

# Supplemental Information and Disclosure Statement

## BlueFire Equipment, Corp.

A Colorado Corporation

25211 Grogans Mill Road  
Suite 350  
The Woodlands, TX 77350

(786) 375-7281  
[info@blfr.com](mailto:info@blfr.com)

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Sic: 01240  
Trading Symbol: BLFR

### Current Reporting of Material Corporate Events:

#### Entry Into a Material Definitive Agreement

On October 25, 2023, the Board of Directors of BlueFire Equipment, Corp.'s wholly owned subsidiary, Screaming Eagle Partners, LLC. ("Screaming Eagle"), entered into a binding Letter Agreement ("Agreement"), with Resource Rock Exploration, LLC. ("Resource Rock") for 12.5% of the Bedias Creek and Gin Creek South assets, leaving Screaming Eagle with 77.5%.

Screaming Eagle will receive an initial cash compensation for the 12.5% interest obtained by Resource Rock with an additional \$1,000,000 commitment to fund workovers and recompletions on wells owned by Screaming Eagle with an additional \$1,650,000 if elected to do so. The CAPEX will significantly increase production and profits from the existing asset over the next six months.

The Agreement's Joint Operating Agreement ("JOA") that was to be mutually agreed upon on or before November 3, 2023, has been extended due to the Company and Resource Rock under legal review. Screaming Eagle's cash compensation for its 12.5% interest will be received upon executing the JOA.

The executed binding Letter Agreement is attached below in this Supplemental Disclosure under Exhibit 1.1.

The Agreement, and the activities contemplated thereby, did not and do not, constitute a change in control, as the Company's largest shareholder remains unchanged and no other person became the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%)

or more of the total voting power represented by the Company's then outstanding voting securities. Additionally, there was no change in the composition of the Company's board of directors and nor was there any change to the officers of the Company. Accordingly, there was no change in control of the Company.

#### **CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS**

This disclosure statement contains certain forward-looking statements that are subject to various risks and uncertainties. Forward-looking statements are generally identifiable by use of forward looking terminology such as "may," "will," "should," "potential," "an," "intend," "expect," "outlook," "seek," "anticipate," "estimate," "approximately," "believe," "could," "project," "predict," or other similar words or expressions. Forward-looking statements are based on certain assumptions, discuss future expectations, describe future plans and strategies, or state other forward-looking information. Our ability to predict future events, actions, plans or strategies is inherently uncertain. Although we believe that the expectations reflected in our forward-looking statements are based on reasonable assumptions, actual outcomes could differ materially from those set forth or anticipated in our forward-looking statements. Readers are cautioned not to place undue reliance on any of these forward-looking statements, which reflect our views as of the date of this disclosure statement. Furthermore, except as required by law, we are under no duty to, and do not intend to, update any of our forward-looking statements after the date of this disclosure statement, whether as a result of new information, future events or otherwise.

BlueFire Equipment, Corp.

Date: November 8, 2023

Signature: /s/ Nickolas S. Tabraue

Name: Nickolas S. Tabraue

Title: Interim CEO and Director of the Board



1920 Kaliste Saloom Rd  
Suite D7  
Lafayette, LA. 70508  
281-310-8545

October 25, 2023

Resource Rock Exploration III LLC  
1720 Kaliste Saloom Suite D7  
Lafayette, LA. 70508

Screaming Eagle BNR JV, LLC  
25211 Grogans Mill Rd, Suite 350  
The Woodlands TX. 77380

The purpose of this binding letter agreement (the "Agreement") is to set forth certain the terms and conditions under which Screaming Eagle BNR JV, LLC or its designee ("SE") agree to allow Resource Rock Exploration III, LLC or its designee ("RRE") to earn working interest in and to all SE's owned wells, leases, ROWs and other oil and gas interest located in Madison, Walker and Grimes Counties, Texas (collectively, the "Assets"), as more particularly described on Exhibit "A," attached hereto and made a part hereof. SE and RRE are hereafter referred to individually as a "Party" and collectively as the "Parties."

NOW, THEREFORE, the Parties agree as follows:

1. JOA. The Parties shall negotiate in good faith and enter into a mutually agreed upon Joint Operating Agreement ("JOA") for the operation of the Assets on or before November 3, 2023. In addition to other customary JOA provisions, the JOA shall include each of the following terms and conditions:
  - a. The Parties shall form an operating committee with equal representation from each Party. The Operating committee shall set budgets and make operational decisions.
  - b. Operations shall be conducted pursuant to a no gain/no loss principle.
  - c. RRE shall be designated as operator and administrator of the Assets.
2. Coincident with the execution of the JOA:
  - a. RRE will pay SE One Hundred Thousand Dollars (\$100,000.00)
  - b. RRE will assume the indebtedness of Screaming Eagle BNR JV, LLC to Merit Financial, Inc. (~ \$350,000.00). The assumption of any amount over the estimated amount of debt shall be subject to further negotiation and additional consideration.
  - c. RRE is to be assigned Twelve and one half (12.5%) of all working interest in the Assets in a recordable form generally acceptable to RRE (Tranche 1), effective as of November 1, 2023
3. Earn-In.
  - a. RRE will commit to funding one hundred percent (100%) of the cost of operations of all approved AFE(S), up to One Million and No/100 Dollars (\$1,000,000.00).
  - b. The first Five Hundred Thousand and No/100 Dollars (\$500,000.00) worth of funded AFE(S) (Tranche 2) will earn RRE an assignment of an additional ten and one half percent (10.5%) of all working interests in and to the Assets.



## RESOURCE ROCK

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- c. The Second Five Hundred Thousand and No/100 Dollars (\$500,000.00) worth of funded AFE(s) (Tranche 3) will earn RRE an assignment of an additional seven percent (7%) of all working interest in and to the Assets.
  - d. RRE may, at its election, not fund 100% of any AFE, which will become nonapplicable towards any Tranche.
  - e. After RRE has funded One Million and No/100 Dollars (\$1,000,000.00) worth of AFE(S), and Tranches 1, 2 and 3 have been satisfied, RRE may, at its election, fund one hundred percent (100%) of any AFE(S), up to an additional One Million Six Hundred Fifty Thousand and No/100 Dollars (\$1,650,000.00), within the first three years of the execution of the JOA.  
For every Eighty Two Thousand Five Hundred and No/100 Dollars (\$82,500.00) elected to be funded, One Hundred Percent (100%) by RRE (Tranche 4 and so on) will earn RRE an additional one percent (1%) of all working interest in and to the Assets, limited to a total of fifty percent (50%) of all working interest in and to the Assets..
  - f. Any assignments of working interest earned by RRE pursuant to this Agreement shall be effective the day of funding or payment.
  - g. RRE may elect at its own discretion to pay SE cash instead of funding AFE(s) for any Tranche 2 or thereafter at the representative or proportional amount stated above.
4. **If this Agreement is not accepted within five business days from receipt, it shall be automatically revoked and of no force or effect.**
5. **Applicable Law.** This Agreement shall be governed by the laws of the State of Texas, unless otherwise agreed to between Parties in writing, and any dispute arising hereunder shall be subject to the arbitration in accordance with the rules of the American Arbitration Association, Commercial Section. Matters of law shall be tried in a court of competent jurisdiction. However, Parties shall endeavor in good faith to resolve any issues for a period of sixty (60) days prior to taking any legal action against the other Party to this Agreement.
6. **Complete Agreement.** This Agreement constitutes the entire agreement between Parties with respect to the subject matter hereof and supersedes all previous agreements relating to the subject matter hereof. No change or modification of the Agreement will be binding unless in writing and signed by both Parties hereto.
7. **Severability.** If any provision of this Agreement or the application of that provision to any person or circumstance shall be held invalid, the remainder of this Agreement or the application of that provision to persons or circumstances other than those to which it is held invalid shall not be affected. If any terms or conditions in this Agreement are found to be in opposition to law, all other terms and conditions will remain in full force and effect.
8. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.



RESOURCE ROCK

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AGREED TO AND ACCEPTED AS OF October 25, 2023

*Stewart Delcambre*

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Stewart Delcambre  
Resource Rock Exploration III LLC  
EVP Business Development and  
Land

Screaming Eagle BNR JV, LLC

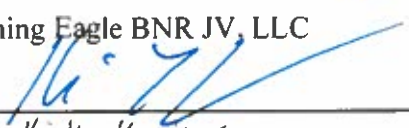
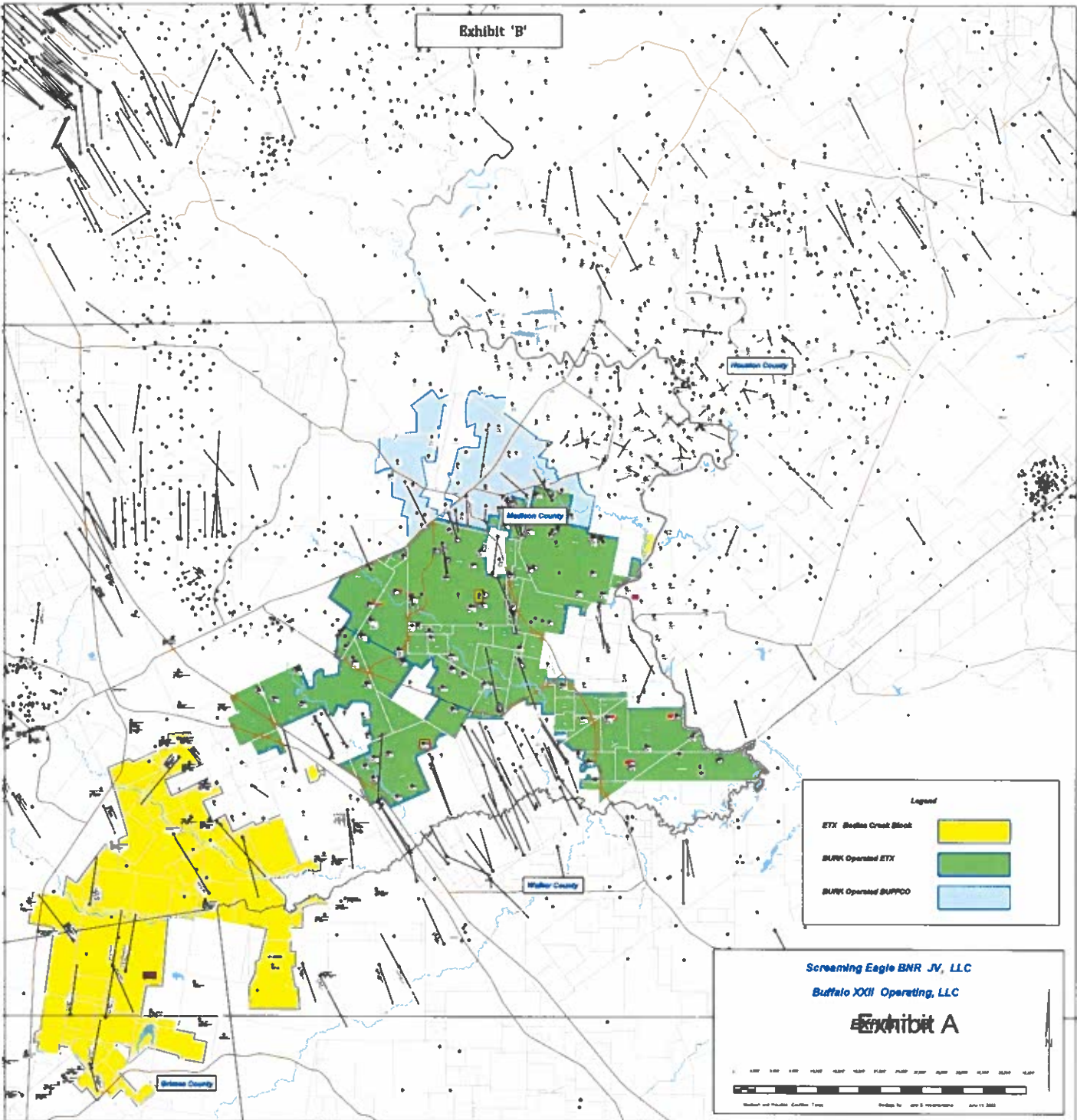



By:   
Name: Kirk Yaniper  
Title: SEP Director

Exhibit 'B'



Legend

ETX Bedles Creek Block	
BWRK Operated ETX	
BWRK Operated BUFFCO	

Screaming Eagle BNR JV, LLC  
Buffalo XXI Operating, LLC

**Exhibit A**

0 1000 2000 3000 4000 5000 6000 7000 8000 9000 10000

North and South Carolina, 1:50,000 Scale, 2000

Map by: JAY S. HERRINGTON, JULY 11, 2003