

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 8-K**

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 17, 2022**

**DORCHESTER MINERALS, L.P.**  
(Exact name of registrant as specified in its charter)

|  |   |   |
|--|---|---|
| <u>Delaware</u><br>(State or other jurisdiction of<br>incorporation) | <u>000-50175</u><br>(Commission<br>File Number) | <u>81-0551518</u><br>(IRS Employer<br>Identification No.) |
|--|---|---|

3838 Oak Lawn, Suite 300, Dallas, Texas 75219  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (214) 559-0300

N/A  
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| <u>Title of each class</u>                             | <u>Trading Symbol(s)</u> | <u>Name of each exchange on which registered</u> |
|--|--------------------------|--|
| Common Units Representing Limited Partnership Interest | DMLP                     | NASDAQ Global Select Market                      |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

**Item 7.01 Regulation FD Disclosure**

On May 18, 2022, the Registrant will hold its 2022 Annual Meeting of Limited Partners. As the Chairman of the meeting, William Casey McManemin, the Chief Executive Officer of Dorchester Minerals, L.P., along with other officers of the Registrant, will discuss historical financial and operational information of Dorchester Minerals, L.P.

The Partnership's 2022 Annual Meeting slides are attached as Exhibit No. 99.1. Unitholders may submit questions regarding the slides by sending an email to [annualmeeting@dmlp.net](mailto:annualmeeting@dmlp.net) prior to the meeting or in-person at the annual meeting.

**Item 9.01 Financial Statements and Exhibits**

(c) Exhibits

99.1 [Slide Presentation is attached hereto as Exhibit 99.1 and incorporated herein by reference.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

**Limitation on Incorporation by Reference**

In accordance with general instructions B.2 and B.6 of Form 8-K, the information disclosed in this report under Item 7.01, including Exhibit 99.1, is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DORCHESTER MINERALS, L.P.  
Registrant

by Dorchester Minerals Management LP  
its General Partner,  
by Dorchester Minerals Management GP LLC  
its General Partner

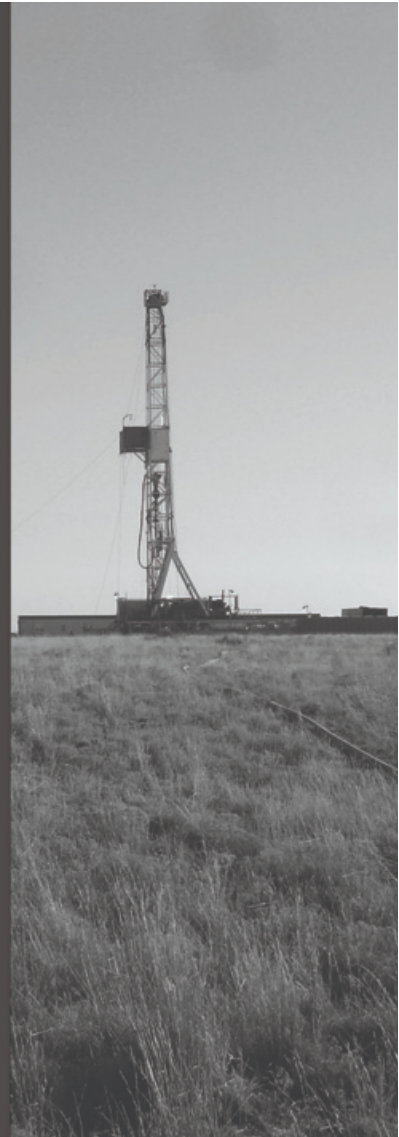
By: /s/ William Casey McManemin  
William Casey McManemin  
Chief Executive Officer

Date: May 17, 2022

# Dorchester Minerals, L.P.

ANNUAL MEETING

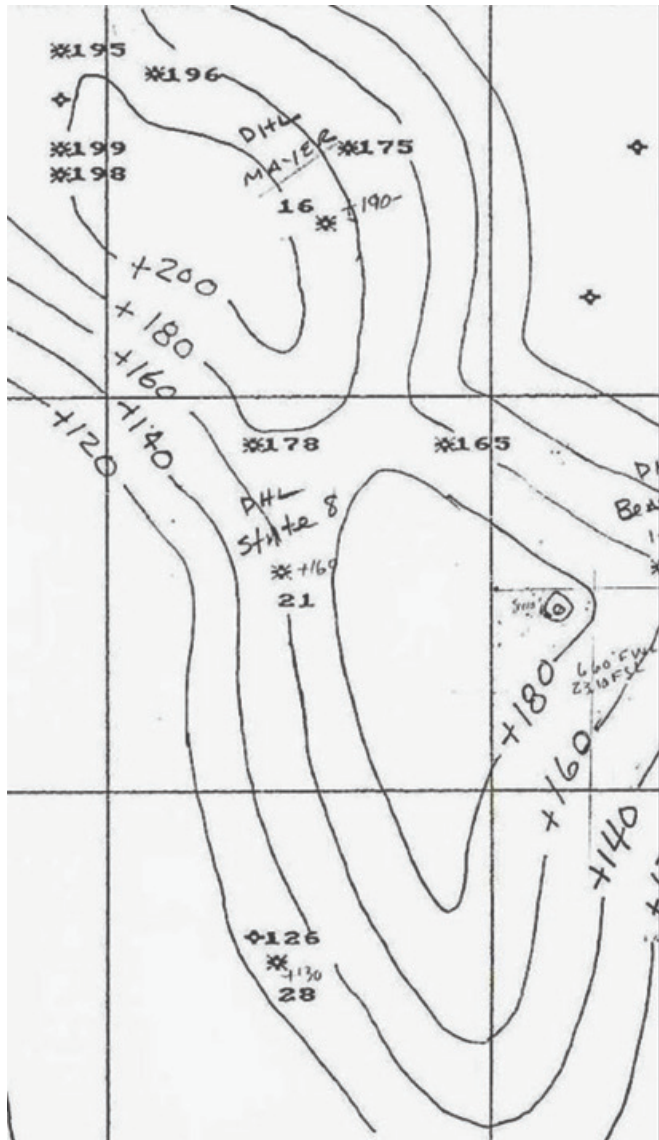
May 18, 2022



# Forward-Looking Statements

Portions of this presentation may constitute, and our officers and representatives from time to time may make, "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate", "intend", "plan", "goal", "seek", "believe", "project", "estimate", "expect", "strategy", "future", "likely", "may", "should", "will," "continue" or similar words, and the absence of such words does not mean that the statements are not forward-looking. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on (and these statements may discuss) our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections of results of operations or of financial condition, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, such statements are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. Therefore, you should not rely on any of these forward-looking statements. Examples of such uncertainties and risks include, but are not limited to, changes in the price or demand for oil and natural gas, including the recent significant decline in energy prices, public health crises including the worldwide COVID-19 or coronavirus outbreak beginning in early 2020 and its ongoing variants, changes in the operations on or development of the Partnership's properties, changes in economic and industry conditions and changes in regulatory requirements (including changes in environmental requirements) and the Partnership's consolidated financial position, business strategy and other plans and objectives for future operations. These and other factors are set forth in the Partnership's filings with the Securities and Exchange Commission. Any forward-looking statement made by us in this document is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update or revise any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or circumstances, or otherwise.





# OUTLINE

- Observations and Trends
- Distributions
- Production and Reserves
- Property Highlights
- Summary



# Observations and Trends

## Industry Conditions

- High commodity prices have not translated into a surge in drilling activity
- Industry continues to focus on capital efficiency and free cash flow → volume growth is not the priority
- Operators' response to the recovery has not been uniform → Public vs. Private, Gas vs. Oil
- Uncertainty on multiple fronts → commodity prices, market volatility, infrastructure, consolidation

## Impacts on Distributions

- Increased distributions driven by commodity prices and restoration of curtailed volumes
- Organic growth on legacy properties has continued to suppress natural declines
- Leasing activity reduced as operators focus on development drilling → limited lease bonus income
- Development of Eastern Delaware Basin has commenced

## Partnership Response

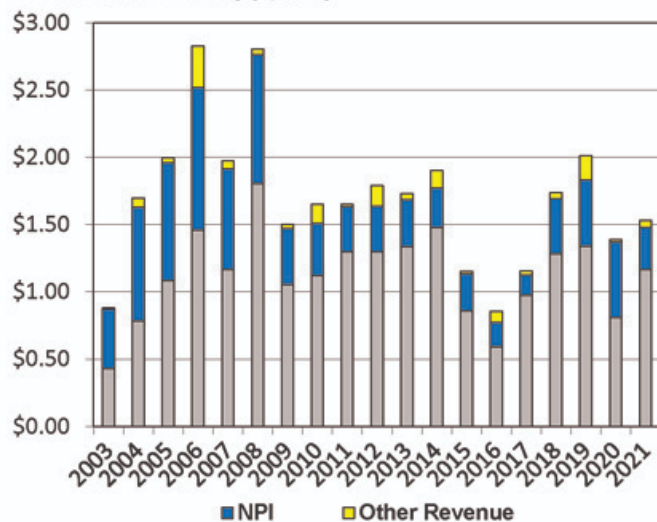
- Remaining unhedged → unitholders get direct exposure to commodity prices
- Continue focus on revenue recovery
- Reduced NPI participation → no long-term commitments
- Conscientious about G&A
- Continue search for accretive M&A opportunities → Two acquisitions closed in 2021, one in Q1 2022

## 2021 Distributions

### Components and Prices

- 11.4% annualized cash distribution yield<sup>(1)</sup> with Q1 2022 distribution of \$0.753926/unit paid May 12, 2022
- Cumulative LP distributions of \$1 billion (\$33.66/unit) from inception through Q1 2022
- Royalty properties contributed 79% to total 2021 Revenues
- 2021 gross revenue attributable to production → 86% oil & liquids sales, 14% gas sales

LP Distribution History (\$/unit)<sup>(2)</sup>



Realized Gas Price (\$/Mcf)<sup>(3)</sup>



Note: (1) Based on unit close price on May 12, 2022. (2) The Royalties distribution \$/unit represent royalty revenue receipts, net of ad valorem taxes and general and administrative expenses attributable to the royalty properties. (3) Oil and Gas prices represent realized prices from royalty properties. Oil prices include Plant Products.

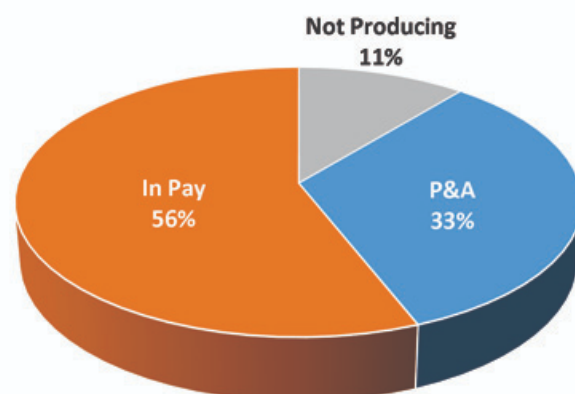
## Minerals NPI

### Trailing 12 Months Activity through March 2022

- Trailing 12 months operating margin of 63% versus prior year trailing 12 months operating margin of 41% was highly impacted by 2020 shut-ins and curtailments
- NPI has been in surplus since August 2020

|  |             |
|--|-------------|
| Trailing 12 Months Revenue                       | \$31.6 MM   |
| Trailing 12 Months Expenses (LOE, taxes, etc.)   | (\$11.6 MM) |
| Trailing 12 Months Net Operating Income          | \$20.0 MM   |
|  |             |
| Trailing 12 Months Minerals NPI Payments         | \$18.3 MM   |
| Trailing 12 Months Minerals NPI Payments \$/unit | \$0.50      |

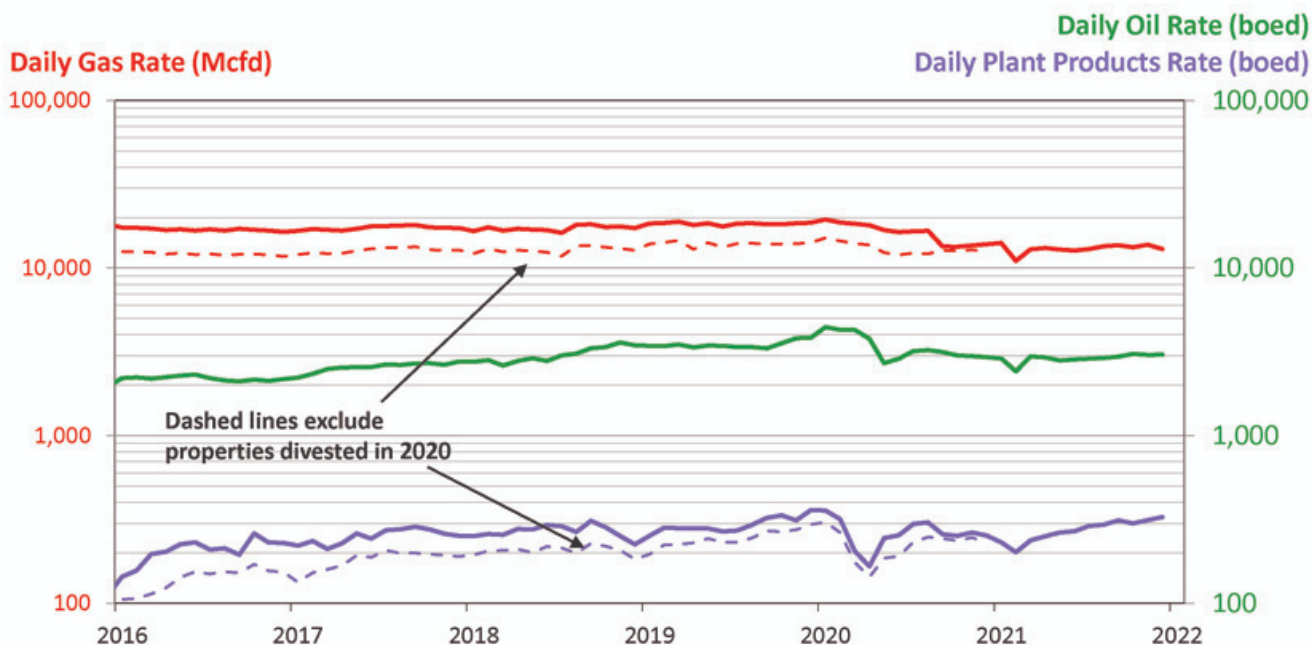
**Capital Commitments as of  
03/31/2022**



Note: Outstanding Capital Commitments at March 2022 were \$2.0 MM.

# Total Production

- Oil production increased by 38% between 2016 and 2021
- Gas production decreased by 26% between 2016 and 2021
- Plant Product production increased by 127% between 2016 and 2021



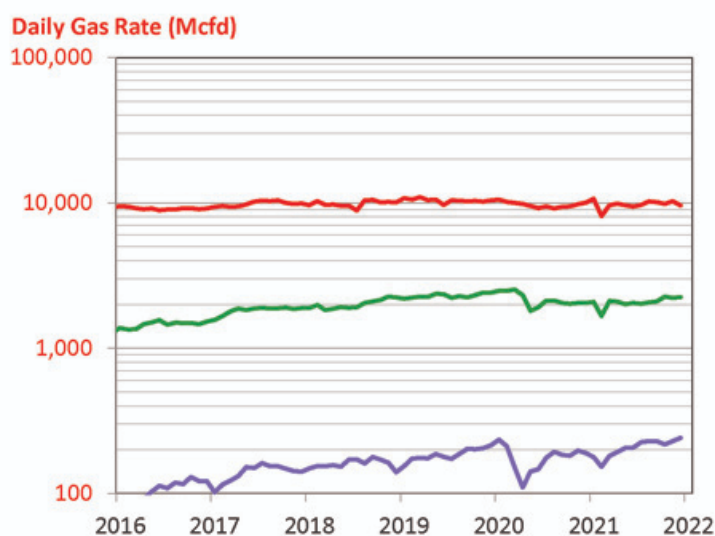
Note: Production graph limited to "in pay" volumes.



# Royalty and NPI Production

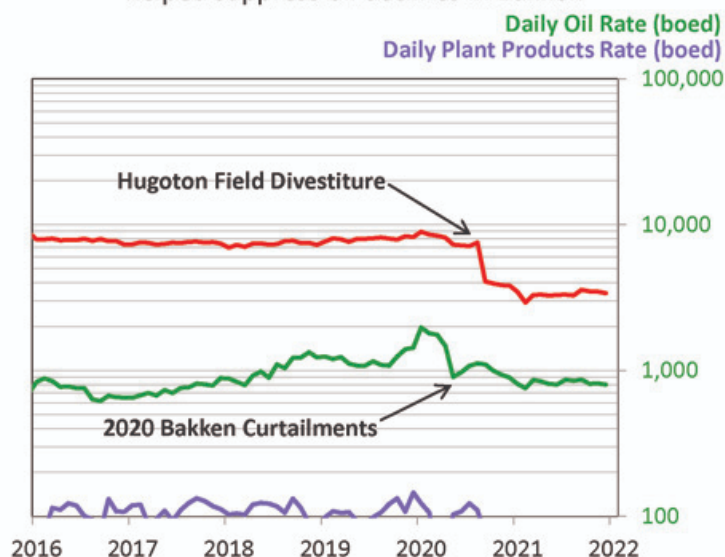
## Royalty Production

- Oil volumes sustained by robust Midland Basin development
- Gas decline has been suppressed by associated gas from Bakken and Permian
- Production still recovering from 2020 downturn in activity



## NPI Production

- Oil historically driven by Bakken participation, but few proposals in 2021
- Divestment of Hugoton Field assets resulted in significant decrease in gas volumes
- After-payout WI in Midland Basin helped suppress oil declines in Bakken



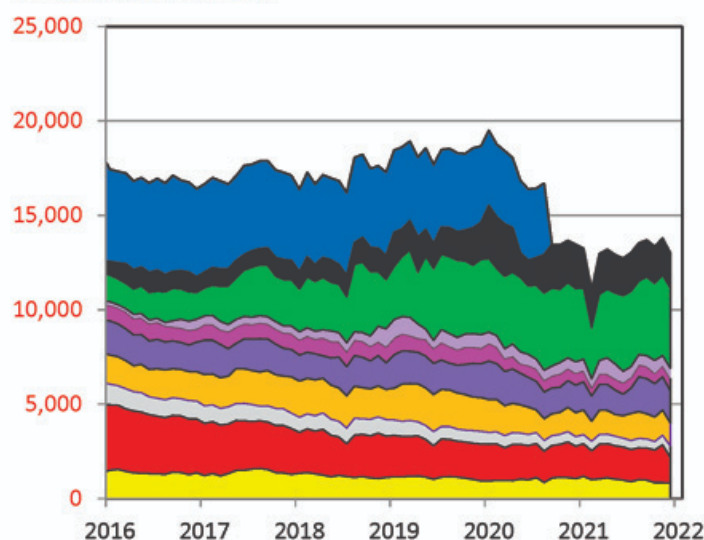
Note: Production graphs limited to "in pay" volumes. Recent acquisitions not yet reflected in royalty production history.

# Composition of Production

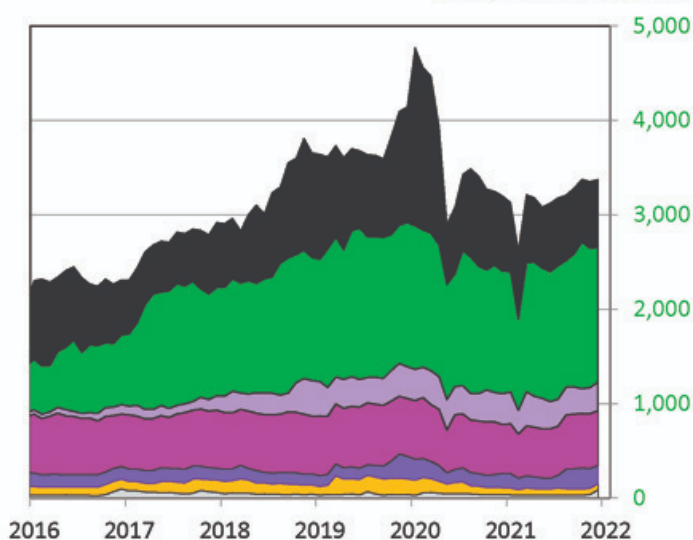
## Contribution from Diverse Sources

- Legacy assets provide low-decline production base
- Largest contributors to both oil and gas production are the Midland Basin and Bakken
- Hugoton Field divestiture and natural declines have reduced contribution from dry gas basins

**Daily Gas Rate (Mcf/d)**



**Daily Oil Rate (boed)**



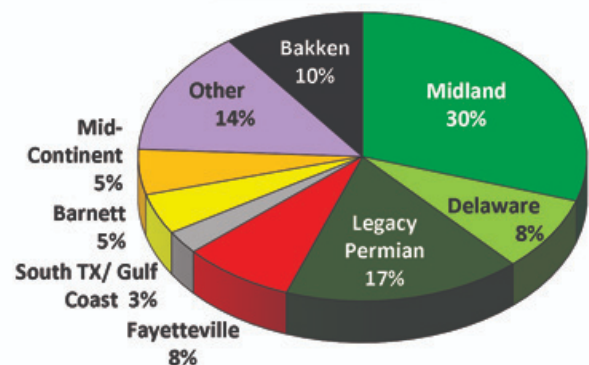
Delaware Core Midland Basin Bakken Barnett Shale Fayetteville Shale Miscellaneous Mid-Continent S. Texas/Gulf Coast Other Permian Hugoton

Note: Volumes attributable to NPI's are included regardless of surplus/deficit status and are burdened by lease operating costs and capital expenses.

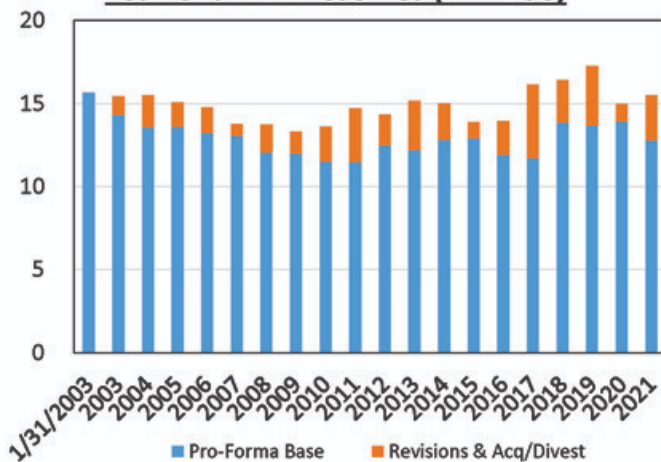
## 2021 Reserves

- Total Proved Reserves of 15.5 MMBoe on 12/31/2021
- All reserves are Proved Developed Producing (PDP)
- Product mix weighted to liquids → 48% oil, 11% plant products, 41% natural gas
- Permian and Bakken → 85% of total oil reserves
- Legacy Permian → low-decline conventional and EOR

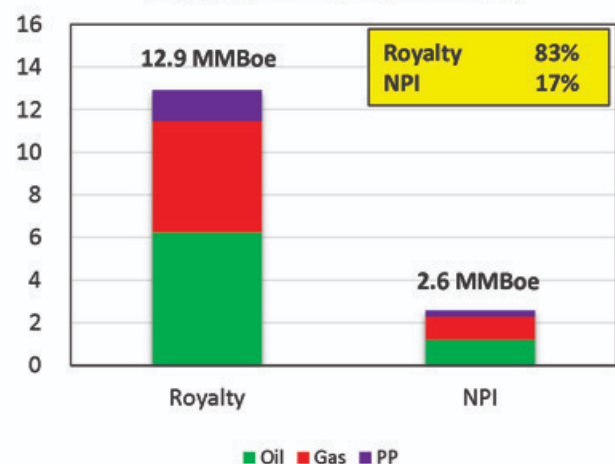
Geographic Split



Year-end PDP Reserves (MMBoe)



Royalty-NPI Split (MMBoe)

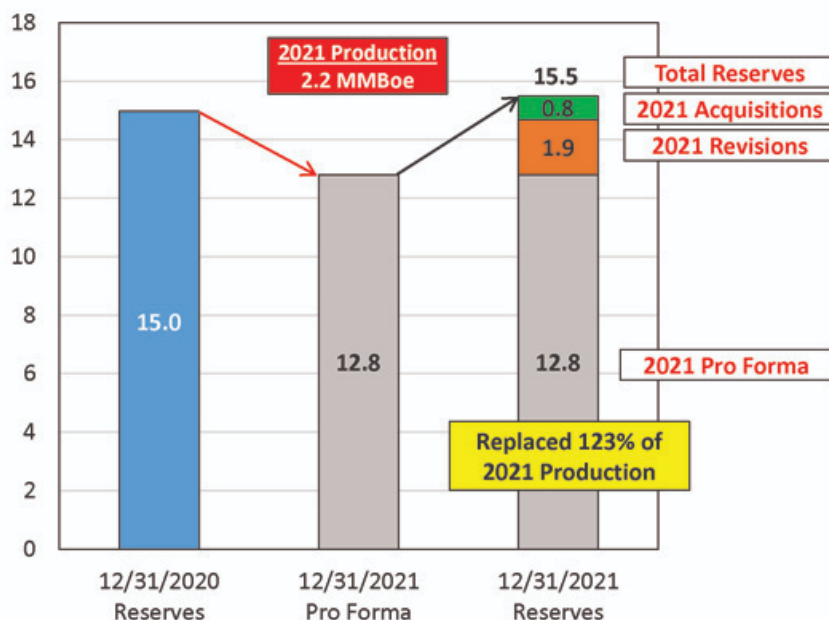


Note: Gas-Oil equivalency of 6:1 ratio is used throughout this presentation.

# 2021 Reserve Revisions

- Improved 2021 commodity prices extended economic limits in legacy properties
- History of Reserve Revisions → Year-end reserves within 1% of initial 2003 reserves

Equivalent Reserves (MMBoe)



## Natural Gas Reserves (Bcf)

|                                    |             |
|------------------------------------|-------------|
| Year-End 2020                      | 33.8        |
| 2021 Production                    | (5.0)       |
| Acquisitions                       | 1.1         |
| Revisions                          | 8.0         |
| <b>Year-End 2021</b>               | <b>37.9</b> |
| <b>12% Year-over-year Increase</b> |             |

## Oil Reserves (Mboe)

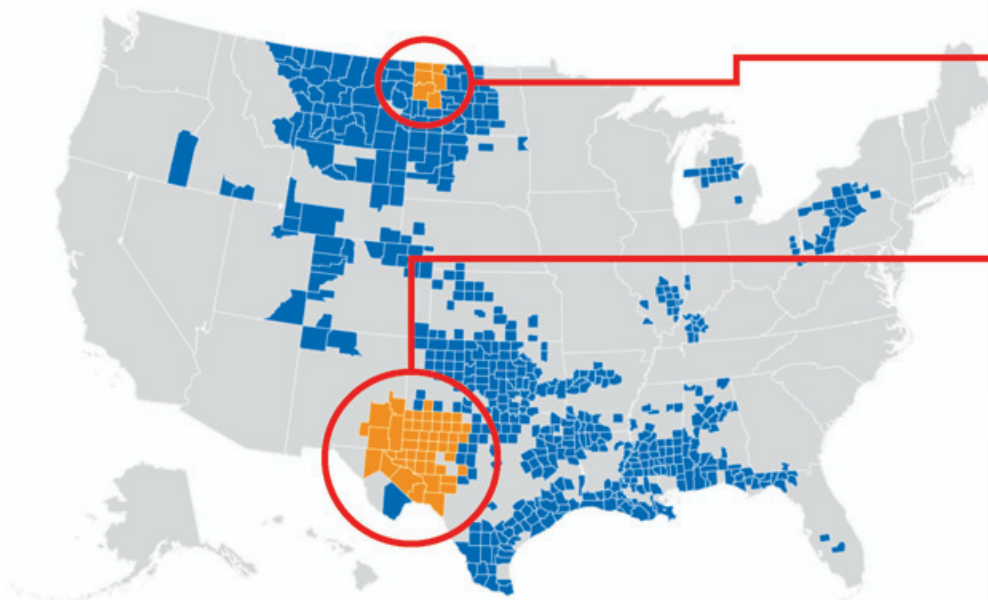
|                                   |              |
|-----------------------------------|--------------|
| Year-End 2020                     | 9,344        |
| 2021 Production                   | (1,346)      |
| Acquisitions                      | 630          |
| Revisions                         | 547          |
| <b>Year-End 2021</b>              | <b>9,175</b> |
| <b>2% Year-over-year Decrease</b> |              |

Note: Oil reserves include plant products as reported in 2021 10-K. Acquisition reserves presented at closing dates. Production does not include 12/31/2021 acquisition. 11



# Mineral Portfolio Overview

- Diversified mineral portfolio spanning 590 Counties in 28 States
- Producing and nonproducing mineral, royalty and net profits interest
- Wide geographic footprint with exposure to nearly every domestic producing basin
- Significant unleased and undeveloped acreage position



## High Impact Areas

### Bakken/Three Forks (ND) 10,400 nma

- Core area with development potential
- Significant unleased mineral position
- Largest contributor to NPI revenue

### Permian (TX & NM) 86,500 nma

- Midland Basin – Large acreage spread across basin with mix of high net interests, blocks of contiguous acreage and unleased NPI wells
- Delaware Basin – Ongoing development of prolific units and large net acreage position in highly prospective areas.
- Legacy Permian – Exposure to long-lived, low decline EOR and conventional CBP units

## Mature or Undeveloped Areas

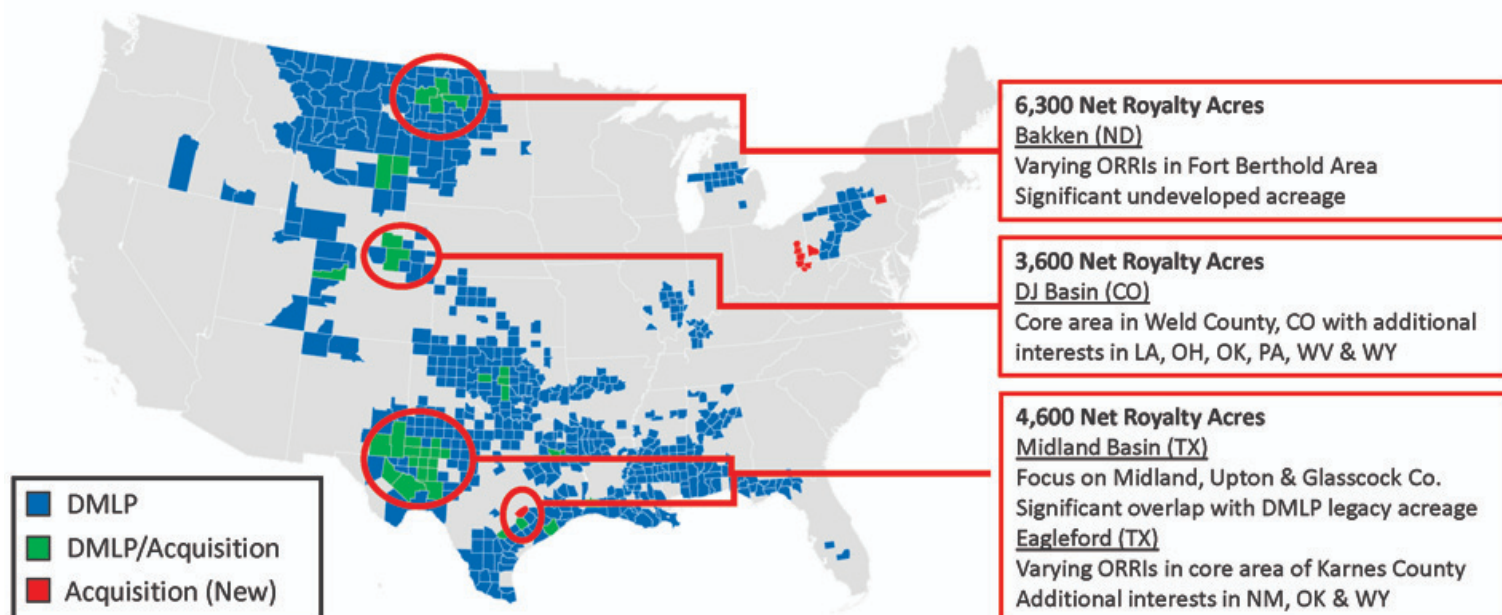
|                    |             |
|--------------------|-------------|
| Non-Bakken Rockies | 170,000 nma |
| Non-Permian Texas  | 76,000 nma  |
| Southeast          | 45,000 nma  |
| Mid-Continent      | 38,000 nma  |
| Appalachia         | 25,000 nma  |
| Other              | 7,000 nma   |

Note: Net Mineral Acre (nma) counts are limited to Executive Mineral Interests.



## Acquisition Activity

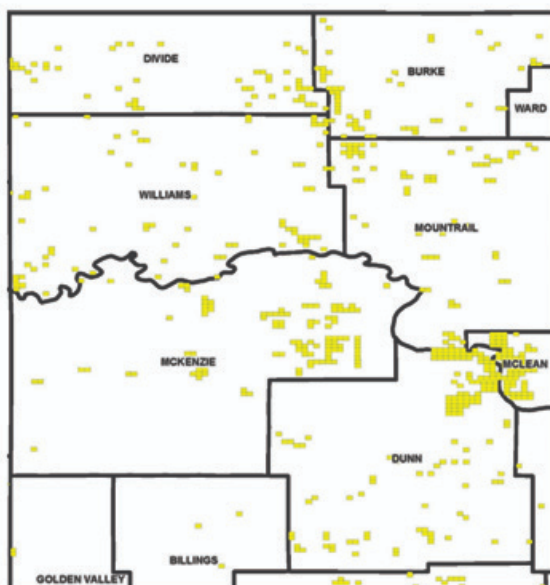
- Three geographically diverse mineral and royalty acquisitions in last 12 months
- Approximately 14,500 net royalty acres located in 44 counties in 10 states
- Total of 2,875,000 units issued to contributors
- Attractive near-term accretion with potential for long-term development



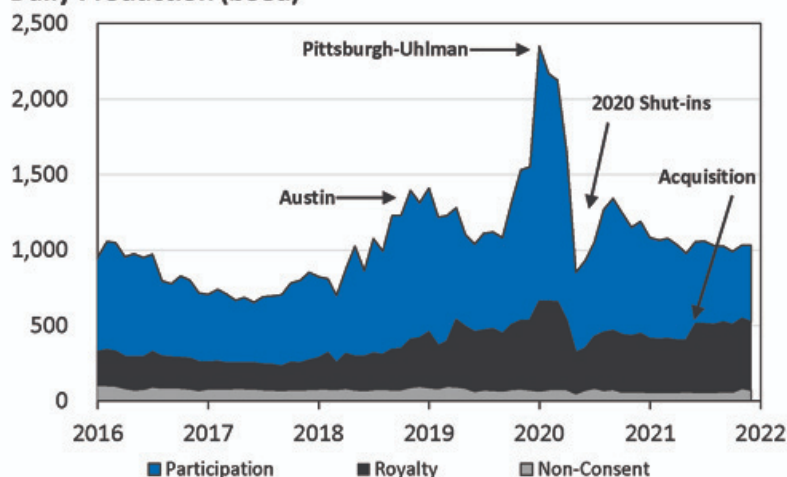
Note: Includes transactions closed on 06/30/2021, 12/31/2021 and 03/31/2022. DJ Basin acquisition closed on 03/31/2022 is not included in 2021 production or reserves.

## Bakken/Three Forks

- 83,600 gross ac (10,400 net ac) in six core ND counties → majority unleased minerals
- Rig count → 15 in April 2021 to 34 in April 2022
- Operator Exposure → EOG, Continental, Hess
- 1,651 gross producing wells at year-end 2021
  - 2021 → 7 Participation, 10 Non-Consent
  - YTD 2022 → 6 Participation, 1 Non-Consent
- Acquisition added 329 PDP wells in Q3 2021
- 2020 well shut-ins had a negative impact on decline rates of many high-volume wells
- 2021 exit rate → 1,031 boed (56% NPI)

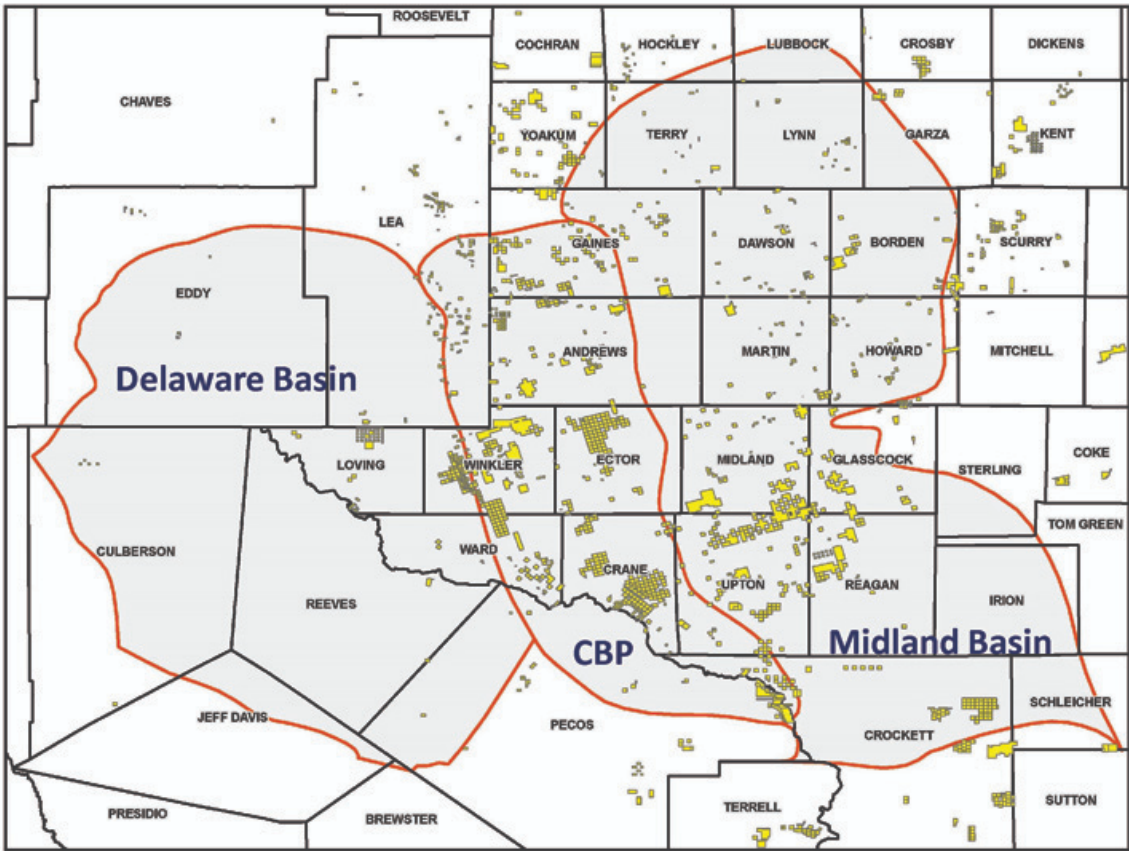


Daily Production (boed)



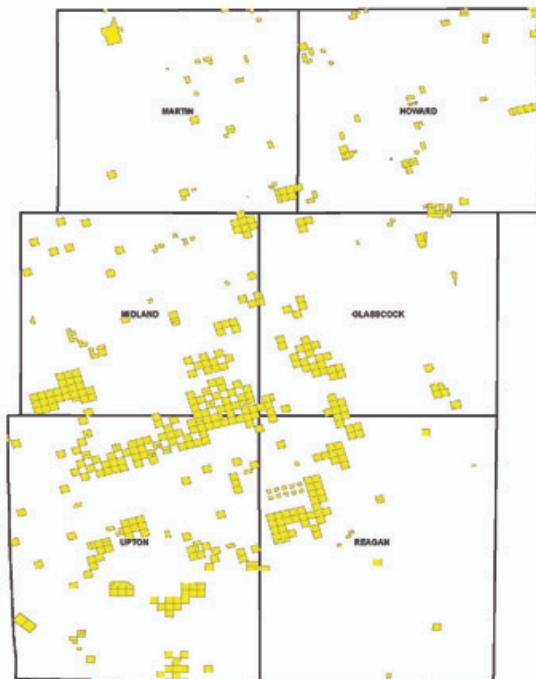
Note: Six core counties include Burke, Divide, Dunn, McKenzie, Mountrail, and Williams. Well count includes both DMLP and DMO.

# Permian Basin

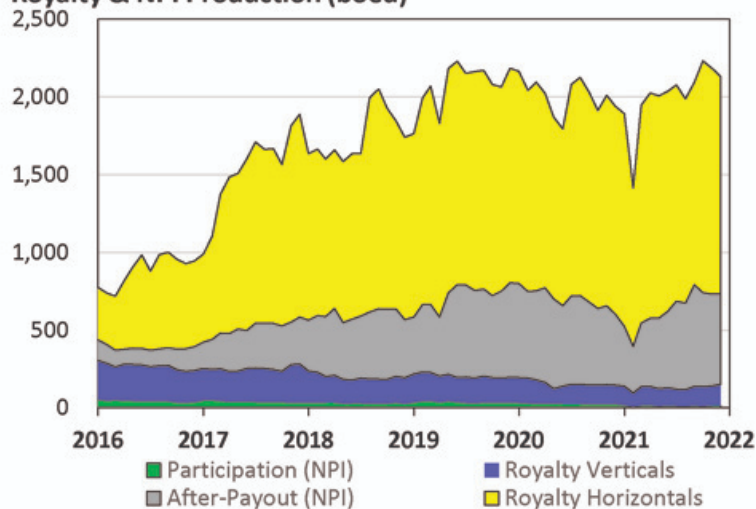


# Midland Basin

- 257,000 gross ac (17,000 net ac) in core
- Unleased at some depths in numerous tracts
- Operator Exposure → Pioneer, ConocoPhillips
- Largest sources are Midland and Upton Co.
- Growth in NPI production is a result of after-payout interest in Non-Consent wells
- Added 218 royalty wells and 25 after-payout wells during 2021
- 2021 exit rate → 2,132 boed (28% NPI)



Royalty & NPI Production (boed)

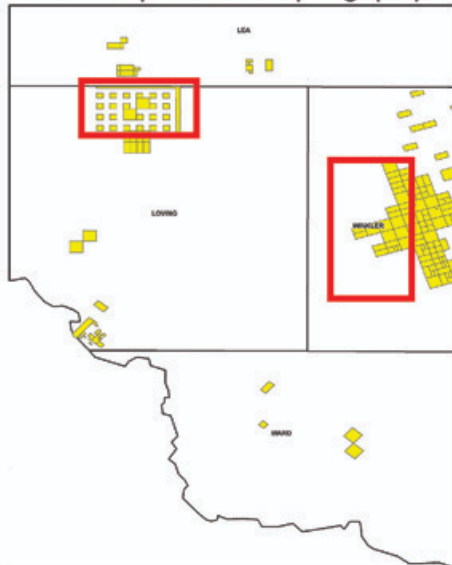


Note: Production graph limited to "in pay" volumes from six counties on map. Net acreage includes multiple interest types.



# Delaware Basin

- DMLP Position
  - 13,500 gross ac (900 net ac) located in Loving, Reeves and Ward Co., TX and Lea Co., NM
  - 640 gross ac of ORRI's
  - Majority of tracts are leased at 1/4 royalty
  - Prospective in multiple zones within the Wolfcamp and Bone Springs plays



- Silvertip Prospect Area
  - Added 17 new wells in 2021
  - 12 of 21 DSU's contain only 1 well
  - 4 active permits on acreage
- Winkler County Prospect Area
  - Rig currently on DMLP acreage
  - Favorable commodity prices should encourage further development

**Royalty Production (boed)**



Note: Acreage counts reflect the portions of Lea, Loving, & Ward counties shown above but do not include Winkler County. Net acreage includes multiple interest types. 17



# Our Goal and Our Principles

## ***We Want to:***

- Assemble and actively manage a portfolio of properties that will enable unitholders to benefit from multiple commodity price and development cycles

## ***We will be:***

- Conscientious about G&A
- UBTI-Free
- Unlevered
- Aligned

## ***We are:***

- Not worried about next quarter's distribution
- Not chasing drill-bits
- Not incentivized or interested in growth for growth's sake
- Committed to achieve our goal through organic growth and accretive acquisitions



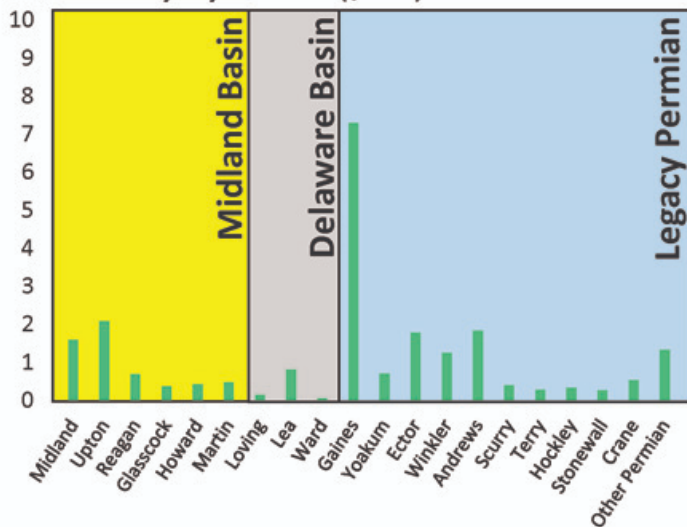
# APPENDIX



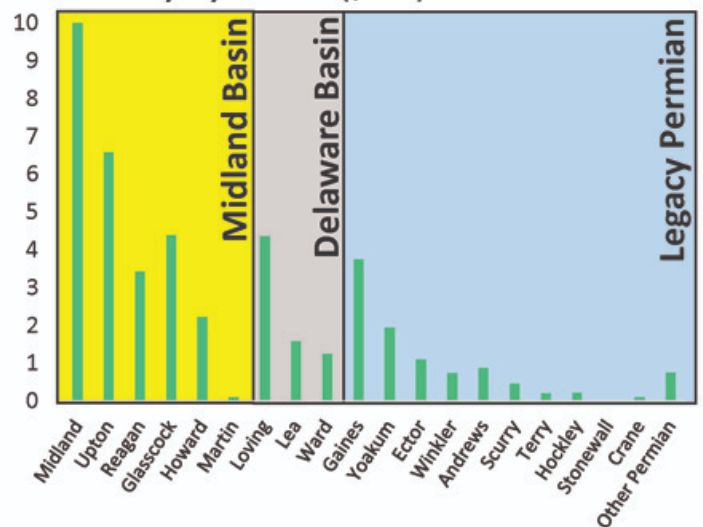
# Permian Basin

- Permian net revenue has shifted dramatically from Legacy Permian properties on Central Basin Platform to Midland and Delaware Basins
- Legacy Permian counties' contribution to Permian net revenue decreased from 71% in 2011 to 23% in 2021

2011 Net Royalty Revenue (\$MM)



2021 Net Royalty Revenue (\$MM)

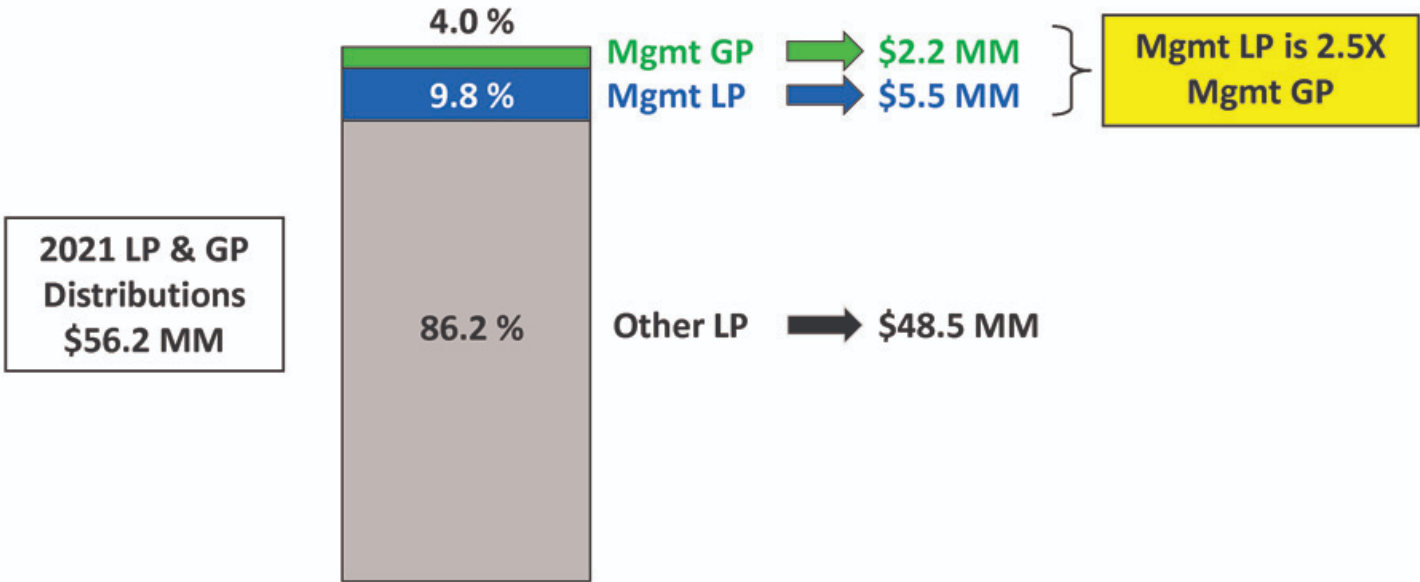


Note: Legacy Permian counties comprised mainly of conventional and EOR units located on the Central Basin Platform.

# Management Ownership

## Alignment of GP and LP interests

- GP has no incentive distribution rights – fixed sharing ratio
- Management’s LP interest exceeds its GP interest
- Not incentivized to make dilutive transactions



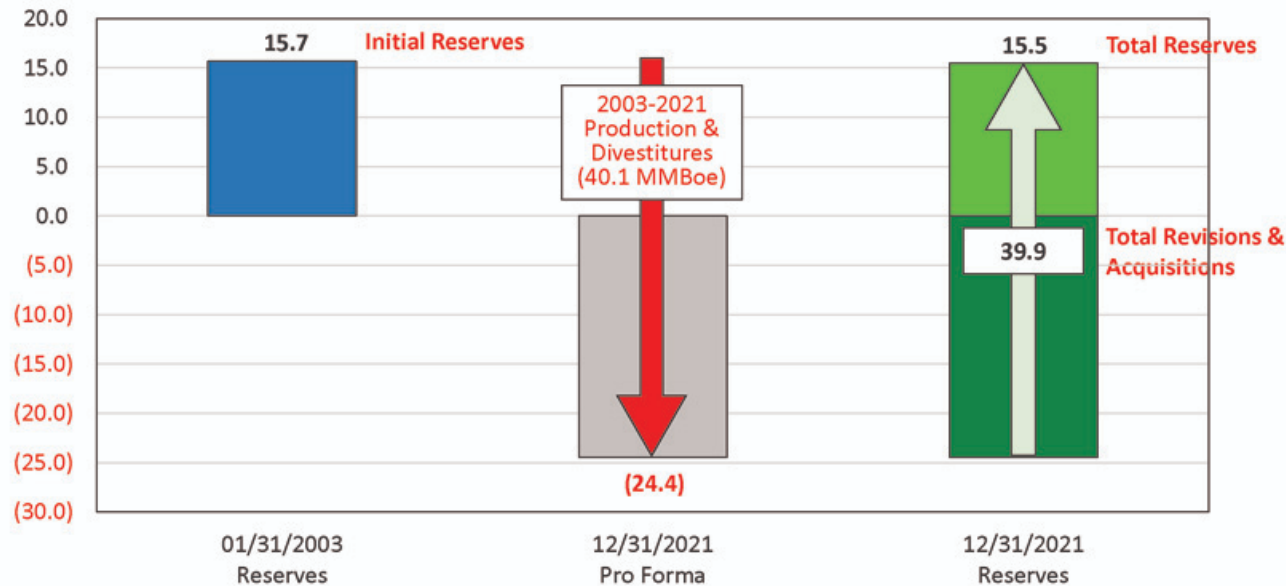
Note: Mgmt LP interest includes LP units owned by officers, managers, and their immediate families. Full-year 2021 calculation based on units owned at 12/31/2021. Total distributions include DMOLP’s 3.03% retainment in the Net Profits Interest. Adjusted for 1.58MM new units issued on 12/31/2021 which were limited to only Q4 dist. 21

# 2021 Reserves

## History of Positive Reserve Revisions

- Cumulative Reserve Revisions have exceeded 100% of Current Reserves
- Production and divestitures have exceeded initial reserves by 24.4 MMBoe

Equivalent Reserves (MMBoe)

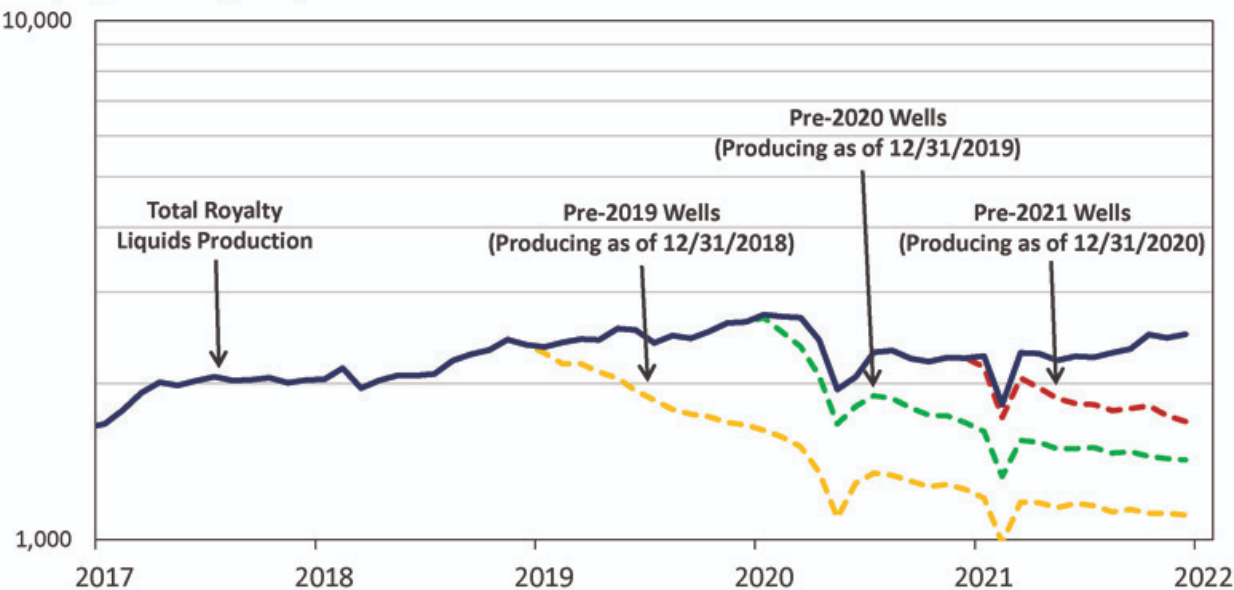




# Royalty Liquids Production

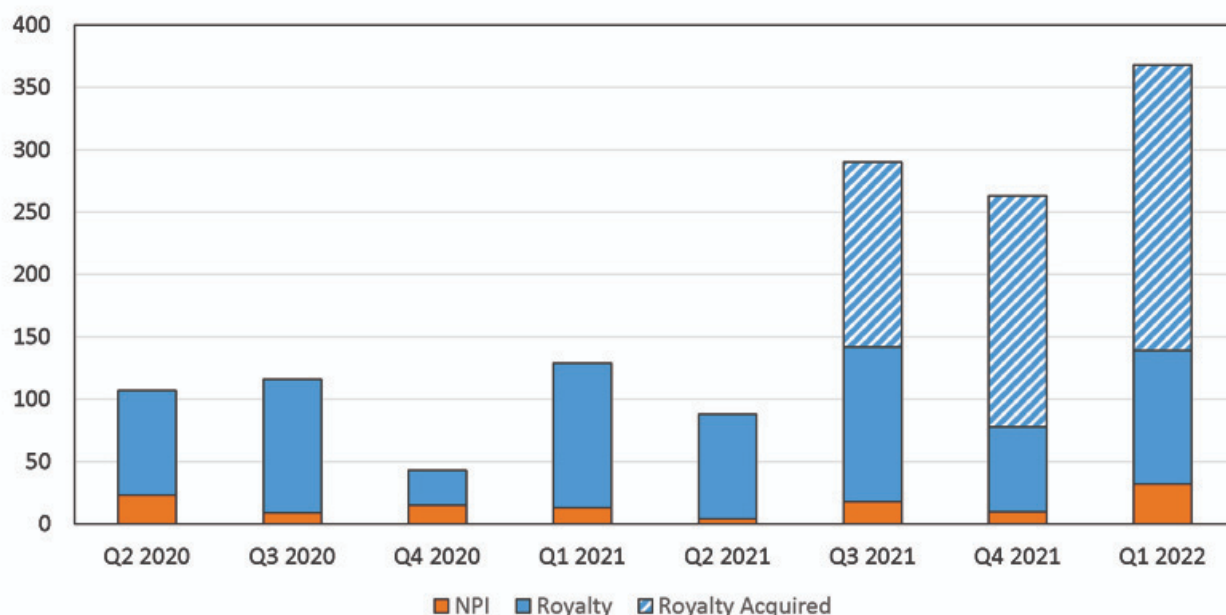
- Pre-2021 Wells → 25% Decline
- Pre-2020 Wells → 15% Decline
- Pre-2019 Wells → 11% Decline

Daily Liquids Rate (boed)



Note: Production graph limited to "in pay" volumes. Liquids include oil and plant products.

## New Well Activity



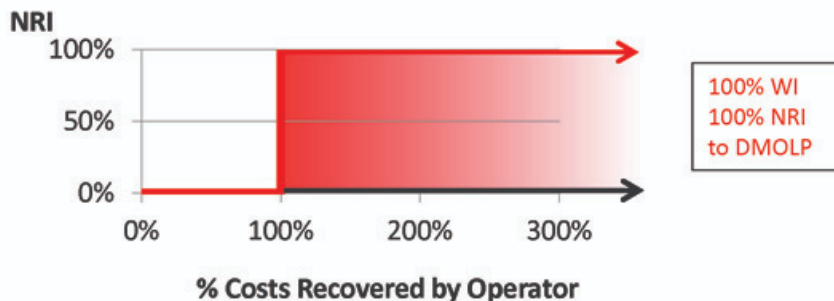
|               |      |      |      |      |      |      |      |      |
|---------------|------|------|------|------|------|------|------|------|
| Royalty Wells | 84   | 107  | 28   | 116  | 84   | 272  | 253  | 336  |
| NPI Wells     | 23   | 9    | 15   | 13   | 4    | 18   | 10   | 32   |
| Net Wells     | 0.97 | 0.76 | 0.49 | 0.73 | 0.52 | 0.83 | 2.16 | 3.73 |

Note: Well count based on first revenue receipts in indicated period. Wells containing both Royalty and NPI interests will be reflected in both well counts.

# Non-Consent/Non-Participation

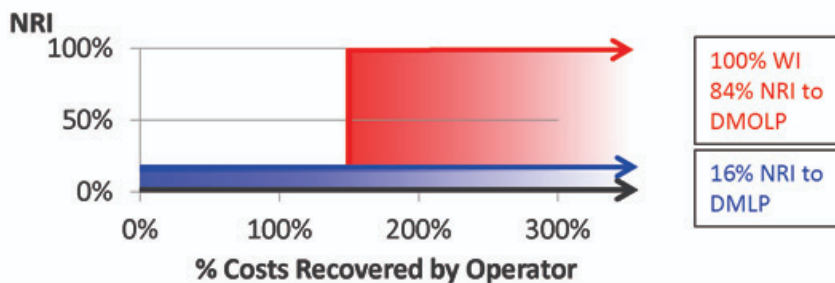
## Texas

- Unleased mineral owner backs in for full working interest after operator recovers 100% of costs



## North Dakota

- Unleased mineral owner receives 16% royalty and backs in for full working interest after operator recovers 150% of costs

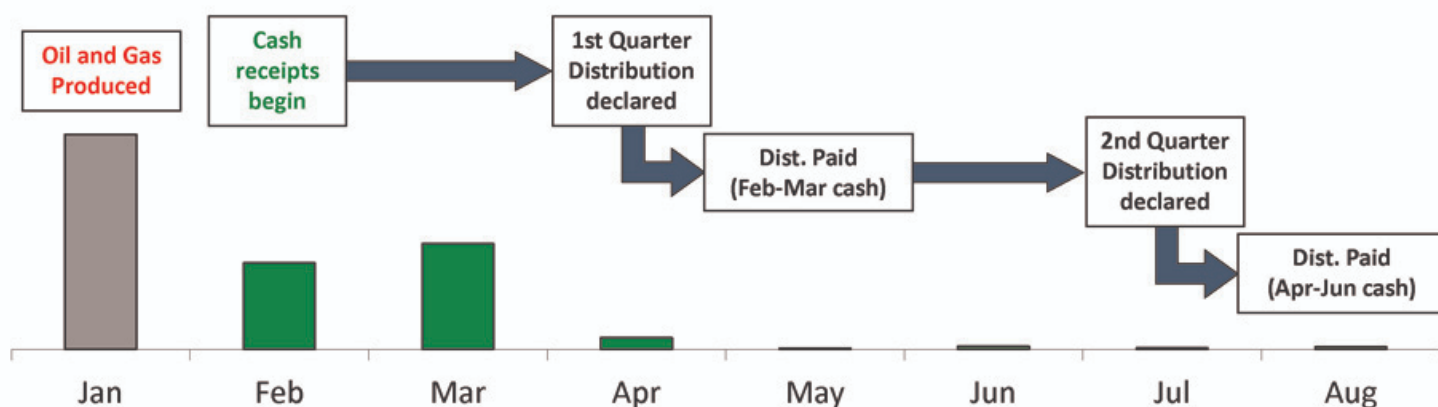


Each State has unique laws governing the treatment of unleased mineral owners

# Royalty Cash Receipts

## Long delay between production and cash distribution

- Cash receipts extend over multiple months due to adjustments, releases, etc.
- Prices can change dramatically between production and payment of distribution
- Example of a typical cash receipt cycle:

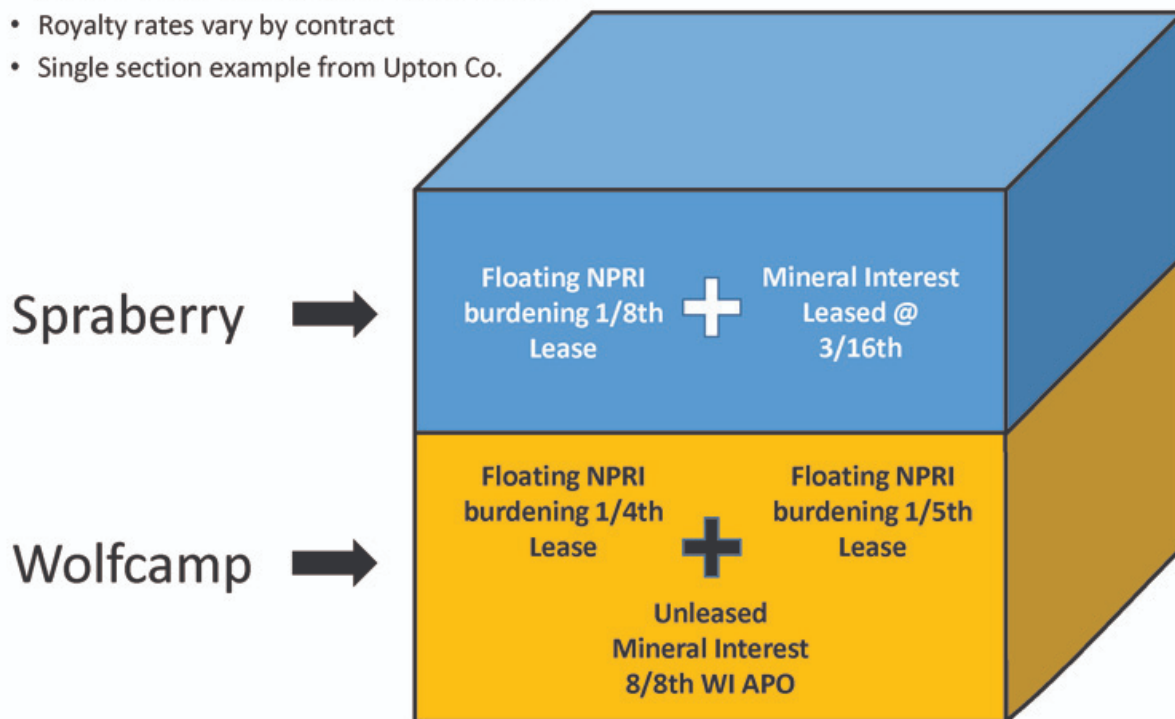


LP distribution of all cash attributable to January production may occur as late as August, a 7-month time lag

# Net Royalty Acres?

Complex mineral ownership is not well represented by Net Royalty Acres

- Royalty rates and lease status vary by depth
- Royalty rates vary by contract
- Single section example from Upton Co.



Note: Interests arise from multiple leases with different ownership. Each interest type is represented on 8/8<sup>th</sup> basis before proportional reduction to DMLP share.



# Investment Highlights

## Assets

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- Long-life Resource Base
- Exposure to Multiple Basins
- Asset Base Includes Undeveloped, Perpetual Minerals
- Optionality with Unleased Mineral Position
- History of Upward Reserve Revisions

High-Quality Resources  
with Demonstrated  
History of Organic  
Growth

## Structure

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- Formulaic Distribution
- Unlevered and Unhedged
- Depletion Deduction
- No UBTI
- Fixed LP/GP split
- Single Class of LP units
- Non-Taxable Exchanges

Efficient and  
Transparent Return of  
Cash Flow to our  
Partners

## Management

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- Sustainable Cost Structure
- Non-Dilutive Equity Compensation
- Alignment with Unitholders
- Assertive Revenue Recovery
- Pursuing Accretive Acquisition Opportunities

Active Portfolio  
Management to  
Enhance Value from  
Partnership's Assets

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# Dorchester Minerals, L.P.

ANNUAL MEETING

May 18, 2022

