MADE-UP SAMPLE

CASE REVIEW

Sample Family Mineral Trust

Sample 1H, 2H and 3H on Lease A and Lease B. Eight production months, November 2025 to June 2026, checked well by well against the leases, the operator's plats and the Railroad Commission's production records.

3	2	8	42	252	15
wells	leases	months	statement lines	tests run	exhibits

WHAT IS IN THIS FILE

1	**One-page summary** in plain words, for the family or the trustee	page 2
2	**Every test on every line:** 252 tests, and where the money comes from	page 3
3	**Lease-boundary map**, every well over the lease tracts, each decimal worked out	page 4
4	**Each item with its evidence:** the chart, the math and the exhibit pages, marked up	pages 5-7
5	**Well-by-month schedule**, all 42 statement lines and the 4 missing ones, each tied to its exhibit (also in Excel)	pages 8-9
6	**Letter for the operator**, citing each well, exhibit and lease clause	pages 10-11
7	**Exhibits, method and limits**, and a year of Watch Plus on every new statement	page 12

PREPARED FOR

Counsel for the Sample Family Mineral Trust

RECORDS CHECKED

8 statements, 2 leases, 3 plats, 3 division orders, state production through June 2026

FEE

One flat quote, in writing, the same whatever we find. No share of any recovery.

Every name, well and number in this sample is made up. A real review looks exactly like this.

1 · ONE-PAGE SUMMARY

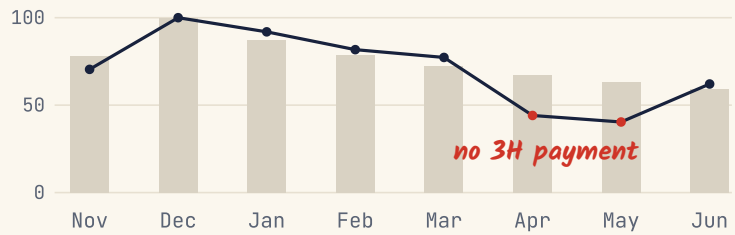
14 items checked. 11 paid as the leases say. 3 to raise with the operator.

$1,962,718
paid to the trust on these 8 months, after severance tax (Ex. 1-8)

$193,036
difference: $16,337 on the statement lines, plus $176,699 estimated for the two 3H months with no line

3
questions in the letter on page 10, each with its evidence on pages 5-7

Did the wells decline, or did the payments?



Bars: oil sold, all wells. Line: what the trust was paid. December 2025 = 100.

Checks for January production came to $317,576; for June, $214,672, 32% less. Oil sold from the three wells fell 32% over the same months, so most of the drop follows the wells; prices are checked line by line in the schedule. What the wells do not explain is April and May, when the checks fell much faster than the oil. That is item 3.

The 3 items to raise

1 1H is paid under Lease B's price floor
Lease B §5 sets a floor on the gas price. 3H, wholly in Lease B, is paid the higher of the field price and the floor every month it was paid. 1H's Lease B share is paid the lower field price in 6 of 8 months. The difference on that share is **$8,125**. Ex. 1-8 · Ex. 11 §5 · Ex. 13

2 1H's decimal is a 50/50 split, not the plats
The statements and division order use 0.15625000. The as-drilled plat puts 5,250 of the 10,000 lateral feet in Lease B, which gives 0.15781250. Across every 1H line, oil and gas, the decimal gap comes to **$8,212**. Ex. 9 · Ex. 14

3 3H shows no payment for April or May 2026
The Railroad Commission shows 3H sold oil and gas in both months. No statement through the August 2026 check has a 3H line for them. Valued at the state's volumes and the prices paid on the other wells, the estimate is **$176,699**. Ex. 6-8 · Ex. 12

These are differences on the statements, not a claim that money is owed. The operator may have a reason for each one. The letter asks for it.

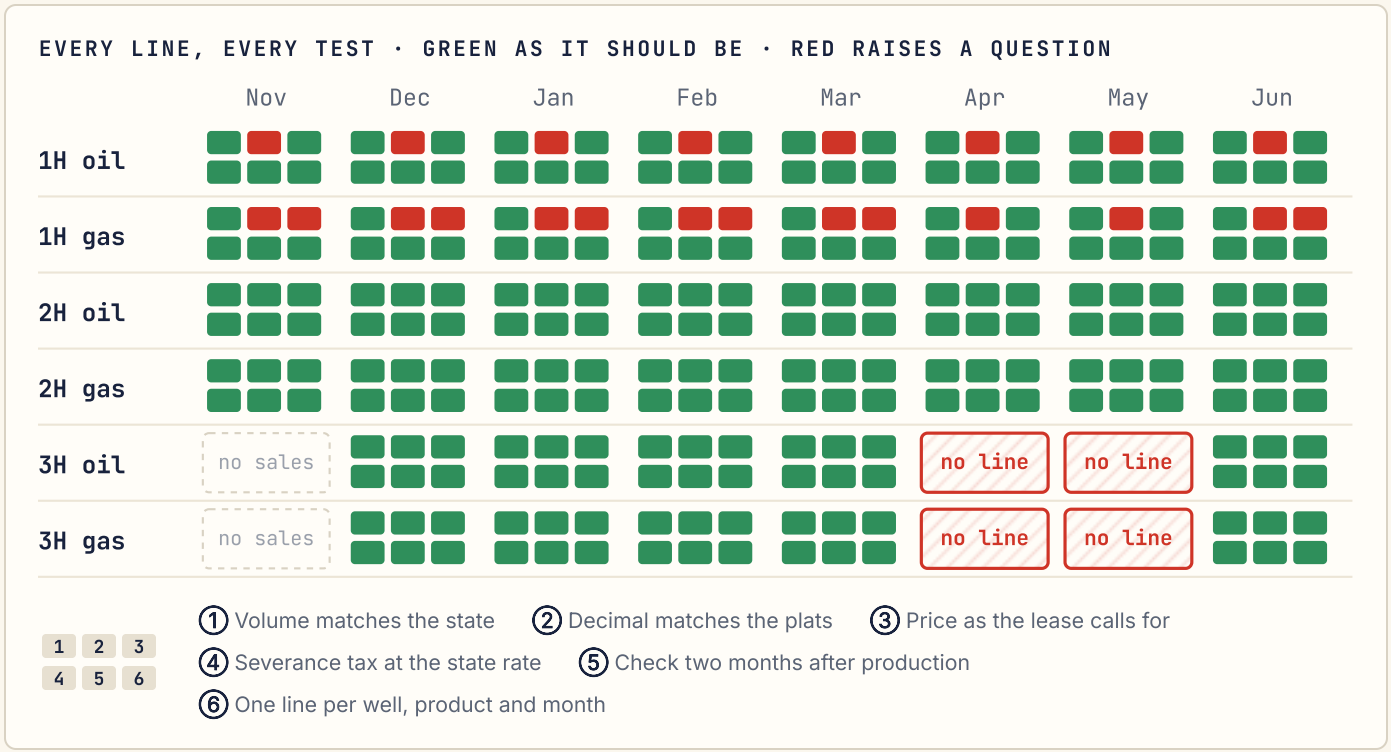
The 11 that are paid as the leases say

- ✓ 2H decimal 0.12500000 matches Lease A and the plat
- ✓ 3H decimal 0.18750000 matches Lease B and the plat
- ✓ Oil volumes within 0.5% of the state's records on every paid line
- ✓ Gas volumes within 1.5% of the state's records on every paid line
- ✓ 3H gas paid the higher of the field price and the Lease B floor
- ✓ Oil paid the same price on all three wells each month
- ✓ Each well paid at one decimal every month
- ✓ Severance tax at the standard state rates: 4.6% oil, 7.5% gas
- ✓ Each check pays the production of two months before
- ✓ 1H and 2H paid every month the state shows sales
- ✓ No duplicate lines: one per well, product and month

2 · EVERY TEST ON EVERY LINE

252 tests on 42 lines. 22 raise a question; 4 lines are missing.

Each of the 42 statement lines was put through the same six tests, against the leases, the plats, the division orders and the operator's own reports to the state: 252 tests, 230 as they should be and 22 that raise a question. 4 more lines are missing altogether.



The six tests, 42 lines each

	Test	Pass	Question
1	Volume matches the state	42	0
2	Decimal matches the plats	26	16
3	Price as the lease calls for	36	6
4	Severance tax at the state rate	42	0
5	Check two months after production	42	0
6	One line per well, product and month	42	0

All 22 red tests sit on 1H: every 1H line carries the wrong decimal, and six of its gas lines are also priced under the Lease B floor. Test 5 checks the operator's usual timing; the deadlines in §91.402(a) are longer.

Where the $193,036 comes from

$8,125 — 1H Lease B gas under the §5 floor · 6 lines · item 1

$8,212 — 1H decimal, plats against statements · 16 lines · item 2

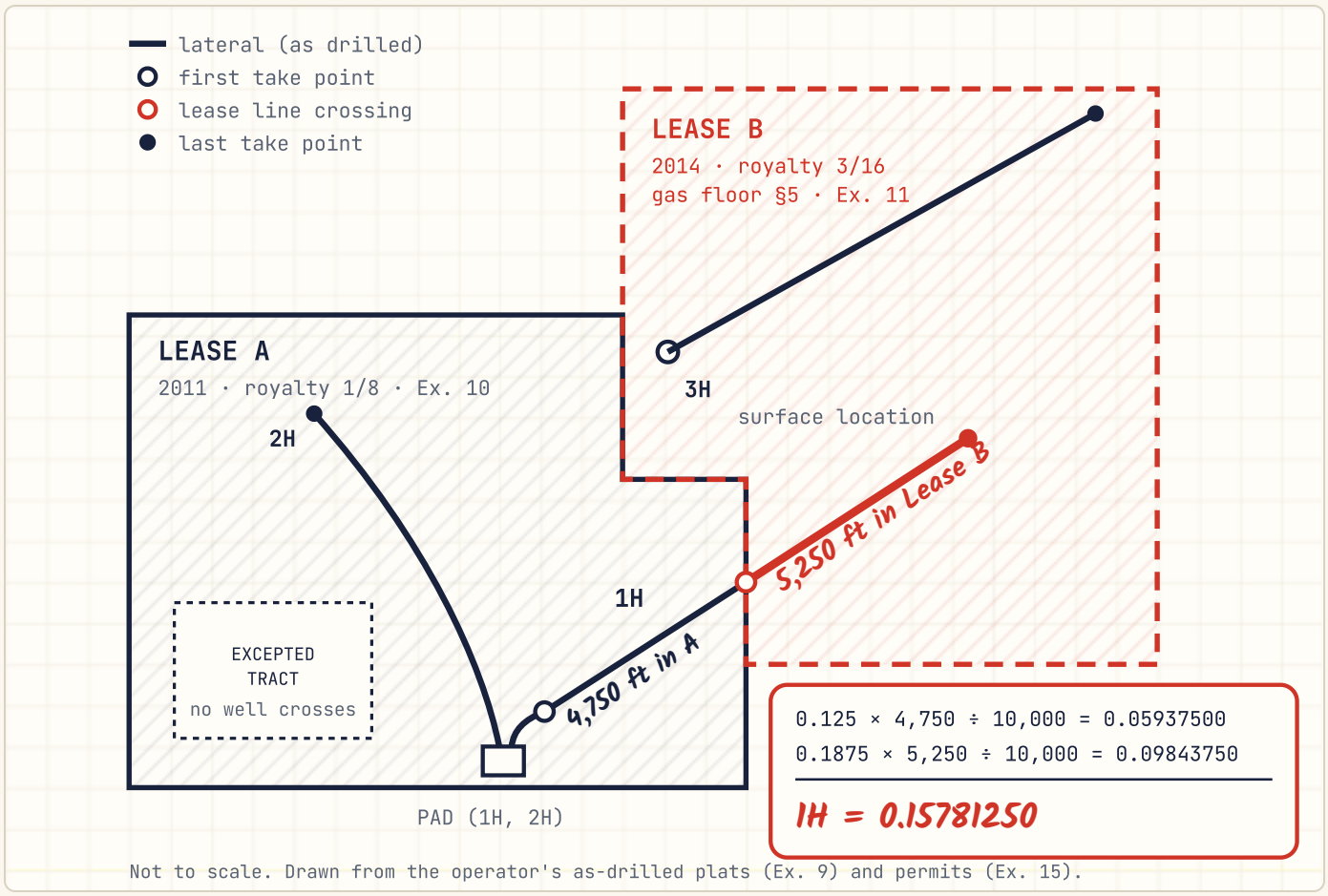
$176,699 — 3H months with no line, estimated · 4 lines · item 3

The four missing 3H lines are most of the money. They are an estimate until the operator answers.

3 · LEASE-BOUNDARY MAP

Where each well sits, and the decimal that follows

The trust owns the minerals under both leases. 2H stays in Lease A and 3H stays in Lease B. 1H is permitted as an allocation well: its productive lateral, from the first take point to the last, starts in Lease A and finishes in Lease B, so its decimal depends on how much of it lies in each lease. The plats put 5,250 of its 10,000 feet, 52.5%, in Lease B. The division order uses an even split.



Decimals, well by well

Well	First sales	Lateral ft	In Lease A	In Lease B	From the plats	On the statements	Gap	Source
1H	Nov 2025	10,000	4,750	5,250	0.15781250	0.15625000	0.00156250	Ex. 9 p.1 · Ex. 14 p.1
2H	Nov 2025	10,400	10,400	0	0.12500000	0.12500000	✓	Ex. 9 p.2 · Ex. 14 p.2
3H	Dec 2025	9,800	0	9,800	0.18750000	0.18750000	✓	Ex. 9 p.3 · Ex. 14 p.3

Each decimal = the lease's royalty × the share of the productive lateral (first to last take point) in that lease, summed over the leases the well crosses. This assumes the trust owns all the minerals under both leases with no other burdens, and that 1H's permit allocates by lateral length (Ex. 15). Where a pooled unit or a production sharing agreement sets another basis, that basis governs. API numbers are written 42-XXX-XXXXX in this sample.

4 · ITEM 1 OF 3, WITH ITS EVIDENCE

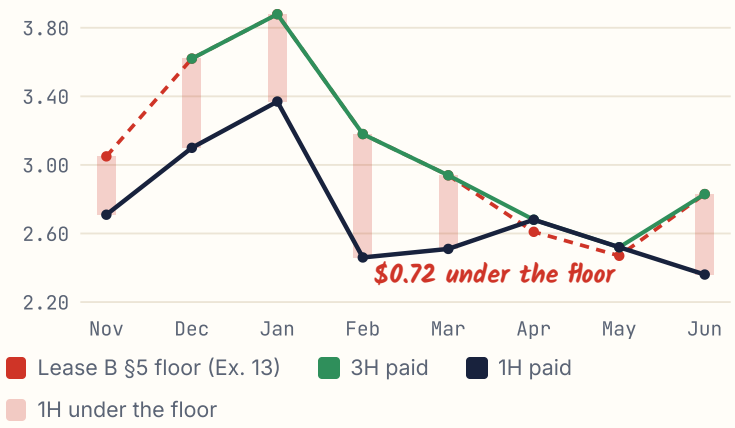
1H is paid under Lease B's price floor

Lease B §5 sets a floor under the gas price. The operator honors it on 3H, which lies wholly in Lease B. On 1H, whose lateral is 52.5% in Lease B, it pays the lower field price on the whole well in 6 of 8 months.

$8,125

6 lines · rows 2, 4, 6, 8, 10, 16

GAS PRICE PAID VS THE LEASE B FLOOR, $/MMBTU



THE MATH, FEB 2026

28,630 MMBtu (1H gas, Ex. 4)
× 0.09843750 Lease B share (Ex. 9)
× ($3.18 floor - $2.46 paid)
× (1 - 7.5% severance tax)

= $1,876.96 for the month

Six months like it: Nov, Dec, Jan, Feb, Mar, Jun. Total $8,124.62.

The evidence

MADE-UP EXHIBIT

SAMPLE OPERATING CO. · OWNER REVENUE STATEMENT **CHECK APR 2026**

Owner 000000 · SAMPLE FAMILY MINERAL TRUST

Pg	Property	Month	Prod	Mcf	MMBtu	Price	Decimal	Net value
p.2	SAMPLE 1H	02/26	GAS	23,661	28,630	2.46	0.15625000	10,179.31
p.2	SAMPLE 2H	02/26	GAS	20,278	24,536	2.46	0.12500000	6,978.96
p.3	SAMPLE 3H	02/26	GAS	19,146	23,167	3.18	0.18750000	12,777.32

Ex. 4, pp. 2-3

Same month, same gas: 3H gets the floor ($3.18). 1H gets $2.46 on its Lease B share too.

MADE-UP EXHIBIT

LEASE B **PAGE 3**

5. Price of gas. Royalty on gas shall be computed on the price Lessee receives, but never on less than the first-of-month index price published for the month of production at the delivery point named in this lease, per MMBtu.

6. No deductions. Lessor's royalty bears no part of the costs of gathering, compression, treating, transportation or marketing, but bears its share of severance taxes.

Ex. 11, §5-§6 · index Ex. 13

What the letter asks (item 1): show how §5 is applied to 1H's Lease B share for each of those months, and adjust.

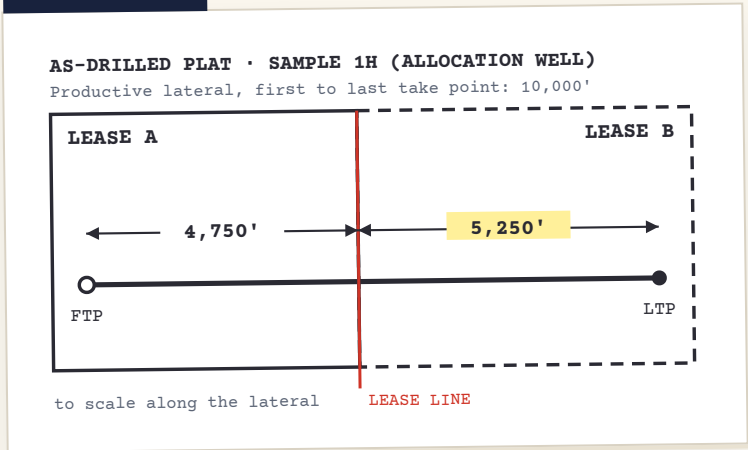
4 · ITEM 2 OF 3, WITH ITS EVIDENCE

1H's decimal is a 50/50 split, not the plats

1H's productive lateral runs 4,750 feet in Lease A and 5,250 in Lease B. The division order and every statement pay it as if the split were even.

$8,212
16 lines · every 1H line, rows 1-16

MADE-UP EXHIBIT



Ex. 9, p.1 · take points from the permit, Ex. 15

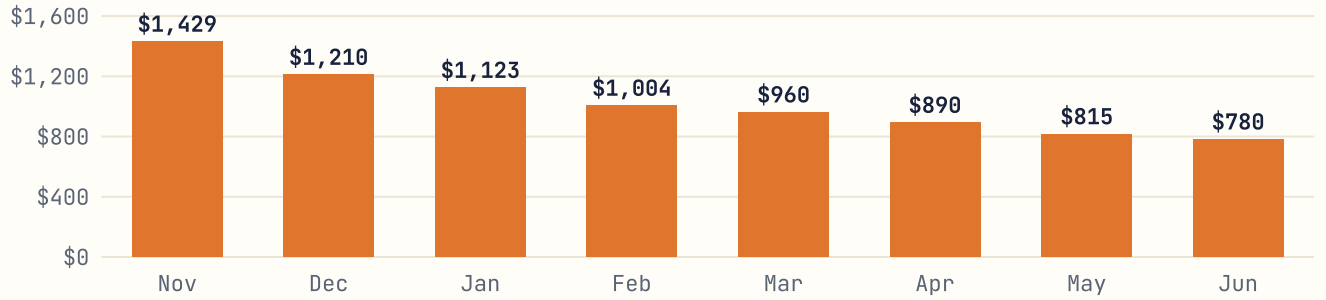
THE MATH

Lease A	0.125 × 4,750 ÷ 10,000	0.05937500
Lease B	0.1875 × 5,250 ÷ 10,000	0.09843750
From the plat		**0.15781250**
On the statements		0.15625000

0.00156250 short, every 1H line

1.0% of the trust's 1H revenue, oil and gas, from first sales.

THE DECIMAL GAP, MONTH BY MONTH, 1H OIL AND GAS



Smaller each month as 1H declines; it never closes until the decimal is fixed. On the six floor months the floor part is counted in item 1, not here.

MADE-UP EXHIBIT

DIVISION ORDER — **SAMPLE OPERATING CO.**

Property	**SAMPLE 1H** · API 42-XXX-XXXXX
Owner	SAMPLE FAMILY MINERAL TRUST · 000000
Type of interest	RI (royalty)
Decimal interest	**0.15625000**
Effective	first sales, Nov 2025

= an even split of 1/8 and 3/16. The plat gives 0.15781250.

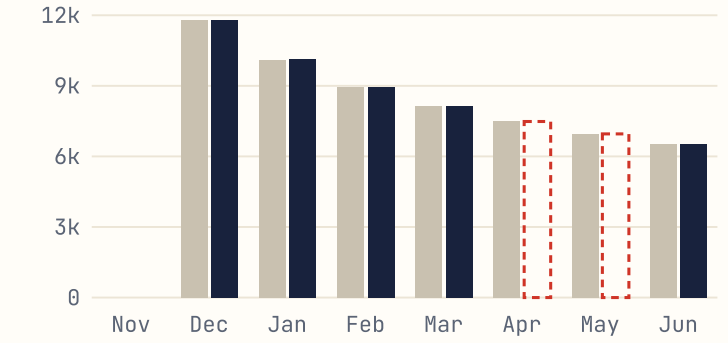
Ex. 14, p.1

> **What the letter asks (item 2):** the basis for the decimal, including any production sharing or allocation terms; if the plat governs, correct the division order and adjust from first sales.

3H shows no payment for April or May 2026

The operator reported 3H oil and gas sold in April and May 2026. No statement through the August check pays the trust for either month, though 3H was paid the months before and after.

$176,699
4 lines · rows 41-44, estimated



THE ESTIMATE

state volume × 0.18750000 × the other wells' price that month × (1 - severance tax); gas: state mcf × 1.21 = MMBtu

Apr oil	7,480 bbl	$62.40	$83,490.26
Apr gas	20,086 MMBtu	$2.68	$9,336.22
May oil	6,960 bbl	$60.70	$75,569.68
May gas	18,997 MMBtu	$2.52	$8,302.88

= $176,699.04

An estimate, kept apart from the 42 statement lines. The operator's answer settles it.

The evidence

MADE-UP EXHIBIT

SAMPLE 3H · DISPOSITION — STATE

Month	Oil, bbl	Gas, mcf	Disposition
Dec 2025	11,800	24,200	SOLD
Jan 2026	10,100	21,300	SOLD
Feb 2026	8,950	19,300	SOLD
Mar 2026	8,130	17,800	SOLD
Apr 2026	7,480	16,600	SOLD ← sold
May 2026	6,960	15,700	SOLD
Jun 2026	6,530	14,900	SOLD

Ex. 12 · reported by the operator

MADE-UP EXHIBITS

3H ON EACH CHECK — EX. 2-8

Check	Exhibit	Production	3H line
Feb 2026	Ex. 2	3H, Dec 2025	paid
Mar 2026	Ex. 3	3H, Jan 2026	paid
Apr 2026	Ex. 4	3H, Feb 2026	paid
May 2026	Ex. 5	3H, Mar 2026	paid
Jun 2026	Ex. 6	3H, Apr 2026	NO LINE
Jul 2026	Ex. 7	3H, May 2026	NO LINE
Aug 2026	Ex. 8	3H, Jun 2026	paid

Paid before and after: why not these two months?

> **What the letter asks (item 3):** whether the proceeds are held in suspense and on what basis under §91.402(b), what releases them, and any interest §91.403 requires.

Every statement line against the leases, the plats and the state's records

Also in Excel, with live formulas

#	Production	Check	Well	State record	Statement	Match	Decimal paid	Decimal, plats	Price paid	Floor §5	Paid, net	Per the leases	Difference	Source
1	Nov 2025	Jan 2026	1H	14,600 bbl	14,600	100.0%	0.15625000	0.15781250	$58.90		$128,184.81	$129,466.65	$1,281.84	Ex. 1 p.2 · Ex. 9
2	Nov 2025	Jan 2026	1H	31,400 mcf	31,023	98.8%	0.15625000	0.15781250	$2.71	$3.05	$14,702.87	$16,012.02	$1,309.15	Ex. 1 p.2 · Ex. 11 §5 · Ex. 9
3	Dec 2025	Feb 2026	1H	12,400 bbl	12,375	99.8%	0.15625000	0.15781250	$57.40		$105,882.82	$106,941.65	$1,058.83	Ex. 2 p.2 · Ex. 9
4	Dec 2025	Feb 2026	1H	28,100 mcf	27,847	99.1%	0.15625000	0.15781250	$3.10	$3.62	$15,096.94	$16,843.31	$1,746.37	Ex. 2 p.2 · Ex. 11 §5 · Ex. 9
5	Jan 2026	Mar 2026	1H	10,900 bbl	10,933	100.3%	0.15625000	0.15781250	$59.80		$97,456.08	$98,430.64	$974.56	Ex. 3 p.2 · Ex. 9
6	Jan 2026	Mar 2026	1H	25,600 mcf	25,242	98.6%	0.15625000	0.15781250	$3.37	$3.88	$14,876.59	$16,443.71	$1,567.12	Ex. 3 p.2 · Ex. 11 §5 · Ex. 9
7	Feb 2026	Apr 2026	1H	9,900 bbl	9,890	99.9%	0.15625000	0.15781250	$61.20		$90,222.76	$91,124.99	$902.23	Ex. 4 p.2 · Ex. 9
8	Feb 2026	Apr 2026	1H	23,900 mcf	23,661	99.0%	0.15625000	0.15781250	$2.46	$3.18	$10,179.31	$12,158.07	$1,978.76	Ex. 4 p.2 · Ex. 11 §5 · Ex. 9
9	Mar 2026	May 2026	1H	9,150 bbl	9,168	100.2%	0.15625000	0.15781250	$63.10		$86,232.78	$87,095.10	$862.32	Ex. 5 p.2 · Ex. 9
10	Mar 2026	May 2026	1H	22,600 mcf	22,306	98.7%	0.15625000	0.15781250	$2.51	$2.94	$9,791.26	$10,945.92	$1,154.66	Ex. 5 p.2 · Ex. 11 §5 · Ex. 9
11	Apr 2026	Jun 2026	1H	8,520 bbl	8,494	99.7%	0.15625000	0.15781250	$62.40		$79,006.94	$79,797.01	$790.07	Ex. 6 p.2 · Ex. 9
12	Apr 2026	Jun 2026	1H	21,500 mcf	21,328	99.2%	0.15625000	0.15781250	$2.68	$2.61	$9,996.18	$10,096.14	$99.96	Ex. 6 p.2 · Ex. 9
13	May 2026	Jul 2026	1H	8,010 bbl	8,018	100.1%	0.15625000	0.15781250	$60.70		$72,547.62	$73,273.09	$725.47	Ex. 7 p.2 · Ex. 9
14	May 2026	Jul 2026	1H	20,600 mcf	20,373	98.9%	0.15625000	0.15781250	$2.52	$2.47	$8,978.36	$9,068.14	$89.78	Ex. 7 p.2 · Ex. 9
15	Jun 2026	Aug 2026	1H	7,590 bbl	7,582	99.9%	0.15625000	0.15781250	$61.90		$69,958.88	$70,658.47	$699.59	Ex. 8 p.2 · Ex. 9
16	Jun 2026	Aug 2026	1H	19,800 mcf	19,602	99.0%	0.15625000	0.15781250	$2.36	$2.83	$8,090.06	$9,185.99	$1,095.93	Ex. 8 p.2 · Ex. 11 §5 · Ex. 9
17	Nov 2025	Jan 2026	2H	12,900 bbl	12,881	99.9%	0.12500000	0.12500000	$58.90		$90,473.89	$90,473.89	✓	Ex. 1 p.2
18	Nov 2025	Jan 2026	2H	26,800 mcf	26,586	99.2%	0.12500000	0.12500000	$2.71		$10,079.96	$10,079.96	✓	Ex. 1 p.2
19	Dec 2025	Feb 2026	2H	11,000 bbl	10,962	99.7%	0.12500000	0.12500000	$57.40		$75,034.34	$75,034.34	✓	Ex. 2 p.2
20	Dec 2025	Feb 2026	2H	24,000 mcf	23,880	99.5%	0.12500000	0.12500000	$3.10		$10,357.05	$10,357.05	✓	Ex. 2 p.2
21	Jan 2026	Mar 2026	2H	9,720 bbl	9,735	100.2%	0.12500000	0.12500000	$59.80		$69,421.75	$69,421.75	✓	Ex. 3 p.2
22	Jan 2026	Mar 2026	2H	21,900 mcf	21,681	99.0%	0.12500000	0.12500000	$3.37		$10,222.24	$10,222.24	✓	Ex. 3 p.2
23	Feb 2026	Apr 2026	2H	8,840 bbl	8,818	99.8%	0.12500000	0.12500000	$61.20		$64,354.65	$64,354.65	✓	Ex. 4 p.2
24	Feb 2026	Apr 2026	2H	20,400 mcf	20,278	99.4%	0.12500000	0.12500000	$2.46		$6,978.96	$6,978.96	✓	Ex. 4 p.2

Every statement line against the leases, the plats and the state's records

Also in Excel, with live formulas

#	Production	Check	Well	State record	Statement	Match	Decimal paid	Decimal, plats	Price paid	Floor §5	Paid, net	Per the leases	Difference	Source
25	Mar 2026	May 2026	2H	8,170 bbl	8,174	100.0%	0.12500000	0.12500000	$63.10		$61,506.69	$61,506.69	✓	Ex. 5 p.2
26	Mar 2026	May 2026	2H	19,300 mcf	19,126	99.1%	0.12500000	0.12500000	$2.51		$6,716.24	$6,716.24	✓	Ex. 5 p.2
27	Apr 2026	Jun 2026	2H	7,610 bbl	7,576	99.6%	0.12500000	0.12500000	$62.40		$56,374.53	$56,374.53	✓	Ex. 6 p.2
28	Apr 2026	Jun 2026	2H	18,400 mcf	18,326	99.6%	0.12500000	0.12500000	$2.68		$6,871.17	$6,871.17	✓	Ex. 6 p.2
29	May 2026	Jul 2026	2H	7,160 bbl	7,156	99.9%	0.12500000	0.12500000	$60.70		$51,798.53	$51,798.53	✓	Ex. 7 p.2
30	May 2026	Jul 2026	2H	17,600 mcf	17,477	99.3%	0.12500000	0.12500000	$2.52		$6,161.71	$6,161.71	✓	Ex. 7 p.2
31	Jun 2026	Aug 2026	2H	6,790 bbl	6,773	99.7%	0.12500000	0.12500000	$61.90		$49,995.41	$49,995.41	✓	Ex. 8 p.2
32	Jun 2026	Aug 2026	2H	16,900 mcf	16,799	99.4%	0.12500000	0.12500000	$2.36		$5,546.73	$5,546.73	✓	Ex. 8 p.2
33	Dec 2025	Feb 2026	3H	11,800 bbl	11,788	99.9%	0.18750000	0.18750000	$57.40		$121,032.41	$121,032.41	✓	Ex. 2 p.3
34	Dec 2025	Feb 2026	3H	24,200 mcf	24,031	99.3%	0.18750000	0.18750000	$3.62	$3.62	$18,256.44	$18,256.44	✓	Ex. 2 p.3
35	Jan 2026	Mar 2026	3H	10,100 bbl	10,140	100.4%	0.18750000	0.18750000	$59.80		$108,464.79	$108,464.79	✓	Ex. 3 p.3
36	Jan 2026	Mar 2026	3H	21,300 mcf	21,044	98.8%	0.18750000	0.18750000	$3.88	$3.88	$17,135.01	$17,135.01	✓	Ex. 3 p.3
37	Feb 2026	Apr 2026	3H	8,950 bbl	8,950	100.0%	0.18750000	0.18750000	$61.20		$97,976.99	$97,976.99	✓	Ex. 4 p.3
38	Feb 2026	Apr 2026	3H	19,300 mcf	19,146	99.2%	0.18750000	0.18750000	$3.18	$3.18	$12,777.32	$12,777.32	✓	Ex. 4 p.3
39	Mar 2026	May 2026	3H	8,130 bbl	8,154	100.3%	0.18750000	0.18750000	$63.10		$92,034.30	$92,034.30	✓	Ex. 5 p.3
40	Mar 2026	May 2026	3H	17,800 mcf	17,604	98.9%	0.18750000	0.18750000	$2.94	$2.94	$10,861.51	$10,861.51	✓	Ex. 5 p.3
41	Apr 2026	Jun 2026	3H	7,480 bbl	—	—	—	0.18750000	*est. $62.40*		$0.00	$83,490.26	$83,490.26	Ex. 12 · none in Ex. 6-8
42	Apr 2026	Jun 2026	3H	16,600 mcf	—	—	—	0.18750000	*est. $2.68*	$2.61	$0.00	$9,336.22	$9,336.22	Ex. 12 · none in Ex. 6-8
43	May 2026	Jul 2026	3H	6,960 bbl	—	—	—	0.18750000	*est. $60.70*		$0.00	$75,569.68	$75,569.68	Ex. 12 · none in Ex. 7-8
44	May 2026	Jul 2026	3H	15,700 mcf	—	—	—	0.18750000	*est. $2.52*	$2.47	$0.00	$8,302.88	$8,302.88	Ex. 12 · none in Ex. 7-8
45	Jun 2026	Aug 2026	3H	6,530 bbl	6,530	100.0%	0.18750000	0.18750000	$61.90		$72,302.53	$72,302.53	✓	Ex. 8 p.3
46	Jun 2026	Aug 2026	3H	14,900 mcf	14,781	99.2%	0.18750000	0.18750000	$2.83	$2.83	$8,778.46	$8,778.46	✓	Ex. 8 p.3
Total: 42 statement lines and 4 estimated, Nov 2025 to Jun 2026 production											**$1,962,717.87**	**$2,155,753.55**	$193,035.68	

1H is paid under Lease B's floor. Ask why.
3H sold in April and May. No 3H line on any statement.

Of the $193,035.68: $8,124.62 is the §5 floor on 1H's Lease B gas (rows 2, 4, 6, 8, 10, 16), $8,212.02 the 1H decimal on rows 1-16, and $176,699.04 the estimate on rows 41-44; the Excel file splits every line. Oil in barrels. Gas in mcf on the statements, paid per MMBtu at 1.21 MMBtu per mcf, rounded to whole MMBtu on each line. "Per the leases" values each line at the plat decimal and, on Lease B gas, at no less than the §5 floor, net of severance tax at the standard state rates; each line is rounded to the cent. Rows 41-44 use the state's volumes and, marked est., the prices paid on the other wells that month.

DRAFT FOR COUNSEL'S REVIEW

6 · LETTER FOR THE OPERATOR

[Date]

Sample Operating Co.
Attn: Owner Relations and Division Orders
[Address]

> Re: Owner no. 000000, Sample Family Mineral Trust
> Sample 1H, Sample 2H and Sample 3H (API 42-XXX-XXXXX)
> Lease A (Ex. 10) and Lease B (Ex. 11)

Dear Owner Relations,

We write for the Sample Family Mineral Trust. We have compared the trust's statements for November 2025 through June 2026 production (Ex. 1-8) with the leases, your as-drilled plats and division orders, and the production and disposition reports filed with the Railroad Commission of Texas. Most lines match. Three points do not, and we ask you to explain or correct each one.

1. **Sample 1H, gas price on the Lease B share.** Lease B §5 provides that royalty on gas is computed on a price not less than the index named in that section (Ex. 11 §5, Ex. 13). Sample 3H, which lies wholly in Lease B, is paid the higher of the field price and that index every month it is paid. The Lease B share of 1H gas is paid the lower field price in Nov 2025, Dec 2025, Jan 2026, Feb 2026, Mar 2026 and Jun 2026 (Ex. 1-5 and Ex. 8, page 2). Please show how §5 is applied to 1H's Lease B share for each of those months, and adjust. On our figures the difference is $8,125.
2. **Sample 1H decimal.** The 1H division order and every statement use 0.15625000 (Ex. 14 p.1). That is what an even split between Lease A and Lease B gives. Your as-drilled plat shows 5,250 of the 10,000 feet of 1H's productive lateral, first to last take point, in Lease B and 4,750 in Lease A (Ex. 9 p.1, Ex. 15). Lease A's royalty of 1/8 and Lease B's of 3/16 then give 0.15781250. Please send the basis for the decimal you use, including any production sharing or allocation terms. If the plat governs, please correct the division order and adjust from first sales. On our figures the difference to date is $8,212.
3. **Sample 3H, April and May 2026 production.** Your reports to the Commission show oil and gas sold from 3H in both months (Ex. 12). You paid 3H for December 2025 through March 2026 and for June 2026 (Ex. 2-5, Ex. 8 p.3), but no statement through the August 2026 check carries a 3H line for April or May (Ex. 6-8). Please tell us whether these proceeds are held in suspense and, if so, on what basis under Texas Natural Resources Code §91.402(b), and what is needed to release them. If they are payable, please release them with any interest that §91.403 requires. At the state's volumes and the prices paid on the other wells, we estimate the trust's share at $176,699.

DRAFT FOR COUNSEL'S REVIEW

For each item, please send the documents behind your answer: the price calculation for each month, the allocation basis and survey used for 1H, and any suspense notice for 3H.

A schedule of every statement line we compared, with its source page, is enclosed (Attachment A). We would be glad to walk through it with your team. Please reply within 30 days to the address below.

Sincerely,

[Name]
[For the Sample Family Mineral Trust, or its counsel]
[Address · email · phone]

Enclosure: Attachment A, well-by-month schedule (42 statement lines and 4 estimated).

[Note for counsel: if this letter is to serve as the written notice of nonpayment under §91.404, send it by certified mail.]

AFTER THE LETTER GOES OUT

When the operator answers, send us the reply. We check every figure in it against the same records and tell you, item by item, what the answer settles and what it leaves open. That reading is part of the review.

Prepared by Royalty Clerk for review by the owner's counsel before it is sent. Royalty Clerk is a public-records software tool, not a law firm, and does not give legal advice.

THE LEASE CLAUSES USED (MADE-UP TEXT)

Lease A §3, Lease B §3. Royalty of 1/8 (Lease A) and 3/16 (Lease B) of the oil and gas produced and sold from the leased premises.

Lease B §5. Royalty on gas shall be computed on the price Lessee receives, but never on less than the first-of-month index price published for the month of production at the delivery point named in this lease, per MMBtu (Ex. 13).

Lease B §6. Lessor's royalty bears no part of the costs of gathering, compression, treating, transportation or marketing, but bears its share of severance taxes.

WHAT THE REVIEW ASSUMES

- The trust owns all the minerals under both leases, with no other royalty or overriding burden.
- 1H's permit allocates its production by productive lateral in each lease (Ex. 15). A pooled unit or production sharing agreement would set its own basis.
- Each well is its own Railroad Commission reporting lease, as allocation wells usually are. Where one lease reports several wells, the review says how production was split.
- A match is oil within 0.5% and gas within 1.5% of the state's volumes.
- The two 3H months are an estimate, shown apart from the 42 statement lines.

Where every number comes from

Exhibit	Record	From
Ex. 1-8	Check statements, January to August 2026 checks (November 2025 to June 2026 production)	provided by the trust
Ex. 9	As-drilled plats for Sample 1H, 2H and 3H	operator, through the trust
Ex. 10	Lease A (2011), royalty 1/8 (§3)	county records
Ex. 11	Lease B (2014), royalty 3/16 (§3), §5 gas price floor, §6 no deductions	county records
Ex. 12	Production and disposition reports, Nov 2025 to Jun 2026	Railroad Commission
Ex. 13	Monthly index prices named in Lease B §5	published index
Ex. 14	Division orders for 1H, 2H and 3H	provided by the trust
Ex. 15	Drilling permits and completion reports with take points	Railroad Commission

In this sample the exhibits are listed, and pages 5 to 7 show made-up extracts of the ones behind each item. A real review attaches every exhibit in full, page-numbered.

How the review was done

1. Every line of every statement was read and filed by well, product and production month (42 lines), and the lines were added up to each check's total.
2. Each line was matched to the operator's own report to the Railroad Commission for that well and month. Months the state shows sold with no statement line were added as estimates.
3. The leases were read clause by clause for royalty, price, deductions and excepted land. The clauses that can move money were turned into rules.
4. Each well's decimal was worked out from the plats, and each line was valued the way the leases call for.
5. Every difference was checked by hand against its exhibit page before it went into the summary or the letter.

Limits

The differences here are differences on the statements, not a finding that money is owed. An operator can have a reason a public record does not show, such as a title question, a pending correction or a term in an agreement we have not seen. The letter asks for those reasons. We are not lawyers and this is not legal advice. Your counsel decides what to send and what to claim.

A YEAR OF WATCH PLUS

Each new statement for these wells is checked the month it arrives. Each of the 3 items stays open until it is answered.

FOR A REAL CASE, SEND

The statements you have, the leases, any division orders and plats, and any letters from the operator. Send only what you already have. We get the state's records ourselves.

THE FEE

One flat quote, agreed in writing before work starts, the same whatever we find. We never take a share of a recovery.

To ask about a case: reply to our email, or write to support@royaltyclerk.com.