

ASSIGNMENT AND BILL OF SALE

STATE OF COLORADO                    }  
  }  
  } KNOW ALL MEN BY THESE PRESENTS  
  } THAT:  
COUNTY OF WELD                        }

TARPON OIL COMPANY whose address is 2720 W 7th Street, Suite 202, Fort Worth, Texas, 76107 (“Assignor”), for and in consideration of TEN DOLLARS (\$10.00) and other good and valuable consideration, receipt of which is hereby acknowledged, does hereby assign, transfer, grant and convey unto WARD PETROLEUM CORPORATION, with an office at 14000 Quail Springs Parkway, Ste. 5000W, Oklahoma City, Oklahoma 73134 (“Assignee”), all of Assignor’s right, title and interest in and to the following assets (the “Assets”):

a. the oil, gas and other mineral leases described on Exhibit A hereto (the “Lease” or “Leases”) and operating rights and other rights and interest described on Exhibit A, together with the lands covered thereby or pooled or unitized therewith (the “Lands”), together with (i) all right, title, and interest of Assignor attributable to the proration unit or designated pooled unit for any of the Wells (as hereinafter defined), (ii) all rights with respect to any pooled, communitized or unitized interest by virtue of any Leases and Lands or the interest described in clause (i) above being a part thereof, and (iii) all production of oil, gas and associated liquids and other hydrocarbons (the “Hydrocarbons”) after the Effective Date (as hereinafter defined) from the Leases and the Lands, and from any such pooled, communitized or unitized interest and allocated to any such Leases and Lands or the interest described in clauses (i) and (ii) above, and the Hydrocarbons described in clause (iii) above, being collectively referred to as the “Subject Interests” or singularly, a “Subject Interest;”

b. all easements, rights-of-way, servitudes, surface leases, surface use agreements and other rights or agreements related to the use of the surface and subsurface (the “Surface Agreements”), in each case to the extent used in connection with the operation of the Subject Interests;

c. to the extent assignable or transferable, all permits, licenses, consents, approvals or other similar rights and privileges (the “Permits”), in each case to the extent used in connection with the operation of the Subject Interests;

d. all equipment, machinery, fixtures, spare parts, inventory and other personal property (including Assignor’s leasehold interest therein subject to any necessary consents to assignment) used in connection with the operation of the Subject Interests or in connection with the production, treatment, compression, gathering, transportation, sale or disposal of Hydrocarbons produced from or attributable to the Subjects Interests (the “Equipment”), and any water, byproducts or waste produced therefrom or therewith or otherwise attributable thereto, including all wells (whether producing, shut in or abandoned, and whether for production, produced water injection or disposal, or

otherwise) and the interests therein described on Exhibit A hereto (the "Wells") together with all of Assignor's interest, if any, within the spacing, producing, proration, federal exploratory, enhanced recovery, or governmentally prescribed unit attended to the described Wells, wellhead equipment, pumps, pumping units, flowlines, gathering systems, pipe, tanks, treatment facilities, injection facilities, disposal facilities, compression facilities and other materials, supplies and buildings used in connection with the Subject Interests and the other matters described in this definition of Assets (the "Facilities");

e. to the extent assignable or transferable, all contracts, agreements, drilling contracts, equipment leases, rental contracts, production sales and marketing contracts, farmout and farmin agreements, operating agreements, service agreements, unit agreements, gas gathering and transportation agreements and other contracts, agreements and arrangements relating to the Subject Interests and the other matters described in this definition of Assets, and subject to, and in accordance with, any limitations set forth in such agreements (the "Contracts"); and

f. all files, records and data relating to the items described in clauses (a) through (e) above maintained by Assignor including, without limitation, the following, if and to the extent that such files exist: all books, records, reports, manuals, files, title documents, including correspondence, records of production and maintenance, revenue, sales, expenses, warranties, lease files, land files, well files, division order files, abstracts, title opinions, assignments, reports, property records, contract files, operations files, copies of tax and accounting records (but excluding Federal and state income tax returns and records) and files, maps, core data, hydrocarbon analysis, well logs, mud logs, field studies together with other files, contracts and other records and data including all geologic and geophysical data and maps, but excluding from the foregoing those files, records and data subject to written unaffiliated third party contractual restrictions on disclosure or transfer (the "Records").

**1. Excluded Assets.** Notwithstanding the foregoing, the Assets shall not include, and there is excepted, reserved and excluded from the sale, transfer and assignment contemplated hereby the following excluded properties, rights, and interests (collectively, the "Excluded Assets"):

(a) all trade credits and all accounts, instruments and general intangibles (as such terms are defined in the Uniform Commercial Code as adopted in the affected jurisdiction) attributable to the Assets with respect to any period of time prior to the Effective Date;

(b) any claims or causes of action of Assignor,

- i. arising from acts, omissions or events, or damage to or destruction of property, occurring prior to the Effective Date,
- ii. arising under or with respect to any of the Contracts that are attributable to periods of time prior to the Effective Date (including claims for adjustments or refunds), or

- iii. with respect to any of the Excluded Assets;
- (c) all rights and interests of Assignor,
  - i. under any policy or agreement of insurance or indemnity, or
  - ii. to any insurance or condemnation proceeds or awards arising in each case from acts, omissions or events, or damage to or destruction of property, occurring prior to the Effective Date;
- (d) all Hydrocarbons produced from or otherwise attributable to the Subject Interests with respect to all periods prior to the Effective Date, together with all proceeds from the sale of such Hydrocarbons, and all tax credits attributable thereto;
- (e) all claims of Assignor for refunds or loss carry forwards with respect to ad valorem, severance, production or any other taxes attributable to any period prior to the Effective Date;
- (f) all amounts due or payable to Assignor as adjustments to insurance premiums related to the Assets with respect to any period prior to the Effective Date;
- (g) all proceeds, plugging bonds, income or revenue (and any security or other deposits made) attributable to the Assets for any period prior to the Effective Date;
- (h) to the extent monies are held in suspense, all monies held in suspense by Assignor relating to the Wells before the Effective Date for the account of working interest, royalty interest and/or overriding royalty interest owners
- (i) all documents and instruments of Assignor that may be protected by an attorney-client or other privilege;
- (j) data, information, and other property, rights or interests that cannot be disclosed or assigned to Assignee as a result of confidentiality or similar arrangements;
- (k) all audit rights arising under any of the Contracts or otherwise with respect to any period prior to the Effective Date; and
- (l) all corporate, income tax and financial records of Assignor not included in the Records.

2. **Special Warranty of Title.** Assignor hereby agrees to warrant and defend title to the Assets solely unto Assignee against every person whomsoever lawfully claiming or to claim the same or any part of the same by, through or under Assignor, but not otherwise; provided, however, Assignor does not warrant that the Leases have been maintained by continuous production or operations under the terms thereof. To the extent transferable, Assignor does hereby transfer and convey to Assignee the benefits of and the right to enforce all covenants and warranties which Assignor is entitled to enforce with respect to the Assets, including without limitation, full substitution and subrogation of all prior rights and warranty, and the benefit of and the right to enforce all rights accruing under applicable statutes of limitation or prescription.

3. **Disclaimer.** ASSIGNEE ACKNOWLEDGES THAT ASSIGNOR HAS NOT MADE, AND ASSIGNEE HEREBY EXPRESSLY DISCLAIMS AND NEGATES, AND ASSIGNEE HEREBY EXPRESSLY WAIVES, ANY REPRESENTATION OR WARRANTY, EXPRESS, IMPLIED, AT COMMON LAW, BY STATUTE OR OTHERWISE, RELATING TO (a) PRODUCTION RATES, RECOMPLETION OPPORTUNITIES, SECONDARY OR TERTIARY RECOVERY OPPORTUNITIES, DECLINE RATES, OR THE QUALITY, QUANTITY OR VOLUME OF THE RESERVES OF HYDROCARBONS, IF ANY, ATTRIBUTABLE TO THE ASSETS, (b) THE ACCURACY, COMPLETENESS OR MATERIALITY OR SIGNIFICANCE OF ANY INFORMATION, DATA, GEOLOGICAL OR GEOPHYSICAL DATA (INCLUDING ANY INTERPRETATIONS OR DERIVATIVES BASED THEREON) OR OTHER MATERIALS (WRITTEN OR ORAL) CONSTITUTING PART OF THE ASSETS, NOW, HERETOFORE OR HEREAFTER FURNISHED TO ASSIGNEE BY OR ON BEHALF OF ASSIGNOR, (c) THE CONDITION, INCLUDING, THE ENVIRONMENTAL CONDITION OF THE ASSETS AND (d) THE COMPLIANCE OF ASSIGNOR'S PAST PRACTICES WITH THE TERMS AND PROVISIONS OF ANY AGREEMENT IDENTIFIED ON EXHIBIT A, OR ANY SURFACE AGREEMENT, PERMIT OR CONTRACT OR APPLICABLE LAWS, INCLUDING ENVIRONMENTAL LAWS AND LAWS NOW OR HEREAFTER IN EFFECT, RELATING TO THE PROTECTION OF NATURAL RESOURCES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS ASSIGNMENT AND BILL OF SALE, ASSIGNOR EXPRESSLY DISCLAIMS AND NEGATES AND ASSIGNEE HEREBY WAIVES, AS TO PERSONAL PROPERTY, EQUIPMENT, INVENTORY, MACHINERY, FIXTURES, BUILDINGS, AND GEOLOGICAL AND GEOPHYSICAL DATA (INCLUDING ANY INTERPRETATIONS OR DERIVATIVES BASED THEREON) CONSTITUTING A PART OF THE ASSETS (i) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY, (ii) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, (iii) ANY IMPLIED OR EXPRESS WARRANTY OF CONFORMITY TO MODELS OR SAMPLES OF MATERIALS, (iv) ANY IMPLIED OR EXPRESS WARRANTY THAT ANY DATA TRANSFERRED PURSUANT HERETO IS NON-INFRINGEMENT, (v) ANY RIGHTS OF PURCHASERS UNDER APPROPRIATE STATUTES TO CLAIM DIMINUTION OF CONSIDERATION OR RETURN OF THE PURCHASE PRICE, (vi) ANY IMPLIED OR EXPRESS WARRANTY OF FREEDOM FROM DEFECTS, WHETHER KNOWN OR UNKNOWN, (vii) ANY AND ALL IMPLIED WARRANTIES EXISTING UNDER APPLICABLE LAWS, AND (viii) ANY IMPLIED OR EXPRESS WARRANTY REGARDING ENVIRONMENTAL LAWS, OR LAWS RELATING TO THE PROTECTION OF THE ENVIRONMENT, HEALTH, SAFETY OR NATURAL RESOURCES OF RELATING TO THE RELEASE OF MATERIALS INTO THE ENVIRONMENT, INCLUDING ASBESTOS CONTAINING MATERIAL, LEAD BASED PAINT OR MERCURY AND ANY OTHER HAZARDOUS SUBSTANCES OR WASTES, IT BEING THE EXPRESS INTENTION OF ASSIGNOR AND ASSIGNEE THAT THE ASSETS, INCLUDING ALL PERSONAL PROPERTY, EQUIPMENT, INVENTORY, MACHINERY, FIXTURES AND BUILDINGS INCLUDED IN THE ASSETS, SHALL BE CONVEYED TO ASSIGNEE, AND ASSIGNEE SHALL ACCEPT THE SAME, AS IS, WHERE IS, WITH ALL FAULTS AND IN THEIR PRESENT CONDITION AND STATE OF REPAIR. ASSIGNEE REPRESENTS AND WARRANTS TO ASSIGNOR THAT ASSIGNEE HAS MADE OR CAUSED TO BE MADE SUCH INSPECTIONS WITH RESPECT TO SUCH ASSETS AS

ASSIGNEE DEEMS APPROPRIATE. ASSIGNOR AND ASSIGNEE AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAWS (INCLUDING ENVIRONMENTAL LAWS AND LAWS RELATING TO THE PROTECTION OF NATURAL RESOURCES, HEALTH, SAFETY OR THE ENVIRONMENT) TO BE EFFECTIVE, THE DISCLAIMERS OF THE WARRANTIES CONTAINED IN THIS SECTION ARE "CONSPICUOUS" DISCLAIMERS FOR ALL PURPOSES. ASSIGNEE ACKNOWLEDGES THAT IT HAS BEEN INFORMED THAT OIL AND GAS PRODUCING FORMATIONS CAN CONTAIN NATURALLY OCCURRING RADIOACTIVE MATERIAL ("NORM"). SCALE FORMATION OR SLUDGE DEPOSITS CAN CONCENTRATE LOW LEVELS OF NORM ON EQUIPMENT AND OTHER ASSETS. THE ASSETS SUBJECT TO THIS ASSIGNMENT AND BILL OF SALE MAY HAVE LEVELS OF NORM ABOVE BACKGROUND LEVELS, AND A HEALTH HAZARD MAY EXIST IN CONNECTION WITH THE ASSETS BY REASON THEREOF, THEREFORE, ASSIGNEE MAY NEED TO AND SHALL FOLLOW SAFETY PROCEDURES WHEN HANDLING THE EQUIPMENT AND OTHER ASSETS.

**4. Payment and Indemnity by Assignee.** Assignee agrees to pay and indemnify, defend and hold Assignor, Assignor's affiliates, Assignor's predecessors in interest, and their affiliates, harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character including, without limitation, any interest, penalty, reasonable attorneys' fees and other costs and expenses incurred in connection therewith or the defense thereof, with respect to all liabilities and obligations or alleged or threatened liabilities and obligations caused by, related to, attributable to, or arising out of the following:

(a) all Environmental Obligations or Liabilities (as hereinafter defined) relating to Assignee's ownership or operation of the Wells, Facilities, and areas on which the Wells and Facilities are located during the period of Assignee's operations after the Effective Date, provided that in the case of any soil or water contamination in respect of the foregoing, Assignee shall also be responsible for Environmental Obligations and Liabilities arising from releases first occurring during the period of Assignor's ownership and initially from beneath the surface of the ground as a result of Assignor's operations during the period of Assignor's ownership;

(b) all obligations with respect to oil and gas production or sales by Assignee on or after the Effective Date, but excluding any Environmental Obligations or Liabilities;

(c) all obligations in respect of the condition of the Assets, for plugging, replugging and abandoning any wells, the restoration of any well sites, tank battery sites and gas plant sites, the proper removal, disposal and abandonment of any wastes or fixtures including without limitation the removal and disposal of old, unused and/or abandoned equipment and other personal property currently located on the lease premises, and the proper capping and burying of all flow lines, which are included in the Assets, or otherwise arising from or relating to the condition of the Assets, but excluding any Environmental Obligations or Liabilities; and

(d) all liabilities, duties, and obligations that arise out of the ownership, operation or use of the Assets by Assignee on or after the Effective Date, but excluding any Environmental Obligations or Liabilities.

For purposes of Sections 4 and 5 hereof, "Environmental Obligations or Liabilities" shall mean all liabilities, obligations, expenses (including, without limitation, all attorneys' fees), fines, penalties, contributions, administrative enforcement actions, costs, claims, suits or damages (including natural resource damages) of any nature, associated with the Assets, and attributable to or resulting from: (i) pollution or contamination of soil, groundwater or air, on the Assets and any other contamination of or adverse effect upon the environment or property of others, (ii) underground injection activities and waste disposal, (iii) clean-up responses, remedial, control or compliance costs, including the required cleanup or remediation of spills, pits, ponds, or lagoons, including any subsurface or surface pollution caused by such spills, pits, ponds, or lagoons, (iv) noncompliance with applicable land use, permitting, surface disturbance, licensing or notification requirements, and (v) violation of any federal, state or local environmental or land use law. Notwithstanding anything to the contrary, each party shall be responsible for any claims, actions, suits or damages in respect of personal injury, wrongful death or offsite waste disposal arising out of or relating to their respective use or operation of the Assets during their respective periods of ownership.

**5. Payment and Indemnity by Assignor.** Assignor agrees to pay and indemnify, defend and hold Assignee, Assignee's affiliates, Assignee's predecessors in interest, and their affiliates, harmless from and against any and all claims, demands, losses, damages, punitive damages, costs, expenses, causes of action or judgments of any kind or character including, without limitation, any interest, penalty, reasonable attorneys' fees and other costs and expenses incurred in connection therewith or the defense thereof, with respect to all liabilities and obligations or alleged or threatened liabilities and obligations caused by, related to, attributable to, or arising out of the following:

(a) all Environmental Obligations or Liabilities relating to Assignor's ownership or operation of the Wells, Facilities, and areas on which the Wells and Facilities are located from the beginning of Assignor's operations through the Effective Date, provided that (i) in the case of any soil or water contamination in respect of the foregoing, Assignor shall be responsible only for Environmental Obligations and Liabilities arising from releases on the surface of the ground as a result of Assignor's operations through the Effective Date, including, without limitation, contamination of soils or water underground arising from such releases on the surface of the ground, and (ii) Assignee notifies Assignor of such Environmental Obligations and Liabilities within one year of the Effective Date;

(b) all obligations with respect to oil and gas production or sales by Assignor prior to the Effective Date, but excluding any Environmental Obligations or Liabilities; and

(c) all liabilities, duties, and obligations that arise out of the ownership, operation or use of the Assets by Assignor prior to the Effective Date, but excluding any Environmental Obligations or Liabilities.

6. **Assignment.** This Assignment and Bill of Sale shall be binding upon and inure to the benefits of the parties hereto and their respective successors and assigns.

7. **Counterpart Execution.** This Assignment and Bill of Sale may be executed in counterparts. If counterparts of this Assignment and Bill of Sale are executed, the signature pages from each counterpart may be combined into one composite instrument for all purposes. All counterparts together shall constitute only one Assignment and Bill of Sale, but each counterpart shall be considered an original.

8. **Recording.** In addition to filing this Assignment and Bill of Sale of record in the applicable county and state, the parties hereto shall execute and file with the appropriate authorities, whether federal, state or local, all forms or instruments required by applicable law, and shall do all such other acts and things as may be necessary, to effectuate the conveyance contemplated hereby. Said instruments shall be deemed to contain all of the exceptions, reservations, rights, titles and privileges set forth herein as fully as though the same were set forth in each such instrument. The interests conveyed by such separate assignments are the same, and not in addition to the Assets conveyed herein.

9. **Exhibits.** Exhibits referred to herein are hereby incorporated in and made a part of this Assignment and Bill of Sale for all purposes by such reference.

10. **Governing Law.** This Bill of Sale and Assignment, other documents delivered pursuant hereto and the legal relations between the parties hereto shall be governed by and construed in accordance with the laws of the State of Colorado, without giving effect to principles of conflicts of laws that would result in the application of the laws of another jurisdiction.

IN WITNESS WHEREOF, this instrument is executed the day 24<sup>th</sup> of March, 2017, but shall be effective as of the 1st day of April, 2017. (the "Effective Date").

[Signatures on following pages]

ASSIGNOR:

TARPON OIL COMPANY

By: *Fred Closuit*

Name: Fred Closuit

Title: President

ACKNOWLEDGMENT

STATE OF TEXAS

}  
}  
}

COUNTY OF TARRANT

BEFORE ME, the undersigned authority, on this day personally appeared Fred Closuit, President of Tarpon Oil Company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 24<sup>th</sup> day of March, 2017.

MY COMMISSION EXPIRES:



*Rachel Franklin*  
Notary Public

ASSIGNEE:

*WARD PETROLEUM CORPORATION*

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ACKNOWLEDGMENT

STATE OF OKLAHOMA

}

COUNTY OF \_\_\_\_\_

}

}

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_, \_\_\_\_\_ of Ward Petroleum Corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this \_\_ day of March, 2017.

MY COMMISSION EXPIRES:

\_\_\_\_\_  
Notary Public

Exhibit "A"

Well - Lind #24-1, located in Section 24, T11N, R66W, Weld County, Colorado.

Lands - 800 acres, more or less, being ALL of Section 24 and the SE/4 of Section 13, T1N R66W Weld County, Colorado.

Leases - The following leases all in Weld County, Colorado, COVERING THE ABOVE LANDS (the "Lands"):

A. Oil and gas lease between George C. Williams and Hilda A. Williams (Lessors) and Saint Oil Company (Lessee) dated November 17, 1992, recorded in Book 1363 under Reception No. 2314853 of the records of Weld County, Colorado.

B. Oil and gas lease between Paul Lind & Sons, Inc. (Lessor) and Saint Oil Company (Lessee) dated December 23, 1992, recorded in Book 1365 under Reception No. 2316752 of the records of Weld County, Colorado.

C. Oil and gas lease between Benjamin A. Roman and Elizabeth J. Roman (Lessors) and Saint Oil Company (Lessee) dated November 17, 1992, recorded in Book 1363 under Reception No. 2314852 of the records of Weld County, Colorado.

D. Oil and gas lease between Oliver E. Carey (Lessor) and Saint Oil Company (Lessee) dated February 1, 1993, recorded in Book 1373 under Reception No. 2324366 of the records of Weld County, Colorado.

E. Oil and gas lease between Letha L. Crowell (Lessor) and Saint Oil Company (Lessee) dated February 1, 1993, recorded in Book 1373 under Reception No. 2324367 of the records of Weld County, Colorado.

F. Oil and gas lease between Charles T Hawley and John C. Hawley (Lessors) and Saint Oil Company (Lessee) dated February 1, 1993, recorded in Book 1373 under Reception No. 2324368 of the records of Weld County, Colorado.

G. Oil and gas lease between Anita S. McHugh (Lessor) and Saint Oil Company (Lessee) dated February 1, 1993, recorded in Book 1373 under Reception No. 2324369 of the records of Weld County, Colorado.

H. Oil and gas lease between John H. Spalding and Cleo E. Spalding (Lessors) and Saint Oil Company (Lessee) dated February 1, 1993, recorded in Book 1373 under Reception No. 2324370 of the records of Weld County, Colorado.

I. Oil and gas lease between Betty M. Sylvester (Lessor) and Saint Oil Company (Lessee) dated February 1, 1993, recorded in Book 1374 under Reception No. 2326106 of the records of Weld County, Colorado.

J. Oil and gas lease between Lloyd Welp (Lessor) and Saint Oil Company (Lessee) dated February 1, 1993, recorded in Book 1374 under Reception No. 2320107 of the records of Weld County, Colorado.

K. Oil and gas lease between W. Peyton Wilbar (Lessor) and Saint Oil Company (Lessee) dated March 1, 1995, recorded in Book 1484 under Reception No. 2431370 of the records of Weld County, Colorado.

L. Oil and gas lease between Brian Wilbar (Lessor) and Saint Oil Company (Lessee) dated March 1, 1995, recorded in Book 1484 under Reception No. 2431371 of the records of Weld County, Colorado.

M. Oil and gas lease between John Wilbar (Lessor) and Saint Oil Company (Lessee) dated March 1, 1995, recorded in Book 1486 under Reception No. 2432989 of the records of Weld County, Colorado.