



USEDC Private Capital III Initial Writeup
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Summary of the Fund

U.S. Energy Private Capital III LP (“the Partnership”) is a Delaware limited partnership sponsored and managed by U.S. Energy Development Corporation (“U.S. Energy” or the “Managing General Partner”), headquartered in Fort Worth, Texas. The Partnership will invest across a range of energy-related assets, including oil and natural gas wells. Capital raised will fund the acquisition, drilling, completion, and operation of economically viable projects throughout the United States. The Partnership is structured to participate either as an operator or a non-operating investor in select projects.

Investment Objectives

The Partnership’s primary objective is to generate current income and long-term capital appreciation through a diversified portfolio of oil and natural gas.

Key investment goals include:

- Participating in the drilling and completion of developmental oil and gas wells.
- Acquiring producing wells and infrastructure assets that generate steady cash flow.
- Managing downside exposure through a combination of operating control, strategic partnerships, and hedging strategies where applicable.

Through active management and reinvestment of capital, U.S. Energy seeks to enhance returns while maintaining prudent risk controls.

Asset Class

The oil and gas asset class encompasses investments in the exploration, production, transportation, and refining of hydrocarbons, as well as related infrastructure and service providers. These assets derive value primarily from global energy demand and commodity price movements, making them cyclical and sensitive to macroeconomic trends, geopolitical events, and supply-demand imbalances. Investors may gain exposure through direct ownership of physical assets (such as wells or pipelines), equity in energy companies, or financial instruments like futures and royalty interests. While the sector offers attractive income potential and inflation-hedging characteristics—particularly through upstream cash flows tied to commodity prices—it also carries significant volatility and regulatory risk.

Liquidity

This investment is illiquid and intended for investors with a long-term horizon. The Partnership has a 25-year legal term, though investors should expect the investment



to remain illiquid for several years. There is no secondary market for the Units, and transfers are heavily restricted under the Partnership Agreement. Distributions, when made, are derived from cash flows generated by production and asset sales, not from principal repayment.

Exit Strategy & Timeline

U.S. Energy anticipates multiple exit opportunities depending on market conditions and asset performance. These include:

- Asset sales of producing wells or energy projects once production declines or target IRRs are achieved.
- Potential roll-up or merger into a larger entity or a public vehicle.

The Managing General Partner retains discretion over the timing and structure of exits. The expected time horizon for full disposition is not fixed, but investors should plan for a multi-year hold, typically five to seven years before meaningful liquidity events occur.

Investor Suitability

Participation is limited to accredited investors under Regulation D Rule 506(b).

Minimum Investment

The minimum investment is \$25,000.

Expenses & Fees

U.S. Energy Development Corporation receives the following compensation:

- **Management Fee:** 2% of gross subscription proceeds per annum.
- **Performance Participation:** 25% of returns after investors achieve defined hurdle rates.
- **Organization & Offering Costs:** Covering brokerage, marketing, and legal expenses related to fundraising.

Additional partnership-level costs include administrative, drilling, and operating expenses directly tied to project execution. No assurance is given that future operating expenses will not increase due to market conditions.

Leadership Experience

The Fund is managed by U.S. Energy Development Corporation, headquartered in Fort Worth, Texas, with a leadership team comprising seasoned executives in energy finance, operations, and capital markets.

Key executives include:

- Jordan Jayson, Chief Executive Officer
- Matthew Iak, Executive Vice President
- Brandon Standifird, Chief Financial Officer
- Jake Plunk, EVP of Acquisitions & Divestitures



- Michel Haven, VP of Capital Markets

Their combined expertise spans asset development, energy finance, and institutional fund management, having collectively deployed billions in upstream energy investments over four decades.

Potential Risks

Investment in oil and gas programs involves substantial risk, including:

- Operational Risk – Drilling outcomes may yield nonproductive or low-return wells.
- Commodity Price Volatility – Oil and gas prices are unpredictable and can materially affect returns.
- Illiquidity Risk – Units are not publicly tradable; repurchase programs are limited.
- Regulatory and Environmental Risk – Evolving regulations, including those tied to hydraulic fracturing and climate change, may increase costs.
- General Partner Dependence – The Fund relies entirely on U.S. Energy’s management and affiliates.
- Tax and Legislative Risk – Changes to drilling deductions or depletion allowances could impact after-tax performance.

Disclosure

Legacy Investment Solutions, LLC, doing business as (d.b.a.) Ankorato, is an entity registered with the Securities and Exchange Commission (SEC), but registration does not constitute an endorsement of the firm by securities regulators, nor does registration indicate that an advisor has gained a particular level of skill or ability.

This particular alternative investment has been screened and analyzed by Ankorato, but such screening or analyzation does not guarantee or assure any particular outcome for stakeholders. In order to participate in an alternative investment, one must meet certain suitability criteria to ascertain whether this alternative investment is suitable for a person’s overall investment portfolio. Further, a person must meet certain accreditation standards to participate in this form of investment. Even if an investor does meet accreditation and suitability determinations, such determinations have no bearing on the success or failure of the venture as a whole.

Statements in this communication regarding financial projection, potential exit scenarios, business strategy and plans and objectives for future operations are forward-looking statements. Words such as “Target,” “Anticipated,” “Believe,” or “Estimate” and other expressions, identify forward-looking statements under the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on assumptions made by, and information currently available to the alternative investment named herein. Other phrases like, “Track record,” “has



exercised," and the like are words that denote historical data exists to support the assertion, but historical data does not guarantee future results.

This investment, like any other, is subject to risks, uncertainties and unexpected variables that could adversely affect performance. An investor's decision to buy into this strategy should consider unexpected contingencies that could influence ultimate success.

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