

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2022 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	▶ ☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	▶ ☐

Part II	Basic Plan Information —enter all requested information
1a Name of plan CIMARRON ENERGY, INC. SAVINGS AND INVESTMENT PLAN	1b Three-digit plan number (PN) ▶ 002
	1c Effective date of plan 02/17/2015
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) CIMARRON ENERGY, INC. 12120 WICKCHESTER LN SUITE 400 HOUSTON, TX 77079	2b Employer Identification Number (EIN) 26-0639252 2c Plan Sponsor's telephone number 405-928-7373 2d Business code (see instructions) 333200

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/16/2023	RYA STONE
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2022)
v. 220413

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:		4b EIN	
a Sponsor's name		4d PN	
c Plan Name			
5 Total number of participants at the beginning of the plan year		5	564
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year		6a(1)	366
a(2) Total number of active participants at the end of the plan year		6a(2)	404
b Retired or separated participants receiving benefits		6b	0
c Other retired or separated participants entitled to future benefits.....		6c	182
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	586
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	0
f Total. Add lines 6d and 6e		6f	586
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g	548
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....		6h	0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2F 2G 2E 2J 2K 2S 2T 3D			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply)		9b Plan benefit arrangement (check all that apply)	
(1) ☐ Insurance		(1) ☐ Insurance	
(2) ☐ Code section 412(e)(3) insurance contracts		(2) ☐ Code section 412(e)(3) insurance contracts	
(3) ☒ Trust		(3) ☒ Trust	
(4) ☐ General assets of the sponsor		(4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules		b General Schedules	
(1) ☒ R (Retirement Plan Information)		(1) ☒ H (Financial Information)	
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary		(2) ☐ I (Financial Information – Small Plan)	
(3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		(3) ☐ 0 A (Insurance Information)	
		(4) ☒ C (Service Provider Information)	
		(5) ☒ D (DFE/Participating Plan Information)	
		(6) ☐ G (Financial Transaction Schedules)	

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2022 Form M-1 annual report. If the plan was not required to file the 2022 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2022
		This Form is Open to Public Inspection.

For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan CIMARRON ENERGY, INC. SAVINGS AND INVESTMENT PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 CIMARRON ENERGY, INC.	D Employer Identification Number (EIN) 26-0639252	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL
04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

LOCKTON INVESTMENT ADVISORS

20-8874282

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	36536	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

STRATEGIC ADVISORS, INC.

04-2654524

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	ADVISOR	18309	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 60 64 65	RECORDKEEPER	16989	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
COL STRAT INCOME I2 - COLUMBIA MGT PO BOX 219104 KANSAS CITY, MO 64121-9104	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DODGE & COX STOCK I - DST ASSET MA 430 W 7TH STREET STE 219432 KANSAS CITY, MO 64105	0.10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
MFS INTL NEW DISC R4 - MFS SERVICE	0.15%	
04-2865649		

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PLT HYBIRD INC Z25 801 GRAND AVE DES MOINES, IA 50309-8000	0.25%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PLT HYBIRD 2010 Z25 801 GRAND AVE DES MOINES, IA 50309-8000	0.25%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PLT HYBIRD 2015 Z25 801 GRAND AVE DES MOINES, IA 50309-8000	0.25%

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PLT HYBIRD 2020 Z25 801 GRAND AVE DES MOINES, IA 50309-8000	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PLT HYBIRD 2025 Z25 801 GRAND AVE DES MOINES, IA 50309-8000	0.25%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
PLT HYBIRD 2030 Z25 801 GRAND AVE DES MOINES, IA 50309-8000	0.25%	

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PLT HYBIRD 2035 Z25	801 GRAND AVE DES MOINES, IA 50309-8000	0.25%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PLT HYBIRD 2040 Z25	801 GRAND AVE DES MOINES, IA 50309-8000	0.25%
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0
(d) Enter name and EIN (address) of source of indirect compensation		(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PLT HYBIRD 2045 Z25	801 GRAND AVE DES MOINES, IA 50309-8000	0.25%

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PLT HYBIRD 2050 Z25 801 GRAND AVE DES MOINES, IA 50309-8000	0.25%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
FIDELITY INVESTMENTS INSTITUTIONAL	60	0

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PLT HYBIRD 2055 Z25 801 GRAND AVE DES MOINES, IA 50309-8000	0.25%

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
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For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan CIMARRON ENERGY, INC. SAVINGS AND INVESTMENT PLAN	B Three-digit plan number (PN) ►	002
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 CIMARRON ENERGY, INC.	D Employer Identification Number (EIN) 26-0639252	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: PLT HYBIRD 2050 Z25		
b Name of sponsor of entity listed in (a): PRINCIPAL TRUST COMPANY		
c EIN-PN 26-6447574-009	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1408169
a Name of MTIA, CCT, PSA, or 103-12 IE: PLT HYBIRD 2020 Z25		
b Name of sponsor of entity listed in (a): PRINCIPAL TRUST COMPANY		
c EIN-PN 26-6447574-003	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1230846
a Name of MTIA, CCT, PSA, or 103-12 IE: PLT HYBIRD 2040 Z25		
b Name of sponsor of entity listed in (a): PRINCIPAL TRUST COMPANY		
c EIN-PN 26-6447574-007	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1365429
a Name of MTIA, CCT, PSA, or 103-12 IE: PLT HYBIRD 2055 Z25		
b Name of sponsor of entity listed in (a): PRINCIPAL TRUST COMPANY		
c EIN-PN 26-6447574-010	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1593414
a Name of MTIA, CCT, PSA, or 103-12 IE: PLT HYBIRD 2015 Z25		
b Name of sponsor of entity listed in (a): PRINCIPAL TRUST COMPANY		
c EIN-PN 26-6447574-002	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 282311
a Name of MTIA, CCT, PSA, or 103-12 IE: PLT HYBIRD INC Z25		
b Name of sponsor of entity listed in (a): PRINCIPAL TRUST COMPANY		
c EIN-PN 26-6447574-011	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 803
a Name of MTIA, CCT, PSA, or 103-12 IE: MIP CL 1		
b Name of sponsor of entity listed in (a): FIDELITY MANAGEMENT TRUST COMPANY		
c EIN-PN 04-3022712-024	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 294373

a Name of MTIA, CCT, PSA, or 103-12 IE: **PLT HYBIRD 2025 Z25**

b Name of sponsor of entity listed in (a): **PRINCIPAL TRUST COMPANY**

c EIN-PN 26-6447574-004	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1391065
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a Name of MTIA, CCT, PSA, or 103-12 IE: **PLT HYBIRD 2030 Z25**

b Name of sponsor of entity listed in (a): **PRINCIPAL TRUST COMPANY**

c EIN-PN 26-6447574-005	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2265690
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a Name of MTIA, CCT, PSA, or 103-12 IE: **PLT HYBIRD 2035 Z25**

b Name of sponsor of entity listed in (a): **PRINCIPAL TRUST COMPANY**

c EIN-PN 26-6447574-006	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1401271
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a Name of MTIA, CCT, PSA, or 103-12 IE: **PLT HYBIRD 2045 Z25**

b Name of sponsor of entity listed in (a): **PRINCIPAL TRUST COMPANY**

c EIN-PN 26-6447574-008	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1584108
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a Name of MTIA, CCT, PSA, or 103-12 IE: **PLT HYBIRD 2010 Z25**

b Name of sponsor of entity listed in (a): **PRINCIPAL TRUST COMPANY**

c EIN-PN 26-6447574-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 124518
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection
For calendar plan year 2022 or fiscal plan year beginning <u>01/01/2022</u> and ending <u>12/31/2022</u>		
A Name of plan <u>CIMARRON ENERGY, INC. SAVINGS AND INVESTMENT PLAN</u>		B Three-digit plan number (PN) <u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>CIMARRON ENERGY, INC.</u>		D Employer Identification Number (EIN) <u>26-0639252</u>

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	0
(2) Participant contributions.....	1b(2)	0	0
(3) Other.....	1b(3)	0	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	5817	6818
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common.....	1c(4)(B)	0	0
(5) Partnership/joint venture interests.....	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants).....	1c(7)	0	0
(8) Participant loans.....	1c(8)	490418	480626
(9) Value of interest in common/collective trusts.....	1c(9)	14996161	12941997
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts.....	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	5352111	4422780
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	0	0
(15) Other	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	0	0
(2) Employer real property	1d(2)	0	0
e Buildings and other property used in plan operation	1e	0	0
f Total assets (add all amounts in lines 1a through 1e)	1f	20844507	17852221

Liabilities

g Benefit claims payable	1g	0	0
h Operating payables	1h	0	0
i Acquisition indebtedness	1i	0	0
j Other liabilities	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	20844507	17852221
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	531556	
(B) Participants	2a(1)(B)	1818875	
(C) Others (including rollovers)	2a(1)(C)	828143	
(2) Noncash contributions	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		3178574
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	86	
(B) U.S. Government securities	2b(1)(B)	0	
(C) Corporate debt instruments	2b(1)(C)	0	
(D) Loans (other than to participants)	2b(1)(D)	0	
(E) Participant loans	2b(1)(E)	21787	
(F) Other	2b(1)(F)	0	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		21873
(2) Dividends: (A) Preferred stock	2b(2)(A)	0	
(B) Common stock	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	122225	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		122225
(3) Rents	2b(3)		0
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	0	
(B) Other	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		-2457671
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-1266490
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		-401489
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	2518732	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		2518732
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		231
h Interest expense	2h		0
i Administrative expenses: (1) Professional fees	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	18309	
(4) Other	2i(4)	53525	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		71834
j Total expenses. Add all expense amounts in column (b) and enter total	2j		2590797
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d	2k		-2992286
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **WEAVER AND TIDWELL L.L.P.**

(2) EIN: **75-0786316**

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

	Yes	No	Amount
4a	X		9183

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☐ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2022 This Form is Open to Public Inspection.
For calendar plan year 2022 or fiscal plan year beginning 01/01/2022 and ending 12/31/2022		
A Name of plan CIMARRON ENERGY, INC. SAVINGS AND INVESTMENT PLAN		B Three-digit plan number (PN) 002
C Plan sponsor's name as shown on line 2a of Form 5500 CIMARRON ENERGY, INC.		D Employer Identification Number (EIN) 26-0639252
Part I Distributions		
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-6568107		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....		3
Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)		
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☐ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived).....		6a
b Enter the amount contributed by the employer to the plan for this plan year.....		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☐ N/A		
Part III Amendments		
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... ☐ Increase ☐ Decrease ☐ Both ☐ No		
Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.		
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock?..... ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)..... ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?..... ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2022 v. 220413		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:		
	a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....	14a	
	b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14b	
	c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year.....	15a	
	b The corresponding number for the second preceding plan year.....	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
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18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c) a Enter the percentage of plan assets held as: Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____% b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____
20	PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20. a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation _____

October 16, 2023

Weaver and Tidwell, L.L.P.
4400 Post Oak Parkway, Suite 1100
Houston, Texas 77027

This representation letter is provided in connection with your audits of the financial statements of Cimarron Energy Inc. Savings and Investment Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2022 and 2021, and the related statements of changes in net assets available for benefits for the years ended December 31, 2022 and 2021, and the related notes to the financial statements

We have elected to have the audit of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. We acknowledge that the audit did not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier, that is regulated, supervised and subject to periodic examination by a state or federal agency, a qualified institution, that prepared and certified the investment information in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting under ERISA. We have determined that an ERISA Section 103(a)(3)(C) audit is permissible under the circumstances. We have also determined that the investment information is prepared and certified by a qualified institution as described by 29 CFR 2520.103-8, that the certification meets the requirements in 29 CFR 2520.103-5 and, that the certified investment information is appropriately measured, presented, and disclosed in accordance with accounting principles generally accepted in the United States of America (US GAAP).

Certain representations in this letter are described as being limited to matters that are material. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves as of the date of this letter, the following representations made to you during your audit:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 5, 2023, for the preparation and fair presentation of the financial statements (and disclosures) in accordance with US GAAP.
2. We acknowledge our responsibility for administering the Plan and determining the Plan's transactions that are presented and disclosed in the ERISA Plan financial statements are in conformity with the Plan provisions, including maintaining sufficient records with respect to each of the participants to determine the benefits due or which may become due to such participants.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, notes, and supplementary information that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable. The methods and significant assumptions used to estimate fair values of financial instruments are disclosed in Footnote 4 of the financial statements. The methods and significant assumptions used result in a measure of fair value appropriate for financial measurement and disclosure purposes.
6. We are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services, or other third parties. Our valuation methodologies have been consistently applied from period to period. The fair value measurements reported or disclosed represent our best estimate of fair value as of the measurement date in accordance with the requirements of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, *Fair Value Measurement*. In addition, our disclosures related to fair value measurements are consistent with the objectives outlined in FASB ASC 820.
7. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of US GAAP.
8. Transactions with parties in interest, as defined in Section 3(14) of ERISA and regulations thereunder, including sales, purchases, loans transfers, leasing arrangements, and guarantees, and amounts receivable from, or payable to, related parties have been appropriately disclosed.
9. All events subsequent to the date of the financial statements and for which US GAAP requires adjustment or disclosure have been adjusted or disclosed.
10. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with US GAAP.
11. We have no intention of terminating the Plan.
12. Guarantees, whether written or oral, under which the Plan is contingently liable to a bank or other lending institution have been properly recorded or disclosed in the financial statements.
13. With respect to the non-attest service, you provided by assisting us with drafting the financial statements and supplementary information, we have performed the following:
 - a) Made all management decisions and performed all management functions;
 - b) Assigned a competent individual to oversee the services;
 - c) Evaluated the adequacy of the services performed;
 - d) Evaluated and accepted responsibility for the result for the service performed; and
 - e) Established and maintained internal controls, including monitoring ongoing activities.
14. We acknowledge our responsibility for the presentation of the ERISA-required supplementary information in accordance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. We believe the ERISA-required supplementary information, including the form and content, is fairly presented in accordance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. The methods of measurement or presentation have not changed from those used in the prior period.

Information Provided

15. We have provided you with:
 - a) Access to all information, of which we are aware that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, plan instruments, trust agreements, insurance contracts, as applicable, or investments contracts, as applicable, and amendments to such documents entered into during the year;
 - b) The most current Plan instrument for the audit period, including all amendments;
 - c) A draft of the Form 5500 that is substantially complete;
 - d) Additional information that you have requested from us for the purpose of the audit;
 - e) Unrestricted access to persons within the Plan from whom you determined it necessary to obtain audit evidence; and
 - f) All minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
16. All transactions have been recorded in the accounting records and are reflected in the financial statements.
17. The Plan or trust has satisfactory title to all owned assets that are recorded at fair value, and all liens, encumbrances, or security interest requiring disclosure in the financial statements have been properly disclosed.
18. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
19. We have no knowledge of any fraud or suspected fraud that affects the Plan and involves:
 - a) Management;
 - b) Employees who have significant roles in internal control; or
 - c) Others where fraud could have a material effect on the financial statements.
20. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the Plan's financial statements communicated by employees, former employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.
21. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing the financial statements.
22. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
23. There are no other matters (e.g., breach of fiduciary responsibilities, nonexempt transactions, loans or loans in default, events reportable to the Pension Benefit Guaranty Corporation, or events that may jeopardize the tax status) that legal counsel has advised us that must be disclosed.
24. We have disclosed to you the identity of the Plan's related parties and parties in interest and the nature of all the related party and party in interest relationships and transactions of which we are aware.
25. We have apprised you of all communications, whether written or oral, with regulatory agencies concerning the operation of the Plan.
26. The Plan has complied with all aspects of debt and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
27. All required filings with the appropriate agencies have been made.

28. The Plan (and the trust established under the Plan) is qualified under the appropriate section of the Internal Revenue Code and intends to continue as a qualified Plan (and trust). The plan sponsor has operated the Plan and trust or insurance contract in a manner that did not jeopardize this tax status.
29. The Plan has complied with the DOL's regulations concerning the timely remittance of participants' contributions to trusts containing assets for the Plan.
30. The Plan has complied with the fidelity bonding requirements of ERISA.
31. The supplementary information or financial statements disclose the following, if applicable:
- a) Non-exempt party in interest transactions (as defined in ERISA Section 3(14) and regulations under the section);
 - b) Investments or loans in default or considered to be uncollectible; and
 - c) Reportable transactions (as defined in ERISA Section 103(b)(3)(H) and regulations under that section).
32. We have reviewed the user control considerations of the Reporting on Controls at a Service Organization (SSAE 18 Report) for all significant third-party administrators (TPA) associated with our Plan for the year ended December 31, 2022. If an SSAE 18 Report for any TPA covered a period that ended prior to December 31, 2022, we have also obtained and reviewed gap or bridge letter(s) stating that during the gap period, there have been no significant changes or planned changes in the internal controls described in the SSAE 18 Report. We believe all applicable controls are in place.
33. Required nondiscrimination testing related to Code Section 401(k) and 401(m) arrangements, as applicable, has been completed for the Plan, and any excess deferrals or contributions have been disposed of in accordance with regulations.
34. There have been no cybersecurity breaches or other cyber events whose effects should be considered for disclosure in the financial statements, as a basis for recording a loss contingency, or otherwise considered when preparing the financial statements.
35. We have taken into account all relevant information of which we are aware for significant accounting estimates.
36. We are not aware of any events subsequent to the date of the financial statements that require adjustment to our accounting estimates and disclosures included in the financial statements.

Rya Stone

Rya Stone
Vice President, Human Resources
Cimarron Energy Inc.

Norma Osorio
HRIS/Payroll Manager
Cimarron Energy Inc.

Signature: *Rya Stone*

Email: rstone@cimarron.com

2023 WT DC ERISA 103a3C Mgmt Rep Letter.pdf

Final Audit Report

2023-10-16

Created:	2023-10-16
By:	Renee Alexander (ralexander@cimarronenergy.com)
Status:	Signed
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-  Document created by Renee Alexander (ralexander@cimarronenergy.com)
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-  Document emailed to Rya Stone (rstone@cimarron.com) for signature
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Cimarron Energy Inc.

(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Consolidated Financial Statements

Years Ended December 31, 2022 and 2021

Cimarron Energy Inc.

(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Consolidated Financial Statements

Years Ended December 31, 2022 and 2021

Cimarron Energy Inc.
(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

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Independent Auditor's Report

To the Board of Managers
and Members of Cimarron Energy Holding Company, LLC
Houston, Texas

Opinion

We have audited the consolidated financial statements of Cimarron Energy Inc. (the "Company"), which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the related consolidated statements of operations, stockholder's equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the consolidated financial statements, the Company has adopted Financial Accounting Standards Board (FASB) Accounting Standard Codification (ASC) Topic No. 842, Leases (ASC 842), on January 1, 2022. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are issued or available to be issued.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

BDO USA, LLP

Dallas, Texas
April 27, 2023

Consolidated Financial Statements

Cimarron Energy Inc.
(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Consolidated Balance Sheets

<i>December 31,</i>	2022	2021
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,694,371	\$ 2,769,503
Accounts receivable, net of allowance for doubtful accounts of \$546,565 and \$795,183, respectively	29,684,918	22,154,646
Contract assets, net	1,988,713	1,790,389
Inventory, net	41,696,460	23,905,805
Prepaid expenses, net	1,539,056	2,639,771
Total Current Assets	77,603,518	53,260,114
Property, Plant, and Equipment, Net	17,103,806	11,464,303
Assets held for sale	-	2,101,011
Goodwill, net	8,782,820	12,816,233
Intangibles, net	7,109,743	9,694,791
Other assets	257,550	369,159
Total Assets	\$ 110,857,437	\$ 89,705,611
Liabilities and Stockholder's Equity		
Current Liabilities		
Accounts payable	\$ 16,987,738	\$ 15,069,359
Accrued expenses	6,939,179	2,133,774
Contract liabilities	32,242,511	9,072,904
Deferred revenue	-	528,000
Deferred tax liability	532,840	536,300
Current maturities of capital lease	590,848	307,856
Total Current Liabilities	57,293,116	27,648,193
Long-term capital lease, less current maturities	3,301,180	110,861
Long-term debt, net	21,252,846	26,586,041
Long-term operating leases	3,061,138	-
Total Liabilities	84,908,280	54,345,095
Stockholder's Equity		
Common stock; \$.001 par value; 1,000 shares authorized, issued and outstanding	1	1
Additional paid-in capital	156,273,718	156,273,718
Accumulated deficit	(130,264,991)	(120,981,468)
Accumulated other comprehensive loss	(59,571)	68,265
Total Stockholder's Equity	25,949,157	35,360,516
Total Liabilities and Stockholder's Equity	\$ 110,857,437	\$ 89,705,611

See accompanying notes to consolidated financial statements.

Cimarron Energy Inc.
(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Consolidated Statements of Operations

<i>For the years ended December 31,</i>	2022	2021
Net Sales	\$ 134,314,477	\$ 107,470,428
Cost of Sales	105,739,924	87,538,927
Gross Margin	28,574,553	19,931,501
Operating Expenses		
Selling, general and administrative	26,726,928	22,703,366
Depreciation and amortization	9,312,671	9,920,849
Loss (gain) on disposal of fixed assets	75,828	(65,436)
Total Operating Expenses	36,115,427	32,558,779
Loss from Operations	(7,540,874)	(12,627,278)
Other (Income) Expense		
Interest expense	2,511,969	1,804,168
Forgiveness of PPP loans	-	(9,282,666)
Gain on foreign currency transactions	(189,075)	(15,283)
Gain on Sale Leaseback	(747,222)	-
Other expense (income), net	16,451	(345,254)
Total Other Expenses (Income)	1,592,123	(7,839,035)
Loss, before income tax expense	(9,132,997)	(4,788,243)
Income Tax Expense	150,526	322,352
Net Loss	\$ (9,283,523)	\$ (5,110,595)
Other Comprehensive Loss		
Foreign currency translation (loss) gain	(127,836)	68,265
Comprehensive Loss	\$ (9,411,359)	\$ (5,042,330)

See accompanying notes to consolidated financial statements.

Cimarron Energy Inc.
(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Consolidated Statements of Stockholder's Equity

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (loss)	Total
	Shares	Amount				
Balance, December 31, 2020	1,000	\$ 1	\$ 156,273,718	\$(115,870,873)	\$ -	\$ 40,402,846
Net loss	-	-	-	(5,110,595)	68,265	(5,042,330)
Balance, December 31, 2021	1,000	1	156,273,718	(120,981,468)	68,265	35,360,516
Net loss	-	-	-	(9,283,523)	(127,836)	(9,411,359)
Balance, December 31, 2022	1,000	\$ 1	\$ 156,273,718	\$(130,264,991)	\$ (59,571)	\$ 25,949,157

See accompanying notes to consolidated financial statements.

Cimarron Energy Inc.
(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Consolidated Statements of Cash Flows

<i>For the years ended December 31,</i>	2022	2021
Cash Flows from Operating Activities		
Net loss	\$ (9,283,523)	\$ (5,110,595)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	9,312,671	9,920,849
Amortization of deferred financing fees	189,920	367,885
Provision for doubtful accounts	80,376	110,248
Noncash rent expense	2,228,255	-
Forgiveness of PPP loans	-	(9,282,666)
Loss (gain) on disposal of fixed assets	75,828	(65,436)
Gain on sale-leaseback transaction	(747,222)	-
Changes in operating assets and liabilities:		
Accounts receivable and contract assets	(7,915,094)	(2,711,809)
Inventory	(17,764,899)	(3,193,797)
Prepaid expenses and other assets	1,277,891	(1,086,390)
Accounts payable and accrued expenses	5,008,170	362,599
Deferred revenue and contract liabilities	22,670,542	5,813,846
Change in lease liability	(1,459,406)	-
Net Cash Provided by (Used in) Operating Activities	3,673,509	(4,875,266)
Cash Flows from Investing Activities		
Capital expenditures	(2,615,463)	(1,134,610)
Proceeds from sale of assets	2,018,900	83,637
Net Cash Used in Investing Activities	(596,563)	(1,050,973)
Cash Flows from Financing Activities		
Payments on capital leases	(1,015,000)	(541,384)
Payments on long-term debt	-	(869,448)
(Payments on) proceeds from revolver, net	(5,523,115)	7,000,000
Proceeds from "failed" sale-leaseback	3,711,870	-
Payment of deferred financing fees	-	(206,932)
Net Cash (Used in) Provided by Financing Activities	(2,826,245)	5,382,236
Net Increase (Decrease) in Cash and Cash Equivalents	250,701	(544,003)
Effect of Exchange Rates on Cash and Cash Equivalents	(325,833)	-
Cash and Cash Equivalents, beginning of year	2,769,503	3,313,506
Cash and Cash Equivalents, end of year	\$ 2,694,371	\$ 2,769,503
Supplemental Cash Flow Information		
Cash paid for interest	\$ 2,269,162	\$ 1,508,852
Cash paid for taxes	77,187	230,969
Operating lease right-of-use assets obtained in exchange for lease liabilities	7,193,000	-

See accompanying notes to consolidated financial statements.

Cimarron Energy Inc.
(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Notes to Consolidated Financial Statements

1. Organization and Significant Accounting Policies

Description of the Company

Cimarron Energy Inc. (Cimarron or the Company), a Delaware Corporation, designs and manufactures engineered environmental, production, and process equipment for the upstream, midstream and downstream energy industries. Products are sold primarily to energy asset and infrastructure owners throughout the United States, as well as in certain international markets. Cimarron is a wholly owned subsidiary of Cimarron Energy Holding Company, LLC.

Organization and Principles of Consolidation

The Company prepares its consolidated financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The consolidated financial statements include the accounts of Cimarron Energy Inc. and its wholly owned subsidiaries (the Company). All intercompany accounts and transactions have been eliminated in consolidation.

Accounting Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents. The Company places its cash and cash equivalents with financial institutions that are insured by the Federal Deposit Insurance Company ("FDIC"). The Company maintains deposits in banks which from time-to-time may exceed the amount of deposit insurance available. Management assesses the financial condition of the institutions and believes that any possible credit loss would be minimal.

Fair Value of Financial Instruments

The carrying amounts of financial instruments including cash and cash equivalents, trade accounts receivable, accounts payable, and deferred revenue approximate fair value because of the relatively short maturity of these instruments. The carrying value of debt approximates fair value as the stated interest rates are at market rates.

Accounts Receivable

Accounts receivable are reported at their outstanding unpaid principal balances net of allowances for uncollectible accounts. The Company provides for an allowance for doubtful accounts, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Accounts receivable are ordinarily due 30 days after the issuance of the invoice. Delinquent receivables are written off against the allowance for doubtful accounts based on individual credit evaluation and specific circumstances of the customer.

Cimarron Energy Inc.
(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Notes to Consolidated Financial Statements

Contract Assets and Liabilities

Contract assets represent revenue recognized in excess of amounts billed and include unbilled receivables and contract work in progress. Unbilled receivables, which represent an unconditional right to payment subject only to the passage of time, are recognized as accounts receivable when they are billed under the terms of the contract. Advances that are payments on account of contract assets are deducted from contract assets. We anticipate that substantially all incurred cost associated with contract assets as of December 31, 2022 will be billed and collected within one year. Contract liabilities represent amounts billed to clients in excess of revenue recognized to date.

Inventory

Inventories are stated at the lower of cost (using standard costs, which approximate the first-in, first-out method) or market. The Company has established a reserve for slow-moving and obsolete inventory of \$9,275,743 and \$12,652,311 at December 31, 2022 and 2021, respectively.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost, net of accumulated depreciation and amortization. Depreciation and amortization is computed using the straight-line method over the following estimated useful lives:

Asset Category	Useful Life (Years)
Buildings and improvements	5 - 25
Leasehold improvements	5-15 or lease term whichever is shorter
Vehicles and trailers	5
Furniture and fixtures	5 - 9
Machinery and equipment	3 - 15
Computers, equipment and purchased software	3 - 5

Disposals are removed at cost less accumulated depreciation with the resulting gain or loss being reflected in operations. Expenditures for maintenance and repairs are charged to expense as incurred. Leasehold and land improvements totaling \$1,838,923 and \$1,746,361 at December 31, 2022 and 2021, respectively, were included in Buildings and Improvements.

Long-Lived Assets, Intangible Assets, and Goodwill

Purchased intangible assets included on the balance sheets are comprised of customer base, backlogs, developed technologies, non-compete agreements, and trade names. Such intangible assets are being amortized using the straight-line method over the estimated useful lives of the assets ranging from 1 to 10 years. The Company records impairment losses on long-lived assets, including identifiable intangible assets, when events or changes in circumstances indicate that the assets might be impaired and the undiscounted projected cash flows associated with those assets are less than their carrying amount. In those situations, impairment loss on a long-lived asset is measured based on the excess of the carrying amount of the asset over the asset's fair value.

Cimarron Energy Inc.
(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Notes to Consolidated Financial Statements

Goodwill is the excess of the Company's purchase price over the fair value of net assets acquired. As permitted by ASU 2014-02, *Intangibles - Goodwill and Other*, the Company has elected to amortize goodwill on a straight-line basis over 10 years beginning at the inception date. Further, the Company has elected to test goodwill for impairment at the entity level should a triggering event occur. No impairment was recognized for the years ended December 31, 2022 and 2021.

Asset Held for Sale

Assets held for sale are held at the lower of their carrying value or net realizable value. This consisted of the Company's Newcastle facility, which was subject to a sale leaseback transaction that closed on February 9, 2022 as further described in Note 6.

Deferred Financing Fees

Debt issuance costs related to the Wilmington Trust term loan and the PNC credit facility are presented as a direct deduction from the carrying amount of the related debt on the balance sheet. Deferred financing fees related to the term loan are amortized using the effective interest method and included in interest expense on the statement of operations. Deferred financing fees related to the revolving credit facility are amortized on a straight-line basis and included in interest expense on the statements of operations. Amortization of deferred financing fees for the years ended December 31, 2022 and 2021 totaled \$189,920 and \$367,885, respectively. Balance of deferred financing fees were \$98,972 and \$288,893 at December 31, 2022 and 2021, respectively.

Revenue Recognition

Revenue is recognized using the five-step model prescribed under ASC 606, *Revenue from Contracts with Customers*:

1) Identify the contract with a customer

A contract with a customer exists when (i) the Company enters into an enforceable contract with a customer that defines each party's rights regarding the services to be transferred and identifies the payment terms related to these services, (ii) the contract has commercial substance and, (iii) the Company determines that collection of substantially all consideration for services that are transferred is probable based on the customer's intent and ability to pay the promised consideration. The Company applies judgment in determining the customer's ability and intention to pay, which is based on a variety of factors including the customer's historical payment experience or, in the case of a new customer, published credit and financial information pertaining to the customer.

2) Identify the performance obligations in the contract

Performance obligations promised in a contract are identified based on the services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the service either on its own or together with other resources that are readily available from third parties or from the Company, and are distinct in the context of the contract, whereby the transfer of the services is separately identifiable from other promises in the contract. To the extent a contract includes multiple promised services, the Company must apply judgment to determine whether promised services are capable of being distinct in the context of the contract. If these criteria are not met the promised services are accounted for as a combined performance obligation.

Cimarron Energy Inc.
(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Notes to Consolidated Financial Statements

3) *Determine the transaction price*

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring services to the customer.

4) *Allocate the transaction price to performance obligations in the contract*

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. However, if a series of distinct services that are substantially the same qualifies as a single performance obligation in a contract with variable consideration, the Company must determine if the variable consideration is attributable to the entire contract or to a specific part of the contract. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price basis unless the transaction price is variable and meets the criteria to be allocated entirely to a performance obligation or to a distinct service that forms part of a single performance obligation.

The Company determines standalone selling price based on the price at which the performance obligation is sold separately. If the standalone selling price is not observable through past transactions, the Company estimates the standalone selling price taking into account available information such as market conditions and internally approved pricing guidelines related to the performance obligations.

5) *Recognize revenue when or as the Company satisfies a performance obligation*

The Company satisfies performance obligations either over time or at a point in time. Revenue is recognized at the time the related performance obligation is satisfied by transferring a promised service to a customer.

Products or Equipment Sales

The Company generates product or equipment revenue from the sale of oil and natural gas processing and environmental equipment. Revenue is generally recognized at point in time upon shipment to the customer as that is when the customer obtains control of the promised good, unless the customer agrees to a bill and hold at which time notification of unit readiness triggers transfer of ownership, risk of loss, and reward to the customer.

The Company's product offerings also include highly customized equipment for which revenues are recognized over a period of time. The cost-to-cost percentage of completion method is used to measure progress as it best depicts how control transfers to our customers. The cost-to-cost approach measures progress towards completion based on the ratio of contract cost incurred to date compared to total estimated contract cost. Costs of revenue include materials and labor utilized to create the performance obligation. Changes to total estimated contract costs, if any, are recognized in the period in which they are determined as assessed at the contract level. Customer payment terms are typically within 30 to 45 days of billing, depending on the contract.

Field Services

The Company generates field service revenue from mechanical repairs and maintenance on oil and natural gas processing and environmental equipment to customers. Revenue is recognized over time as the Company performs the service and the customer simultaneously receives the benefits of such service.

Cimarron Energy Inc.
(a wholly owned subsidiary of Cimarron Energy Holding Company, LLC)

Notes to Consolidated Financial Statements

Rental/Contract Services

The Company generates rental contract service revenue from rental agreements of oil and natural gas environmental equipment to customers. Revenue is recognized monthly as the equipment is utilized by the customer during the predetermined contract period.

The following table shows that Company's revenues disaggregated according to the timing of transfer of goods or services:

<i>Years ended December 31,</i>	2022	2021
Product or equipment sales (point in time)	\$ 96,170,245	\$ 66,305,460
Product or equipment sales (over time)	14,547,098	20,158,299
Field services (over time)	20,978,609	19,223,439
Rental contract services (over time)	2,618,525	1,783,230
Total Revenue	\$ 134,314,477	\$ 107,470,428

At December 31, 2022, the Company had uncompleted contracts in progress totaling \$61,910,854. Information with respect to those uncompleted contracts is summarized as follows:

Costs incurred on uncompleted contracts	\$ 32,947,108
Estimated earnings on uncompleted contracts	6,897,661
Total Costs and Estimated Earnings to Date on Uncompleted Contracts	39,844,769
Less progress billings to date	(70,098,567)
	\$ (30,253,798)

Included in the accompanying December 31, 2022 consolidated balance sheets:

Costs and estimated earnings in excess of billings on uncompleted contracts, net	\$ 1,988,713
Billings in excess of costs and estimated earnings on uncompleted contracts, net	(32,242,511)
	\$ (30,253,798)

Costs and estimated earnings in excess of billings on uncompleted contracts, net, were \$1,988,713 at December 31, 2022 and included in contract assets. Billings in excess of costs and estimated earnings on uncompleted contracts, net, were \$32,242,511 at December 31, 2022 and are recorded in contract liabilities. Costs and estimated earnings in excess of billings on uncompleted contracts, net, were \$1,790,389 at December 31, 2021 and included in contract assets. Billings in excess of costs and estimated earnings on uncompleted contracts, net, were \$9,072,904 at December 31, 2021 and are recorded in contract liabilities.

Income Taxes

Uncertainty in income taxes is accounted for under ASC 740, *Income taxes*. The statement prescribes a comprehensive financial statement model of how a company should recognize, measure, present, and disclose uncertain tax positions that the company has taken or expects to take in its income tax returns. Guidance is also provided on de-recognition, classification, interest and penalties, interim accounting, and disclosure. Per the statement, only income tax benefits that meet the "more likely

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than not” recognition threshold should be recognized or continue to be recognized on the effective date.

No material uncertain income tax positions were identified as of December 31, 2022 or 2021 that would have a material effect on the Company’s financial position, results of operations or cash flows.

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which these temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Concentrations

The Company’s primary customers include large upstream, midstream and downstream energy companies. For the year ended December 31, 2022, one customer accounted for 21% of the Company’s revenues and 20% of the Company’s outstanding receivables at December 31, 2022. For the year ended December 31, 2021, one customer accounted for 22% of the Company’s revenues and 19% of the Company’s outstanding receivables at December 31, 2021.

Foreign Currency

The Company’s foreign subsidiaries utilize their local currency as their functional currency. The financial statements of these foreign subsidiaries are translated into U.S. dollars at period end exchange rates, except for revenues and expenses, which are translated at average daily exchange rates for the year. The resulting translation adjustment is recorded as other comprehensive income.

Comprehensive Loss

Comprehensive loss presented in the consolidated statements of operations and comprehensive loss of foreign currency translation adjustments from exchange rate differences.

Leases

The Company determines whether an arrangement contains a lease at inception by determining if the contract conveys the right to control the use of identified property, plant, or equipment for a period of time in exchange for consideration and other facts and circumstances. The Company has operating and finance leases for real estate, transportation equipment, industrial equipment vehicles, and office equipment .

ROU assets represent the Company’s right to use an underlying asset for the lease term and lease liabilities represent the Company’s obligation to make lease payments arising from a lease. ROU assets are calculated based on the lease liability adjusted for any lease payments paid to the lessor at or before the commencement date and initial direct costs incurred by the Company and excludes any lease incentives received from the lessor. Lease liabilities are recognized based on the present value of lease payments over the lease term. The Company utilizes the implicit rate when readily determinable. However, as the lessee, the Company typically cannot determine the implicit rate interest rate in a lease and therefore, uses the risk-free rate based on the information available at the commencement date in determining the present value of future payments.

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Lease expense for operating leases is recognized on a straight-line basis over the term of the lease. Lease expense for fixed lease payments on finance leases is recognized using the effective interest method. Variable lease payments are the portion of lease payments that are not fixed over the lease term. Variable lease payments are expensed as incurred, and include certain non-lease components, such as maintenance and other services provided by the lessor, and other charges included in the lease, as applicable. The Company elected to combine lease and non-lease components as a single lease component for all asset classes, and to apply the election to short-term leases, which are defined as leases with an initial term of twelve months or less, by not recognizing a corresponding ROU asset and lease liability for short-term leases on its consolidated balance sheets.

Lease expense for operating leases is recorded within selling, general, and administrative expenses within the consolidated statements of operations. Amortization expense associated with finance leases and the related interest component is recorded within the interest expense line item of the statements of operations. Please refer to the supplemental information within Note 6 - Leases for additional information.

Warranty Liability

The Company warrants certain products against manufacturing and other defects. These product warranties are provided for specific periods of time from the date of sale. The accrued product warranty costs are based primarily on historical warranty claims as well as current information on anticipated repair costs.

Reclassifications

Certain reclassifications were made to the 2021 consolidated financial statements to conform to 2022 consolidated financial statement presentation. These reclassifications did not have an impact on previously reported results.

Recently Adopted Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, "Leases," ("ASU 2016-02"), with amendments in 2018, 2019, and 2020 (collectively, "ASC 842") which amends the accounting for leases, requiring lessees to recognize most leases on their balance sheet with a right-of-use ("ROU") asset and a lease liability and disclose key quantitative and qualitative information about leasing arrangements. Leases will be classified as either finance or operating leases, which will impact the expense recognition of such leases over the lease term. This guidance also expands the required quantitative and qualitative disclosures for leasing arrangements and gives rise to other changes impacting certain aspects of lessee and lessor accounting. The two permitted transition methods under the guidance are the modified retrospective transition approach, which requires application of the guidance for all comparative periods, and the cumulative effect adjustment approach, which requires prospective application from the adoption date. Originally, ASC 842 was to be effective for private entities for annual reporting periods beginning after December 15, 2019, however, two subsequent delays were issued by the FASB delaying the implementation of ASC 842 for these entities for reporting periods commencing after December 15, 2021.

The Company implemented ASC 842 as of January 1, 2022, under the cumulative effect transition method. Under this transition method, financial statements for periods after the adoption date are presented in accordance with ASC 842 and prior-period financial statements continue to be presented in accordance with ASC 840, the accounting standard originally in effect for such periods. The election of the package of practical expedients relieves the Company of the need to reassess its prior conclusions about lease identification, lease classification and initial direct costs under the

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new standard. Additionally, the Company did not elect the use of the hindsight expedient to assess lease term for leases active as of January 1, 2022. The Company's operating leases resulted in the recognition of additional assets and the corresponding liabilities on its consolidated balance sheets, however it did not have a material impact on the consolidated statements of operations or cash flows for the twelve months ended December 31, 2022. As a result of the adoption of ASC 842, the Company recorded ROU assets of approximately \$7.4 million, and lease liabilities of approximately \$8.8 million, as of December 31, 2022.

Recent Accounting Pronouncements

On June 16, 2016, the FASB issued Accounting Standards Update No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, which requires organizations to measure all expected credit losses for financial instruments held at the reporting date. One of the changes made in this Update was intended to simplify the accounting for acquired financial assets that have experienced credit deterioration since origination. After the issuance of the Update, the Board received feedback that accounting for acquired financial assets remained complex and that there were potential consequences of the accounting model in place under CECL. This standard is effective January 1, 2023, and the Company is currently evaluating the impact it will have on our consolidated financial statements.

2. Inventory

Inventories, net consisted of the following:

<i>December 31,</i>	2022	2021
Raw materials	\$ 37,556,411	\$ 27,638,084
Work in process	9,759,750	4,180,106
Finished units	3,656,042	4,739,926
Inventory reserve	(9,275,743)	(12,652,311)
	\$ 41,696,460	\$ 23,905,805

3. Property, Plant, and Equipment

Property, plant, and equipment consisted of the following:

<i>December 31,</i>	2022	2021
Buildings and improvements	\$ 6,119,080	\$ 6,842,665
Machinery and equipment	8,908,376	8,429,770
Rental fleet	12,184,387	12,364,831
Land	400,000	240,000
Vehicles and trailers	6,862,952	6,022,070
Furniture and fixtures	793,472	793,746
Computer equipment and purchased software	3,718,129	3,302,152
Right-of-Use Operating Assets	4,964,745	-
Total Property, Plant, and Equipment	43,951,141	37,995,234
Less accumulated depreciation	(26,847,335)	(26,530,931)
Total Property, Plant, and Equipment, Net	\$ 17,103,806	\$ 11,464,303

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Depreciation expense for the years ended December 31, 2022 and 2021 totaled \$2,694,210 and \$3,232,001, respectively.

4. Goodwill and Intangible Assets

Goodwill consisted of the following:

<i>December 31,</i>	2022	2021
Goodwill	\$ 40,978,020	\$ 40,978,020
Accumulated amortization	(32,195,200)	(28,161,787)
	\$ 8,782,820	\$ 12,816,233

Amortization expense for goodwill for each of the years ended December 31, 2022 and 2021 was \$4,162,191 and \$4,162,191. Amortization of goodwill is estimated to be \$4,097,802 per year for the next two years and \$587,216 in year three.

Intangible assets consisted of the following:

<i>December 31,</i>	2022	2021
Customer base intangible	\$ 15,600,000	\$ 15,600,000
Backlog intangible	700,000	700,000
Leasehold	379,000	379,000
Developed technologies intangible	7,051,483	7,051,483
Non-compete agreements	5,700,000	5,700,000
Trade names	2,820,000	2,820,000
Total Intangible Assets	32,250,483	32,250,483
Less accumulated amortization	(25,140,740)	(22,555,692)
Intangible Assets, Net	\$ 7,109,743	\$ 9,694,791

Amortization expense for intangible assets for the years ended December 31, 2022 and 2021 totaled \$2,585,048 and \$2,526,657, respectively.

Estimated amortization expense for intangible assets for the next five years, as of December 31, 2022, is as follows:

Years ending December 31	Amount
2023	\$ 2,585,048
2024	2,585,048
2025	1,718,036
2026	179,149
2027	42,462
Total	\$ 7,109,743

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5. Long-Term Debt

Long-term debt consisted of the following:

<i>December 31,</i>	2022	2021
Wilmington Trust term loan	\$ 15,000,000	\$ 15,000,000
PNC Asset Based Lending (ABL) revolver	6,351,818	11,874,934
Total	21,351,818	26,874,934
Less deferred financing fees	(98,972)	(288,893)
Long-Term Debt, net	\$21,252,846	\$26,586,041

Term Loan

On December 15, 2014, the Company entered into a five-year term loan facility with Wilmington Trust. The original face amount of the note was \$50,000,000, with additional incremental commitments of up to \$20,000,000. The incremental commitment may be accessed until December 15, 2016 and use of the incremental borrowing is limited to permitted acquisitions. As of December 31, 2016, access to incremental borrowings was suspended. Proceeds from the term loan were used to fund the initial purchase of the Company. The five-year term loan agreement had a floating interest rate of LIBOR plus 7.75% per year and was collateralized by all of the assets of the Company.

The Credit Agreement governing the Term Loan facility was amended four separate times during the period of 2015 through 2017. In this series of Amendments, covenants were altered, certain waivers of defaults were granted, the interest rate increased, and an ability for the Company to pay interest in-kind (PIK) was added. Additionally, one of the Amendments updated the agreement to include the acquired assets from the Diverse Energy acquisition completed in early 2016. Further, equity contributions from the Company's investors were made during these several years of weak operating performance and completed acquisitions.

On September 30, 2018, Cimarron entered into a Restructuring/Amended Credit Agreement on the outstanding Term Loan balance of \$51,732,004 (principal and PIK interest). The Restructuring Agreement included a capital contribution from Parent Company (from sale of Parent Company common shares to the Term Loan Creditor) of \$16,600,000 which was used as follows:

- Pay down of Term Loan \$10,000,000.
- Pay down on the Amegy Bank Revolver \$4,500,000.
- Working capital for the Company of \$2,100,000.

The Term Loan balance was further reduced to \$15.0 million at restated interest rate of 9% by the issuance of Parent Company Stock Appreciations Rights to the Term Loan Creditor. The Parent Company Stock Appreciation Rights were valued at \$16.4 million and was recorded as capital infusion to the Company.

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The Restructuring Agreement was accounted for under the Troubled Debt Restructuring rules in 2018. The difference between the book value of the Term Loan after the \$10 million payout over the sum of the value of the Stock Appreciation Rights and the remaining debt of \$15 million and future interests was recorded as additional equity considering the Term Loan Creditor was a related party. Such difference amounted to \$7.5 million. The term loan has a financial covenant to maintain a minimum liquidity of \$3.5 million at each quarter end.

In December 2021, the Credit Agreement was amended extending the maturity date to December 31, 2024. As of December 31, 2022, the interest rate on the Term Loan was 10%.

Credit Facilities

On July 1, 2019, Cimarron Energy and PNC Bank, NA entered into a revolving credit and security agreement to help finance the acquisition of Hybon/EDI. The new credit facility provided up to \$35,000,000 of availability based on the borrowing base of the period-end AR and inventory value. The initial pricing on borrowings under the PNC facility were LIBOR plus 3.25%. The primary debt covenant in the PNC facility is maintenance of a Fixed Charge Coverage Ratio (FCCR) above 1.00.

An amendment to the PNC credit agreement was entered on April 30, 2020 providing, among other items, PNC's consent to the acquisition, a reduction of the facility to \$30 million, affirmation of the June 2022 maturity subject to earlier termination if the Term Loan is set to mature, and deferring required compliance with the FCCR covenant until March 31, 2021. In June 2021, another amendment was finalized suspending the FCCR until September 30, 2021 at which time it would begin to build to a TTM FCCR of 1.10 and incorporating the previously held-for-divestiture downstream segment's assets into the borrowing base. In December 2021, the credit facility was amended extending the maturity to June 30, 2024 and lowering minimum liquidity availability covenant to \$5,000,000.

As of December 31, 2022, the Company had a \$6,351,818 loan balance under the PNC credit facility and the interest rate was 11.5%.

Payroll Protection Program Loans

On April 29, 2020, the Company received loan proceeds of \$5,432,900 under the Paycheck Protection Program (PPP) via a promissory note from its existing commercial bank, PNC. Prior to the acquisition, Aereon received \$3,849,765 under the PPP via a promissory note from its existing commercial bank, JP Morgan Chase (JPMC). Collectively, these loans are referred to as the PPP Loan. The PPP, established as part of the CARES Act, provides for loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying businesses. The loans and accrued interest may be forgivable after eight or twenty-four weeks providing that the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels.

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The application for these funds requires the Company to, in good faith, certify that the current economic uncertainty made the loan request necessary to support the ongoing operations of the Company. The receipt of these funds, and the forgiveness of the loan attendant to these funds, is dependent on the Company having initially qualified for the forgiveness of such loan based on its future adherence to the forgiveness criteria. The initial term of the Company's PPP Loan was two years.

In 2021, the Company submitted the required application and documentation to request forgiveness of the PPP loans. In August 2021, Cimarron received notification from the SBA that the \$3,849,765 loan received by Aereon was fully forgiven along with any associated interest. Shortly thereafter, Cimarron received another notification from the SBA that the \$5,432,900 loan was fully forgiven.

Aggregate future maturities of long-term debt as of December 31, 2022 are as follows:

<i>Year ending December 31</i>	<i>Amount</i>
2023	\$ -
2024	21,351,818
2025 and after	-
Total	\$ 21,351,818

6. Leases

The Company has operating and finance leases for real estate, transportation equipment, industrial equipment vehicles, and office equipment. Several of the Company's leases offer various renewals options, which are included in the lease term if the Company is reasonably certain to exercise these options. Real estate leases are comprised of corporate office space and warehouses and generally have terms ranging from two to ten years. Transportation equipment is inclusive of trucks and trailers, the lease term for these assets range from three to seven years. Industrial equipment includes forklifts, gas tanks, and other miscellaneous equipment. Industrial equipment lease terms range from five to ten years. Office equipment leases include printer and postage equipment and have terms ranging from five to six years.

In addition to currently active leases, the Company has entered into a leasing agreement for a new corporate headquarters. This lease shall commence in May 2023.

During the fiscal year the Company successfully completed a sale-leaseback transaction for its property located in Marlow, Oklahoma. Net consideration received as part of this transaction is equal to \$2.25 million, and the resulting lease has a 10 year term and will be accounted for as an operating lease. The Company recognized a gain of \$747k related to the transaction.

Additionally, the Company also engaged in a "failed" sale-leaseback transaction for its Norman, Oklahoma property. As a result, this transaction is recorded as a financing arrangement. Accordingly, the consideration received was recognized as a liability reduced by the contractual lease payments required as part of the agreement. The Company will recognize any remaining balance on the financing liability at the end of the sale-leaseback period as proceeds from the sale of the asset.

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Supplemental information for the Consolidated Statements of Financial Position related to leases was as follows (in thousands):

	<u>December 31,</u> <u>2022</u>
Assets	
Operating lease assets, net	\$ 4,965
Finance lease assets, net	<u>2,399</u>
Total lease right-of-use assets	<u>\$ 7,364</u>
Liabilities	
Current	
Operating lease liabilities	\$ 1,896
Finance lease liabilities	591
Noncurrent	
Operating lease liabilities	3,061
Finance lease liabilities	<u>3,301</u>
Total lease liabilities	<u>\$ 8,849</u>

Supplemental information for the consolidated statement of operations and comprehensive loss related to leases was as follows (in thousands):

Components of lease expense are summarized as follows (in thousands):

	<u>Year Ended</u> <u>December 31,</u> <u>2022</u>
Operating lease cost	\$ 2,366
Finance lease amortization	564
Finance lease interest	87
Short-term lease cost	-
Variable lease cost	-
Total lease cost	<u>\$ 3,017</u>

Lease term and discount rate information is summarized as follows:

	<u>Year Ended</u> <u>December 31,</u> <u>2022</u>
Weighted average remaining lease term (years)	
Operating leases	5.46 years
Finance leases	2.29 years
Weighted average discount rate	
Operating leases	4.00 %
Finance leases	4.00 %

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As of December 31, 2022, maturities of lease liabilities were as follows (in thousands):

As of December 31,	Operating Leases	Finance Leases
2023	2,038	662
2024	1,018	461
2025	444	423
2026	402	433
Thereafter	1,605	2,195
Total future minimum lease payments	\$ 5,507	4,174
Total lease liabilities	\$ 4,957	3,892
Imputed Interest	\$ 550	282

7. Income Taxes

The components of the provision for income tax expense (benefit) consisted of (in thousands):

Year ended December 31,	2022	2021
Current		
Foreign	\$ 80,642	\$ 63,810
State	69,884	258,542
Total Income Tax Expense	\$ 150,526	\$ 322,352

The provision for income tax expense differs from the amount computed by applying the U.S. federal statutory income tax rate of 21% due primarily to the impact of the movement in the valuation allowance on the deferred tax assets.

The details of deferred tax assets (liabilities) are as follows:

	2022	2021
Bad debts	\$ 141,463	\$ 206,326
Warranty expense	76,536	71,596
Inventory reserve	2,410,585	3,288,420
Accrued vacation	123,893	114,074
Incentive compensation plans	725,344	51,191
Interest expense	1,568,446	1,000,110
Net operating loss carryforwards	17,743,790	23,981,568
Property, plant, and equipment	(1,179,049)	(825,518)
Inventory adjustment	1,896,415	1,546,970
Intangible assets	(2,865,153)	(980,812)
Other	(133,700)	(91,777)
Valuation allowance	(20,508,570)	(28,362,148)
Net Deferred Tax Asset (Liability)	\$ -	\$ -

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ASC 740, Income Taxes, requires a valuation allowance to reduce the deferred tax assets reported if, based on the weight of the evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Management has determined that a valuation allowance of approximately \$20.5 million is needed against the deferred tax assets at December 31, 2022 and \$28.4 million is needed at December 31, 2021.

Net operating loss carryovers for the years ended December 31, 2022 and 2021 were approximately \$68,245,000 and \$67,370,000, respectively, and will begin to expire in 2036.

8. Stockholder's Equity

As of December 31, 2022 and 2021, there were 1,000 shares of \$.001 Par Value common stock authorized and issued and outstanding. A holder of the common stock is entitled to one vote per share, to receive dividends and, upon liquidation or dissolution, is entitled to receive all assets available for distribution. A holder has no preemptive or other subscription rights and there are no redemption or sinking fund provisions with respect to such shares.

9. Commitments and Contingencies

Operating Leases

As of December 31, 2021, the Company had property leases at Newcastle (Oklahoma), Evans (Oklahoma), Midland (Texas), and Englewood (Colorado), as well as operating leases for forklifts and file management software. Total operating lease rental expense was approximately \$3,511,136 for the year ended December 31, 2021.

Legal Proceedings

The Company is involved in certain claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's consolidated financial position, results of operations, or liquidity.

10. Retirement Plan

The Company sponsors a 401(k) Plan (the Plan), a qualified retirement savings plan under Section 401(k) of the Internal Revenue Code, covering all eligible non-bargaining unit employees. The Plan allows eligible employees to contribute a percentage of their compensation, as defined, on a pre-tax and post-tax basis subject to certain annual IRS limits. Total contributions for the years ended December 31, 2022 and 2021 were \$576,607 and \$0, respectively.

11. Related Party Transactions

Turnbridge Capital Management, LLC (Turnbridge) serves as the manager of Turnbridge Capital Partners, who are the majority equity interest holders in Cimarron Energy Holding Company, LLC. Turnbridge provides financial advisory and management services to the Company; however, management fees are not permitted under the existing credit agreements with PNC or the Term Loan lenders, and as such no management fees were paid by the Company for the years ended December 31, 2022 and 2021.

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12. Subsequent Events

In preparation of its consolidated financial statements, the Company considered subsequent events through April 27, 2023, which was the date the Company's consolidated financial statements were available to be issued.

On March 31, 2023, the Company executed an equity and debt buy out from the term loan lenders of \$15,000,000. In consideration of \$7,500,000, the Company extinguished the \$15,000,000 term loan from Wilmington Trust in addition to 8,604,586 of common shares plus 50,000,000 of stock appreciation rights which transferred to Turnbridge Capital Partners.