

MF116799

|                   |                      |                        |                                  |
|-------------------|----------------------|------------------------|----------------------------------|
| Lease Type<br>RAL | Control<br>07-104705 | Basefile<br>150076     | County<br>REEVES                 |
|                   | Survey               | Public School Land     |                                  |
|                   | Block                | 58                     |                                  |
|                   | Block Name           |                        |                                  |
|                   | Township             |                        |                                  |
|                   | Section/Tract        | 5                      |                                  |
|                   | Land Part            |                        |                                  |
|                   | Acres                | Net: 14.450000         | Gross: <sup>120</sup> 640.000000 |
|                   | Depth Below          | Depth Above            | Depth Other                      |
|                   | Name                 | THE BELLOMY GROUP, LLC |                                  |
|                   | Lease Date           | 6/9/2014               |                                  |
|                   | Primary Term         | 3 years                |                                  |
|                   | Bonus                | \$21,675.00            |                                  |
|                   | Lease Royalty        | 0.12500000             |                                  |
|                   | Paid Up              | Yes                    |                                  |

EXPIRED  
DATE 6/9/17  
LEASING TM 11/29/17  
MAPS JK  
GIS MC

Leasing: DC  
Maps: JK  
GIS: MC  
Scanlab: \_\_\_\_\_



# CAUTION

Documents in this file have been placed in Table of Contents order and scanned.

Please help keep documents in content order and let the ScanLab know when new documents are added to this file.

Thank you for your assistance.

Archives and Records Staff

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Scanned sm 12/9/14

5. Assign ID #9425 Bellomy To Arkoma 10-6-15

Scanned PJ 12-10-15

6. Assign ID #9425 Amended Bellomy to Arkoma 4-12-16

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7. Assign. ID #9638 <sup>From Arkoma</sup> To Bellomy 8/10/16

Scanned PJ 9-13-16

LEASE EXPIRED 6/9/17

Scanned PJ 12-27-2017

# RAL REVIEW SHEET

Working File #: RAL146455

MF:

Lessor: YAKKA II, LLC

Lease Date: 06/09/2014

UI: Yes

Lessee: The Bellomy Group, LLC

Gross Acres: 640.00

Net Acres: 14.45

## LEASE DESCRIPTION

| County | Control # | Base File No | Part                 | Sec | Block | Twp | Survey             | Abst No |
|--------|-----------|--------------|----------------------|-----|-------|-----|--------------------|---------|
| Reeves |           | 150076       | S/2 NW/4 & NE/4 NW/4 | 5   | 58    |     | Public School Land | 5535    |

## TERMS OFFERED

|                |                             |
|----------------|-----------------------------|
| Primary Term:  | 3 Years                     |
| Bonus / Acre:  | \$3,000.00                  |
| Rental / Acre: | 2nd Yr 3rd Yr 4th Yr 5th Yr |
|                | 0.00 0.00                   |
| Royalty        | 0.250000                    |

## TERMS RECOMMENDED

|                |                             |
|----------------|-----------------------------|
| Primary Term:  | 3 Years                     |
| Bonus / Acre:  | \$3,000.00                  |
| Rental / Acre: | 2nd Yr 3rd Yr 4th Yr 5th Yr |
|                | 0.00 0.00                   |
| Royalty        | 0.250000                    |

## COMPARISONS

| Lease No | Lessee         | Lease Date | Primary Term | Bonus/Acre | Rental/Acre | Royalty  | Distance       |
|----------|----------------|------------|--------------|------------|-------------|----------|----------------|
| MF116337 | Cimarex Energy | 02/11/2014 | 3 yr         | \$3,000.00 | \$0.00 0.00 | 0.250000 | 0.000000 South |

Comments:

Paid Up

Approved:

DR 6.18.14

# RELINQUISHMENT ACT LEASE APPLICATION

Texas General Land Office

Jerry Patterson, Commissioner

TO: Jerry Patterson, Commissioner  
Larry Laine, Chief Clerk  
Bill Warnick, General Counsel  
Louis Renaud, Deputy Commissioner

FROM: Robert Hatter, Director of Mineral Leasing

Applicant: The Bellomy Group, LLC

County: Reeves

Prim. Term: 3 Years

Bonus/Acre: \$3,000.00

Royalty: 0.25000000

Rental/Acre 2nd Yr: \$0.00

3rd Yr: \$0.00

4th Yr: \$0.00

5th Yr: \$0.00

## Consideration

Recommended: RJA

Date: 7/25/14

Not Recommended: \_\_\_\_\_

Comments: Paid Up

## Lease Form

Recommended: RJA

Date: 7/25/14

Not Recommended: \_\_\_\_\_

Comments: \_\_\_\_\_

## Louis Renaud, Deputy Commissioner

Recommended: CLR

Date: 7-25-14

Not Recommended: \_\_\_\_\_

## Bill Warnick, General Counsel

Recommended: WTL

Date: 7/30/14

Not Recommended: \_\_\_\_\_

## Larry Laine, Chief Clerk

Approved: [Signature]

Date: 7/29/14

Not Approved: \_\_\_\_\_

## Jerry Patterson, Commissioner

Approved: [Signature]

Date: 7/30/14

Not Approved: \_\_\_\_\_

File No. MF 116799 1.  
RAL Review Sheet

Date Filed: 7-18-14  
Jerry E. Patterson Commissioner  
By JEP



**THE BELLOMY GROUP LLC**  
1700 PACIFIC AVENUE SUITE 2210  
DALLAS, TEXAS 75201

PLAINSCAPITAL BANK

1681

14715482

07/10/2014

PAY TO THE  
ORDER OF

Texas General Land Office

\$ \*\*21,675.00

Twenty-one thousand six hundred seventy-five and 00/100\*\*\*\*\* DOLLARS

Drew Reid  
1700 North Congress Ave.  
Room 600  
Austin, Texas 78701-1495

MEMO:

Reeves Lease Bonus - Sec. 5 Block 58 PSL



AUTHORIZED SIGNATURE

⑈001681⑈

THE BELLOMY GROUP LLC

07/10/2014

Texas General Land Office

1681

Reeves Lease Bonus - Sec. 5 Block 58 PSL

21,675.00

14715482



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Checking

Reeves Lease Bonus - Sec. 5 Block 58 PSL

21,675.00

X



**THE BELLOMY GROUP LLC**  
1700 PACIFIC AVENUE SUITE 2210  
DALLAS, TEXAS 75201

PLAINSCAPITAL BANK

1679

14715481

07/10/2014

PAY TO THE  
ORDER OF

Texas General Land Office

\$ \*\*125.00

One hundred twenty-five and 00/100

DOLLARS

Drew Reid  
1700 North Congress Ave.  
Room 600  
Austin, Texas 78701-1495

MEMO:

Texas GLO Lease Filing & Processing Fee



*[Signature]*  
AUTHORIZED SIGNATURE

⑈001679⑈

THE BELLOMY GROUP LLC

07/10/2014

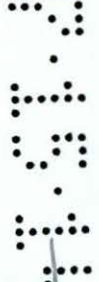
Texas General Land Office

Texas GLO Lease Filing & Processing Fee

14715481

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125.00



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Checking

Texas GLO Lease Filing & Processing Fee

125.00

T H E  
**BELLOMY**  
G R O U P

July 8, 2014

Mineral Leasing Division  
Texas General Land Office  
Attn: Drew Reid  
1700 North Congress Avenue, Room 600  
Austin, Texas 78701-1495

14715481

Dear Mr. Reid,

The Bellomy Group has leased the following interest in Reeves County, Texas and has included here within the certified copy of the lease, the State's share of the bonus, the required \$25 filing fee and the required \$100 processing fee. The Bellomy Group made no changes to the standard Relinquishment Act Lease Form.

14715482

- **Legal Description of Interest Leased:**
  - 640 acres of land, more or less, being Section 5, Block 58, PSL Survey, Abstract 5535, Reeves County, Texas
- **Agent (Lessor):**
  - Yakka II, LLC
- **Net Undivided Interest:**
  - 14.45 net acres
- **Bonus Per Acre Paid:**
  - \$3,000 per acre
- **Primary Term of Lease:**
  - 3 year primary term
- **Rental Per Acre Paid:**
  - Paid-Up lease; No rentals
- **Gross Royalty:**
  - 25% royalty



Please let me know if you have any questions or concerns regarding this lease. We will wait patiently for your letter with the mineral file number of the file.

Best Regards,

**Sean Bellomy**

Managing Partner | The Bellomy Group, LLC  
(214) 636-8834 | [sean@thebellomygroup.com](mailto:sean@thebellomygroup.com)  
[www.thebellomygroup.com](http://www.thebellomygroup.com)

44.33.7

File No. AF 116799 2.  
Bonus, fees, cover  
ltr

Date Filed: 7-15-14  
Jerry E. Patterson, Commissioner

By JEP

# The State of Texas



Austin, Texas

## OIL AND GAS LEASE

THIS AGREEMENT is made and entered into this 9<sup>th</sup> day of June, 2014, between the State of Texas, acting by and through its agent, Yakka II, LLC  
of P.O. Box 2078 Abilene, Texas 79604  
(Give Permanent Address)  
said agent herein referred to as the owner of the soil (whether one or more), and The Bellomy Group, LLC, a Texas Limited Liability Company  
of P.O. Box 192281 Dallas, Texas 75219 hereinafter called Lessee.  
(Give Permanent Address)

**1. GRANTING CLAUSE.** For and in consideration of the amounts stated below and of the covenants and agreements to be paid, kept and performed by Lessee under this lease, the State of Texas acting by and through the owner of the soil, hereby grants, leases and lets unto Lessee, for the sole and only purpose of prospecting and drilling for and producing oil and gas, laying pipe lines, building tanks, storing oil and building power stations, telephone lines and other structures thereon, to produce, save, take care of, treat and transport said products of the lease, the following lands situated in Reeves County, State of Texas, to-wit:

640 acres of land, more or less, being Section 5, Block 58, PSL Survey, Abstract 5535, Reeves County, Texas

120

containing 640 <sup>120</sup> acres, more or less. The bonus consideration paid for this lease is as follows:

To the State of Texas: Twenty One Thousand Six Hundred and Seventy Five Dollars and No/100 cents  
Dollars (\$21,675.00)

To the owner of the soil: Twenty One Thousand Six Hundred and Seventy Five Dollars and No/100 cents  
Dollars (\$21,675.00)

Total bonus consideration: Forty Three Thousand Three Hundred and Fifty Dollars and No/100 cents  
Dollars (\$43,350.00)

The total bonus consideration paid represents a bonus of Three Thousand  
Dollars (\$3,000) per acre, on 14.45 net acres.

**2. TERM.** Subject to the other provisions in this lease, this lease shall be for a term of 3 (three) years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced in paying quantities from said land. As used in this lease, the term "produced in paying quantities" means that the receipts from the sale or other authorized commercial use of the substance(s) covered exceed out of pocket operational expenses for the six months last past.

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Original filed in  
Reeves County  
Clerks Office

3. **DELAY RENTALS.** If no well is commenced on the leased premises on or before one (1) year from this date, this lease shall terminate, unless on or before such anniversary date Lessee shall pay or tender to the owner of the soil or to his credit in the \_\_\_\_\_

**\*\*THIS IS A PAID-UP LEASE: SEE PARAGRAPH 40\*\*** Bank, at \_\_\_\_\_

or its successors (which shall continue as the depository regardless of changes in the ownership of said land), the amount specified below; in addition, Lessee shall pay or tender to the COMMISSIONER OF THE GENERAL LAND OFFICE OF THE STATE OF TEXAS, AT AUSTIN, TEXAS, a like sum on or before said date. Payments under this paragraph shall operate as a rental and shall cover the privilege of deferring the commencement of a well for one (1) year from said date. Payments under this paragraph shall be in the following amounts:

To the owner of the soil: 0- \_\_\_\_\_  
Dollars ( 0- \_\_\_\_\_ )  
To the State of Texas: 0- \_\_\_\_\_  
Dollars ( 0- \_\_\_\_\_ )  
Total Delay Rental: 0- \_\_\_\_\_  
Dollars ( 0- \_\_\_\_\_ )

In a like manner and upon like payments or tenders annually, the commencement of a well may be further deferred for successive periods of one (1) year each during the primary term. All payments or tenders of rental to the owner of the soil may be made by check or sight draft of Lessee, or any assignee of this lease, and may be delivered on or before the rental paying date. If the bank designated in this paragraph (or its successor bank) should cease to exist, suspend business, liquidate, fail or be succeeded by another bank, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payments or tenders of rental until thirty (30) days after the owner of the soil shall deliver to Lessee a proper recordable instrument naming another bank as agent to receive such payments or tenders.

4. **PRODUCTION ROYALTIES.** Upon production of oil and/or gas, Lessee agrees to pay or cause to be paid one-half (1/2) of the royalty provided for in this lease to the Commissioner of the General Land Office of the State of Texas, at Austin, Texas, and one-half (1/2) of such royalty to the owner of the soil:

(A) **OIL.** Royalty payable on oil, which is defined as including all hydrocarbons produced in a liquid form at the mouth of the well and also as all condensate, distillate, and other liquid hydrocarbons recovered from oil or gas run through a separator or other equipment, as hereinafter provided, shall be 25% \_\_\_\_\_ part of the gross production or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such value to be determined by 1) the highest posted price, plus premium, if any, offered or paid for oil, condensate, distillate, or other liquid hydrocarbons, respectively, of a like type and gravity in the general area where produced and when run, or 2) the highest market price thereof offered or paid in the general area where produced and when run, or 3) the gross proceeds of the sale thereof, whichever is the greater. Lessee agrees that before any gas produced from the leased premises is sold, used or processed in a plant, it will be run free of cost to the royalty owners through an adequate oil and gas separator of conventional type, or other equipment at least as efficient, so that all liquid hydrocarbons recoverable from the gas by such means will be recovered. The requirement that such gas be run through a separator or other equipment may be waived, in writing, by the royalty owners upon such terms and conditions as they prescribe.

(B) **NON PROCESSED GAS.** Royalty on any gas (including flared gas), which is defined as all hydrocarbons and gaseous substances not defined as oil in subparagraph (A) above, produced from any well on said land (except as provided herein with respect to gas processed in a plant for the extraction of gasoline, liquid hydrocarbons or other products) shall be 25% \_\_\_\_\_ part of the gross production or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such value to be based on the highest market price paid or offered for gas of comparable quality in the general area where produced and when run, or the gross price paid or offered to the producer, whichever is the greater; provided that the maximum pressure base in measuring the gas under this lease shall not at any time exceed 14.65 pounds per square inch absolute, and the standard base temperature shall be sixty (60) degrees Fahrenheit, correction to be made for pressure according to Boyle's Law, and for specific gravity according to tests made by the Balance Method or by the most approved method of testing being used by the industry at the time of testing.

(C) **PROCESSED GAS.** Royalty on any gas processed in a gasoline plant or other plant for the recovery of gasoline or other liquid hydrocarbons shall be 25% \_\_\_\_\_ part of the residue gas and the liquid hydrocarbons extracted or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office. All royalties due herein shall be based on one hundred percent (100%) of the total plant production of residue gas attributable to gas produced from this lease, and on fifty percent (50%), or that percent accruing to Lessee, whichever is the greater, of the total plant production of liquid hydrocarbons attributable to the gas produced from this lease; provided that if liquid hydrocarbons are recovered from gas processed in a plant in which Lessee (or its parent, subsidiary or affiliate) owns an interest, then the percentage applicable to liquid hydrocarbons shall be fifty percent (50%) or the highest percent accruing to a third party processing gas through such plant under a processing agreement negotiated at arm's length (or if there is no such third party, the highest percent then being specified in processing agreements or contracts in the industry), whichever is the greater. The respective royalties on residue gas and on liquid hydrocarbons shall be determined by 1) the highest market price paid or offered for any gas (or liquid hydrocarbons) of comparable quality in the general area, or 2) the gross price paid or offered for such residue gas (or the weighted average gross selling price for the respective grades of liquid hydrocarbons), whichever is the greater. In no event, however, shall the royalties payable under this paragraph be less than the royalties which would have been due had the gas not been processed.

(D) **OTHER PRODUCTS.** Royalty on carbon black, sulphur or any other products produced or manufactured from gas (excepting liquid hydrocarbons) whether said gas be "casinghead," "dry," or any other gas, by fractionating, burning or any other processing shall be 25% \_\_\_\_\_ part of the gross production of such products, or the market value thereof, at the option of the owner of the soil or the Commissioner of the General Land Office, such market value to be determined as follows: 1) on the basis of the highest market price of each product for the same month in which such product is produced, or 2) on the basis of the average gross sale price of each product for the same month in which such products are produced; whichever is the greater.

5. **MINIMUM ROYALTY.** During any year after the expiration of the primary term of this lease, if this lease is maintained by production, the royalties paid under this lease in no event shall be less than an amount equal to the total annual delay rental herein provided; otherwise, there shall be

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Clerks Office

due and payable on or before the last day of the month succeeding the anniversary date of this lease a sum equal to the total annual rental less the amount of royalties paid during the preceding year. If Paragraph 3 of this lease does not specify a delay rental amount, then for the purposes of this paragraph, the delay rental amount shall be one dollar (\$1.00) per acre.

**6. ROYALTY IN KIND.** Notwithstanding any other provision in this lease, at any time or from time to time, the owner of the soil or the Commissioner of the General Land Office may, at the option of either, upon not less than sixty (60) days notice to the holder of the lease, require that the payment of any royalties accruing to such royalty owner under this lease be made in kind. The owner of the soil's or the Commissioner of the General Land Office's right to take its royalty in kind shall not diminish or negate the owner of the soil's or the Commissioner of the General Land Office's rights or Lessee's obligations, whether express or implied, under this lease.

**7. NO DEDUCTIONS.** Lessee agrees that all royalties accruing under this lease (including those paid in kind) shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and otherwise making the oil, gas and other products hereunder ready for sale or use. Lessee agrees to compute and pay royalties on the gross value received, including any reimbursements for severance taxes and production related costs.

**8. PLANT FUEL AND RECYCLED GAS.** No royalty shall be payable on any gas as may represent this lease's proportionate share of any fuel used to process gas produced hereunder in any processing plant. Notwithstanding any other provision of this lease, and subject to the written consent of the owner of the soil and the Commissioner of the General Land Office, Lessee may recycle gas for gas lift purposes on the leased premises or for injection into any oil or gas producing formation underlying the leased premises after the liquid hydrocarbons contained in the gas have been removed; no royalties shall be payable on the recycled gas until it is produced and sold or used by Lessee in a manner which entitles the royalty owners to a royalty under this lease.

**9. ROYALTY PAYMENTS AND REPORTS.** All royalties not taken in kind shall be paid to the Commissioner of the General Land Office at Austin, Texas, in the following manner:

Payment of royalty on production of oil and gas shall be as provided in the rules set forth in the Texas Register. Rules currently provide that royalty on oil is due and must be received in the General Land Office on or before the 5th day of the second month succeeding the month of production, and royalty on gas is due and must be received in the General Land Office on or before the 15th day of the second month succeeding the month of production, accompanied by the affidavit of the owner, manager or other authorized agent, completed in the form and manner prescribed by the General Land Office and showing the gross amount and disposition of all oil and gas produced and the market value of the oil and gas, together with a copy of all documents, records or reports confirming the gross production, disposition and market value including gas meter readings, pipeline receipts, gas line receipts and other checks or memoranda of amount produced and put into pipelines, tanks, or pools and gas lines or gas storage, and any other reports or records which the General Land Office may require to verify the gross production, disposition and market value. In all cases the authority of a manager or agent to act for the Lessee herein must be filed in the General Land Office. Each royalty payment shall be accompanied by a check stub, schedule, summary or other remittance advice showing by the assigned General Land Office lease number the amount of royalty being paid on each lease. If Lessee pays his royalty on or before thirty (30) days after the royalty payment was due, then Lessee owes a penalty of 5% on the royalty or \$25.00, whichever is greater. A royalty payment which is over thirty (30) days late shall accrue a penalty of 10% of the royalty due or \$25.00 whichever is greater. In addition to a penalty, royalties shall accrue interest at a rate of 12% per year; such interest will begin to accrue when the royalty is sixty (60) days overdue. Affidavits and supporting documents which are not filed when due shall incur a penalty in an amount set by the General Land Office administrative rule which is effective on the date when the affidavits or supporting documents were due. The Lessee shall bear all responsibility for paying or causing royalties to be paid as prescribed by the due date provided herein. Payment of the delinquency penalty shall in no way operate to prohibit the State's right of forfeiture as provided by law nor act to postpone the date on which royalties were originally due. The above penalty provisions shall not apply in cases of title dispute as to the State's portion of the royalty or to that portion of the royalty in dispute as to fair market value.

**10. (A) RESERVES, CONTRACTS AND OTHER RECORDS.** Lessee shall annually furnish the Commissioner of the General Land Office with its best possible estimate of oil and gas reserves underlying this lease or allocable to this lease and shall furnish said Commissioner with copies of all contracts under which gas is sold or processed and all subsequent agreements and amendments to such contracts within thirty (30) days after entering into or making such contracts, agreements or amendments. Such contracts and agreements when received by the General Land Office shall be held in confidence by the General Land Office unless otherwise authorized by Lessee. All other contracts and records pertaining to the production, transportation, sale and marketing of the oil and gas produced on said premises, including the books and accounts, receipts and discharges of all wells, tanks, pools, meters, and pipelines shall at all times be subject to inspection and examination by the Commissioner of the General Land Office, the Attorney General, the Governor, or the representative of any of them.

**(B) PERMITS, DRILLING RECORDS.** Written notice of all operations on this lease shall be submitted to the Commissioner of the General Land Office by Lessee or operator five (5) days before spud date, workover, re-entry, temporary abandonment or plug and abandonment of any well or wells. Such written notice to the General Land Office shall include copies of Railroad Commission forms for application to drill. Copies of well tests, completion reports and plugging reports shall be supplied to the General Land Office at the time they are filed with the Texas Railroad Commission. All applications, permits, reports or other filings that reference this lease or any specific well on the leased premises and that are submitted to the Texas Railroad Commission or any other governmental agency shall include the word "State" in the title. Additionally, in accordance with Railroad Commission rules, any signage on the leased premises for the purpose of identifying wells, tank batteries or other associated improvements to the land must also include the word "State." Lessee shall supply the General Land Office with any records, memoranda, accounts, reports, cuttings and cores, or other information relative to the operation of the above-described premises, which may be requested by the General Land Office, in addition to those herein expressly provided for. Lessee shall have an electrical and/or radioactivity survey made on the bore-hole section, from the base of the surface casing to the total depth of well, of all wells drilled on the above described premises and shall transmit a true copy of the log of each survey on each well to the General Land Office within fifteen (15) days after the making of said survey.

**(C) PENALTIES.** Lessee shall incur a penalty whenever reports, documents or other materials are not filed in the General Land Office when due. The penalty for late filing shall be set by the General Land Office administrative rule which is effective on the date when the materials were due in the General Land Office.

**11. DRY HOLE/CESSATION OF PRODUCTION DURING PRIMARY TERM.** If, during the primary term hereof and prior to discovery and production of oil or gas on said land, Lessee should drill a dry hole or holes thereon, or if during the primary term hereof and after the discovery and actual production of oil or gas from the leased premises such production thereof should cease from any cause, this lease shall not terminate if on or

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Original filed in  
Reeves County  
Clerks Office

before the expiration of sixty (60) days from date of completion of said dry hole or cessation of production Lessee commences additional drilling or reworking operations thereon, or pays or tenders the next annual delay rental in the same manner as provided in this lease. If, during the last year of the primary term or within sixty (60) days prior thereto, a dry hole be completed and abandoned, or the production of oil or gas should cease for any cause, Lessee's rights shall remain in full force and effect without further operations until the expiration of the primary term; and if Lessee has not resumed production in paying quantities at the expiration of the primary term, Lessee may maintain this lease by conducting additional drilling or reworking operations pursuant to Paragraph 13, using the expiration of the primary term as the date of cessation of production under Paragraph 13. Should the first well or any subsequent well drilled on the above described land be completed as a shut-in oil or gas well within the primary term hereof, Lessee may resume payment of the annual rental in the same manner as provided herein on or before the rental paying date following the expiration of sixty (60) days from the date of completion of such shut-in oil or gas well and upon the failure to make such payment, this lease shall ipso facto terminate. If at the expiration of the primary term or any time thereafter a shut-in oil or gas well is located on the leased premises, payments may be made in accordance with the shut-in provisions hereof.

**12. DRILLING AND REWORKING AT EXPIRATION OF PRIMARY TERM.** If, at the expiration of the primary term, neither oil nor gas is being produced on said land, but Lessee is then engaged in drilling or reworking operations thereon, this lease shall remain in force so long as operations on said well or for drilling or reworking of any additional wells are prosecuted in good faith and in workmanlike manner without interruptions totaling more than sixty (60) days during any one such operation, and if they result in the production of oil and/or gas, so long thereafter as oil and/or gas is produced in paying quantities from said land, or payment of shut-in oil or gas well royalties or compensatory royalties is made as provided in this lease.

**13. CESSATION, DRILLING, AND REWORKING.** If, after the expiration of the primary term, production of oil or gas from the leased premises, after once obtained, should cease from any cause, this lease shall not terminate if Lessee commences additional drilling or reworking operations within sixty (60) days after such cessation, and this lease shall remain in full force and effect for so long as such operations continue in good faith and in workmanlike manner without interruptions totaling more than sixty (60) days. If such drilling or reworking operations result in the production of oil or gas, the lease shall remain in full force and effect for so long as oil or gas is produced from the leased premises in paying quantities or payment of shut-in oil or gas well royalties or payment of compensatory royalties is made as provided herein or as provided by law. If the drilling or reworking operations result in the completion of a well as a dry hole, the lease will not terminate if the Lessee commences additional drilling or reworking operations within sixty (60) days after the completion of the well as a dry hole, and this lease shall remain in effect so long as Lessee continues drilling or reworking operations in good faith and in a workmanlike manner without interruptions totaling more than sixty (60) days. Lessee shall give written notice to the General Land Office within thirty (30) days of any cessation of production.

**14. SHUT-IN ROYALTIES.** For purposes of this paragraph, "well" means any well that has been assigned a well number by the state agency having jurisdiction over the production of oil and gas. If, at any time after the expiration of the primary term of a lease that, until being shut in, was being maintained in force and effect, a well capable of producing oil or gas in paying quantities is located on the leased premises, but oil or gas is not being produced for lack of suitable production facilities or lack of a suitable market, then Lessee may pay as a shut-in oil or gas royalty an amount equal to double the annual rental provided in the lease, but not less than \$1,200 a year for each well capable of producing oil or gas in paying quantities. If Paragraph 3 of this lease does not specify a delay rental amount, then for the purposes of this paragraph, the delay rental amount shall be one dollar (\$1.00) per acre. To be effective, each initial shut-in oil or gas royalty must be paid on or before: (1) the expiration of the primary term, (2) 60 days after the Lessee ceases to produce oil or gas from the leased premises, or (3) 60 days after Lessee completes a drilling or reworking operation in accordance with the lease provisions; whichever date is latest. Such payment shall be made one-half (1/2) to the Commissioner of the General Land Office and one-half (1/2) to the owner of the soil. If the shut-in oil or gas royalty is paid, the lease shall be considered to be a producing lease and the payment shall extend the term of the lease for a period of one year from the end of the primary term, or from the first day of the month following the month in which production ceased, and, after that, if no suitable production facilities or suitable market for the oil or gas exists, Lessee may extend the lease for four more successive periods of one (1) year by paying the same amount each year on or before the expiration of each shut-in year.

**15. COMPENSATORY ROYALTIES.** If, during the period the lease is kept in effect by payment of the shut-in oil or gas royalty, oil or gas is sold and delivered in paying quantities from a well located within one thousand (1,000) feet of the leased premises and completed in the same producing reservoir, or in any case in which drainage is occurring, the right to continue to maintain the lease by paying the shut-in oil or gas royalty shall cease, but the lease shall remain effective for the remainder of the year for which the royalty has been paid. The Lessee may maintain the lease for four more successive years by Lessee paying compensatory royalty at the royalty rate provided in the lease of the market value of production from the well causing the drainage or which is completed in the same producing reservoir and within one thousand (1,000) feet of the leased premises. The compensatory royalty is to be paid monthly, one-half (1/2) to the Commissioner of the General Land Office and one-half (1/2) to the owner of the soil, beginning on or before the last day of the month following the month in which the oil or gas is produced from the well causing the drainage or that is completed in the same producing reservoir and located within one thousand (1,000) feet of the leased premises. If the compensatory royalty paid in any 12-month period is an amount less than the annual shut-in oil or gas royalty, Lessee shall pay an amount equal to the difference within thirty (30) days from the end of the 12-month period. Compensatory royalty payments which are not timely paid will accrue penalty and interest in accordance with Paragraph 9 of this lease. None of these provisions will relieve Lessee of the obligation of reasonable development nor the obligation to drill offset wells as provided in Texas Natural Resources Code 52.173; however, at the determination of the Commissioner, and with the Commissioner's written approval, the payment of compensatory royalties can satisfy the obligation to drill offset wells.

**16. RETAINED ACREAGE.** Notwithstanding any provision of this lease to the contrary, after a well producing or capable of producing oil or gas has been completed on the leased premises, Lessee shall exercise the diligence of a reasonably prudent operator in drilling such additional well or wells as may be reasonably necessary for the proper development of the leased premises and in marketing the production thereon.

**(A) VERTICAL.** In the event this lease is in force and effect two (2) years after the expiration date of the primary or extended term it shall then terminate as to all of the leased premises, EXCEPT (1) 40 acres surrounding each oil well capable of producing in paying quantities and 320 acres surrounding each gas well capable of producing in paying quantities (including a shut-in oil or gas well as provided in Paragraph 14 hereof), or a well upon which Lessee is then engaged in continuous drilling or reworking operations, or (2) the number of acres included in a producing pooled unit pursuant to Texas Natural Resources Code 52.151-52.154, or (3) such greater or lesser number of acres as may then be allocated for production purposes to a proration unit for each such producing well under the rules and regulations of the Railroad Commission of Texas, or any successor agency, or other governmental authority having jurisdiction. If at any time after the effective date of the partial termination provisions hereof, the applicable field rules are changed or the well or wells located thereon are reclassified so that less acreage is thereafter allocated to said well or wells for production purposes, this lease shall thereupon terminate as to all acreage not thereafter allocated to said well or wells for production purposes. Notwithstanding the termination of this lease as to a portion of the lands covered hereby, Lessee shall nevertheless continue to have the right of ingress

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to and egress from the lands still subject to this lease for all purposes described in Paragraph 1 hereof, together with easements and rights-of-way for existing roads, existing pipelines and other existing facilities on, over and across all the lands described in Paragraph 1 hereof ("the retained lands"), for access to and from the retained lands and for the gathering or transportation of oil, gas and other minerals produced from the retained lands.

**(B) HORIZONTAL.** In the event this lease is in force and effect two (2) years after the expiration date of the primary or extended term it shall further terminate as to all depths below 100 feet below the total depth drilled (hereinafter "deeper depths") in each well located on acreage retained in Paragraph 16 (A) above, unless on or before two (2) years after the primary or extended term Lessee pays an amount equal to one-half (1/2) of the bonus originally paid as consideration for this lease (as specified on page 1 hereof). If such amount is paid, this lease shall be in force and effect as to such deeper depths, and said termination shall be delayed for an additional period of two (2) years and so long thereafter as oil or gas is produced in paying quantities from such deeper depths covered by this lease.

**(C) IDENTIFICATION AND FILING.** The surface acreage retained hereunder as to each well shall, as nearly as practical, be in the form of a square with the well located in the center thereof, or such other shape as may be approved by the Commissioner of the General Land Office. Within thirty (30) days after partial termination of this lease as provided herein, Lessee shall execute and record a release or releases containing a satisfactory legal description of the acreage and/or depths not retained hereunder. The recorded release, or a certified copy of same, shall be filed in the General Land Office, accompanied by the filing fee prescribed by the General Land Office rules in effect on the date the release is filed. If Lessee fails or refuses to execute and record such release or releases within ninety (90) days after being requested to do so by the General Land Office, then the Commissioner at his sole discretion may designate by written instrument the acreage and/or depths to be released hereunder and record such instrument at Lessee's expense in the county or counties where the lease is located and in the official records of the General Land Office and such designation shall be binding upon Lessee for all purposes.

**17. OFFSET WELLS.** Neither the bonus, delay rentals, nor royalties paid, or to be paid, under this lease shall relieve Lessee of his obligation to protect the oil and gas under the above-described land from being drained. Lessee, sublessee, receiver or other agent in control of the leased premises shall drill as many wells as the facts may justify and shall use appropriate means and drill to a depth necessary to prevent undue drainage of oil and gas from the leased premises. In addition, if oil and/or gas should be produced in commercial quantities within 1,000 feet of the leased premises, or in any case where the leased premises is being drained by production of oil or gas, the Lessee, sublessee, receiver or other agent in control of the leased premises shall in good faith begin the drilling of a well or wells upon the leased premises within 100 days after the draining well or wells or the well or wells completed within 1,000 feet of the leased premises start producing in commercial quantities and shall prosecute such drilling with diligence. Failure to satisfy the statutory offset obligation may subject this lease and the owner of the soil's agency rights to forfeiture. Only upon the determination of the Commissioner of the General Land Office and with his written approval may the payment of compensatory royalty under applicable statutory parameters satisfy the obligation to drill an offset well or wells required under this paragraph.

**18. FORCE MAJEURE.** If, after a good faith effort, Lessee is prevented from complying with any express or implied covenant of this lease, from conducting drilling operations on the leased premises, or from producing oil or gas from the leased premises by reason of war, rebellion, riots, strikes, acts of God, or any valid order, rule or regulation of government authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended and Lessee shall not be liable for damages for failure to comply with such covenants; additionally, this lease shall be extended while Lessee is prevented, by any such cause, from conducting drilling and reworking operations or from producing oil or gas from the leased premises. However, nothing in this paragraph shall suspend the payment of delay rentals in order to maintain this lease in effect during the primary term in the absence of such drilling or reworking operations or production of oil or gas.

**19. WARRANTY CLAUSE.** The owner of the soil warrants and agrees to defend title to the leased premises. If the owner of the soil defaults in payments owed on the leased premises, then Lessee may redeem the rights of the owner of the soil in the leased premises by paying any mortgage, taxes or other liens on the leased premises. If Lessee makes payments on behalf of the owner of the soil under this paragraph, Lessee may recover the cost of these payments from the rental and royalties due the owner of the soil.

**20. (A) PROPORTIONATE REDUCTION CLAUSE.** If the owner of the soil owns less than the entire undivided surface estate in the above described land, whether or not Lessee's interest is specified herein, then the royalties and rental herein provided to be paid to the owner of the soil shall be paid to him in the proportion which his interest bears to the entire undivided surface estate and the royalties and rental herein provided to be paid to the Commissioner of the General Land Office of the State of Texas shall be likewise proportionately reduced. However, before Lessee adjusts the royalty or rental due to the Commissioner of the General Land Office, Lessee or his authorized representative must submit to the Commissioner of the General Land Office a written statement which explains the discrepancy between the interest purportedly leased under this lease and the actual interest owned by the owner of the soil. The Commissioner of the General Land Office shall be paid the value of the whole production allocable to any undivided interest not covered by a lease, less the proportionate development and production cost allocable to such undivided interest. However, in no event shall the Commissioner of the General Land Office receive as a royalty on the gross production allocable to the undivided interest not leased an amount less than the value of one-sixteenth (1/16) of such gross production.

**(B) REDUCTION OF PAYMENTS.** If, during the primary term, a portion of the land covered by this lease is included within the boundaries of a pooled unit that has been approved by the School Land Board and the owner of the soil in accordance with Natural Resources Code Sections 52.151-52.154, or if, at any time after the expiration of the primary term or the extended term, this lease covers a lesser number of acres than the total amount described herein, payments that are made on a per acre basis hereunder shall be reduced according to the number of acres pooled, released, surrendered, or otherwise severed, so that payments determined on a per acre basis under the terms of this lease during the primary term shall be calculated based upon the number of acres outside the boundaries of a pooled unit, or, if after the expiration of the primary term, the number of acres actually retained and covered by this lease.

**21. USE OF WATER.** Lessee shall have the right to use water produced on said land necessary for operations under this lease except water from wells or tanks of the owner of the soil; provided, however, Lessee shall not use potable water or water suitable for livestock or irrigation purposes for waterflood operations without the prior consent of the owner of the soil.

**22. AUTHORIZED DAMAGES.** Lessee shall pay the owner of the soil for damages caused by its operations to all personal property, improvements, livestock and crops on said land.

**23. PIPELINE DEPTH.** When requested by the owner of the soil, Lessee shall bury its pipelines below plow depth.

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**24. WELL LOCATION LIMIT.** No well shall be drilled nearer than two hundred (200) feet to any house or barn now on said premises without the written consent of the owner of the soil.

**25. POLLUTION.** In developing this area, Lessee shall use the highest degree of care and all proper safeguards to prevent pollution. Without limiting the foregoing, pollution of coastal wetlands, natural waterways, rivers and impounded water shall be prevented by the use of containment facilities sufficient to prevent spillage, seepage or ground water contamination. In the event of pollution, Lessee shall use all means at its disposal to recapture all escaped hydrocarbons or other pollutant and shall be responsible for all damage to public and private properties. Lessee shall build and maintain fences around its slush, sump, and drainage pits and tank batteries so as to protect livestock against loss, damage or injury; and upon completion or abandonment of any well or wells, Lessee shall fill and level all slush pits and cellars and completely clean up the drilling site of all rubbish thereon. Lessee shall, while conducting operations on the leased premises, keep said premises free of all rubbish, cans, bottles, paper cups or garbage, and upon completion of operations shall restore the surface of the land to as near its original condition and contours as is practicable. Tanks and equipment will be kept painted and presentable.

**26. REMOVAL OF EQUIPMENT.** Subject to limitations in this paragraph, Lessee shall have the right to remove machinery and fixtures placed by Lessee on the leased premises, including the right to draw and remove casing, within one hundred twenty (120) days after the expiration or the termination of this lease unless the owner of the soil grants Lessee an extension of this 120-day period. However, Lessee may not remove casing from any well capable of producing oil and gas in paying quantities. Additionally, Lessee may not draw and remove casing until after thirty (30) days written notice to the Commissioner of the General Land Office and to the owner of the soil. The owner of the soil shall become the owner of any machinery, fixtures, or casing which are not timely removed by Lessee under the terms of this paragraph.

**27. (A) ASSIGNMENTS.** Under the conditions contained in this paragraph and Paragraph 29 of this lease, the rights and estates of either party to this lease may be assigned, in whole or in part, and the provisions of this lease shall extend to and be binding upon their heirs, devisees, legal representatives, successors and assigns. However, a change or division in ownership of the land, rentals, or royalties will not enlarge the obligations of Lessee, diminish the rights, privileges and estates of Lessee, impair the effectiveness of any payment made by Lessee or impair the effectiveness of any act performed by Lessee. And no change or division in ownership of the land, rentals, or royalties shall bind Lessee for any purpose until thirty (30) days after the owner of the soil (or his heirs, devisees, legal representatives or assigns) furnishes the Lessee with satisfactory written evidence of the change in ownership, including the original recorded muniments of title (or a certified copy of such original) when the ownership changed because of a conveyance. A total or partial assignment of this lease shall, to the extent of the interest assigned, relieve and discharge Lessee of all subsequent obligations under this lease. If this lease is assigned in its entirety as to only part of the acreage, the right and option to pay rentals shall be apportioned as between the several owners ratably, according to the area of each, and failure by one or more of them to pay his share of the rental shall not affect this lease on the part of the land upon which pro rata rentals are timely paid or tendered; however, if the assignor or assignee does not file a certified copy of such assignment in the General Land Office before the next rental paying date, the entire lease shall terminate for failure to pay the entire rental due under Paragraph 3. Every assignee shall succeed to all rights and be subject to all obligations, liabilities, and penalties owed to the State by the original lessee or any prior assignee of the lease, including any liabilities to the State for unpaid royalties.

**(B) ASSIGNMENT LIMITATION.** Notwithstanding any provision in Paragraph 27(a), if the owner of the soil acquires this lease in whole or in part by assignment without the prior written approval of the Commissioner of the General Land Office, this lease is void as of the time of assignment and the agency power of the owner may be forfeited by the Commissioner. An assignment will be treated as if it were made to the owner of the soil if the assignee is:

- (1) a nominee of the owner of the soil;
- (2) a corporation or subsidiary in which the owner of the soil is a principal stockholder or is an employee of such a corporation or subsidiary;
- (3) a partnership in which the owner of the soil is a partner or is an employee of such a partnership;
- (4) a principal stockholder or employee of the corporation which is the owner of the soil;
- (5) a partner or employee in a partnership which is the owner of the soil;
- (6) a fiduciary for the owner of the soil; including but not limited to a guardian, trustee, executor, administrator, receiver, or conservator for the owner of the soil; or
- (7) a family member of the owner of the soil or related to the owner of the soil by marriage, blood, or adoption.

**28. RELEASES.** Under the conditions contained in this paragraph and Paragraph 29, Lessee may at any time execute and deliver to the owner of the soil and place of record a release or releases covering any portion or portions of the leased premises, and thereby surrender this lease as to such portion or portions, and be relieved of all subsequent obligations as to acreage surrendered. If any part of this lease is properly surrendered, the delay rental due under this lease shall be reduced by the proportion that the surrendered acreage bears to the acreage which was covered by this lease immediately prior to such surrender; however, such release will not relieve Lessee of any liabilities which may have accrued under this lease prior to the surrender of such acreage.

**29. FILING OF ASSIGNMENTS AND RELEASES.** If all or any part of this lease is assigned or released, such assignment or release must be recorded in the county where the land is situated, and the recorded instrument, or a copy of the recorded instrument certified by the County Clerk of the county in which the instrument is recorded, must be filed in the General Land Office within 90 days of the last execution date accompanied by the prescribed filing fee. If any such assignment is not so filed, the rights acquired under this lease shall be subject to forfeiture at the option of the Commissioner of the General Land Office.

**30. DISCLOSURE CLAUSE.** All provisions pertaining to the lease of the above-described land have been included in this instrument, including the statement of the true consideration to be paid for the execution of this lease and the rights and duties of the parties. Any collateral agreements concerning the development of oil and gas from the leased premises which are not contained in this lease render this lease invalid.

**31. FIDUCIARY DUTY.** The owner of the soil owes the State a fiduciary duty and must fully disclose any facts affecting the State's interest in the leased premises. When the interests of the owner of the soil conflict with those of the State, the owner of the soil is obligated to put the State's interests before his personal interests.

**32. FORFEITURE.** If Lessee shall fail or refuse to make the payment of any sum within thirty days after it becomes due, or if Lessee or an authorized agent should knowingly make any false return or false report concerning production or drilling, or if Lessee shall fail or refuse to drill any

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offset well or wells in good faith as required by law and the rules and regulations adopted by the Commissioner of the General Land Office, or if Lessee should fail to file reports in the manner required by law or fail to comply with rules and regulations promulgated by the General Land Office, the School Land Board, or the Railroad Commission, or if Lessee should refuse the proper authority access to the records pertaining to operations, or if Lessee or an authorized agent should knowingly fail or refuse to give correct information to the proper authority, or knowingly fail or refuse to furnish the General Land Office a correct log of any well, or if Lessee shall knowingly violate any of the material provisions of this lease, or if this lease is assigned and the assignment is not filed in the General Land Office as required by law, the rights acquired under this lease shall be subject to forfeiture by the Commissioner, and he shall forfeit same when sufficiently informed of the facts which authorize a forfeiture, and when forfeited the area shall again be subject to lease under the terms of the Relinquishment Act. However, nothing herein shall be construed as waiving the automatic termination of this lease by operation of law or by reason of any special limitation arising hereunder. Forfeitures may be set aside and this lease and all rights thereunder reinstated before the rights of another intervene upon satisfactory evidence to the Commissioner of the General Land Office of future compliance with the provisions of the law and of this lease and the rules and regulations that may be adopted relative hereto.

33. **LIEN.** In accordance with Texas Natural Resources Code 52.136, the State shall have a first lien upon all oil and gas produced from the area covered by this lease to secure payment of all unpaid royalty and other sums of money that may become due under this lease. By acceptance of this lease, Lessee grants the State, in addition to the lien provided by Texas Natural Resources Code 52.136 and any other applicable statutory lien, an express contractual lien on and security interest in all leased minerals in and extracted from the leased premises, all proceeds which may accrue to Lessee from the sale of such leased minerals, whether such proceeds are held by Lessee or by a third party, and all fixtures on and improvements to the leased premises used in connection with the production or processing of such leased minerals in order to secure the payment of all royalties or other amounts due or to become due under this lease and to secure payment of any damages or loss that Lessor may suffer by reason of Lessee's breach of any covenant or condition of this lease, whether express or implied. This lien and security interest may be foreclosed with or without court proceedings in the manner provided in the Title 1, Chap. 9 of the Texas Business and Commerce Code. Lessee agrees that the Commissioner may require Lessee to execute and record such instruments as may be reasonably necessary to acknowledge, attach or perfect this lien. Lessee hereby represents that there are no prior or superior liens arising from and relating to Lessee's activities upon the above-described property or from Lessee's acquisition of this lease. Should the Commissioner at any time determine that this representation is not true, then the Commissioner may declare this lease forfeited as provided herein.

34. **POOLING.** Lessee is hereby granted the right to pool or unitize the royalty interest of the owner of the soil under this lease with any other leasehold or mineral interest for the exploration, development and production of oil or gas or either of them upon the same terms as shall be approved by the School Land Board and the Commissioner of the General Land Office for the pooling or unitizing of the interest of the State under this lease pursuant to Texas Natural Resources Code 52.151-52.154. The owner of the soil agrees that the inclusion of this provision in this lease satisfies the execution requirements stated in Texas Natural Resources Code 52.152.

35. **INDEMNITY.** Lessee hereby releases and discharges the State of Texas and the owner of the soil, their officers, employees, partners, agents, contractors, subcontractors, guests, invitees, and their respective successors and assigns, of and from all and any actions and causes of action of every nature, or other harm, including environmental harm, for which recovery of damages is sought, including, but not limited to, all losses and expenses which are caused by the activities of Lessee, its officers, employees, and agents arising out of, incidental to, or resulting from, the operations of or for Lessee on the leased premises hereunder, or that may arise out of or be occasioned by Lessee's breach of any of the terms or provisions of this Agreement, or by any other negligent or strictly liable act or omission of Lessee. Further, Lessee hereby agrees to be liable for, exonerate, indemnify, defend and hold harmless the State of Texas and the owner of the soil, their officers, employees and agents, their successors or assigns, against any and all claims, liabilities, losses, damages, actions, personal injury (including death), costs and expenses, or other harm for which recovery of damages is sought, under any theory including tort, contract, or strict liability, including attorneys' fees and other legal expenses, including those related to environmental hazards, on the leased premises or in any way related to Lessee's failure to comply with any and all environmental laws; those arising from or in any way related to Lessee's operations or any other of Lessee's activities on the leased premises; those arising from Lessee's use of the surface of the leased premises; and those that may arise out of or be occasioned by Lessee's breach of any of the terms or provisions of this Agreement or any other act or omission of Lessee, its directors, officers, employees, partners, agents, contractors, subcontractors, guests, invitees, and their respective successors and assigns. Each assignee of this Agreement, or an interest therein, agrees to be liable for, exonerate, indemnify, defend and hold harmless the State of Texas and the owner of the soil, their officers, employees, and agents in the same manner provided above in connection with the activities of Lessee, its officers, employees, and agents as described above. **EXCEPT AS OTHERWISE EXPRESSLY LIMITED HEREIN, ALL OF THE INDEMNITY OBLIGATIONS AND/OR LIABILITIES ASSUMED UNDER THE TERMS OF THIS AGREEMENT SHALL BE WITHOUT LIMITS AND WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF (EXCLUDING PRE-EXISTING CONDITIONS), STRICT LIABILITY, OR THE NEGLIGENCE OF ANY PARTY OR PARTIES (INCLUDING THE NEGLIGENCE OF THE INDEMNIFIED PARTY), WHETHER SUCH NEGLIGENCE BE SOLE, JOINT, CONCURRENT, ACTIVE, OR PASSIVE.**

36. **ENVIRONMENTAL HAZARDS.** Lessee shall use the highest degree of care and all reasonable safeguards to prevent contamination or pollution of any environmental medium, including soil, surface waters, groundwater, sediments, and surface or subsurface strata, ambient air or any other environmental medium in, on, or under, the leased premises, by any waste, pollutant, or contaminant. Lessee shall not bring or permit to remain on the leased premises any asbestos containing materials, explosives, toxic materials, or substances regulated as hazardous wastes, hazardous materials, hazardous substances (as the term "Hazardous Substance" is defined in the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), 42 U.S.C. Sections 9601, et seq.), or toxic substances under any federal, state, or local law or regulation ("Hazardous Materials"), except ordinary products commonly used in connection with oil and gas exploration and development operations and stored in the usual manner and quantities. **LESSEE'S VIOLATION OF THE FOREGOING PROHIBITION SHALL CONSTITUTE A MATERIAL BREACH AND DEFAULT HEREUNDER AND LESSEE SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND THE STATE OF TEXAS AND THE OWNER OF THE SOIL FROM AND AGAINST ANY CLAIMS, DAMAGES, JUDGMENTS, PENALTIES, LIABILITIES, AND COSTS (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS) CAUSED BY OR ARISING OUT OF (1) A VIOLATION OF THE FOREGOING PROHIBITION OR (2) THE PRESENCE, RELEASE, OR DISPOSAL OF ANY HAZARDOUS MATERIALS ON, UNDER, OR ABOUT THE LEASED PREMISES DURING LESSEE'S OCCUPANCY OR CONTROL OF THE LEASED PREMISES. LESSEE SHALL CLEAN UP, REMOVE, REMEDY AND REPAIR ANY SOIL OR GROUND WATER CONTAMINATION AND DAMAGE CAUSED BY THE PRESENCE OR RELEASE OF ANY HAZARDOUS MATERIALS IN, ON, UNDER, OR ABOUT THE LEASED PREMISES DURING LESSEE'S OCCUPANCY OF THE LEASED PREMISES IN CONFORMANCE WITH THE REQUIREMENTS OF APPLICABLE LAW. THIS INDEMNIFICATION AND ASSUMPTION SHALL APPLY, BUT IS NOT LIMITED TO, LIABILITY FOR RESPONSE ACTIONS UNDERTAKEN PURSUANT TO CERCLA OR ANY OTHER ENVIRONMENTAL LAW OR REGULATION. LESSEE SHALL IMMEDIATELY GIVE THE STATE OF TEXAS AND THE OWNER OF THE SOIL WRITTEN NOTICE OF ANY BREACH OR SUSPECTED BREACH OF THIS PARAGRAPH, UPON LEARNING OF THE PRESENCE OF ANY HAZARDOUS MATERIALS, OR UPON RECEIVING A NOTICE FROM ANY**



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GOVERNMENTAL AGENCY PERTAINING TO HAZARDOUS MATERIALS WHICH MAY AFFECT THE LEASED PREMISES. THE OBLIGATIONS OF LESSEE HEREUNDER SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION, FOR ANY REASON, OF THIS AGREEMENT.

37. **APPLICABLE LAW.** This lease is issued under the provisions of Texas Natural Resources Code 52.171 through 52.190, commonly known as the Relinquishment Act, and other applicable statutes and amendments thereto, and if any provision in this lease does not conform to these statutes, the statutes will prevail over any nonconforming lease provisions.

38. **EXECUTION.** This oil and gas lease must be signed and acknowledged by the Lessee before it is filed of record in the county records and in the General Land Office of the State of Texas. Once the filing requirements found in Paragraph 39 of this lease have been satisfied, the effective date of this lease shall be the date found on Page 1.

39. **LEASE FILING.** Pursuant to Chapter 9 of the Texas Business and Commerce Code, this lease must be filed of record in the office of the County Clerk in any county in which all or any part of the leased premises is located, and certified copies thereof must be filed in the General Land Office. This lease is not effective until a certified copy of this lease (which is made and certified by the County Clerk from his records) is filed in the General Land Office in accordance with Texas Natural Resources Code 52.183. Additionally, this lease shall not be binding upon the State unless it recites the actual and true consideration paid or promised for execution of this lease. The bonus due the State and the prescribed filing fee shall accompany such certified copy to the General Land Office.

40. **PAID-UP LEASE.** This is a paid-up lease. Rentals have been pre-paid. One-Half (1/2) of the bonus amount has been paid to the Lessor, and One-Half (1/2) has been paid to the State of Texas.

LESSEE  
BY: *Ryan Bellomy*  
Title: Ryan Bellomy, as Managing Partner of The Bellomy Group, LLC  
Date: 6/10/2014

STATE OF TEXAS

BY: *JR*

Yakka II, LLC

Name: Justin Russell / Managing Member

Individually and as agent for the State of Texas

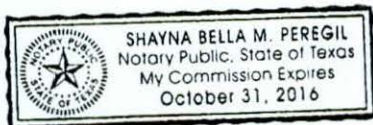
Date: 6/9/14

STATE OF TEXAS  
COUNTY OF TAYLOR

(CORPORATION ACKNOWLEDGMENT)

BEFORE ME, the undersigned authority, on this day personally appeared JUSTIN RUSSELL  
known to me to be the person whose name is subscribed to the foregoing instruments as MANAGING MEMBER  
of YAKKA II, LLC and acknowledged to me that he  
executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this the 9TH day of JUNE, 2014.



*Shayna Bella M. Peregil*  
Notary Public in and for STATE OF TEXAS

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True and Correct  
copy of  
Original filed in  
Reeves County  
Clerks Office

STATE OF Texas

(CORPORATION ACKNOWLEDGMENT)

COUNTY OF Dallas

BEFORE ME, the undersigned authority, on this day personally appeared Ryan R. Bellomy  
known to me to be the person whose name is subscribed to the foregoing instruments as Managing Partner  
of The Bellomy Group, LLC and acknowledged to me that he  
executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this the 10 day of June, 2014.



Daniel Lopez  
Notary Public in and for State of Texas

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Inst No. 14-05342  
DIANNE O. FLOREZ  
COUNTY CLERK  
2014 Jun 12 at 02:22 PM  
REEVES COUNTY, TEXAS  
By: AC Aurora Calanchi DEPUTY



True and Correct  
copy of  
Original filed in  
Reeves County  
Clerks Office

41317

File No. MF116799 3.

Date Filed: 7-15-14  
By Jerry E. Patterson, Commissioner

**CERTIFIED TRUE AND CORRECT COPY CERTIFICATE  
STATE OF TEXAS  
COUNTY OF REEVES**

The above and foregoing is a full, true and correct photographic copy of the original record now in my lawful custody and possession, as the same is filed/recorded in the public records of my office, found in VOL. 1033 PAGE 555 THRU 563

I hereby certified on 8 July 2014  
DIANNE O. FLOREZ, COUNTY CLERK  
REEVES COUNTY, TEXAS  
BY Elizabeth Pappas DEPUTY





The Texas General Land Office makes no representations or warranties regarding the accuracy or completeness of the information depicted on this map or the data from which it was produced. This map is NOT suitable for navigational purposes and does not purport to depict or establish boundaries between private and public land.

Printed: Aug 18, 2014



File No. M-116799

4.

LEASE PLAT

Date Filed: 8-18-14

Jerry E. Patterson, Commissioner

By 



TEXAS GENERAL LAND OFFICE  
GEORGE P. BUSH, COMMISSIONER

October 7, 2015

Sean Bellomy, Managing Partner  
The Bellomy Group  
1700 Pacific Ave, Ste 2220  
Dallas, TX 75201

RE: GLO Assignment ID #9425 - MF116799 - Reeves County

Dear Mr. Bellomy:

The General Land Office received the following instrument and has filed it in the appropriate files.

Assignment of Oil, Gas, and Mineral Leases and Bill of Sale, effective August 14 2015 from, The Bellomy Group, LLC, assignor, to Arkoma Drilling, LP., as assignee. Filed for record in Reeves County in Vol 1051 at Pg 666.

Filing fees in the amount of \$25.00 were received in connection with the above assignment. Please feel free to contact me if you have any questions.

Best Regards,

Carl Bonn, CPL  
Mineral Leasing  
Energy Resources  
(512) 463-5407  
carl.bonn@glo.texas.gov

Stephen F. Austin Building • 1700 North Congress Avenue • Austin, Texas 78701-1495

P.O. Box 12873 • Austin, Texas 78711-2873

512.463.5001 • 800.998.4GLO

[glo.texas.gov](http://glo.texas.gov)

October 1, 2015

Mineral Leasing Division  
Texas General Land Office  
Attn: Drew Reid  
1700 North Congress Avenue, Room 600  
Austin, Texas 78701-1495

MF 116799

Dear Mr. Reid,

The Bellomy Group has executed an Assignment of Oil and Gas Leases covering the following lease in Reeves County, Texas:

| MF Number | Block | Section | Township | Vol. /Page | Lessor        | County |
|-----------|-------|---------|----------|------------|---------------|--------|
| 116799    | 58    | 5       | -        | 1082/555   | Yakka II, LLC | Reeves |

Included herein, is a certified copy of the Assignment, along with a check in the amount of \$25.00 to cover the processing and filing fees. Please let me know if you have any questions or require anything further regarding this Assignment.

Best Regards,

**Sean Bellomy**

Managing Partner | The Bellomy Group, LLC  
(214) 636-8834 | [sean@thebellomygroup.com](mailto:sean@thebellomygroup.com)  
[www.thebellomygroup.com](http://www.thebellomygroup.com)

THE BELLOMY GROUP LLC

10/02/2015

Texas General Land Office

10. 6.15

2524

Texas GLO Processing and Filing Fee

25.00

16701730

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Checking

Texas GLO Processing and Filing Fee

X

25.00

ID# 9425

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

ASSIGNMENT OF OIL, GAS, AND MINERAL LEASES AND BILL OF SALE

STATE OF TEXAS §  
COUNTY OF DALLAS §

KNOW ALL MEN BY THESE PRESENTS:

MF 116799

eff 8-14-15

THIS ASSIGNMENT OF OIL, GAS, AND MINERAL LEASES AND BILL OF SALE ("Assignment") is made and entered into effective as of 7:00 a.m. Central Standard Time on the 4th day of August 2015 ("Effective Date"), by and between The Bellomy Group, LLC, whose address is 1700 Pacific Avenue, Suite 2220, Dallas, Texas 75201, hereinafter referred to as "Assignor," and Arkoma Drilling, LP whose address is 5950 Berkshire Ln., Suite 1400, Dallas, Texas, 75225, hereinafter called "Assignee."

NOW THEREFORE, for One Hundred Dollars (\$100.00) and other good and valuable consideration, including the covenants and obligations of Assignee described herein, the receipt and sufficiency of which are hereby acknowledged, Assignor does by these presents QUIT CLAIM, GRANT, RELEASE, AND CONVEY unto Assignee effective as of the Effective Date, all of Assignor's rights, title and interest, if any, in and to the following:

(A) All of Assignor's right, title, and interest in and to the oil, gas, and mineral leases described and limited on Exhibit "A" attached hereto and made a part hereof (the "Leases");

(B) All of Assignor's right, title, and interest in and to all contracts, permits, licenses, easements, and other agreements relating to the Leases including, without limitation, the following: surface leases, operating agreements, oil, gas and condensate purchase and sale agreements, processing, exchange, gathering, compression and transportation agreements; partnership, joint venture, farmout, farmin, dry hole, bottom hole, acreage contribution, purchase and acquisition agreements; area of mutual interest agreements; salt water disposal agreements, servicing contracts, easements, surface use and/or right-of-way agreements; and unitization, communitization or pooling agreements, declarations or government orders relating to pooling or unitization ("Contracts"); and

(C) All of Assignor's interest, if any, in any oil and gas wells located on the Leases, fixtures, equipment, personal property, gas gathering or processing systems or pipelines, and all other fixtures and improvements appurtenant to the Leases as of the Effective Date ("Wells").

Notwithstanding any limitation in the foregoing or in Exhibit "A", this Assignment is intended to convey and does hereby convey unto Assignee all of Assignor's right, title and interest, if any, in and to the Leases, Contracts, and Wells (collectively "Properties").

TO HAVE AND TO HOLD the interests assigned unto Assignee, its successors and assigns, subject to the following terms and conditions:

THIS CONVEYANCE IS MADE WITHOUT ANY WARRANTY OR COVENANT OF TITLE WHATSOEVER, EXPRESS OR IMPLIED, EVEN TO THE RETURN OF ANY FUNDS PAID UNDER THE TERMS OF THIS ASSIGNMENT.

ASSIGNEE HAS INSPECTED, OR WAIVED ITS RIGHT TO INSPECT, THE PROPERTIES FOR ALL PURPOSES AND SATISFIED ITSELF AS TO THEIR PHYSICAL AND

Page 1

Assignment of Oil, Gas and Mineral Leases and Bill of Sale

A CERTIFIED COPY: PG 1 OF 10

IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED

IN PURPLE INK ATTEST Sept 2, 2015

NATHRELL CAIN COUNTY CLERK



TARRANT COUNTY TX

By [Signature] Deputy

ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, INCLUDING BUT NOT LIMITED TO CONDITIONS SPECIFICALLY RELATED TO THE PRESENCE, RELEASE, OR DISPOSAL OF HAZARDOUS SUBSTANCES, SOLID WASTES, ASBESTOS, AND OTHER MAN MADE MATERIAL FIBERS (COLLECTIVELY, "MMMF"), OR NATURALLY OCCURRING RADIOACTIVE MATERIALS ("NORM"). ASSIGNEE IS RELYING UPON ITS OWN INSPECTION OF THE PROPERTIES, AND ASSIGNEE HEREBY ACCEPTS ALL OF THE SAME IN THEIR "AS IS, WHERE IS" CONDITION WITH ALL FAULTS. ASSIGNOR DISCLAIMS ALL LIABILITY ARISING IN CONNECTION WITH THE PRESENCE OF NORM OR MMMF ON THE PROPERTIES AND, IF TESTS HAVE BEEN CONDUCTED BY ASSIGNOR FOR THE PRESENCE OF NORM OR MMMF, ASSIGNOR DISCLAIMS ANY WARRANTY RESPECTING THE ACCURACY OF SUCH TESTS OR RESULTS. IN ADDITION, ASSIGNOR AND ITS REPRESENTATIVES MAKE NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA, INFORMATION, OR MATERIALS HERETOFORE OR HEREAFTER FURNISHED ASSIGNEE IN CONNECTION WITH THE PROPERTIES OR AS TO THE QUALITY OR QUANTITY OF OIL, GAS, AND OTHER HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE PROPERTIES OR THE ABILITY OF THE PROPERTIES TO PRODUCE OIL, GAS, AND OTHER HYDROCARBONS. ANY AND ALL SUCH DATA, INFORMATION, AND OTHER MATERIALS FURNISHED BY ASSIGNOR AND ITS REPRESENTATIVES WAS PROVIDED TO ASSIGNEE AS A CONVENIENCE AND ANY RELIANCE ON OR USE OF THE SAME HAS BEEN AND SHALL BE AT ASSIGNEE'S SOLE RISK. ASSIGNOR SHALL HAVE NO LIABILITY TO ASSIGNEE FOR ANY CLAIMS, LOSS, OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY, INCIDENTALLY OR CONSEQUENTIALLY, BY THE PROPERTIES, BY ANY INADEQUACY THEREOF OR THEREWITH, ARISING IN STRICT LIABILITY OR OTHERWISE, OR IN ANY WAY RELATED TO OR ARISING OUT OF THIS ASSIGNMENT. ASSIGNOR MAKES NO EXPRESS, AND DISCLAIMS ALL IMPLIED, WARRANTIES OF ANY KIND, INCLUDING THOSE OF TITLE, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE PROPERTIES AND EXPRESSLY DISCLAIMS ANY WARRANTIES WITH RESPECT THERETO. ASSIGNEE ACKNOWLEDGES THAT THIS EXPRESS DISCLAIMER AND WAIVER SHALL BE CONSIDERED A MATERIAL AND INTEGRAL PART OF THIS TRANSACTION AND THE CONSIDERATION THEREOF; AND ACKNOWLEDGES THAT THIS DISCLAIMER AND WAIVER HAS BEEN BROUGHT TO THE ATTENTION OF ASSIGNEE AND EXPLAINED IN DETAIL AND THAT ASSIGNEE HAS VOLUNTARILY AND KNOWINGLY CONSENTED TO THIS DISCLAIMER AND WAIVER.

THE PARTIES AGREE THAT, TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE, OR ORDER.

Assignee agrees to comply with all applicable laws, rules, regulations and orders with respect to the ownership of the Properties and operations connected therewith including, where applicable, laws, rules, and regulations governing the plugging of wells.

Assignee hereby agrees (a) to assume, and to timely pay and perform, all duties, obligations, and liabilities relating to the ownership and/or operation of the Properties after the Effective Date (including, without limitation, those arising under the Leases and other contracts and agreements which make up a part of the Properties), and (b) to INDEMNIFY AND HOLD ASSIGNOR (AND THE AFFILIATES OF ASSIGNOR, AND THE RESPECTIVE PARTNERS, DIRECTORS, MEMBERS, MANAGERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, SUBCONTRACTORS AND AGENTS OF SUCH AFFILIATES AND ASSIGNOR) HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, CAUSES OF ACTION, LIABILITIES, DAMAGES, LOSSES, COSTS, OR EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS AND ATTORNEYS' FEES) OF ANY KIND OR CHARACTER ARISING OUT OF OR OTHERWISE RELATING TO THE OWNERSHIP

Page 2

Assignment of Oil, Gas and Mineral Leases and Bill of Sale

A CERTIFIED COPY: PG 2 OF 10

IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED

IN PURPLE INK ATTEST Sept. 2, 2015

MATTHEW CASH COUNTY CLERK



IMPRINTED COPY IN

[Signature]

**AND/OR OPERATION OF THE PROPERTIES AFTER THE EFFECTIVE DATE.** In connection with (but not in limitation of) the foregoing, it is specifically understood and agreed that such duties, obligations, and liabilities arising out of or otherwise relating to the ownership and/or operation of the Properties after the Effective Date shall (notwithstanding anything herein appearing to be to the contrary) be deemed to include all matters arising out of the condition of the Properties on the Effective Date (including, without limitation, within such matters all obligations to properly plug and abandon, or replug and re-abandon, wells located on the Properties, to restore the surface of the Properties, and to comply with, or to bring the Properties into compliance with, applicable environmental laws, rules, regulations, and orders, including conducting any remediation activities which may be required on or otherwise in connection with activities on the Properties), regardless of whether such condition or the events giving rise to such condition arose or occurred before or after the Effective Date, and the assumptions and indemnifications by Assignee provided for in the first sentence of this paragraph shall expressly cover and include such matters. **THE FOREGOING ASSUMPTIONS AND INDEMNIFICATIONS SHALL APPLY WHETHER OR NOT SUCH DUTIES, OBLIGATIONS, OR LIABILITIES, OR SUCH CLAIMS, ACTIONS, CAUSES OF ACTION, LIABILITIES, DAMAGES, LOSSES, COSTS, OR EXPENSES ARISE OUT OF (i) NEGLIGENCE (INCLUDING SOLE NEGLIGENCE, SINGLE NEGLIGENCE, CONCURRENT NEGLIGENCE, ACTIVE OR PASSIVE NEGLIGENCE, BUT EXPRESSLY NOT INCLUDING GROSS NEGLIGENCE) OF ANY INDEMNIFIED PARTY, OR (ii) STRICT LIABILITY.**

To the extent permitted by law, Assignee shall be subrogated to Assignor's rights in and to representations, warranties, and covenants given with respect to the Properties. Assignor hereby grants and transfers to Assignee, its successors, and assigns, to the extent so transferable and permitted by law, the benefit of and the right to enforce the covenants, representations, and warranties, if any, which Assignor is entitled to enforce with respect to the Properties, but only to the extent not enforced by Assignor.

TO HAVE AND TO HOLD the Properties unto Assignee, its successors and assigns, forever.

This Assignment may be executed in any number of counterparts, each of which shall be binding upon the party or parties so signing. The signature pages and the notarial acknowledgments of the counterparts may be combined with the original hereof and recorded as one instrument.

This Assignment shall bind and inure to the benefit of the parties and their successors and assigns.

*(Signature and acknowledgement pages follow)*

A CERTIFIED COPY: PG 3 OF 10

IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED

IN PURPLE INK ATTEST Sept. 2, 2015

NATRIELL CAIN COUNTY CLERK



WARD COUNTY TX

By [Signature] Deputy

IN WITNESS WHEREOF, the parties have executed this Assignment effective as of the Effective  
Date written above.

ASSIGNOR:

THE BELLOMY GROUP, LLC

By: [Signature]  
Name: Ryan Bellomy  
Title: Manager

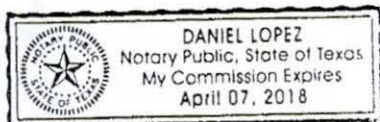
ACKNOWLEDGEMENT

STATE OF TEXAS           §  
                                     §  
COUNTY OF DALLAS     §

BEFORE ME on this the 4th day of August, the undersigned, a Notary Public in and for the  
county and state aforesaid, came Ryan Bellomy, as Manager of The Bellomy Group, LLC, who executed  
the above and foregoing document in said capacity, and acknowledged that he executed the same as his  
free act and deed.

IN TESTIMONY WHEREOF, I have hereto set my hand and affixed my notarial seal the day and  
year last above written.

[Signature]  
Notary Public



My appointment expires: 4-7-2018

Signature Page of  
Assignment of Oil, Gas and Mineral Leases and Bill of Sale

A CERTIFIED COPY: PG 4 OF 10  
IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED  
IN PURPLE INK ATTEST Sept. 2, 2015  
NATRELL CAIN COUNTY CLERK



WARD COUNTY TX

By: [Signature] Deputy

ASSIGNEE:

ARKOMA DRILLING, LP

By: [Signature]  
Name:  
Title: Assistant Secretary

ACKNOWLEDGEMENT

STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS   §

BEFORE ME on this the 10<sup>th</sup> day of August, the undersigned, a Notary Public in and for the county and state aforesaid, came Robert Roth, as Assistant Secretary of Arkoma Drilling, who executed the above and foregoing document, and acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereto set my hand and affixed my notarial seal the day and year last above written.

[Signature]  
Notary Public



My appointment expires: \_\_\_\_\_

Signature Page of  
Assignment of Oil, Gas and Mineral Leases and Bill of Sale

A CERTIFIED COPY: PG 5 OF 10  
IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED  
IN PURPLE INK ATTEST Sept. 2, 2015  
MATRIELL CAIN COUNTY CLERK



WARD COUNTY TX

By [Signature] Deputy

EXHIBIT "A"

*Attached to and made part of that certain  
Assignment of Oil, Gas and Mineral Leases and Bill of Sale,  
effective as of August 4, 2015,  
by and between  
The Bellomy Group, LLC, as Assignor  
and  
Arkoma Drilling, LP, as Assignee*

Description of Leases

See the four (4) attached pages containing Lessor, Lessee, County, Instrument No., Volume, Page, and Legal  
Description for each lease conveyed by this Assignment

A CERTIFIED COPY: PG 4 OF 10

IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED

IN PURPLE INK ATTEST Sept. 2, 2015

NATRIELL CAIN COUNTY CLERK



WARD COUNTY TX

By [Signature] Deputy

Environ Biol Fish (2015) 98:1111–1121

Page 2 of 4

WARD COUNTY TX  
By [Signature] Deputy

Page 3 of 4

| Lessor                        | Lessee                 | County | Instrument No. | Volume | Page | Legal Description                                                                                                             |
|-------------------------------|------------------------|--------|----------------|--------|------|-------------------------------------------------------------------------------------------------------------------------------|
| Bedford Grant Davis           | The Bellamy Group, LLC | Ward   | N/A            | 1028   | 576  | Ward Tracts 13 & 14 of Section 155, Block 34, H&TC Survey                                                                     |
| Region Resources Inc.         | The Bellamy Group, LLC | Ward   | N/A            | 1027   | 300  | Ward Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                                                                     |
| Region Holdings LP            | The Bellamy Group, LLC | Ward   | N/A            | 1025   | 347  | Ward Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                                                                     |
| Source Oil LLC                | The Bellamy Group, LLC | Ward   | N/A            | 1026   | 582  | Ward Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                                                                     |
| Michael E. Moore              | The Bellamy Group, LLC | Ward   | N/A            | 1027   | 294  | Ward Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                                                                     |
| KOMR, Ltd                     | The Bellamy Group, LLC | Ward   | N/A            | 982    | 392  | Ward Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                                                                     |
| Camp Colorado Investments, LP | The Bellamy Group, LLC | Ward   | N/A            | 1011   | 549  | Ward Tracts 10 & 15 of Section 200, Block 34, H&TC Survey                                                                     |
| Jennings Family Trust         | The Bellamy Group, LLC | Ward   | N/A            | 1012   | 475  | 2 acres out of Ward Tract 5 (aka S/4 W/4) and 3/8 Acres out of Ward Tract 6 (aka E/4 W/4), Section 200, Block 34, H&TC Survey |
| Jennings Family Trust         | The Bellamy Group, LLC | Ward   | N/A            | 1012   | 478  | 2 acres out of Ward Tract 5 (aka S/4 W/4) and 3/8 Acres out of Ward Tract 6 (aka E/4 W/4), Section 200, Block 34, H&TC Survey |
| Poco Minerals, LLC            | The Bellamy Group, LLC | Ward   | N/A            | 1024   | 160  | SE/4 W/4 N/4, Section 209, Block 34, H&TC Survey                                                                              |
| Region Holdings LP            | The Bellamy Group, LLC | Ward   | N/A            | 1025   | 353  | SE/4 W/4 N/4, Section 209, Block 34, H&TC Survey                                                                              |
| Blue Ann Marston              | The Bellamy Group, LLC | Ward   | N/A            | 1025   | 87   | SE/4 W/4 N/4, Section 209, Block 34, H&TC Survey                                                                              |
| Thomas William Prewitt        | The Bellamy Group, LLC | Ward   | N/A            | 1025   | 93   | All of Block 1, Section 31, W&NW Survey                                                                                       |
| Double Eagle Petroleum, LLC   | The Bellamy Group, LLC | Ward   | N/A            | 986    | 795  | Assignment of all right, title, and interest in lease found in deed records of Ward County, at 916/93                         |

End of Exhibit A

THE STATE OF TEXAS  
COUNTY OF WARD

I hereby certify that this instrument was FILED on the  
date and the time stamped hereon by me and was duly  
RECORDED in the Records of Ward County, Texas.

15-3648 B: OPR V: 1051 P: 666 ABS  
08/31/2015 12:21 PM



Natrell Cain

Natrell Cain, County Clerk  
Ward County, Texas

A CERTIFIED COPY: PG 10 OF 10

IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED

IN PURPLE INK ATTEST Sept. 2, 2015

NATRELL CAIN COUNTY CLERK



WARD COUNTY TX

By Melanie Venable Deputy

STATE OF TEXAS, COUNTY OF WARD

I certify that the above and foregoing is a full, true and correct photographic copy  
of the original record, 15-3648 B: OPRV: 1051 P: 666-675,  
on file in my office including redactions, if any, of social security numbers.  
Given under my hand and seal of the court in my lawful custody and possession.  
NATRELL CAIN, WARD COUNTY CLERK

By: Melanie Venable, Deputy  
Melanie Venable

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File No.

MF 116799

Asn ZD# 9425

Bellamy to Arkoma

Date Filed:

10-6-15

George P. Bush, Commissioner

By



T H E  
**BELLOMY**  
G R O U P

November 24, 2015

Mineral Leasing Division  
Texas General Land Office  
Attn: Carl Bonn  
1700 North Congress Avenue  
Austin, Texas 78701-1495

Dear Mr. Bonn,

The Bellomy Group has executed an Assignment of Oil and Gas Leases covering the following leases in Reeves County, Texas:

| MF Number | Block | Section | Township | Vol. /Page | Lessor                      | County |
|-----------|-------|---------|----------|------------|-----------------------------|--------|
| 117307A   | 2     | 40      | -        | 1138/047   | Winkler Family Trust        | Reeves |
| 117307B   | 2     | 40      | -        | 1138/037   | Morris Winkler Bypass Trust | Reeves |

*Added to 9425 on 3-18-16*

The Bellomy Group previously provided a certified copy of the Assignment, which was processed by the GLO as **Assignment ID #9425<sup>1</sup>**, but did not note that the above leases were included in that Assignment. Also, please note that the certified copy that was provided to the GLO was a certified copy of the original that was filed in **Ward County**, Texas and subsequently filed in Reeves County. As such, the GLO office should change its records to reflect the Assignment as filed in Reeves County is located at **Volume 1202, Page 126**. I have included a copy of the Reeves County filing for your convenience.

We have now included a check in the amount of \$100.00 to cover the processing and filing fees for the above referenced leases. Please let me know if you have any questions or require anything further regarding this Assignment.

Best Regards,



**Sean Bellomy**  
Manager | The Bellomy Group, LLC  
(214) 636-8834 | [sean@thebellomygroup.com](mailto:sean@thebellomygroup.com)  
[www.thebellomygroup.com](http://www.thebellomygroup.com)

<sup>1</sup> Assignment of Oil, Gas, and Mineral Leases and Bill of Sale, effective August 4, 2015 from, The Bellomy Group, LLC, assignor, to Arkoma Drilling, LP, as assignee. Filed for record in Reeves County in Vol. 1202, Page 126

The Bellomy Group, LLC

1700 Pacific Ave. Suite 2220, Dallas, Texas 75201

*MF=116799*  
*MF=117307AB*  
*Contents Carry*  
*updated*  
*ID# 9425*  
*MF 116799*

THE BELLOMY GROUP LLC

11/24/2015

Texas General Land Office

2584

Processing & Filing Fees

X 100.00

129  
16703668

Checking

Processing & Filing Fees

100.00

ID # 9425

15-09206

FILED FOR RECORD  
REEVES COUNTY, TEXAS

15-3648 B: OPR V: 1051 P: 666 ABS Pages: 10  
Oct 06, 2015 at 09:42:00 AM

MF 116799  
MF 117307

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

ASSIGNMENT OF OIL, GAS, AND MINERAL LEASES AND BILL OF SALE

STATE OF TEXAS           §  
                                          §           KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF DALLAS       §

THIS ASSIGNMENT OF OIL, GAS, AND MINERAL LEASES AND BILL OF SALE ("Assignment") is made and entered into effective as of 7:00 a.m. Central Standard Time on the 4th day of August 2015 ("Effective Date"), by and between The Bellomy Group, LLC, whose address is 1700 Pacific Avenue, Suite 2220, Dallas, Texas 75201, hereinafter referred to as "Assignor," and Arkoma Drilling, LP whose address is 5950 Berkshire Ln., Suite 1400, Dallas, Texas, 75225, hereinafter called "Assignee."

NOW THEREFORE, for One Hundred Dollars (\$100.00) and other good and valuable consideration, including the covenants and obligations of Assignee described herein, the receipt and sufficiency of which are hereby acknowledged, Assignor does by these presents QUIT CLAIM, GRANT, RELEASE, AND CONVEY unto Assignee effective as of the Effective Date, all of Assignor's rights, title and interest, if any, in and to the following:

(A) All of Assignor's right, title, and interest in and to the oil, gas, and mineral leases described and limited on Exhibit "A" attached hereto and made a part hereof (the "Leases");

(B) All of Assignor's right, title, and interest in and to all contracts, permits, licenses, easements, and other agreements relating to the Leases including, without limitation, the following: surface leases, operating agreements, oil, gas and condensate purchase and sale agreements, processing, exchange, gathering, compression and transportation agreements; partnership, joint venture, farmout, farmin, dry hole, bottom hole, acreage contribution, purchase and acquisition agreements; area of mutual interest agreements; salt water disposal agreements, servicing contracts, easements, surface use and/or right-of-way agreements; and unitization, communitization or pooling agreements, declarations or government orders relating to pooling or unitization ("Contracts"); and

(C) All of Assignor's interest, if any, in any oil and gas wells located on the Leases, fixtures, equipment, personal property, gas gathering or processing systems or pipelines, and all other fixtures and improvements appurtenant to the Leases as of the Effective Date ("Wells").

Notwithstanding any limitation in the foregoing or in Exhibit "A", this Assignment is intended to convey and does hereby convey unto Assignee all of Assignor's right, title and interest, if any, in and to the Leases, Contracts, and Wells (collectively "Properties").

TO HAVE AND TO HOLD the interests assigned unto Assignee, its successors and assigns, subject to the following terms and conditions:

THIS CONVEYANCE IS MADE WITHOUT ANY WARRANTY OR COVENANT OF TITLE WHATSOEVER, EXPRESS OR IMPLIED, EVEN TO THE RETURN OF ANY FUNDS PAID UNDER THE TERMS OF THIS ASSIGNMENT.

ASSIGNEE HAS INSPECTED, OR WAIVED ITS RIGHT TO INSPECT, THE PROPERTIES FOR ALL PURPOSES AND SATISFIED ITSELF AS TO THEIR PHYSICAL AND

A CERTIFIED COPY: PG 1 OF 10

IF IT BEAR THE SEAL OF THE COUNTY CLERK IMPRINTED  
IN PURPLE INK ATTEST Sept. 2, 2015

MATTHEW CANN COUNTY CLERK



REEVES COUNTY TX

By [Signature] Deputy

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ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE, INCLUDING BUT NOT LIMITED TO CONDITIONS SPECIFICALLY RELATED TO THE PRESENCE, RELEASE, OR DISPOSAL OF HAZARDOUS SUBSTANCES, SOLID WASTES, ASBESTOS, AND OTHER MAN MADE MATERIAL FIBERS (COLLECTIVELY, "MMMFF"), OR NATURALLY OCCURRING RADIOACTIVE MATERIALS ("NORM"). ASSIGNEE IS RELYING UPON ITS OWN INSPECTION OF THE PROPERTIES, AND ASSIGNEE HEREBY ACCEPTS ALL OF THE SAME IN THEIR "AS IS, WHERE IS" CONDITION WITH ALL FAULTS. ASSIGNOR DISCLAIMS ALL LIABILITY ARISING IN CONNECTION WITH THE PRESENCE OF NORM OR MMMF ON THE PROPERTIES AND, IF TESTS HAVE BEEN CONDUCTED BY ASSIGNOR FOR THE PRESENCE OF NORM OR MMMF, ASSIGNOR DISCLAIMS ANY WARRANTY RESPECTING THE ACCURACY OF SUCH TESTS OR RESULTS. IN ADDITION, ASSIGNOR AND ITS REPRESENTATIVES MAKE NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF ANY DATA, INFORMATION, OR MATERIALS HERETOFORE OR HEREAFTER FURNISHED ASSIGNEE IN CONNECTION WITH THE PROPERTIES OR AS TO THE QUALITY OR QUANTITY OF OIL, GAS, AND OTHER HYDROCARBON RESERVES (IF ANY) ATTRIBUTABLE TO THE PROPERTIES OR THE ABILITY OF THE PROPERTIES TO PRODUCE OIL, GAS, AND OTHER HYDROCARBONS. ANY AND ALL SUCH DATA, INFORMATION, AND OTHER MATERIALS FURNISHED BY ASSIGNOR AND ITS REPRESENTATIVES WAS PROVIDED TO ASSIGNEE AS A CONVENIENCE AND ANY RELIANCE ON OR USE OF THE SAME HAS BEEN AND SHALL BE AT ASSIGNEE'S SOLE RISK. ASSIGNOR SHALL HAVE NO LIABILITY TO ASSIGNEE FOR ANY CLAIMS, LOSS, OR DAMAGE CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY, INCIDENTALLY OR CONSEQUENTIALLY, BY THE PROPERTIES, BY ANY INADEQUACY THEREOF OR THEREWITH, ARISING IN STRICT LIABILITY OR OTHERWISE, OR IN ANY WAY RELATED TO OR ARISING OUT OF THIS ASSIGNMENT. ASSIGNOR MAKES NO EXPRESS, AND DISCLAIMS ALL IMPLIED, WARRANTIES OF ANY KIND, INCLUDING THOSE OF TITLE, MERCHANTABILITY, AND FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE PROPERTIES AND EXPRESSLY DISCLAIMS ANY WARRANTIES WITH RESPECT THERETO. ASSIGNEE ACKNOWLEDGES THAT THIS EXPRESS DISCLAIMER AND WAIVER SHALL BE CONSIDERED A MATERIAL AND INTEGRAL PART OF THIS TRANSACTION AND THE CONSIDERATION THEREOF; AND ACKNOWLEDGES THAT THIS DISCLAIMER AND WAIVER HAS BEEN BROUGHT TO THE ATTENTION OF ASSIGNEE AND EXPLAINED IN DETAIL AND THAT ASSIGNEE HAS VOLUNTARILY AND KNOWINGLY CONSENTED TO THIS DISCLAIMER AND WAIVER.

THE PARTIES AGREE THAT, TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE, OR ORDER.

Assignee agrees to comply with all applicable laws, rules, regulations and orders with respect to the ownership of the Properties and operations connected therewith including, where applicable, laws, rules, and regulations governing the plugging of wells.

Assignee hereby agrees (a) to assume, and to timely pay and perform, all duties, obligations, and liabilities relating to the ownership and/or operation of the Properties after the Effective Date (including, without limitation, those arising under the Leases and other contracts and agreements which make up a part of the Properties), and (b) to INDEMNIFY AND HOLD ASSIGNOR (AND THE AFFILIATES OF ASSIGNOR, AND THE RESPECTIVE PARTNERS, DIRECTORS, MEMBERS, MANAGERS, OFFICERS, EMPLOYEES, ATTORNEYS, CONTRACTORS, SUBCONTRACTORS AND AGENTS OF SUCH AFFILIATES AND ASSIGNOR) HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, ACTIONS, CAUSES OF ACTION, LIABILITIES, DAMAGES, LOSSES, COSTS, OR EXPENSES (INCLUDING, WITHOUT LIMITATION, COURT COSTS AND ATTORNEYS' FEES) OF ANY KIND OR CHARACTER ARISING OUT OF OR OTHERWISE RELATING TO THE OWNERSHIP

Page 2

Assignment of Oil, Gas and Mineral Leases and Bill of Sale

A CERTIFIED COPY: PG 2 OF 10

IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED

IN PUBLIC AND ATTEST Sept. 2, 2015

MATTHEW CANN COUNTY CLERK



WARD COUNTY TX

By [Signature] Deputy

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AND/OR OPERATION OF THE PROPERTIES AFTER THE EFFECTIVE DATE. In connection with (but not in limitation of) the foregoing, it is specifically understood and agreed that such duties, obligations, and liabilities arising out of or otherwise relating to the ownership and/or operation of the Properties after the Effective Date shall (notwithstanding anything herein appearing to be to the contrary) be deemed to include all matters arising out of the condition of the Properties on the Effective Date (including, without limitation, within such matters all obligations to properly plug and abandon, or re-plug and re-abandon, wells located on the Properties, to restore the surface of the Properties, and to comply with, or to bring the Properties into compliance with, applicable environmental laws, rules, regulations, and orders, including conducting any remediation activities which may be required on or otherwise in connection with activities on the Properties), regardless of whether such condition or the events giving rise to such condition arose or occurred before or after the Effective Date, and the assumptions and indemnifications by Assignee provided for in the first sentence of this paragraph shall expressly cover and include such matters. **THE FOREGOING ASSUMPTIONS AND INDEMNIFICATIONS SHALL APPLY WHETHER OR NOT SUCH DUTIES, OBLIGATIONS, OR LIABILITIES, OR SUCH CLAIMS, ACTIONS, CAUSES OF ACTION, LIABILITIES, DAMAGES, LOSSES, COSTS, OR EXPENSES ARISE OUT OF (i) NEGLIGENCE (INCLUDING SOLE NEGLIGENCE, SINGLE NEGLIGENCE, CONCURRENT NEGLIGENCE, ACTIVE OR PASSIVE NEGLIGENCE, BUT EXPRESSLY NOT INCLUDING GROSS NEGLIGENCE) OF ANY INDEMNIFIED PARTY, OR (ii) STRICT LIABILITY.**

To the extent permitted by law, Assignee shall be subrogated to Assignor's rights in and to representations, warranties, and covenants given with respect to the Properties. Assignor hereby grants and transfers to Assignee, its successors, and assigns, to the extent so transferable and permitted by law, the benefit of and the right to enforce the covenants, representations, and warranties, if any, which Assignor is entitled to enforce with respect to the Properties, but only to the extent not enforced by Assignor.

TO HAVE AND TO HOLD the Properties unto Assignee, its successors and assigns, forever.

This Assignment may be executed in any number of counterparts, each of which shall be binding upon the party or parties so signing. The signature pages and the notarial acknowledgments of the counterparts may be combined with the original hereof and recorded as one instrument.

This Assignment shall bind and inure to the benefit of the parties and their successors and assigns.

(Signature and acknowledgement pages follow)

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A CERTIFIED COPY: PG 3 OF 10

IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED

IN PURPLE INK ATTEST Sept. 2, 2015

NATRELL CAIN COUNTY CLERK



WARD COUNTY TX

By [Signature] Deputy

IN WITNESS WHEREOF, the parties have executed this Assignment effective as of the Effective  
Date written above.

ASSIGNOR:

THE BELLOMY GROUP, LLC

By: [Signature]  
Name: Ryan Bellomy  
Title: Manager

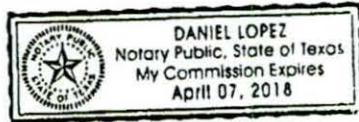
ACKNOWLEDGEMENT

STATE OF TEXAS §  
COUNTY OF DALLAS §

BEFORE ME on this the 4th day of August, the undersigned, a Notary Public in and for the county and state aforesaid, came Ryan Bellomy, as Manager of The Bellomy Group, LLC, who executed the above and foregoing document in said capacity, and acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereto set my hand and affixed my notarial seal the day and year last above written.

[Signature]  
Notary Public



My appointment expires: 4-7-2018

Signature Page of  
Assignment of Oil, Gas and Mineral Leases and Bill of Sale

A CERTIFIED COPY: PG 4 OF 10  
IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED  
IN PURPLE INK ATTEST Sept. 2, 2015  
NATRIELL CANN COUNTY CLERK



WARD COUNTY TX

By [Signature] Deputy

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ASSIGNEE:

ARKOMA DRILLING, LP

By: [Signature]  
Name:  
Title: Assistant Secretary

ACKNOWLEDGEMENT

STATE OF TEXAS §  
COUNTY OF DALLAS §

BEFORE ME on this the 10<sup>th</sup> day of August, the undersigned, a Notary Public in and for the county and state aforesaid, came Robert Roth, as Assistant Secretary of Arkoma Drilling, who executed the above and foregoing document, and acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereto set my hand and affixed my notarial seal the day and year last above written.

[Signature]  
Notary Public



My appointment expires: \_\_\_\_\_

Signature Page of  
Assignment of Oil, Gas and Mineral Leases and Bill of Sale

A CERTIFIED COPY: PG 5 OF 10

IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED

IN PURPLE INK ATTEST Sept 2, 2013

NATHAN CAIN COUNTY CLERK



WARD COUNTY TX

By [Signature] Deputy

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EXHIBIT "A"

Attached to and made part of that certain  
Assignment of Oil, Gas and Mineral Leases and Bill of Sale,  
effective as of August 4, 2015,  
by and between  
The Bellomy Group, LLC, as Assignor  
and  
Arkoma Drilling, LP, as Assignee

Description of Leases

See the four (4) attached pages containing Lessor, Lessee, County, Instrument No., Volume, Page, and Legal  
Description for each lease conveyed by this Assignment

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A CERTIFIED COPY: PG 6 OF 10  
IF IT BEARS THE SEAL OF THE COUNTY CLERK IMPRINTED  
IN PURSUE OF ATTEST Sept. 2, 2015  
NATRELL CAIN COUNTY CLERK



WARD COUNTY TX

By [Signature] Deputy



Page 2 of 4

By [Signature] Deputy



[illegible]

Melanie Venable

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File No. MF 116799  
ASR 109425 Amended  
Bellamy to Arkdn a  
Date Filed: 4-12-16  
George P. Bush, Commissioner  
By: [Signature]

12.13



TEXAS GENERAL LAND OFFICE  
GEORGE P. BUSH, COMMISSIONER

August 8, 2016

Daniel Lopez  
The Bellomy Group, LLC  
1700 Pacific Ave., Ste 2220  
Dallas, TX 75201

RE: GLO Assignment ID #9638 – MF117307 A&B and MF116799 Reeves County

Dear Mr. Lopez:

The General Land Office received the following instrument and has filed it in the appropriate files.

Assignment of Oil, Gas, and Mineral Leases and Bill of Sale effective 01/13/16  
from Arkoma Drilling, LP, assignor to Bellomy Exploration, LLC, assignee.  
Filed for record under Doc #16-00378.

Filing fees in the amount of \$75.00 were received in connection with the above assignment. Please feel free to contact me if you have any questions.

Best Regards,

Carl Bonn, CPL  
Mineral Leasing  
Energy Resources  
(512) 463-5407  
[carl.bonn@glo.texas.gov](mailto:carl.bonn@glo.texas.gov)

Stephen F. Austin Building • 1700 North Congress Avenue • Austin, Texas 78701-1495

P.O. Box 12873 • Austin, Texas 78711-2873

512.463.5001 • 800.998.4GLO

[glo.texas.gov](http://glo.texas.gov)

T H E  
**BELLOMY**  
G R O U P

April 8, 2016

ID# 9638

MF 116799

117307 AB

Mineral Leasing Division  
Texas General Land Office  
Attn: Carl Bonn  
1700 North Congress Avenue, Stephen F. Austin Building  
Austin, Texas 78701-1495

Dear Mr. Bonn,

The Bellomy Group has executed an Assignment of Oil and Gas Leases covering the following leases in Reeves County, Texas:

| MF Number | Block | Section | Township | Vol. /Page | Lessor                      | County |
|-----------|-------|---------|----------|------------|-----------------------------|--------|
| 117307A   | 2     | 40      | -        | 1138/047   | Winkler Family Trust        | Reeves |
| 117307B   | 2     | 40      | -        | 1138/037   | Morris Winkler Bypass Trust | Reeves |
| 116799    | 58    | 5       | -        | 1082/555   | Yakka II, LLC               | Reeves |

Included herein, is a certified copy of the Assignment, along with a check in the amount of \$75.00 to cover the processing and filing fees. Please let me know if you have any questions or require anything further regarding this Assignment.

Best Regards,

**Daniel Lopez**

The Bellomy Group, LLC  
1700 Pacific Ave., Suite 2220  
Dallas, TX 75201  
Office: 214.953.0188  
[daniel@thebellomygroup.com](mailto:daniel@thebellomygroup.com)

The Bellomy Group, LLC

1700 Pacific Ave. Suite 2220, Dallas, Texas 75201

THE BELLOMY GROUP LLC

04/07/2016

Texas General Land Office

2717

Texas GLO Filing Fee

X

75.00



129

16709057

Checking

Texas GLO Filing Fee

75.00

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

FD# 9638

ASSIGNMENT OF OIL, GAS, AND MINERAL LEASES AND BILL OF SALE

MF 116799

STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

117307 AB  
eFF 1-13-16

COUNTY OF DALLAS §

THIS ASSIGNMENT OF OIL, GAS, AND MINERAL LEASES AND BILL OF SALE ("Assignment") is made and entered into effective as of 7:00 a.m. Central Standard Time on the 13th day of January 2016 ("Effective Date"), by and between Bellomy Exploration, LLC, whose address is 1700 Pacific Avenue, Suite 2220, Dallas, Texas 75201, hereinafter referred to as "Assignee," and Arkoma Drilling, LP whose address is 5950 Berkshire Ln., Suite 1400, Dallas, Texas, 75225, hereinafter called "Assignor."

all

NOW THEREFORE, for One Hundred Dollars (\$100.00) and other good and valuable consideration, including the covenants and obligations of Assignee described herein, the receipt and sufficiency of which are hereby acknowledged, Assignor does by these presents QUIT CLAIM, GRANT, RELEASE, AND CONVEY unto Assignee effective as of the Effective Date, four percent (4%) of Assignor's rights, title and interest, if any, in and to the following:

(A) All of Assignor's right, title, and interest in and to the oil, gas, and mineral leases described and limited on Exhibit "A" attached hereto and made a part hereof (the "Leases");

(B) All of Assignor's right, title, and interest in and to all contracts, permits, licenses, easements, and other agreements relating to the Leases including, without limitation, the following: surface leases, operating agreements, oil, gas and condensate purchase and sale agreements, processing, exchange, gathering, compression and transportation agreements; partnership, joint venture, farmout, farmin, dry hole, bottom hole, acreage contribution, purchase and acquisition agreements; area of mutual interest agreements; salt water disposal agreements, servicing contracts, easements, surface use and/or right-of-way agreements; and unitization, communitization or pooling agreements, declarations or government orders relating to pooling or unitization ("Contracts"); and

(C) All of Assignor's interest, if any, in any oil and gas wells located on the Leases, fixtures, equipment, personal property, gas gathering or processing systems or pipelines, and all other fixtures and improvements appurtenant to the Leases as of the Effective Date ("Wells").

Notwithstanding any limitation in the foregoing or in Exhibit "A", this Assignment is intended to convey and does hereby convey unto Assignee four percent (4%) of Assignor's right, title and interest, if any, in and to the Leases, Contracts, and Wells (collectively "Properties").

TO HAVE AND TO HOLD the interests assigned unto Assignee, its successors and assigns, subject to the following terms and conditions:

THIS CONVEYANCE IS MADE WITHOUT ANY WARRANTY OR COVENANT OF TITLE WHATSOEVER, EXPRESS OR IMPLIED, EVEN TO THE RETURN OF ANY FUNDS PAID UNDER THE TERMS OF THIS ASSIGNMENT.

THE PARTIES AGREE THAT, TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF CERTAIN WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS"

Assignment of Oil, Gas and Mineral Leases and Bill of Sale



TRUE & CORRECT  
COPY OF  
ORIGINAL FILED IN  
REEVES COUNTY  
CLERKS OFFICE

DISCLAIMERS FOR THE PURPOSES OF ANY APPLICABLE LAW, RULE, OR ORDER.

Assignee agrees to comply with all applicable laws, rules, regulations and orders with respect to the ownership of the Properties and operations connected therewith including, where applicable, laws, rules, and regulations governing the plugging of wells.

To the extent permitted by law, Assignee shall be subrogated to Assignor's rights in and to representations, warranties, and covenants given with respect to the Properties. Assignor hereby grants and transfers to Assignee, its successors, and assigns, to the extent so transferable and permitted by law, the benefit of and the right to enforce the covenants, representations, and warranties, if any, which Assignor is entitled to enforce with respect to the Properties, but only to the extent not enforced by Assignor.

TO HAVE AND TO HOLD the Properties unto Assignee, its successors and assigns, forever.

This Assignment may be executed in any number of counterparts, each of which shall be binding upon the party or parties so signing. The signature pages and the notarial acknowledgments of the counterparts may be combined with the original hereof and recorded as one instrument.

This Assignment shall bind and inure to the benefit of the parties and their successors and assigns.

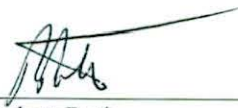
*(Signature and acknowledgement pages follow)*



IN WITNESS WHEREOF, the parties have executed this Assignment effective as of the Effective  
Date written above.

ASSIGNOR:

ARKOMA DRILLING, LP

By: 

Name: Robert Roth

Title: Assistant Secretary

ACKNOWLEDGEMENT

STATE OF TEXAS

§

COUNTY OF DALLAS

§

§

BEFORE ME on this the <sup>12th</sup>~~5th~~ day of January 2016, the undersigned, a Notary Public in and for the county and state aforesaid, came Robert Roth, as Assistant Secretary of Arkoma Drilling, LP, who executed the above and foregoing document in said capacity, and acknowledged that he executed the same as his free act and deed.

IN TESTIMONY WHEREOF, I have hereto set my hand and affixed my notarial seal the day and year last above written.

  
Notary Public



My appointment expires: \_\_\_\_\_

Assignment of Oil, Gas and Mineral Leases and Bill of Sale



TRUE & CORRECT  
COPY OF  
ORIGINAL FILED IN  
REEVES COUNTY  
CLERKS OFFICE

**EXHIBIT "A"**

*Attached to and made part of that certain  
Assignment of Oil, Gas and Mineral Leases and Bill of Sale,  
effective as of January 6, 2016,  
by and between  
Bellomy Exploration, LLC, as Assignee  
and  
Arkoma Drilling, LP, as Assignor*

**Description of Leases**

*See the five (5) attached pages containing Lessor, Lessee, County, Instrument No.,  
Volume, Page, and Legal Description for each lease conveyed by this Assignment*



| Lessor                                                                                                              | Lessee                 | County             | Instrument No. | Volume | Page | Legal Description                                                                                                                 |
|---------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|----------------|--------|------|-----------------------------------------------------------------------------------------------------------------------------------|
| SRO Land & Minerals LP, Monroe Properties, Inc., and Lee M. Stratton Living Trust, Mary Elizabeth Stratton, Trustee | The Bellomy Group, LLC | Culberson / Reeves | N/A            | 112    | 360  | All of Section 1, Block 112, PSL, Abstract 1571, Culberson County, Texas and Abstract 3481, Reeves County, Texas                  |
| SRO Land & Minerals LP, Monroe Properties, Inc., and Lee M. Stratton Living Trust, Mary Elizabeth Stratton, Trustee | The Bellomy Group, LLC | Culberson          | N/A            | 113    | 333  | All of Section 2, Block 112, PSL, Abstract 1570, Culberson County, Texas                                                          |
| SRO Land & Minerals LP, Monroe Properties, Inc., and Lee M. Stratton Living Trust, Mary Elizabeth Stratton, Trustee | The Bellomy Group, LLC | Culberson          | N/A            | 113    | 358  | All of Section 3, Block 112, PSL, Abstract 1572, Culberson County, Texas                                                          |
| SRO Land & Minerals LP, Monroe Properties, Inc., and Lee M. Stratton Living Trust, Mary Elizabeth Stratton, Trustee | The Bellomy Group, LLC | Culberson          | N/A            | 113    | 283  | All of Section 4, Block 112, PSL, Abstract 1569, Culberson County, Texas                                                          |
| SRO Land & Minerals LP, Monroe Properties, Inc., and Lee M. Stratton Living Trust, Mary Elizabeth Stratton, Trustee | The Bellomy Group, LLC | Reeves             | N/A            | 1096   | 417  | West side of Section Sixty-Five (65), Scrap File 8012 and Section Sixty-Seven (67), Scrap File 8014, County of Reeves             |
| Heper Down Under, LLC                                                                                               | The Bellomy Group, LLC | Culberson          | N/A            | 113    | 272  | SW/4 of the SE/4 of the SE/4 of Section 46, Block 59, Township 1 South, T&P RR Co. Survey, Abstract 2293, Culberson County, Texas |
| Action Realtors                                                                                                     | The Bellomy Group, LLC | Culberson          | N/A            | 112    | 185  | South Half of the North East Quarter (S/2 NE/4) of Section 48, Block 59, Township 1, Culberson County, Texas                      |
| Margaret Greer Camp                                                                                                 | The Bellomy Group, LLC | Loving             | 2015-0229      | N/A    | N/A  | West Quarter (W/4) of the North Quarter (N/4) of Section 71, Block 1, W&NW Survey                                                 |
| Morris Winkler Bypass Trust                                                                                         | The Bellomy Group, LLC | Loving             | 2015-0398      | N/A    | N/A  | Northwest Half (NW/2) of the East Quarter (E/4) of the West Quarter (W/4) of Section 71, Block 1, W&NW Survey                     |
| George D. Wilcox                                                                                                    | The Bellomy Group, LLC | Loving             | 2015-0358      | N/A    | N/A  | North one-fourth (N/4) of the West One Fourth (W/4), of Section 71, Block 1, W&NW Survey                                          |
| Sigmar Inc.                                                                                                         | The Bellomy Group, LLC | Reeves             | N/A            | 1160   | 334  | SE/4 of Block 1, Section 139, H&TC Survey                                                                                         |
| L&J Corporation                                                                                                     | The Bellomy Group, LLC | Reeves             | N/A            | 1160   | 318  | SE/4 of Block 1, Section 139, H&TC Survey                                                                                         |
| Morris Winkler Bypass Trust                                                                                         | The Bellomy Group, LLC | Reeves             | N/A            | 1138   | 37   | S/2 of SW/4 of NW/4 of Block 2, Section 40, H&GN Survey                                                                           |
| Winkler Family Trust                                                                                                | The Bellomy Group, LLC | Reeves             | N/A            | 1138   | 47   | S/2 of SW/4 of NW/4 of Block 2, Section 40, H&GN Survey                                                                           |
| Chimney Hill Resources LLC                                                                                          | The Bellomy Group, LLC | Reeves             | N/A            | 1128   | 359  | E/2 SW/4 of Block 13, Section 206, H&GN Survey                                                                                    |
| Tango Resources LLC                                                                                                 | The Bellomy Group, LLC | Reeves             | N/A            | 1138   | 75   | E/2 SW/4 of Block 13, Section 206, H&GN Survey                                                                                    |
| Yakka II, LLC                                                                                                       | The Bellomy Group, LLC | Reeves             | N/A            | 1082   | 555  | All of Block 58, Section 5, PSL                                                                                                   |
| Kimberly Saunders Moore                                                                                             | The Bellomy Group, LLC | Reeves             | N/A            | 1143   | 761  | E/2 of Section 24 in Block 54 T-4, Section 24, T&P Survey                                                                         |
| Jane Saunders Hearn                                                                                                 | The Bellomy Group, LLC | Reeves             | N/A            | 1160   | 365  | E/2 of Section 24 in Block 54 T-4, Section 24, T&P Survey                                                                         |
| BMB Family Partners Ltd.                                                                                            | The Bellomy Group, LLC | Reeves             | N/A            | 1160   | 360  | E/2 of Section 24 in Block 54 T-4, Section 24, T&P Survey                                                                         |
| Jon M. Morgan                                                                                                       | The Bellomy Group, LLC | Reeves             | N/A            | 1112   | 401  | All of Sections 30 & 38 in Block 54 T-4, T&P Survey                                                                               |
| Mart Hardin and Mary C. Hardin Rev. Trust                                                                           | The Bellomy Group, LLC | Reeves             | N/A            | 1160   | 322  | All of Sections 30 & 38 in Block 54 T-4, T&P Survey                                                                               |
| Mart Hardin and Mary C. Hardin Rev. Trust                                                                           | The Bellomy Group, LLC | Reeves             | N/A            | 1160   | 326  | All of Sections 30 & 38 in Block 54 T-4, T&P Survey                                                                               |
| Mart Hardin and Mary C. Hardin Rev. Trust                                                                           | The Bellomy Group, LLC | Reeves             | N/A            | 1160   | 331  | All of Sections 30 & 38 in Block 54 T-4, T&P Survey                                                                               |
| Phil Gordon                                                                                                         | The Bellomy Group, LLC | Reeves             | N/A            | 1160   | 374  | All of Sections 30 & 38 in Block 54 T-4, T&P Survey                                                                               |
| Ramsland Oil & Gas et al.                                                                                           | The Bellomy Group, LLC | Ward               | N/A            | 986    | 474  | NW/4 of Section 72 in Block 34, H&TC Survey                                                                                       |
| Ramsland Oil & Gas et al.                                                                                           | The Bellomy Group, LLC | Ward               | N/A            | 986    | 476  | NW/4 of Section 72 in Block 34, H&TC Survey                                                                                       |
| Melvin L. Brown and Patricia A. Brown Trust                                                                         | The Bellomy Group, LLC | Ward               | N/A            | 1015   | 412  | All of Sections 74 and 98 and NE/4 and E/2 SE/4 of Section 72 in Block 34, H&TC Survey                                            |
| Lorraine C. Brown                                                                                                   | The Bellomy Group, LLC | Ward               | N/A            | 1018   | 631  | All of Sections 74 and 98 and NE/4 and E/2 SE/4 of Section 72 in Block 34, H&TC Survey                                            |
| Waneta Meadows Morgan                                                                                               | The Bellomy Group, LLC | Ward               | N/A            | 965    | 63   | Section 96, Block 34, H&TC Survey                                                                                                 |
| Gieb Corporation                                                                                                    | The Bellomy Group, LLC | Ward               | N/A            | 965    | 52   | Section 96, Block 34, H&TC Survey                                                                                                 |
| Liedtke Interests Ltd.                                                                                              | The Bellomy Group, LLC | Ward               | N/A            | 971    | 276  | Section 96, Block 34, H&TC Survey                                                                                                 |
| Ramsland Oil & Gas et al.                                                                                           | The Bellomy Group, LLC | Ward               | N/A            | 986    | 472  | Section 96, Block 34, H&TC Survey                                                                                                 |
| JOMJR Ltd.                                                                                                          | The Bellomy Group, LLC | Ward               | N/A            | 968    | 681  | Section 96, Block 34, H&TC Survey                                                                                                 |
| SR Minerals LLP                                                                                                     | The Bellomy Group, LLC | Ward               | N/A            | 993    | 212  | Section 96, Block 34, H&TC Survey                                                                                                 |
| Colaro Corporation                                                                                                  | The Bellomy Group, LLC | Ward               | N/A            | 966    | 47   | All of Section 99 in Block 34, H&TC Survey                                                                                        |
| The Baldwin Children's Trust                                                                                        | The Bellomy Group, LLC | Ward               | N/A            | 967    | 58   | All of Section 99 in Block 34, H&TC Survey                                                                                        |
| Robert Ewell McKnight Jr.                                                                                           | The Bellomy Group, LLC | Ward               | N/A            | 1014   | 487  | N/4 E/4 and E/4 E/4 of Section 105, Block 34, H&TC Survey                                                                         |
| Marcella Jean McKnight Stocker                                                                                      | The Bellomy Group, LLC | Ward               | N/A            | 1015   | 427  | N/4 E/4 and E/4 E/4 of Section 105, Block 34, H&TC Survey                                                                         |
| Catherine Marie McKnight                                                                                            | The Bellomy Group, LLC | Ward               | N/A            | 1015   | 424  | N/4 E/4 and E/4 E/4 of Section 105, Block 34, H&TC Survey                                                                         |
| Susan Elaine McKnight Ivey                                                                                          | The Bellomy Group, LLC | Ward               | N/A            | 1016   | 70   | N/4 E/4 and E/4 E/4 of Section 105, Block 34, H&TC Survey                                                                         |
| Deborah Ann McKnight Milburn                                                                                        | The Bellomy Group, LLC | Ward               | N/A            | 1016   | 73   | N/4 E/4 and E/4 E/4 of Section 105, Block 34, H&TC Survey                                                                         |
| Rebecca McKnight Stupfel                                                                                            | The Bellomy Group, LLC | Ward               | N/A            | 1016   | 64   | N/4 E/4 and E/4 E/4 of Section 105, Block 34, H&TC Survey                                                                         |
| DWZ LLC                                                                                                             | The Bellomy Group, LLC | Ward               | N/A            | 983    | 84   | W/4 & S/4 of Section 106, Block 34, H&TC Survey                                                                                   |
| Ronald Raymond Nelson AIF Nita Louis Nelson                                                                         | The Bellomy Group, LLC | Ward               | N/A            | 984    | 105  | NW/2 of Section 106, Block 34, H&TC Survey                                                                                        |

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Exhibit A

| Lessor                                                              | Lessee                 | County | Instrument No. | Volume | Page | Legal Description                                                                                              |
|---------------------------------------------------------------------|------------------------|--------|----------------|--------|------|----------------------------------------------------------------------------------------------------------------|
| Ann Stayton Lewis                                                   | The Bellomy Group, LLC | Ward   | N/A            | 998    | 56   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| William K Warren Foundation                                         | The Bellomy Group, LLC | Ward   | N/A            | 998    | 44   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Goth Mineral Partnership                                            | The Bellomy Group, LLC | Ward   | N/A            | 1022   | 644  | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Hallie Stayton Evans                                                | The Bellomy Group, LLC | Ward   | N/A            | 998    | 64   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| John W. Stayton Jr. Trust                                           | The Bellomy Group, LLC | Ward   | N/A            | 998    | 60   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| The Estate of A.G. Talbot                                           | The Bellomy Group, LLC | Ward   | N/A            | 1027   | 284  | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Reed Gilmore Rev. Trust                                             | The Bellomy Group, LLC | Ward   | N/A            | 998    | 31   | W/2 of SE/4 of Section 107, Block 34, H&TC Survey                                                              |
| Sharktooth Resources Ltd.                                           | The Bellomy Group, LLC | Ward   | N/A            | 988    | 29   | W/2 of SE/4 of Section 107, Block 34, H&TC Survey                                                              |
| W.H. Gilmore Jr.                                                    | The Bellomy Group, LLC | Ward   | N/A            | 988    | 33   | W/2 of SE/4 of Section 107, Block 34, H&TC Survey                                                              |
| Evelyn J. Thompson and husband Carl S. Thompson                     | The Bellomy Group, LLC | Ward   | N/A            | 998    | 26   | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Corlyss Allynn Delashaw                                             | The Bellomy Group, LLC | Ward   | N/A            | 998    | 35   | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Tunstill Mineral Company LP                                         | The Bellomy Group, LLC | Ward   | N/A            | 1022   | 639  | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| H. Olsen Limited Partnership                                        | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 268  | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Robin Rinear                                                        | The Bellomy Group, LLC | Ward   | N/A            | 998    | 20   | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Austin Trust Company, Trustee for Catherine Stayton Rev. Trust      | The Bellomy Group, LLC | Ward   | N/A            | 998    | 52   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Austin Trust Company, Trustee for Jennifer Stayton Rev. Mang. Trust | The Bellomy Group, LLC | Ward   | N/A            | 998    | 48   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Rancho Oil Company                                                  | The Bellomy Group, LLC | Ward   | N/A            | 998    | 68   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Jennifer Breanne Tittle                                             | The Bellomy Group, LLC | Ward   | N/A            | 998    | 38   | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Peter J. O'Neal                                                     | The Bellomy Group, LLC | Ward   | N/A            | 998    | 17   | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Michael Durrell                                                     | The Bellomy Group, LLC | Ward   | N/A            | 998    | 11   | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Kevin Sean Durrell                                                  | The Bellomy Group, LLC | Ward   | N/A            | 998    | 14   | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Hurt Properties LP                                                  | The Bellomy Group, LLC | Ward   | N/A            | 1011   | 95   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Douglas Allen Travis                                                | The Bellomy Group, LLC | Ward   | N/A            | 1005   | 735  | NW/2 S/4 of Section 107, Block 34, H&TC Survey                                                                 |
| Jacqueline Lee Dolan                                                | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 240  | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Gary Michael Travis                                                 | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 249  | NW/2 S/4 of Section 107, Block 34, H&TC Survey                                                                 |
| Julie Ann Travis                                                    | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 246  | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Jill Ellen Elkins                                                   | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 243  | NW/2 of S/4 of Section 107, Block 34, H&TC Survey                                                              |
| Betty Lou Pendergraft Angelo                                        | The Bellomy Group, LLC | Ward   | N/A            | 998    | 23   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Alice Gammon Jefferson                                              | The Bellomy Group, LLC | Ward   | N/A            | 1008   | 82   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Hallie Gammon Speranza                                              | The Bellomy Group, LLC | Ward   | N/A            | 1011   | 91   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Miramor Properties Inc.                                             | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 288  | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Wiley Oil & Gas LP                                                  | The Bellomy Group, LLC | Ward   | N/A            | 998    | 71   | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| Lynn S. Talbot                                                      | The Bellomy Group, LLC | Ward   | N/A            | 1027   | 280  | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| John D. Swallow as Trustee of The Michael H. Talbot Trust 2000      | The Bellomy Group, LLC | Ward   | N/A            | 1030   | 403  | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| WW Worldwide, LLC                                                   | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 280  | E/4 of Section 107, Block 34, H&TC Survey                                                                      |
| JOMJR Ltd.                                                          | The Bellomy Group, LLC | Ward   | N/A            | 968    | 687  | All of Section 109, Block 34, H&TC Survey, save and except 0-6900' (or actual base of Brushy Canyon formation) |
| SRO, Stratton Living Trust, Monroe Properties                       | The Bellomy Group, LLC | Ward   | N/A            | 986    | 447  | W/4 of Section 112, Block 34, H&TC Survey, save and except 0-7,980'                                            |
| Kinney Inc.                                                         | The Bellomy Group, LLC | Ward   | N/A            | 1011   | 546  | All of Section 114, Block 34, H&TC Survey, save and except 0-7000'                                             |
| Maretta Kay Avery                                                   | The Bellomy Group, LLC | Ward   | N/A            | 968    | 694  | NE/2 of Section 122, Block 34, H&TC Survey                                                                     |
| Maretta Kay Avery                                                   | The Bellomy Group, LLC | Ward   | N/A            | 1005   | 713  | SW/2 of E/4 aka W/2 of SW/4 of Section 123, Block 34, H&TC Survey                                              |
| Beth Avery AIF for Florene Avery                                    | The Bellomy Group, LLC | Ward   | N/A            | 1005   | 726  | NE/2 of E/4 aka E/2 of the SE/4 of Section 123, Block 34, H&TC Survey                                          |
| Eva Rose Haynes (Briggs)                                            | The Bellomy Group, LLC | Ward   | N/A            | 1005   | 722  | NE/2 of E/4 aka E/2 of the SE/4 of Section 123, Block 34, H&TC Survey                                          |
| Bobby Calhoun Avery                                                 | The Bellomy Group, LLC | Ward   | N/A            | 1005   | 715  | NE/2 of E/4 aka E/2 of the SE/4 of Section 123, Block 34, H&TC Survey                                          |
| Robin Rinear                                                        | The Bellomy Group, LLC | Ward   | N/A            | 996    | 196  | SW/2 E/4, Section 123, Block 34, H&TC Survey, EXCEPT surface down to 7500 ft                                   |
| Michael Durrell                                                     | The Bellomy Group, LLC | Ward   | N/A            | 1005   | 710  | SW/2 E/4, Section 123, Block 34, H&TC Survey, EXCEPT surface down to 7500 ft                                   |
| Kevin Sean Durrell                                                  | The Bellomy Group, LLC | Ward   | N/A            | 1005   | 738  | SW/2 E/4, Section 123, Block 34, H&TC Survey, EXCEPT surface down to 7500 ft                                   |
| Elizabeth Ann Cummings DeSmet                                       | The Bellomy Group, LLC | Ward   | N/A            | 1005   | 719  | SW/2 E/4, Section 123, Block 34, H&TC Survey, EXCEPT surface down to 7500 ft                                   |
| Pamela Dawn Cummings Robinson                                       | The Bellomy Group, LLC | Ward   | N/A            | 1016   | 67   | SW/2 E/4, Section 123, Block 34, H&TC Survey, EXCEPT surface down to 7500 ft                                   |

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| Lessor                                                                                                                      | Lessee                 | County | Instrument No. | Volume | Page | Legal Description                                                           |
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| Trustee of Floyd C. Dodson Jr. Grantor Trust, Dwan F. Dodson Trust, William Ritchie Keeble Trust, and Floyd C. Keeble Trust | The Bellomy Group, LLC | Ward   | N/A            | 976    | 775  | East 106.66 acres of West 213.32 acres, Section 125, Block 34, H&TC Survey  |
| Dorr Petro Land Mgmt LLC                                                                                                    | The Bellomy Group, LLC | Ward   | N/A            | 975    | 700  | All of Section 131, Block 34, H&TC Survey, except surface down to 6800 ft   |
| Dorr Petro Land Mgmt LLC (Term Assignment of Lease)                                                                         | The Bellomy Group, LLC | Ward   | N/A            | 975    | 704  | All of Section 131, Block 34, H&TC Survey                                   |
| BOKF, NA agent for David E Boyle Et Al                                                                                      | The Bellomy Group, LLC | Ward   | N/A            | 981    | 468  | All of Section 131, Block 34, H&TC Survey, except surface down to 8500 feet |
| Warner Pacific College                                                                                                      | The Bellomy Group, LLC | Ward   | N/A            | 978    | 172  | W/4 of S/4 (aka NW/4 of SW/4) of Section 132, Block 34, H&TC Survey         |
| Jennings Family Trust                                                                                                       | The Bellomy Group, LLC | Ward   | N/A            | 993    | 182  | Tracts 84, 85, 86, 89, 90, 91 of Section 135, Block 34, H&TC Survey         |
| Jennings Family Trust                                                                                                       | The Bellomy Group, LLC | Ward   | N/A            | 993    | 186  | Tracts 84, 85, 86, 89, 90, 91 of Section 135, Block 34, H&TC Survey         |
| Linda Black Dossey (aka Linda Black Young)                                                                                  | The Bellomy Group, LLC | Ward   | N/A            | 998    | 76   | Tracts 84, 85, 86, 89, 90, 91 of Section 135, Block 34, H&TC Survey         |
| Martha Ann Slack Reid                                                                                                       | The Bellomy Group, LLC | Ward   | N/A            | 1016   | 76   | Tracts 73-88, Section 135, Block 34, H&TC Survey                            |
| Andrews Royalty LP                                                                                                          | The Bellomy Group, LLC | Ward   | N/A            | 993    | 189  | Lots 68-75 (in E/4), Section 135, Block 34, H&TC Survey                     |
| Sue Black Sullivan                                                                                                          | The Bellomy Group, LLC | Ward   | N/A            | 996    | 192  | Tracts 84, 85, 86, 89, 90, 91, Section 135, Block 34, H&TC Survey           |
| James Donald Black                                                                                                          | The Bellomy Group, LLC | Ward   | N/A            | 996    | 199  | Tracts 84, 85, 86, 89, 90, 91, Section 135, Block 34, H&TC Survey           |
| Cathy Ritti                                                                                                                 | The Bellomy Group, LLC | Ward   | N/A            | 1023   | 272  | W/4 of S/4, Section 135, Block 34, H&TC Survey                              |
| Stanley W. Cowherd Jr. Rev. Living Trust                                                                                    | The Bellomy Group, LLC | Ward   | N/A            | 1020   | 424  | Tracts 9-24; Tracts 41-46, Section 135, Block 34, H&TC Survey               |
| Elizabeth Ann Black Johnson                                                                                                 | The Bellomy Group, LLC | Ward   | N/A            | 1022   | 633  | Tracts 43, 52, & 53; Tracts 87 & 88, Section 135, Block 34, H&TC Survey     |
| Morgan Capital Group Inc.                                                                                                   | The Bellomy Group, LLC | Ward   | N/A            | 1028   | 643  | Tracts 43, 52, 53, Section 135, Block 34, H&TC Survey                       |
| Judy Penick                                                                                                                 | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 285  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Mary Julia Moss                                                                                                             | The Bellomy Group, LLC | Ward   | N/A            | 1014   | 470  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Lynda Lane Patterson                                                                                                        | The Bellomy Group, LLC | Ward   | N/A            | 1014   | 473  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| John Ratliff                                                                                                                | The Bellomy Group, LLC | Ward   | N/A            | 1027   | 288  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Lynora Ratliff                                                                                                              | The Bellomy Group, LLC | Ward   | N/A            | 1027   | 291  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Thomas J. Hestand                                                                                                           | The Bellomy Group, LLC | Ward   | N/A            | 1011   | 541  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Lawrence Hestand                                                                                                            | The Bellomy Group, LLC | Ward   | N/A            | 1008   | 90   | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Arretta Cargile                                                                                                             | The Bellomy Group, LLC | Ward   | N/A            | 1006   | 513  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Ken Gray                                                                                                                    | The Bellomy Group, LLC | Ward   | N/A            | 1014   | 482  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Ronald Joe Hestand                                                                                                          | The Bellomy Group, LLC | Ward   | N/A            | 1005   | 729  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Douglas Wayne Hestand                                                                                                       | The Bellomy Group, LLC | Ward   | N/A            | 1005   | 732  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Norma June Bradford                                                                                                         | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 252  | Tracts 4 & 5, Section 135, Block 34, H&TC Survey                            |
| Byerley Partners Ltd.                                                                                                       | The Bellomy Group, LLC | Ward   | N/A            | 1042   | 487  | 106.67 being NW/3 of SE/2, Section 147, Block 34, H&TC Survey               |
| Wilbur Carr Brown Test. Trust Estate                                                                                        | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 255  | North 1/3, Middle 1/3, SE 1/3, Section 147, Block 34, H&TC Survey           |
| The Royce Boys Partnership                                                                                                  | The Bellomy Group, LLC | Ward   | N/A            | 1002   | 264  | W/3 E/2 & SE/3 of E/2, Section 147, Block 34, H&TC Survey                   |
| Carolyn Brown Winston                                                                                                       | The Bellomy Group, LLC | Ward   | N/A            | 1011   | 107  | East 1/3 of E/2, M/3 of E/2, W/3 of E/2, Section 147, Block 34, H&TC Survey |
| Deborah Brown Grissen                                                                                                       | The Bellomy Group, LLC | Ward   | N/A            | 1011   | 98   | East 1/3 of E/2, M/3 of E/2, W/3 of E/2, Section 147, Block 34, H&TC Survey |
| Marshall Evans Brown                                                                                                        | The Bellomy Group, LLC | Ward   | N/A            | 1011   | 116  | East 1/3 of E/2, M/3 of E/2, W/3 of E/2, Section 147, Block 34, H&TC Survey |
| Jeff Siner                                                                                                                  | The Bellomy Group, LLC | Ward   | N/A            | 1006   | 506  | East 1/3 of E/2, Section 147, Block 34, H&TC Survey                         |
| Susan Blackstill                                                                                                            | The Bellomy Group, LLC | Ward   | N/A            | 1006   | 509  | East 1/3 of E/2, Section 147, Block 34, H&TC Survey                         |
| Lisa Kraiger                                                                                                                | The Bellomy Group, LLC | Ward   | N/A            | 1008   | 86   | East 1/3 of E/2, Section 147, Block 34, H&TC Survey                         |
| George Clayton Allen                                                                                                        | The Bellomy Group, LLC | Ward   | N/A            | 1014   | 467  | Center 1/3 of SE/2, Section 147, Block 34, H&TC Survey                      |
| Judith Anderson White                                                                                                       | The Bellomy Group, LLC | Ward   | N/A            | 1012   | 468  | SW/4, Section 152, Block 34, H&TC Survey                                    |
| Byerley Partners Ltd.                                                                                                       | The Bellomy Group, LLC | Ward   | N/A            | 1037   | 624  | All of Section 164, Block 34, H&TC Survey                                   |
| Robert Winstead Runion                                                                                                      | The Bellomy Group, LLC | Ward   | N/A            | 1040   | 462  | All of Section 164, Block 34, H&TC Survey                                   |
| Diane R. Miller and David I Miller Rev. Living Trust                                                                        | The Bellomy Group, LLC | Ward   | N/A            | 1040   | 459  | All of Section 164, Block 34, H&TC Survey                                   |
| Rosalind Studer Canton                                                                                                      | The Bellomy Group, LLC | Ward   | N/A            | 1042   | 479  | E/4 of W/4 of Section 166, Block 34, H&TC Survey                            |
| Rosemary Elaine Hays                                                                                                        | The Bellomy Group, LLC | Ward   | N/A            | 1042   | 482  | E/4 of W/4 of Section 166, Block 34, H&TC Survey                            |
| Poco Minerals                                                                                                               | The Bellomy Group, LLC | Ward   | N/A            | 1028   | 637  | NW/2 of W/4 of S/4 of Section 175, Block 34, H&TC Survey                    |
| Surestone Exploration LLC                                                                                                   | The Bellomy Group, LLC | Ward   | N/A            | 1028   | 570  | NW/2 of W/4 of S/4 of Section 175, Block 34, H&TC Survey                    |
| Wilco Properties, Inc.                                                                                                      | The Bellomy Group, LLC | Ward   | N/A            | 1024   | 166  | Water Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                  |
| Bosque Minerals, Ltd.                                                                                                       | The Bellomy Group, LLC | Ward   | N/A            | 1024   | 154  | Water Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                  |

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| Bradford Grant Davis                                                                  | The Bellomy Group, LLC           | Ward        | N/A            | 1028   | 576  | Water Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                                                                                                                                                                                                                                                |
| Ferguson Resources Inc.                                                               | The Bellomy Group, LLC           | Ward        | N/A            | 1027   | 300  | Water Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                                                                                                                                                                                                                                                |
| Regium Holdings LP                                                                    | The Bellomy Group, LLC           | Ward        | N/A            | 1025   | 347  | Water Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                                                                                                                                                                                                                                                |
| Sooner Oil LLC                                                                        | The Bellomy Group, LLC           | Ward        | N/A            | 1028   | 582  | Water Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                                                                                                                                                                                                                                                |
| Michael E. Moore                                                                      | The Bellomy Group, LLC           | Ward        | N/A            | 1027   | 294  | Water Tracts 13 & 14 of Section 185, Block 34, H&TC Survey                                                                                                                                                                                                                                                |
| JOMJR Ltd.                                                                            | The Bellomy Group, LLC           | Ward        | N/A            | 982    | 592  | 267.97 from Section 186 and another 128.95 from Section 186 as described by metes and bounds, Block 34, H&TC Survey                                                                                                                                                                                       |
| Camp Colorado Investments, LP                                                         | The Bellomy Group, LLC           | Ward        | N/A            | 1011   | 549  | Water Tracts 10 & 15 of Section 200, Block 34, H&TC Survey                                                                                                                                                                                                                                                |
| Jennings Family Trust                                                                 | The Bellomy Group, LLC           | Ward        | N/A            | 1012   | 475  | 2 acres out of Water Tract 5 (aka S/4 W/4) and 38 Acres out of Water Tract 6 (aka E/4 W/2), Section 200, Block 34, H&TC Survey                                                                                                                                                                            |
| Jennings Family Trust                                                                 | The Bellomy Group, LLC           | Ward        | N/A            | 1012   | 478  | 2 acres out of Water Tract 5 (aka S/4 W/4) and 38 Acres out of Water Tract 6 (aka E/4 W/2), Section 200, Block 34, H&TC Survey                                                                                                                                                                            |
| Poco Minerals LLC                                                                     | The Bellomy Group, LLC           | Ward        | N/A            | 1024   | 160  | SE/2 W/4 N/4, Section 209, Block 34, H&TC Survey                                                                                                                                                                                                                                                          |
| Regium Holdings LP                                                                    | The Bellomy Group, LLC           | Ward        | N/A            | 1025   | 353  | SE/2 W/4 N/4, Section 209, Block 34, H&TC Survey                                                                                                                                                                                                                                                          |
| Blix Ann Masterson                                                                    | The Bellomy Group, LLC           | Ward        | N/A            | 1032   | 87   | SE/2 W/4 N/4, Section 209, Block 34, H&TC Survey                                                                                                                                                                                                                                                          |
| Thomas William Pruett                                                                 | Double Eagle Delaware Basin, LLC | Ward/Loving | N/A            | 986    | 93   | All of Block 1, Section 33, W&NW Survey                                                                                                                                                                                                                                                                   |
| Double Eagle Delaware Basin, LLC                                                      | The Bellomy Group, LLC           | Ward/Loving | N/A            | 993    | 195  | Assignment of all right, title, and interest in lease found in deed records of Ward County at 986/93                                                                                                                                                                                                      |
| Creech Kids Partnership, a Texas General Partnership                                  | HC Petroleum, LLC                | Loving      | 2015-3578      | N/A    | N/A  | SW/4 of the NE/4, Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                                           |
| Ann Louise Douglas                                                                    | HC Petroleum, LLC                | Loving      | 2015-3395      | N/A    | N/A  | 40 acres being tract 35 as recorded in Volume 26, Page 310, Deed Records, also known as the E4 of the E4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas.                                                                                                                                |
| Ray Properties by Smith Ray, managing partner                                         | HC Petroleum, LLC                | Loving      | 2015-2987      | N/A    | N/A  | 40 acres more or less being the E/4 of S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                               |
| Claudio L. Milburn, Jr.                                                               | HC Petroleum, LLC                | Loving      | 2015-3589      | N/A    | N/A  | NW/2 of the S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                                          |
| Stephen Randall Garner                                                                | HC Petroleum, LLC                | Loving      | 2015-3591      | N/A    | N/A  | 80 acres more or less being the NW/2 of S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Also known as Tract 6 per the plat filed in Volume 26, Page 310, Deed Records, Loving County, Texas.                                                                                        |
| JPB Energy Resources Inc. by John Weldon Brewster Jr. as Vice President of Operations | HC Petroleum, LLC                | Loving      | 2015-3584      | N/A    | N/A  | E/4 of the S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Being the same interests conveyed from John Weldon Brewster Sr. to Pamela Diane Crittenden Brewster in that certain Deed of Gift recorded in Volume 52, Page 669 of the Official Public Records of Loving County, Texas. |
| JPB Energy Resources Inc. by John Weldon Brewster Jr. as Vice President of Operations | HC Petroleum, LLC                | Loving      | 2015-3583      | N/A    | N/A  | E/4 of the S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                                           |
| Kenneth R. Swarb and wife, Laverne Swarb                                              | HC Petroleum, LLC                | Loving      | 2015-3588      | N/A    | N/A  | 80 acres of land, more or less, being the NW/2 of the S/4, Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                  |
| Ramsay M. Phipps                                                                      | HC Petroleum, LLC                | Loving      | 2015-3397      | N/A    | N/A  | W/4 of the W/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                                           |
| Justin B. Phipps                                                                      | HC Petroleum, LLC                | Loving      | 2015-3396      | N/A    | N/A  | W/4 of the W/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                                           |
| Margaret Purvis Minerals LP                                                           | HC Petroleum, LLC                | Loving      | 2015-3590      | N/A    | N/A  | 20 acres more or less being the SE/2 of E/4 of W/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Also known as Tract 5 per the plat filed in Volume 26, Page 310, Deed Records, Loving County, Texas.                                                                                 |
| Berkley D. Anderson                                                                   | HC Petroleum, LLC                | Loving      | 2015-3587      | N/A    | N/A  | S/4 of the N/4, Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                                             |
| Jennifer C. Slade                                                                     | HC Petroleum, LLC                | Loving      | 2015-3586      | N/A    | N/A  | 40 acres more or less being the N/4 of W/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Also known as Tract 2 per the plat filed in Volume 26, Page 310, Deed Records, Loving County, Texas.                                                                                         |
| The Gallo Family Trust                                                                | HC Petroleum, LLC                | Loving      | 2015-3585      | N/A    | N/A  | 40 acres more or less being the N/4 of W/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Also known as Tract 2 per the plat filed in Volume 26, Page 310, Deed Records, Loving County, Texas.                                                                                         |
| Kim E. Lawson                                                                         | HC Petroleum, LLC                | Loving      | 2015-3580      | N/A    | N/A  | 5 acres more or less being the NW/2 of N/4 of W/4 of E/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Also known as Tract 23 per the plat filed in Volume 26, Page 310, Deed Records, Loving County, Texas.                                                                          |
| James D. Presslar II                                                                  | HC Petroleum, LLC                | Loving      | 2015-3579      | N/A    | N/A  | 5 acres more or less being the NW/2 of N/4 of W/4 of E/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Also known as Tract 23 per the plat filed in Volume 26, Page 310, Deed Records, Loving County, Texas.                                                                          |
| Robert A. Lewis                                                                       | HC Petroleum, LLC                | Loving      | 2015-3582      | N/A    | N/A  | W/4 of the N/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                                           |
| Lynn L. Hall                                                                          | HC Petroleum, LLC                | Loving      | 2015-3581      | N/A    | N/A  | W/4 of the N/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                                           |
| Kimberly Ross Bertini                                                                 | HC Petroleum, LLC                | Loving      | 2015-3592      | N/A    | N/A  | 40 acres more or less being the W/4 of W/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Also known as Tract 1 per the plat filed in Volume 26, Page 310, Deed Records, Loving County, Texas.                                                                                         |
| Joe Buie Brown Exemption Equivalent Trust                                             | Bellomy Exploration, LLC         | Loving      | 2015-3694      | N/A    | N/A  | E/4 of the S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                                           |
| Jane Wiggins                                                                          | HC Petroleum, LLC                | Loving      | 2015-3583      | N/A    | N/A  | S/4 of W/4, N/4 of S/4 of S/4, E/4 of S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                |
| Milburn Investments, LLC                                                              | HC Petroleum, LLC                | Loving      | 2015-3809      | N/A    | N/A  | NW/2 of the S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas                                                                                                                                                                                                                          |
| John C. Vorpahl                                                                       | HC Petroleum, LLC                | Loving      | 2015-3815      | N/A    | N/A  | 40 acres more or less being the N/4 of W/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Also known as Tract 2 per the plat filed in Volume 26, Page 310, Deed Records, Loving County, Texas.                                                                                         |
| William S. Bethard                                                                    | HC Petroleum, LLC                | Loving      | 2015-3817      | N/A    | N/A  | 20 acres more or less being the SE/2 of E/4 of W/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Also known as Tract 5 per the plat filed in Volume 26, Page 310, Deed Records, Loving County, Texas.                                                                                 |

97.17.4

Exhibit A

| Lessor                                                                                                                                                                      | Lessee                 | County | Instrument No. | Volume | Page | Legal Description                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------|----------------|--------|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Barbara Desoto                                                                                                                                                              | HC Petroleum, LLC      | Loving | 2015-3818      | N/A    | N/A  | 20 acres more or less being the SE/2 of E/4 of W/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas. Also known as Tract 5 per the plat filed in Volume 26, Page 310, Deed Records, Loving County, Texas. |
| Russell L. Ossen and Linda G. Ossen, Husband and Wife                                                                                                                       | HC Petroleum, LLC      | Loving | 2015-3885      | N/A    | N/A  | 40 acres being Tract 35 as recorded in Volume 26, Page 310, Deed Records, also known as the E4 of the E4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas.                                                |
| George N. Ossen                                                                                                                                                             | HC Petroleum, LLC      | Loving | 2015-3886      | N/A    | N/A  | 40 acres being Tract 35 as recorded in Volume 26, Page 310, Deed Records, also known as the E4 of the E4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas.                                                |
| Franklin J. Ossen                                                                                                                                                           | HC Petroleum, LLC      | Loving | 2015-3884      | N/A    | N/A  | 40 acres being Tract 35 as recorded in Volume 26, Page 310, Deed Records, also known as the E4 of the E4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas.                                                |
| James A. Walton Oil and Gas L.P.                                                                                                                                            | HC Petroleum, LLC      | Loving | 2015-4091      | N/A    | N/A  | 40 acres more or less being the E/4 of S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas.                                                                                                              |
| Judkins T. Walton                                                                                                                                                           | HC Petroleum, LLC      | Loving | 2015-4093      | N/A    | N/A  | 40 acres more or less being the E/4 of S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas.                                                                                                              |
| MBJW Limited Partnership                                                                                                                                                    | HC Petroleum, LLC      | Loving | 2015-4092      | N/A    | N/A  | 40 acres more or less being the E/4 of S/4 of Section 71, Block 1, W&NW RR Co. Survey, Loving County, Texas.                                                                                                              |
| Christine Winkler, as Trustee of the Winkler Family Trust dated March 7, 2003 and of the Bypass Trust established pursuant to The Winkler Family Trust, dated March 7, 2003 | The Bellomy Group LLC  | Loving | 2015-230       | N/A    | N/A  | 20 acres of land, more or less, being described as the Northwest Half (NW/2) of the East Quarter (E/4) of the West Quarter (W/4) of Section 71, Block 1, W&NW RR CO. Survey, Loving County, Texas.                        |
| Gary C. Williams and Barbara A. Williams, Trustees of the Williams Family Trust u/d dated 12-18-2006                                                                        | The Bellomy Group LLC  | Loving | 2015-1086      | N/A    | N/A  | 65 gross acres, more or less, being Tract 2, Tract 15, Tract 25, and Tract 26, all in Section 71, Block 1, W&NW Ry. Co. Survey, Loving County, Texas.                                                                     |
| Florence Earline Ronhovde                                                                                                                                                   | The Bellomy Group, LLC | Reeves | N/A            | 1208   | 359  | That certain tract or parcel of land of 213.24 acres, being described as all of the J.L. Johnson Survey, Abstract No. 1054                                                                                                |

END EXHIBIT A

TRUE & CORRECT  
COPY OF  
ORIGINAL FILED IN  
REEVES COUNTY  
CLERKS OFFICE



Inst No. 16-00378  
DIANNE O. FLOREZ  
COUNTY CLERK  
2016 Jan 13 at 03:26 PM  
REEVES COUNTY, TEXAS  
By: BA [Signature]  
DEPUTY

97.11.4

7

MF-116799

File No.

Assign ID # 9638

From Arkoma To Bellomy

Date Filed:

8/10/16

George P. Bush, Commissioner

By

*[Signature]*

THE STATE OF TEXAS  
COUNTY OF REEVES

I, Dianne O. Florez, Clerk of the County Court in and for said County and State do hereby certify that the foregoing is a true and correct copy of Assign of Oil & Min lease & BOS dated Jan 13, 2016, filed for record in my office this 13<sup>th</sup> day of January at 3:26 PM, under Clerk's File No. 16-00378, to be recorded in the DPR

Records of Reeves County, Texas.

TO CERTIFY WHICH, Witness my hand and official seal at Pecos, Texas this 13<sup>th</sup> day of January, 20 16.

By Brittany Alib, Deputy.

DIANNE O. FLOREZ, COUNTY CLERK  
REEVES COUNTY, TEXAS