

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement ("Agreement") dated September 9, 2019 (to be effective the first day of the month in which approval of the assignments and transfer of the assets is approved by the Bureau of Land Management) is by and between Robert L. Bayless, Producer LLC ("Seller"), and Retamco Operating, Inc, a Texas corporation ("Buyer"). Seller and Buyer may each be referred to individually as a "Party" or collectively as the "Parties."

RECITALS

A. Seller owns and desires to sell, except as set forth herein, all of its interests and rights in the "Assets," as that term is defined in Section 1 below.

B. Buyer has conducted an independent investigation of the nature and extent of the Assets and desires to purchase the Assets.

C. Buyer and Seller wish to accomplish the foregoing, all pursuant to the terms of this Agreement.

AGREEMENT

In consideration of the mutual promises, covenants and warranties contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

1. Assets. The term "Assets" shall mean all of Seller's interest in the following. It is the intent of the Parties to sell 100% right, title, interest, obligations and liabilities of the Assets listed below:

a. the oil and gas leases (the "Leases") and the lands covered thereby (the "Lands") described on the attached Exhibit A and the wells described on Exhibit B (each, individually, a "Well" and collectively, the "Wells"), attached hereto and incorporated herein, including all rights to plug back, rework or recompleat such Wells, and any perforation or stimulation of any of the foregoing (the Leases, Lands, and Wells collectively, the "Properties");

b. the personal property and fixtures, owned by Seller, and associated with the Properties, including the following: all tubing, casing and other equipment in the wellbore; wellhead equipment; surface production facilities (as more fully described in Exhibit B);

c. the oil, gas, gas condensate, casinghead gas, and/or all other liquid or gaseous components of any of them, including any by-products thereof produced therewith from the Properties ("Hydrocarbons");

d. the improvements, permits, servitudes, rights-of-way or easements, and other rights to use the surface, together with all pipelines, gathering, processing and treatment systems, flow lines and compression facilities owned by Seller and used or held for use in connection with the ownership and operation of the Properties;

e. the sales, purchase, exchange, gathering, transportation and processing contracts, operating agreements, balancing agreements, farmout agreements, service agreements, and other contracts, agreements and instruments, only insofar as such contracts pertain to the ownership and operation of the Properties (the "Contracts");

f. the lease files, land files, well files, well logs, drilling reports, files relating to the Contracts, division order files, abstracts and title opinions and copies of applicable accounting records maintained by Seller relating to the Properties; and

2. Excluded Assets. The Assets does not include and Seller excepts and excludes any geological, geophysical and seismic licenses, seismic records, gravity maps, gravity meter surveys, seismic surveys, interpretive analyses, and other similar geological or geophysical licenses, surveys, interpretive analyses, and/or proprietary data prepared by Seller or any third-parties hired by Seller as it relates to the Properties that are not freely transferable or assignable.

3. Effective Date. The purchase and sale of the Assets shall be effective on August 1, 2019.

4. Compensation. Seller agrees to sell the Assets to Buyer, and Buyer agrees to purchase the Assets from Seller, pursuant to the terms of this Agreement. The "Purchase Price" for the Assets shall be up to \$120,000.00 (One Hundred Twenty Thousand U.S. Dollars) and shall be comprised of the payments required in subsections (a), (b), and (c) below:

a. Initial Closing Payment. A payment in the amount of \$20,000.00 (Twenty Thousand U.S. Dollars), shall be paid from Buyer to Seller at Closing upon BLM approval of the assignment of the Assets.

b. Subsequent Payments. Buyer shall pay to Seller \$20,000.00 (Twenty Thousand U.S. Dollars), on January 15, 2020 and another payment of \$20,000.00 (Twenty Thousand U.S. Dollars) on January 15, 2021.

c. Development Payment. After 90 days of spudding each of two new wells that have not subsequently been plugged (not recompletions of wells in existence as of the Effective Date), Buyer will pay Seller \$30,000 per well. The maximum amount of the Development Payment is \$60,000. This obligation will expire 5 years from the date of this Agreement

5. Adjustments to Closing Amount/Effective Date Apportionment. All adjustments to the Closing Amount shall be made according to the factors described in this Agreement and in accordance with generally accepted accounting principles as consistently applied in the oil and gas industry. Seller and Buyer agree that all revenues, costs and expenses (both operating and capital), including Property Expenses (as defined below) will be apportioned between Buyer and Seller as of the Effective Date, as follows:

a. Proration of Costs and Revenues. Buyer shall be entitled to all production of Hydrocarbons and all other income, proceeds, receipts, and credits earned with respect to the Assets at and after the Effective Date, and shall be responsible for (and entitled to any refunds with respect to) those Property Expenses incurred in the ordinary course at and after the Effective Date. Seller shall be entitled to all production of Hydrocarbon and all other income,

proceeds, receipts, and credits earned with respect to the Assets prior to the Effective Date, and shall be responsible for (and entitled to any refunds with respect to) those Property Expenses incurred in the ordinary course prior to the Effective Date. The term "Property Expenses" means all capital expenses, joint interest billings, lease operating expenses, lease rental and maintenance costs, royalties, overriding royalties, leasehold payments, taxes, drilling and workover expenses, geophysical and any other exploration or development expenditures chargeable under applicable operating agreements that are attributable to the Assets during the period in question.

6. Settlement Statements. The Closing Amount shall be adjusted at Closing pursuant to a "Preliminary Settlement Statement" prepared by Buyer, submitted to Seller on or before three (3) business days prior to Closing. The Preliminary Settlement Statement shall set forth the Closing Amount and all adjustments thereto using the actual numbers that are available, and the resulting amount to be paid to Seller at Closing. After Closing, the Closing Amount shall be adjusted pursuant to the Post Closing Settlement Statement delivered pursuant to Section 27.

7. Buyer's Due Diligence. Buyer shall be entitled to review and investigate Seller's title, well files, production files, geology and geophysical files, claim or litigation files, environmental compliance and remediation files, royalty accounting and management files, and other files and records related to the ownership, operation and condition of the Assets (the "Title Assessment"). Seller shall disclose and make available for Buyer's review such files and all contracts, agreements, leases, licenses, instruments, easements and rights-of-way relating to the Assets, as is reasonable, and during Seller's regular business hours. Buyer acknowledges and agrees that access to such records may be limited to electronic files and that hard copies or originals may not be available for review. Buyer may inspect the records only to the extent such inspection does not violate any legal privilege or contractual commitment of Seller to a third person; provided that, Seller will request consent from third persons if consent is provided for in the contractual commitment limiting inspection. Seller will grant Buyer access to the Assets during Seller's normal business hours, so Buyer and its representatives may conduct, at Buyer's sole risk and expense, on-site inspections of all or any portion of the Assets (each, an "Environmental Assessment"). Buyer shall not conduct any sampling, boring, drilling, or other invasive investigation activities without the prior notice and consent of Seller, which consent Seller may withhold in its sole discretion. If Buyer or its agents prepares an Environmental Assessment of any Asset, Buyer shall keep such assessment confidential and furnish copies thereof to Seller. In connection with any on-site inspections occurring at any time either before or after the date of this Agreement, Buyer (i) agrees not to interfere with the normal operation of the Assets, (ii) agrees to comply with all requirements of the operators of the Assets, (iii) represents that it is adequately insured; and (iv) Buyer waives, releases and agrees to indemnify Seller, and its respective officers, members, employees, agents, attorneys, and representatives, against all claims for injury to, or death of, persons or for damage to property arising as a result of any act or omission committed by Buyer or its employees, agents, contractors, or representatives in conducting Buyer's on-site inspections and Environmental Assessments of the Leases and Wells. This waiver, release, and indemnity by Buyer shall survive termination or Closing of this Agreement. Buyer agrees that it will use all commercial efforts to complete the Title Assessment and Environmental Assessment on or before September 23, 2019, 5:00 p.m. Mountain Time.

8. Title Matters.

a. Title Representation. Seller represents that it owns the working interest and Net Revenue Interest ("NRI") described in Exhibit A free from all liens, encumbrances or other defects arising by, through or under Seller, but not otherwise ("Seller's Title Representation"). Any lien, encumbrance or other defect affecting the Assets that is in breach of Seller's Title Representation is referred to herein as a "Title Defect." Provided, however, it is understood and agreed between the Parties that the following are permitted encumbrances and/or items that shall not constitute Title Defects:

i. lessor's royalties, overriding royalties, net profits interest, production payments, reversionary interest, and similar burdens (payable or in suspense) if the net cumulative effect does not operate to reduce the NRI set forth on Exhibit A;

ii. all rights to consent by, required notices to, filing with, or other actions by federal, state, or local government bodies, in connection with the conveyance of the applicable Asset if the same are currently obtained after such conveyance;

iii. the terms and conditions of agreements related to the Assets and all documents of record such that do not decrease lessee's NRI for the affected Asset, increase the working interest for such Asset without a corresponding proportionate increase in the NRI for such Asset, or materially interfere with the value of the affected Asset;

iv. easements, rights-of-way, servitudes, permits, surface leases, and other rights with respect to surface operations, on, over, or in respect of any of the Assets or any restriction on access thereto that do not materially affect the use or value thereof;

v. defects arising out of lack of survey;

vi. proof of representation capacity on behalf of a corporation, partnership, limited liability company, or trust unless it is clear from other documents that a signatory party has not signed a document in the proper representative capacity, except as related to any conveyance directly into Seller;

vii. defects arising out of a lack of corporate or other entity authorization unless Buyer provides affirmative written evidence that the action was not authorized and results in another party claiming title to the Assets, except as related to any conveyance directly into Seller;

viii. defects in acknowledgements;

b. Notice of Title Defects. On or before September 23, 2019, 5:00 p.m. Mountain Time, Buyer shall provide Seller written notice of any Title Defect (the "Notice"), which Notice identifies (i) the name of the affected Asset; (ii) describes in reasonable detail the basis for the Title Defect; and (iii) states Buyer's good faith estimate of the corresponding adjustment to the Closing Amount; *provided, however*, such estimate must exceed \$20,000.00 (Twenty Thousand U.S. Dollars) per individual defect to be considered a Title Defect (with such amount being the "Title Defect Threshold"). Seller shall have until the Closing to attempt to cure any Title Defect.

c. Adjustment to Closing Amount. If at Closing, the Seller has not been able to cure a Title Defect in an Asset, but the Parties have agreed to a reduction (which meets or exceeds the Title Defect Threshold and the Defect Deductible has been reached) in the value of the Asset because of the Title Defect, the Buyer will accept delivery of the Asset subject to a reduction in the Closing Amount equal to the agreed-upon reduction in the value of the Asset. If at Closing, the Seller has not been able to cure the Title Defect, and the Parties cannot agree as to the value of the Title Defect in the Asset, the termination provision in Section 19.c shall apply.

9. Environmental Matters.

a. Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

"Environmental Defect" means (a) a condition in, on or under an Asset (including, without limitation, air, land, soil, surface and subsurface strata, surface water and ground water) attributable to the period of time prior to the Effective Date that (i) causes an Asset to be in material violation of an Environmental Law or (ii) requires Remediation under an Environmental Law, and (b) the cost to remediate the Environmental Defect exceeds \$50,000.00 (Fifty Thousand U.S. Dollars) per incident or condition ("Individual Environmental Threshold"). It is understood and agreed that matters of an essentially similar nature such as, but not limited to, oil spills, chemical barrels or equipment containing naturally occurring radioactive materials ("NORM") or other hazardous materials found at a single site shall be deemed a single incident or condition. The Parties agree that each Environmental Defect will be addressed as a single incident or condition, and that Environmental Defects will not be aggregated on a per well basis or a per condition basis or otherwise, and that the term "per incident or condition" in the preceding sentence shall be interpreted accordingly.

"Environmental Defect Notice" means each written notice given by Buyer to Seller alleging an Environmental Defect. To be effective, each Environmental Defect Notice must be in writing and must satisfy the following conditions precedent: (i) name the affected Asset, (ii) describe the condition that causes the Environmental Defect, (iii) provide reasonable factual substantiation for the Environmental Defect, and (iv) state the estimated Remediation cost.

"Environmental Defect Value" means the costs to remediate that particular Environmental Defect.

"Environmental Law" means any law, statute, rule, regulation, code, ordinance or order issued by any federal, state, tribal, or local governmental entity in effect on or before the Effective Date regulating or imposing liability or standards of conduct concerning protection of the environment or human health and safety or the release or disposal of waste or hazardous materials.

"Loss" or "Losses" for the purposes of this Agreement shall mean any actual losses, costs, expenses (including court costs, reasonable fees and expenses of attorneys, expert witnesses and the cost of investigation), liabilities, damages, demands, suits, claims, and sanctions of every kind and character (including civil fines) arising from, related to, or reasonably incident to matters indemnified against; excluding however, any special,

consequential, punitive or exemplary damages, diminution of value of an Asset, loss of profits incurred by a Party hereto, or Loss incurred as a result of the indemnified Party indemnifying a third party.

“Remediation” means actions taken to correct an Environmental Defect or otherwise required to remediate in compliance with applicable Environmental Law.

b. Environmental Assessment. Buyer may conduct an Environmental Assessment of the Assets in accordance with and subject to this Section 9.

c. Environmental Representation and Warranty. Seller represents and warrants to Buyer as of the execution of this Agreement and as of Closing that (i) the Assets have been operated in material compliance with all Environmental Laws, (ii) the Assets have been solely used for oil and gas operations and not used for generation, storage or disposal of hazardous substances; (iii) all permits necessary for the operation of the Assets in compliance with all Environmental Laws have been obtained and maintained.

d. Buyer’s Acknowledgment Concerning Possible Contamination of the Assets. Buyer is aware that the Assets have been used for exploration, development, production and transportation of Hydrocarbons and that there may be petroleum, produced water, wastes, or other materials located on or under the Assets or associated with the Assets. Equipment and sites included in the Assets may contain asbestos, hazardous substances, or NORM. NORM may affix or attach itself to the inside of Wells, materials, and equipment as scale, or in other forms; the Wells, materials, and equipment located on the Assets or included in the Assets may contain NORM and other wastes or hazardous substances may have been buried, come in contact with the soil, or otherwise been disposed of on the Assets. Special procedures may be required for the remediation, removal, transportation, or disposal of wastes, asbestos, hazardous substances, and NORM from the Assets. However, such considerations shall not imply any limitation upon Seller’s representations and warranties expressly provided in Section 9(c) above.

Environmental Liabilities and Obligations. Subject to Section 9.f, upon Closing, Buyer agrees to assume and pay, perform, fulfill and discharge and release Seller from all Losses relating to environmental conditions in, on or under the Assets attributable to the period of time before and after the Effective Date including, without limitation, any and all liability for (A) the assessment, remediation, removal, transportation and disposal of wastes, asbestos, hazardous substances and NORM, (B) compliance with Environmental Laws with respect to the environmental condition of the Assets and (C) the “Plugging and Abandonment Obligations” (collectively, the “Assumed Environmental Liabilities”). If Buyer fails to timely deliver an Environmental Defect Notice, then Buyer shall be deemed to (x) accept the environmental condition(s) in, on and under that Asset or Assets, (y) have waived its right to claim an Environmental Defect with respect to that particular condition in, on or under the Assets, and (z) included the particular environmental condition(s) as part of the Assumed Environmental Liabilities. For purposes of this Agreement, “Plugging and Abandonment Obligations” means any and all responsibility and liability for the following, arising out of or relating to the Assets listed on Exhibit B, whether before, on, or after the Effective Date: (1) the necessary and proper plugging, re-plugging, and abandonment of the Wells; (2) the necessary and proper removal, abandonment, and disposal of all structures, pipelines, equipment, operating inventory, abandoned property, trash, refuse, and junk located on or comprising part of the Assets; (3) the necessary and proper capping and burying of all

associated flow lines located on or comprising part of the Assets in connection with any plugging, re-plugging, or abandonment of the Wells; and (4) the necessary and proper restoration of the surface and subsurface (including any required reclamation) to the condition required by applicable laws and contracts. Bayless will continue to maintain liability for the Plugging and Abandonment Obligations for the wells listed on Exhibit C. Seller intends to proceed with reclamation for properties listed in Exhibit C. To avoid any operational conflict, in the event that Buyer wants to take over any of the wells listed on Exhibit C, or any road associated with the wells listed on Exhibit C, Buyer may do so upon written notice to Sellers. Buyer will also take over any and all liability discussed above associated with the well or road.

e.

f. Environmental Defect Notice. For those Environmental Defects meeting the Individual Environmental Threshold, if any, to be alleged prior to Closing, Buyer shall give Seller written notice of any such Environmental Defects pursuant to an Environmental Defect Notice delivered no later than September 23, 2019, 5:00 p.m. Mountain Time. If Buyer fails to deliver an Environmental Defect Notice on or before 5:00 p.m. Mountain Time on September 23, 2019, then Buyer shall be deemed to have (1) accepted the environmental conditions in, on, and under the Assets, (2) waived its right to claim an Environmental Defect with respect to that particular condition in, on, or under the Assets, and (3) include the particular condition in the Assumed Environmental Liabilities.

g. Environmental Defect Adjustments. Upon delivery of a timely Environmental Defect Notice and for those Environmental Defects not contested by Seller and meeting the Individual Environmental Threshold, Seller shall elect one of the following options: (1) cure the Environmental Defect on or before the Closing Date; (2) adjust the Closing Amount by an amount equal to Buyer's estimate of the Remediation cost (with such amount being the "Environmental Defect Adjustment(s)"); or (3) indemnify Buyer against any Loss attributable to the relevant Environmental Defect.

h. Contested Environmental Defects. If Seller contests the existence of an Environmental Defect or the Environmental Defect Value, Seller shall notify Buyer in writing on or before ten (10) business days after receipt of the Environmental Defect Notice ("Rejection Notice"). The Rejection Notice shall state with reasonable specificity the basis of the rejection of the Environmental Defect or the Environmental Defect Value. Within three (3) business days of receipt of the Rejection Notice, representatives of Buyer and Seller knowledgeable in environmental matters shall meet and, either (1) mutually agree to reject the particular Environmental Defect or (2) mutually agree on the validity of such Environmental Defect and the Environmental Defect Value. If Buyer and Seller cannot mutually agree within ten (10) business days of the Rejection Notice, Section 19.d shall apply. If Seller fails to timely deliver a Rejection Notice, Seller shall be deemed to have accepted the validity of the Environmental Defect and Buyer's estimate of the Environmental Defect Value, and shall be deemed to have waived its own option to contest the Environmental Defect pursuant to this Section 9.h.

10. Defect Deductible. In all instances where any Title Defects and Environmental Defects, do not reduce the Purchase Price by more than the Title Defect Threshold and Individual Environmental Threshold, and if the cumulative value of all undisputed Title Defects and Environmental Defects do not exceed \$50,000.00 (Fifty Thousand U.S. Dollars) (the "Defect

Deductible”) (which is a deductible not a threshold), then no reduction of the Purchase Price shall occur under this Agreement.

11. Apportionment of Liabilities.

a. Buyer’s Assumption of Liabilities. Except for the Seller Retained Liabilities, and the allocation of revenues and expenses set forth in Section 5.a, the Buyer shall: (1) assume and pay, perform, fulfill and discharge any Property Expenses attributable to the Assets after the Effective Date; (2) assume and pay, perform, fulfill, and discharge all Losses with respect to the Assumed Environmental Liabilities; (3) assume and pay, perform, fulfill and discharge all taxes attributable to the ownership, use, or operations of the Assets after the Effective Date; (4) assume and pay, perform, fulfill and discharge any fines, penalties or monetary sanctions imposed by any governmental authorities as a result of violations or non-compliance with law as a result of the ownership, use or operation of the Assets after the Effective Date for which a claim has been made, filed, or initiated after the Closing Date; and (5) pay, perform, fulfill and discharge any royalties (including landowner’s, overriding, and nonparticipating), net profits interests, production payments, or other similar burdens measured by or payable out of production of Hydrocarbons from the Leases and/or Wells after the Effective Date (collectively, the “Buyer Assumed Liabilities”).

b. Seller’s Retention of Liabilities. Seller shall assume, pay, perform, fulfill and discharge (1) any Property Expenses attributable to the Assets prior to the Effective Date; (2) all taxes attributable to the ownership, use, or operation of the Assets prior to the Effective Date; (3) any fines, penalties or monetary sanctions imposed by any governmental authorities as a result of violations or non-compliance with law pertaining to the use or operation of the properties or compliance with lease terms and applicable regulations prior to the Effective Date; and (4) any royalties (including landowner’s, overriding, and nonparticipating), net profits interests, production payments, or other similar burdens measured by or payable out of production of Hydrocarbons from the Leases and/or Wells prior to the Effective Date (collectively, the “Seller Retained Liabilities”).

12. Indemnity.

a. Seller’s Indemnity. Seller shall indemnify, defend, and hold harmless Buyer, its affiliates and its and their officers, directors, employees and representatives from and against any and all claims, costs, expenses, liabilities and damages relating to or arising out of (i) Seller Retained Liabilities and (ii) any breach of Seller’s representations, warranties and covenants set forth in this Agreement;

b. Buyer’s Indemnity. Buyer shall indemnify, defend and hold harmless Seller, its affiliates and its and their officers, directors, employees and representatives, and attorneys from and against all claims, costs, expenses, liabilities and damages relating to or arising out of (i) Buyer Assumed Liabilities; and (ii) any breach of Buyer’s representations, warranties and covenants set forth in this Agreement and (iii) any Losses incurred by Buyer resulting from any Environmental Assessment of the Assets occurring at any time either before or after the execution of this Agreement.

c. Process for Claiming Indemnity Rights. To be entitled to indemnification under Sections 12(a) and 12(b), the claiming party shall give to the indemnifying party prompt written notice of any occurrence covered by the indemnities under this Agreement, and in all events must have supplied such notice within the applicable period for defense of such claims. The indemnifying party shall have the right, at its own expense, and at its option, to contest any third party claim, and the indemnified party shall cooperate in good faith. Should the indemnified party settle or compromise any claim or matter for which an indemnity may be payable by the indemnifying party hereunder without the prior written consent of the indemnifying party, the indemnifying party shall be relieved of any liability hereunder with respect to such claim or matter.

d. Survival Period. No claim for indemnification may be asserted hereunder unless the party seeking indemnification gives the other party or parties notice of such claim before the end of the applicable Survival Period; provided that where notice of such claim has been timely given, such claim shall survive the expiration of the Survival Period.

13. Waiver of Liability. Except as provided in Sections 11(b) and 12(a), Buyer assumes all risk of damage to the Wells and expressly waives and releases Seller and its affiliates from any and all claims, causes of action, and liabilities, related to damages to the Wells caused in whole or in part by any wells now or hereafter drilled, completed or produced by Seller or its affiliates on the Leases or lands pooled or unitized with the Leases, including damage to the Wells for loss of productive capacity, loss of oil or gas reserves, or increases in operating expense, and regardless of whether any such damages are caused by Seller's negligence (whether such negligence is sole, joint, concurrent, active, passive or gross negligence), fault, or liability without fault. Buyer shall defend and indemnify Seller from all claims by any other owners of interests in production from, or oil and gas reserves accessible through, the Wells, including royalty, overriding royalty, nonparticipating royalty, creditors, lenders, lien holders, and mortgagees arising from actions of Buyer after the Effective Date.

14. Disclaimers.

a. EXCEPT FOR SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS AGREEMENT, AND SELLER'S TITLE REPRESENTATION, THE ASSETS ARE BEING CONVEYED BY SELLER TO BUYER WITHOUT WARRANTY OF ANY KIND, EXPRESS, IMPLIED, STATUTORY, COMMON LAW OR OTHERWISE, AND THE PARTIES HEREBY EXPRESSLY DISCLAIM, WAIVE, AND RELEASE ANY EXPRESS WARRANTY OF MERCHANTABILITY, CONDITION, OR SAFETY AND ANY EXPRESSED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; AND BUYER ACCEPTS THE ASSETS, "AS IS, WHERE IS, WITH ALL FAULTS, WITHOUT RECOURSE." BUYER EXPRESSLY WAIVES THE WARRANTY OF FITNESS AND THE WARRANTY AGAINST VICES AND DEFECTS, WHETHER APPARENT OR LATENT, IMPOSED BY ANY APPLICABLE TRIBAL, STATE OR FEDERAL LAW.

b. EXCEPT FOR SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT, SELLER HEREBY EXPRESSLY DISCLAIMS AND NEGATES ANY IMPLIED OR EXPRESS WARRANTY AT COMMON LAW, BY STATUTE OR OTHERWISE RELATING TO (1) THE ACCURACY, COMPLETENESS OR

MATERIALITY OF ANY OF THE RECORDS OR OTHER INFORMATION FURNISHED WITH RESPECT TO THIS AGREEMENT; (2) THE EXISTENCE OR EXTENT OF RESERVES OR THE VALUE OF THE ASSETS BASED THEREON; (3) THE CONDITION OR STATE OF REPAIR OF ANY OF THE ASSETS; (4) THE ABILITY OF THE ASSETS TO PRODUCE HYDROCARBONS, INCLUDING PRODUCTION RATES, DECLINE RATES AND RECOMPLETION OPPORTUNITIES; (5) REGULATORY MATTERS; (6) THE PRESENT OR FUTURE VALUE OF THE ANTICIPATED INCOME, COSTS OR PROFITS, IF ANY, TO BE DERIVED FROM THE ASSETS; (7) THE ENVIRONMENTAL CONDITION OF THE ASSETS; (8) ANY PROJECTIONS AS TO EVENTS THAT COULD OR COULD NOT OCCUR; OR (9) THE TAX ATTRIBUTES OF ANY ASSET.

c. THIS DISCLAIMER AND DENIAL OF WARRANTY ALSO EXTENDS TO ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY AS TO THE PRICES BUYER AND SELLER ARE OR WILL BE ENTITLED TO RECEIVE FROM PRODUCTION OF OIL, GAS OR OTHER SUBSTANCES FROM THE ASSETS. ALL RESERVE, PRICE AND VALUE ESTIMATES UPON WHICH BUYER HAS RELIED OR IS RELYING HAVE BEEN DERIVED BY THE INDIVIDUAL AND INDEPENDENT EVALUATION OF BUYER. BUYER STIPULATES AND AGREES THAT RESERVE REPORTS ARE ONLY ESTIMATES OF PROJECTED FUTURE OIL AND/OR GAS VOLUMES, FUTURE FINDING COSTS, AND FUTURE OIL AND GAS SALES PRICES, ALL OF WHICH FACTORS ARE INHERENTLY IMPOSSIBLE TO PREDICT ACCURATELY EVEN WITH ALL AVAILABLE DATA AND INFORMATION.

d. EXCEPT FOR SELLER'S EXPRESS REPRESENTATIONS AND WARRANTIES IN THIS AGREEMENT, SELLER HAS NOT AND WILL NOT MAKE ANY REPRESENTATION OR WARRANTY REGARDING ANY MATTER OR CIRCUMSTANCE RELATING TO ENVIRONMENTAL LAWS, THE RELEASE OF MATERIALS INTO THE ENVIRONMENT OR THE PROTECTION OF HUMAN HEALTH, SAFETY, NATURAL RESOURCES OR THE ENVIRONMENT, OR ANY OTHER ENVIRONMENTAL CONDITION OF THE ASSETS, AND BUYER SHALL BE DEEMED TO BE TAKING THE ASSETS "AS IS" AND "WHERE IS" WITH ALL FAULTS FOR PURPOSES OF THEIR ENVIRONMENTAL CONDITION.

e. **THE PARTIES HEREBY ACKNOWLEDGE AND AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW, THE DISCLAIMERS CONTAINED IN THIS AGREEMENT ARE "CONSPICUOUS" FOR THE PURPOSES OF SUCH APPLICABLE LAW.**

15. Limitation on Damages. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES SUFFERED BY SUCH PARTY RESULTING FROM OR ARISING OUT OF THIS AGREEMENT OR THE BREACH THEREOF OR UNDER ANY OTHER THEORY OF LIABILITY, WHETHER TORT, NEGLIGENCE, STRICT LIABILITY, BREACH OF CONTRACT, WARRANTY, INDEMNITY OR OTHERWISE, INCLUDING LOSS OF USE, INCREASED COST OF OPERATIONS, LOSS OF PROFIT OR REVENUE, OR BUSINESS INTERRUPTIONS. IN FURTHERANCE OF THE FOREGOING, EACH PARTY RELEASES THE OTHER PARTY AND WAIVES ANY RIGHT OF RECOVERY

FOR SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES SUFFERED BY SUCH PARTY REGARDLESS OF WHETHER ANY SUCH DAMAGES ARE CAUSED BY THE OTHER PARTY'S NEGLIGENCE (AND REGARDLESS OF WHETHER SUCH NEGLIGENCE IS SOLE, JOINT, CONCURRENT, ACTIVE, PASSIVE OR GROSS NEGLIGENCE), FAULT, OR LIABILITY WITHOUT FAULT; PROVIDED, HOWEVER, THE FOREGOING SHALL NOT BE CONSTRUED AS LIMITING AN OBLIGATION OF A PARTY TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE OTHER PARTY AGAINST CLAIMS ASSERTED BY THIRD PARTIES, INCLUDING THIRD-PARTY CLAIMS FOR SPECIAL, INDIRECT, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES.

16. Seller's Representations and Warranties. Seller represents and warrants to Buyer as of the date of this Agreement and the Closing Date: (i) Seller is duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or formation and is qualified to do business in the State of Colorado; (ii) this Agreement has been duly authorized and constitutes the valid, legal and binding obligation of Seller and is enforceable against it in accordance with its terms; (iii) Seller's execution, delivery and performance of this Agreement does not and will not violate any provision of Seller's governing documents, or to Seller's knowledge, any law, administrative regulation or rule or court order, judgment or decree applicable to Seller or the Assets; (iv) to Seller's knowledge, Seller has provided Buyer with true and correct copies of all contracts and Leases, such contracts and Leases are in full force and effect, and Seller is not in default under such contracts and Leases; (v) all taxes with respect to the Assets that are due and owing to any governmental entity have been fully paid; (vi) no claim, demand, filing, hearing, notice of violation, notice or demand letter, investigation, administrative proceeding, suit, action or other proceeding is pending (including environmental claims) or, to the knowledge of Seller, threatened against or affecting the ownership, use or operation of the Assets; (vii) to Seller's knowledge, the Assets have been operated in compliance with all applicable laws, including environmental laws, and Seller, except and to the extent previously disclosed to Buyer and/or fully and finally addressed by Seller, has not received notice of any alleged violations or liability under environmental laws or with respect to the environmental condition of the Assets; and (viii) Seller has incurred no liability, contingent or otherwise, for brokers' or finders' fees relating to the transactions contemplated by this Agreement for which Buyer shall have any responsibility whatsoever.

17. Buyer's Representations and Warranties. Buyer represents and warrants to Seller as of the date of this Agreement and the Closing Date: (i) Buyer is duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation or formation and is qualified to do business in the State of Colorado, (ii) this Agreement has been duly authorized and constitutes the valid, legal and binding obligation of Buyer and is enforceable against it in accordance with its terms, (iii) Buyer's execution, delivery and performance of this Agreement does not and will not violate any provision of Buyer's governing documents, or to Buyer's knowledge, any law, administrative regulation or rule or court order, judgment or decree applicable to Buyer or the Assets; (iv) Buyer has incurred no liability, contingent or otherwise, for brokers' or finders' fees relating to the transactions contemplated by this Agreement for which Seller shall have any responsibility whatsoever; (v) Buyer is aware the assignments of the Leases is subject to approval of the Secretary of the Interior; and (vi) Buyer is familiar with the Assets and it is a knowledgeable, experienced, and sophisticated investor in the oil and gas business. Buyer understands and accepts the risks and absence of liquidity inherent in ownership

of the Assets. Buyer acknowledges and accepts the risks that the Assets are or may be deemed to be "securities" under the Securities Act of 1933, as amended, and certain applicable state securities or Blue Sky laws and that resales thereof may be subject to the registration requirements of such acts. The Assets are being acquired solely for Buyer's own account for the purposes of investment and not with a view to resale, distribute, or granting a participation therein in violation of any securities law.

18. Conditions Precedent. The obligations of the Parties at Closing are subject to the satisfaction or waiver at or prior to the Closing of the following conditions precedent.

a. Seller's Conditions Precedent. The obligations of Seller at Closing are subject to the satisfaction or waiver at or prior to the Closing of the following conditions precedent:

i. All representations of Buyer contained in this Agreement are true in all material respects at and as of the Closing in accordance with their terms as if such representations were remade at and as of the Closing.

ii. Buyer has performed and satisfied all covenants and agreements required by this Agreement to be performed and satisfied by Buyer at or prior to the Closing in all material respects;

iii. Buyer has all appropriate state, federal, and local bonds relating to operatorship or ownership, as applicable, of the Assets after the Closing and certificates of insurance evidencing that Buyer has obtained appropriate insurance covering the Assets; and

iv. No order has been entered by any court or governmental agency having jurisdiction over the Parties or the subject matter of this Agreement that restrains or prohibits the transactions contemplated herein and that remains in effect at the time of Closing.

b. Buyer's Conditions Precedent. The obligations of Buyer at Closing are subject to the satisfaction or waiver at or prior to the Closing of the following conditions precedent:

i. All representations of Seller contained in this Agreement are true in all material respects at and as of the Closing in accordance with their terms as if such representations were remade at and as of the Closing;

ii. Seller has performed and satisfied all covenants and agreements required by this Agreement to be performed and satisfied by Seller at or prior to the Closing in all material respects;

iii. All necessary pre-Closing consents, approvals and permissions by third parties or governmental authorities, and all waivers of preferential rights of purchase, if any, have been obtained by Seller prior to Closing;

iv. No order has been entered by any court or governmental agency having jurisdiction over the Parties or the subject matter of this Agreement that restrains or prohibits this transaction and that remains in effect at the time of Closing.

19. Termination. This Agreement may be terminated in accordance with the following provisions:

- a. by Seller if Seller's conditions set forth in Section 14.a are not satisfied through no fault of Seller, or are not waived by Seller, as of the Closing Date;
- b. by Buyer if Buyer's conditions set forth in Section 14.b are not satisfied through no fault of Buyer, or are not waived by Buyer, as of the Closing Date;
- c. by either Party, if Seller (subject to Section 8.c) has not been able to cure a Title Defect, and the Parties cannot agree as to the value of the Title Defect in the Asset;
- d. by either Party, if Buyer and Seller (subject to Section 9.h) have not been able to mutually agree to (1) or (2) under that section.
- e. by either Party if the defect adjustments in Sections 8.c. and 9.g are individually or in the aggregate greater than \$50,000.00 (Fifty Thousand U.S. Dollars); or

Upon termination under this Section 19, this Agreement shall be void and of no further force and effect, and Seller shall return the Deposit to Buyer.

20. Remedies.

a. Buyer's Breach. If Closing does not occur because Buyer wrongfully fails to tender performance at Closing or otherwise breaches this Agreement prior to Closing and Seller is ready and otherwise able to close, Seller shall retain all legal and equitable remedies for Buyer's breach of this Agreement and Buyer's wrongful failure to close. Additionally, in the event Buyer does not close then Seller shall be entitled to keep the Initial Payment as liquidated damages as its exclusive remedy. Seller and Buyer acknowledge and agree that (i) Seller's actual damages upon the event of such a termination are difficult to ascertain with any certainty, (ii) the liquidated damages set forth in this Agreement is a reasonable estimate by the Parties of such actual damage to Seller, and (iii) such liquidated damages do not constitute a penalty.

b. Seller's Breach. If Closing does not occur because Seller wrongfully fails to tender performance at Closing or otherwise breaches this Agreement prior to Closing, and Buyer is ready and otherwise able to close, Buyer shall retain all legal and equitable remedies for Seller's breach of this Agreement and Seller's wrongful failure to close.

21. Closing. Execution of the PSA and necessary assignments for the Assets ("Closing") shall take place at Seller's office at 10:00 a.m. on or before, as agreed to by the Parties, September 13, 2019 with the Initial Payment and Anniversary Date of this agreement occurring when the assignments and transfer of the assets are approved by the Bureau of Land Management.

a. Seller shall execute, acknowledge and deliver to Buyer four original sets of an assignment of the Leases in the form attached as Exhibit D (the "Assignment"),¹ four

original sets of the BLM Assignment of Oil and Gas Lease, conveying such Assets to Buyer as of the Effective Date.

b. Seller shall execute and deliver to Buyer an assignment of the Contracts to the extent applicable and required.

c. Buyer shall deliver to Seller evidence of appropriate state, federal, and local bonds relating to operatorship or ownership, as applicable, of the Assets after the Closing and certificates of insurance evidencing that Buyer has obtained appropriate insurance covering the Assets.

d. Seller shall deliver to Buyer executed applicable forms to be filed with regulatory agencies to reflect the change of operator from Seller to Buyer for those Assets currently operated by Seller.

e. Buyer shall deliver the Closing Amount, as adjusted pursuant to the terms of this Agreement, to the account designated by Seller, by wire transfer in immediately available funds, or by such other method as agreed to by the Parties.

f. The Parties shall take such other actions and deliver such other documents as are contemplated by this Agreement.

22. Agreements. This Agreement is made subject to the terms and provisions of the Contracts, Buyer acknowledges the terms and provisions of the Contracts, and Buyer assumes and agrees to perform the obligations of the Seller as set forth in the Contracts.

23. Settlement Statement. If applicable, on or before ninety (90) days after Closing, Seller will prepare and deliver to Buyer a "Post Closing Settlement Statement" setting forth each adjustment or payment that was not finally determined as of the Closing and showing the calculation of such adjustment and the resulting final Closing Amount (the "Final Purchase Price"). On or before five (5) days after receipt of Seller's proposed Post Closing Settlement Statement, Buyer shall deliver to Seller a written report containing Buyer's proposed changes to the Post Closing Settlement Statement. Buyer's failure to deliver to Seller a written report detailing proposed changes to the Post Closing Settlement Statement by that date shall be deemed an acceptance by Buyer of the Post Closing Settlement Statement as submitted by Seller. The Parties shall agree with respect to the changes proposed by Buyer, no later than five (5) days after receipt of Buyer's suggested changes by Buyer. The date upon which such agreement is reached or upon which the Final Purchase Price is established shall be herein called the "Settlement Date." If the Final Purchase Price is more or less than the Closing Amount, Buyer and Seller shall make the appropriate payments to each other within ten (10) days after the Settlement Date. If Buyer and Seller cannot agree on the Post Closing Settlement Statement within thirty (30) days after delivery of Buyer's written report to Seller ("Resolution Deadline"), then Seller and Buyer shall submit each of their proposed Post Closing Settlement Statements to PWC in Denver, Colorado ("Accountant") within ten (10) days after the Resolution Deadline, and the Accountant shall determine the Final Purchase Price in accordance with the terms and conditions of this Agreement which decision shall be binding on Seller and Buyer. Such decision shall be rendered within thirty (30) days of submission to the Accountant. The Accountant's fees shall be split between the Buyer and the Seller. The Accountant must only

decide the items disputed pursuant to the Buyer's and Seller's submitted Post Closing Settlement Statement, and the Accountant must decide the dispute within the range of values presented on Buyer's and Seller's submitted Post Closing Settlement Statement

24. Expenses. Except as otherwise specifically provided, all fees, costs and expenses incurred by Buyer or Seller in negotiating this Agreement or in consummating the transaction shall be paid by the Party incurring the same including, without limitation, engineering, land, title, legal and accounting fees, costs and expenses. Buyer shall be responsible for all sales tax, if any, resulting from the purchase and sale of the Assets.

25. Notices. All notices and communications required or permitted under this Agreement shall be in writing and addressed as set forth below. Any communication or delivery hereunder shall be deemed to have been duly made and the receiving Party charged with notice (i) if personally delivered, when received, (ii) if sent by email or facsimile transmission, when received, (iii) if mailed, five (5) business days after mailing, certified mail, return receipt requested, or (iv) if sent by overnight courier, one (1) day after sending. All notices shall be addressed as follows:

If to Seller

Robert L. Bayless, Producer LLC
Cranford D. Newell Jr. – Land Manager
621 17th Street, Suite 2300
Denver, Colorado 80293
303-382-0907 (Phone)
303-296-0753 (Fax)
Email: CNewell@bayless-cos.com

If to Buyer:

Retamco Operating, Inc.
Attn: Joe Glennon
PO Box 790
5 Pepsi Drive
Red Lodge, MT 59068
406-446-1568 (phone)
Email: joeglennnon@retamco.com

Any Party may, by written notice so delivered to the other Party, change the address or individual to which delivery shall thereafter be made.

26. Amendments. This Agreement may not be amended nor any rights hereunder waived except by an instrument in writing signed by the Party to be charged with such amendment or waiver and delivered by such Party to the Party claiming the benefit of such amendment or waiver.

27. Assignment of Assets. In the event Buyer elects to sell, trade, or transfer any part of the Assets after Closing, but before the Purchase Price has been paid to Seller pursuant to the terms of this Agreement, then Buyer shall be required to pay the entire remaining balance of the Purchase Price to Seller within ten (10) days of any such sale, trade, or transfer of the Assets by Buyer.

28. Entire Agreement. All exhibits referred to in this Agreement are made a part of this Agreement and incorporated herein by such reference. This Agreement, the exhibits and the documents delivered under the terms of this Agreement, constitute the entire understanding among the Parties with respect to the subject matter hereof, superseding all negotiations, prior discussions and prior agreements and understandings relating to such subject matter.

29. Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of the Parties hereto and their respective successors and assigns.

30. No Partnership; No Fiduciary Duty. This Agreement shall not create, and it is not the purpose or intention of the Parties to create, any partnership, joint venture, or similar relationship, and none shall be inferred; and nothing in this Agreement shall be construed to establish a fiduciary relationship between the Parties for any purpose.

31. No Third-Party Beneficiaries. This Agreement is intended to benefit only the Parties hereto and their respective permitted successors and assigns.

32. Choice of Law. This Agreement will be governed by and construed under the laws of the State of Colorado without regard to conflicts of laws principles.

33. Dispute Resolution: In the event any dispute arises under this Agreement ("Dispute"), the Dispute shall be resolved as follows:

a. The parties shall meet and confer in an informal negotiation prior to the initiation of formal dispute resolution proceedings, unless relief in the nature of immediate injunction is necessary to avert irreparable injury. The informal negotiation shall be initiated by one Party providing the other a written dispute notice (the "Dispute Notice"), which shall contain a brief statement of the legal and factual basis for the Dispute, identify documents pertaining to the dispute, and contain a statement of the action required to resolve the dispute. The Parties shall in good faith negotiate for a period of no less than ten (10) calendar days and no more than thirty (30) calendar days after receipt of the Dispute Notice. If informal negotiation does not resolve all issues presented in the Dispute, either party may serve demand for binding arbitration conducted by a single, neutral arbitrator selected by the American Arbitration Association's

("AAA") and pursuant to the AAA's Commercial Arbitration Rules and the Optional Rules for Emergency Measures of Protection. Substantive resolution of any Disputes shall be governed by the laws of the State of Colorado and any applicable federal law.

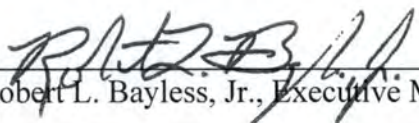
34. Interpretation. It is expressly agreed that this Agreement shall not be construed against either Party, and no consideration shall be given or presumption made, on the basis of who drafted this Agreement or any particular provision hereof or who supplied the form of Agreement. Each Party agrees that it has been purposefully drawn and correctly reflects their understanding of the transactions that it contemplates. Whenever the words "include," "includes," or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation."

35. Counterparts. This Agreement may be executed in any number of counterparts and each of such counterparts shall together constitute but one and the same Agreement. Facsimile and/or electronically transmitted copies of signatures shall be deemed to be original signatures for all purposes.

The Parties have executed this Agreement as of the date first above written, but it is effective as of the Effective Date.

SELLER:

Robert L. Bayless, Producer LLC

By: 
Robert L. Bayless, Jr., Executive Manager

BUYER:

Retamco Operating, Inc.

By: 
Joe Glennon, Vice President Land

EXHIBIT A
LEASES AND LANDS

Serial Number	Original Lessee	Current Lessee	Lease Date	FULL_LEGAL	Co Net
COC13202	Joan C Carr	Robert L. Bayless, Producer LLC	8/1/1971	<u>Township 1 South, Range 101 West</u> Section 33: E2; Section 36: S2; <u>Township 2 South, Range 101 West</u> Section 01: LOTS 5-8, S2N2; Section 02: LOTS 5-8, S2N2, S2 (ALL); Section 03: LOTS 5-8; S2N2; S2 (ALL); Section 04: LOTS 5-6, S2NE, SE; Rio Blanco Co., CO	2558.5600
COC19339	G. F. Goodyear	Robert L. Bayless, Producer LLC	11/1/1973	<u>Township 2 South, Range 101 West</u> Section 14: ALL Section 15: ALL Section 16: NE, N2SE RIO BLANCO COUNTY, CO	1520.0000
COC12997	Fred H. Carr	Robert L. Bayless, Producer LLC	7/1/1971	<u>Township 2 South, Range 101 West</u> Section 01: S2 Section 11: ALL Section 12: ALL Section 13: ALL RIO BLANCO COUNTY, CO	2240.0000
COC17007	James R. Pickett Towne House Tower 1200	Robert L. Bayless, Producer LLC	11/1/1972	<u>Township 1 South, Range 101 West</u> Section 21: LOTS 1-7, NE, E2NW, NESW, N2SE (ALL); Section 28: ALL RIO BLANCO COUNTY, CO	1298.0200

All leases listed will have an 87.5% NRI except for COC12997 which has an 82.5% NRI

ROW

Serial Number	Original Lessee	Current Lessee	Lease Date	FULL_LEGAL
COC36323 ROW		Robert L. Bayless, Producer LLC	2/17/1984	T1S R101W 22: S2S2; 23: E2NE, SENW, SW, NWSE; 26: NWNW; 27: LOTS 1-2, 4-6, N2NE, SENE, NENW, SENE, N2SE; 33: N2N2, N2SW, NWSE; 34: SESE; 35: LOT 4, SESW, S2SE; T2S R101W 02: SESE; 04: LOTS 6-8, SWSE; 09: W2NE, SENE, NESE; 10: S2NE, SENW, N2SW, S2SE; 11: NE, S2NW, E2SW, SWSW, SE; 12: S2N2, S2SW, SE; 13: NWNE, N2NW, SWNW; RIO BLANCO COUNTY, CO

EXHIBIT B

Active Wells						
Well Name		API	Quarter	Sec	Twtnshp	Rge
PHILADEPHIA CREEK	1	0510307704	SW/SW	3	2S	101W
PHILADEPHIA CREEK	7	0510307823	SW/NW	2	2S	101W
PHILADEPHIA CREEK	9	0510307824	SW/NW	3	2S	101W
PHILADEPHIA CREEK	10	0510308058	SW/NW	11	2S	101W
PHILADEPHIA CREEK	11	0510308059	NW/NE	11	2S	101W
PHILADEPHIA CREEK	13	0510308061	NE/NE	12	2S	101W
PHILADEPHIA CREEK	20	0510308361	NW/SE	15	2S	101W
PHILADEPHIA CREEK	21	0510308362	SE/NE	15	2S	101W
PHILADEPHIA CREEK	22	0510308363	SE/NW	14	2S	101W
PHILADEPHIA CREEK	25	0510308366	NE/NW	15	2S	101W
PHILADEPHIA CREEK	31	0510308377	NW/SE	2	2S	101W
PHILADEPHIA CREEK	35	0510308379	NW/NW	1	2S	101W
PHILADEPHIA CREEK	38	0510308380	SW/NE	2	2S	101W
PHILADEPHIA CREEK	39	0510308457	NW/SE	33	1S	101W
PHILADEPHIA CREEK	40	0510308514	NW/SE	28	1S	101W

EXHIBIT C

WELL NAME		Currently Active	Well Status	Associated Roads	Responsibility for Reclamation	
					Buyer (Retamco)	Seller (Bayless)
PHILADEPHIA CREEK	1	X		Directly on county road	Retamco	
PHILADEPHIA CREEK	2		RECLAIM COMPLETED-NEED TO FAN (2020)	Directly on county road		Bayless
PHILADEPHIA CREEK	3		RECLAIM COMPLETED-NEED TO FAN (2020)	Directly on county road		Bayless
PHILADEPHIA CREEK	4		UPDATED RECLAIM COMPLETED IN 2019-NEED TO FAN (2020)	Directly on county road		Bayless
PHILADEPHIA CREEK	5		OLD RECLAIM-NN TO COMPLETE NEW WORK	0.1 mi of road to reclaim		Bayless
PHILADEPHIA CREEK	6		NEED TO RECLAIM w/PC 26 & 27	0.12 mi of road to reclaim		Bayless
PHILADEPHIA CREEK	7	X		Directly on county road	Retamco	
PHILADEPHIA CREEK	8		RECLAIM COMPLETED-NEED TO FAN (2020)	0.39 mi reclaimed road		Bayless
PHILADEPHIA CREEK	9	X		3 mi of road	Retamco	
PHILADEPHIA CREEK	10	X		Directly on county road	Retamco	
PHILADEPHIA CREEK	11	X		Directly on county road	Retamco	
PHILADEPHIA CREEK	12X		OLD RECLAIM-NN TO COMPLETE NEW WORK	Directly on county road		Bayless
PHILADEPHIA CREEK	13	X		0.25 mi of road	Retamco	
PHILADEPHIA CREEK	14		OLD RECLAIM-NN TO COMPLETE NEW WORK – NEED TO RECLAIM W/PC15 (awaiting FAN), 16, 17	Directly on well road – need to complete reclaims before Gordon Engineering P&A's their well FEDERAL 10-3		Bayless
PHILADEPHIA CREEK	15		AWAITING FAN APPROVAL	Directly on well road – need to complete reclaims before Gordon Engineering P&A's their well FEDERAL 10-3		Bayless
PHILADEPHIA CREEK	16		NEED TO RECLAIM (BLM Priority)	Directly on well road – need to complete reclaims before Gordon Engineering P&A's their well FEDERAL 10-3		Bayless
PHILADEPHIA CREEK	17		OLD RECLAIM-NN TO COMPLETE NEW WORK	Directly on well road – need to complete reclaims before Gordon Engineering P&A's their well FEDERAL 10-3		Bayless
PHILADEPHIA CREEK	18		NEED TO RECLAIM (BLM Priority)	Directly on well road needed for active wells PC20, 21, 22		Bayless
PHILADEPHIA CREEK	19		FAN APPRVD – DONE			Bayless
PHILADEPHIA CREEK	20	X		1 mi of road	Retamco	
PHILADEPHIA CREEK	21	X		Road from PC21 to 20 is 0.5 miles	Retamco	
PHILADEPHIA CREEK	22	X		Road from PC22 to 21 is 0.5 miles	Retamco	
PHILADEPHIA CREEK	23		OLD RECLAIM-NN TO COMPLETE NEW WORK	0.15 mi road to reclaim		Bayless
PHILADEPHIA CREEK	24		OLD RECLAIM-NN TO COMPLETE NEW WORK	Directly on well road		Bayless
PHILADEPHIA CREEK	25	X		0.6 mi of road if they P&A before Gordon Engineering FEDERAL 10-3 (currently producing)	Retamco	
PHILADEPHIA CREEK	26		OLD RECLAIM-NN TO COMPLETE NEW WORK	Directly on well road		Bayless
PHILADEPHIA CREEK	27		OLD RECLAIM-NN TO COMPLETE NEW WORK			Bayless
PHILADEPHIA CREEK	28		OLD RECLAIM-NN TO COMPLETE NEW WORK	Directly on well road		Bayless
PHILADEPHIA CREEK	29		NEED TO RECLAIM (BLM Priority) – RECLAIM W/PC28, 23, 24	2 mi road to reclaim		Bayless
PHILADEPHIA CREEK	30		NEED TO RECLAIM	0.5 mi road to reclaim		Bayless
PHILADEPHIA CREEK	31	X		0.75 mi road	Retamco	
PHILADEPHIA CREEK	32		RECLAIM COMP-NEED TO FAN (2020)	0.75 mi road reclaimed		Bayless
PHILADEPHIA CREEK	33		RECLAIM COMP-NEED TO FAN (2020)	0.43 mi road reclaimed		Bayless
PHILADEPHIA CREEK	34		FAN APPRVD – DONE			Bayless
PHILADEPHIA CREEK	35	X		Directly on county road	Retamco	
PHILADEPHIA CREEK	36		NEED TO RECLAIM	0.3 mi road to reclaim		Bayless
PHILADEPHIA CREEK	37		NEED TO RECLAIM	0.3 mi road to reclaim		Bayless
PHILADEPHIA CREEK	38	X		Directly on county road	Retamco	
PHILADEPHIA CREEK	39	X		0.4 mi road	Retamco	
PHILADEPHIA CREEK	40	X		5 mile road	Retamco	
PHILADEPHIA CREEK	41		RECLAIM COMPLETED-NEED TO FAN (2021)	0.3 miles road reclaimed		Bayless
PHILADEPHIA CREEK	42		RECLAIM COMPLETED-NEED TO FAN (2021)	1.7 miles road reclaimed		Bayless
PHILADEPHIA CREEK	43		RECLAIM COMPLETED-NEED TO FAN (2021)	Directly on well road		Bayless

EXHIBIT D

FORM OF ASSIGNMENT

Attached to and made a part of that Purchase and Sale Agreement effective as of August 1, 2019, by and between Robert L. Bayless, Producer LLC, as Seller, and Retamco Operating, Inc., as Buyer.

ASSIGNMENT, BILL OF SALE AND CONVEYANCE

This Assignment, Bill of Sale, and Conveyance ("**Assignment**"), effective as of _____, 2019, at 7:00 a.m. Mountain Time ("**Effective Time**"), is by and between Robert L. Bayless, Producer LLC, whose address is 621 17th Street, Suite 2300 ("**Assignor**"), and Retamco Operating, Inc. ("**Assignee**"), whose address is PO Box 790, Red Lodge, MT 59068. Assignor and Assignee are, collectively, the "**Parties**," and, individually, a "**Party**."

Upon the terms and conditions of the Purchase Agreement, for Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which the Assignee acknowledges, Assignor GRANTS, BARGAINS, SELLS, CONVEYS, ASSIGNS, TRANSFERS, and DELIVERS unto Assignee ALL of Assignor's right, title, and interest, whether present, contingent, or reversionary, in and to the following (collectively, the "**Assets**");

(A) the oil and gas mining leases (the "**Leases**") and the lands covered thereby (the "**Lands**") described on the attached Exhibit A and the wells described on Exhibit B (each, individually, a "**Well**" and collectively, the "**Wells**"), attached hereto and incorporated herein, including all rights to plug back, rework or recompleat such Wells, and any perforation or stimulation of any of the foregoing (the Leases, Lands, and Wells collectively, the "**Properties**");

(B) the personal property and fixtures, owned by Assignor, and associated with the Properties, including the following: all tubing, casing and other equipment in the wellbore; wellhead equipment; surface production facilities (;

(C) the oil, gas, gas condensate, casinghead gas, carbon dioxide, helium, and/or all other liquid or gaseous components of any of them, including any by-products thereof produced therewith from the Properties ("**Hydrocarbons**");

(D) the unitization, pooling, and communitization agreements, declarations and orders, and the units created thereby, but only insofar as such agreements and orders pertain to the Properties;

(E) the improvements, permits, servitudes, rights-of-way or easements, and other rights to use the surface, together with all pipelines, gathering, processing and treatment systems, flow lines and compression facilities owned by Assignor and used or held for use in connection with the ownership and operation of the Properties;

(F) the sales, purchase, exchange, gathering, transportation and processing contracts, operating agreements, balancing agreements, farmout agreements, service agreements, and other contracts, agreements and instruments, only insofar as such contracts pertain to the ownership and operation of the Properties (the "**Contracts**"); and

(G) the lease files, land files, well files, well logs, drilling reports, files relating to the Contracts, division order files, abstracts and title opinions and copies of applicable accounting records maintained by Assignor relating to the Properties; and

EXCLUDING AND RESERVING unto the Assignor the Production Payments (as defined below in Section A.4) and all geological, geophysical and seismic licenses, seismic records, gravity maps, gravity meter surveys, seismic surveys, interpretive analyses, and other similar geological or geophysical licenses, surveys, interpretive analyses, and/or proprietary data prepared by Assignor or any third-parties hired by Assignor as it relates to the Properties that are not freely transferable or assignable (the "**Excluded Assets**");

TO HAVE AND TO HOLD the Assets unto Assignee, its successors and assigns, forever, subject to, however, all the following terms and conditions:

- a) Special Warranty of Title. SUBJECT TO (1) THE TERMS OF THE PURCHASE AGREEMENT AND (2) THE PERMITTED ENCUMBRANCES, ASSIGNOR REPRESENTS THAT IT OWNS THE WORKING INTEREST AND NET REVENUE INTEREST ("NRI") DESCRIBED IN EXHIBIT A FREE FROM ALL LIENS, ENCUMBRANCES OR OTHER DEFECTS ARISING BY, THROUGH OR UNDER ASSIGNOR, BUT NOT OTHERWISE.
- b) Subrogation. 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 Assets. 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 Assets, but only to the extent not enforced by Assignor.
- c) Disclaimers.
 - i) EXCEPT FOR ASSIGNOR'S EXPRESS REPRESENTATIONS AND WARRANTIES CONTAINED IN THE PURCHASE AGREEMENT, AND ASSIGNOR'S TITLE REPRESENTATION, THE ASSETS ARE BEING CONVEYED BY ASSIGNOR TO ASSIGNEE WITHOUT WARRANTY OF ANY KIND, EXPRESS, IMPLIED, STATUTORY, COMMON LAW OR OTHERWISE, AND THE PARTIES HEREBY EXPRESSLY DISCLAIM, WAIVE, AND RELEASE ANY EXPRESS WARRANTY OF MERCHANTABILITY, CONDITION, OR SAFETY AND ANY EXPRESSED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; AND ASSIGNEE ACCEPTS THE ASSETS, "AS IS, WHERE IS, WITH ALL FAULTS, WITHOUT RECOURSE." ASSIGNEE EXPRESSLY WAIVES THE WARRANTY OF FITNESS AND THE WARRANTY AGAINST VICES AND DEFECTS, WHETHER APPARENT OR LATENT, IMPOSED BY ANY APPLICABLE TRIBAL, STATE OR FEDERAL LAW.
 - ii) EXCEPT FOR ASSIGNOR'S EXPRESS REPRESENTATIONS AND WARRANTIES IN THE PURCHASE AGREEMENT, ASSIGNOR HEREBY EXPRESSLY DISCLAIMS AND NEGATES ANY IMPLIED OR EXPRESS WARRANTY AT COMMON LAW, BY STATUTE OR OTHERWISE RELATING

TO (A) THE ACCURACY, COMPLETENESS OR MATERIALITY OF ANY OF THE RECORDS OR OTHER INFORMATION FURNISHED WITH RESPECT TO THE PURCHASE AGREEMENT; (B) THE EXISTENCE OR EXTENT OF RESERVES OR THE VALUE OF THE ASSETS BASED THEREON; (C) THE CONDITION OR STATE OF REPAIR OF ANY OF THE ASSETS; (D) THE ABILITY OF THE ASSETS TO PRODUCE HYDROCARBONS, INCLUDING PRODUCTION RATES, DECLINE RATES AND RECOMPLETION OPPORTUNITIES; (E) REGULATORY MATTERS; (F) THE PRESENT OR FUTURE VALUE OF THE ANTICIPATED INCOME, COSTS OR PROFITS, IF ANY, TO BE DERIVED FROM THE ASSETS; (G) THE ENVIRONMENTAL CONDITION OF THE ASSETS; (H) ANY PROJECTIONS AS TO EVENTS THAT COULD OR COULD NOT OCCUR; OR (I) THE TAX ATTRIBUTES OF ANY ASSET.

- iii) THIS DISCLAIMER AND DENIAL OF WARRANTY ALSO EXTENDS TO ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY AS TO THE PRICES ASSIGNEE AND ASSIGNOR ARE OR WILL BE ENTITLED TO RECEIVE FROM PRODUCTION OF OIL, GAS OR OTHER SUBSTANCES FROM THE ASSETS. ALL RESERVE, PRICE AND VALUE ESTIMATES UPON WHICH ASSIGNEE HAS RELIED OR IS RELYING HAVE BEEN DERIVED BY THE INDIVIDUAL AND INDEPENDENT EVALUATION OF ASSIGNEE. ASSIGNEE STIPULATES AND AGREES THAT RESERVE REPORTS ARE ONLY ESTIMATES OF PROJECTED FUTURE OIL AND/OR GAS VOLUMES, FUTURE FINDING COSTS, AND FUTURE OIL AND GAS SALES PRICES, ALL OF WHICH FACTORS ARE INHERENTLY IMPOSSIBLE TO PREDICT ACCURATELY EVEN WITH ALL AVAILABLE DATA AND INFORMATION.
- iv) EXCEPT FOR ASSIGNOR'S EXPRESS REPRESENTATIONS AND WARRANTIES IN THE PURCHASE AGREEMENT, ASSIGNOR HAS NOT AND WILL NOT MAKE ANY REPRESENTATION OR WARRANTY REGARDING ANY MATTER OR CIRCUMSTANCE RELATING TO ENVIRONMENTAL LAWS, THE RELEASE OF MATERIALS INTO THE ENVIRONMENT OR THE PROTECTION OF HUMAN HEALTH, SAFETY, NATURAL RESOURCES OR THE ENVIRONMENT, OR ANY OTHER ENVIRONMENTAL CONDITION OF THE ASSETS, AND ASSIGNEE SHALL BE DEEMED TO BE TAKING THE ASSETS "AS IS" AND "WHERE IS" WITH ALL FAULTS FOR PURPOSES OF THEIR ENVIRONMENTAL CONDITION.
- v) **THE PARTIES HEREBY ACKNOWLEDGE AND AGREE THAT, TO THE EXTENT REQUIRED BY APPLICABLE LAW, THE DISCLAIMERS CONTAINED IN THIS ASSIGNMENT ARE "CONSPICUOUS" FOR THE PURPOSES OF SUCH APPLICABLE LAW.**
- d) Entire Agreement; Purchase Agreement. This Assignment supersedes all other prior written or oral agreements, except the Purchase and Sale Agreement between Assignor and Assignee dated August ____, 2019 (the "***Purchase Agreement***"), which this Assignment is made subject to. If there is any conflict between the terms of this Assignment and the terms of the Purchase Agreement, the Purchase Agreement shall

control in all respects and shall not merge into the terms of this Assignment. There are no oral agreements between the Parties not set out in writing. Capitalized terms used in this Assignment that are not otherwise defined in this Assignment have the meaning given those terms in the Purchase Agreement.

- e) Amendment and Waiver. This Assignment may be altered, amended, or waived only by a written agreement executed by the parties. No waiver of any provision of this Assignment shall be deemed or shall constitute a waiver of any other provision of this Assignment (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.
- f) Successors and Assigns. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns, and all obligations shall be a covenant running with the land.
- g) Government Forms. Separate governmental forms of assignment covering the Assets may be executed by Assignor to Assignee in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, reservations, warranties, rights, titles, power and privileges set forth herein as fully as though they were set forth in each such assignment. The interests conveyed by such separate assignments are the same, and not in addition to, the Assets conveyed in this Assignment.
- h) Further Assurances. Each Party, at the request of the other Party and without additional consideration, shall execute and deliver to the requesting Party all such further assignments, deeds, agreements, contracts, instruments and other documents as the requesting Party may reasonably request in order to perform, accomplish, perfect or record, if reasonably necessary, the assignment and conveyance to Assignee of the Assets acquired by Assignee hereunder as contemplated by this Assignment, to otherwise carry out the intention of this Assignment.
- i) Governing Law. THIS ASSIGNMENT AND ANY ARBITRATION OR DISPUTE RESOLUTION CONDUCTED PURSUANT HERETO SHALL BE CONSTRUED IN ACCORDANCE WITH, AND GOVERNED BY, THE LAWS OF THE STATE OF COLORADO WITHOUT REFERENCE TO THE CONFLICT OF LAWS PRINCIPLES THEREOF.
- j) Exhibits. All exhibits attached hereto are hereby made part hereof and incorporated herein by this reference. References in such exhibits to instruments on file in the public records are notice of such instruments for all purposes. Unless provided otherwise, all recording references in such exhibits are to the appropriate records of the counties in which the Assets are located.
- k) Counterparts. This Assignment may be executed in any number of counterparts, and each counterpart hereof shall be effective as to each Party that executes the same whether or not all of such Parties execute the same counterpart. If counterparts of this Assignment are executed, the signature pages from various counterparts may be combined into one

composite instrument for all purposes. All counterparts together shall constitute only one Assignment, but each counterpart shall be considered an original.

[Signature page follows.]

Each Party has executed this Assignment as of the date of such Party's acknowledgment, but this Assignment shall be effective as of the Effective Time.

ASSIGNOR:

Robert L. Bayless, Producer LLC

By: 

Robert L. Bayless, Jr., Executive Manager

ASSIGNEE:

Retamco Operating, Inc.

By: 

Joe Glennon, Vice President Land

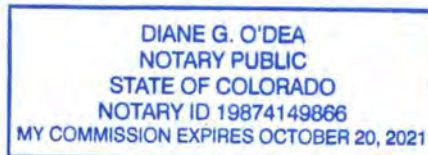
ACKNOWLEDGMENT

THE STATE OF COLORADO }
 }
COUNTY OF DENVER }

This instrument was acknowledged before me on the 9th day of June, 2019, by .
Robert L. Bayless, Jr., Executive Manager of Robert L. Bayless, Producer, LLC and that he
executed the same on behalf of said Company.

Diane G. O'Dea
Notary Public, State of Colorado

Commission expires: 10/20/21



ACKNOWLEDGMENT

THE STATE OF MONTANA }
 }
COUNTY OF CARBON }

This instrument was acknowledged before me on the 19th day of September, 2019, by
Joe Glennon, Vice President of Retamco Operating, Inc. and that he executed the same on behalf
of said Corporation.

Bonnie Bermes
Notary Public, State of Montana

Commission expires: 9-14-2022

