



WARD PETROLEUM CORPORATION

BOX 1187 / 502 S. FILLMORE / ENID, OKLAHOMA 73702 / (580) 234-3229

August 1, 2018

Clinton Public Works Authority
Attn: Don Rodolph
P.O. Box 277
Clinton, OK 73601-0277

Re: Heard 3-16, Reynolds 2-16 and J Joe Smith 1-16
Section 16-12N-17W
Custer County, OK

Dear Mr. Rodolph:

Pursuant to your correspondence with Mike Cocheres and myself, enclosed is the Assignment, Bill of Sale and Conveyance dated effective July 1, 2018, from Guard Exploration Limited Partnership to Clinton Public Works Authority covering the captioned area. Once the assignment has been executed and notarized by Clinton Public Works Authority and then filed of record, please provide the undersigned with a recorded copy of same for our records when it becomes available.

Should you have any questions or need additional information, please do not hesitate to contact us. Thank you for your assistance in this matter.

Sincerely,

Lea Ann Strait
Senior Land Specialist
e-mail: leaanns@wardpetroleum.com

/las
Enclosure

cc: OBO Project

whether based on negligence (whether active, passive, joint, sole or concurrent), strict liability or otherwise, including, but not limited to violation of any present or future federal, state, municipal and local statutes, ordinances, rules and regulations (collectively, "Environmental Liabilities"). As used herein, the term "Environmental Contaminants" shall mean any naturally occurring radioactive material or any pollutant, waste, contaminant, or hazardous or toxic material substance or waste.

All personal property and equipment transferred and conveyed by Seller to Buyer by this Assignment is sold and transferred to Buyer **"AS IS" AND "WHERE IS", WITH ALL FAULTS AND DEFECTS, IF ANY, WITHOUT RECOURSE BY BUYER, ITS SUCCESSORS AND/OR ASSIGNS, AGAINST SELLER, AND WITHOUT COVENANT, REPRESENTATIONS OR WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY. WITHOUT LIMITATION OF THE GENERALITY OF THE FOREGOING, SELLER EXPRESSLY DISCLAIMS AND NEGATES: (A) ANY IMPLIED OR EXPRESS WARRANTY OF MERCHANTABILITY; (B) ANY IMPLIED OR EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; AND (C) ANY IMPLIED OR EXPRESS WARRANTY OR CONFORMITY TO MODELS OR SAMPLES OF MATERIALS.**

It is the intent of this Assignment to convey to Buyer, *subject to the reservations and conditions herein contained*, all of Seller's right, title and interest on the effective date hereof in and to the assigned property regardless, as to the description of the assigned property. This Assignment does not convey any right, title or interest that Seller might acquire in or to the assigned property subsequent to the effective date of this Assignment. By this Assignment, Seller makes no adverse claim in or to lands covered thereby, including the assigned property, in which Seller has no title. Seller reserves all oil in the tanks produced prior to effective date hereof.

Buyer shall be liable for any overproduction gas imbalance which may have occurred prior to the effective date of this Assignment. Buyer shall also have the right to any underproduction gas imbalance which may have occurred prior to the effective date of this Assignment.

Seller expressly reserves unto itself, its successors and assigns, any royalty, overriding royalty interest, minerals and/or surface it may own in the lands subject to this assignment which may not be described herein but which may affect the lands. Seller also expressly reserves unto itself, its successors and assigns, all rights of ingress, egress, use, occupancy and any and all other surface rights granted by the leases necessary or convenient to exercise and enjoy all oil, gas and mineral rights reserved to Seller. Seller is only conveying its interest in the working interest and the corresponding net revenue interest in the lands described hereinabove.

Seller warrants that title to the properties, insofar as claims arising by, through or under Seller, is good and marketable.

Buyer, by accepting this Assignment by execution thereof, hereby agrees to hold Seller harmless for all claims and demands, including, but not limited to, claims and demands of the Oklahoma Corporation Commission or any other State of Oklahoma regulatory body; additionally, Buyer shall be responsible for any sales taxes which may become due in connection with the Assigned Properties.

This Assignment shall be construed in accordance with the laws of the State of Oklahoma.

Dated this 31 day of July, 2018; *but effective for all purposes as of July 1, 2018.*

"Seller:"

Guard Exploration Limited Partnership
By: Ward Holdings, L.L.C., an Oklahoma
limited liability company, as
General Partner

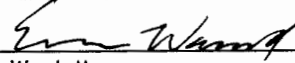

By: 
Evan Ward, Manager 

Exhibit "A"

Attached hereto and made a part of that certain Assignment, Bill of Sale and Conveyance dated the 31st day of July, 2018, *but effective for all purposes as of July 1, 2018*, from Guard Exploration Limited Partnership, as "Seller," to Clinton Public Works Authority, as "Buyer."

Heard 3-16 (API 039-21706)
Reynolds 2-16 (API 039-21218)
J Joe Smith 1-16 (API 039-20942)
All of Section 16-12N-17W
Custer County, OK

Lessor: Harry Hogan, a widower
Lessee: S.J. Culley
Dated: March 12, 1980
Recorded: Book 427 at Pages 450-451
Re-Recorded: Book 432 at Pages 426-427
Description: Township 12 North, Range 17 West
Section 16: N/2 NW/4
Lease No.: L006049001

Lessor: Howard Klump and Billie Klump, husband and wife
Lessee: Robert L. Kerr
Dated: March 31, 1981
Recorded: Book 471 at Pages 303-304
Description: Township 12 North, Range 17 West
Section 16: W/2 SE/4
Lease No.: L006050001

The above leasehold interest is being assigned as to all right, title and interest from the surface of the earth down to the base of the Cherokee formation.

End of Exhibit "A"