

Provident Royalties LEC  
 Case Number 09-33886  
 Statement of Income  
 Supplement to ACC-2  
 for the Period ended October 31, 2009

Debtor Case Number	Provident Resources I, LP 09-33887	Somerset Development Inc 09-33912	Somerset Lease Holdings Inc 09-33892	Shale Royalties II, Inc. 09-33889	Shale Royalties 3, Inc. 09-33891
OIL AND GAS INCOME	871	-	-	627	2,075
COST OF GOODS SOLD - DIRECT COST	60	531	3	73	293
GROSS PROFIT	810	(531)	(3)	554	1,782
OFFICER /INSIDER COMPENSATION	-	-	-	-	-
SELLING AND MARKETING	-	-	-	-	-
GENERAL AND ADMINISTRATION	-	-	-	-	-
RENT AND LEASE	-	-	-	-	-
NON-OPERATING INCOME	-	-	-	-	-
Interest	-	-	-	-	-
Interest Income	-	-	-	-	-
INTEREST INCOME (EXPENSE)	-	-	-	-	-
DEPRECIATION AND DEPLETION	-	-	-	-	-
REORGANIZATION EXPENSES	-	-	-	-	-
UNITED STATES TRUSTEE FEE	-	-	-	-	-
(Gain)/Loss on Sales of Assets	-	(6)	37	-	-
Federal Income Tax Expense	-	-	-	-	-
State Income Taxes	-	-	-	-	-
INCOME TAX	-	-	-	-	-
NET PROFIT	810	(525)	(40)	554	1,782

Provident Royalties LLC  
 Case Number 09-33886  
 Statement of Income  
 Supplement to ACC-2  
 for the Period ended October 31, 2009

Debtor Case Number	Shale Royalties 4, Inc. 09-33890	Shale Royalties 5, Inc. 09-33895	Shale Royalties 6, Inc. 09-33896	Shale Royalties 7, Inc. 09-33898	Shale Royalties 8, Inc. 09-33900
OIL AND GAS INCOME	1,426	(81,078)	18,175	350,075	8,391
COST OF GOODS SOLD - DIRECT COST	1,563	(2,718)	4,506	66,235	3,693
GROSS PROFIT	(137)	(78,360)	13,669	283,840	4,698
OFFICER /INSIDER COMPENSATION	-	-	-	-	-
SELLING AND MARKETING	-	-	-	-	-
GENERAL AND ADMINISTRATION	-	-	-	-	-
RENT AND LEASE	-	-	-	-	-
NON-OPERATING INCOME	-	-	-	-	-
Interest	-	-	-	-	-
Interest Income	-	-	-	-	-
INTEREST INCOME (EXPENSE)	-	-	-	-	-
DEPRECIATION AND DEPLETION	-	-	-	-	-
REORGANIZATION EXPENSES	-	-	-	-	-
UNITED STATES TRUSTEE FEE	-	-	-	-	-
(Gain)/Loss on Sales of Assets	-	-	-	-	-
Federal Income Tax Expense	-	-	-	-	-
State Income Taxes	-	-	-	-	-
INCOME TAX	-	-	-	-	-
NET PROFIT	(137)	(78,360)	13,669	283,840	4,698

Statement of Income  
 Supplement to ACC-2  
 for the Period ended October 31, 2009

Debtor Case Number	Shale Royalties 9, Inc. 09-33902	Shale Royalties 10, Inc. 09-33901	Shale Royalties 12, Inc. 09-33903	Shale Royalties 14, Inc. 09-33905	Shale Royalties 15, Inc. 09-33904
OIL AND GAS INCOME	126,967	3,374	-	53,699	1,237
COST OF GOODS SOLD - DIRECT COST	46,604	243	-	11,634	113
GROSS PROFIT	80,363	3,131	-	42,065	1,124
OFFICER /INSIDER COMPENSATION	-	-	-	-	-
SELLING AND MARKETING	-	-	-	-	-
GENERAL AND ADMINISTRATION	-	-	-	-	-
RENT AND LEASE	-	-	-	-	-
NON-OPERATING INCOME	-	-	-	-	-
Interest	-	-	-	-	-
Interest Income	-	-	-	-	-
INTEREST INCOME (EXPENSE)	-	-	-	-	-
DEPRECIATION AND DEPLETION	-	-	-	-	-
REORGANIZATION EXPENSES	-	-	-	-	-
UNITED STATES TRUSTEE FEE	-	-	-	-	-
(Gain)/Loss on Sales of Assets	-	-	-	-	-
Federal Income Tax Expense	-	-	-	-	-
State Income Taxes	-	-	-	-	-
INCOME TAX	-	-	-	-	-
NET PROFIT	80,363	3,131	-	42,065	1,124

Provident Royalties LLC  
 Case Number 09-33886  
 Statement of Income  
 Supplement to ACC-2  
 for the Period ended October 31, 2009

Debtor Case Number	Shale Royalties 16, Inc. 09-33906	Shale Royalties 17, Inc. 09-33913	Shale Royalties 18, Inc. 09-33907	Shale Royalties 19, Inc. 09-33908	Shale Royalties 20, Inc. 09-33910
OIL AND GAS INCOME	26,404	-	-	-	-
COST OF GOODS SOLD - DIRECT COST	3,230	622	-	-	-
GROSS PROFIT	23,174	(622)	-	-	-
OFFICER /INSIDER COMPENSATION	-	-	-	-	-
SELLING AND MARKETING	-	-	-	-	-
GENERAL AND ADMINISTRATION	-	-	-	-	-
RENT AND LEASE	-	-	-	-	-
NON-OPERATING INCOME	-	-	-	-	-
Interest	-	-	-	-	-
Interest Income	-	-	-	-	-
INTEREST INCOME (EXPENSE)	-	-	-	-	-
DEPRECIATION AND DEPLETION	-	-	-	-	-
REORGANIZATION EXPENSES	-	-	-	-	-
UNITED STATES TRUSTEE FEE	-	-	-	-	-
(Gain)/Loss on Sales of Assets	-	-	-	-	-
Federal Income Tax Expense	-	-	-	-	-
State Income Taxes	-	-	-	-	-
INCOME TAX	-	-	-	-	-
NET PROFIT	23,174	(622)	-	-	-

Statement of Income  
 Supplement to ACC-2  
 for the Period ended October 31, 2009

Debtor Case Number	Shale Royalties 21, Inc. 09-33909	Shale Royalties 22, Inc. 09-33911	Consolidated
OIL AND GAS INCOME	-	-	512,374
COST OF GOODS SOLD - DIRECT COST	-	-	137,134
GROSS PROFIT	-	-	375,239
OFFICER /INSIDER COMPENSATION	-	-	-
SELLING AND MARKETING	-	-	-
GENERAL AND ADMINISTRATION	-	-	302,292
RENT AND LEASE	-	-	11,274
NON-OPERATING INCOME	-	-	-
Interest	-	-	-
Interest Income	-	-	-
INTEREST INCOME (EXPENSE)	-	-	-
DEPRECIATION AND DEPLETION	-	-	-
REORGANIZATION EXPENSES	-	-	770,833
UNITED STATES TRUSTEE FEE	-	-	18,850
(Gain)/Loss on Sales of Assets	-	-	31
Federal Income Tax Expense	-	-	-
State Income Taxes	-	-	-
INCOME TAX	-	-	-
NET PROFIT	-	-	(728,040)

CASE NAME: PROVIDENT ROYALTIES LLC

ACCRUAL BASIS - 3

CASE NUMBER: 09-33886

CASH RECEIPTS AND DISBURSEMENTS	MONTH ENDED August 31, 2009	MONTH ENDED September 30, 2009	MONTH ENDED October 31, 2009	QUARTER TOTAL
1. Cash - Beginning Of Month	\$ 6,379,323	\$ 5,364,735	\$ 4,026,316	\$ 6,379,323
<b>RECEIPTS FROM OPERATIONS</b>				
2. Cash Sales	\$ -	\$ -	\$ -	\$ -
<b>COLLECTION OF ACCOUNTS RECEIVABLE</b>				
3. Refunds of Well Advances			\$ -	\$ -
4. Oil and Gas Revenue Receipts	\$ 128,571	\$ 89,428	\$ 371,709	\$ 589,708
5. Total Operating Receipts	\$ 128,571	\$ 89,428	\$ 371,709	\$ 589,708
<b>NON-OPERATING RECEIPTS</b>				
6. Loans & Advances (Attach List)	\$ -	\$ -	\$ -	\$ -
7. Sale of Assets	\$ -	\$ -	\$ -	\$ -
8. Other / Interfund transfers	\$ 181,496	\$ 525	\$ 12,739	\$ 194,760
9. Total Non-Operating Receipts	\$ 181,496	\$ 525	\$ 12,739	\$ 194,760
10. Total Receipts	\$ 310,067	\$ 89,953	\$ 384,448	\$ 784,468
11. Total Cash Available	\$ 6,689,390	\$ 5,454,688	\$ 4,410,764	\$ 7,163,791
<b>OPERATING DISBURSEMENTS</b>				
12. Net Payroll	\$ 113,089	\$ 68,358	\$ 47,567	\$ 229,014
13. Payroll Taxes Paid	\$ 40,923	\$ 29,310	\$ 16,697	\$ 86,930
14. Sales, Use & Other Taxes Paid	\$ 247,703	\$ 1,878	\$ 120	\$ 249,701
15. Secured / Rental / Leases	\$ 46,098	\$ 45,827	\$ 22,648	\$ 114,573
16. Utilities	\$ 10,108	\$ 602	\$ -	\$ 10,710
17. Insurance	\$ 180	\$ -	\$ 132,000	\$ 132,180
18. Inventory Purchases				\$ -
19. Vehicle Expenses				\$ -
20. Travel				\$ -
21. Entertainment				\$ -
22. Repairs & Maintenance				\$ -
23. Supplies				\$ -
24. Services				\$ -
25. Other (Attach List)	\$ 254,311	\$ 209,433	\$ 138,752	\$ 602,496
26. Total Operating Disbursements	\$ 712,412	\$ 355,408	\$ 357,784	\$ 1,425,604
<b>REORGANIZATION DISBURSEMENTS</b>				
27. Professional Fees	\$ 552,244	\$ 1,072,963	\$ 633,305	\$ 2,258,512
28. U.S. Trustee Fees	\$ -		\$ 18,850	\$ 18,850
29. Other (Attach List)	\$ 60,000	\$ -	\$ -	\$ 60,000
30. Total Reorganization Expenses	\$ 612,244	\$ 1,072,963	\$ 652,155	\$ 2,337,362
31. Total Disbursements	\$ 1,324,656	\$ 1,428,372	\$ 1,009,939	\$ 3,762,966
32. Net Cash Flow	\$ (1,014,589)	\$ (1,338,419)	\$ (625,491)	\$ (2,978,498)
33. Cash - End of Month	\$ 5,364,735	\$ 4,026,316	\$ 3,400,825	\$ 3,400,825

This form  does not have related footnotes on Footnotes Supplement.

**CASH RECEIPTS AND DISBURSEMENTS**

	MONTH ENDED	MONTH ENDED	MONTH ENDED	QUARTER
NON-OPERATING RECEIPTS	August 31, 2009	Sept 30, 2009	Oct 31, 2009	TOTAL
A.				0
B.				0
C.				0
D.				0
E.				0
TOTAL LOANS & ADVANCES- LINE 6	0	0	0	0
<b>OPERATING RECEIPTS</b>				
A.				0
B.				0
C.				0
D.				0
E.				0
TOTAL OTHER NON-OPERATING RECEIPTS - LINE 8	0	0	0	0

**OPERATING DISBURSEMENTS**

A. Contract Services	53,601	45,021	42,391	171,223
B. Technology	4,449	5,176	4,205	12,935
C. Other Expenses	7,587	32,573	7,961	44,448
D. Other Disbursements				0
E. Lease Operating Expenses	149,882	57,488	31,710	341,492
F. Employee Benefits	33,589	23,578	15,783	143,178
G. Office Supplies	1,198	2,022	0	3,866
H. Prior Period accounting adjustment	4,005	0	0	4,005
I. Drilling costs		25,018	11,049	25,018
J. Revenue due to Sinclair		18,557	0	18,557
K. Ordinary Course Professional			25,653	0
L.				0
M.		0	0	0
N.				0
TOTAL OTHER OPERATING DISBURSEMENTS - LINE 25	254,311	209,433	138,752	764,722

**REORGANIZATION DISBURSEMENTS**

A.				0
B.				0
C.				0
D.				0
E.				0
TOTAL OTHER REORGANIZATION DISBURSEMENTS - LINE 29	0	0	0	0

This form  does  does not have related footnotes on Footnotes Supplement.

Supplement to Accrual Basis - 3 Schedule  
Receipts and Disbursements for period ended October 31, 2009

Debtor Case Number	Provident Resources LLC 09-33886	Provident Operating Company LLC 09-33893	Provident Energy 1 LP 09-33888	Provident Energy 2 LP 09-33894
Beginning Cash in Bank	188,589	(0)	-	-
Receipts:				
Well Advance Refunds				
Oil and Gas Revenues				
Other Receipts				
Total Receipts	-	-	-	-
Disbursements				
Lease Operating Expense	31,710			
Well Election Payments				
Drilling Development Costs	11,049			
Salaries	47,567			
Payroll Taxes	16,697			
Employee Benefits	15,783			
Rent	22,648			
Utilities/Telephones/Communication				
Technology	4,205			
Office Supplies				
Insurance	132,000			
Contract Services	42,391			
Other Expenses	7,961			
Taxes - State, Franchise and Other	120			
Professional Fees & Expenses	652,155			
Receipts due to Sinclair				
Ordinary Course Professionals	25,653			
Total Disbursements	1,009,939	-	-	-
Transfer to Other Debtor Accounts				
Transfer from Other Debtors Accounts	963,560			
Prior Period Adjustment				
Total Inter Company funds transfers	963,560	-	-	-
Ending Cash in Bank	142,210	(0)	-	-

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Supplement to Accrual Basis - 3 Schedule

Receipts and Disbursements for period ended October 31, 2009

Debtor Case Number	Provident Energy 3 LP 09-33899	Provident Resources 1, LP 09-33887	Somerset Development Inc 09-33912	Somerset Lease Holdings Inc 09-33892
Beginning Cash in Bank	-	0	3,837,060	668
Receipts:				
Well Advance Refunds				
Oil and Gas Revenues			368,380	3,329
Other Receipts			12,739	
Total Receipts	-	-	381,119	3,329
Disbursements				
Lease Operating Expense				
Well Election Payments				
Drilling Development Costs				
Salaries				
Payroll Taxes				
Employee Benefits				
Rent				
Utilities/Telephones/Communication Technology				
Office Supplies				
Insurance				
Contract Services				
Other Expenses				
Taxes - State, Franchise and Other				
Professional Fees & Expenses				
Receipts due to Sinclair				
Ordinary Course Professionals				
Total Disbursements	-	-	-	-
Transfer to Other Debtor Accounts				
Transfer from Other Debtors Accounts			(963,560)	
Prior Period Adjustment				
Total Inter Company funds transfers	-	-	(963,560)	-
Ending Cash in Bank	-	0	3,254,619	3,997

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Supplement to Accrual Basis - 3 Schedule  
 Receipts and Disbursements for period ended October 31, 2009

Debtor Case Number	Shale Royalties II, Inc. 09-33889	Shale Royalties 3, Inc. 09-33891	Shale Royalties 4, Inc. 09-33890	Shale Royalties 5, Inc. 09-33895
Beginning Cash in Bank	-	-	(0)	-
Receipts:				
Well Advance Refunds				
Oil and Gas Revenues				
Other Receipts				
Total Receipts	-	-	-	-
Disbursements				
Lease Operating Expense				
Well Election Payments				
Drilling Development Costs				
Salaries				
Payroll Taxes				
Employee Benefits				
Rent				
Utilities/Telephones/Communication				
Technology				
Office Supplies				
Insurance				
Contract Services				
Other Expenses				
Taxes — State, Franchise and Other				
Professional Fees & Expenses				
Receipts due to Sinclair				
Ordinary Course Professionals				
Total Disbursements	-	-	-	-
Transfer to Other Debtor Accounts				
Transfer from Other Debtors Accounts				
Prior Period Adjustment				
Total Inter Company funds transfers	-	-	-	-
Ending Cash in Bank	-	-	(0)	-

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Supplement to Accrual Basis - 3 Schedule  
 Receipts and Disbursements for period ended October 31, 2009

Debtor Case Number	Shale Royalties 6, Inc. 09-33896	Shale Royalties 7, Inc. 09-33898	Shale Royalties 8, Inc. 09-33900	Shale Royalties 9, Inc. 09-33902
Beginning Cash in Bank	-	-	(0)	(0)
Receipts:				
Well Advance Refunds				
Oil and Gas Revenues				
Other Receipts				
Total Receipts	-	-	-	-
Disbursements				
Lease Operating Expense				
Well Election Payments				
Drilling Development Costs				
Salaries				
Payroll Taxes				
Employee Benefits				
Rent				
Utilities/Telephones/Communication				
Technology				
Office Supplies				
Insurance				
Contract Services				
Other Expenses				
Taxes - State, Franchise and Other				
Professional Fees & Expenses				
Receipts due to Sinclair				
Ordinary Course Professionals				
Total Disbursements	-	-	-	-
Transfer to Other Debtor Accounts				
Transfer from Other Debtors Accounts				
Prior Period Adjustment				
Total Inter Company funds transfers	-	-	-	-
Ending Cash in Bank	-	-	(0)	(0)

This form  does  does not have related footnotes on Footnotes Supplement.

Supplement to Accrual Basis - 3 Schedule

Receipts and Disbursements for period ended October 31, 2009

Debtor Case Number	Shale Royalties 10, Inc. 09-33901	Shale Royalties 12, Inc. 09-33903	Shale Royalties 14, Inc. 09-33905	Shale Royalties 15, Inc. 09-33904
Beginning Cash in Bank	-	(0)	-	-
Receipts:				
Well Advance Refunds				
Oil and Gas Revenues				
Other Receipts				
Total Receipts	-	-	-	-
Disbursements				
Lease Operating Expense				
Well Election Payments				
Drilling Development Costs				
Salaries				
Payroll Taxes				
Employee Benefits				
Rent				
Utilities/Telephones/Communication				
Technology				
Office Supplies				
Insurance				
Contract Services				
Other Expenses				
Taxes - State, Franchise and Other				
Professional Fees & Expenses				
Receipts due to Sinclair				
Ordinary Course Professionals				
Total Disbursements	-	-	-	-
Transfer to Other Debtor Accounts				
Transfer from Other Debtors Accounts				
Prior Period Adjustment				
Total Inter Company funds transfers	-	-	-	-
Ending Cash in Bank	-	(0)	-	-

This form  does  does not have related footnotes on Footnotes Supplement.

Supplement to Accrual Basis - 3 Schedule

Receipts and Disbursements for period ended October 31, 2009

Debtor Case Number	Shale Royalties 16, Inc. 09-33906	Shale Royalties 17, Inc. 09-33913	Shale Royalties 18, Inc. 09-33907	Shale Royalties 19, Inc. 09-33908
Beginning Cash in Bank	-	0	-	-
Receipts:				
Well Advance Refunds				
Oil and Gas Revenues				
Other Receipts				
Total Receipts	-	-	-	-
Disbursements				
Lease Operating Expense				
Well Election Payments				
Drilling Development Costs				
Salaries				
Payroll Taxes				
Employee Benefits				
Rent				
Utilities/Telephones/Communication				
Technology				
Office Supplies				
Insurance				
Contract Services				
Other Expenses				
Taxes -- State, Franchise and Other				
Professional Fees & Expenses				
Receipts due to Sinclair				
Ordinary Course Professionals				
Total Disbursements	-	-	-	-
Transfer to Other Debtor Accounts				
Transfer from Other Debtors Accounts				
Prior Period Adjustment				
Total Inter Company funds transfers	-	-	-	-
Ending Cash in Bank	-	0	-	-

This form \_\_\_ does  does not have related footnotes on Footnotes Supplement.

Provident Royalties LLC  
case number 09-33886

Supplement to Accrual Basis - 3 Schedule  
Receipts and Disbursements for period ended October 31, 2009

Debtor Case Number	Shale Royalties 20, Inc. 09-33910	Shale Royalties 21, Inc. 09-33909	Shale Royalties 22, Inc. 09-33911	Consolidated
Beginning Cash in Bank	-	-	-	4,026,317
Receipts:				
Well Advance Refunds				-
Oil and Gas Revenues				371,709
Other Receipts				12,739
Total Receipts	-	-	-	384,448
Disbursements				
Lease Operating Expense				31,710
Well Election Payments				-
Drilling Development Costs				11,049
Salaries				47,567
Payroll Taxes				16,697
Employee Benefits				15,783
Rent				22,648
Utilities/Telephones/Communication				-
Technology				4,205
Office Supplies				-
Insurance				132,000
Contract Services				42,391
Other Expenses				7,961
Taxes - State, Franchise and Other				120
Professional Fees & Expenses				652,155
Receipts due to Sinclair				-
Ordinary Course Professionals				25,653
Total Disbursements	-	-	-	1,009,939
Transfer to Other Debtor Accounts				-
Transfer from Other Debtors Accounts				-
Prior Period Adjustment				-
Total Inter Company funds transfers	-	-	-	-
Ending Cash in Bank	-	-	-	3,400,826

This form  does  does not have related footnotes on Footnotes Supplement.

CASE NAME: PROVIDENT ROYALTIES LLC

ACCRUAL BASIS - 4

CASE NUMBER: 09-33886

ACCOUNTS RECEIVABLE AGING (estimated)	MONTH ENDED	MONTH ENDED	MONTH ENDED	MONTH ENDED
	July 31, 2009	August 31, 2009	Sept 30, 2009	Oct 31, 2009
1. 0 - 30	\$ 192,777	\$ 192,777	\$ 239,866	\$ 183,718
2. 31 - 60	\$ 196,849	\$ 196,849	\$ 192,777	\$ 232,918
3. 61 - 90	\$ 254,816	\$ 254,816	\$ 196,849	\$ 192,777
4. 91 +	\$ 4,720,293	\$ 4,720,293	\$ 5,182,739	\$ 5,218,093
5. Total Accounts Receivable	\$ 5,364,735	\$ 5,364,735	\$ 5,812,231	\$ 5,827,506
6. (Amount Considered Uncollectible)				
7. Accounts Receivable (Net)	\$ 5,364,735	\$ 5,364,735	\$ 5,812,231	\$ 5,827,506

MONTH: October 31, 2009

AGING OF POST PETITION TAXES AND PAYABLES					
TAXES PAYABLE	0 - 30 DAYS	31 - 60 DAYS	61 - 90 DAYS	91 + DAYS	TOTAL
1. Federal	\$ -	\$ -	\$ -	\$ 3,681	\$ 3,681
2. State	\$ -				\$ -
3. Local	\$ -				\$ -
4. Other (Attach List)	\$ -	\$ -	\$ -	\$ -	\$ -
5. Total Taxes Payable	\$ -	\$ -	\$ -	\$ 3,681	\$ 3,681

Note: Payroll tax amount per debtors book being reconciled with payroll tax service.

6. Accounts Payable	\$ 14,130	\$ -	\$ -	\$ 2,144	\$ 16,274
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MONTH: October 31, 2009

STATUS OF POST PETITION TAXES					
	BEGINNING TAX LIABILITY *	AMOUNT WITHHELD AND/OR ACCRUED	(AMOUNT PAID)	ENDING TAX LIABILITY	
<b>FEDERAL</b>					
1. Withholding **	\$ -	\$ 9,059	\$ (9,059)	\$ -	
2. FICA - Employee **	\$ -	\$ 3,819	\$ (3,819)	\$ -	
3. FICA - Employer **	\$ 3,681	\$ 3,819	\$ (3,819)	\$ 3,681	
4. COBRA credit against payroll taxes	\$ -	\$ -	\$ -	\$ -	
5. Income	\$ -			\$ -	
6. Other (Attach List)	\$ -			\$ -	
7. Total Federal Taxes	\$ 3,681	\$ 16,697	\$ (16,697)	\$ 3,681	
<b>STATE AND LOCAL</b>					
8. Withholding				\$ -	
9. Sales				\$ -	
10. Excise	\$ -			\$ -	
11. Unemployment				\$ -	
12. Real Property				\$ -	
13. Personal Property				\$ -	
14. Franchise Tax - OK	\$ -	\$ 120	\$ (120)	\$ -	
15. Total State And Local	\$ -	\$ 120	\$ (120)	\$ -	
16. Total Taxes	\$ 3,681	\$ 16,817	\$ (16,817)	\$ 3,681	

\* The beginning tax liability should represent the liability from the prior month or, if this is the first operating report, the amount should be zero

\*\* Attach photocopies of IRS Form 6123 or your FTD coupon and payment receipt to verify payment of deposit.

This form \_\_\_ does \_\_\_X\_\_\_ does not have related footnotes on Footnotes Supplement.

CASE NAME: PROVIDENT ROYALTIES LLC

CASE NUMBER 09-33886

ACCRUAL BASIS - 5

The debtor in possession must complete the reconciliation below for each bank account, including all general,  
MONTH ENDED: October 31, 2009

BANK RECONCILIATIONS		Account # 1	Account # 2	Account # 3	Account # 4	
A. BANK:		Chase	Chase	Chase	Chase	TOTAL
B. DEBTOR		Provident Royalties LLC	Somerset Development Inc	Somerset Lease Holdings Inc	Somerset Lease Holdings Inc	
C. ACCOUNT NUMBER:		2513	2547	554	562	OTHER BANK ACCOUNTS
D. PURPOSE (TYPE):		Disbursement	Deposit	Deposit	Deposit	
1. Balance Per Bank Statement	\$	394,086	\$ 3,254,619	\$ 3,997	\$ -	
2. Add: Total Deposits Not Credited				\$ -		
3. Subtract: Outstanding Checks	\$	(251,876)				
4. Other Reconciling Items						
5. Month End Balance Per Books	\$	142,210	\$ 3,254,619	\$ 3,997	\$ -	
6. Number of Last Check Written						

In addition to these accounts, there is an employee funded flexible spending account with Chase that had a balance of \$7,737 as of July 31, 2009

INVESTMENT ACCOUNTS		DATE OF PURCHASE	TYPE OF INSTRUMENT	PURCHASE PRICE	CURRENT VALUE
A. Texas Capital Provident Operating Co LLC 0575		09/25/08	CD as collateral for Letter of Credit	\$ 25,000	\$ 25,530
B. Texas Capital Provident Operating Co LLC 0576		09/30/08	CD as collateral for Letter of Credit	\$ 25,000	\$ 25,530
C. Texas Capital Somerset Development Inc 0556		05/07/08	CD as collateral for Letter of Credit	\$ 150,000	\$ 153,609
D.					
TOTAL OTHER INVESTMENT ACCOUNTS - LINE 10				\$ 200,000	\$ 204,669



CASE NAME: PROVIDENT ROYALTIES LLC

CASE NUMBER 09-33886

ACCRUAL BASIS - 5 (a)

The debtor in possession must complete the reconciliation below for each bank account, including all general,  
MONTH ENDED: October 31, 2009

BANK RECONCILIATIONS		Account # 5	Account # 6	Account # 7	Account # 8	TOTAL
A. BANK:	Chase					
B. DEBTOR	Provident Royalties LLC					
C. ACCOUNT NUMBER:	2521					
D. PURPOSE (TYPE):	Payroll ZBA					
1. Balance Per Bank Statement		\$ -	\$ -	\$ -		
2. Add: Total Deposits Not Credited						
3. Subtract: Outstanding Checks						
4. Other Reconciling Items				\$ -		
5. Month End Balance Per Books		\$ -	\$ -	\$ -		
6. Number of Last Check Written						

INVESTMENT ACCOUNTS					CURRENT VALUE
BANK, ACCOUNT NAME & NUMBER				PURCHASE PRICE	
A.	NONE				0
B.					
C.					
D.					
TOTAL OTHER INVESTMENT ACCOUNTS - LINE 10				0	0

CASE NAME: PROVIDENT ROYALTIES LLC

ACCRUAL BASIS - 6

CASE NUMBER: 09-33886

MONTH ENDED October 31, 2009

**PAYMENTS TO INSIDERS AND PROFESSIONALS**

Of the Total Disbursements shown for the month, list the amount paid to Insiders (as defined in Section 101 (31) (A) - (F) of the U.S. Bankruptcy Code) and to Professionals. Also, for payments to Insiders, identify the type of compensation paid (e.g. salary, bonus, commissions, insurance, housing allowance, travel, car allowance, etc.). Attach additional sheets if necessary.

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
1. Brian Grindem	salary	\$ -	\$ 31,389
2. Paul R. Melbye	salary	\$ -	\$ 6,042
3. William M. Miller	salary	\$ -	\$ 29,615
4. Harvey R. Smith	salary	\$ -	\$ 21,779
5. see attached sheet		\$ 3,654	\$ 20,983
6. Total Payments To Insiders		\$ 3,654	\$ 109,809

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT OF RETAINER USED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL ACCRUED EST FEES
1. Epiq		\$ 5,427	\$ 68,717	\$ 212,362	\$ 65,000
2. Raymond James		\$ 300,000	\$ 134,863	\$ 781,649	\$ -
3. Munsch Hardt		\$ -	\$ 128,152	\$ 445,062	\$ 267,498
4. Dennis Roessein, Trustee		\$ -	\$ 15,885	\$ 66,939	\$ 36,735
5. (Attach List)		\$ 300,000	\$ 285,688	\$ 756,064	\$ 933,178
6. Total Payments to or Accrual for Professionals		\$ 605,427	\$ 633,305	\$ 2,262,076	\$ 1,302,411

POST PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS			
NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POST PETITION
1. Sinclair Oil and Gas	none	none	none
2. Sinclair Finance Company	none	none	none
3.			
4.			
5.			
6.			
7. TOTAL			

This form  does \_\_\_ does not have related footnotes on Footnotes Supplement.

CASE NAME: PROVIDENT ROYALTIES LLC

SUPPLEMENT TO

CASE NUMBER: 09-33886

ACCRUAL BASIS - 6

PAYMENTS TO INSIDERS AND PROFESSIONALS

MONTH ENDED: October 31, 2009

INSIDERS			
NAME	TYPE OF PAYMENT	AMOUNT PAID	TOTAL PAID TO DATE
A. Brian Grindem	insurance	(1,354)	(0)
B. Paul R. Melbye	insurance	1,353	5,550
C. William M. Miller	insurance	1,354	5,551
D. Harvey R. Smith	insurance	-	2,707
E. Henry D Harrison	insurance	947	2,978
F. Brendan W Coughlin	insurance	1,354	4,198
G.			
H.			
TOTAL OTHER PAYMENTS TO INSIDERS - LINE 5		3,654	20,983

PROFESSIONALS					
NAME	DATE OF COURT ORDER AUTHORIZING PAYMENT	AMOUNT OF RETAINER USED	AMOUNT PAID	TOTAL PAID TO DATE	TOTAL ACCRUED EST FEES
A. Bridge Associates		300,000	-	147,714	349,383
B. Patton Boggs		-	-	-	65,774
C. Litzler Segner Shaw & McKenney		-	44,488	44,488	81,097
D. Gardere Wynn Sewell		-	47,777	370,439	149,842
E. Fox Rothschild		-	131,633	131,633	203,933
F. Rochelle McCullough		-	61,790	61,790	83,149
G.			-	-	
H.			-	-	
TOTAL OTHER PAYMENTS TO PROFESSIONALS-LINE 5		300,000	285,688	756,064	933,178

\* Include all fees incurred, both approved and unapproved

POST PETITION STATUS OF SECURED NOTES, LEASES PAYABLE AND ADEQUATE PROTECTION PAYMENTS				
NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	AMOUNTS PAID DURING MONTH	TOTAL UNPAID POST PETITION	
A.				
B.				
C.				
D.				
E.				
STATUS OF OTHER CREDITORS - LINE 5				

This form  does \_\_\_ does not have related footnotes on Footnotes Supplement.

CASE NAME: PROVIDENT ROYALTIES LLC

ACCRUAL BASIS - 7

CASE NUMBER: 09-33886

MONTH: October 31, 2009

QUESTIONNAIRE		YES	NO
1.	Have any Assets been sold or transferred outside the normal course of business this reporting period?		X
2.	Have any funds been disbursed from any account other than a debtor in possession account?		X
3.	Are any Post Petition Receivables (accounts, notes, or loans) due from related parties? <i>Post Petition Receivables include Intercompany Receivables among Provident Royalties LLC, Somerset Development Inc and Somerset Lease Holdings Inc in accordance with Cash Management Order.</i>	X	
4.	Have any payments been made on Pre Petition Liabilities this reporting period?		X
5.	Have any Post Petition Loans been received by the debtor from any party?		X
6.	Are any Post Petition Payroll Taxes past due? <i>There is a reconciliation item for payroll taxes that the Debtor is resolving with its payroll tax service of \$3,681. It has not been determined that this is a valid payroll tax liability.</i>		X
7.	Are any Post Petition State or Federal Income Taxes past due?		X
8.	Are any Post Petition Real Estate Taxes past due?		X
9.	Are any other Post Petition Taxes past due?		X
10.	Are any amounts owed to Post Petition creditors delinquent? <i>Only with regards to disputed items</i>		X
11.	Have any Pre Petition Taxes been paid during the reporting period?		X
12.	Are any wage payments past due?		X

If the answer to any of the above questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.

INSURANCE		YES	NO
1.	Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?	X	
2.	Are all premium payments paid current?	X	
3.	Please itemize policies below.		

If the answer to any of the above questions is "No", or if any policies have been canceled or not renewed during this reporting period, provide an explanation below. Attach additional sheets if necessary.

INSTALLMENT PAYMENTS			
TYPE OF POLICY	CARRIER	PERIOD COVERED	PAYMENT AMOUNT & FREQUENCY
Workers Compensation	Texas Mutual	5/5/2009 - 5/5/2010	paid in full
General Liability	St Paul Surplus Line	5/4/2009 - 5/4/2010	paid in full
Umbrella Coverage	St Paul Surplus Line	5/4/2009 - 5/4/2010	paid in full
Directors and Officers	Navigator / Beasley	11/08/2008 - 11/08/2009	paid in full

This form \_\_\_ does \_\_\_X\_\_\_ does not have related footnotes on Footnotes Supplement.

CASE NAME: PROVIDENT ROYALTIES LLC

FOOTNOTES SUPPLEMENT

CASE NUMBER: 09-33886

ACCRUAL BASIS

MONTH: October 31, 2009

ACCRUAL BASIS FORM NUMBER	LINE NUMBER	FOOTNOTE/EXPLANATION
Accrual Basis -1 (and supplemental schedules)	1	Cash Accounts are reconciled to bank statements on a monthly basis.
Accrual Basis -1 (and supplemental schedules)	4	Accounts Receivable represents accrued revenues, advances, and other amounts due from operators, landmen and other parties to whom funds were advanced or which services were rendered including accrued interest on landman advances. Some of these amounts may be subject to dispute by the third party due to potential claims for setoff or alleged performance.
Accrual Basis -1 (and supplemental schedules)	6	Notes Receivable represents amounts loaned or advanced to landmen and affiliated parties. Some of these amounts may be subject to dispute by the third party due to claims for offset or alleged performance.
Accrual Basis -1 (and supplemental schedules)	8	Other Current Assets represent Intercompany Receivables among affiliated parties which may be offset by amounts due to such parties in Intercompany Payables. The Intercompany receivable for Provident Royalties LLC arose from either (1) the centralized cash management system, or (2) borrowings from the loan facility made by Provident Royalties for which funds were transferred to another Debtor. The reduction in Intercompany Receivable between July and August were principally related to the Sinclair asset sale transaction.
Accrual Basis -1 (and supplemental schedules)	10	Property Plant & Equipment represent the acquisition cost of furniture, computers, software and other office equipment. The Debtors lease office space.
Accrual Basis -1 (and supplemental schedules)	14	Other Assets represent the incurred costs for Mineral Rights purchased by the Debtors, Leaseholds for gas and oil properties, drilling and site preparation costs related to the Debtors' interest in wells, capitalized acquisition costs and advances for drilling. The amounts shown represent these costs as recorded on the books of the Debtor.
Accrual Basis -1 (and supplemental schedules)	23	Other Liabilities represent the deferred tax contra-liabilities and post petition Intercompany Payables.
Accrual Basis -1 (and supplemental schedules)	25	The Secured Debt represented principal amounts owed to Sinclair Oil & Gas and Sinclair Finance Company and accrued interest thereon. As a result of the sales transaction with Sinclair, \$150,000,000 of the debt was the purchase price for the subject assets. The remaining \$25,000,000 has been reclassified as Unsecured Debt pursuant to the Sales Order.
Accrual Basis -1 (and supplemental schedules)	26	Priority Unsecured Debts represent amounts accrued for FUTA, SUTA, Franchise Taxes, Income Taxes and 401(K) contributions. These accounts are being reconciled and may be subject to change.
Accrual Basis -1 (and supplemental schedules)	28	Other (Prepetition Liabilities) include Intercompany Payables, Notes Payable to Third Parties that may be disputed, Amounts due to third parties for joint projects, Accumulated Dividends not paid, and the \$25,000,000 Sinclair debt plus accrued interest through the petition debt.
Accrual Basis -2 and Supplement 2b	21 (Gain) Loss on Sale of Assets	The financial statements reflect the effect of the sale of assets to Sinclair Oil and Gas, the contract assignment and assumption of cured vendor liabilities by Sinclair, settlement of the Secured Debt and settlement of other amounts due to Sinclair as such was recorded on each entity. The gain in PRLLC related to settlement of the Secured Debt and amounts due to Sinclair have not been allocated to the entities that held the assets that were sold for this report.
Accrual Basis -3 and Supplement 3b	14	Taxes paid in October were Oklahoma related taxes
Accrual Basis -4	Payment to Insiders	Insurance benefits are on a gross basis under COBRA coverage provisions.

CASE NAME:	PROVIDENT ROYALTIES LLC	FOOTNOTES SUPPLEMENT
CASE NUMBER:	09-33886	ACCRUAL BASIS
	MONTH:	October 31, 2009

Accrual Basis -6	Payments to Professionals	<p>Certain debtor professional received retainers which are being applied to invoices. The cumulative amount of retainers used is shown on this schedule in addition to the amounts paid through the end of the reporting period. The total accrued fees and expenses are based on holdback amounts from prior months, invoices submitted but unpaid, and the cash budget for parties who have not submitted invoices as of the end of the Reporting Period.</p>
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