



May 15, 2023

Luke Adams, OBA #20602
Tisdal & O'Hara, PLLC
814 Frisco Avenue
Post Office Box 1387
Clinton, Oklahoma 73601
Telephone: (580) 323-3964

RE: Clinton Public Works Authority

SENT VIA EMAIL: ladams@tisdalohara.com

Dear Mr. Adams:

Impact Energy Operating, LLC in conjunction with Impact Energy Partners, LLC ("Impact") hereby submits an offer of Thirteen Thousand Five Hundred Dollars (\$13,500.00) to purchase all right, title and interest owned by the City of Clinton and the Clinton Public Works Authority ("Seller") in the wells and associated leasehold as described on Exhibit "A" (the "Properties").

This offer is subject to the following terms and conditions:

1. For the above consideration Impact agrees to purchase all of Seller's right, title and interest in the Properties, including all appurtenant equipment thereto relating to Seller's interest in all of the associated pipelines, facilities, materials and equipment which are located on or used directly with the gathering storing, measuring, transporting, treating processing or otherwise handling of the crude oil and/or condensate and natural gas production.
2. Impact and Seller shall execute the enclosed assignment conveying the Properties with an effective date of May 1, 2023 and any other documents that may be needed to transfer ownership over with the Bureau of Indian Affairs and any other agencies.
3. At Closing, Seller will turn over to Impact all documents and agreements associated with the Properties (including but not limited to operating agreements, gas contracts, gas balancing data, data room information, title opinions, gauge reports, equipment inventories and lease operating statements, division order decks, etc).

4. Closing shall occur on or before June 1, 2023.
5. This offer is valid and effective until May 19, 2023, at 5:00 p.m., CST upon which time this offer shall expire unless previously accepted in writing, returned and received by Impact.

I appreciate the opportunity to submit this offer. If you have any questions, I can be reached at 405-658-7216 or at grant.raney@impactenergy.us

Respectfully,



Grant Raney
Manager

Clinton Public Works Authority

Accepted this _____ day _____, 2023

By: _____

Title: _____

Exhibit "A"

Attached and made a part of that certain letter agreement between the City of Clinton and the Clinton Public Works Authority and Impact Energy Operating, LLC in conjunction with Impact Energy Partners, LLC

Well Name	API	S-T-R	County	State
J. Joe Smith 1	3503920942	16-12N-17W	Custer	OK
Heard 3-16	3503921706	16-12N-17W	Custer	OK

It is the intent of Assignor to convey all right title and interest in any and all leases and wells covering the above-described section whether properly described above or not.

ASSIGNMENT, CONVEYANCE AND BILL OF SALE

THIS ASSIGNMENT, CONVEYANCE AND BILL OF SALE, dated and effective May 1, 2023 ("Effective Date") is between the City of Clinton, a municipal corporation, and the Clinton Public Works Authority, a public trust duly organized and existing under and by virtue of the laws of the State of Oklahoma ("Assignors") and Impact Energy Partners, LLC, whose address is P.O. Box 721935, Oklahoma City, OK 73172 ("Assignee").

FOR A GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, Assignors do hereby grant, bargain, sell, transfer, convey and assign unto Assignee all of Assignors' right, title and interest in and to the following (the "Properties"):

- (a) All of Assignors' right, title and interest in and to the oil, gas and mineral leases, oil and gas leases, commission pooling orders, instruments and agreements creating or granting the right to explore for and produce oil and gas in and under the lands described in Exhibit "A" hereto ("Lands") and those wells described in Exhibit "A" hereto, (the "Wells") together with all of Assignors' undivided interests in (i) all rights, privileges, benefits and powers conferred upon the holder of the leases with respect to the use and-occupation of the surface of the Lands that may be necessary, convenient or incidental to the possession and enjoyment of the leases thereon, (ii) all rights with respect to any pooled or unitized acreage located in whole or in part within the Lands by virtue of the leases, including rights to production from the pool or unit allocated to any lease being a part thereof, regardless of whether such production is from the Lands, (iii) all rights, options, titles and interests of Assignors granting Assignors the right to obtain, or otherwise earn interests within the Lands and leases no matter how earned, (iv) all tenements, hereditaments and appurtenances belonging to any of the foregoing, and (v) any and all mineral fee interests, mineral servitudes, royalty interests, overriding royalty interests, net profits interests, production payments and all other interests of every kind and character in and to the leases and the Lands;
- (b) All of Assignors' right, title and interest in and to all permits, licenses, servitudes, rights of way, easements, division orders, gas and casinghead gas purchase and sale agreements, including without limitation gas contracts, crude oil purchase and sale agreements, surface leases, farmout agreements, bottom hole agreements, acreage contribution agreements, drilling program agreements, joint venture agreements, operating agreements, unit agreements, processing agreements, options, leases of equipment and facilities and other contracts, agreements and rights that are appurtenant to or in any way relate to the leases and Lands or are used or held for use in connection with the ownership or operation thereof or with the production, treatment, sale or disposal of water, hydrocarbons and associated substances therefrom or thereon, (the "Contracts");
- (c) All of Assignors' right, title and interest in and to, or otherwise derived from; all presently existing and valid oil, gas and/or mineral unitization, declarations and/or orders including without limitation, all units formed under orders, rules, regulations or other official acts of any federal, state or other authority having jurisdiction, voluntary unitization agreements, including, but not limited to, any reversionary and after-

acquired rights therein, operating rights pursuant to any operating agreements or other instruments, and all rights in, to and under all associated contracts, agreements, and pooled or unitized acreage;

- (d) All of Assignors' right, title and interest in and to:
 - i. all of the Wells described in the attached Exhibit "A" and
 - ii. the Lands described in Exhibit "A".
- (e) All of Assignors' right, title and interest in and to all of the real, personal and mixed property used or obtained in connection with the operation of the Wells (the "Equipment") whether located on or off the leases and Lands including but not limited to (i) all wellhead equipment fixtures, field separators, liquid extractors, pipe, casing, and tubing; (ii) all production, gathering, treating, processing, compression, dehydration, salt water disposal injection, gathering line and pipeline equipment and facilities; and (iii) all tanks, machines, equipment, tools, dies, vessels and other facilities;
- (f) All of Assignors' right, title and interest in and to the oil, gas, casinghead gas, condensate, distillate, liquid hydrocarbons, gaseous hydrocarbons, products refined and manufactured therefrom, and all other minerals to the extent produced from the Wells and saved after the Effective Date, and the payments, accounts and proceeds from the sale of all the foregoing (the "Production");
- (g) Without limiting and in addition to the foregoing, all of Assignors' rights, titles and interests in and to the oil and gas leases, working interests, overriding royalty interests, mineral interests, royalty interests and all other interests and property of every kind and character, insofar as the same cover or relate to the leases and Lands, and the physical property thereon or used or obtained for use in connection therewith and
- (h) All of the files, records, documents, correspondence and data (subject to all applicable licensing and other agreements and all restrictions on transfer) in the possession or control of Assignors that relate to the items described in subparagraphs (a), (b), (c), (d), (e), (f) or (g) above.

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

It is the intention that this Assignment Conveyance and Bill of Sale assign, transfer and convey unto Assignee and Assignee's successors and assigns all of Assignors' right, title and interest in and to the Properties whether or not such interests are fully and accurately described in Exhibit "A". In confirmation of this, Assignors hereby covenant and agree with Assignee to execute and deliver to Assignee

such other and further instruments of conveyance, assignment and transfer and to do or cause to be done all such acts and things as may be necessary to more fully assign, transfer and convey and vest in Assignee all of Assignors' right title and interest in and to the Properties.

Assignee shall indemnify, defend and hold Assignors harmless from any and all costs, obligations, claims, demands and causes of action of any kind or character with respect to the Properties arising or accruing subsequent to the Effective Date. Assignee shall bear all costs and liabilities associated with plugging and abandoning of the Wells and shall hold Assignors harmless from any and all claims arising out of or associated with the plugging and abandonment when Assignee has completed Assignee's use thereof and the additional responsibility of the restoration of the surface to the extent necessary to comply with all obligations of the lessees in the Leases. Assignee further agrees to comply with and abide by all rules and regulations of any governmental regulatory agency relative to the Wells and the obligations assumed by Assignee in connection therewith under the terms hereof.

All operations conducted by Assignee with respect to the Properties from and after the Effective Date shall be at Assignee's sole cost, risk and expense. Assignee agrees to indemnify, defend and hold Assignors harmless from and against all claims, demands, causes of action and judgments of whatever nature (and all costs and fees in connection with same) arising in favor of any party (including Assignee, Assignee's employees, agents, servants, contractors or invitees of Assignee's employees and any other party whomsoever) for personal injury, death, property damage, damage to natural resources, or for any other reason whatever growing out of, incident to, or arising, directly or indirectly, from Assignee's operations on or respect to the Properties.

With respect to any operations conducted by Assignee on the Properties, it is agreed, Assignee shall, at its sole cost, risk and expense, timely and properly plug any and all wells, remove wastes, remediate and close all pits, and restore the surface of the land to the condition (and within any time period) required by the express or implied covenants of the leases and any other agreements, if any, pertaining to the Properties. All operations of Assignee, with respect to the Properties (including, without limitation, plugging and abandoning operations) shall be conducted in strict compliance with the leases and the statutes, rules, regulations, requirements and orders of any governmental agency having jurisdiction thereof.

THIS ASSIGNMENT, CONVEYANCE AND BILL OF SALE IS MADE WITHOUT WARRANTY OF TITLE, EITHER EXPRESS OR IMPLIED. FURTHER, ASSIGNORS MAKE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS AS TO THE QUALITY, MERCHANTABILITY OR FITNESS OF THE PROPERTY HEREBY CONVEYED FOR ASSIGNEE'S INTENDED USE WHATSOEVER AND ASSIGNEE ACCEPTS THE PROPERTY CONVEYED HEREBY "AS IS", "WHERE IS", "WITH ALL FAULTS", AND IN PRESENT CONDITION AND STATE OF REPAIR.

Dated and effective this 1st day of May, 2023.

ASSIGNOR:

CITY OF CLINTON, OKLAHOMA

By: David Berrong, Mayor

CLINTON PUBLIC WORKS AUTHORITY

By: David Berrong, President

ASSIGNEE:

IMPACT ENERGY PARTNERS, LLC



By: Grant Raney, Manager

ACKNOWLEDGEMENT

STATE OF OKLAHOMA,)
) SS:
COUNTY OF CUSTER.)

Before me, the undersigned, a Notary Public in and for said County and State on this ___ day of _____, 2023, personally appeared David Berrong, Mayor of the City of Clinton, Oklahoma, and David Berrong, President of the Clinton Public Works Authority, to me known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.

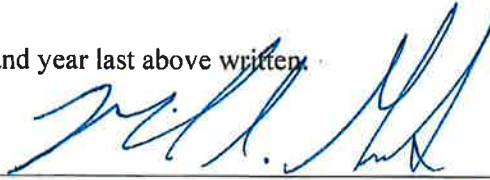
NOTARY PUBLIC, Commission No. _____
My Commission Expires: _____

ACKNOWLEDGEMENT

STATE OF OKLAHOMA,)
) SS:
COUNTY OF OKLAHOMA)

Before me, the undersigned, a Notary Public in and for said County and State on this 11 day of May, 2023, personally appeared Grant Raney, Manager of Impact Energy Partners, LLC, to me known to be the identical person who executed the within and foregoing instrument and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes therein set forth.

Given under my hand and seal the day and year last above written.



NOTARY PUBLIC, Commission No. 23005793
My Commission Expires: 04/26/2027



Exhibit "A"

To that certain Assignment, Conveyance and Bill of Sale dated and effective the 1ST day of May, 2023, by and between the City of Clinton, a municipal corporation, and the Clinton Public Works Authority, a public trust duly organized and existing under and by virtue of the laws of the State of Oklahoma and Impact Energy Partners, LLC

LANDS:

All of Section 16, Township 12 North, Range 17 W.I.M., Custer County, Oklahoma

WELLS:

Well Name: J. Joe Smith 1
Location: Southwest Quarter (SW/4) of Section 16, Township 12
North, Range 17 W.I.M., Custer County, Oklahoma
County, State: Custer County, Oklahoma
API No.: 3503920942

Well Name: Heard 3-16
Location: Southwest Quarter (SW/4) of Section 16, Township 12
North, Range 17 W.I.M., Custer County, Oklahoma
County, State: Custer County, Oklahoma
API No.: 3503921706

It is the intent of Assignor to convey all right title and interest in any and all leases and wells covering the above-described section whether properly described above or not.