



FOR IMMEDIATE RELEASE
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Bayswater Enters Sale Agreement for DJ Basin Assets

DENVER—Bayswater Exploration and Production (Bayswater), a Denver-based oil and natural gas development company, is pleased to announce it has entered into an agreement to sell assets in the Denver Julesburg Basin (DJ Basin) to Prairie Operating Co. (Nasdaq: PROP), in a cash and stock transaction valued at approximately \$603 million.

“Today’s agreement represents the culmination of years of work by our talented and dedicated DJ Basin team,” said Steve Struna, President & CEO of Bayswater “Bayswater has been operating in the DJ Basin since 2009. We are proud of the high-quality asset we have built, our reputation as a responsible operator, and the positive impact we have had in surrounding Weld County communities.”

The sale includes (approximately) 24,000 leased acres, 300 producing horizontal wells on 30 pads, and 25,000 barrels of oil equivalent per day (BOED). Also included is nine newly drilled but not yet completed horizontal wells, and a Bayswater operated saltwater disposal system.

Bayswater is privately capitalized with a business model that is designed to acquire, develop, and subsequently monetize assets with the goal of an accretive return of capital to investors. The firm of Davis Graham was Bayswater’s legal advisor for the transaction.

Bayswater remains committed to Colorado and operating in the DJ Basin. Following this transaction, Bayswater will retain and operate 70 horizontal wells producing approximately 18,000 BOED and currently has one rig actively drilling on the remaining position. Additionally, Bayswater holds 50,000 acres in the Northern Midland Basin in Texas that is under active development, including 140 horizontal wells producing approximately 20,000 BOED, a large saltwater disposal system, and Tejon Treating and Carbon Solutions—a Bayswater affiliate owned gas gathering and treating business in the Midland Basin. These Texas assets were unaffected by this transaction.

“This sale is a key part in the natural lifecycle of our business. I am grateful to all my Bayswater field and office colleagues, our vendors, suppliers, and local community stakeholders,” said Struna. “We remain committed to operating in the DJ Basin and look forward to rebuilding our Colorado footprint with newly raised capital and continuing to responsibly produce Colorado oil and natural gas—the cleanest energy molecules on the planet.”

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Bayswater is a privately held oil and natural gas development company with operations in Colorado and Texas, employing multiple best-in-class practices focused on reducing the air, land, and water impacts of their operations. Bayswater is committed to responsible energy development and the belief that the development of oil and natural gas resources and the stewardship of a pristine, sustainable environment are not mutually exclusive. To learn more, visit www.bayswater.us.



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