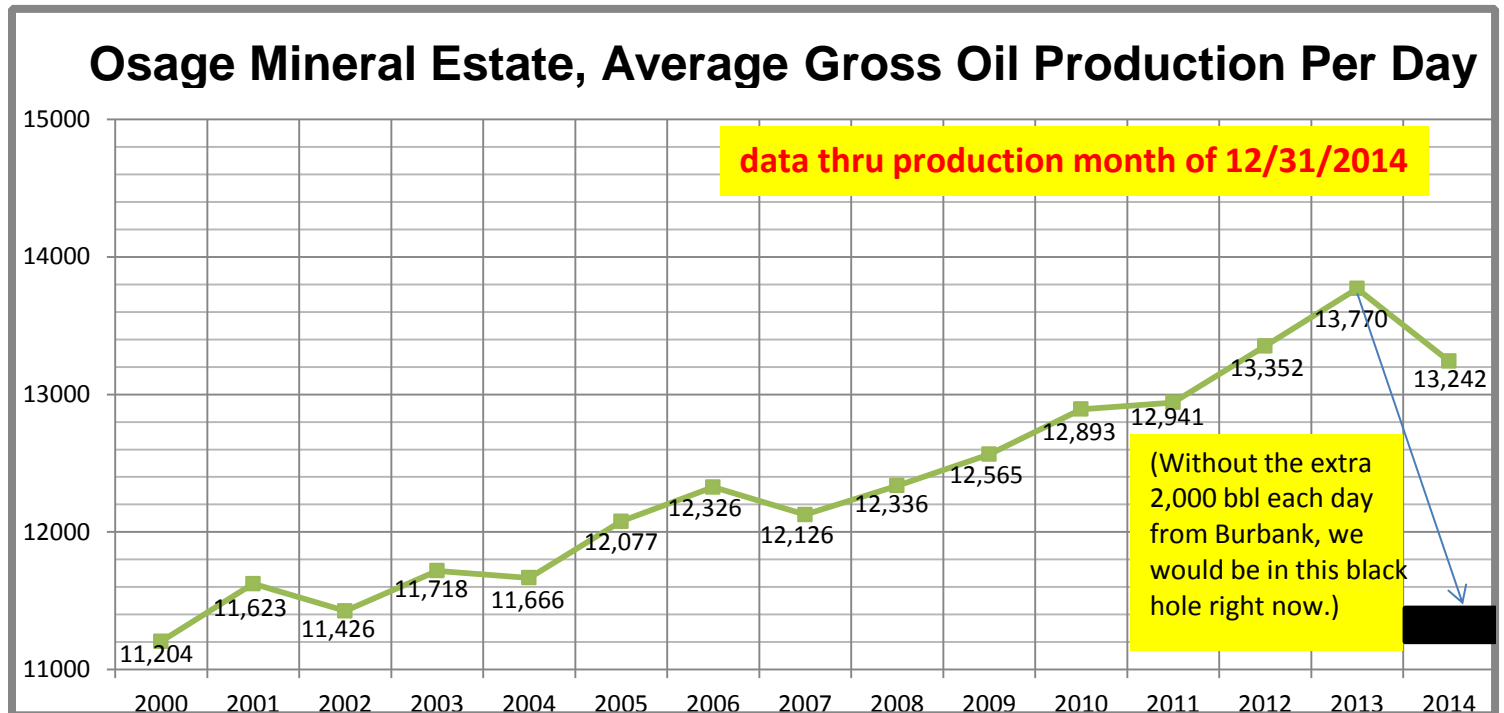


Osage Daily Oil Production

<http://www.Osages-You-Need-To-Know.com>

February 23, 2015

Thanks to Chaparral Energy and their North Burbank CO₂ flood project, 2014 ended up much better than I was predicting several months ago. Obviously, the CO₂ is working and Chaparral is reportedly making preparations to expand into the rest of the Burbank field.



Before you get *too* excited tho, remember, the royalty on this Burbank oil is only 12 ½%. But that's OK. Chaparral has been working on these wells and their associated infrastructure for several years preparing for the CO₂ injection and built over 50 miles of transmission pipeline to bring the CO₂ in from Coffeyville. They deserve to get a decent return on their millions of dollars investment. Without the CO₂, we would now be at about 900 BPD and dropping instead of the 3,000 BPD and rapidly rising we are now seeing.

As for oil prices, I had high hopes a day or two ago that they were on the way back up. I may have been a little overly-optimistic. As of noon today, the chart line is zig-zagging around like the teeth on a cross-cut saw, and at the moment, they are heading down again. Also be aware that these are NYMEX prices. Our Highest Posted Price can be anywhere from \$2.50 to \$3.75 lower than these chart prices. The prices on the chart merely indicate the current trend. Our HPP on 2/23/15 is **\$46.76**.

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Oil Price Chart



If you depend on the Headright payment for your living, it might be good for you to know what is ahead of us. I wish I had some better news for you. Just remember how truly blessed we really are and how much better things will be next year.

Ray McClain, Osage Mineral Estate Beneficiary