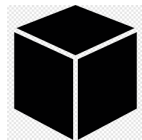


# BUSINESS PLAN

A DISRUPTIVE OIL AND GAS PRODUCTION TECHNOLOGY PLAY



# CUBIC MILE ONE

MINING CUBIC MILES OF OIL AND GAS

an **Extraordinary** Investment Opportunity



**Cubic Mile One LLC**  
7437 S. Eastern Avenue #508  
Las Vegas, Nevada 89123



## **Cubic Mile One LLC**

### **Business Plan**

#### **Summary**



**ESTim... a Disruptive Breakthrough Technology:** A recent and strongly patented high energy density electrostatic discharge formation stimulation technology (the ESTim Process) generates a highly focused, highly energetic shockwave to enhance the permeability of within a greatly increased stimulated volume of the oil and gas bearing formations without the use of water, chemicals or proppant as used in hydraulic fracturing practices. The ESTim Process stimulated formation is expected to yield hydrocarbon production at unprecedented rates and unprecedented ultimate recovery volumes. The ESTim technology represents such an apparent radically disruptive breakthrough technology that it is being touted as an obvious eventual replacement for hydraulic fracturing from both an economic and environmental perspective.

**Exclusive Area of Mutual Interest License Program – (eAMI):** An ESTim Process eAMI License provides the right to exclusively apply ESTim process within a geographically defined area to develop potentially highly profitable oil and gas production. Due to the strong nature of the ESTim intellectual property, a licensee will enjoy a non-competitive opportunity to develop the potential for highly profitable hydrocarbon production within its licensed area of operations providing the ESTim Process eAMI licensee with significant developmental negotiations leverage opportunities.

**Cubic Mile Ventures:** Cubic Mile Ventures LLC (CMV) is a joint venture company established between Curlett IP LLC, the owner of the ESTim Process intellectual property, and RD Heritage Inc. CMV has been issued a Master License ESTim License and will extend certain rights to and manage a portfolio company, Cubic Mile One LLC, that has been organized by CMV as a portfolio company.

**Cubic Mile One:** CMV has established Cubic Mile One LLC (CMO) as a portfolio company and has extended certain ESTim Process license rights to CMO, thus enabling CMO to pursue the application of the ESTim Process exclusively within certain geographical areas to be defined within the CMV- CMO ESTim Process License.

**Funding Raise:** CMV is facilitating the raising of at least US \$100,000,000 of initial capitalization for CMO to pursue two specific categories of investment for developing the potentially highly profitable hydrocarbon production opportunities of the ESTim Process. The first \$35,000,000 will be invested in the build out and initial commercialization of the ESTim Process. The second \$65,000,000 or more will be invested in selective eAMI related acquisitions and commercial developments.

**Deep Green Energy LLC – (DGOne) - a Qualified Opportunity Zone Fund based eAMI Development:** CMO is currently committed to invest the first \$35,000,000 into DGOne, a highly tax favored vehicle, unique to the US. DGOne will use the invested funds to fabricate the initial ESTim Service Unit and commercialize the ESTim Process through investing in two Qualified Opportunity Zone Oil and Gas Operator Businesses commercializing ESTim Process within Qualified Opportunity Zones. The DGOne program is highly scalable for future developments.

**Ongoing CMO eAMI Developments:** Once the DGOne program has fielded and demonstrated the ESTim Process commercially, CMO intends to selectively invest the residual \$65,000,000 or more into the



development of a variety of EStim Process eAMI projects to generate high volume, highly profitable production.

**Exit Plan:** Both category of CMO investments has its own exit plan. The DGOOne investment provides a high value capture fully tax-free exit liquidity event in 2029. The non-QOZ EStim Process eAMI developments will be combined into a public vehicle to provide high value capture share ownership value and available exit liquidity - See Figure 1.

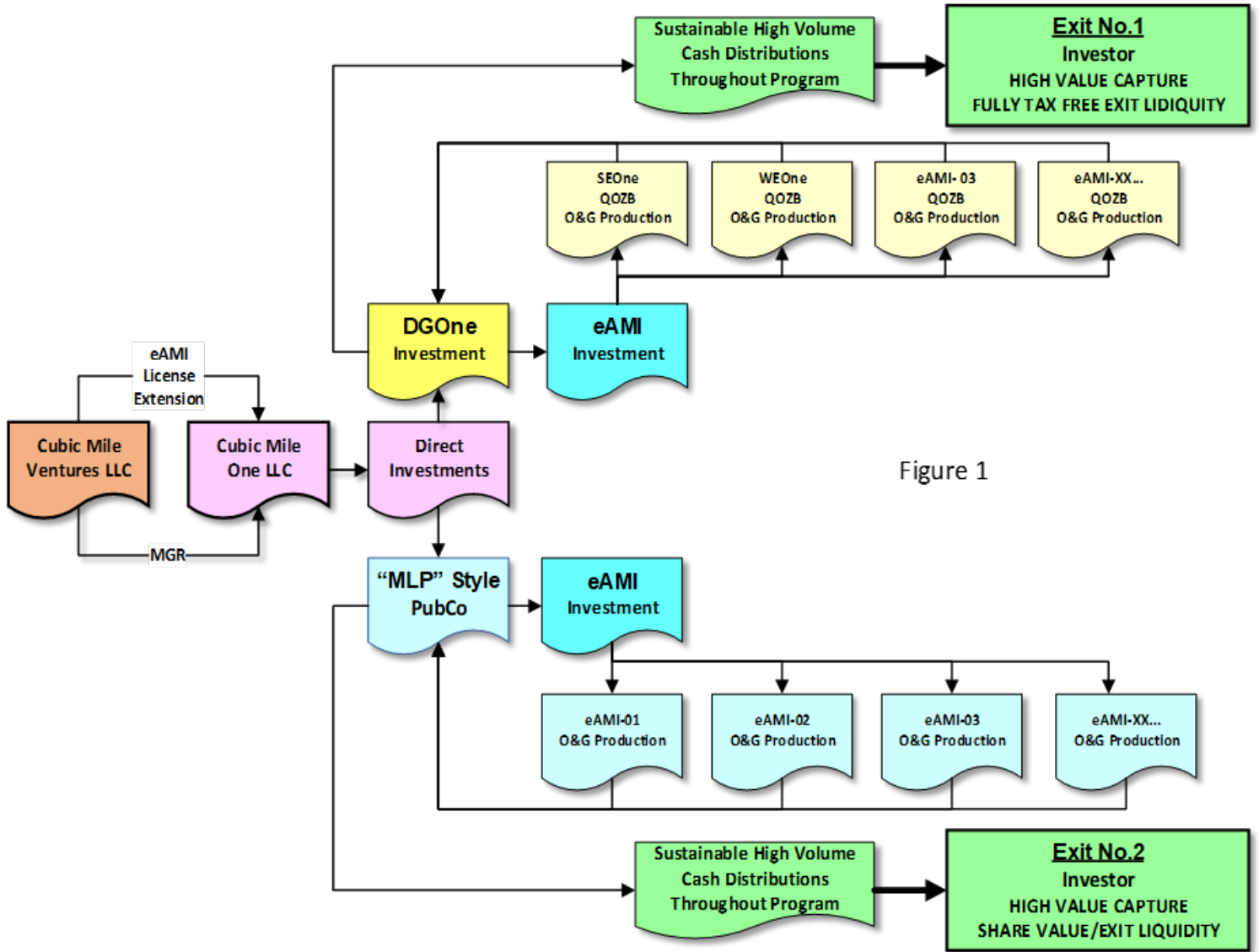


Figure 1



### **EStim... a Disruptive Breakthrough Technology**



The description and details of the EStim technology, process, development, testing, and commercial production fundamentals are available upon request with certain information requiring disclosure under the auspices of a Non-Disclosure Agreement. An introductory review of the EStim Technology, Process and Application can be viewed in Attachment I.

However, there are some very important aspects of the application of the EStim Process that bear mention here to underpin the discussion concerning the specific investments CMO anticipates making. These important aspects are as follows:

- a) The EStim Process generates a thin, highly permeable pancake shaped wakefield that deeply penetrates the hydrocarbon prospective formation on a horizontal plane forming a highly conductive hydrocarbon flow pathway to the wellbore. This is called an EStim Discoid.
- b) The radial diameter of an EStim Discoid is variable and dependent on the energy applied to generating it.
- c) The EStim Process can generate an EStim Discoid closely spaced in vertical proximation to an existing EStim Discoid, thus generating very tightly spaced hi density formation matrix stimulation.
- d) The EStim Process hydrocarbon production flow rate can be establish by generating EStim Discoids one above the other and immediately checking the flow rate during the EStim Discoid generation process until a targeted flow rate has been established by generating the aggregate number of EStim Discoids to produce a targeted production flow rate. This is called an EStim Discoid Stack.
- e) The EStim Discoid Stack arrangement produces a dynamically acting formation fluid over-pressure condition that will drive the stimulated volume of formation fluids towards the wellbore for several years. This unique feature of an EStim Discoid Stack provides a sustainably high flow rate of production, and over time, the dynamic overpressure mechanism serves to generate a high-volume production of the formation fluids.
- f) It is anticipated that the EStim Process may be able to produce 50% to 70% of the volume of the hydrocarbons-in- place within an EStim Discoid Stack.
- g) The EStim Process does not require typical reservoir rock formations to be considered commercially viable. The EStim Process only requires that there are hydrocarbons-in-place within the formations as the EStim Process induces the necessary permeability and induces the necessary formation fluid drive pressure to generate hydrocarbon production at unprecedented flow rates and unprecedented ultimate recovery volumes.

The above stated EStim attributes, in combination, provide the economically disruptive nature of the EStim Process for oil and gas production - see Attachment I.

#### **Exclusive Area of Mutual Interest (eAMI) License Program**

An EStim Process eAMI license provides a licensee the legal right to exclusively apply the EStim Process to a specific geographical area defined within the eAMI license. Typically, the eAMI license will apply to one or more sections of oil and gas mineral rights.

As the EStim Process only requires hydrocarbons-in-place (HIP) formations versus reservoir quality rock (RQR) formations, the placement of wellbores for EStim Process production purposes is non-site-



specific. Due to the non-site-specific nature of the EStim Process, the EStim Process eAMI licensee therefore has significant flexibility and leverage in the negotiations for the acquisition of the actual oil and gas mineral rights within the eAMI licensed area. It is anticipated, due to the non-site-specific requirement for the placement of wellbores, the eAMI licensee can enter negotiations for accessing mineral rights with significant ability to leverage negotiations within the eAMI licensed area through competition of existing mineral rights holders to be able to be first to participate in the disruptive economic nature of developing EStim Process production. It is anticipated, that the eAMI licensee may be able to significantly modify the royalty and/or working interest terms due to the potential of the existing mineral rights holders participating in the much higher profitability of the EStim Process production under smaller overriding royalty interests and/or working interest terms. As an example, it is anticipated that it can be shown that ORRI terms of 5% ORRI/95% EStim Process licensed producer may outperform net revenues to the ORRI interest holders when compared to a 20% ORRI/80% to the operator of a multi-staged fractured horizontal well production program. One can envision leveraging the economic benefits of the EStim Process production in several ways that may be viewed as unconventional terms.

Basically, the eAMI license provides the eAMI licensee many innovative approaches to working with testing mineral rights owners (Federal, State, Freehold) where both parties can benefit substantially from the application of the emerging EStim Process to disruptively recover large volumes of oil and gas product at high rates of production.

An additional benefit of the eAMI license is the ability of the eAMI licensee to generate strategic developmental plans for developing their eAMI production from a cradle-to-grave perspective. The ability to plan around a more secure set of economic conditions, generated through applying the EStim Process to establish predictable levels of the eAMI “Resources versus Reserves” values on a per section sized basis, provides the licensee the economic basis to plan and execute optimized development of the infrastructure using economies of scale.

### **EStim Stimulation Service Operations**

XStim LLC (XStim), owned by Curlett Ip LLC, is the licensed engineering and service provider to provide contract EStim Process stimulations for eAMI licensees. XStim provides contract services for all, or a selection of, well construction engineering, well construction, well stimulation, production tie in and maintenance services associated with the eAMI production development programs.

### **Cubic Mile Ventures**

CMV has been organized and is managed by Curlett IP LLC’s manager, Mr. H. B. Curlett along Dr. Robert Davis, a Principal of RD Heritage. CIP has set up an advisory board comprised of very experienced multi-industry experts to provide business, technical and financial advice. This Board of Advisors will be “of counsel” to CMV as it manages the CMO development, operation and executes the exit plan(s) - see Attachment II. CMV will further onboard line management necessary to operate CMO as is timely appropriately. CMV has been licensed to conduct EStim Process operations under a Master eAMI License with CIP and a Master eMSA Contract with XStim. CMV will extend project eAMI license(s) and eMSA contract rights to CMO to develop individual eAMI projects, as may be timely appropriate.

### **Cubic Mile One**



CMV is facilitating the raising of at least \$100,000,000 of capitalization for its first portfolio company, CMO. CMO will pursue two specific categories of investment for developing highly profitable hydrocarbon production opportunities by leveraging the EStim Process.

Firstly, CMO intends to invest up to \$35,000,000 in DGOne, a highly tax favorable vehicle unique to the US. The DGOne program has been designed to fund the commercial development of the EStim Process through funding the contract manufacture of the first EStim Service Unit and funding the first two commercial EStim Process production projects. The DGOne program is highly scalable within the opportunity to develop EStim Process production under highly favorable tax conditions. The DGOne program investment is designed to derisk the subsequent investment of \$65,000,000 – see Attachment

Secondly, CMO intends to invest the residual \$65,000,000 for the acquisition of oil and gas mineral rights to conduct EStim development programs that provide the maximum ROI. These follow-on investments will be made in conjunction with expanding the highly favorable tax benefited projects within the DGOne programs and/or may be made for developing EStim Process production projects in areas that provide special economic benefits.

Each of these investments strategies uniquely provide the potential for sustainable high-volume cash dividends throughout the programs and high value capture liquidity exit plans - see Figure 1.

#### **CMO - DGOne Investment**

**CMO First Investment:** CMO first investment program will consist of a \$35,000,000 investment in a unique and profoundly tax favorable oil and gas development opportunity available only in the USA. CMO intends to invest the \$35,000,000 in Deep Green Energy LLC (DGOne), a Qualified Opportunity Zone fund, uniquely organized to take advantage of leveraging the EStim technology play to produce highly profitability oil and gas production within the voluminous Qualified Opportunity Zones (QOZ) that are a heavily tax advantaged program. The purpose of the DGOne program is to fund the fabrication, field testing and commercialization of the EStim Process through development of oil and gas production within associated, but arm's length Qualified Opportunity Zone (QOZ) Businesses. The DGOne program is hugely scalable. This investment is intended to derisk the commercialization of the EStim process – see Attachment III.

#### **CMO - Follow On eAMI Development Investment**

**CMO Second Investment (derisked):** The second stage CMO investment program will consist of incremental investments sourced from the residual \$65,000,000 investment pool. These incremental investments will comprise investing in EStim Process eAMI development projects within QOZ qualified properties and/or other EStim process development projects that exhibit unique developmental opportunities. One such interesting early emergence opportunity is the concept termed “Prospecting by Pipeline”.

**Prospecting by Pipeline Investments:** One of the most significant attributes of the EStim Process is that it can be applied in a non-site-specific manner, and therefore, it can be commercially applied literally anywhere within an area or region of stacked, hydrocarbon prospective formations. This important attribute provides the potential for conducting highly profitable oil and gas production developments within areas that exhibit unique developmental opportunities, such as developing EStim Process projects proximate an underserved market



and/or along or proximate an underutilized pipeline and/or tidewater port. There are several of these uniquely situated programs that have been identified for acquiring specific lease holdings and/or public oil and gas operating companies that have production and/or prospective acreage near significant take-a-way capacity, such as underutilized pipeline capacity. The CMO \$65,000,00 second stage EStim Process development investment program would locate underutilized pipeline capacity and then look for leases and/or companies that own hydrocarbon prospective leases along the pipeline to leverage through lease acquisitions and/or mergers. The EStim Process metrics would be used to leverage the potential of these uniquely placed leases providing the opportunity to uniquely and quickly log “Bookable Reserves” that can be immediately reflect in the market cap of the required leases/public entities.

### **Exit Plan**

**DGONE Investment Program Exit Plan:** The DGOne program provides a nominal 10 year (FY 2029) exit strategy wherein CMO can exit the DGOne program on a tax-free basis as provided by the Federally mandated QOZ rules - see – [www.deepgreenone.com](http://www.deepgreenone.com). The DGOne program is expected to yield significant dividend cash flows to CMO during the operation of the DGOne program as shown in the illustrative *pro forma* attached as Attachment IV.

Further, at the 2029 DGOne exit point, the DGOne program is expected to still hold the potential to be generating significant production revenues for the next one to two decades. The ongoing DGONE revenue will result in generating significant valuations for the DGOne program during the CMO exit program. There is the potential for CMO to receive strong DGOne program dividend cash flows throughout the development and operation of the DGOne program, but the main potential for CMO results from the exit of CMO from the DGOne program wherein there is significant terminal value capture on a tax-free basis upon exit. The DGOne program is a wonderful opportunity to leverage a radically disruptive technology development and commercialization that generates highly profitable cash flows throughout the operation of the DGOne program and caps the DGOne program off by providing a potentially very high tax-free value capture – see Figure 1.

**Follow On eAMI Development Investment Exit Plan:** CMO plans on investing in various EStim Process eAMI stand-alone programs that are intended to be rolled into a “MLP” style entity and an IPO conducted to generate a publicly traded equity that will realize dividends and liquidity. Due to the anticipated high-volume production cash flows and the unique high profitability of the cash flows, it is anticipated that the public entity will yield significant dividends and appreciate an extraordinary market cap multiple. It is expected that the predictable high volume EStim Process production resulting from the CMO eAMI investments/developments will be viewed by the market in a similar light as the mid-stream entities predictability of cash flow but at much higher profitability than pipeline entities exhibited even in their heydays - see Figure 1.

### **Management of CMO**

CMO has been organized and will be managed by CMV. CMV will manage CMO according to the CMO corporate and business plans. CMV will orchestrate and manage CMO’s initial \$35,000,000 investment in DGOne to effectively derisk the commercialization of the EStim Process. CMV will concurrently manage the sourcing, selection and subsequent investment and execution of the follow on eAMI



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projects through to a successful exit point, as may be determined appropriate for CMO investors, individually and / or corporately.

Currently, CMV has been organized and is being managed by Curlett IP LLC's manager, Mr. H. B. Curlett along Dr. Robert David with RD Heritage. CIP/CMV has set up an advisory board comprised of very experienced multi-industry experts to provide business, technical and financial counsel. This Board of Advisors will be a non-liability "of counsel" source to CMV as it manages the CMO development, operation and executes the exit plan(s) - see Attachment II. CMV will further onboard any line management necessary to operate CMO appropriately. Given the current status of the oil and gas industry in general there are a significant number of very experienced executives and managers seeking new opportunities such as is presented by the CMO opportunity. As funding is committed and progressively available to the CMO program, the onboarding of the executive and operational management will be established.



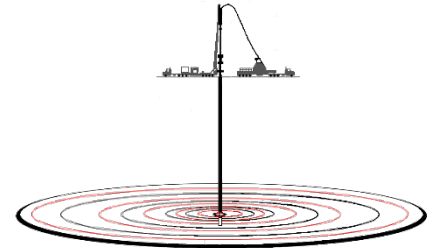


## ATTACHMENT I

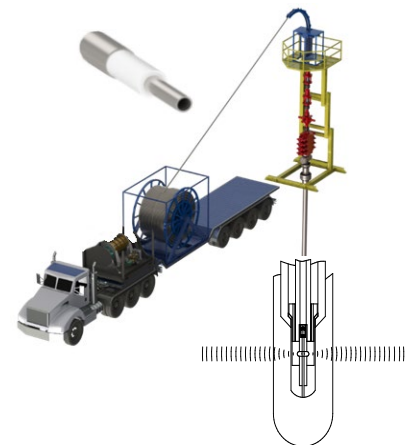
### STACKED RESERVOIR STIMULATION

#### EStim Technology and Process

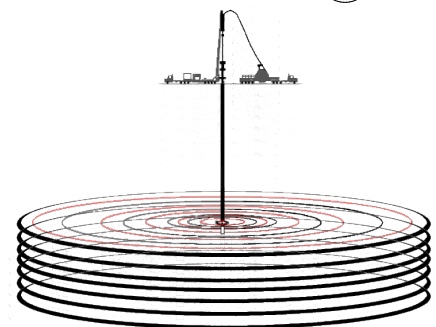
**The EStim Stimulation Technology:** The EStim Process Technology, as an upgrade of existing, commercially available low energy density remedial stimulation technology, can uniquely generate very high energy density submerged electrical arc discharges. The downhole submerged electrical discharge arc produces a very powerful, highly focused, supersonic speed acoustic shock wave. The powerful shock wave dynamically loads the formation at an extremely high rate generating a vertically thin, discoid shaped wakefield comprised of highly modified unconsolidated formation materials and is independent of formation lithology and depth. The discoid shaped wakefield formed thus provides a highly permeable formation fluid conduit providing modified formation conditions optimal for the mobilization of formation fluids to the wellbore. The radial penetration distance of the discoid wakefield is controlled by both the level of energy applied to the electrical arc discharge and the number of discharges, both of which can be precisely controlled. The EStim Stimulation Process is a “waterless stimulation” process that can be precisely controlled to induce a highly permeable fluid conduit within any oil and gas prospective formation, at any practical depth.



**The EStim Stimulation Equipment:** The EStim Service Unit is basically a Coiled Tubing Unit with an integrated, state-of-the-art, pulsed power system and uses insulated dual-concentric coiled tubing to deploy and power a downhole electrical arc emitter tool. The emitter tool generates the electrical arc discharge shock wave that can perforate the casing, cement and radially penetrate deeply into the formation. The discoid radial penetration is controlled by the infinitely variable pulsed power system variable that allows precise diametrical sizing of the discoid. A prototype EStim Service Unit is being finalized in the 5 MJ pulsed power range. This prototype is expected to be used on a live test well program being finalized in conjunction with both academic and industry co-operative participation.



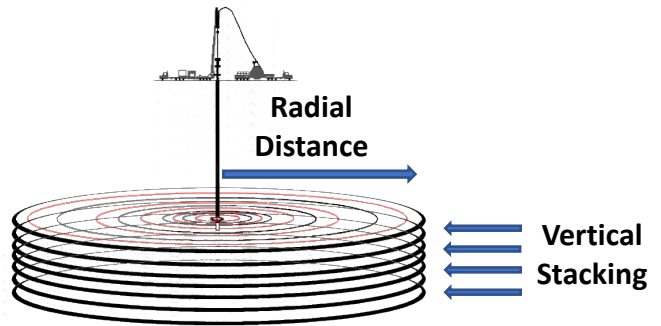
**The EStim Stimulation Process:** The EStim Stimulation process is designed to be optimized from a vertical well platform to stimulate formations by generating a high count of stacked discoids across multiple formations to yield comingled production. As the EStim Stimulation process is formation type independent, it can be used across both reservoir and source rock formations. In application, the EStim discoids are preferably generated at the lower most formation group of interest and are generate one on top of the other spaced at approximately every meter of vertical height. In this manner the discoids provide permeable access to the native matrix and fracture porosity that is unachievable by any other stimulation process. Further, the discoids form a “layer cake” like cylindrical configuration in conjunction with the intestinal layers between the discoids. This arrangement generates a natural and dynamic overburden force





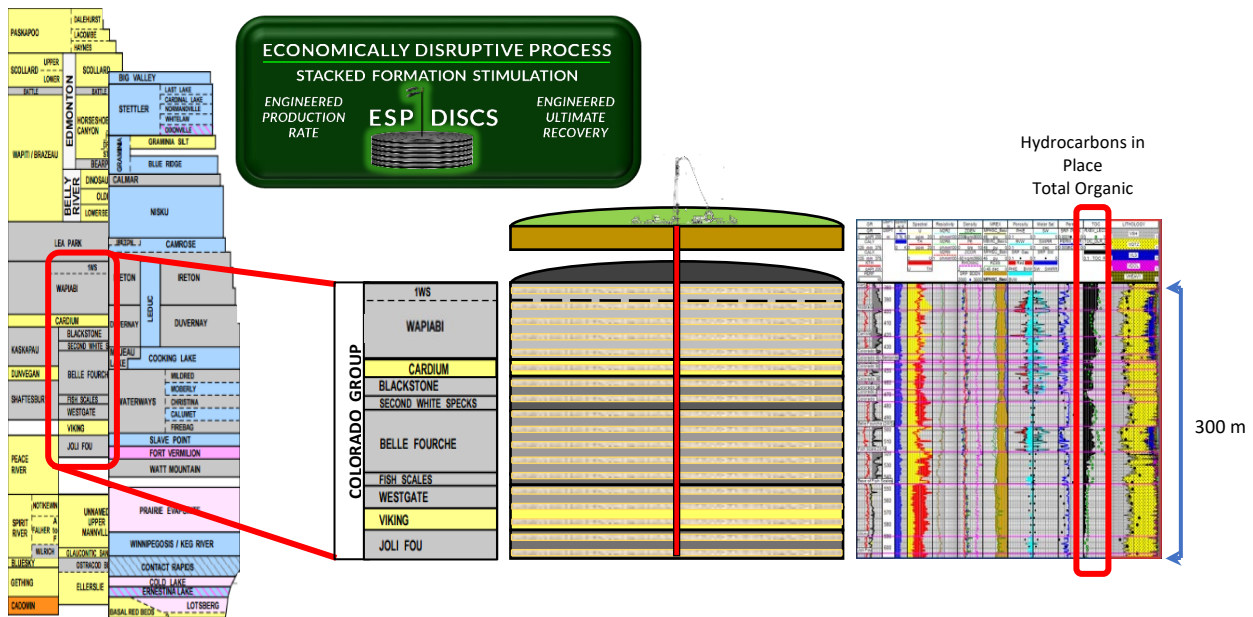
equalization process within the discoid penetrated formations. The force of the overburden produces a dynamic compaction drive formation fluid overpressure condition within the discoid stimulated formations. The induced over pressuring of the formation provides a large drive pressure differential to dynamically force formation fluids into the wellbore to generate the conditions necessary for high rate production. Further, the induced formation fluid overpressure mitigates the serious GOR bubble point related production issues which can quickly kill oil production from tight formations. The stacked EStim Discoids provide both induced permeability and the formation fluid overdrive pressure to generate the optimized conditions for dynamically producing the formation fluids at high rates and greater volumes of hydrocarbons when compared to current production methods.

Functionally, the EStim Stimulation Process’s potential can be broken down to two functions. These two functions are simply a) the number of stacked discoid entry points generated across the vertically stacked formation target group and b) the discoid radial distance for each discoid entry point. As both of these functions can be controlled by the EStim Stimulation Process, the volumetrics can become very large. The EStim stimulated wells production rate can be designed by the number of stacked discoids (i.e. – stacked formation height x discoids per meter (ft.)) and the ultimate recovery (UR) can be designed by the radial distance of the discoids (i.e. – the energy applied x number of discharges).



**EStim Process Application Implications**

**Radical Prospecting Paradigm Shift:** Most oil and gas industry personnel recognize, that under current completion and stimulation practices, there are multiple natural formation conditions required to be

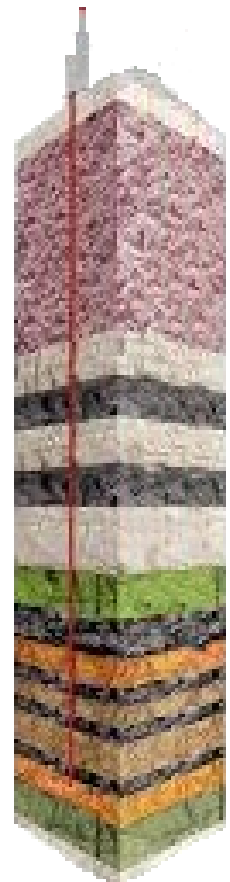


simultaneously present to viably produce commercial oil and gas. These conditions relegate oil and gas production to site-specific prospects within an oil and gas regional basins. Even the more ubiquitous shale



play requires sweet spots to be economical. These reservoir quality conditions have been the limiting factor in producing all the oil and gas already known to exist in place within regional oil and gas prospective basins. Thus, there is a vast amount of known oil and gas still in place that cannot be commercially produced with current completion, stimulation, and production methods. Drillers know most formations in oil and gas perspective basins have vertically stacked formations containing hydrocarbons in place but not the necessary natural formation conditions to economically produce them. The EStim Process is uniquely different. The EStim Process induces the two essential formation conditions necessary to produce virtually any oil and gas bearing formation. The EStim Process artificially induces matrix permeability and artificially induces the drive pressure necessary to produce literally any oil and gas in any prospective formation at any depth. These uniquely different EStim Process attributes provide the potential to generate prospective production predicated solely on hydrocarbons-in-place for validating the prospective formation to be considered as an economically viable production target.

**Radical Production from Stacked Formations:** Multiple stacked formation basins in North America have been modeled for the potential production rate and ultimate recovery metrics using the anticipated effects of the EStim Stimulation Process. The modelling provides the use of a vertical well platform to stimulate stacked formation groups as the preferred configuration. For modelling purposes, the EStim discoids were modeled at a count of one discoids every vertical meter (1 Discoid every ~3 ft.) of stacked formation, starting at the lower most formation and continuing over the upward vertical height of the formation group targeted for commingled production. A series of vertically stacked EStim discoids have the potential to aggregately access/generate a substantially greater stimulated volume of matrix and fracture porosity within the formation than any other stimulation process currently known. Additionally, the discoid stack provides the configuration necessary for dynamically generating formation fluid overpressure conditions. These two EStim Discoid stack attributes provide the basis for relatively high rates of oil and gas production when compared to other stimulation and production methods.



Economic “type” modelling work for developing oil and gas production in several known North American oil and gas basins applying the EStim Stimulation Process used the above described methodology. This configuration provides the stimulation of relatively inexpensive new vertical wells. Highly advantageous aggregate value capture metrics become obvious from the benefits of the potential for full stratigraphic column production through the commingled production from several formation groups progressively produced from a single vertical wellbore over time. The potential for full stratigraphic column production generates game changing leasehold values and will drive the new prospecting paradigm.

In this manner, a series of stacked formations may be targeted for commingled production through applying the EStim Stimulation Process. Further, and importantly, the stacked EStim discoids collectively generate an environment whereby the force generated by the formation overburden, present above the EStim discoid set, induces an dynamic over-pressuring of the formation segment penetrated by the EStim discoids. This is known in the industry as a “compaction” formation fluid drive mechanism and is the most



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efficient formation fluid drive pressurization mechanism known to provide production of formation fluids such as oil and gas. The EStim Stimulation Process is optimized by operating from a vertical wellbore, to induce both large volume stimulated matrix permeability and a formation fluid over-pressure condition, thus setting up conditions for production of the oil and gas at comparatively high rates of production and recover a very large comparative volume of comingled hydrocarbons.



## ATTACHMENT II

### **Advisory Board**

The Curlett IP LLC Board of Advisors is comprised of a small group of broadly experienced multi-industry business, technology development and private equity leaders as follows:

**Mr. Willy Verbrugghe** – Ms. Electronic engineering, Ms. Nuclear Science, Ms. Business Administration, Ms. International Marketing, Ms. Operations Optimization from University of Leuven, Belgium and / or Cornell University, USA. Mr. Verbrugghe speaks 7 languages, lived in 5 countries with a lifelong dedication to quality through Permanent Positive Thinking (PPT) and Keep It Simple and Smart (KISS). Mr. Verbrugghe has been the President or CEO of 10 different billion-dollar international companies in the mining, high technology, manufacturing, aerospace, power generation, and transportation industries centered at various places around the world. Mr. Verbrugghe has successfully launched, grown and turned over to a groomed successor several high technology companies involved in a chemical lab on a chip technology, free space laser optic telecommunications technology, a green chemical technology and a major international project. Mr. Verbrugghe brings his broad multi-industry international and seasoned experience to the advisor board.

**Mr. Allen Sinor** – B.S – Petroleum Engineering – University of Tulsa, Oklahoma, USA. Mr. Sinor is a global executive with a long-standing record of success in achieving high-level business objectives with strategic and operational teams. Mr. Sinor has a strong passion for winning and growth. Unique experience as operator (Amoco, now BP) and service provider applying consistently exceptional history of performance. Key roles include VP Sales US & GoM, VP Global Accounts, VP Drill Bit Systems, VP Technology and Director Applications Engineering. Grew share and profitability across US and Gulf of Mexico for Weatherford despite declining market activity. Managed Baker Hughes sales for world's largest integrated oil company across service provider's 7 regions, 23 geomarkets, and 110 sub-product lines, driving market share from 18% to 24%. Managed Hughes Christensen \$1.2B product line with operations in 90+ countries during transition to matrix organization. Industry recognition in the field of innovation with 32 patents and 11 industry awards. Directed development and certification of competency-based Application Engineering skills and services to improve service delivery and performance. Experienced leading crisis management for quick resolution. Mr. Sinor brings his broad, seasoned international oil and gas service and equipment manufacturing experience to the advisory board.

**Mr. Doug Collins** – B.S. Petroleum & Natural Gas Engineering – Pennsylvania State University, University Park, PA, USA. Mr. Collins works as a Reserves Coordinator with Exxon Mobil providing technical oversight to asset teams and management for all reserve additions and revisions across the US. Served as liaison between US Production office and Corporate Reserves Group. Mr. Collins worked with Netherland, Sewell & Associates providing oil and gas reserve estimation, field studies, evaluation of secondary recovery projects, asset evaluations for acquisitions and divestitures, and exploration prospect evaluations. Mr. Collins worked with Goldman Sachs & Co providing technical screening and due diligence activities for oil and gas investments in the US and Canada, focusing on asset quality, management experience, and portfolio fit. Mr. Collins is currently working as COO & Chief Engineer as a partner of Haymaker Minerals & Royalty LLC responsible for all engineering, reserves, and other technical matters for a royalty portfolio of 35,000 wells across 26 states, acquired with investment from Kayne Anderson and KKR. Key asset areas include Permian, Haynesville, Anadarko, Appalachia, Williston, Powder River, Green River, Piceance, and Uinta basins.



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**ATTACHMENT III**

***ILLUSTRATIVE CMO 5 Year Pro Forma***

***ILLUSTRATIVE Oil and Gas Production Program Investment Model***

DISCLAIMER: The following table provides a summary ***ILLUSTRATION*** of the key numbers of an underlying *pro forma*. These numbers only provide an introduction of the nature and potential metrics of the radical EStim Process production programs. The underlying *pro forma* models and the various assumptions will be made available under the auspices of an NDA and therefore this table is not to be relied upon for any purposes whatsoever, other than to provide an introduction to the potential of the EStim Process production programs.

<b>CMO EStim Production Development Model - <i>ILLUSTRATION</i> (X US \$1,000)</b>					
	<b>EOY - 1</b>	<b>EOY - 2</b>	<b>EOY - 3</b>	<b>EOY - 4</b>	<b>EOY - 5</b>
	<b>Year End</b>	<b>Year End</b>	<b>Year End</b>	<b>Year End</b>	<b>Year End</b>
<b>Operating Revenue</b>	\$0	\$263,600	\$1,287,944	\$3,024,058	\$5,100,774
<b>Operational Expenses</b>	\$17,249	\$180,812	\$438,880	\$652,788	\$834,338
<b>EBITDA</b>	<b>\$17,249</b>	\$82,788	\$849,064	\$2,371,270	\$4,266,436
<b>Annual Partner Distributions</b>	\$0	\$49,280	\$505,214	\$1,410,926	\$2,538,551
<b>Cummlative Cash Position</b>	\$82,751	\$100,371	\$268,247	\$541,673	\$690,449



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**ATTACHMENT IV**

**Deep Green Energy LLC**

**dba**

**Deep Green One Energy Qualified Opportunity Fund**

**(DGOne)**

**[www.deepgreenone.com](http://www.deepgreenone.com)**

## EXECUTIVE SUMMARY



A DISRUPTIVE ENHANCED ENERGY PRODUCTION PROGRAM

# DEEP GREEN ONE

AN ENERGY EXTRACTION QUALIFIED OPPORTUNITY FUND

an **Extraordinary** Qualified Opportunity Zone Fund

CURLETT IP LLC - SPONSOR



“Opportunity Zones will be one of the most transformative engines for economic growth, job creation, and innovation of our time”– Hypothesis Ventures 2018



A DISRUPTIVE ENHANCED ENERGY PRODUCTION PROGRAM

# DEEP GREEN ONE

AN ENERGY EXTRACTION QUALIFIED OPPORTUNITY FUND

A HIGH VALUE CAPTURE - MISSION MOTIVATED - QUALIFIED OPPORTUNITY ZONE PROGRAM

AN OPPORTUNITY TO BECOME AN IMPACT INVESTOR

## EXECUTIVE SUMMARY

**DISCLAIMER:** All forward-looking statements contained in this document, such as statements or inferences regarding how a product, a market or events “will” or “are expected to” exist or perform, represent Curlett IP LLC’s good faith projection of a state of affairs that may exist in the future, based on current information that it believes to be accurate and on assumptions it believes to be reasonable. There is no certainty that future products, operations, markets or events will not develop in ways presently unforeseen by the Company or be affected by factors not presently known to the Company.

### **QUALIFIED OPPORTUNITY FUND**

*The 2017 Tax Cuts and Jobs Act established the Qualified Opportunity Zone program to provide a tax incentive for private, long-term investment in economically distressed communities. As of June 14, 2018, the department certified zones in all 50 states, Washington, D.C., and U.S. territories.*

A Qualified Opportunity Fund per 26 U.S. Code IRC 1400Z (2) means any investment vehicle which is organized as a corporation or a partnership for the purpose of investing in qualified opportunity zone property and holds at least 90 percent of its assets in qualified opportunity zone property. A Qualified Opportunity Fund can invest in the stock of a corporation so long as the corporation being investing in is a Qualified Opportunity Zone business. *Investors in these programs are given an opportunity to defer and potentially reduce tax on recognized capital gains.*

### **DEEP GREEN ONE ENERGY OPPORTUNITY FUND LLC (DGOne)**

The Deep Green One Energy Opportunity Fund LLC (DGOne), has been carefully and specifically designed to fully comply with the current provisions and interpretations of U.S. Government *Qualified Opportunity Fund (QOF) Program*. The Fund will capitalize on the significant potential of a high value business opportunity involving both real estate and innovative proprietary technology to significantly enhance the recovery of oil and gas in tight formations.

The proprietary technology is owned by Curlett IP LLC (CIP) and is known as the Electro-Static Pulse Stimulation Process (EStim). The Electro-Static Stimulation Process will create permeability in tight oil and gas formations and reservoirs that are currently uneconomical to produce using current methods of multi-stage fracking of horizontal wells (MFHW). The result will be greatly enhanced recovery of *in situ* hydrocarbons.

Curlett IP LLC will license the proprietary EStim technology to a broad range of oil and gas production companies domiciled in qualified opportunity zones. The DGOOne Qualified Opportunity Fund will invest in these qualified businesses licensed to use the EStim technology to recover the oil and gas from tight formations that are currently uneconomical to produce.

The DGOOne Program has been designed and integrated to expressively set it apart from other QOF programs by providing the following exceptional benefits, when successful:

- a) Each Capital Gains dollar invested can be deferred under the current QOZ rules
- b) Each Capital Gains dollar invested will pay no out-of-pocket capital gains whatsoever
- c) Each Capital Gains dollar invested will be provided a dollar for dollar of Flow Through Expense Deduction<sup>1</sup>
- d) Each Capital Gains dollar invested is anticipated to yield significant early and sustainable cash flow
- e) Each Capital Gains dollar invested is anticipated to yield significant and progressive valuation increases

## **INNOVATIVE ELECTRO-STATIC STIMULATION TECHNOLOGY**

An emerging, proprietary and economically disruptive breakthrough technology known as the Electro-Static Pulse (ESP) stimulation technology. The ESP stimulation technology will be applied as the EStim Process. The EStim Process is a radical improvement over an emerging niche of oil and gas well “remediation” class of low energy density ESP formation stimulation technologies<sup>2,3</sup>.

The EStim Process has been designed to provide an unprecedented increase in the amount of downhole electrical energy available to drive the game-changing potential of the operational breakthrough of the EStim Process. The ability of the EStim System to deliver, heretofore unprecedented levels of downhole electrical energy, provides the critical threshold for greatly enhancing the efficacy of generating oil and gas formation matrix permeability and inducing a formation fluid overpressure condition that, in combination, is expected to result in a significant increase in the recoverable quantities of oil and gas production<sup>4</sup>.

Additionally, the EStim Process provides an enormous step in “Going Environmentally Green” in that EStim Process does NOT utilize any water, chemicals nor proppant, as is necessary in the current practice of hydraulic

---

<sup>1</sup> A limited supply of flow through expense deduction will be applied on a first-come, first-served basis until the flow through expense deductions are no longer available. These flow through expense deductions are derived from a combination of the aggregate QOZBusiness’s research and general expense deductions are also subject to certain passive investment tax criteria.

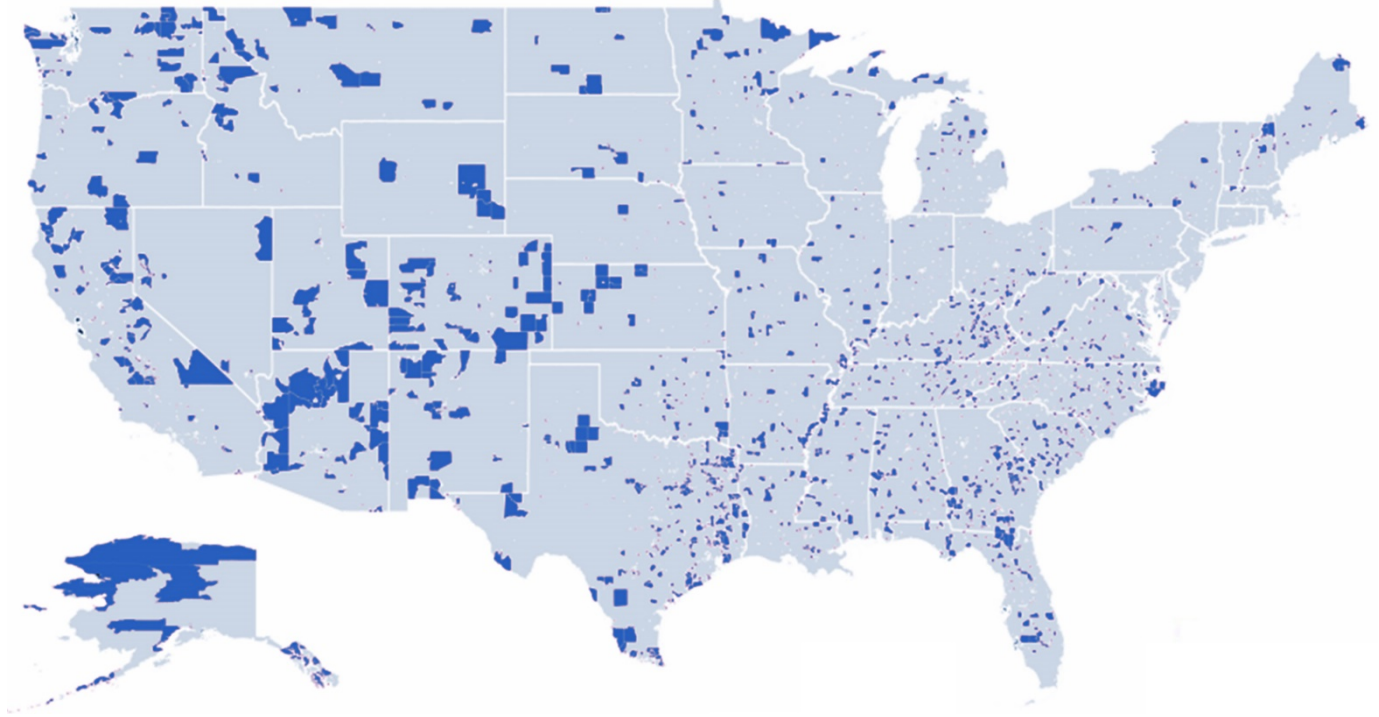
<sup>2</sup> Blue Spark Energy Inc. - [www.bluesparkenergy.com](http://www.bluesparkenergy.com)

<sup>3</sup> Propel Technologies Group - <https://oilandgasinsider.com/?p=276>

<sup>4</sup> Restimco Limited, an Alberta, Canada based CIP Affiliate of the DGOOne Fund Sponsor - [www.restimco.ca](http://www.restimco.ca)

fracturing. Thus, the EStim Process provides an important radical environmental step-change improvement in the stimulation process that is essential for oil and gas production.

Uniquely and importantly, the EStim Process is expected to be universally applicable to any “basin scale” oil and gas prospective regions, independent of lithology. Therefore, the relatively universal applicability of the EStim Process provides a very broad geographical range of QOZ sites throughout the United States that QOZBusiness can be licensed to operate in.



There are approximately 8,700 Qualified Opportunity Zones spread throughout the USA. There may be as many as 50% - 65% Of these Qualified Opportunity Zones that are potentially hydrocarbon prospective thereby providing a potentially huge scale of opportunity.

## QUALIFIED OPPORTUNITY ZONE BUSINESS DEVELOPMENT

### DEEP GREEN ONE ENERGY OPPORTUNITY FUND

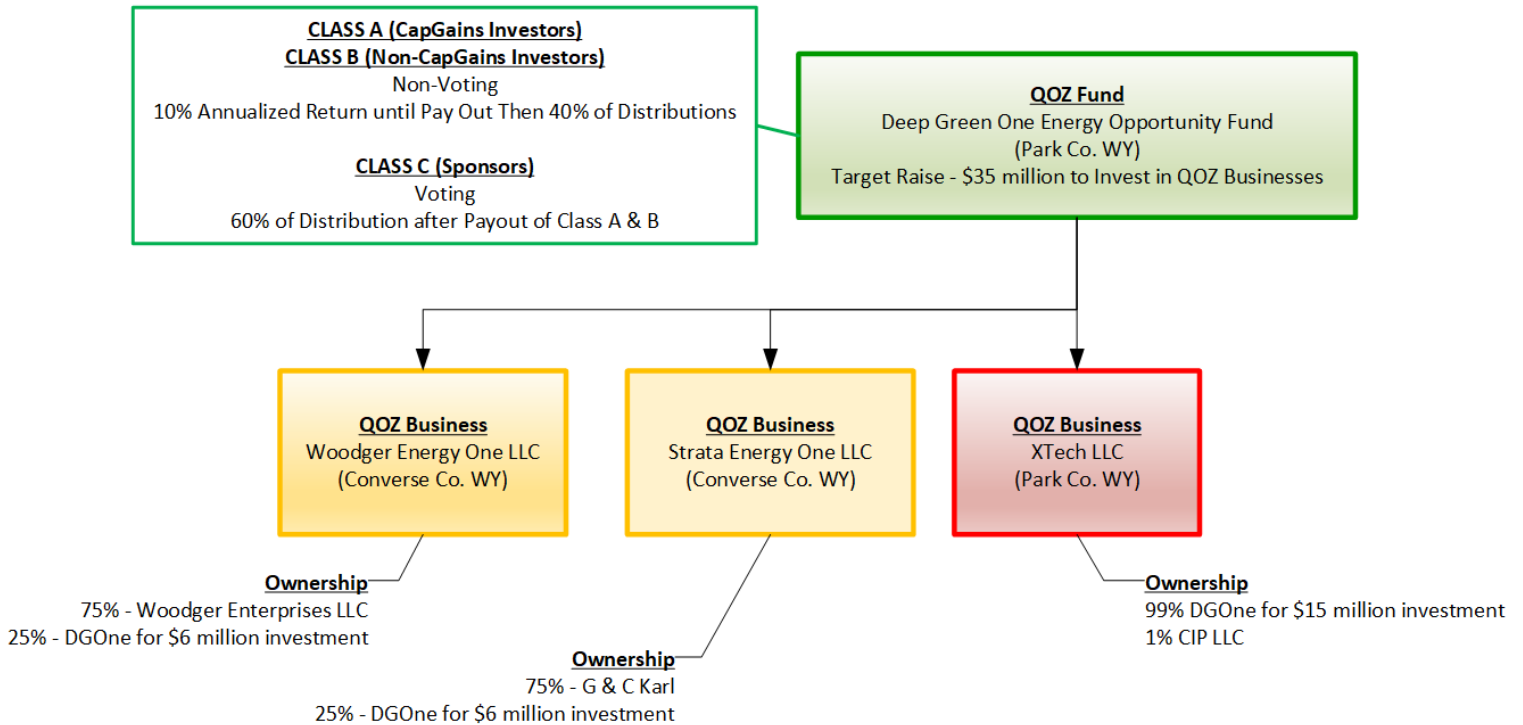
■ QOZ Opportunity Fund

#### O&G Formation Stimulation Technology

■ QOZ Business - EStim Technology Development Program

#### O&G Production Program

■ QOZ Businesses - EStim Oil and Gas Production Program



### Phase I:

#### **EStim System Fabrication, Field Demonstration and Manufacturing:**

The DGOOne will invest in XTech LLC, a discrete QOZ Business dedicated to the fabrication, field demonstration and manufacturing of the EStim Equipment. XTech LLC will hold a Technology Development and Manufacturing License granted by Curlett IP LLC. XTech LLC will be a singularly focused EStim Technology Development business, and as such will provide the ability to flow through a significant level of Research Expense Deductions early in the DGOOne Funding Program.

### Phase II:

#### **Oil and Gas Production Program Investment:**

The DGOOne will invest in two existing QOZ Businesses: 1) Strata Energy One LLC (SEOne) and 2) Woodger Energy One LLC (WEOne). These two QOZ businesses will be the first oil and gas production companies licensed to use

and apply the EStim proprietary technology for oil and gas production within a QOZ. These two businesses will provide both the initial source of sustainable cash flow and the increase in equity valuation.

The SEOne and WEOne Oil and Gas Production Developments will be located in Converse County, Wyoming within what is known as the Powder River Basin region. The Powder River Basin is a large region of known stacked geological formations that are highly oil and gas prospective.

Subsequently, a very broad range of oil and gas production QOZ Businesses located throughout the U.S. would be able to purchase a license to apply the EStim Process and thereby qualify for a DGOOne investment. As the program subsequently expands throughout the country, the SEOne and WEOne Programs would provide the initial “Type Model” for the DGOOne QOZ Oil and Gas Production Business development programs that would be progressively funded over time.

***ILLUSTRATIVE* Oil and Gas Production Program Investment Model:**

The DGOOne Fund will invest in two (2) existing QOZ Businesses SEOne and WEOne. To provide an ILLUSTRATION of the potential significance and magnitude of each QOZ Production Program Business, Table 1 *illustrates* the potential metrics for the SEOne EStim development program within Converse County, Wyoming.

Table 1 also provides a “Type Model” *illustration* of a typical nine (9) section EStim licensed oil and gas production development program that may be illustrative of incremental growth of additional follow-on QOZ EStim based Production Program investments.

Table 2 *illustrates* the potential cash flow and value increase metrics resulting from a potential DGOOne investment in the SEOne QOZ business. As one can see from the modeled *illustrations*, each investment in an additional EStim licensed QOZ Business would be expected to provide similar cash flow and value capture metrics on an additive basis.

To **illustrate** the fundamental potential value capture opportunity of a single QOZBusiness Oil and Gas Production Development Program, the following **Pro Forma Illustration** is an **Illustrative Only** EStim Leveraged Oil and Gas Production “Type Model”<sup>5</sup>.

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The following Table 1 provides an **ILLUSTRATIVE** “Type Model” Summary of the potential metrics for an EStim Oil and Gas Production Development Program within a single Nine Section Unit Lease Program within Converse County, Wyoming. This “Type Model” Pro Forma is for **ILLUSTRATIVE** purposes only to characterize the scope and significant potential for EACH of the proposed DGOOne equity purchases of Strata Energy One LLC and Woodger Energy One LLC.

Strata Energy One QOZBusiness - <b>ILLUSTRATIVE</b> Pro Forma (x 1,000)											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Annual Revenue	0	83,672	960,750	1,953,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000	2,268,000
Annual Expenses	3,349	65,899	378,313	674,557	691,430	691,430	691,430	691,430	691,430	691,430	691,430
Annual EBITDA	(3,349)	17,773	582,437	1,278,443	1,576,570	1,576,570	1,576,570	1,576,570	1,576,570	1,576,570	1,576,570
Annual Membership Distributions	0	17,667	580,082	1,273,317	1,570,256	1,570,256	1,570,256	1,570,256	1,570,256	1,570,256	1,570,256
Cummulative Cash (After Distributions)	6,488	6,594	8,949	14,076	20,390	26,704	33,018	39,332	39,332	45,646	51,961
Annual Distributed Cash (10% Investor)	0	1,767	58,008	127,332	157,026	157,026	157,026	157,026	157,026	157,026	157,026
Cummulative Distirbuted Cash (10%)	0	1,767	59,775	187,107	344,132	501,158	658,183	815,209	972,235	1,129,260	1,286,286

**Table 1**

The following Table 2 provides an **illustrative** characterization of the potential economic benefits that would flow to the DGOOne from a purchase of a 25% equity investment in a QOZBusiness as illustrated in the “Type Model” Pro Forma above in Table 1.

DGOOne Annulaized Cash Flow from QOZBusiness Distributions - <b>ILLUSTRATIVE</b> Pro Forma (x 1,000)											
	EOY-01	EOY-02	EOY-03	EOY-04	EOY-05	EOY-06	EOY-07	EOY-08	EOY-09	EOY-10	EOY-10
Derivative Cash Flow	0	20,918	240,188	488,250	567,000	567,000	567,000	567,000	567,000	567,000	567,000
Derivative Equity FMV	(837)	22,216	728,047	1,598,054	1,970,713	1,970,713	1,970,713	1,970,713	1,970,713	1,970,713	1,970,713

**Table 2**

<sup>5</sup> Please contact DGOOne management to provide underlying assumptions and modeling of the "Type Model".

## IN SUMMARY,

The DGOOne Program provides a highly tax incentivized program designed to capitalize on the application of an emerging disruptive oil and gas production stimulation technology within a known oil and gas developmental region.

The DGOOne Program is expected to yield significant cash flow and long-term value capture within the scope of Qualified Opportunity Zone Program rules. The DGOOne Program generally mitigates the investment risk potential associated with the EStim System build, testing, demonstration and initial application, while providing the potential for a significant and sustainable investment upside.

Please contact the DGOOne management for additional information including:

- a) EStim Technology presentation
- b) Converse County, Wyoming Nine Section EStim Development Program “*Illustrative*” Pro Forma assumptions and model
- c) Additional details on the DGOOne program

### **DGOOne Program Participating Entity Managers Contact information**

**Curlett IP LLC** - DGOOne Sponsor & Managing Member:

Mr. Hal Curlett – 307.223.0952 | [hbc@curlettip.com](mailto:hbc@curlettip.com) | [www.curlettip.com](http://www.curlettip.com)

**DGOOne** – Qualified Opportunity Zone Fund President:

Dr. James Denito – 214.935.3662 Ext:105 | [James.Denito@deepgreenone.com](mailto:James.Denito@deepgreenone.com) | [www.deepgreenone.com](http://www.deepgreenone.com)

**Strata Energy One LLC** - SEOne LLC QOZ Business Managing Member:

Mr. Greg Karl – 406.633.3030 | [greg@strataenergy.us](mailto:greg@strataenergy.us) | [www.strataenergyone.com](http://www.strataenergyone.com)

**Woodger Energy One LLC** - WEOne LLC QOZ Business Managing Member:

Mr. Jason Woodger – 801.362.7464 | [jason@woodgerenergyone.com](mailto:jason@woodgerenergyone.com) | [www.woodgerenergyone.com](http://www.woodgerenergyone.com)

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DEEP **GREEN** ONE  
ENERGY OPPORTUNITY FUND LLC

AN **EXTRAORDINARY** QUALIFIED OPPORTUNITY ZONE FUND

DEEP - Disruptively Enhanced Energy Production – “Foundational Business Proposition”

GREEN - Radical Advancement in Reduced Environmental Impact - “Going Green”

ONE - First to “Eliminate Capital Gains” Tax PLUS provide “Research Expense Deductions”

ENERGY - High Value Capture Oil and Gas Production – “Significant Cash Flow & Value Build”

OPPORTUNITY – “Radical Tax Leveraged High Value Capture Program”

FUND - Qualified Opportunity Zone Fund Program – “Fully Compliant”



# BUSINESS PLAN



A DISRUPTIVE ENHANCED ENERGY PRODUCTION PROGRAM

# DEEP GREEN ONE

AN ENERGY EXTRACTION QUALIFIED OPPORTUNITY FUND

an **Extraordinary** Qualified Opportunity Zone Fund

CURLETT IP LLC - SPONSOR



## Business Plan

### PLEASE READ and NOTE

**DISCLAIMER:** This document is not intended and does not represent an offer to sell any type of securities. This document, in its entirety, is intended for information purposes only and does not exist as an offer to sell securities in any form whatsoever. The reader is encouraged to review and / or consult their legal and financial representatives as may be appropriate to review the material in this document and any additional information that may be provided by the Deep Green Energy LLC (referred to as DGOOne from now on) management. Further, the information contained in this Business Plan does not constitute either an offer to sell nor a solicitation of an offer to buy any security in any program sponsored by the DGOOne. Although this Business Plan is public, such offers or solicitations will only be made to qualified Accredited Investors via the Confidential Private Placement Memorandum (PPM) in order to comply with applicable exceptions to securities registration, and so that each Accredited Investor will understand fully all of the implications and risks of the offering prior to participation. A copy of the applicable PPM must be made available to any prospective interested parties in connection with any offer, and no offer is valid until the PPM and all related documentation has been delivered provided. Any interested party's status as an Accredited Investor is also subject to review and validation by DGOOne, prior to acceptance of any potential investment. Investments in real estate, technology and oil and gas production are speculative in nature. DGOOne's offering is subject to all risks inherent to investments in real estate, technology, and oil and gas production, many of which relate to the general lack of liquidity of real estate and / or technology and / or oil and gas investments. There are many factors that are not within the DGOOne's control and could adversely impact the value of a DGOOne investment. This Business Plan describes or refers to the potential benefits that may be derived from an investment in the DGOOne. Although the information contained in this Business Plan brochure is intended to be consistent with the associated PPM, this Business Plan brochure is not complete information and must be read in conjunction with the associated PPM, and any unintended conflicts will be superseded by the associated PPM. For example, this Business Plan brochure does not discuss all of the various real estate, technology, oil and gas, financial, investment, economic, tax, legal, performance and / or general business risks relating to a potential investment in DGOOne.



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## Executive Summary

Qualified Opportunity Zone Investment Fund Programs are a new safe haven investment program is being touted as the most transformative engine for economic growth, job creation, and innovation of our time. Qualified Opportunity Zone Investment Fund Programs provide safe harbor investments in Qualified Opportunity Zone Business(es) that are businesses located within Qualified Opportunity Zones (QOZ).

Through Federal and State level cooperation, QOZ have been designated throughout the United States to provide a tax incentivized means for directing long-term investment into the development of jobs and increase the revenue base within the designated low-income census zones (see *Figure 1*).

The Deep Green One Energy Opportunity Fund LLC (DGOOne) is an innovative QOZ investment fund formed as a carefully organized, unambiguous, integrated, Multi-QOZ, Multi-QOZBusiness investment program.

The foundational business proposition of DGOOne is, first and foremost, a sound, mission-focused program designed to produce substantial cash flow and noteworthy value building throughout its program.

DGOOne will invest in QOZBusinesses developing a “shovel-ready”, proprietary, breakthrough oil and gas formation stimulation technology and that will subsequently apply the technology to generate, profitable and sustainable, high rate the oil and gas production.

Uniquely, DGOOne has innovatively been organized to utilize, extend and provide additional safe harbor tax benefit features over and above those tax benefits normally associated with the “standard” QOZ program.

Specifically, the DGOOne program has been organized to effectively eliminate any out-of-pocket capital gains liability whatsoever throughout the DGOOne program. In addition, but on a “first come, first serve” basis, DGOOne can flow through to its investors significant “Research Expense” deductions that can be utilized to offset other ordinary income.

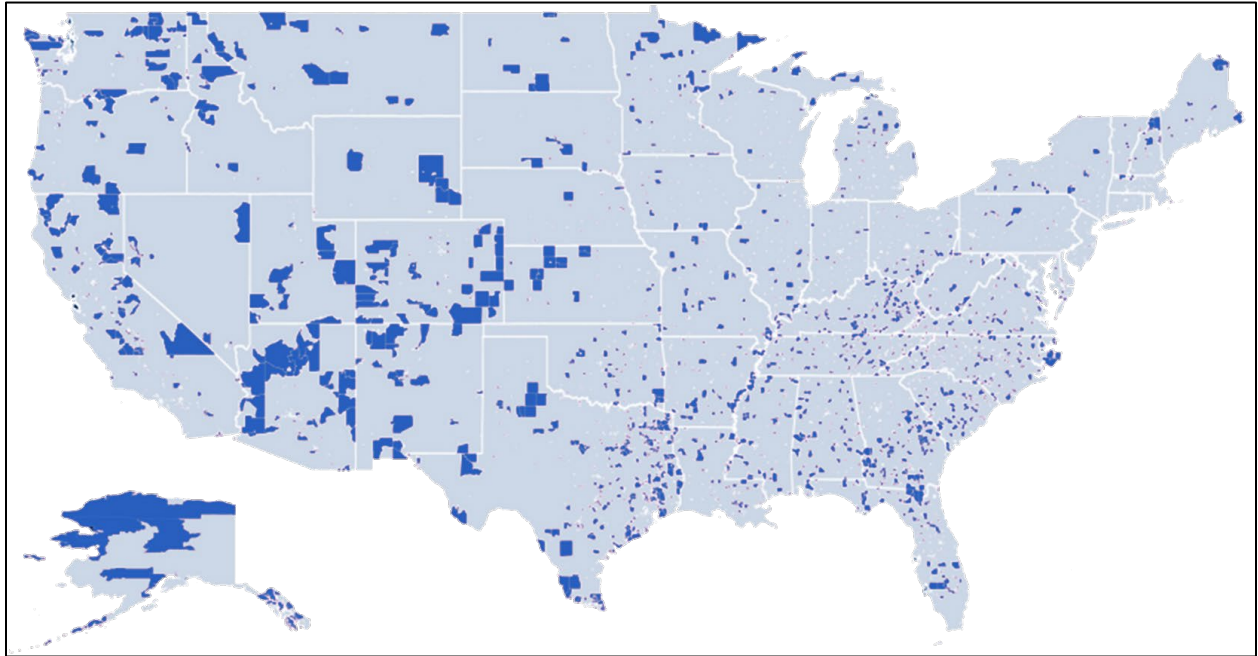
Due to the integrated organization of the DGOOne Program, the following potential benefits become available: (some benefits are available on a first come, first served DGOOne subscription basis)

- a) Elimination of any out-of-pocket Capital Gains payments whatsoever; PLUS
- b) Research Expense Deductions<sup>1</sup>; PLUS
- c) Extraordinary cash flow and program equity value capture, PLUS
- d) Availability of DGOOne loans to investors with no out-of-pocket principal and interest payments.

The unique DGOOne Program, first and foremost, provides a sound, technology leveraged, oil and gas production business opportunity, with the potential for generating an extraordinary program value capture through substantial and sustainable annualized cash flows and the associated FMV equity increases. The DGOOne Program appreciates minimized investment risk and increased tax benefits through providing QOZ tax mitigation and Research expense deduction features.

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<sup>1</sup> A limited supply of flow through expense deduction will be applied on a first-come, first-served basis until the flow through expense deductions are no longer available. These flow through expense deductions are derived from a combination of the aggregate QOZBusiness's research and general expense deductions.



*Figure 1 - Qualified Opportunity Zones throughout the United States*



## Introduction

### **Qualified Opportunity Zones (QOZ)**

**What is a QOZ?** Section 1400Z of the Internal Revenue Code defines “Qualified Opportunity Zones” as low-income census tracts that were nominated by state governors and certified by the U.S. Treasury as qualified opportunity zones. In essence, a QOZ is an economically distressed community where new incentives, under certain conditions, may be eligible for preferential tax treatment. Localities qualify as QOZ if they have been nominated by the state and that nomination has been certified by the Secretary of the U.S. Treasury via his delegation of authority to the Internal Revenue Service. There are more than 8,700 designated QOZ in the Continental United States and Puerto Rico (see *Figure 1*).

**Why were QOZ created?** As part of the Tax Cuts & Jobs Act of 2017, the intent of the QOZ program was to encourage long-term private capital investment into under-invested, economically distressed, low income and rural communities with never seen before tax incentives to produce jobs and to increase the revenue base.

**How were QOZ created?** Endorsed and championed by two senators, Senator Tim Scott and Senator Cory Booker, the senators introduced the “Investing in Opportunity Act” to the Senate. Sean Parker, the ex-Napster entrepreneur, founded the Economic Innovation Group as an independent think tank which helped create the framework of the program and assisted in spurring it into action. The Investing in Opportunity Act is a legislation that defines Internal Revenue Code Section 1400Z, otherwise known as the “Opportunity Zone Tax Incentive”.

### **Qualified Opportunity Zone Businesses (QOZBusiness)**

**What is a qualified opportunity zone business?** A QOZBusiness can be either a corporation or partnership. In general, a QOZBusiness is a trade or business in which substantially all of the tangible property becomes the original use of such property as the QOZBusiness commences or the QOZBusiness substantially improves the property (i.e. – as real estate improvements).

### **Qualified Opportunity Zone Funds (QOZFund)**

**What Is a Qualified Opportunity Zone Fund?** A QOZFund is any investment vehicle organized as a partnership or corporation for the purpose of investing in one or more qualified opportunity zones. An opportunity zone fund must hold at least 90% of its assets in qualified opportunity zone property. A QOZFund can invest in properties such as equity in a Qualified Opportunity Zone Business (QOZBusiness) and / or Qualified Opportunity Zone Business Property (QOZBProperty). Typically, a QOZFund will take an equity position in real estate and / or businesses that are located in the QOZ. Real estate investment in QOZ requires compliance with a “substantial improvements” provision. QOZFund program funds are pooled funds that can be invested in multiple properties across asset classes and geographies. Placing an investment in a QOZFund is straightforward is no intermediary is required.



## Deep Green One Energy Opportunity Fund LLC

### Business Organization

**Deep Green One Energy Opportunity Fund LLC (DGOOne).** DGOOne was formed to provide a tax incentivized source of funding for a carefully organized, integrated, unambiguous, Multi-QOZ, Multi-QOZ Business opportunity (*see Figure 2*).

### DEEP GREEN ONE ENERGY OPPORTUNITY FUND

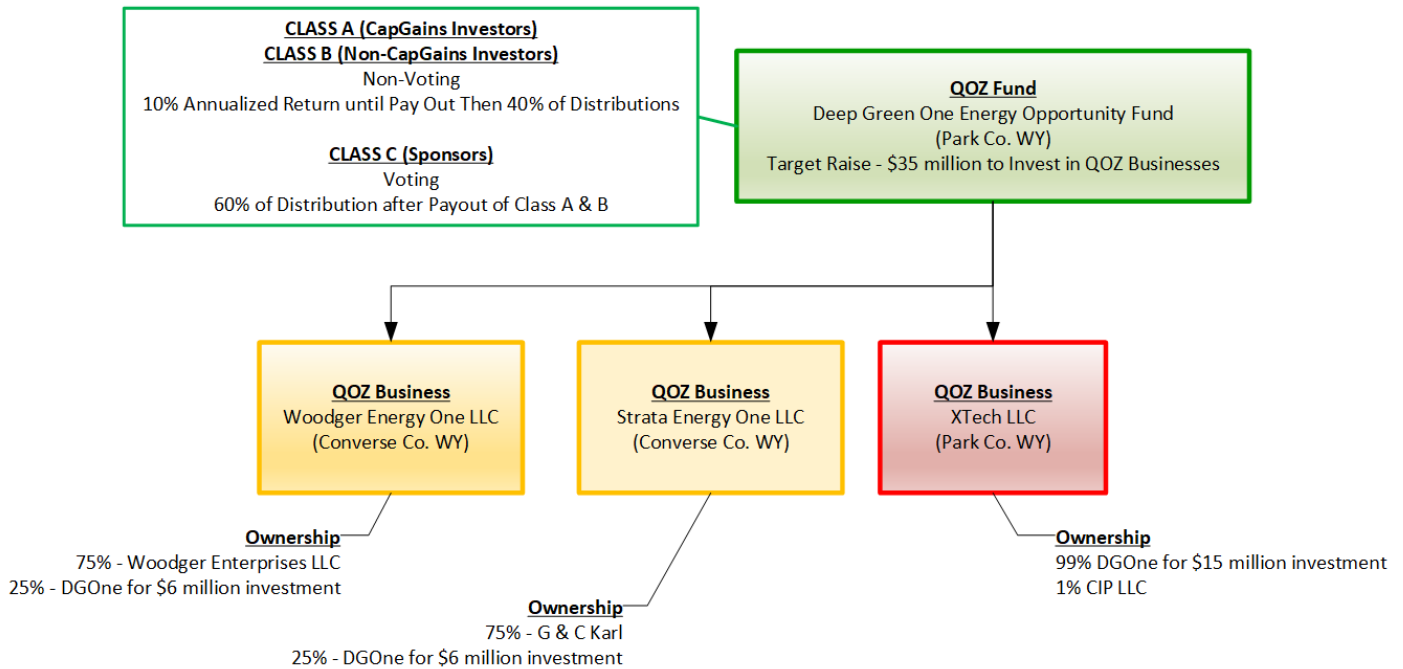
■ QOZ Opportunity Fund

#### O&G Formation Stimulation Technology

■ QOZ Business - EStim Technology Development Program

#### O&G Production Program

■ QOZ Businesses - EStim Oil and Gas Production Program



*Figure 2 – Integrated Multi-QOZ Multi-QOZBusinesses*

**A Wyoming Organization.** DGOOne has been organized under the laws of the State of Wyoming which is touted as the “Opportunity State”. Every state has opportunity zones, but only Wyoming couples these federal advantages with state incentives like NO personal or corporate income tax, LOW sales and property taxes and one of the largest sovereign wealth funds in the nation. That means a stable, reliable environment for business owners.

### Business Purpose

DGOOne’s business purpose is to generate an extraordinary value capture opportunity through its investment in an integrated group of cooperative QOZBusiness entities that



collectively are expected to generate substantial, sustainable, profitable annualized cash flows that will drive the associated DGOOne enterprise FMV increases.

**Oil and Gas Production Business.** DGOOne is the first QOZFund to be applied to an extraction industry, specifically oil and gas production. Further, the DGOOne program will leverage an emerging disruptive oil and gas stimulation technology as the basis of generating an extraordinary opportunity to generate cash flow and the associated FMV growth based on breakthrough technology enhanced oil and gas production.

**Oil and Gas Production Technology Leverage.** Curlett IP LLC (CIP), a Wyoming Limited Liability Company, is a Sponsor of DGOOne. CIP is the owner of the intellectual property associated with a breakthrough oil and gas formation stimulation technology termed the Electrostatic Pulse Stimulation Technology (EStim).

**EStim Technology.** A presentation of the EStim Technology may be provided upon request to DGOOne management but is not provided as part of this Business Plan.

**EStim Leverage.** The EStim Process provides the basis for substantially enhancing both the sustainable rate and ultimate recovery volumes of oil and gas production.

**Unique and Important EStim QOZ Leverage.** Uniquely, the EStim Process can be applied to an unprecedented “basin scale” range oil and gas development opportunities. The application of the EStim Process is not limited to conventional hydrocarbon production prospecting methods and thereby allows the very unique opportunity to develop EStim Process oil and gas production programs in various QOZs that are not normally associated with the potential to develop economical oil and gas production.

**Two Tax Incentives Are Better Than One!** Stacking, or twinning, multiple tax benefits can often times help reduce risk or increase the yield of an business opportunity. A QOZ program can be paired with a variety of other tax credits. The DGOOne program has been specifically designed to provide “Stacked Tax Benefits” with additional tax benefits derived from the EStim Technology development and field-testing expenses fully categorized as “Research Expenses”.

**Research Expense Deductions.** Research Expense Deductions are a well-established tax incentive to encourage private sector investment in product development. Part of DGOOne’s investment strategy will be investing in the development and field testing of the EStim System Equipment and Process as a “Shovel-Ready” QOZ Business that has also been designed to qualify for and capture Research Expense Deductions. These Research Expense Deductions can be flowed through to the DGOOne investors to provide a stacking of multiple tax benefits.

## **Business Plan**

### **Overview.**

DGOOne will initially invest in three distinct entities that are designed and co-operating to collectively build, field test and commercialize the EStim Technology for developing a disruptive level of QOZ oil and gas production cash flow.





DGOne will set up, own and fund XTech LLC (XTech), a new QOZBusiness located in Cody Wyoming. XTech will conduct the EStim Technology and Process development, field testing and support its commercialization.

DGOne will also invest in two newly formed, separate and independent, oil and gas production development QOZBusinesses. These entities have been duly licensed for the exclusive application of the EStim Process within an “Exclusive Area of Mutual Interest” (eAMI). The referenced eAMIs are located within a QOZ in Converse County Wyoming’s prolific Powder River Basin region. These Converse County Wyoming QOZ QOZBusinesses are Strata Energy One LLC (SEOne) and Woodger Energy One LLC (WEOne).

DGOne intends to distribute a portion of its program cash flow and to reinvest a portion of its program cash flow. DGOne intends to reinvest portion of its cash flow to expand the number of QOZBusiness’s developing EStim leveraged oil and gas production as a progressive means of increasing the DGOne enterprise value over time.

#### **XTech LLC.**

XTech, located within a QOZ within the Cody Wyoming area, will be a single focused, pure technology development entity. XTech will build, field-test and commercially manufacture the EStim Process Service Units. XTech has been designed to capture the maximum amount of the “Research Expense Deductions” that will be generated during the EStim Technology development, field-testing, manufacturing and commercialization support program.

XTech will ultimately manufacture the commercial “EStim Service Units” that will be sold to a separate, non-owned, oil and gas production service company, XStim LLC (XStim). XStim will provide ongoing EStim Services to the QOZBusiness SEOne and WEOne as they develop their EStim enhanced commercial oil and gas production within their respective eAMI.

XTech has been organized to yield significant “Research Expense” deductions that can be flow through to the DGOne investors<sup>2</sup>. The Research Expense deductions, flowing from XTech, will provide the opportunity of “Stacking Tax Benefits”. The Stacking of multiple tax benefits will effectively mitigate the initial capital risk of the DGOne program.

#### **Strata Energy One LLC.**

SEOne is a QOZ QOZBusiness located in Converse County Wyoming. SEOne is a newly formed oil and gas production QOZBusiness that has acquired an eAMI to develop (9) sections of highly prospective oil and gas acreage. SEOne’s principal has several years of oil and gas production development experience operating in the Morton Oil and Gas

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<sup>2</sup> A limited supply of flow through expense deduction will be applied on a first-come, first-served basis until the flow through expense deductions are no longer available. These flow through expense deductions are derived from a combination of the aggregate QOZBusiness’s research and general expense deductions.



Production Field which is within the SEOne eAMI. SEOne's principal has additional non-QOZ eAMI under development.

Morton Field area is a known Powder River Basin highly oil and gas prospective stacked formation area that is ideal for EStim production development. The Powder River Basin is known for its approximately (5,000) vertical feet of oil biased production potential.

The EStim production metrics expected to be applied to the Morton Field eAMI by SEOne is expected to produce sustainable high rates over a 20–30-year period.

Importantly and very uniquely, the SEOne sustainable production is expected to exceed the 10-year DGOOne long term equity QOZFund holding period required to maximize DGOOne program investor exit plan value. Thus, the SEOne investment is expected to provide DGOOne significant EStim production program cash flow and enterprise value providing the DGOOne investors the enviable option of a high value 10-year point, non-taxable equity liquidation exit strategy or maintain receiving DGOOne cash flow yields and a strong non-taxable DGOOne equity sale into the future.

A presentation of the SEOne Morton Field eAMI is available upon request under the auspices of an SEOne NDA.

#### **Woodger Energy One LLC.**

WEOne is a QOZ QOZBusiness located in Converse County Wyoming. WEOne is a newly formed oil and gas production QOZBusiness that has acquired an eAMI to develop (9) sections of highly prospective oil and gas acreage. WEOne's principal has additional non-QOZ eAMI under development.

The WEOne Converse County Wyoming eAMI development directly offsets SEOne's eAMI and therefore will generally mirror SEOne's development program and both the SEOne and WEOne will greatly benefit from SEOne's oil and gas development history in the Morton Field.

Morton Field area is a known Powder River Basin highly oil and gas prospective stacked formation area is ideal for EStim production development. The Powder River Basin is known for its approximately (5,000) vertical feet of oil biased production potential.

The EStim production metrics expected to be applied to the Morton Field eAMI by WEOne is expected to produce sustainable high rates over a 20–30-year period.

Importantly and very uniquely, the WEOne sustainable production is expected to exceed the 10-year DGOOne long term equity QOZFund holding period required to maximize DGOOne program investor exit plan value. Thus, the WEOne investment is expected to provide DGOOne significant EStim production program cash flow and enterprise value providing the DGOOne investors the enviable option of a high value 10-year point, non-taxable equity liquidation exit strategy or maintain receiving DGOOne cash flow yields and a strong non-taxable DGOOne equity sale into the future.

A presentation of the WEOne Morton Field eAMI is available upon request under the auspices of an WEOne NDA.



## Financial Plan

### Overview

The DGOOne Financial Plan consists of raising an initial US \$30 million (net) to provide a pool of funds to invest in the three individual QOZBusiness consisting of XTech, SEOne and WEOne.

DGOOne will invest equity capital in XTech for the purpose of developing and supporting the commercialization of the disruptive EStim Oil and Gas Stimulation Process. XTech will produce significant Research Expense Deductions during its technology development, field testing, manufacturing and commercialization support functions as a discrete and dedicated technology development QOZBusiness.

DGOOne will invest equity capital in QOZBusinesses SEOne and WEOne for the purpose of providing capital to develop their respective eAMI. SEOne and WEOne will develop EStim Enhanced Oil and Gas Production. The EStim Enhanced Oil and Gas Production value, collectively provided by the SEOne and WEOne oil and gas production developmental operations, will be the basis of sustainable cash flow and the associated FMV capture for DGOOne.

### Tax

DGOOne will capitalize on the QOZFund Programs' fundamental capital gains deferment and long-term basis increases. DGOOne will enhance the QOZFund programs tax incentives through stacking tax benefits yielding the following benefits:

- a) utilize capital gains deferment as provided under the basic QOZFund program rules, plus
- b) utilize flow through Research Expense Deductions to supplement mitigation of capital risk, plus
- c) utilize QOZBusiness investment cash flow yields to pay the net 2026 adjusted capital gains liability on behalf of the DGOOne investors, plus
- d) utilize the 12 months return of capital reinvestment safe harbor to progressively invested in additional EStim Enhanced Oil and Gas Production QOZBusinesses, plus
- e) utilize QOZFund programs' 10-year FMV basis adjustments to yield the opportunity to capitalize on the extraordinary FMV capture of the DGOOne investments.

The Stacked Tax Incentives, provided through a DGOOne investment program strategy, will, in essence, provide early 2019 investors with a capital gains deferred investment in an extraordinary resource extraction business opportunity, but also provide cashback to the investor in the form of an expense deduction available to offset other investor normal income tax liability.

The Stacked Tax Incentives of the DGOOne program provides a significant reduction of capital risk while providing an investment program with extraordinary upside potential.

### Pro Forma

DGOOne's *Illustrative Pro Forma* is provided as "**Attachment A**" as a summary *Illustration* of the potential value capture associated with the DGOOne investment program. The detailed backup for the *Illustrative Pro Forma* is available for presentation and analysis upon request of the DGOOne management.



## **Members, Manager and Management**

### **H. B. Curlett – Manager - Curlett IP LLC – Manager of DGOOne**

Mr. Curlett has over 50 years of operational experience in the international oil and gas industry - remote land and offshore drilling, drilling equipment ownership, design of advanced drilling and completion methods and equipment. Experience in the development and field implementation of new technology. Author or co-author of 30+ patents relevant to the oil and gas and geothermal industry. Mr. Curlett is the inventor and owner of the ESP EStim Technology. Mr. Curlett has managed several startup companies.

### **M. E. Marwood – Member - CEO**

Mr. Marwood has over 30 years of senior level international business experience with Caterpillar Inc., and other world class organizations. Successfully led several turnarounds and restructuring assignment assignments for a variety of businesses in the high-value capital equipment industry. Certified as a Six-Sigma Deployment Champion and has used the methodology to improve sales and profit growth. Specializing in strategic consulting, executive coaching, international marketing, business planning, restructuring and turnarounds. Mr. Marwood is currently the CEO of Restimco Limited. Restimco is a Canadian Licensee of the ESP EStim Technology.

### **Dr. J. Denito - Member – President**

Dr. Denito is an accomplished Senior Executive with more than 37 years of success across the nutrition, manufacturing, and supply chain industries. Dr Denito has produced over 70 papers, articles and newsletters discussing health techniques and scientific breakthroughs. He has lectured to over 30 groups and organizations, appeared on cable and network television and also hosted live am talk radio in New England. Dr. Denito has recently held a leadership position with ReStimCo Limited as an investment officer and partner. Restimco is a Canadian Licensee of the ESP EStim Technology.



## Professional Management Support

### Legal

Securities Counsel – Wilson Sonsini Goodrich & Rosati – San Francisco, California - <https://www.wsgr.com/en/about-us/index.html> -

### Financial

Accounting – Weaver – Dallas, Texas - <https://www.weaver.com/>

[*Pending*<sup>3</sup>] Regular Audits - KPMG – Dallas, Texas - <https://home.kpmg/us/en/home.html>

### Administrative

Business Process Management – Weaver- Dallas, Texas - <https://weaver.com/>

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<sup>3</sup> Currently onboarding



## Attachment A - Assumptions

DGOne *Illustrative Pro Forma*: Model Assumptions

- a) DGOne target raise US \$35 million:
  - a. DGOne to invest US \$15 million for 99% equity in QOZBusiness Xtech LLC.
    - i. Use of Funds:
      1. EStim Technology Development
      2. EStim Field Test/Live Well Demonstration
      3. EStim Commercialization Support
      4. EStim Technology Service Unit Manufacture
  - b. DGOne to invest US \$6 million for 25% equity in QOZBusiness SEOne.
    - i. Use of Funds:
      1. EStim Commercial Application – Converse County WY eAMI Production Development Program.
  - c. DGOne to invest US \$6 million for 25% equity in QOZBusiness WEOne.
    - i. Use of Funds:
      1. EStim Commercial Application – Converse County WY eAMI Production Development Program.



## Attachment A - Model

DGOne *Illustrative* Pro Forma: **Model**

				DGOne ( X US \$1,000 )											
				2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	
<b>Operational Revenue</b>															
Strata One Quarterly Distribution Revenue	25%			\$0	\$20,918	\$240,188	\$488,250	\$567,000	\$567,000	\$567,000	\$567,000	\$567,000	\$567,000	\$567,000	
Woodger One Quarterly Distribution Revenue	25%			\$0	\$20,918	\$240,188	\$488,250	\$567,000	\$567,000	\$567,000	\$567,000	\$567,000	\$567,000	\$567,000	
XTech Annual Distribution Revenue	99%			\$0	\$42,973	\$65,685	\$70,040	\$85,336	\$85,336	\$85,336	\$85,336	\$85,336	\$85,336	\$85,336	
Other Non-QOZ Business Investment Revenue															
<b>Gross Income</b>				\$0	\$84,809	\$546,060	\$1,046,540	\$1,219,336	\$1,219,336	\$1,219,336	\$1,219,336	\$1,219,336	\$1,219,336	\$1,219,336	
<b>Operational Expenses</b>															
ESTIM Tech Royalty (TE)	1%			\$0	\$418	\$4,804	\$9,765	\$11,340	\$11,340	\$11,340	\$11,340	\$11,340	\$11,340	\$11,340	
Selling, General and Administrative Costs (SG&A)				\$0	\$245	\$246	\$246	\$246	\$246	\$246	\$246	\$246	\$246	\$246	
Class C Annual Management Fees	5%			\$0	\$1,793	\$4,240	\$27,303	\$52,327	\$60,967	\$60,967	\$60,967	\$60,967	\$60,967	\$60,967	
Facilities (FE)				\$0	\$165	\$402	\$642	\$882	\$882	\$882	\$882	\$882	\$882	\$882	
<b>Total Expense</b>				\$0	\$2,621	\$9,692	\$37,956	\$64,795	\$73,435	\$73,435	\$73,435	\$73,435	\$73,435	\$73,435	
<b>EBITDA</b>				\$0	\$82,188	\$536,368	\$1,008,584	\$1,154,541	\$1,145,902	\$1,145,902	\$1,145,902	\$1,145,902	\$1,145,902	\$1,145,902	
<b>Gross QOZ Program Investor Benefits</b>															
CapGains Tax Benefit (Basis Adjustment)	10%	5%	23.75%						\$3,586		\$1,793			\$2,721,516	
New Markets Tax Credit (NMTC) Deduction	5%	6%		\$750	\$750	\$750	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	
Research (R&D) Expense Deduction	39%			\$855	\$21,566	\$12,578	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Total Member Annual TAX Benefits</b>				\$1,605	\$22,316	\$13,328	\$900	\$900	\$4,486	\$900	\$2,693	\$900	\$900	\$900	\$2,721,516
<b>Gross Membership Distributions</b>				Ordinary	CapGains										
K1 Distribution to cover Income Taxes - 1st \$500k	30%	23.75%		\$0	\$0	\$119	\$119	\$119	\$119	\$119	\$119	\$119	\$119	\$119	
K1 Distribution to cover Income Taxes - Above 1st \$500k	37%	23.75%		\$0	\$0	\$19,401	\$127,269	\$274,085	\$274,085	\$274,085	\$274,085	\$274,085	\$274,085	\$274,085	
Annual Distributions from Excess Cash	87%			\$0	\$0	\$88,605	\$578,248	\$1,244,688	\$1,244,688	\$1,244,688	\$1,244,688	\$1,244,688	\$1,244,688	\$1,244,688	
<b>TOTAL Member Annual CASH Distributions</b>				\$0	\$0	\$108,125	\$705,635	\$1,518,891	\$1,518,891	\$1,518,891	\$1,518,891	\$1,518,891	\$1,518,891	\$1,518,891	
<b>Membership Class Distributions</b>															
<b>Class A Members</b>															
Class A Priority Return - Annualized	10%				\$3,200	\$1,160									
Class A Capital Account Balance	\$3,000			\$100	\$11,597	\$0									
Distributions (After Class A & B Pay Out)	40%					\$39,752	\$258,390	\$555,809	\$557,121	\$555,809	\$556,465	\$555,809	\$555,809	\$1,550,778	
Annual Class A Distributions				\$0	\$3,200	\$40,912	\$258,390	\$555,809	\$557,121	\$555,809	\$556,465	\$555,809	\$555,809	\$1,550,778	
Cumulative Class A Distributions				\$0	\$3,200	\$44,112	\$302,502	\$858,311	\$1,415,432	\$1,971,241	\$2,527,706	\$3,083,515	\$3,639,325	\$5,190,102	
<b>Class B Members</b>															
Priority Return - Annualized	10%				\$300	\$109									
Class B Capital Account Balance	\$3,000			\$550	\$1,087	\$0									
Distributions (After Class A & B Pay Out)	40%					\$4,123	\$24,224	\$52,107	\$52,230	\$52,107	\$52,169	\$52,107	\$52,107	\$145,385	
Annual Class B Distributions				\$0	\$300	\$4,232	\$24,224	\$52,107	\$52,230	\$52,107	\$52,169	\$52,107	\$52,107	\$145,385	
Cumulative Class B Distributions				\$0	\$300	\$4,532	\$28,756	\$80,863	\$133,093	\$185,200	\$237,369	\$289,476	\$341,583	\$486,968	

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