



# Corporate Presentation

October 2024

NASDAQ: PROP  
[prairieopco.com](http://prairieopco.com)

# Disclaimer

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## Forward-Looking Statements

This Presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended. Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include the words “may,” “assume,” “forecast,” “position,” “strategy,” “potential,” “continue,” “could,” “will,” “plan,” “project,” “budget,” “predict,” “pursue,” “target,” “seek,” “objective,” “believe,” “expect,” “anticipate,” “intend,” “estimate,” and other expressions that do not strictly relate to historical facts identify forward-looking statements. Such forward-looking statements may include, but are not limited to, statements about the potential offering, pending acquisitions, our business strategy, our industry, our future profitability, our expected capital expenditures and the impact of such expenditures on our performance, the costs of being a publicly traded corporation and our capital programs.

Although forward-looking statements reflect our good faith beliefs at the time they are made, we caution you that these forward-looking statements are subject to risks and uncertainties, most of which are difficult to predict and many of which are beyond our control. These risks include, but are not limited to, our ability to fund our development and drilling plan using generated free cash flow without utilizing leverage; the possibility that the Company may be unable to achieve expected free cash flow accretion, production levels, drilling, operational efficiencies and other anticipated benefits within the expected time-frames, or at all, and to successfully integrate NRO's operations with those of the Company; our operating costs, customer loss and business disruption may be greater than expected following the closing of the transaction; our ability to integrate the Central Weld Assets and any other businesses we acquire; our ability to grow our operations, and to fund such operations, on the anticipated timeline or at all; uncertainties inherent in estimating quantities of oil, natural gas and NGL reserves and projecting future rates of production and the amount and timing of development expenditures; commodity price and cost volatility and inflation; the ability to obtain and maintain necessary permits and approvals to develop our assets; safety and environmental requirements that may subject us to unanticipated liabilities; changes in the regulations governing our business, the Genesis Assets and the Central Weld Assets, including, but not limited to, those pertaining to the environment, our drilling program and the pricing of our future production; our success in retaining or recruiting, or changes required in, our officers, key employees or directors; general economic, financial, legal, political, and business conditions and changes in domestic and foreign markets; the risks related to the growth of the Company's business; the effects of competition on the Company's future business; and those risks described in Item 1A of Prairie's Annual Report on Form 10-K, filed with the SEC on March 19, 2024 (as amended by Amendment No. 1 on Form 10-K/A, filed with the SEC on March 20, 2024), and those risks disclosed in its subsequent filings on Forms 10-Q and 8-K, which can be obtained free of charge on the SEC's web site at <http://www.sec.gov>.

You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date of this Presentation. Except as otherwise required by applicable law, we disclaim any duty and do not intend to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this Presentation.



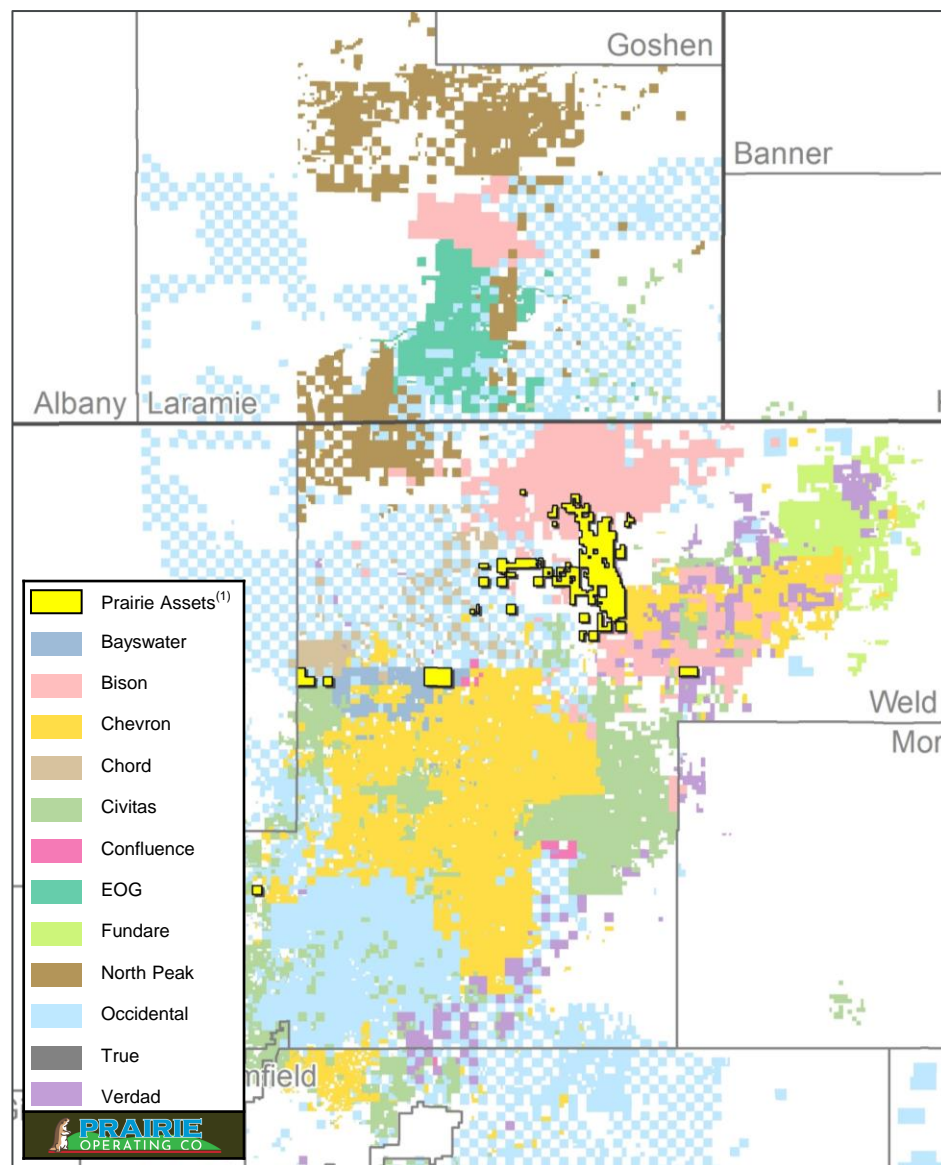
# Prairie Operating Co. Asset Overview



## Asset Highlights

- Strong DJ Basin Footprint
  - ~44,000 gross / ~30,000 net acres in the DJ Basin
  - Prominent operators in the area, including Chevron, Civitas, EOG, and Occidental
  - Positioned away from population dense areas; no federal leases
- Extensive Development Runway
  - 501 identified locations, 169 locations fully permitted<sup>(1)(2)</sup> with 8 locations currently being drilled
  - Provides in excess of 10 years of development<sup>(1)</sup>
  - Proven Reserves of ~25MMboe (76% Liquids)<sup>(3)</sup>
- Significant Cash Flow Profile Potential
  - Targeted growth trajectory via cash flow reinvestment and accretive acquisitions
  - Competitive project returns expected across company inventory
- Deep Management Expertise
  - Experience developing and deploying next-generation technology and techniques
  - Successful track record growing public companies from early stage

## Prairie Operating DJ Positioning



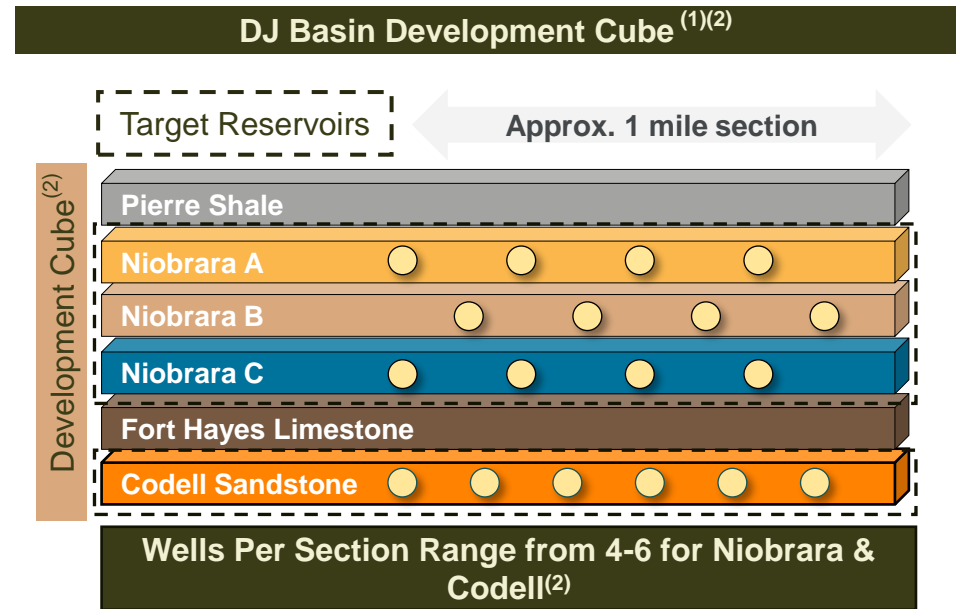
Source: Enverus; Cawley, Gillespie & Associates, Inc.

1) Of the 501 identified locations, 420 are Possible Undeveloped locations

2) 8 spud locations represent current drilling operations at Shelduck South development

3) Based on reserve report as of 1/31/2024

# Attractive Oil-Rich Position within DJ Basin



## DJ Basin – Premier U.S. Resource

- Niobrara chalks (A,B,C) & Codell formations are primary target benches in DJ Basin with ongoing, stacked co-development
- Prairie currently holds ~30,000 net acres with 501 locations
- DJ development has been expanding and moving in the direction of Prairie assets over the last 5-10 years
- Over 350' of target section across 4 full benches<sup>(2)</sup>
- Niobrara / Codell horizontal developed at up to 18 wells per section<sup>(1)</sup>

Source: Enverus; Cawley, Gillespie & Associates, Inc.

1) WPS values are variable depending on asset and bench

2) Thickness varies across the basin

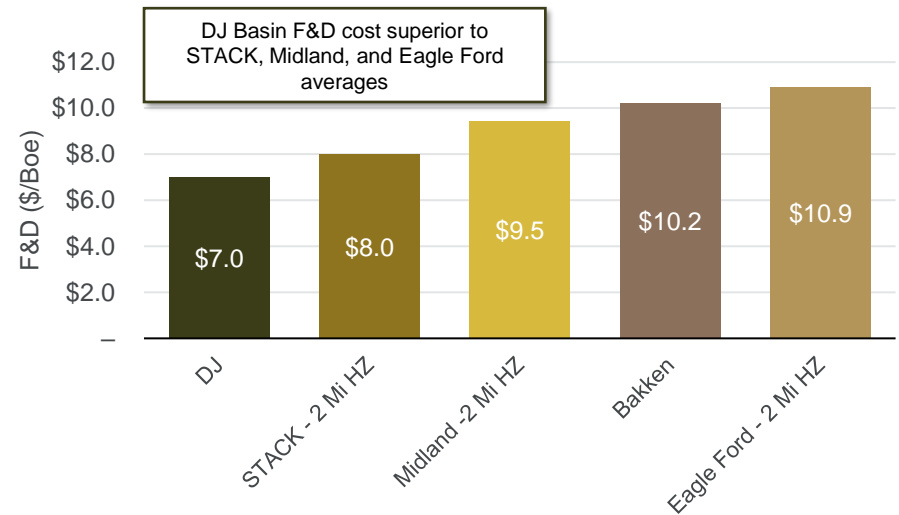
# DJ Basin Economics Compare Favorably to Other Basins



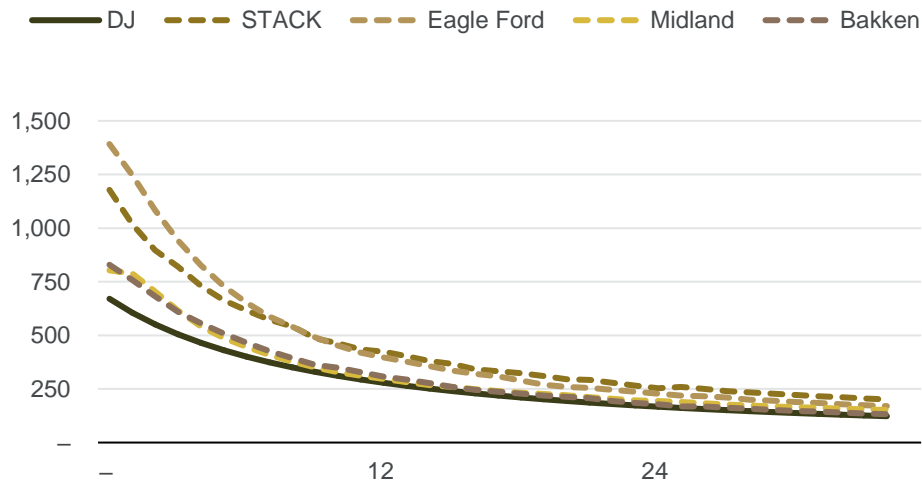
## Highlights

- Superior full cycle economics driven by industry low AFEs and LOEs
- DJ Basin recent well results compare favorably to Bakken, STACK, Midland, and Eagle Ford averages
- Average DJ Basin horizontal well IP30 and % of peak at 60 months is ~670 Boe/d and ~10%, respectively
- DJ Basin 2021+ well results yield significant F&D improvement over unconventional plays like the STACK, Midland, and Eagle Ford

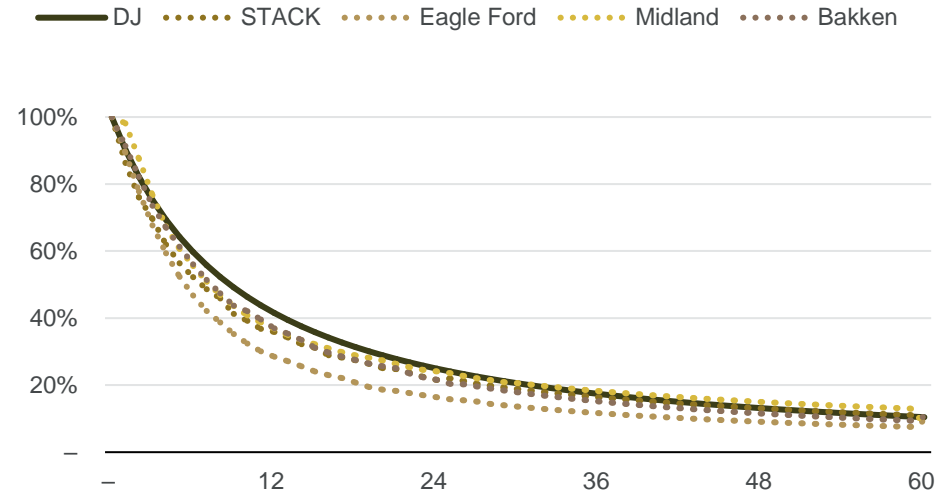
## Finding & Development Costs (F&D)



## Type Curve Comparison



## DJ Basin New Drills Provide Modest Decline Rates (% Peak)



# Proven Permitting Success



## Key Handle on Permit Approval Process

### 1 Development of Permit Package

- Experience from Genesis I OGD in completing siting rationale, along with various operations plans and impact analyses
- Genesis II OGD, encompassing up to 42 wells, has been submitted to the CECMC with a scheduled hearing in Q4 2024 and drill ready by Q2 2025

### 2 Submission & Completion

- Genesis I OGD approved in record time (180 days)
- Genesis II OGD submitted to CECMC in July 2024, and passed completeness review in September 2024

### 3 Hearing & Approval

- Prairie's WOGLA approved for Burnett and Oasis locations in February 2024 hearing
- Genesis I OGD approved in 3/13/2024 hearing, to add 72 permits to Prairie's inventory upon issuance
- WOGLA approval for the Shelduck location in April 2024

## Dedicated and Experienced Regulatory Team

### VP of Operations

- 12+ years of experience
- Previously at PDC Energy, as Manager of Operational Compliance and Policy
- Successfully permitted large projects in Colorado, including Guanella CAP

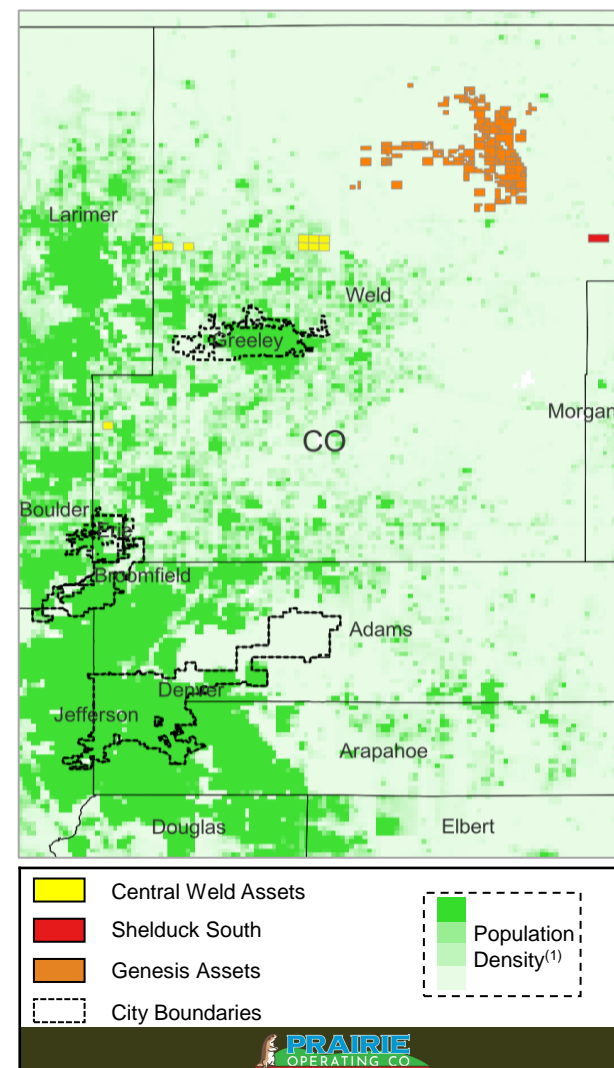
### Regulatory Affairs Manager

- 20+ years of experience
- Previously at PDC Energy, as Regulatory Manager

### Air Quality and Environmental Manager

- 20+ years of experience
- Previously at PDC Energy, as Air Quality Policy Advisor

## Positioned Away from Urban Areas in Oil-Friendly Weld County



Note: OGD refers to Oil & Gas Development Plan; CECMC refers to Colorado Energy & Management Carbon Commission; CAP refers to Comprehensive Area Plan; WOGLA refers to Weld Oil and Gas Location Assessment

1) Population density data sourced from WorldPop Hub (research program based in School of Geography and Environmental Science, University of Southampton) and includes additional data sources from University of Louisville, University of Namur, Center for International Earth Science Information Network, Columbia University, and Global High Resolution Population Denominators Project (funded by The Bill and Melinda Gates Foundation); represents estimated population density per grid-cell; units based on number of people per square kilometer



# Environmental Excellence – Producing the Cleanest Molecule



## Pre-Production

- Drilling rig powered by the grid or natural gas generators with battery assist
- eFleet for completions
- Green completions - employing specially designed equipment to capture gas produced following hydraulic fracturing
- Use of OGP Group III Drilling Mud
- No trucks utilized to transport water to location for hydraulic fracturing



## Production

- Instrument air pneumatics
- No permanent hydrocarbon storage
- Grid-powered equipment and engines to minimize combustion emissions
- No flaring of high-pressure gas from separators
- Daily audio, visual, and olfactory inspections for emissions leaks



## Corporate-wide

- Members of API's The Environmental Partnership
- Participants in CECMC and APCD steering committees and rulemakings specific to emission reductions and BMPs
- All maintenance activities will be controlled with an enclosed combustion device ("ECD") or will be emission-less



# Experienced Management Team



**Edward Kovalik**  
*Co-Founder,  
Chairman & CEO*

- Over 25 years of industry experience
- Founder and managing member of KLR Group, an energy merchant bank
- KLR Group founded River Bend, KLR Energy (Rosehill Resources), Seawolf Water Resources, and Prairie Partners



**River Bend  
Oil & Gas, LLC**



**Gary Hanna**  
*Co-Founder,  
Director &  
President*

- Over 40 years of E&P experience
- Multiple successful public workouts and start-ups
- 30 years in public company senior management and board of director roles



**Craig Owen**  
*EVP & CFO*

- Over 30 years of industry experience
- Served as CFO of Southwestern Energy and Rosehill Resources
- Prior to Rosehill, had roles at Anadarko, PwC, Hilcorp, and ARCO Pipe Line Company
- B.B.A. Accounting from Texas A&M University



**Bryan Freeman**  
*EVP, Operations*

- Over 35 years of industry experience
- Served as SVP of Drilling and Completions at Rosehill Resources
- M.S. in Engineering from the University of Texas



**Greg Patton**  
*VP, Commercial  
Development*

- Over 15 years of industry experience
- Served as Senior Vice President, Corporate Development and Finance for Great Western Petroleum and CFO for Trigger Energy
- Master and Bachelors of Accounting from The University of Denver



## Management & Shareholder Alignment

***Current directors and executive officers beneficially own ~33%<sup>(1)</sup> of Prairie's common stock***

1) Beneficial ownership is determined in accordance with the rules and regulations of the SEC; A person is a "beneficial owner" of a security if that person has or shares "voting power," which includes the power to vote or to direct the voting of the security, or "investment power," which includes the power to dispose of or to direct the disposition of the security or has the right to acquire such powers within 60 days; The beneficial ownership percentage set forth is based on 20,964,861 shares of Common Stock issued and outstanding as of August 15, 2024.



# Company Highlights



Completed the acquisition of Nickel Road Operating (“NRO”)



Launched Development of Shelduck South, an 8 Well Pad Targeting the Niobrara B and C Chalks



Attractive Inventory Position in Weld County with 169 Approved Permitted Locations with 8 Wells Currently Being Drilled



Recent Consolidation in the U.S. Onshore Upstream Market has Created Unique Growth Opportunity for Prairie, as Fewer Companies are Engaged in Middle Market M&A



Highly Experienced and Successful Management Team



Balance Sheet with Strong Liquidity and Minimal Leverage



Access to Substantial Midstream Takeaway Capacity, Service Providers, and Electrification

## Appendix

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### **Investor Relations Contact:**

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