

**SHALE MARKETPLACE  
BUYER'S AGREEMENT**

**THIS AGREEMENT** (“**Agreement**”) dated as of \_\_\_\_\_, is by and between Shale Marketplace LLC, a Texas limited liability company with an address of 1705 Welch Street, Houston, Texas 77006-1732 (“**MARKETPLACE**”), and \_\_\_\_\_ with an address of \_\_\_\_\_ (“**BUYER**”).

**RECITALS**

**WHEREAS**, MARKETPLACE operates a website (the “**Website**”) on which it lists for sale, or facilitates the offering of, certain oil and gas properties (“**Properties**”);

**WHEREAS**, BUYER desires to gain access to the Website and become a Registered Buyer, which status entitles BUYER to view and evaluate listings and make offers on such listings;

**WHEREAS**, BUYER desires to acknowledge and agree to be bound by the terms and conditions described herein, including, without limitation, BUYER’s obligation (i) to pay Commissions (as defined herein) to MARKETPLACE for all Properties acquired by BUYER through MARKETPLACE, (ii) to refrain from contacting any SELLER directly, as any such actual or suspected contact by BUYER shall result in immediate termination of BUYER’s status as a Registered Buyer, and (iii) to consummate any transaction for which BUYER enters into a definitive agreement to purchase a Property listed on MARKETPLACE’s Website.

**NOW, THEREFORE**, MARKETPLACE and BUYER agree as follows:

**I. SALE PROCESS**

The process by which BUYER may purchase Properties listed on the Website is set forth below (such process, the “**Sale Process**”):

(a) Upon approval of BUYER’s application, BUYER shall be granted status as a “**Registered Buyer**.” BUYER shall then be entitled to view, evaluate, and make offers on any Properties listed on the Website.

(b) BUYER shall transmit all offers, questions, document requests, and other inquiries about any Property on the Website to MARKETPLACE and shall **not** contact SELLER directly.

(c) In the event BUYER makes an offer and such offer is accepted by SELLER, BUYER shall promptly provide a purchase and sale agreement (or similar agreement) (“**PSA**”), which MARKETPLACE shall send to SELLER for signature by SELLER, which PSA shall be in form and substance agreed to by BUYER and SELLER. BUYER shall also sign a Commission Agreement by and between BUYER and MARKETPLACE in substantially the form attached hereto as Exhibit A (the “**Commission Agreement**”), which sets forth the exact Commissions payable by BUYER to MARKETPLACE for such Property.

(d) Following the completion of BUYER’s due diligence period, BUYER shall promptly send a Mineral Deed to MARKETPLACE to be executed by SELLER, which Mineral Deed shall

be in form and substance agreed to by BUYER and SELLER. SELLER shall execute such Mineral Deed and send the original signed and notarized Mineral Deed to MARKETPLACE.

(e) Upon receipt of the Mineral Deed from SELLER, MARKETPLACE shall provide to BUYER (i) an electronic copy of such Deed and (ii) wiring instructions for the SELLER.

(f) After BUYER has reviewed and approved of such executed, notarized Mineral Deed, BUYER shall make two separate sets of wires: (i) one or more wires to the account(s) specified by SELLER in the amount set forth in the Commission Agreement; and (ii) one wire to the account specified by MARKETPLACE in the amount set forth in the Commission Agreement. **The Commissions payable to MARKETPLACE shall be paid directly to MARKETPLACE and shall under no circumstances be paid to the SELLER.**

(g) After MARKETPLACE has confirmed that all wires paid by BUYER have been received by SELLER and MARKETPLACE, MARKETPLACE shall promptly send the original Mineral Deed to BUYER via overnight FedEx. **BUYER expressly acknowledges and agrees that MARKETPLACE shall not send, and BUYER shall have no right to receive, the original, notarized Mineral Deed unless and until MARKETPLACE has received its Commissions and SELLER has received monies owed to it by BUYER.**

## II. COMMISSIONS

MARKETPLACE shall be entitled to Commissions from BUYER for each Property listed on the Website that is purchased by BUYER. Commissions shall be calculated as follows:

(a) BUYER can make offers on the Properties listed on the website. All offers made by BUYER shall be inclusive of Commissions, meaning that 94% of BUYER's offer shall be paid to Seller (the "**Purchase Price**") and the remaining 6% of BUYER's offer shall be paid to MARKETPLACE as commission (the "**Commissions**").

(b) If a SELLER accepts BUYER's offer with respect to a particular Property on the Website, BUYER shall allocate the offered price between a Purchase and Sale Agreement and a Commission Agreement as follows:

i. *Purchase and Sale Agreement.* BUYER shall draft a Purchase and Sale Agreement that reflects a purchase price equal to 94% of the total offered price for such Property.

ii. *Commission Agreement.* BUYER and MARKETPLACE shall enter into a Commission Agreement in substantially the form attached hereto as Exhibit A that reflects Commissions equal to 6% of the total offered price for such Property.

(c) **By way of example**, if BUYER offers \$100,000 for a Property listed on the Website and such offer is accepted, then Buyer shall enter into the following agreements and make the following payments upon consummation of the purchase:

iii. a Purchase and Sale Agreement by and between BUYER and SELLER pursuant to which BUYER pays \$94,000 to SELLER in exchange for the Property, which PSA **shall not** include any Commissions; and

iv. a Commission Agreement by and between BUYER and MARKETPLACE pursuant to which BUYER pays \$6,000 to MARKETPLACE as Commissions for the Property.

(d) All Commissions owed by BUYER to MARKETPLACE are due and payable on the same date that BUYER makes payment to SELLER for the Property.

(e) **IT IS A MATERIAL BREACH OF THIS AGREEMENT FOR BUYER TO PURCHASE A PROPERTY LISTED ON THE WEBSITE WITHOUT PAYING THE COMMISSIONS STATED ABOVE DIRECTLY TO MARKETPLACE. IN THE EVENT BUYER FAILS TO PAY THE COMMISSIONS WHEN DUE WITHIN TWO (2) BUSINESS DAYS AFTER THEY ARE DUE AND PAYABLE, BUYER HEREBY ACKNOWLEDGES, AGREES, CONSENTS, AND GRANTS AUTHORITY TO MARKETPLACE TO PLACE A LIEN ON THE PROPERTY PURCHASED BY BUYER.**

### **III. REPRESENTATIONS, WARRANTIES, AND COVENANTS**

BUYER hereby represents, warrants, and covenants to MARKETPLACE as follows:

(a) **Non-Circumvention.** All Properties listed on the Website are exclusive to MARKETPLACE, and MARKETPLACE takes very seriously any suspected or actual breaches of the non-circumvention provisions in this Agreement.

i. BUYER expressly acknowledges that if BUYER is granted access to the Website, it will receive and have access to the identities of, and information about, SELLERS as well as individuals and entities related to SELLERS.

ii. As an essential part of this Agreement, BUYER hereby covenants and agrees that, during the Term of this Agreement and for one (1) year thereafter, neither BUYER nor any director, officer, equity holder, sponsor, employee, affiliate, contractor, consultant, or other person or entity affiliated with BUYER shall seek to bypass, avoid, or circumvent MARKETPLACE from any business opportunity relating to any Property on the Website or otherwise made known to BUYER by MARKETPLACE.

iii. If BUYER should breach any portion of the Non-Circumvention provisions in this Agreement, BUYER shall owe to MARKETPLACE an amount equal to (A) SIX PERCENT (6%) of the total gross purchase price paid by BUYER and its affiliates for all such Properties purchased by BUYER that were not purchased through MARKETPLACE plus (B) all costs, fees, and expenses incurred by MARKETPLACE in the discovery of such breach and the enforcement and prosecution of MARKETPLACE's rights and BUYER's obligations under this Agreement, including, without limitation, all attorney's fees incurred by MARKETPLACE plus (C) interest on the amounts described in (A) and (B) above equal to the lesser of 15% per annum or the maximum rate allowable by law.

(b) **Performance by BUYER.** BUYERS are expected to follow through with their commitments to purchase Properties for which BUYER and SELLER have executed a Purchase and Sale Agreement or other definitive agreement.

i. All Properties listed on the Website are exclusive to MARKETPLACE, and MARKETPLACE requires that BUYER close on the acquisition of any Property for which there has not been either (A) a material breach by SELLER or (B) a material title failure of greater than 10% of the size of the Property relative to the contents of the listing relating to such Property (each of A and B, a "**Material Defect**").

ii. In the event BUYER fails to close on a Property for which BUYER has executed a definitive agreement for a reason other than a Material Defect (a “**BUYER Breach**”), BUYER shall pay to MARKETPLACE an amount of cash equal to 6% of the purchase price set forth in such definitive agreement for such Property as liquidated damages, and not a penalty, for the harm to MARKETPLACE’s reputation and additional time and expense that MARKETPLACE must spend on such transaction (the “**Liquidated Damages**”). BUYER and MARKETPLACE acknowledge and agree that MARKETPLACE’s harm caused by a BUYER Breach would be impossible or very difficult to accurately estimate at the time of contract, and that the Liquidated Damages are a reasonable estimate of the anticipated or actual harm that might arise from a BUYER Breach. BUYER’s payment of the Liquidated Damages is BUYER’s sole liability and entire obligation and MARKETPLACE’s exclusive remedy for any BUYER Breach. Notwithstanding the foregoing, MARKETPLACE shall also be entitled to recover all costs, fees, and expenses incurred by MARKETPLACE in the recovery of the Liquidated Damages in the event BUYER does not pay such damages within five (5) business days after such BUYER Breach has occurred.

(c) **Other Terms and Conditions.** BUYER and MARKETPLACE agree to be bound by the terms set forth on Exhibit B, which are attached hereto, made a part hereof, and incorporated herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above.

**BUYER**

**MARKETPLACE**

\_\_\_\_\_  
(entity name)

**SHALE MARKETPLACE LLC**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**EXHIBIT A**

**Form of**

**COMMISSION AGREEMENT**

This COMMISSION AGREEMENT (this “**Agreement**”) dated as of \_\_\_\_\_ is by and between Shale Marketplace LLC, a Texas limited liability company with an address of 1705 Welch Street, Houston, Texas 77006-1732 (“**MARKETPLACE**”), and \_\_\_\_\_, with an address of \_\_\_\_\_ (“**BUYER**”).

**NOW, THEREFORE**, MARKETPLACE and BUYER agree as follows:

**PURCHASE PRICE AND COMMISSION**

1. \_\_\_\_\_ (“**SELLER**”) has listed certain oil and gas properties for sale on MARKETPLACE’s website, and BUYER intends to purchase Listing # \_\_\_\_\_ (the “**Property**”) from SELLER. BUYER acknowledges that BUYER found the property exclusively through MARKETPLACE’s website and intends to purchase the Property and be bound by the terms of MARKETPLACE’s Buyer’s Agreement in effect as of the date hereof, a copy of which can be found on MARKETPLACE’s website (the “**Buyer’s Agreement**”).

2. BUYER agrees that, pursuant to the Buyer’s Agreement, BUYER shall pay a commission to MARKETPLACE each time BUYER purchases a property that is listed on MARKETPLACE’s website. The commission for the Property is set forth below.

3. The total purchase price for the Property is \$\_\_\_\_\_ (the “**Purchase Price**”), which shall be paid out as follows:

- a. **Monies to SELLER.** \$\_\_\_\_\_, or 94% of the Purchase Price, shall be paid to SELLER at Closing (the “**Seller Payment**”); and
- b. **Monies to MARKETPLACE.** \$\_\_\_\_\_, or 6% of the Purchase Price, shall be paid to MARKETPLACE at Closing as payment in full for the Commission owed by BUYER to MARKETPLACE pursuant to the Buyer’s Agreement (the “**Commissions**”).
- c. **Adjustments to Purchase Price.** In the event the final Purchase Price is adjusted, whether upward or downward, for any reason (e.g., the results of title diligence), the Seller Payment and the Commissions shall be adjusted pro rata for such final Purchase Price.

4. **IT IS A MATERIAL BREACH OF THIS AGREEMENT AND THE BUYER’S AGREEMENT FOR BUYER TO PURCHASE THE PROPERTY WITHOUT PAYING THE COMMISSIONS STATED ABOVE DIRECTLY TO MARKETPLACE. IN THE EVENT BUYER FAILS TO PAY THE COMMISSIONS WHEN DUE WITHIN TWO (2) BUSINESS DAYS AFTER THEY ARE DUE AND PAYABLE, BUYER HEREBY ACKNOWLEDGES, AGREES, CONSENTS, AND GRANTS AUTHORITY TO MARKETPLACE TO PLACE A LIEN ON THE PROPERTY.**

**CLOSING PROCESS**

5. Following the completion of BUYER’s due diligence period, BUYER shall promptly send a Mineral Deed to MARKETPLACE to be executed by SELLER, which Mineral Deed shall be in form and substance agreed to by BUYER and SELLER. SELLER shall execute such Mineral Deed and send the original signed and notarized Mineral Deed to MARKETPLACE.

6. Upon receipt of the Mineral Deed from SELLER, MARKETPLACE shall provide to BUYER (i) an electronic copy of such Deed and (ii) wiring instructions for the SELLER.

7. After BUYER has reviewed and approved of such executed, notarized Mineral Deed, BUYER shall make two separate sets of wires in the amounts described in this Agreement: (i) one or more wires to the account(s) specified by SELLER; and (ii) one wire to the account specified by MARKETPLACE. **The Commissions payable to MARKETPLACE shall be paid directly to MARKETPLACE and shall under no circumstances be paid to the SELLER.**

8. After MARKETPLACE has confirmed that all wires paid by BUYER have been received by SELLER and MARKETPLACE, MARKETPLACE shall promptly send the original Mineral Deed to BUYER via overnight FedEx. **BUYER expressly acknowledges and agrees that MARKETPLACE shall not send, and BUYER shall have no right to receive, the original, notarized Mineral Deed unless and until SELLER has received the Purchase Price and MARKETPLACE has received the Commissions.**

9. **Other Terms and Conditions.** BUYER and MARKETPLACE agree to be bound by the Buyer’s Agreement, which is made a part hereof and incorporated herein.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above.

**BUYER**

**MARKETPLACE**

\_\_\_\_\_  
(entity name)

**SHALE MARKETPLACE LLC**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

## EXHIBIT B

### TERMS AND CONDITIONS

The terms and conditions set forth in this Exhibit B are hereby incorporated by reference into that certain Shale Marketplace Buyer's Agreement dated as of \_\_\_\_\_, 20\_\_\_\_, by and between Shale Marketplace LLC and \_\_\_\_\_, as Buyer (the "**Agreement**"). Capitalized terms used but not defined herein have the respective meanings ascribed to them in the Agreement.

#### 1. **Sophisticated, Accredited and Qualified Investor**

Properties for sale on the Website are not intended or considered by MARKETPLACE to be securities under the Securities Act of 1933 (the "**Securities Act**"), the Securities Exchange Act of 1934, or any applicable state securities laws (collectively, the "**Applicable Securities Laws**"). Nevertheless, because the sale of the Properties pursuant to the Sale Process may be deemed to be the sale of securities under any Applicable Securities Laws, the BUYER hereby acknowledges and agrees that such sale shall not be registered under Applicable Securities Laws, and that applicable exemptions from registration under the Applicable Securities Laws are based, among other things, on the BUYER being a sophisticated, accredited and qualified investor. Conveyances will be made only to BUYERS who are registered with MARKETPLACE as sophisticated, qualified and accredited investors.

Therefore, BUYER by executing this Agreement to purchase Properties hereby acknowledges and represents:

(a) It is primarily engaged in the business of exploring for or producing oil or gas or other minerals as an ongoing business or is engaged in the practice of a profession, or discipline, which is directly related to the exploration for, production of, refining of, or marketing of oil, gas, or other minerals such as the interest being sold;

(b) It is an experienced and knowledgeable investor in the oil and gas industry or an owner of oil, gas and mineral properties and is aware and capable of evaluating of the risks in the acquisition of the Properties;

(c) By reason of this knowledge and experience, the BUYER or its representative will evaluate the merits and risks of the Properties to be purchased on the Website and will form an opinion based solely upon its knowledge and experience and not upon any statement, representation, or printed material provided or made by MARKETPLACE and its representatives or SELLER;

(d) The BUYER, being of legal age, has sufficient financial resources in order to bear the risk of loss attendant to the purchase of the Property. "Sufficient Financial Resources" is defined as follows:

(i) not less than an annual income of \$200,000 for any natural person in each of the two most recent years or joint income with the person's spouse of less than \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year, and such natural person satisfies such thresholds for such three years consistently either alone or jointly with a spouse; **or**

(ii) any natural person whose individual net worth or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000. Net worth for this purpose means

the fair market value of such person's total assets less such person's total liabilities; provided, that: (A) such person must exclude the value of his primary residence as an asset; and (B) such person may generally exclude the amount of indebtedness secured by his primary residence as a liability except that he must deduct as liabilities (x) the amount by which such indebtedness exceeds the fair market value of his primary residence; and (y) the amount of such indebtedness incurred within the 60 days preceding the purchase date (other than as a result of the acquisition of his primary residence); **or**

(iii) any business entity (A) in which all of the equity owners have "Sufficient Financial Resources", (B) any entity (other than a trust) not formed for the specific purpose of acquiring the Property or Properties, with total assets in excess of \$5,000,000, and that amount must be shown on its most recently prepared financial statements, or (C) a trust not formed for the specific purpose of acquiring the Property or Properties, whose purchase is directed by a sophisticated person and with total assets in excess of \$5,000,000 and that amount must be shown on its most recently prepared financial statements. For this purpose, a sophisticated person means that such person must have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of the acquisition of the Property or Properties.

(e) BUYER agrees and acknowledges that if a Purchaser Representative is used, such Purchaser Representative:

(iv) has no business relationships with the SELLER;

(v) represents only the BUYER and not the SELLER;

(vi) is compensated only by the BUYER; and

(vii) is a designated Attorney-in-Fact for BUYER, by documentation submitted to MARKETPLACE prior to sale.

(f) BUYER acknowledges that the purchase of Properties is suitable for the BUYER.

(g) BUYER hereby agrees and acknowledges that MARKETPLACE has the sole, exclusive, and absolute discretionary power to determine that BUYER is a sophisticated, qualified and accredited investor as defined above, and BUYER further acknowledges that this is a continuing right and power and that BUYER may be disqualified at any time and for any reason (in the sole, exclusive, and absolute discretion of MARKETPLACE) by MARKETPLACE. BUYER hereby agrees and acknowledges that MARKETPLACE, at any time and in its sole, exclusive, and absolute discretion, may revoke Buyer's access to the Website and BUYER's ability to make offers on Properties.

(h) BUYER acknowledges and agrees that it is under a continuing duty to MARKETPLACE and SELLER to notify the same if BUYER subsequently fails to qualify as a sophisticated, qualified and accredited investor.

(i) BUYER agrees to indemnify and hold MARKETPLACE and SELLER harmless as to any and all violations of Applicable Securities Laws that result from any misrepresentation of the BUYER being a sophisticated, qualified, and accredited investor. If it is determined by an applicable regulatory agency or a judicial tribunal that (i) the sale of the Properties constitute the sale of a security under any Applicable Securities Laws and (ii) such BUYER was not a sophisticated, qualified, and accredited investor, SELLER can rescind such sale and return 75% of the proceeds to the BUYER. The remaining 25% of the proceeds



may be retained by SELLER as liquidated damages and not as a penalty. If SELLER rescinds a sale pursuant to the provisions set forth in this paragraph, MARKETPLACE shall retain the total commission paid to MARKETPLACE, which amount shall constitute liquidated damages for damage to MARKETPLACE's reputation and not a penalty. Additionally, BUYER agrees to indemnify and hold SELLER and MARKETPLACE harmless as to any and all attorneys' fees, costs and other damages incurred by the parties in any proceeding that determines that BUYER was not a sophisticated, qualified, accredited investor.

## **2. No View to Resale**

(a) BUYER acknowledges and understands that the Properties are not intended or considered by MARKETPLACE to be "**securities**" as that term is used in Applicable Securities Laws. Nevertheless, except and unless BUYER notifies MARKETPLACE in writing to the contrary, BUYER hereby agrees and acknowledges that it is not purchasing such Properties with a view to or for resale in connection with a public offering within the meaning of any Applicable Securities Laws. Moreover, if it is determined by an applicable regulatory agency or a judicial tribunal that (i) the sale of the Properties constituted the sale of a security under any Applicable Securities Laws and (ii) such BUYER was acquiring Properties with a view to or for resale in connection with a public offering, SELLER can rescind such sale and return 75% of the proceeds to the BUYER. The remaining 25% of the proceeds may be retained by SELLER as liquidated damages and not as a penalty. If SELLER rescinds a sale pursuant to the provisions set forth in this paragraph, MARKETPLACE shall retain the total commission paid to MARKETPLACE, which amount shall constitute liquidated damages for damage to MARKETPLACE's reputation and not a penalty. Additionally, BUYER agrees to indemnify and hold SELLER and MARKETPLACE harmless as to any and all attorneys' fees, costs and other damages incurred by the parties in any proceeding that determines that BUYER was acquiring such Properties with a view to or for resale in connection with a public offering.

(b) BUYER further agrees that it is the sole purchaser of any Property acquired by it on the Website.

## **3. Due Diligence and Independent Evaluation**

(a) BUYER hereby acknowledges and agrees that it has the sole responsibility to examine all information concerning ownership and production of the Properties placed for sale on the Website by the SELLER. Further, BUYER acknowledges and agrees that if it requires more information concerning said Properties, BUYER must contact MARKETPLACE or the SELLER to obtain requested information prior to making an offer pursuant to the Sale Process. If BUYER makes an offer on any Property after requesting additional information, BUYER waives any such request, and BUYER acknowledges and agrees that MARKETPLACE has no obligation of any kind whatsoever to provide any additional information.

(b) BUYER further agrees that it will make an independent evaluation of the Property and acknowledges that SELLER and MARKETPLACE have made no statements or representations concerning the present or future value of the future income, costs or profits, if any, to be derived from the Property.

(c) BUYER further acknowledges that in making its offer in the Sale Process or any subsequent negotiations, it has relied solely upon its independent examination of the premises and public records, and BUYER'S offers are based solely on BUYER'S independent inspections, estimates, computations, evaluations, reports, studies and knowledge of the Properties. Any and all information provided by SELLER or MARKETPLACE in the Property's listing page on the Website as well as any other information provided by SELLER or MARKETPLACE as requested by BUYER are furnished to BUYER at BUYER'S sole risk. SELLER and MARKETPLACE make no representation or warranty as to the accuracy or completeness of the data presented to the BUYER. MARKETPLACE HEREBY

DISCLAIMS ALL WARRANTIES, EITHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE UNDER THIS AGREEMENT, AND MARKETPLACE SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT. BUYER agrees to indemnify and hold MARKETPLACE and SELLER harmless from any reliance by BUYER on data provided by the SELLER and/or MARKETPLACE.

#### **4. Protection of Personal Information**

BUYER hereby represents, warrants, and agrees that if BUYER receives or has access to Personal Information from or relating to MARKETPLACE, SELLER, or their respective affiliates, BUYER will keep such Personal Information confidential and will not use such Personal Information for any purpose other than conducting an evaluation of the Property to which such Personal Information relates. BUYER also agrees and represents that BUYER will not sell or provide any information obtained from MARKETPLACE or SELLER, including Personal Information, to any other person or entity. Personal Information includes, without limitation, social security numbers, driver's license numbers, credit card numbers, and information related to assets or financial accounts owned by individuals unless directly related to the Property. BUYER agrees to indemnify and hold SELLER, MARKETPLACE, and their respective affiliates harmless as to any and all attorneys' fees, costs, fines, penalties, and all other damages incurred by MARKETPLACE, SELLER, and their respective affiliates from any breach of this Section 4 by BUYER or any of its affiliates or advisors, which BUYER expressly acknowledges and agrees includes, without limitation, any fees, costs, fines, penalties, and all other damages from any breach of the General Data Protection Regulation (GDPR) 2016/679 under the regulations of the European Union.

#### **5. Buyer's Assurance of Capacity**

(a) BUYER represents and warrants to SELLER that it is authorized to hold title to the Properties and is in good standing and duly qualified to conduct its business in the jurisdiction where the Properties are located.

(b) If BUYER is a corporation, partnership or limited liability company, BUYER warrants and represents that the consummation of the transactions contemplated by this Agreement will not violate nor be in conflict with any provision of the applicable Articles of Incorporation, By-Laws, Partnership Agreements, and/or Company Agreements and that the transactions contemplated by this Agreement have been duly and validly authorized by BUYER.

(c) If such Property conveys operating rights of the Property, BUYER represents and warrants that it is duly bonded and licensed to operate oil and gas wells within any jurisdiction where the Property is located.

(d) After the conclusion of the purchase of the subject Property, the SELLER will not be obligated to assist the BUYER in any way in the management or operation of the Properties, and the BUYER will be dependent solely upon its own efforts to realize a profit from the Properties.

#### **6. Contract Compliance**

(a) BUYER further states that it will comply with all applicable Joint Operating Agreements, Unitization Agreements, Communitization Agreements and any other agreements that pertain to ownership of the subject Properties. BUYER is fully responsible to obtain waivers of uniform maintenance under Joint Operating Agreements, if needed, and agrees to indemnify and hold MARKETPLACE and SELLER harmless, if the same are not obtained by BUYER, or waived by third parties.

(b) It is further agreed by BUYER that it is BUYER's sole responsibility to notify any operators and/or disbursers of revenue of any change in ownership. Following the effective date of a sale, SELLER agrees to cooperate with BUYER as necessary to replace SELLER with BUYER as the appropriate recipient of revenue from operators and disbursers of revenue and to execute documents as may be required by operators or disbursers of revenue to confirm any change in ownership.

## **7. Lesser Interest**

It is BUYER's sole responsibility to verify title prior to closing on the purchase of any Property. **Unless agreed to in writing manually signed by both BUYER and SELLER, ALL SALES OF PROPERTIES THROUGH MARKETPLACE ARE FINAL All Properties shall be sold without warranty on an "AS IS, WHERE IS" basis.** Notwithstanding anything to the contrary in this Agreement, MARKETPLACE shall be entitled to retain any commission paid or payable by BUYER upon the closing of the purchase of any Property by BUYER regardless of whether BUYER later determines that it acquired a lesser interest than it believed it was acquiring and, in any event, **BUYER'S sole remedy is against SELLER.** BUYER acknowledges and agrees to indemnify and hold MARKETPLACE and its affiliates harmless as to any and all attorneys' fees, costs, fines, penalties, and all other damages incurred by MARKETPLACE and its respective affiliates from any title issue arising from the purchase by BUYER of any Property.

## **8. Preferential Rights**

(a) BUYER acknowledges and agrees that certain Properties may be subject to preferential rights of purchase, consents or permission to assign by nature of Joint Operating Agreements and other agreements between third parties and SELLER.

(b) BUYER acknowledges and agrees that if SELLER accepts BUYER's offer on Properties subject to preferential rights, consents or permissions to assign, BUYER is to allow SELLER upon the date of sale the right to obtain waivers of the preferential rights, consents or permissions to assign. BUYER agrees to allow SELLER the time allowed under the agreements to obtain the waivers, consents or permissions to assign or sixty (60) days from date of sale, whichever is later. SELLER will notify BUYER and MARKETPLACE of the third parties' desire to purchase such Property on the same terms and conditions which includes the payment of the commission and expenses due to MARKETPLACE. All proceeds paid by BUYER will be refunded to the BUYER upon SELLER receiving proceeds from the party exercising the preferential right to purchase. **NOTWITHSTANDING THE FOREGOING, BUYER must identify any and all such preferential rights relating to a Property prior to closing on such Property; otherwise, BUYER shall be deemed to have waived any such rights as set forth in this Section 8.**

## **9. Environmental Liabilities**

BUYER hereby acknowledges and agrees that after the effective date of the assignment, it is responsible for any and all losses attributable to any and all environmental events or impacts, including, without limitation, damage to property, injury or death of persons or other things, natural resource damages, CERCLA response costs, environmental remediation and restoration, costs or fines or penalties arising out of or attributable to, in whole or in part, either directly or indirectly, the ownership, condition or operation of the Properties. BUYER acknowledges and agrees that SELLER is responsible for all environmental events or impacts that occurred during its period of ownership of the Properties prior to the effective date of the assignment of the Properties to the BUYER.

## **10. Royalty, Overriding Royalty, Working Interest, Contractual Liabilities and Operation Liabilities**

BUYER hereby acknowledges and agrees that any and all liabilities related to obligations to pay royalties, overriding royalties and contractual obligations under Oil and Gas Leases, Joint Operating Agreements and liabilities associated with the ownership, condition or operation of the subject Properties become BUYER'S liability from the effective date of the assignment. SELLER retains liability for its period of ownership to the effective date of the assignment of the Properties.

**11. No Warranties (Express or Implied)**

Notwithstanding any provision contained in this Agreement to the contrary, BUYER acknowledges and agrees that it is acquiring the Properties, wells, equipment or other property located thereon from SELLER without warranty whatsoever, express, statutory, or implied as to description, title, condition, quality, fitness for purpose, merchantability, or otherwise. BUYER acknowledges and agrees that MARKETPLACE makes no representation or warranty whatsoever as to the Properties whatsoever, including, without limitation, the physical condition of any Property or any statements or representation concerning the present or future value of the anticipated income, costs, or profits, if any, to be derived from any Property. BUYER ACKNOWLEDGES AND AGREES THAT ALL PROPERTY IS SOLD ON AN "AS IS, WHERE IS" CONDITION.

**12. Title**

BUYER hereby acknowledges and agrees that it has the sole responsibility to examine all information concerning title to the Property and to conduct its own independent evaluation to ascertain title to the Properties and to satisfy itself that title is marketable, defensible or acceptable.

BUYER acknowledges and agrees that it will indemnify and hold SELLER and MARKETPLACE harmless as to accuracy of any documents of title to the Properties. BUYER further acknowledges and agrees that neither SELLER nor MARKETPLACE warrants title, either express or implied, and all title to the Properties is on an "AS IS, WHERE IS" basis.

**13. Assignment**

This Agreement cannot be assigned by BUYER, in whole or in part, by operation of law or otherwise, without MARKETPLACE's prior express written, manually signed, consent, and any attempt to make such assignment without such consent shall be null and void. Except as otherwise provided herein, this Agreement and the provisions contained herein shall be binding upon and inure to the benefits of the Parties hereto and their respective successors and permitted assigns.

**14. Term**

This Agreement shall end on the earliest to occur of the following: (i) the date that MARKETPLACE, in its sole and exclusive discretion, elects to terminate this Agreement between BUYER and MARKETPLACE; or (ii) one (1) year after the date that BUYER gives express written, manually signed notice to MARKETPLACE that it intends to terminate this Agreement.

**15. Amendments to this Agreement**

**NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT,** BUYER acknowledges and understands that the terms and provisions of this Agreement may be changed or amended from time to time by MARKETPLACE in its sole and exclusive discretion, and that BUYER'S continued use of MARKETPLACE's Website to evaluate or make offers on Properties shall be subject to

and governed by the terms of the Buyer's Agreement posted on MARKETPLACE's Website as of the date such offer was made.

BUYER UNDERSTANDS THAT IT IS BUYER'S RESPONSIBILITY AND DUTY TO READ THE SHALE MARKETPLACE BUYER'S AGREEMENT PRIOR TO MAKING ANY OFFER ON ANY PROPERTY LISTED THROUGH MARKETPLACE'S WEBSITE. BY PARTICIPATING IN SUCH SALE PROCESS OR MAKING ANY OFFER ON ANY PROPERTY, BUYER AGREES TO BE BOUND BY THE TERMS OF SUCH BUYER'S AGREEMENT.

#### **16. Restrictions on Purchases Outside of this Agreement**

BUYER will not take any action designed to prevent MARKETPLACE from receiving its commissions for the sale of Properties listed on its Website. BUYER acknowledges that MARKETPLACE has the exclusive right to sell the Properties listed on its Website. BUYER agrees that it will not use the information on the Website for pursuing in any manner the purchase of Properties listed on the Website unless any such purchase is pursuant to this Agreement. BUYER agrees that neither BUYER nor any representative or intermediary of BUYER will offer to purchase from a Seller any Property listed by MARKETPLACE on the Website, except as provided by MARKETPLACE through its Sale Process. Any such offer constitutes an event of default by BUYER. For a period of six months from the posting of information on a particular Property on the Website, BUYER further agrees that BUYER will not purchase any such Property, other than pursuant to this Agreement or with the prior written consent of MARKETPLACE. BUYER acknowledges that MARKETPLACE has spent considerable time and expense to attract potential sellers and to acquire and assimilate the information available to BUYER on the Website. BUYER further acknowledges that the damages suffered by MARKETPLACE for BUYER's breach of any provision of this Agreement will be impossible to specifically identify. In the event that BUYER breaches any provision in this paragraph, BUYER agrees that MARKETPLACE will be entitled to recover from BUYER, as liquidated damages, the amount of the commission MARKETPLACE would have received if the BUYER had purchased the Property pursuant to this Agreement.

#### **17. Governing Law and Litigation Costs and Expenses**

BUYER acknowledges and agrees that this Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas and the exclusive venue for any action by BUYER or SELLER arising under this Agreement shall be a state or federal court in Harris County, Texas. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to any of its conflicts of law principles that would make applicable the laws of any other jurisdiction. In the event that any party to this Agreement resorts to legal proceedings to enforce this Agreement, the prevailing party in such proceedings shall be entitled to recover all costs incurred by such party, including reasonable attorney fees.

#### **18. Severability**

BUYER acknowledges and agrees that if any term or other provision of this Agreement is invalid, illegal or incapable of being enforced under any applicable rule or law, such provision will be ineffective only to the extent of such invalidity, illegality or unenforceability and all other conditions and provisions of this Agreement shall, nevertheless, remain in full force and effect so long as the economic or legal substance of the transaction contemplated hereby is not affected in a materially adverse manner with respect to either party.

#### **19. Waiver**

Each party acknowledges and agrees that no waiver by either party of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other portions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

## **20. Entirety and Amendments**

BUYER acknowledges and agrees that this Agreement and all Exhibits and the instruments delivered or required to be delivered pursuant hereto supersede all prior negotiations, understandings and agreements between the parties relating to the subject matter hereof and constitute the entire understanding and agreement between the parties with respect thereto. BUYER acknowledges and agrees that, except for any alterations, modifications, or amendments by MARKETPLACE pursuant to its rights under Section 15 – Amendments to this Agreement, no alterations, modifications, amendments or changes in the Agreement shall be effective or binding unless the same shall be in writing and shall have been executed by BUYER and MARKETPLACE.

## **21. Execution**

This Agreement may be executed in multiple original counterparts, each of which shall be deemed an original for all purposes. No single counterpart of this Agreement need be executed by each party so long as each party shall have executed at least one counterpart. Facsimile and electronically transmitted signatures shall be valid. Documents executed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Agreement and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures. This Agreement, any other document necessary for the consummation of the transactions contemplated by this Agreement may be accepted, executed or agreed to through the use of an electronic signature in accordance with the Electronic Signatures in Global and National Commerce Act ("E-Sign Act"), Title 15, United States Code, Sections 7001 et seq., the Uniform Electronic Transaction Act ("UETA") and any applicable state law. Any document accepted, executed or agreed to in conformity with such laws will be binding on each party as if it were physically executed.