Case 09-33886-hdh11 Doc 447-1 Priviled 10/30/09 Entered 11/30/09 15:52:43 Desc MORe Range 8 of 22

Debtor Case Number	Provident Resources I, LP 09-33887	Somerset Development Inc 09-33912		Shale Royalties II, Inc. 09-33889	Shale Royalties 3, Inc. 09-33891
OIL AND GAS INCOME	871	₩.	æ.	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	•	w.	ж	.	ω
RENT AND LEASE	sec	~	×		*
NON-OPERATING INCOME		₩	-		
Interest Interest Income INTEREST INCOME (EXPENSE)	***************************************	nder und bestellt der	ets and a substitute of the large way that all results of the large and the large and the large and the large parties and the large and the la	;	
DEPRECIATION AND DEPLETION	•	-	-		-
REORGANIZATION EXPENSES	! #	No.	, ec .	do	,
UNITED STATES TRUSTEE FEE		ab.	-		~
(Gain)/Loss on Sales of Assets	-	(6)	37) 	74
Federal Income Tax Expense State Income Taxes INCOME TAX	Accommendation and description of the second	in. The parties are second for the s			
NET PROFIT	810	(525)	(40)	554	1,782

Case 09-33886-hdh11 Doc 447-1 Filed 11/30/09 Entered 11/30/09 15:52:43 Desc MOR Provident Royalies LLC of 22

Debtor Case Number	Shale Royalties 4, Inc. 09-33890		Shale Royaltíes 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	Ad	As	A	· · · · · · · · · · · · · · · · · · ·	×
SELLING AND MARKETING	N N	۳	×	•	
GENERAL AND ADMINISTRATION	.'	<u></u>	· · ·		46
RENT AND LEASE		, w	64 4		-
NON-OPERATING INCOME	**		~	:	~
Interest Interest Income INTEREST INCOME (EXPENSE)				**************************************	
DEPRECIÁTION AND DÉPLETIÓN	•	**	*	•	~
REORGANIZATION EXPENSES	· And		M-	· · · · · · · · · · · · · · · · · · ·	_
UNITED STATES TRUSTEE FEE	3 3 40	*	**	-	744
(Gain)/Loss on Sales of Assets	-	iw.	*	- sec	•
Federal Income Tax Expense	••• :	•	**		ŵ
State Income Taxes INCOME TAX		**-	· ec	- 44-	44;
NET PROFIT	(137)	(78,360)	13,669	283,840	4,698

Case 09-33886-hdh11 Doc 447-1 Provided 401/30/09 Entered 11/30/09 15:52:43 Desc MOR-Ranti Page 3 of 22

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, lnc. 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	-	AA	. ~	-	-
SELLING AND MARKETING	• •	-	w.		New Year
GENERAL AND ADMINISTRATION	ٺ	ú	**	44 0	-
RENT AND LEASE	****	*	-	: :	*
NON-OPERATING INCOME			~	-	*
Interest Interest Income INTEREST INCOME (EXPENSE)	Affinition representation of the second seco				** ** ** ** ** ** ** ** ** ** ** ** **
DEPRECIATION AND DEPLETION	· •	_	~	~	-
REORGANIZATION EXPENSES	:	,	•		**
UNITED STATES TRUSTEE FEE		w	44.	444	8 0
(Gain)/Loss on Sales of Assets	· ·	** .	~		- .
Federal Income Tax Expense State Income Taxes	T	-	-	· · · · · · · · · · · · · · · · · · ·	~.
INCOME TAX	*	***			*
NET PROFIT	80.363	3,131	*	42,065	1,124

Case 09-33886-hdh11 Doc 447-1 Filed 11/30/09 Entered 11/30/09 15:52:43 Desc MOR-Page 11/30/09 of 22

Debtor Case Number	Shale Royalties 16. Inc. 09-33906	Inc.	Shale Royalties 18, Inc. 09-33907	Shale Royalties 19, Inc. 09-33908	Shale Royalties 20, Inc. 09-33910
OIL AND GAS INCOME	26,404	بش	W.		
COST OF GOODS SOLD - DIRECT COST	3,230	622	**		-
GROSS PROFIT	23,174	(622)	, av		
OFFICER /INSIDER COMPENSATION	:	-	**		;sa
SELLING AND MARKETING	•	w	•	-	~
GENERAL AND ADMINISTRATION	; ;	**	*	*	-
RENT AND LEASE	*	44	No.		**
NON-OPERATING INCOME	•		*		-
Interest Interest Income INTEREST INCOME (EXPENSE)	**	**	*		
DEPRECIATION AND DEPLETION	**				At-
REORGANIZATION EXPENSES		40	44,	· •	, in
UNITED STATES TRUSTEE FEE		•	-	· ·	-
(Gain)/Loss on Sales of Assets	~	~	÷		w.
Federal Income Tax Expense State Income Taxes	Annahilistica estatutus variatus estatus estat	en reported the state of any control of a state of the st	35. 14		
INCOME TAX NET PROFIT	23,174	(622)	-	-	~

Case 09-33886-hdh11 Doc 447-1 Filed 11/30/09 Entered 11/30/09 15:52:43 Desc MOR Family Bage 5 of 22

Debtor Case Number	Shale Royalties 21, Inc. 09-33909	Shale Royalties 22, Inc. 09-3391 l	Consolidated
OIL AND GAS INCOME		w.	512,374
COST OF GOODS SOLD - DIRECT COST		**	137,134
GROSS PROFIT	_	£	375,239
OFFICER /INSIDER COMPENSATION	•	46	-
SELLING AND MARKETING		ж.	*
GENERAL AND ADMINISTRATION		ж.	302.292
RENT AND LEASE	H	*	11,274
NON-OPERATING INCOME	1 1	**	-
Interest Interest Income INTEREST INCOME (EXPENSE)		*	
DEPRECIATION AND DEPLETION	ئىپ	**	*
REORGANIZATION EXPENSES		•	770,833
UNITED STATES TRUSTEE FEE	· ·	-	18,850
(Gain)/Loss on Sales of Assets	281	Nr.	3 ti
Federal Income Tax Expense State Income Taxes INCOME TAX	-	-	** ** ** ** ** **
NET PROFIT		**.	(728,040)

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		3	
CASE NAME:	PROVIDENT ROYALTIES LLC		ACCRUAL BASIS - 3

CASE NUMBER: 09-33886

CASH RECEIPTS AND	MO	NTH ENDED	M	ONTH ENDED	MO	NTH ENDED		QUARTER
DISBURSEMENTS	Au	gust 31, 2009	Sep	tember 30, 2009	ete	ber 31, 2009		TOTAL
I. Cash - Beginning Of Month	\$	6,379,323	\$	5,364,735	\$	4,026,316	\$	6,379,323
RECEIPTS FROM OPERATIONS			ļ			:	<u> </u>	-
2. Cash Sales	\$		\$	÷	S	<u>.</u>	\$	-
COLLECTION OF ACCOUNTS RECEIVABLE	1			: .			↓	
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
NON-OPERATING RECEIPTS	_						<u> </u>	
6. Loans & Advances (Attach List)	\$	4	\$		S	<u>.</u>	\$	*
7. Sale of Assets	\$	<u>~</u>	\$	4.	S		S	×
8. Other / Interfund transfers	\$	181,496	\$	525.	\$	12,739	\$	194,760
9. Total Non-Operating Receipts	S	181,496	\$	525	\$: 12,739	\$	194,760
10. Total Receipts	S	310,067	\$	89,953	\$	384,448	\$	784,468
11. Total Cash Available	\$	6,689,390	\$	5.454,688	\$	4,410.764	\$	7,163,791
OPERATING DISBURSEMENTS								
12. Net Payroll	\$	113,089	\$	68,358	\$	47.567	S	229,014
13. Payroll Taxes Paid	\$	40,923	S	29,310	8	16,697	\$	86,930
14. Sales. Use & Other Taxes Paid	\$	247,703	\$	1,878	\$	120	S	249,701
15. Secured / Rental / Leases	\$	46,098	\$	45,827	S	22,648	\$	114.573
16. Utilities	S	10,108	\$	602	\$		\$	10,710
17. Insurance	\$	180	\$	-	Ś	132,000	S	132,180
18. Inventory Purchases							S	4
19. Vehicle Expenses							\$,#
20. Travel						*	\$	7
21. Entertainment		***************************************					S	~
22. Repairs & Maintenance							\$	*
23. Supplies							S	_
24. Services		***************************************				- - - -	\$	
25. Other (Attach List)	S	254,311	\$	209,433	\$	138,752	S	602,496
26. Total Operating Disbursements	S	712,412	\$	355,408	S	357,784	\$	1,425,604
REORGANIZATION DISBURSEMENTS					7		1	
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)	S	60,000	S	*	\$	-	\$	60,000
30. Total Reorganization Expenses	S	612,244	\$	1,072.963	S	652,155	S	2,337,362
31. Total Disbursements	s	1,324,656	S	1,428,372	\$	1,009,939	\$	3,762,966
32. Net Cash Flow	s	(1,014,589)		(1,338,419)	\$	(625,491)	\$	(2,978,498)
	\$	5,364,735		4,026,316	S	3,400.825	\$	3,400,825

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	MOR-Part 2	2 Page 7 of 2	2	
CASH RECEIPTS AND DISBURSEMENTS				
	MONTH ENDED	MONTH ENDED	MONTH ENDED	QUARTER
NON-OPERATING RECEIPTS	August 31, 2009	Sept 30, 2009	Oct 31, 2009	TOTAL
	7 (1gust 51, 2007	30211 30, 2007	V01 D 11 = 00 /	0
A. B.				ő
C.			:	. 0
D.				0
Ε.				0
TOTAL LOANS & ADVANCES- LINE 6	0	0	0	0
		Document of the Control of the Contr		
A.			e en	.0
В.				0
C.				0
D.				0
E.			:	0
TOTAL OTHER NON-OPERATING RECEIPTS -			:	
LINE 8	0	0	0	0
A. Contract Services B. Technology	53.601 4,449	45,021 5,176	42,391	171,223 12,935
C. Other Expenses	7,587	£	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		15,783	143,178
G. Office Supplies	1,198		. 0	3,866
H. Prior Period accounting adjustment	4,005	Û	()	4.005
I. Drilling costs		25,018	11,049	25.018
J. Revenue due to Sinclair K. Ordinary Course Professional		18,557	25,653	18.557
L.			20,000	()
M.		0	0	0
N.				0
TOTAL OTHER OPERATING				
DISBURSEMENTS - LINE 25	254.311	209,433	138,752	764.722
DESCRIPTION OF THE AMERICAN AMERICAN				
	1		-	
REORGANIZATION DISBURSEMENTS	and the second s	3		1
A				0
В.				0
C.			:	0
ID	1	i	1]

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TOTAL OTHER REORGANIZATION DISBURSEMENTS - LINE 29

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Debtor Case Number	Provídent Řesources LLC 09-33886	Provident Operating Company LLC 09-33893	Provident Energy 1 LP 09-33888	Provídent Energy 2 LP 09-33894
Beginning Cash in Bank	188,589	(0)	1 1 1 1 1 1 1 1 1 1 1 1	Á
Receipts: Well Advance Refunds Oil and Gas Revenues Other Receipts			:	
Total Receipts			:	
Disbursements Lease Operating Expense Well Election Payments	31,710			
Drilling Development Costs Salaries Payroll Taxes	11,049 47,567 16,697			
Employee Benefits Rent Utilities/Telephones/Communication Technology	15,783 22,648 4,205			
Office Supplies Insurance Contract Services	132,000 42,391			
Other Expenses Taxes – State. Franchise and Other Professional Fees & Expenses	7,961 120 652,155		: : : : :	i L
Receipts due to Sinclair Ordinary Course Professionals	25,653			
Total Disbursements	1,009,939			ing.
Transfer to Other Debtor Accounts Transfer from Other Debtors Accounts Prior Period Adjustment	963,560			
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 Beginning Cash in Bank Receipts: Well Advance Refunds	Provident Energy 3 LP 09-33899	Provident Resources 1. LP 09-33887	Somerset Development Inc 09-33912 3.837,060	Somerset Lease Holdings Inc 09-33892 668
Oil and Gas Revenues Other Receipts			368,380 12,739	3,329
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 Sinciair Ordinary Course Professionals				
Total Disbursements		·	•	*
Transfer to Other Debtor Accounts Transfer from Other Debtors Accounts Prior Period Adjustment Total Inter Company funds transfers			(963,560) (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	Inc.	Shale Royalties 5, Inc. 09-33895
Beginning Cash in Bank	÷	- · · · · · · · · · · · · · · · · · · ·	(0)	-
Receipts: Well Advance Refunds Oil and Gas Revenues Other Receipts			•	
Total Receipts		<u> </u>	» ·	*
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	endangerate's productive following any opinion for the William Harm.	gant the thronous and a state of the state of the thronous and a state of the thronous and a state of the thronous and a state of the s		:
Ending Cash in Bank	<u></u>	м	(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	Se	×	(0)	(0)
Receipts: Well Advance Refunds Oil and Gas Revenues Other Receipts				i
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	*		- <u> </u>	A+
Transfer to Other Debtor Accounts Transfer from Other Debtors Accounts Prior Period Adjustment Total Inter Company funds transfers				<u> </u>
			(0)	
Ending Cash in Bank		· és	(0) (0)
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Receipts and Disbursements for period ended October 31, 2009

Debtor Case Number		Shale Royalties 10, Inc. 09-33901	Inc.	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		***************************************		<u></u>	· •
Disbursements Lease Operating Expense Well Election Payments Drilling Development Costs Salaries Payroll Taxes Employee Benefits Rent Utilities/Telephones/Communication Technology Office Symptics	a this tradegues				
Office Supplies Insurance Contract Services Other Expenses Taxes – State, Franchise and Other Professional Fees & Expenses Receipts due to Sinclair Ordinary Course Professionals	1				
Total Disbursements		•	***************************************	- :	*
Transfer to Other Debtor Accounts Transfer from Other Debtors Accounts Prior Period Adjustment Total Inter Company funds transfers			nanajahagantuntuntuntuntuntuntuntunta ja ja kanasantuntuntuntuntuntuntuntuntuntuntuntuntun		a stade a controlling account of the control and a state of the control and th
Ending Cash in Bank			(0)	<u> </u>	
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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 Royalfies 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				ī
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				
Totul Disbursements	·	4	<u>.</u> .	
Transfer to Other Debtor Accounts Transfer from Other Debtors Accounts Prior Period Adjustment Total Inter Company funds transfers	Managara and Angelon A			
Ending Cash in Bank	***************************************	()	: 	
menter angue for his desired and an analysis of the action and an analysis of the action and an action action and action	-	v.		
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Supplement to Accrual Basis - 3 Schedule Receipts and Disbursements for period ended October 31, 2009

E. Carlotte and the control of the c			Carrent and a second se	
	Shale Royalties 20,	Shale Royalties 21,	Shale Royalties 22,	
Debtor Case Number	Inc. 09-33910	Inc. 09-33909	Inc. 09-33911	Consolidated
Beginning Cash in Bank	Secretary and the secretary an	•		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			1	
Drilling Development Costs				11,049
Salaries			\$	47,567
Payroll Taxes				16,697
Employee Benefits			:	15,783
Rent				22,648
Utilities/Telephones/Communication				1205
Technology Office Supplies				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	. ж	м	<u>.</u>	-
Ending Cash in Bank	*	-	<u>.</u>	3,400,826
			<u>.</u>	
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			:	

CASE NAME:	PROVID	ENT ROYA	LTIES	LLC				ACCRUA	BAS	8IS - 4
CASE NUMBER:	09-33886							i		
			MO	NTH ENDED	Self-Ne	IONTH ENDED	· · · · · · · · · · · · · · · · · · ·	IONTH ENDED	MY	NTH ENDED
ACCOUNTS RECEIVABLE AC	SING (estin	nated)		ily 31, 2009		August 31, 2009		Sept 30, 2009		Oct 31, 2009
1. 0 - 30			S	192,777	5	192,777	ŝ	239,866	\$	183,718
2. 31-60			S	196.849	\$	196,849	\$	192,777	S	232.918
3. 61 - 90		····	\$	254,816	\$	254,816	S	196.849	S	192,777
4. 91+			S	4,720,293	Ş.	4,720,293	S	5,182,739	\$	5,218,093
5. Total Accounts Receivable	olester, millionidentes (1994)		\$	5,364,735	\$	5,364.735	\$	5,812,231	\$	5,827,506
6. (Amount Considered Uncolle	ctible)									
7. Accounts Receivable (Net)			8	5,364,735	\$	5,364,735	\$	5,812,231	\$	5,827,506
						MONTH:		October 31, 2009		
AGING OF POST PETITION T	AXES ANI	D PAYABLI	ES .					7,700		
TAXES PAYABLE	I	- 30 AYS		31 - 60 DAYS		51-96 DAYS		9) + DAYS		TOTAL
I. Federal	\$	-	S	14-	\$	-	\$	3,681	\$	3.681
2. State	S	-							\$	
3. Local	\$	_							\$	-
4. Other (Attach List)	\$	-	\$	-	\$		\$	-	S	~
5. Total Taxes Payable	\$	-	S	-	\$	_	\$:	3,681	-\$	3,681
Note: Payroll tax amount per	debtors boo	ok being reco	meiled v	rith payroll tax ser	vice.					
6. Accounts Payable	S	14,130	S	*	s		\$	2,144	S	16,274
	************						***************************************	:		

STATUS OF POST PETITION TAXES		MONTH:					October 31, 2009		
PEDERAL			NING TAX MLITY*		OUNT WITHHELD ND/OR ACCRUED	(A)	MOUNT PAID)		NDING TAX LIABILITY
1. Withholding **		S	*	S	9,059	\$	(9,059)	S	
2 FICA - Employee **		\$	*	\$	3,819	S	(3,819)	S	<u> </u>
3. FICA - Employer **		S	3,681	\$	3,819	\$	(3,819)	\$	3,681
4. COBRA credit against payroll taxes		\$	_	s	_	\$	_	\$	~
5. Income	1	S	41				:	\$	-4
6. Other (Attach List)		S				•		S	
7. Total Federal Taxes		S	3,681	S	16,697	\$	(16,697)	S	3,681
STATE AND LOCAL									
8 Withholding	1							S	Val
9. Sales								·\$	
10. Excise		\$		1				\$	
11. Unemployment								S	~
12. Real Property							:	.\$	
13. Personal Property				<u> </u>			· :	\$	
14. Franchise Tax - OK		\$	~	\$	120	\$	(120)	·\$	-
15 Total State And Local	:	S	*	ş	120	\$	(120)	\$	-
16 Total Taxes		S	3,681	S	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

This form __does _X__does not have related footnotes on Footnotes Supplement.

^{**} Attach photocopies of IRS Form 6123, or your FTD coupon and payment receipt to verify payment of deposit.

Case 09-33886-hdh11 Doc 447-1 Filed 11/30/09 Entered 11/30/09 15:52:43 Desc MOR-Part 2 Page 16 of 22

·	· ·
CASE NAME: PROVIDENT ROYALTIES LLC	i .
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

l		1								
BAI	NK RECONCILIATIONS	Ac	count#1		Account # 2		Account #3	Account#4		1
A.	BANK:		Chase		Chase		Chase		Chase	TOTAL
		Provident Royalties LLC			Somerset		Somerset Lease		Somerset Lease	7
B.	DEBTOR			Development Inc		Holdings Inc		Holdings Inc		
C.	ACCOUNT NUMBER:		2513 Disbursement		2547		554 Deposit		562	OTHER BANK
D	PURPOSE (TYPE):	Dis			Deposit				Deposit	ACCOUNTS
1.	Balance Per Bank Statement	S	394.086	S	3,254,619	\$	3,997	S	*	
2.	Add: Total Deposits Not Credited					S	-		:	
3.	Subtract: Outstanding Checks	\$.	(251,876)							
4.	Other Reconciling Items							<u> </u>		
5.	Month End Balance Per Books	\$	142,210	S	3,254,619	S	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

INV	ESTMENT ACCOUNTS		.		************************	· · · · · · · · · · · · · · · · · · ·			
BA:	NK, ACCOUNT NAME & NUMBER	DATE OF PURCHASE	TYPE OF INSTRUMENT CD as collateral for	PURCH	ASE PRICE			1	JRRENT /ALUE
A.	Texas Capital Provident Operating Co. LLC 0575	09/25/08	Letter of Credit	\$	25,000			S	25,530
8.	Texas Capital Provident Operating Co. LLC 0576	09/30/08	CD as collateral for Letter of Credit	S	25,000	:		(S)	25,530
C.	Texas Capital Somerset Development Inc 0556	. 05/07/08	CD as collateral for Letter of Credit	\$	150,000	:		S	153,609
D,							,		
	TOTAL OTHER INVESTMENT ACCOUNTS - LINE 10			S	200.000			\$	204,669

Case 09-33886-hdh11 Doc 447-1 Filed 11/30/09 Entered 11/30/09 15:52:43 Desc MOR-Part 2 Page 17 of 22

CASE NAME: PROVIDENT ROYAL	TIES LLC				
CASE NUMBER 09-33886			l T	RUAL BASIS - 5	(a)
CASE NUMBER 09-33886			J ACC	COAD DASIS - J	(a)
The debtor in possession must compl	ete the reconciliation MONTH ENDED:		ank account, includir	ng all general,	
BANK RECONCILIATIONS	Account # 5	Account # 6	Account # 7	Account # 8	Y COMMON TO THE
A. BANK:	Chase			-	TOTAL
B. DEBTOR	Provident Royalties LLC				
C. ACCOUNT NUMBER:	2521				OTHER BANK
D PURPOSE (TYPE):	Payroll ZBA				ACCOUNTS
Balance Per Bank Statement	S	\$ -	-	:	1100000000
Add: Total Deposits Not Credited	:		~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~		1
Add: Total Deposits Not Credited Subtract: Outstanding Checks				·	
4. Other Reconciling Items			\$:	7
5. Month End Balance Per Books	\$ -	\$ -	\$ -		7
6. Number of Last Check Written					-
				1	
INVESTMENT ACCOUNTS					
11.1.1.1.2.1.1.1.2.1.1.2.1.1.2.1.1.2.1.					/
			DISPOSIA DE DOUGE		CURRENT
BANK, ACCOUNT NAME & NUMBER			PURCHASE PRICE		VALUE
A, NONE					0
B.	:				de contraction de con
C.				· :	
D.	A			:	
TOTAL OTHER INVESTMENT	1	<u> </u>			-
ACCOUNTS - LINE 10			0	1	

CASE NAME:	PROVIDENT ROYALTIES LLC	ACCRUAL BASIS - 6
CASE NUMBER:	09-33886	
		MONTH ENDED October 31, 2009
1	SIDERS 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	-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1	AOUNT PAID	TC	TAL PAID: O DATE
1.	Brian Grindem	salary	\$	wi	\$	31.389
2.	Paul R. Melbye	salary	\$		S	6.042
3.	William M. Miller	salary	\$	*	\$	29,615
4.	Harvey R. Smith	salary	\$		\$	21,779
5.	see attached sheet		S	3,654	S	20.983
6.	Total Payments To Insiders		\$	3,654	S	109,809

	PROFESSIONALS											
		DATE OF COURT ORDER AUTHORIZING	Ri	OUNT OF TAINER	4.3			OTAL PAID	Α	TOTAL CCRUED		
1.	Epiq Epiq	PAYMENT	\$	USED 5,427	S S	68,717	\$	TO DATE 212,362	\$	ST FEES 65,000		
2. 3.	Raymond James Munsch Hardt		\$ \$	300,000	\$	134.863 128,152	\$	781,649 445,062	\$	267,498		
4. 5.	Dennis Roossein, Trustee (Attach List)		<u>\$</u> \$	300,000	\$ \$	15,885 285,688	\$ \$	66,939 756,064	<u>\$</u>	36,735 933.178		
6.	Total Payments to or Accrual for Professionals		\$	605.427	\$	633.305	······ (A)	2,262,076	S	1,302,411		

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

This form \underline{X} does $\underline{\hspace{1cm}}$ does not have related footnotes on Footnotes Supplement.

CASE NAME: PROVIDENT ROYALTIES LLC	SUPPLEM	ENT TO
CASE NUMBER: 09-33886	ACCRUAL	BASIS - 6
PAYMENTS TO INSIDERS AND PROFESSIONALS	MONTH ENDED:	October 31, 2009

INSIDERS				
	TYPE OF		TOTAL PAID	
NAME	PAYMENT	AMOUNT 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. Hørvey R. Smith	insurance		2,707	
E. Henry D Harrison	insurance	947	2.978	
F. Brendan W Coughlin	insurance	1,354	4,198	
G.			· · · · · · · · · · · · · · · · · · ·	
]-1.				
TOTAL OTHER PAYMENTS				
TO INSIDERS - LINE 5		3:654	20,983	

PROFESSIONALS					
	DATE OF COURT ORDER	AMOUNT OF			TOTAL
	AUTHORIZING		AMOUNT	TOTAL PAID	ACCRUED EST
NAME	PAYMENT	USED	PAID	TO DATE	FEES
A. Bridge Associates		300,000	-	147,714	349,383
B. Patton Boggs			~		65,774
Litzler Segner Shaw &					
C. 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			34:		
14.			-		
TOTAL OTHER PAYMENTS				i i	
TO PROFESSIONALS-LINE 5		300,000	285,688	756,064	933,178

^{*} Include all fees incurred, both approved and unapproved

PROTECTION	PAYMENTS		į
NAME OF CREDITOR	SCHEDULED MONTHLY PAYMENTS DUE	PAID DURING	IOTAL UNPAID POST PETITION
A			- Challen (add at a few and a few an
B.			:
C.			:
D.			
P.C.			teatr per man de la desta de la companya del companya del companya de la companya
STATUS OF OTHER CREDITORS - LINE 5			:

This form \underline{X} does $\underline{\hspace{1cm}}$ does not have related footnotes on Footnotes Supplement.

period? 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? Post Petition Receivables include Intercompany Receivables among Provident Royalties LLC, Somerset Development Inc and Somerset Lease Holdings Inc in accordance with Cash Management Order. 4. Have any payments been made on Pre Petition Liabilities this reporting period? 5. Have any Post Petition Dans been received by the debtor from any party? Are any Post Petition Payroll Taxes past due? 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. 6. is a valid payroll tax liability. 7. Are any Post Petition State or Federal Income Taxes past due? 8. Are any Post Petition Real Estate Taxes past due? 9. Are any other Post Petition Taxes past due? 10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items X 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 INSURANCE YES NO X	CASI	E NAME: PROVIDENT ROYALTIES LLC ACCR	UAL BA	SIS - 7
New Year No.	CASI	E NUMBER: 09-33886		
1. Have any Assets been sold or transferred outside the normal course of business this reporting period? 2. Have any funds been disbursed from any account other than a debtor in possession account? 3. Are any Post Petition Receivables (accounts, notes, or loans) due from related parties? Post Petition Receivables include Intercompany Receivables among Provident Royaldies LLC, Somerset Development Inc and Somerset Lease Holdings Inc in accordance with Cash Management Order. 4. Have any payments been made on Pre Petition Liabilities this reporting period? 5. Have any Post Petition Payroll Taxes past due? 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 6. is a valid payroll tax liability. 7. Are any Post Petition State or Federal Income Taxes past due? 8. Are any Post Petition Real Estate Taxes past due? 9. Are any other Post Petition Taxes past due? 10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 13. Are any wage payments past due? 14. Are any wage payments past due? 15. Are any wage payments past due? 16. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 17. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 18. Are any wage payments past due? 19. Are any wage payments past due? 10. Are any wage payments past due? 11. Are worker's Compensation, General Liability and other necessary insurance coverages in effect? 18. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?		MONTH: October 31, 20	09	
1. Have any Assets been sold or transferred outside the normal course of business this reporting period? 2. Have any funds been disbursed from any account other than a debtor in possession account? 3. Are any Post Petition Receivables (accounts, notes, or loans) due from related parties? Post Petition Receivables include Intercompany Receivables among Provident Royalties LLC, Somerset Development Inc and Somerset Lease Holdings Inc in accordance with Cash Management Order. 4. Have any payments been made on Pre Petition Liabilities this reporting period? 5. Have any Post Petition Payroll Taxes past due? 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. 7. Are any Post Petition State or Federal Income Taxes past due? 8. Are any Post Petition Real Estate Taxes past due? 9. Are any other Post Petition Taxes past due? 10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 13. Are any wage payments past due? 14. Are any wage payments past due? 15. Are any wage payments past due? 16. Are any wage payments past due? 17. Are any wage payments past due? 18. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 19. Are any wage payments past due? 10. Are any wage payments past due? 11. Are any wage payments past due? 12. Are any wage payments past due? 13. Are any wage payments past due? 14. Are any wage payments past due? 15. Are any wage payments past due? 16. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? 17. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?	QUE			
period? 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? Post Petition Receivables include Intercompany Receivables among Provident Royalties LLC, Somerset Development Inc and Somerset Lease Holdings Inc in accordance with Cash Management Order. 4. Have any payments been made on Pre Petition Liabilities this reporting period? X Are any Post Petition Payroll Taxes past due? 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. Are any Post Petition State or Federal Income Taxes past due? X Are any Post Petition Real Estate Taxes past due? X Are any Post Petition Taxes been paid during the reporting period? X In the any Pre Petition Taxes been paid during the reporting period? X If the answer to any of the above questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary. In Surance In Surance YES NO Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? X			YES	NO
3. Are any Post Petition Receivables (accounts, notes, or loans) due from related parties? Post Petition Receivables include Intercompany Receivables among Provident Royalties LLC, Somerset Development Inc and Somerset Lease Holdings Inc in accordance with Cash Management Order. 4. Have any payments been made on Pre Petition Liabilities this reporting period? 5. Have any Post Petition Loans been received by the debtor from any party? Are any Post Petition Payroll Taxes past due? 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. 7. Are any Post Petition State or Federal Income Taxes past due? 8. Are any Post Petition Real Estate Taxes past due? 9. Are any other Post Petition Taxes past due? 10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 13. Are any wage payments past due? 14. If the answer to any of the above questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary. 15. Insurance 16. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? 17. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?	1.			x
Petition Receivables include Intercompany Receivables among Provident Royalties LLC, Somerset Development Inc and Somerset Lease Holdings Inc in accordance with Cash Management Order. 4. Have any payments been made on Pre Petition Liabilities this reporting period? 5. Have any Post Petition Dans been received by the debtor from any party? Are any Post Petition Payroll Taxes past due? 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. 7. Are any Post Petition State or Federal Income Taxes past due? 8. Are any Post Petition Real Estate Taxes past due? 9. Are any other Post Petition Taxes past due? 10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 13. Are any wage payments past due? 14. Are any wage payments past due? 15. Are any wage payments past due? 16. Are worker's Compensation, General Liability and other necessary insurance coverages in effect? 17. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?	2.	Have any funds been disbursed from any account other than a debtor in possession account?	garantii aasiinaa ilka iligaahaa ilikhali oolikkii gaasii filmaa	X
4. Have any payments been made on Pre Petition Liabilities this reporting period? 5. Have any Post Petition Loans been received by the debtor from any party? Are any Post Petition Payroll Taxes past due? 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 6. is a valid payroll tax liability. 7. Are any Post Petition State or Federal Income Taxes past due? 8. Are any Post Petition Real Estate Taxes past due? 9. Are any other Post Petition Taxes past due? 10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 13. Are any wage payments past due? 14. Are any wage payments past due? 15. Are any of the above questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary. 16. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? 17. Are all premium payments paid current? 18. Are all premium payments paid current?	3.	Petition Receivables include Intercompany Receivables among Provident Royalties LLC. Somerset Development Inc and Somerset Lease Holdings Inc in accordance with Cash	X	
Are any Post Petition Payroll Taxes past due? 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. 7. Are any Post Petition State or Federal Income Taxes past due? 8. Are any Post Petition Real Estate Taxes past due? 9. Are any other Post Petition Taxes past due? 10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 13. If the answer to any of the above questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary. 14. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? 15. NO 16. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?	4.		***************************************	Х
Are any Post Petition Payroll Taxes past due? 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. 7. Are any Post Petition State or Federal Income Taxes past due? 8. Are any Post Petition Real Estate Taxes past due? 9. Are any other Post Petition Taxes past due? 10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 13. If the answer to any of the above questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary. 14. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? 15. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?	5.	Have any Post Petition Loans been received by the debtor from any party?		X
7. Are any Post Petition State or Federal Income Taxes past due? 8. Are any Post Petition Real Estate Taxes past due? 9. Are any other Post Petition Taxes past due? 10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 13. Are any wage payments past due? 14. Insurance 15. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? 16. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?	6.	the Debtor is resolving with its payroll tax service of \$3,681. It has not been determined that this		X
9. Are any other Post Petition Taxes past due? 10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 13. If the answer to any of the above questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary. 14. Insurance 15. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? 16. X 17. X 18. X 19. X X X X X X X X X X X X X	7.	Are any Post Petition State or Federal Income Taxes past due?		X
10. Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items 11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 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	8.	Are any Post Petition Real Estate Taxes past due?		X
11. Have any Pre Petition Taxes been paid during the reporting period? 12. Are any wage payments past due? 13. If the answer to any of the above questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary. 14. Insurance 15. Insurance 16. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? 17. Insurance coverages in effect? 18. Insurance coverages in effect? 19. Insurance coverages in effect?	9.	Are any other Post Petition Taxes past due?		X
12. Are any wage payments past due? If the answer to any of the above questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary. INSURANCE 1. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? X	10.	Are any amounts owed to Post Petition creditors delinquent? Only with regards to disputed items		Х
If the answer to any of the above questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary. INSURANCE 1. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? X	11.	Have any Pre Petition Taxes been paid during the reporting period?		X
INSURANCE 1. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect? X	12.	Are any wage payments past due?		X
1. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?			ditional she	ets if
1. Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?	INSU	RANCE		
X	ăşaa		YES	NO
2. Are all premium payments paid current? X 3. Please itemize policies below.	1.	Are Worker's Compensation, General Liability and other necessary insurance coverages in effect?	X	
3. Please itemize policies below.	2.	Are all premium payments paid current?	X	
	3.			

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,

	INSTALL	MENT PAYMENTS	
			PAYMENT
			AMOUNT &
TYPE OF POLICY	CARRIER	PERIOD COVERED	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 $\underline{\hspace{0.5cm}}$ does $\underline{\hspace{0.5cm}}$ X $\underline{\hspace{0.5cm}}$ does not have related footnotes on Footnotes Supplement,

CASE NAME:	PROVIDENT ROYALTIES LLC		FOOTNOTES SUPPLEMENT
CASE NUMBER:	09-33886		ACCRUAL BASIS
		MONETUL	Databay 31, 2000

ACCRUAL BASIS : FORM NUMBER	NUMBER	FOOTNOTE / EXPLANATION
Accrual Basis -1 (and supplemental schedules)	ý	Cash Accounts are reconciled to bank statements on a monthly basis.
Acerual 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.
Accust 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.
Acerual Basis - i tand supplemental schedules)		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.
Actival 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 schedolog)	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.
Acerual Basis -1 (and supplemental achedules)	23	Other Liabilities represent the deferred tax contra-liabilities and post petition Intercompany Payables.
Accrual Basis -1 (and supplemental ethebules)	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 assers. The remaining \$25,000,000 has been reclassed as Unsecured Debt pursuant to the Sales Order.
Accural Basis -1 (and supplemental schedoles)	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 - I (and supplemental echedules)	28	Other (Preperition 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 accraed interest through the petition debt.
Accrual Basis -2 and Supplement 2b	21 / (Cain)/ Loss on Sals 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 habilities 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.
Account Basis -3 and Supplement 36	j ₄	Taxes paid in October were Oklahoma related taxes
Accual Basis -6	Payment to Insiders	Insurance benefits are on a gross basis under COBRA coverage provisions.

CASE NAME:	PROVIDE	T ROYALTIES LLC FOOTN	OTES SUPPLEMENT
CASE NUMBER:	09-33886	Å	CCRUAL BASIS
		MONTH: Octob	er 31, 2009
	:		i
			:
Accrust Basis -6	Payments to Professionals	Certain debtor professional received retainers which The cumulative amount of retainers used is shown on amounts paid through the end of the reporting period expenses are based on huldback amounts from prior unpaid, and the cash budget for parties who have not end of the Reporting Period.	this schedule in addition to the The total accrued fees and months, invoices submitted but