



KING OPERATING CORPORATION



Salazar Capital
Ventures

ENERGY NOW

SCV ENERGY FUND I

Contact

Benjamin J. Salazar
Managing Partner
Salazar Capital Ventures
ben@salazarcapitalventures.com
www.salazarcapitalventures.com



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BENJAMIN JACQUES SALAZAR FOUNDER & CEO OF SCV

Salazar Capital Ventures (SCV) is a capital advisory and investment firm that offers exclusive alternative investment opportunities, primarily in energy, natural resources, and technology, to its investor base. Over a 20+ year career as an energy, commercial and venture banker and investor, Founder and CEO Benjamin J. Salazar has held leadership positions at the world's major banks, including Citi, Morgan Stanley, Wells Fargo, and BBVA. For SCV's first energy fund, he is proud to partner with long-time oil & gas operator King Operating in Dallas and their KOP III fund, which builds on their track record of excellence, while offering investors of SCV preferential economics of 70/30 carried interest, and a lower entry.

King Operating Corp. presents a \$125 million investment opportunity (KOP III) led by industry veteran Jay R. Young, whose legacy encompasses over \$5 billion in drilling and completions experience across multiple basins. As Founder and CEO of King Operating Corp. and Amazon #1 Best-Selling author of "The Upside of Oil and Gas Investing," Jay brings 50 years of investing experience to a team with over 200 years of combined oil and gas expertise.

SCV Energy Fund 1 Overview

SCV Energy Fund 1 is SCV's flagship investment vehicle. This fund focuses on acquiring, developing, and divesting producing oil and gas assets in the most prolific basin in Texas and the US, the Permian Basin, which contributes more than 40% of US crude oil production. SCV capitalizes on this dominance. The fund is structured to provide investors with monthly distributions, long-term capital appreciation, and a 75+ percent tax deduction in the first year alone, due to the favorable tax treatment of IDC.

50 YEARS

Direct energy investment experience guiding portfolio strategy & execution.

\$5B

Total drilling & completion operations successfully executed.

200 YEARS

Combined team expertise in oil and gas development & operations.



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Investment Strategy

SCV Energy Fund 1 is a diversified oil and natural gas fund that prioritizes investments in producing wells to generate immediate returns. Additionally, the fund selectively allocates capital to exploratory projects that present long-term upside, as well as the drilling of wells with a high percentage of natural gas. This varied approach allows investors to benefit from recurring income while participating in the appreciation of newly developed and varied assets.

Market Insights and Trends

- **Global Demand for Oil & Gas** - Energy demand is projected to grow by 20% by 2030, ensuring long-term relevance for oil & gas.
- **Texas Energy Leadership** - The Permian Basin alone produces over 5 million barrels of oil per day, solidifying Texas' role as a global energy hub.
- **Technological Advancements** - Horizontal drilling and hydraulic fracturing continue to unlock new reserves, enhancing production efficiency and profitability.

Risk Management

- **Asset Diversification** - The fund invests in multiple wells and sites, and in production of both oil and natural gas, to reduce exposure to underperforming assets.
- **Hedging Strategies** - SCV works with experienced operators who hedge production to minimize the impact of fluctuating commodity prices.
- **Exit Planning** - The fund targets a 3 to 5-year investment horizon with planned asset sales to maximize investor returns.

Frequently Asked Questions

Why should investors invest via SCV and SCV Energy Fund 1, rather than via the KOP III fund?

SCV investors get a greater economic benefit, not only with a lower minimum of \$50,000 vs. \$200,000, but also by receiving a greater carried interest split of 65/35, rather than 60/40.

When will investors receive distributions? K-1s?

Distributions of passive income have already started! Typically they begin within two months of the investment, Operations works diligently to provide K-1s to investors by end of March/April..

How does this fund compare to real estate or municipal bonds?

Oil and gas investments provide larger upfront tax deductions, faster cash flow, and higher returns compared to traditional tax-efficient investments.

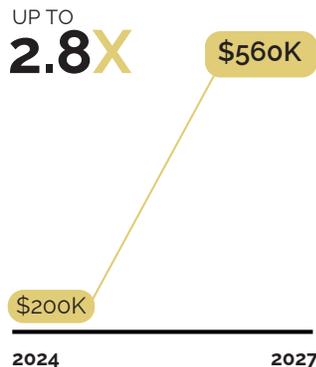


SCV ENERGY FUND I

OUR PROGRAM

Achieve Value in 3 Ways

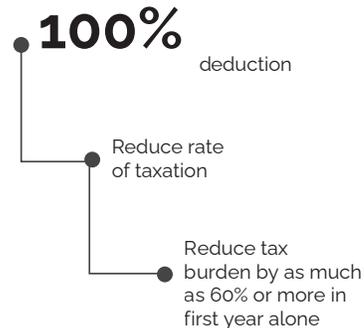
MULTIPLE ON EXIT



MONTHLY PASSIVE INCOME

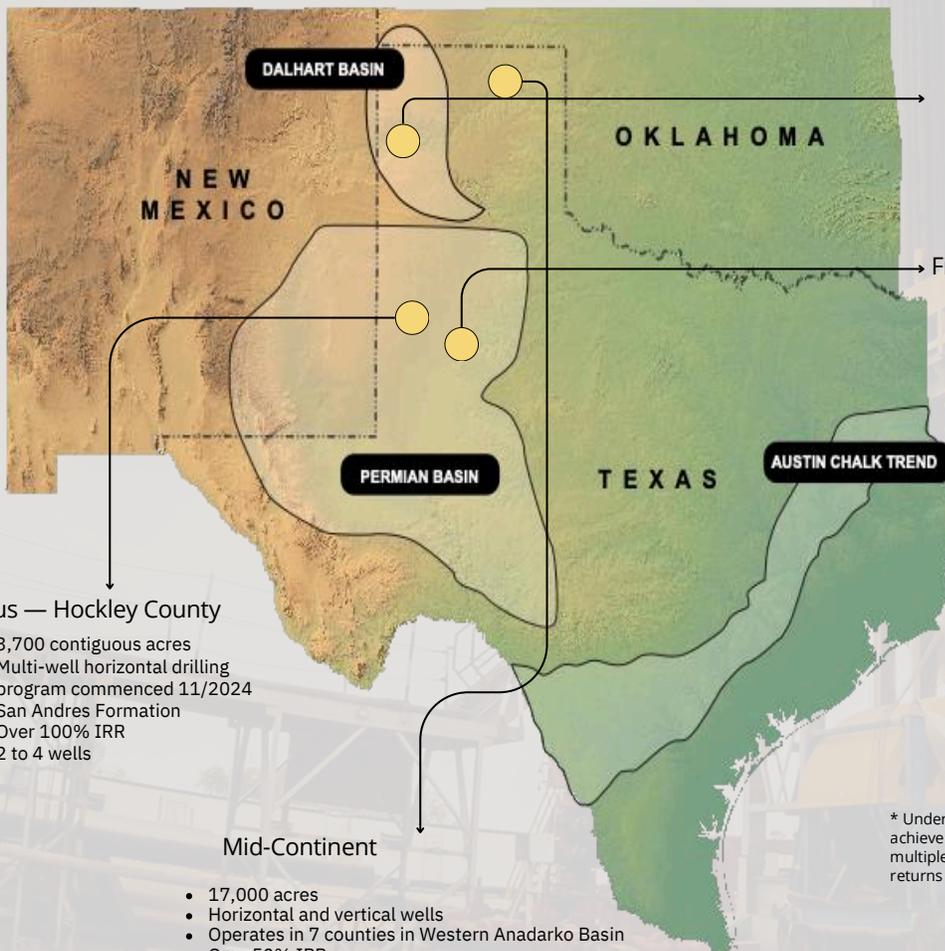


REDUCE TAX BURDEN



OUR PROSPECTS

Targeted Drilling Prospects



Sunlight — Bivens Ranch

- Over 60,000 contiguous acres
- Multi-well horizontal drilling program commencing 12/2024
- 348-square-mile 3D license and infrastructure
- Canyon Lime Formation
- Over 100% IRR
- Up to 4 wells

Fisher County

- Currently partnering in 4 wells with Browning and Cholla
- Reviewing additional acreage in the area
- Goen Limestone Formation
- Over 90% IRR

Vesuvius — Hockley County

- 3,700 contiguous acres
- Multi-well horizontal drilling program commenced 11/2024
- San Andres Formation
- Over 100% IRR
- 2 to 4 wells

Mid-Continent

- 17,000 acres
- Horizontal and vertical wells
- Operates in 7 counties in Western Anadarko Basin
- Over 50% IRR
- 2 to 4 wells

* Underwriting Assumptions: We target prospects that achieve 25% IRR (Internal Rate of Return) and a 3x multiple. If we can do that, then these are the potential returns at a portfolio level.