquire information about this company's well performance in the area, budget reallocations

or changes in areas of interest. We used this information to strike quick deals so that clients weren't waiting for the big pay day that was never going to come. There is high risk in oil and gas, and sometimes the only winners are the mineral owners who agreed to terms before the prospect came up empty.

### Example 3

You own a non-operated working interest in a mature conventional field. The operators are proposing to drill new horizontal wells with AFE's (authorization for expenditure, read costs to you) that are six to ten times the contributions you are used to from past operations. This no longer matches your investment strategy.

#### Our response:

Rather than electing to go non-consent and possibly forfeiting your rights because you cannot keep up with the expensive horizontal drilling program, PetroLedger can negotiate term assignments regarding specific lands and depths.

#### The outcome:

This would allow you to stay in for a non-cost-bearing overriding royalty interest while still

retaining other non-productive depths that may prove valuable in the future.

## THE PETROLEDGER DIFFERENCE

PetroLedger Financial Services has the insights and expertise to position your assets as advantageously as possible. We can protect you from blindly accepting the first deal presented to you from an oil company (*at a fraction of the cost of your attorney!*). At PetroLedger, this is what we do. It is our job to stay engaged in industry activity, and we represent clients with major positions in all producing basins across the Lower 48. We can also draft conveyance instruments, cure and perfect title and other documents you might otherwise retain an attorney for.

Timing is everything. With our industry knowledge, we can help you navigate lease agreements, and know when you have leverage and when you don't. Your best interests are our priority.

## Conclusion

At PetroLedger Financial Services, we serve as a one-stop shop offering a complete portfolio of services including, but not limited to: transactional accounting, mineral management, inventory, curative and transfer of ownership. Come to PetroLedger to get your oil and gas assets working for you.

## ABOUT THE AUTHOR

**Travis Sample**, *Landman*

Travis heads up PetroLedger's land management department, where he oversees a team of experts in leasing, title, curative, and due diligence on behalf of leading oil and gas firms and independent producers across the country.

With customer service as his top priority, Travis effectively communicates with his clients and his team to ensure projects are completed on time and on budget. Travis has directly managed over \$4B in client acquisitions for major E&P companies. His vast knowledge of industry players and activity aids in his ability to maximize value for clients' oil and gas assets.

Travis graduated from the University of Arkansas with a B.S. in Business Administration and a minor in Finance and was on the SEC Athletic Academic Honor Roll. He competed in the College World Series in 2009.

## EDDYE DREYER FINANCIAL SERVICES

PetroLedger Financial Services offers a full range of oil and gas accounting services and support that will save you time and money. We'll partner with you to manage your financial resources so you can focus on your business.