

KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form T-1  
July 2014

Form must be Typed  
Form must be Signed  
All blanks must be Filled

**REQUEST FOR CHANGE OF OPERATOR  
TRANSFER OF INJECTION OR SURFACE PIT PERMIT**

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act,  
MUST be submitted with this form.

Check Applicable Boxes:

- Oil Lease: No. of Oil Wells \_\_\_\_\_ \*\*
- Gas Lease: No. of Gas Wells \_\_\_\_\_ \*\*
- Gas Gathering System: \_\_\_\_\_
- Saltwater Disposal Well - Permit No.: \_\_\_\_\_  
Spot Location: \_\_\_\_\_ feet from  N /  S Line  
\_\_\_\_\_ feet from  E /  W Line
- Enhanced Recovery Project Permit No.: \_\_\_\_\_  
Entire Project:  Yes  No  
Number of Injection Wells \_\_\_\_\_ \*\*

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

**\*\* Side Two Must Be Completed.**

Effective Date of Transfer: \_\_\_\_\_

KS Dept of Revenue Lease No.: \_\_\_\_\_

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

\_\_\_\_\_ Sec. \_\_\_\_\_ Twp. \_\_\_\_\_ R.  E  W

Legal Description of Lease: \_\_\_\_\_

County: \_\_\_\_\_

Production Zone(s): \_\_\_\_\_

Injection Zone(s): \_\_\_\_\_

Surface Pit Permit No.: \_\_\_\_\_  
(API No. if Drill Pit, WO or Haul)

\_\_\_\_\_ feet from  N /  S Line of Section

\_\_\_\_\_ feet from  E /  W Line of Section

Type of Pit:  Emergency  Burn  Settling  Haul-Off  Workover  Drilling

Past Operator's License No. \_\_\_\_\_

Contact Person: \_\_\_\_\_

Past Operator's Name & Address: \_\_\_\_\_

Phone: \_\_\_\_\_

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

Signature: \_\_\_\_\_

New Operator's License No. \_\_\_\_\_

Contact Person: \_\_\_\_\_

New Operator's Name & Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Oil / Gas Purchaser: \_\_\_\_\_

Date: \_\_\_\_\_

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

Signature: \_\_\_\_\_

**Acknowledgment of Transfer:** The above request for transfer of injection authorization, surface pit permit # \_\_\_\_\_ has been noted, approved and duly recorded in the records of the Kansas Corporation Commission. This acknowledgment of transfer pertains to Kansas Corporation Commission records only and does not convey any ownership interest in the above injection well(s) or pit permit.

\_\_\_\_\_ is acknowledged as  
the new operator and may continue to inject fluids as authorized by  
Permit No.: \_\_\_\_\_ . Recommended action: \_\_\_\_\_

Date: \_\_\_\_\_  
Authorized Signature

\_\_\_\_\_ is acknowledged as  
the new operator of the above named lease containing the surface pit  
permitted by No.: \_\_\_\_\_ .

Date: \_\_\_\_\_  
Authorized Signature

DISTRICT \_\_\_\_\_ EPR \_\_\_\_\_ PRODUCTION \_\_\_\_\_ UIC \_\_\_\_\_



KANSAS CORPORATION COMMISSION  
OIL & GAS CONSERVATION DIVISION

Form KSONA-1

July 2014

Form Must Be Typed

Form must be Signed

All blanks must be Filled

**CERTIFICATION OF COMPLIANCE WITH THE  
KANSAS SURFACE OWNER NOTIFICATION ACT**

*This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.*

Select the corresponding form being filed:  C-1 (Intent)  CB-1 (Cathodic Protection Borehole Intent)  T-1 (Transfer)  CP-1 (Plugging Application)

OPERATOR: License # \_\_\_\_\_

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

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: ( \_\_\_\_\_ ) \_\_\_\_\_ Fax: ( \_\_\_\_\_ ) \_\_\_\_\_

Email Address: \_\_\_\_\_

Well Location:

\_\_\_\_ - \_\_\_\_ - \_\_\_\_ - \_\_\_\_ Sec. \_\_\_\_ Twp. \_\_\_\_ S. R. \_\_\_\_  East  West

County: \_\_\_\_\_

Lease Name: \_\_\_\_\_ Well #: \_\_\_\_\_

*If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:*

**Surface Owner Information:**

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

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ + \_\_\_\_\_

*When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.*

*If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.*

**Select one of the following:**

- I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.
- I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a \$30.00 handling fee, payable to the KCC, which is enclosed with this form.

*If choosing the second option, submit payment of the \$30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.*

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: \_\_\_\_\_ Signature of Operator or Agent: \_\_\_\_\_ Title: \_\_\_\_\_

RTN: Stinson Leonard Street  
1625 N. Waterfront Pkwy, Ste 300  
Wichita, KS 67206

**Book: 2016 Page: 2264**  
Receipt #: 109673 Total Fees: \$191.00  
Pages Recorded: 17  
Date Recorded: 3/31/2016 9:09:21 AM



**ASSIGNMENT, BILL OF SALE AND CONVEYANCE**

**THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE** ("Assignment"), dated February 24, 2016, but effective July 1, 2015 (the "Effective Time" for the purposes of this Assignment), is from Directional Drilling Systems, LLC, a Colorado limited liability company, 5780 E. Ida Circle, Greenwood Village, Colorado 80111 ("Assignor"), and U.S. Energy Expl Corporation, a Pennsylvania corporation, P. O. Box 237, South Water Street, Rural Valley, PA 16249 ("Assignee").

For \$100.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants, bargains, and conveys to Assignee an undivided sixty percent (60%) interest in and to the real and personal property interest set forth in paragraphs a. through j., below (all of which are called the "Assets"):

- a. **Leases and Lands.** The oil and gas leases, subleases and other leaseholds described on **Exhibit A**, together with all amendments, supplements, renewals, extensions, top leases or ratifications thereof (collectively, the "Leases"), the royalties, net profit interests, production payments, and other interests, if any, owned by Assignor burdening the Leases, together with each and every kind and character of right, title, claim, and interest that Seller has in and to the lands covered by the Leases or the lands currently pooled, unitized, communitized or consolidated therewith (the "Lands").
- b. **Wells.** The oil and gas wells described on **Exhibit B**, whether producing, shut-in, or temporarily abandoned (the "Wells");
- c. **Hydrocarbons.** The oil, gas, casinghead gas, coalbed methane, condensate and other gaseous and liquid hydrocarbons or any combination thereof that may be produced from the Wells and the Lands covered by the Leases ("Hydrocarbons");
- d. **Pooling and Unitization Agreements.** The unitization, pooling and communitization agreements, declarations, orders ("Pooling Agreements"), and the units created thereby specifically relating to the Wells and to the production of Hydrocarbons from the Wells and Leases and Lands;
- e. **SWD Wells.** The water disposal or injection wells described on **Exhibit C** (the "SWD Wells");
- f. **Equipment.** All equipment, machinery, fixtures, casing, tubing, flow lines, gathering lines, facilities and other tangible personal property and improvements located on and used or held for use solely in connection with the operation of the Wells or the SWD Wells, excluding any computers, cell phones or vehicles (collectively, the "Equipment");
- g. **Easements.** All surface leases, subsurface leases, rights-of-way, licenses, easements and other surface or subsurface rights agreements ("Easements") used or held solely in connection with the exploration, development, production, gathering, treatment, processing, storing, sale or disposal of Hydrocarbons or produced water from the Wellbores or into the SWD Wells, including, but not limited to, those described on **Exhibit D**;
- h. **Records and Data.** All of the files, records, data and information relating to the items described in paragraphs a. through k. maintained by Assignor and/or its land brokers, including without limitation, the original Oil and Gas Leases

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COMP  
NUM

and associated land records, copies of all lease files, land files, well files, gas and oil sales contract files, gas processing files, division order files, abstracts, title opinions, land surveys, logs, and maps, and to the extent transferable without payment of additional consideration (or if Buyer agrees to pay such additional consideration), other books, records, data, files, and accounting records, in each case to the extent related to the Wells or the SWD Wells, or used or held for use in connection with the maintenance or operation thereof, in each case, whether in paper or electronic form, (collectively, the "Records"); but excluding: (i) all information and data under contractual restrictions on assignment; and (ii) all information subject to an attorney/client privilege held by Assignor.

- i. **Contracts.** To the extent transferable without additional fee or payment (or if Buyer agrees to pay such additional fee or payment), all existing and effective sales and purchase contracts, operating agreements, exploration agreements, development agreements, farmout agreements, service agreements, transportation, processing, treatment and gathering agreements, equipment leases and other contracts, agreements and instruments, including the contracts described in Exhibit E, insofar as they directly relate to the Wells or the SWD Wells ("**Contracts**") and *provided, however*, that "**Contracts**" shall not include the instruments constituting the Leases and Easements.
- j. **Permits.** To the extent transferable pursuant to applicable Law without additional fee or payment (or if Buyer agrees to pay such additional fee or payment), all governmental (whether federal, state or local) permits, licenses, authorizations, franchises, grants, easements, variances, exceptions, consents, certificates, approvals and related instruments or rights of any Governmental Entity or other third party, and any writ, judgment, decree, award, order, injunction or similar order, writ, ruling, directive or other requirement of any Governmental Entity (in each such case whether preliminary or final), required of Seller for the ownership, operation or use of the Wells or the SWD Wells (collectively, the "**Permits**").

**TO HAVE AND TO HOLD the Assets unto Assignee and its successors and assigns forever.**

This Assignment is made and accepted expressly subject to the following terms and conditions:

1. This Assignment is being made pursuant to the terms of the Purchase and Sale Agreement dated August 28, 2015 between Source Energy MidCon, LLC, Assignor and Assignee, as amended on September 17, 2015, October 12, 2015, and December 31, 2015 (the "Agreement"). All capitalized terms used but not defined herein shall have the meanings given them in the Agreement. If there is a conflict between the terms of this Assignment and the terms of the Agreement, the terms of the Agreement shall control to the extent of the conflict. Assignor and Assignee intend that the terms of the Agreement remain separate and distinct from and not merge into the terms of this Assignment.

**2. ASSIGNOR WARRANTS TITLE TO THE ASSETS FROM AND AGAINST ALL PERSONS CLAIMING BY, THROUGH AND UNDER ASSIGNOR, BUT NOT OTHERWISE, AND EXCEPT FOR THAT WARRANTY, THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY.**

3. Assignor expressly disclaims and negates any warranty as to the condition of any personal property, equipment, fixtures and items of movable property comprising any part of the Assets, including (i) any implied or express warranty of merchantability, (ii) any implied or express warranty of fitness for a particular purpose, (iii) any implied or express warranty of conformity to models or samples of materials, (iv) any rights of Assignee under applicable statutes to claim diminution of consideration, and (v) any claim by Assignee for damages because of defects, whether known or unknown, it being expressly understood by

Assignee that said personal property, fixtures, equipment and items are being conveyed to Assignee "as is, where is," with all faults and in their present condition and state of repair; provided, however, that nothing contained in this Assignment shall limit any of Assignor's indemnity obligations under the Agreement.

4. 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.

5. The parties shall execute such further documents and instruments and do any and all such further things as may be necessary to implement and carry out the assignment and transfer of ownership and operations of the Assets to Assignee, including without limitation executing and filing with the Kansas Corporation Commission any and all forms necessary to transfer operations of the Leases to Assignee under the regulations of the Kansas Corporation Commission.

6. Notwithstanding anything contained in this Assignment to the contrary, Assignor and Assignee may execute separate governmental form assignments of the Assets on officially approved forms, 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 herein.

7. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns.

8. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute but one and the same instrument.

EXECUTED on the dates contained in the acknowledgments of this instrument, to be effective for all purposes as of the Effective Time.

ASSIGNOR:  
Directional Drilling Systems, LLC

By: H. Lewis  
Name: Hiram W. Lewis  
Title: Manager of Oil & Gas Operations

ASSIGNEE:  
U. S. Energy Expl Corporation

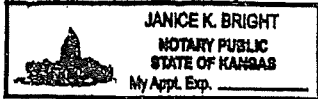
By: Dennis C. Boyer  
Name: Dennis C. Boyer  
Title: President

**Acknowledgements**

STATE OF KANSAS )  
 ) ss.  
COUNTY OF SEDGWICK )

The foregoing instrument was acknowledged before me this 26<sup>th</sup> day of FEBRUARY 2016, by Hiram W. Lewis, as Manager of Oil & Gas Operations for Directional Drilling Systems, LLC, a Colorado limited liability Company, on behalf of the company.

Witness my hand and official seal.



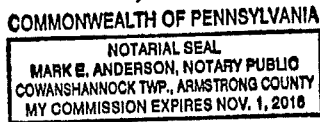
Janice K. Bright  
Notary Public, \_\_\_\_\_

My commission expires:  
3-26-17

STATE OF Pennsylvania )  
 ) ss.  
COUNTY OF Armstrong )

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of March, 2016, by Dennis C. Boyer as President of U.S. Energy Expl Corporation, a Pennsylvania corporation, on behalf of the company.

Witness my hand and official seal.



Mark E. Anderson  
Notary Public \_\_\_\_\_

My commission expires:  
11-1-16

Exhibit "B"  
Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance effective July 1, 2015  
between Directional Drilling Systems, LLC, as Assignor, and U.S. Energy Expl Corporation, as Assignee

| <u>ST</u> | <u>County</u> | <u>Well ID</u> | <u>Well Name</u>         | <u>Operator</u>          | <u>Well Spot</u>                | <u>API Number</u> | <u>GWI</u> | <u>NRI</u> |
|-----------|---------------|----------------|--------------------------|--------------------------|---------------------------------|-------------------|------------|------------|
| KS        | BUTLER        | 10075          | BUSENITZ 13-14-12-14H    | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 13: E2 SW SW SW  | 15015-239930100   | 1.0000000  | 0.8750000  |
| KS        | BUTLER        | 10097          | CHASE 17-12-31           | SOURCE ENERGY MIDCON LLC | T255 R4E, Sec. 17: NE NW SW NW  | 15-015-24038      | 1.0000000  | 0.8750000  |
| KS        | BUTLER        | 10086          | EVERLEY 12-44-1-43H      | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 12: SE SW SE SE  | 1501524010100     | 1.0000000  | 0.8535569  |
| KS        | BUTLER        | 10077          | FOULSTON 2-11-11-12H     | SOURCE ENERGY MIDCON LLC | T265 R3E, Sec. 2: E2 NW NW NW   | 15015239900100    | 1.0000000  | 0.8750000  |
| KS        | BUTLER        | 10062          | GOERING 10-14-10-11 H    | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 10: SW SW SW SW  | 15015-239880200   | 1.0000000  | 0.8000000  |
| KS        | BUTLER        | 10082          | GOERING 10-24-10-21H     | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 10: SW SEW SE SW | 15015240050100    | 1.0000000  | 0.8000000  |
| KS        | BUTLER        | 10083          | J. FOULSTON 36-32-25-32H | SOURCE ENERGY MIDCON LLC | T24S R3E, Sec. 36: SE SW SW NE  | 15015240110100    | 1.0000000  | 0.8471000  |
| KS        | BUTLER        | 10089          | CHASE RANCH 5-21-8-21H   | SOURCE ENERGY MIDCON LLC | T25S R4E, Sec. 5: NW NW NE NW   | 15-015-24012-0100 | 1.0000000  | 0.8750000  |



Exhibit "C"

Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance effective July 1, 2015  
 between Directional Drilling Systems, LLC, as Assignor, and U.S. Energy Expl Corporation, as Assignee

| <u>ST</u> | <u>County</u> | <u>Well ID</u> | <u>Well Name</u>     | <u>Operator</u>          | <u>Well Spot</u>              | <u>API Number</u> | <u>GWI</u> | <u>NRI</u> |
|-----------|---------------|----------------|----------------------|--------------------------|-------------------------------|-------------------|------------|------------|
| KS        | BUTLER        | 10073          | FOULSTON 2-11 SWD    | SOURCE ENERGY MIDCON LLC | T26S R3E, Sec. 2: SE NW NW NW | 15015239920000    | 1.0000000  | 1.0000000  |
| KS        | BUTLER        | 10074          | SOURCE FEE 16-11 SWD | SOURCE ENERGY MIDCON LLC | T25S R3E, Sec. 16: NW NW NW   | 15015239890000    | 1.0000000  | 1.0000000  |

2  
RTN: Empire Energy  
(2) 345 Riverview St, Ste 540  
Wichita, KS 67203

BUTLER COUNTY, KS  
REGISTER OF DEEDS  
Marcia McCoy

Book: 2015 Page: 8829

Receipt #: 106114

Total Fees: \$148.00

Pages Recorded: 18

Date Recorded: 10/15/2015 10:17:49 AM




**ASSIGNMENT, BILL OF SALE AND CONVEYANCE**

**THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE** ("Assignment"), dated October 12, 2015, but effective July 1, 2015 (the "Effective Time" for the purposes of this Assignment), is from Empire Energy (MidCon), LLC, a Delaware limited liability company, 380 Southpointe Blvd., Suite 130, Canonsburg, Pennsylvania 15137 ("Assignor"), and Directional Drilling Systems, LLC, a Colorado limited liability company, 5780 E. Ida Circle, Greenwood Village, Colorado 80111, ("Assignee").

For \$100.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants, bargains, and conveys to Assignee, all of Assignor's right, title and interest in and to the real and personal property interest set forth in paragraphs a. through j. (all of which are called the "Assets"):

- a. **Leases and Lands.** The oil and gas leases, subleases and other leaseholds described on **Exhibit A**, together with all amendments, supplements, renewals, extensions, top leases or ratifications thereof (collectively, the "Leases"), the royalties, net profit interests, production payments, and other interests, if any, owned by Assignor burdening the Leases, together with each and every kind and character of right, title, claim, and interest that Seller has in and to the lands covered by the Leases or the lands currently pooled, unitized, communitized or consolidated therewith (the "Lands").
- b. **Wells.** The oil and gas wells described on **Exhibit B**, whether producing, shut-in, or temporarily abandoned (the "Wells");
- c. **Hydrocarbons.** The oil, gas, casinghead gas, coalbed methane, condensate and other gaseous and liquid hydrocarbons or any combination thereof that may be produced from the Wells and the Lands covered by the Leases ("Hydrocarbons");
- d. **Pooling and Unitization Agreements.** The unitization, pooling and communitization agreements, declarations, orders ("Pooling Agreements"), and the units created thereby specifically relating to the Wells and to the production of Hydrocarbons from the Wells and Leases and Lands;
- e. **SWD Wells.** The water disposal or injection wells described on **Exhibit C** (the "SWD Wells");
- f. **Equipment.** All equipment, machinery, fixtures, casing, tubing, flow lines, gathering lines, facilities and other tangible personal property and improvements located on and used or held for use solely in connection with the operation of the Wells or the SWD Wells, excluding any computers, cell phones or vehicles (collectively, the "Equipment");

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- g. **Easements.** All surface leases, subsurface leases, rights-of-way, licenses, easements and other surface or subsurface rights agreements (“**Easements**”) used or held solely in connection with the exploration, development, production, gathering, treatment, processing, storing, sale or disposal of Hydrocarbons or produced water from the Wellbores or into the SWD Wells, including, but not limited to, those described on **Exhibit D**;
- h. **Records and Data.** All of the files, records, data and information relating to the items described in paragraphs a. through k. maintained by Assignor and/or its land brokers, including without limitation, the original Oil and Gas Leases and associated land records, copies of all lease files, land files, well files, gas and oil sales contract files, gas processing files, division order files, abstracts, title opinions, land surveys, logs, and maps, and to the extent transferable without payment of additional consideration (or if Buyer agrees to pay such additional consideration), other books, records, data, files, and accounting records, in each case to the extent related to the Wells or the SWD Wells, or used or held for use in connection with the maintenance or operation thereof, in each case, whether in paper or electronic form, (collectively, the “**Records**”); but excluding: (i) all information and data under contractual restrictions on assignment; and (ii) all information subject to an attorney/client privilege held by Assignor.
- i. **Contracts.** To the extent transferable without additional fee or payment (or if Buyer agrees to pay such additional fee or payment), all existing and effective sales and purchase contracts, operating agreements, exploration agreements, development agreements, farmout agreements, service agreements, transportation, processing, treatment and gathering agreements, equipment leases and other contracts, agreements and instruments, including the contracts described in **Exhibit E**, insofar as they directly relate to the Wells or the SWD Wells (“**Contracts**”) and *provided, however*, that “**Contracts**” shall not include the instruments constituting the Leases and Easements.
- j. **Permits.** To the extent transferable pursuant to applicable Law without additional fee or payment (or if Buyer agrees to pay such additional fee or payment), all governmental (whether federal, state or local) permits, licenses, authorizations, franchises, grants, easements, variances, exceptions, consents, certificates, approvals and related instruments or rights of any Governmental Entity or other third party, and any writ, judgment, decree, award, order, injunction or similar order, writ, ruling, directive or other requirement of any Governmental Entity (in each such case whether preliminary or final), required of Seller for the ownership, operation or use of the Wells or the SWD Wells (collectively, the “**Permits**”).

**TO HAVE AND TO HOLD the Assets unto Assignee and its successors and assigns forever.**

This Assignment is made and accepted expressly subject to the following terms and conditions:

1. This Assignment is being made pursuant to the terms of the Purchase and Sale Agreement dated August 28, 2015 between Source Energy MidCon, LLC, Assignor and Assignee (together with all amendments thereto, the "Agreement") and subject to the terms of the Joint Purchase Agreement dated October 12, 2015 between Assignor and Assignee. All capitalized terms used but not defined herein shall have the meanings given them in the Agreement. If there is a conflict between the terms of this Assignment and the terms of the Agreement, the terms of the Agreement shall control to the extent of the conflict. Assignor and Assignee intend that the terms of the Agreement remain separate and distinct from and not merge into the terms of this Assignment.

**2. ASSIGNOR WARRANTS TITLE TO THE ASSETS FROM AND AGAINST ALL PERSONS CLAIMING BY, THROUGH AND UNDER ASSIGNOR, BUT NOT OTHERWISE, AND EXCEPT FOR THAT WARRANTY, THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY.**

3. Assignor expressly disclaims and negates any warranty as to the condition of any personal property, equipment, fixtures and items of movable property comprising any part of the Assets, including (i) any implied or express warranty of merchantability, (ii) any implied or express warranty of fitness for a particular purpose, (iii) any implied or express warranty of conformity to models or samples of materials, (iv) any rights of Assignee under applicable statutes to claim diminution of consideration, and (v) any claim by Assignee for damages because of defects, whether known or unknown, it being expressly understood by Assignee that said personal property, fixtures, equipment and items are being conveyed to Assignee "as is, where is," with all faults and in their present condition and state of repair; provided, however, that nothing contained in this Assignment shall limit any of Assignor's indemnity obligations under the Agreement.

4. 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.

5. The parties shall execute such further documents and instruments and do any and all such further things as may be necessary to implement and carry out the assignment and transfer of ownership and operations of the Assets to Assignee, including without limitation executing and filing with the Kansas Corporation Commission any and all forms necessary to transfer operations of the Leases to Assignee under the regulations of the Kansas Corporation Commission.

6. Notwithstanding anything contained in this Assignment to the contrary, Assignor

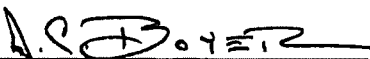
and Assignee may execute separate governmental form assignments of the Assets on officially approved forms, in sufficient counterparts to satisfy applicable statutory and regulatory requirements. Those assignments shall be deemed to contain all of the exceptions, reservations, warranties, rights, titles, 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 herein.

7. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns.


8. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute but one and the same instrument.

**EXECUTED** on the dates contained in the acknowledgments of this instrument, to be effective for all purposes as of the Effective Time.

**ASSIGNOR:**  
**Empire Energy (MidCon), LLC**

By:   
Name: ALLEN P. BOYER  
Title: SVP/COO

**ASSIGNEE:**  
**Directional Drilling Systems, LLC**

By:   
Name: Arthur S. Wilkinson  
Title: Manager

Acknowledgements

STATE OF COLORADO )  
 ) ss.  
COUNTY OF DOUGLAS )

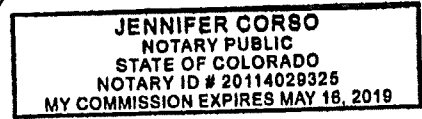
The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of October 2015 by Allen C. Boyer, as SUP/COO of Empire Energy (MidCon), LLC, a Delaware limited liability Company, on behalf of the company.

Witness my hand and official seal.

My commission expires: 5/16/2019

Jennifer Corso  
Notary Public, JCF

STATE OF Colorado )  
 ) ss.  
COUNTY OF Douglas )

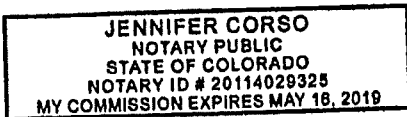


The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of October, 2015 by Arthur D. Wilkinson as Manager of Directional Drilling Systems, LLC, a Colorado limited liability company, on behalf of the company.

Witness my hand and official seal.

My commission expires: 5-16-2019

JCF  
Notary Public Jennifer Corso



Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance effective July 1, 2015 between Empire Energy (Midcon) LLC, as Assignor, and Directional Drilling Systems, LLC, as Assignee

| ST | County | Well ID | Well Name                | Operator                 | Well Spot                         | API Number        | GWL       | NRI       |
|----|--------|---------|--------------------------|--------------------------|-----------------------------------|-------------------|-----------|-----------|
| KS | BUTLER | 10075   | BUSENITZ 13-14-12-14H    | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 13: E2 SW SW SW    | 15015-239930100   | 1.0000000 | 0.8750000 |
| KS | BUTLER | 10097   | CHASE 17-12-31           | SOURCE ENERGY MIDCON LLC | T255 R4E, Sec. 17: NE NW SW NW    | 15-015-24038      | 1.0000000 | 0.8750000 |
| KS | BUTLER | 10086   | EVERLEY 12-44-1-43H      | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 12: SE SW SE SE    | 1501524010100     | 1.0000000 | 0.8535569 |
| KS | BUTLER | 10077   | FOULSTON 2-11-11-12H     | SOURCE ENERGY MIDCON LLC | T265 R3E, Sec. 2: E2 NW NW NW     | 15015239900100    | 1.0000000 | 0.8750000 |
| KS | BUTLER | 10062   | GOERING 10-14-10-11 H    | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 10: SW SW SW SW    | 15015-239880200   | 1.0000000 | 0.8000000 |
| KS | BUTLER | 10082   | GOERING 10-24-10-21H     | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 10: SW SE SW SE SW | 15015240050100    | 1.0000000 | 0.8000000 |
| KS | BUTLER | 10083   | J. FOULSTON 36-32-25-32H | SOURCE ENERGY MIDCON LLC | T245 R3E, Sec. 36: SE SW SW NE    | 15015240110100    | 1.0000000 | 0.8471000 |
| KS | BUTLER | 10089   | CHASE RANCH 5-21-8-21H   | SOURCE ENERGY MIDCON LLC | T255 R4E, Sec. 5: NW NW NE NW     | 15-015-24012-0100 | 1.0000000 | 0.8750000 |

Exhibit "C"  
 Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance effective July 1, 2015 between  
 Empire Energy (Midcon) LLC, as Assignor, and Directional Drilling Systems, LLC, as Assignee

| <u>ST</u> | <u>County</u> | <u>Well ID</u> | <u>Well Name</u>     | <u>Operator</u>          | <u>Well Spot</u>              | <u>API Number</u> | <u>GWI</u> | <u>NRI</u> |
|-----------|---------------|----------------|----------------------|--------------------------|-------------------------------|-------------------|------------|------------|
| KS        | BUTLER        | 10073          | FOULSTON 2-11 SWD    | SOURCE ENERGY MIDCON LLC | T26S R3E, Sec. 2: SE NW NW NW | 15015239920000    | 1.0000000  | 1.0000000  |
| KS        | BUTLER        | 10074          | SOURCE FEE 16-11 SWD | SOURCE ENERGY MIDCON LLC | T25S R3E, Sec. 16: NW NW NW   | 15015239890000    | 1.0000000  | 1.0000000  |





EMPIRE ENERGY (MidCon), LLC

Regional Office  
345 Riverview Street, Suite 540  
Wichita, KS 67203  
T: 316 313 4395  
F: 316 440 8644

Corporate Headquarters  
380 Southpointe Blvd. Suite 130  
Canonsburg, PA 15317  
T: 724 483 2070  
F: 724 485 2286

December 19<sup>th</sup>, 2017

Mr. Dennis Boyer  
US Energy Expl. Corp.  
237 South Water Street  
Rural Valley, PA 16249

Dear Mr. Boyer,

Effective as of December 14<sup>th</sup>, 2017, Empire Energy (MidCon), LLC has assigned and transferred operator status with the Kansas Corporation Commission to US Energy Expl. Corp., as described in the T1 (Request for Change of Operator) forms covering the following-described wells, located in Butler County, Kansas:

| Well Name and Number  | API Number         |
|-----------------------|--------------------|
| Busenitz 13-14-12-14H | 15-015-23993-01-01 |
| Chase 17-12-31        | 15-015-24038-00-00 |
| Everley 12-44-1-43H   | 15-015-24010-01-00 |
| Foulston 2-11-11-12H  | 15-015-23990-01-00 |
| Foulston 2-11 SWD     | 15-015-23992-00-00 |
| Goering 10-14-10-11 H | 15-015-23988-02-00 |
| Goering 10-24-10-21H  | 15-015-24005-01-00 |
| Source Fee 16-11 SWD  | 15-015-23989-00-00 |

Yours very truly,

J.A. Farthing  
Vice-President, Mid-Continent Region

Agreed to and accepted this 20<sup>th</sup> day of December 2017.

US Energy Expl. Corp.

By:   
Dennis Boyer  
President

ACKNOWLEDGMENT

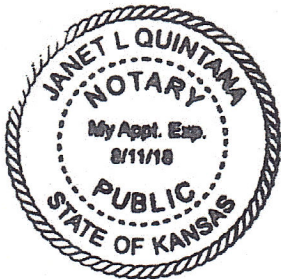
STATE OF Kansas )  
 ) ss.  
COUNTY OF Sedgwick )

This instrument was acknowledged before me on December 19th, 2017, by J.A. Farthing as Vice President, Mid-Continent Region of Empire Energy (MidCon), LLC, a Delaware limited liability company.

My commission expires: 8/11/2018

Janet L. Quintana  
Janet L. Quintana, Notary Public

Seal:



ACKNOWLEDGMENT

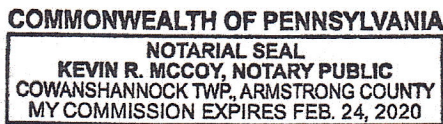
STATE OF Pennsylvania )  
 ) ss.  
COUNTY OF ARMSTRONG )

This instrument was acknowledged before me on December 20, 2017 by Dennis C. Boyer as President of US Energy Expl. Corp., a Pennsylvania corporation.

My commission expires: Feb 24, 2020

K R McCoy  
Notary Public

Seal:



**RE: Transfer of Operations  
Empire Energy-US Energy**

We previously submitted T1 Requests for Change of Operator for several wells and salt water disposal wells located in Butler County, Kansas. The transfer was from Empire to US Energy Exploration Corp. At the time of submission, we also submitted a form of Assignment dated December 19, 2017, indicating the assignment of operations from Empire Energy to US Energy. After review, there was a question about the submission and it was returned. US Energy's counsel has now discussed the matter with attorney Jon Myers with the KCC and furnished him additional information, including an Assignment, Bill of Sale and Conveyance. Mr. Myers asked that the T1's and Assignment dated December 19, 2017, be resubmitted for review, together with an explanation of the transaction and the additional Assignment, Bill of Sale and Conveyance. Those are all attached, or being filed through the KOLAR system. An explanation of US Energy's ownership and operating role is further discussed below.

US Energy acquired operating rights to the subject wells at the conclusion of a series of transactions and assignments. Source Energy Mid-Con was the previous owner of the wells covered by the Operator transfer requests, together with a number of undeveloped oil and gas leases in Butler County, Kansas, which were part of the transaction but are irrelevant for purposes of the operator change. In August 2015, Source, as seller, and Empire and Directional Drilling Systems, LLC, a Colorado limited liability company, as buyers, entered into a Purchase and Sale Agreement for the purpose of acquiring Source's wells and leases. For the agreed price, Source was to transfer a 60% working interest in wells and leases to Empire and 40% to Directional Drilling. The original closing was to take place in September 2015, but Empire requested an extension of closing and it was extended until September 30, 2015. In October a sort of "rolling closing" took place because Empire was still unable to complete its portion of the transaction. Nonetheless, the parties attempted to go as far as it could with closing by making assignments and postponing payment by Empire until February 2016. As part of the closing in October 2015, at that time Empire replaced Source as operator of the wells in question. Provision was also made that in the event Empire failed to close, Directional Drilling could purchase Empire's 60% interest or provide a substitute buyer. US Energy became that substitute buyer. After the closing in February 2016, it was agreed by US Energy and Directional Drilling that Empire would continue as operator because neither US Energy or Directional Drilling were Kansas licensed operators at the time.

Attached is the recorded Assignment, Bill of Sale and Conveyance from Directional Drilling to US Energy conveying 60% interest in the wells at issue here and the underlying leases and other property. Please note the description of "assets" includes the wells, leases and salt water disposal wells subject to the submitted T-1's.

US Energy, is qualified as a KCC operator and now wants to operate the wells and Empire does not want to continue operating. That is why this is being done.

US Energy's Kansas counsel, Gordon Stull, Pratt, Kansas, has been advised by Jon Myers that this additional information should be sufficient to allow the pending transfer of operations to take effect. US Energy understands that to completely have the right to take over operations, it will need to provide appropriate bond and surety coverages required by the KCC and will do so as soon as a determination has been made by the KCC to permit this transfer to take place.

Thank you for your consideration.

RTN: Stinson Leonard Street  
1625 N. Waterfront Pkwy, Ste 300  
Wichita, KS 67206

BUTLER COUNTY, KS  
REGISTER OF DEEDS  
Marcia McCoy

Book: 2016 Page: 2264

Receipt #: 109673

Total Fees: \$191.00

Pages Recorded: 17

Date Recorded: 3/31/2016 9:09:21 AM



### ASSIGNMENT, BILL OF SALE AND CONVEYANCE

THIS ASSIGNMENT, BILL OF SALE AND CONVEYANCE ("Assignment"), dated February 24, 2016, but effective July 1, 2015 (the "Effective Time" for the purposes of this Assignment), is from Directional Drilling Systems, LLC, a Colorado limited liability company, 5780 E. Ida Circle, Greenwood Village, Colorado 80111 ("Assignor"), and U.S. Energy Expl Corporation, a Pennsylvania corporation, P. O. Box 237, South Water Street, Rural Valley, PA 16249 ("Assignee").

For \$100.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, transfers, grants, bargains, and conveys to Assignee an undivided sixty percent (60%) interest in and to the real and personal property interest set forth in paragraphs a. through j., below (all of which are called the "Assets"):

- a. **Leases and Lands.** The oil and gas leases, subleases and other leaseholds described on Exhibit A, together with all amendments, supplements, renewals, extensions, top leases or ratifications thereof (collectively, the "Leases"), the royalties, net profit interests, production payments, and other interests, if any, owned by Assignor burdening the Leases, together with each and every kind and character of right, title, claim, and interest that Seller has in and to the lands covered by the Leases or the lands currently pooled, unitized, communitized or consolidated therewith (the "Lands").
- b. **Wells.** The oil and gas wells described on Exhibit B, whether producing, shut-in, or temporarily abandoned (the "Wells");
- c. **Hydrocarbons.** The oil, gas, casinghead gas, coalbed methane, condensate and other gaseous and liquid hydrocarbons or any combination thereof that may be produced from the Wells and the Lands covered by the Leases ("Hydrocarbons");
- d. **Pooling and Unitization Agreements.** The unitization, pooling and communitization agreements, declarations, orders ("Pooling Agreements"), and the units created thereby specifically relating to the Wells and to the production of Hydrocarbons from the Wells and Leases and Lands;
- e. **SWD Wells.** The water disposal or injection wells described on Exhibit C (the "SWD Wells");
- f. **Equipment.** All equipment, machinery, fixtures, casing, tubing, flow lines, gathering lines, facilities and other tangible personal property and improvements located on and used or held for use solely in connection with the operation of the Wells or the SWD Wells, excluding any computers, cell phones or vehicles (collectively, the "Equipment");
- g. **Easements.** All surface leases, subsurface leases, rights-of-way, licenses, easements and other surface or subsurface rights agreements ("Easements") used or held solely in connection with the exploration, development, production, gathering, treatment, processing, storing, sale or disposal of Hydrocarbons or produced water from the Wellbores or into the SWD Wells, including, but not limited to, those described on Exhibit D;
- h. **Records and Data.** All of the files, records, data and information relating to the items described in paragraphs a. through k. maintained by Assignor and/or its land brokers, including without limitation, the original Oil and Gas Leases

REC 1  
COMP 11  
NUM 112

and associated land records, copies of all lease files, land files, well files, gas and oil sales contract files, gas processing files, division order files, abstracts, title opinions, land surveys, logs, and maps, and to the extent transferable without payment of additional consideration (or if Buyer agrees to pay such additional consideration), other books, records, data, files, and accounting records, in each case to the extent related to the Wells or the SWD Wells, or used or held for use in connection with the maintenance or operation thereof, in each case, whether in paper or electronic form, (collectively, the "Records"); but excluding: (i) all information and data under contractual restrictions on assignment; and (ii) all information subject to an attorney/client privilege held by Assignor.

- l. Contracts.** To the extent transferable without additional fee or payment (or if Buyer agrees to pay such additional fee or payment), all existing and effective sales and purchase contracts, operating agreements, exploration agreements, development agreements, farmout agreements, service agreements, transportation, processing, treatment and gathering agreements, equipment leases and other contracts, agreements and instruments, including the contracts described in Exhibit E, insofar as they directly relate to the Wells or the SWD Wells ("Contracts") and *provided, however*, that "Contracts" shall not include the instruments constituting the Leases and Easements.
- j. Permits.** To the extent transferable pursuant to applicable Law without additional fee or payment (or if Buyer agrees to pay such additional fee or payment), all governmental (whether federal, state or local) permits, licenses, authorizations, franchises, grants, easements, variances, exceptions, consents, certificates, approvals and related instruments or rights of any Governmental Entity or other third party, and any writ, judgment, decree, award, order, injunction or similar order, writ, ruling, directive or other requirement of any Governmental Entity (in each such case whether preliminary or final), required of Seller for the ownership, operation or use of the Wells or the SWD Wells (collectively, the "Permits").

**TO HAVE AND TO HOLD** the Assets unto Assignee and its successors and assigns forever.

This Assignment is made and accepted expressly subject to the following terms and conditions:

1. This Assignment is being made pursuant to the terms of the Purchase and Sale Agreement dated August 28, 2015 between Source Energy MidCon, LLC, Assignor and Assignee, as amended on September 17, 2015, October 12, 2015, and December 31, 2015 (the "Agreement"). All capitalized terms used but not defined herein shall have the meanings given them in the Agreement. If there is a conflict between the terms of this Assignment and the terms of the Agreement, the terms of the Agreement shall control to the extent of the conflict. Assignor and Assignee intend that the terms of the Agreement remain separate and distinct from and not merge into the terms of this Assignment.

2. **ASSIGNOR WARRANTS TITLE TO THE ASSETS FROM AND AGAINST ALL PERSONS CLAIMING BY, THROUGH AND UNDER ASSIGNOR, BUT NOT OTHERWISE, AND EXCEPT FOR THAT WARRANTY, THIS ASSIGNMENT IS MADE WITHOUT WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY.**

3. Assignor expressly disclaims and negates any warranty as to the condition of any personal property, equipment, fixtures and items of movable property comprising any part of the Assets, including (i) any implied or express warranty of merchantability, (ii) any implied or express warranty of fitness for a particular purpose, (iii) any implied or express warranty of conformity to models or samples of materials, (iv) any rights of Assignee under applicable statutes to claim diminution of consideration, and (v) any claim by Assignee for damages because of defects, whether known or unknown, it being expressly understood by

Assignee that said personal property, fixtures, equipment and items are being conveyed to Assignee "as is, where is," with all faults and in their present condition and state of repair; provided, however, that nothing contained in this Assignment shall limit any of Assignor's indemnity obligations under the Agreement.

4. 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.

5. The parties shall execute such further documents and instruments and do any and all such further things as may be necessary to implement and carry out the assignment and transfer of ownership and operations of the Assets to Assignee, including without limitation executing and filing with the Kansas Corporation Commission any and all forms necessary to transfer operations of the Leases to Assignee under the regulations of the Kansas Corporation Commission.

6. Notwithstanding anything contained in this Assignment to the contrary, Assignor and Assignee may execute separate governmental form assignments of the Assets on officially approved forms, 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 herein.

7. This Assignment binds and inures to the benefit of Assignor and Assignee and their respective successors and assigns.

8. This Assignment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute but one and the same instrument.

EXECUTED on the dates contained in the acknowledgments of this instrument, to be effective for all purposes as of the Effective Time.

ASSIGNOR:  
Directional Drilling Systems, LLC

By: H. Lewis  
Name: Hiram W. Lewis  
Title: Manager of Oil & Gas Operations

ASSIGNEE:  
U. S. Energy Expl Corporation

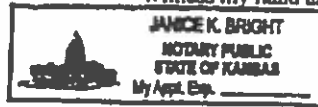
By: D. C. Boyer  
Name: Dennis C. Boyer  
Title: President

Acknowledgements

STATE OF KANSAS        )  
                                  ) ss.  
COUNTY OF SEDGWICK )

The foregoing instrument was acknowledged before me this 20<sup>th</sup> day of FEBRUARY 2016, by Hiram W. Lewis, as Manager of Oil & Gas Operations for Directional Drilling Systems, LLC, a Colorado limited liability Company, on behalf of the company.

Witness my hand and official seal.



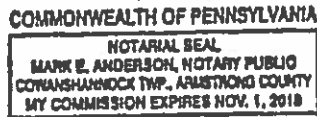
Janice K. Bright  
Notary Public, \_\_\_\_\_

My commission expires:  
3-26-17

STATE OF Pennsylvania )  
                                  ) ss.  
COUNTY OF Armstrong )

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of March, 2016, by Dennis C. Boyer as President of U.S. Energy Expl Corporation, a Pennsylvania corporation, on behalf of the company.

Witness my hand and official seal.



Mark E. Anderson  
Notary Public \_\_\_\_\_

My commission expires:  
11-1-18



**Exhibit A – The Leases and Lands**  
**Exhibit B – The Wells**  
**Exhibit C – SWD Wells**  
**Exhibit D – The Easements**  
**Exhibit E – The Contracts**

Attached to and made a part of the certain Assignment, Bid of Sale and Correspondence, effective July 1, 2013 between Directional Drilling Systems, LLC, as Assignor, and U.S. Energy East Corporation, as Assignee

**Lottery "A"**

| County | Lottery | Tract | Owner   | Legal Description  | Acres | Year |
|--------|---------|-------|---|--|-------|------|
| KS     | BUTLER  | 2144  | 1795 FIRST UNITED METHODIST CHURCH OF POTWOM KS   | 4/23/2013 T215-A1K<br>SEC 36: 1/6S ACS 1/4L, NW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2157  | 1680 FORECAST JACOBS TRUST DATED 11/12/1996   | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2159  | 1851 FORECAST JACOBS TRUST DATED 11/12/1996   | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2117  | 1461 JOHN E BIRNIE  | 4/14/2013 T215-A1K<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2734  | 1811 WINDMILL JACOBS TRUST DATED 11/12/1996   | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2735  | 1860 WINDMILL JACOBS TRUST DATED 11/12/1996   | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2717  | 3124 STANLEY D. BENTZ, A SINGLE FEMALE, AND WALTER B. BENTZ AND WYONMA L BENTZ, TRUSTEES OF BOTH THE WALTER B. BENTZ TRUST DATED 6/25/92 AND THE WYONMA L BENTZ TRUST DATED 6/25/92 | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2761  | 3124 STANLEY D. BENTZ, A SINGLE MALE, TRUSTEE OF THE WALTER B. BENTZ TRUST DATED 6/25/92  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2762  | 3125 STANLEY D. BENTZ, A SINGLE MALE, TRUSTEE OF THE WALTER B. BENTZ TRUST DATED 6/25/92  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2763  | 3126 WALTER B. BENTZ AND WYONMA L BENTZ, TRUSTEES OF BOTH THE WALTER B. BENTZ TRUST DATED 6/25/92 AND THE WYONMA L BENTZ TRUST DATED 6/25/92  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2764  | 3128 WALTER B. BENTZ AND WYONMA L BENTZ, TRUSTEES OF BOTH THE WALTER B. BENTZ TRUST DATED 6/25/92 AND THE WYONMA L BENTZ TRUST DATED 6/25/92  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2797  | 3135 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2798  | 3136 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2799  | 3137 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2792  | 3138 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2791  | 3139 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2793  | 3140 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2794  | 3141 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2795  | 3142 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2796  | 3143 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2797  | 3144 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2798  | 3145 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2799  | 3146 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2792  | 3147 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2793  | 3148 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2794  | 3149 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2795  | 3150 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2796  | 3151 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2797  | 3152 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2798  | 3153 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |
| KS     | BUTLER  | 2799  | 3154 CHASE BANCK, LP, A KANSAS LIMITED PARTNERSHIP, BY AQUILA ACCEL, INC., GENERAL PARTNER BY RICHARD CHASE, PRESIDENT  | 3/19/2013 T215-A1E<br>SEC 32: 1/6S ACS 1/4L, SW/4<br>BUTLER COUNTY, KS | 2013  | 2014 |

Attached to and made a part of that certain Application of Sale and Conveyance effective July 1, 2015 between Dimensional Drilling Systems, LLC, as Seller, and U.S. Energy Life Corporation, as Assignee

| Tract Number   | Tract Name  | Tract Description | Acres                | Legal Description | Record Date  | Record Number |
|----------------|---|-------------------|----------------------|-------------------|--|---------------|
| 03 BUTLER 2971 | GENERAL PARTNER BY EDWARD CHASE, PRESIDENT CHASE BANK OF A BANKS LIMITED PARTNERSHIP, BY AQUILA ACRES, INC. | 3184              | COMOHO LAND CO., LLC | 5/7/2013          | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2014 0506     |
| 03 BUTLER 2972 | GENERAL PARTNER BY EDWARD CHASE, PRESIDENT CHASE BANK OF A BANKS LIMITED PARTNERSHIP, BY AQUILA ACRES, INC. | 3187              | COMOHO LAND CO., LLC | 5/7/2013          | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2014 0506     |
| 03 BUTLER 2973 | GENERAL PARTNER BY EDWARD CHASE, PRESIDENT CHASE BANK OF A BANKS LIMITED PARTNERSHIP, BY AQUILA ACRES, INC. | 3188              | COMOHO LAND CO., LLC | 5/7/2013          | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2014 0506     |
| 03 BUTLER 2976 | GENERAL PARTNER BY EDWARD CHASE, PRESIDENT CHASE BANK OF A BANKS LIMITED PARTNERSHIP, BY AQUILA ACRES, INC. | 2847              | COMOHO LAND CO., LLC | 5/7/2013          | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2014 0506     |
| 03 BUTLER 2979 | RONALD S. TAMMER AND TANYA N. TAMMER, HUSBAND AND WIFE  | 2886              | COMOHO LAND CO., LLC | 5/15/2013         | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2013 0150     |
| 03 BUTLER 3000 | JOHN L. FOUSTON AND MEGGY N. FOUSTON, HUSBAND AND WIFE  | 2887              | COMOHO LAND CO., LLC | 5/15/2013         | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2013 0151     |
| 03 BUTLER 3004 | CHRISTIE A. FOUSTON AS TRUSTEE OF THE FOUSTON FAMILY TRUST  | 2891              | COMOHO LAND CO., LLC | 5/15/2013         | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2013 0849     |
| 03 BUTLER 3004 | CHRISTIE A. FOUSTON AS TRUSTEE OF THE FOUSTON FAMILY TRUST  | 2891              | COMOHO LAND CO., LLC | 5/15/2013         | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2013 0849     |
| 03 BUTLER 3005 | LEE BANKS, A SINGLE MAN   | 2879              | COMOHO LAND CO., LLC | 5/7/2013          | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2013 0597     |
| 03 BUTLER 3066 | JAMES L. DIXIELEY AND FRIDA H. DIXIELEY, HUSBAND AND WIFE   | 2882              | COMOHO LAND CO., LLC | 11/7/2013         | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2013 1364     |
| 03 BUTLER 3071 | BARRY T. CLAASSEN A SINGLE MAN  | 2885              | COMOHO LAND CO., LLC | 11/7/2013         | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2013 15491    |
| 03 BUTLER 3071 | BARRY T. CLAASSEN A SINGLE MAN  | 2885              | COMOHO LAND CO., LLC | 11/7/2013         | 7355-A&E, 6TH PM SEC. 18W/4 N/24 S/4 LOT 3 (28.17) AND LOT 4 (28.61) | 2013 15491    |

Attached to and made a part of that certain Assignment, Sale of Side and Cornerpiece effective July 1, 2015  
between Devonian Drilling Systems, LLC, as Assignor, and U.S. Energy Corp. as Assignee

Exhibit "A"

| ES             | Owner   | Local Lease | Lessee               | Legal Description | Block | Corner |
|----------------|---|-------------|----------------------|-------------------|-------|--------|
| ES BUTLER 2073 | 3476 BRADY T. CLAASSEN A SINGLE LADY  |             | COMCHO LAND CO., LLC |                   | 2013  | 13491  |
| ES BUTLER 2073 | 3153 JAMIE G. CHAPMAN, NOW ANDERSON, TRUSTEE OF THE RYAN J TRUST, DATED 21-Sep-95 |             | COMCHO LAND CO., LLC |                   | 2013  | 13704  |
| ES BUTLER 2075 | 3172 JAMIE G. CHAPMAN, NOW ANDERSON, TRUSTEE OF THE RYAN J TRUST, DATED 21-Sep-95 |             | COMCHO LAND CO., LLC |                   | 2013  | 13704  |
| ES BUTLER 2075 | 3063 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE                    |             | COMCHO LAND CO., LLC |                   | 2013  | 13140  |
| ES BUTLER 2075 | 3064 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE                    |             | COMCHO LAND CO., LLC |                   | 2013  | 13140  |
| ES BUTLER 2075 | 3173 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE                    |             | COMCHO LAND CO., LLC |                   | 2013  | 13140  |
| ES BUTLER 2075 | 3147 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE                    |             | COMCHO LAND CO., LLC |                   | 2013  | 13140  |
| ES BUTLER 2075 | 3149 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE                    |             | COMCHO LAND CO., LLC |                   | 2013  | 13140  |
| ES BUTLER 2075 | 3150 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE                    |             | COMCHO LAND CO., LLC |                   | 2013  | 13140  |
| ES BUTLER 2075 | 3075 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE                    |             | COMCHO LAND CO., LLC |                   | 2013  | 13140  |
| ES BUTLER 2080 | 3064 KECOLE EMM BUSEWITZ AND JAMIE ANN BUSEWITZ, HUSBAND AND WIFE                 |             | COMCHO LAND CO., LLC |                   | 2013  | 14650  |

Attached to and made a part of that certain Assignment of Sale and Conveyance effective July 1, 2015 between Devonian Drilling Systems, LLC et al., and U.S. Energy Fuel Corporation, as Assignee

| ES | County | Land | Lessee   | Legal Description    | Parcel | Case  |
|----|--------|------|--|----------------------|--------|-------|
| ES | BUTLER | 3000 | 3675 JEROME KEITH BUSENITZ AND HARRY ANN BUSENITZ, HUSBAND AND WIFE  | COMCHO LAND CO., LLC | 2013   | 18650 |
| ES | BUTLER | 3108 | 3180 JOHN J. CHAPMAN, A SINGLE MAN   | COMCHO LAND CO., LLC | 2013   | 14718 |
| ES | BUTLER | 3130 | 3173 BARBARA P. NORRIS, TRUSTEE OF THE ELMH L. NORRIS TRUST AND BARBARA P. NORRIS, TRUSTEE OF THE ELMH L. NORRIS TRUST | COMCHO LAND CO., LLC | 2013   | 16594 |
| ES | BUTLER | 3112 | 3361 CATHERINE WAINWATER AND CATHERINE WAINWATER, A SINGLE PERSON  | COMCHO LAND CO., LLC | 2013   | 18505 |
| ES | BUTLER | 3183 | 3171 BERRY L. FARMER AND RUTH S. FARMER, CO-TRUSTEES OF THE BERRY L. FARMER AND RUTH S. FARMER TRUST                   | COMCHO LAND CO., LLC | 2013   | 15445 |
| ES | BUTLER | 3300 | 3144 RAY STARNACE AND NORTH A. STARNACE, HUSBAND AND WIFE  | COMCHO LAND CO., LLC | 2013   | 19337 |
| ES | BUTLER | 3302 | 3179 JOHN B. GELACH AND SHARLE GELACH, HUSBAND AND WIFE  | COMCHO LAND CO., LLC | 2013   | 18791 |
| ES | BUTLER | 3211 | 3129 JAMES B. WHITTREDEZ AND DOOROTHY L. WHITTREDEZ, HUSBAND AND WIFE  | COMCHO LAND CO., LLC | 2013   | 17298 |
| ES | BUTLER | 3222 | 3140 ROY W. GUNDRISON AND TINA W. GUNDRISON, HUSBAND AND WIFE  | COMCHO LAND CO., LLC | 2013   | 16641 |
| ES | BUTLER | 3277 | 3123 ROY W. GUNDRISON AND TINA W. GUNDRISON, HUSBAND AND WIFE  | COMCHO LAND CO., LLC | 2013   | 16641 |
| ES | BUTLER | 3227 | 3171 ROY W. GUNDRISON AND TINA W. GUNDRISON, HUSBAND AND WIFE  | COMCHO LAND CO., LLC | 2013   | 16641 |
| ES | BUTLER | 3230 | 3205 THE POTOMAC LAND AND CATTLE COMPANY, INC  | COMCHO LAND CO., LLC | 2013   | 17954 |
| ES | BUTLER | 3230 | 3208 THE POTOMAC LAND AND CATTLE COMPANY, INC  | COMCHO LAND CO., LLC | 2013   | 17954 |
| ES | BUTLER | 3230 | 3259 THE POTOMAC LAND AND CATTLE COMPANY, INC  | COMCHO LAND CO., LLC | 2013   | 17954 |

Exhibit "A"  
Attached to and made a part of Dual Certain Assignments, Bill of Sale and Conveyance effective July 1, 2013  
between Directional Drilling Systems, LLC, as Assignor, and U.S. Energy Land Corporation, as Assignee

| IT SOURCE LAND | TRUST NAME  | LEGAL DESCRIPTION   | CONCHO LAND CO., LLC | 2013 | 2013  |
|----------------|---|---|----------------------|------|-------|
| CS BUTLER 3100 | 2000 THE POTWAIN LAND AND CATTLE COMPANY, INC.                                    | 09 MINUTES EAST A DISTANCE OF 200 FEET, THENCE SOUTH 81 DEGREES 30 MINUTES EAST A DISTANCE OF 462.7 FEET, THENCE SOUTH 81 DEGREES 20 MINUTES EAST A DISTANCE OF 501 FEET, THENCE SOUTH 81 DEGREES 19 MINUTES EAST TO A POINT 464.1 FEET SOUTH OF THE CORNER, THENCE NORTH 00 DEGREES 17 MINUTES WEST ALONG THE EAST LINE TO THE SOUTHERLY POINT OF WAY LINE OF THE MISSOURI PACIFIC RAILROAD, THENCE NORTHWESTERLY ALONG SAID POINT OF WAY LINE TO THE NORTH LINE, THENCE NORTH 89 DEGREES 39 MINUTES WEST TO THE PLACE OF BEGINNING. |                      | 2013 | 17914 |
| CS BUTLER 3100 | 2006 THE POTWAIN LAND AND CATTLE COMPANY, INC.                                    | ALSO THE CORNER, LLS AND EXCEPT THE WEST 205 FEET THEREOF   |                      | 2013 | 17914 |
| CS BUTLER 3100 | 2007 THE POTWAIN LAND AND CATTLE COMPANY, INC.                                    | ALSO LLS AND EXCEPT THE REMAINING, ALSO LLS AND EXCEPT THE S4 4000000000  |                      | 2013 | 17914 |
| CS BUTLER 3100 | 2011 THE POTWAIN LAND AND CATTLE COMPANY, INC.                                    | 724.94' TO POINT OF BEGINNING   |                      | 2013 | 17914 |
| CS BUTLER 3100 | 2015 THE POTWAIN LAND AND CATTLE COMPANY, INC.                                    | 724.94' TO POINT OF BEGINNING   |                      | 2013 | 17914 |
| CS BUTLER 3101 | ALLEN L. MORGAN AND TERESA L. MORGAN AN/YA TERESA MORGAN, HUSBAND AND WIFE        | THE NCE NORTH 15 0000, THENCE WEST 36 0000 TO THE POINT OF BEGINNING, SECTION 30-36-000, THENCE SOUTH 89 DEGREES 45 MINUTES 43 SECONDS WEST A DISTANCE OF 1331.1 FEET, THENCE NORTH 00 DEGREES 45 MINUTES 30 SECONDS WEST A DISTANCE OF 1312.8 FEET, THENCE NORTH 00 DEGREES 46 MINUTES 43 SECONDS EAST A DISTANCE OF 1315.33 FEET, THENCE SOUTH 00 DEGREES 50 MINUTES 13 SECONDS EAST A DISTANCE OF 1312.8 FEET TO THE POINT OF BEGINNING  |                      | 2013 | 17914 |
| CS BUTLER 3104 | 3110 PAUL B. JARROW AND MARIELE M. JARROW, HUSBAND AND WIFE                       | 35. THE NCE NORTH ALONG THE WEST LINE OF SECTION 25, 200.00 FEET, THE NCE EAST AND PARALLEL TO THE SOUTH LINE OF SAID SECTION 25, 200.00 FEET, THENCE SOUTH AND PARALLEL TO THE WEST LINE OF SAID SECTION 25, 200.00 FEET TO THE SOUTH LINE OF THE SECTION, THENCE WEST 700.00 FEET TO THE POINT OF BEGINNING   |                      | 2013 | 17914 |
| CS BUTLER 3201 | 3177 JAMES L. FOULSTON AND TAMARA K. FOULSTON, HUSBAND AND WIFE                   | 1/4, SAID POINT OF BEGINNING 206.00 FEET NORTH OF THE SW/4 CORNER, THENCE CONTINUING NORTH ALONG THE WEST LINE OF SAID QUARTER QUARTER, A DISTANCE OF 408 FEET, THENCE EAST PERPENDICULAR TO SAID WEST LINE, A DISTANCE OF 500 FEET, THENCE SOUTH PARALLEL WITH SAID WEST LINE, A DISTANCE OF 416 FEET, THENCE WEST 500 FEET TO THE POINT OF BEGINNING  |                      | 2013 | 20646 |
| CS BUTLER 3201 | 3181 DWIGHT A. BUSEWITZ AND DWAYNE L. BUSEWITZ, HUSBAND AND WIFE AS JOINT TENANTS | 1/4, SAID POINT OF BEGINNING 206.00 FEET NORTH OF THE SW/4 CORNER, THENCE CONTINUING NORTH ALONG THE WEST LINE OF SAID QUARTER QUARTER, A DISTANCE OF 408 FEET, THENCE EAST PERPENDICULAR TO SAID WEST LINE, A DISTANCE OF 500 FEET, THENCE SOUTH PARALLEL WITH SAID WEST LINE, A DISTANCE OF 416 FEET, THENCE WEST 500 FEET TO THE POINT OF BEGINNING  |                      | 2013 | 20646 |
| CS BUTLER 3201 | 3184 DWIGHT A. BUSEWITZ AND DWAYNE L. BUSEWITZ, HUSBAND AND WIFE AS JOINT TENANTS | 1/4, SAID POINT OF BEGINNING 206.00 FEET NORTH OF THE SW/4 CORNER, THENCE CONTINUING NORTH ALONG THE WEST LINE OF SAID QUARTER QUARTER, A DISTANCE OF 408 FEET, THENCE EAST PERPENDICULAR TO SAID WEST LINE, A DISTANCE OF 500 FEET, THENCE SOUTH PARALLEL WITH SAID WEST LINE, A DISTANCE OF 416 FEET, THENCE WEST 500 FEET TO THE POINT OF BEGINNING  |                      | 2013 | 20646 |
| CS BUTLER 3117 | 3551 CYNTHIA D. SULLIVAN AND DAVID L. SULLIVAN, HUSBAND AND WIFE                  | SECTION 25 EAST A DISTANCE OF 1313.54 FEET TO THE POINT OF BEGINNING  |                      | 2013 | 20646 |

Appended to and made a part of that certain plat of Sale and Conveyance effective July 1, 2015 between Devonwood Drilling Systems, LLC, as a

and U.S. Energy Capital Corporation, as Assignee

Source

Owner

Source

Book

Page

Section

Source

Description

| Book | Page  | Section | Source   | Description  |
|------|-------|---------|--|--|
| 2011 | 28613 |         | LUKE STANNA D. SULLIVAN AND DARWIN C. SULLIVAN, HUSBAND AND WIFE   | OF THE CENTER LINE OF THE WHITEWATER RIVER AND EAST OF THE CENTER OF THE WEST BRANCH OF THE WHITEWATER RIVER IN A NORTH AND SOUTH DIRECTION, SAID WATERCOURSE BEING LOCATED AT ITS SOUTH END AT WHITEWATER RIVER BUTLER COUNTY, KS   |
| 2011 | 28616 |         | LUKE STANNA D. SULLIVAN AND DARWIN C. SULLIVAN, HUSBAND AND WIFE   | SEC 12: 160 ACES MORE OR LESS THE E/4 N/4 BUTLER COUNTY, KS  |
| 2011 | 28616 |         | LUKE STANNA D. SULLIVAN AND DARWIN C. SULLIVAN, HUSBAND AND WIFE   | SEC 11: 769 ACES MORE OR LESS & EXCEPT, ALL THAT PART (WITH NORTH) OF THE CENTER LINE OF THE WHITEWATER RIVER AND EAST OF THE CENTER OF THE WEST BRANCH OF THE WHITEWATER RIVER AS DESCRIBED IN A NORTH AND SOUTH DIRECTION, SAID WATERCOURSE BEING LOCATED AT ITS SOUTH END AT WHITEWATER RIVER BUTLER COUNTY, KS |
| 2011 | 28616 |         | LUKE STANNA D. SULLIVAN AND DARWIN C. SULLIVAN, HUSBAND AND WIFE   | SEC 12: 160 ACES MORE OR LESS THE E/4 N/4 BUTLER COUNTY, KS  |
| 2011 | 1995  |         | ROBERT J. BRIDGEMAN, JR. AND C. DEANNA BRIDGEMAN, HUSBAND AND WIFE | SEC 12: 160 ACES MORE OR LESS THE E/4 N/4 BUTLER COUNTY, KS  |
| 2014 | 1432  |         | THOMAS HARRIS AND CATHERINE A. RICE, HUSBAND AND WIFE              | SEC 12: 160 ACES MORE OR LESS THE E/4 N/4 BUTLER COUNTY, KS  |
| 2014 | 1611  |         | THOMAS HARRIS AND CATHERINE A. RICE, HUSBAND AND WIFE              | SEC 12: 160 ACES MORE OR LESS THE E/4 N/4 BUTLER COUNTY, KS  |
| 2014 | 2606  |         | TRACY J. SWANSON, A SINGLE PERSON                                  | SEC 12: 160 ACES MORE OR LESS THE E/4 N/4 BUTLER COUNTY, KS  |

Exhibit "A"  
Attached to and made a part of our certain Assignment, Bill of Sale and Conveyance, effective July 1, 2015  
between Directional Drilling Systems, LLC, H. Adams, and U.S. Energy Fuel Corporation, as Assignee  
James Dale Lusk, Beneficiary

| CS | County | Lease | Tract | Lease   | Source                   | Energy   | Section | Foot | Page |
|----|--------|-------|-------|---|--------------------------|--|---------|------|------|
| CS | BUTLER | 1450  | 3701  | DOHMA JALEA TERRELL A WIDOW   | SOURCE ENERGY WOODCO LLC | 1723.50 FEET TO THE POINT OF BEGINNING;<br>1756-ALBY SEC 2: BEGINNING AT A POINT THAT IS 82.45 FEET SOUTH AND 400 FEET WEST OF THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER, THENCE WEST 78.75 FEET; THENCE NORTH AND PARALLEL TO THE EAST LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 121.5 FEET, MORE OR LESS TO THE CENTER LINE OF THE WHITWATER RIVER; THENCE ALONG THE CENTER LINE OF SAID RIVER TO A POINT THAT IS 417.89 FEET NORTH AND 84.3 FEET EAST OF THE POINT OF BEGINNING; THENCE SOUTHWESTERLY 245.87 FEET TO A POINT THAT IS 181.97 FEET NORTH OF THE POINT OF BEGINNING; THENCE DISTRICTING LEFT 16 OF SECTION 2, TOWNSHIP 25 SOUTH, RANGE 04 EAST  | 2014    | 2508 |      |
| CS | BUTLER | 4583  | 4823  | STIVE L WESTERLOAD AND EAREN L WESTERLOAD, HUSBAND AND WIFE   | SOURCE ENERGY WOODCO LLC | 1723-ALBY SEC 2: THAT PART OF THE EAST HALF OF THE NORTHEAST QUARTER AND THE EAST HALF OF THE SOUTHWEST QUARTER LYING NORTH OF THE CENTERLINE OF THE WEST BRANCH OF THE WHITWATER RIVER DESCRIBED AS FOLLOWS: BEGINNING AT THE NORTHEAST CORNER OF THE E7/4 ME/4 OF SECTION 2, TOWNSHIP 24 SOUTH, RANGE 3 EAST, THENCE SOUTH 2467.87 FEET TO THE SOUTHWEST CORNER OF THE E7/4 ME/4 SAID SECTION 2, THENCE CONTINUING SOUTH ON THE EAST LINE OF THE E7/4 ME/4 SAID SECTION 2 A DISTANCE OF 592.45 FEET TO THE CENTERLINE OF THE WEST BRANCH OF THE WHITWATER RIVER, THENCE WESTERLY AND NORTHERLY ALONG SAID CENTERLINE TO ITS INTERSECTION WITH THE WEST LINE OF THE E7/4 ME/4 SAID SECTION 2, THENCE NORTH ALONG THE WEST LINE OF SAID E7/4 ME/4 AND THE E7/4 ME/4 A DISTANCE OF 2025.06 FEET TO THE POINT OF BEGINNING;<br>1753-ALBY SEC 2: THENCE EAST 1320.76 FEET TO THE POINT OF BEGINNING;<br>1754-ALBY SEC 2: THENCE EAST ON THE NORTHWEST CORNER OF THE E7/4 ME/4 NORTHEAST QUARTER OF SECTION 2, TOWNSHIP 24 SOUTH, RANGE 3 EAST OF THE E7/4 ME/4; THENCE EAST ON THE NORTH LINE OF SAID EAST HALF OF THE NORTHEAST QUARTER A DISTANCE OF 330.00 FEET; THENCE SOUTH 190.00 FEET; THENCE WEST 310.00 FEET TO THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER; THENCE NORTH 190.00 FEET TO THE POINT OF BEGINNING;<br>1755-ALBY SEC 2: BEGINNING AT A POINT THAT IS 92.45 FEET SOUTH AND 400 FEET WEST OF THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER, THENCE WEST 78.75 FEET; THENCE NORTH AND PARALLEL TO THE EAST LINE OF SAID SOUTHEAST QUARTER A DISTANCE OF 121.5 FEET, MORE OR LESS TO THE CENTER LINE OF THE WHITWATER RIVER; THENCE ALONG THE CENTER LINE OF SAID RIVER TO A POINT THAT IS 412.89 FEET NORTH AND 84.3 FEET EAST OF THE POINT OF BEGINNING; THENCE SOUTHWESTERLY 245.87 FEET TO A POINT THAT IS 181.97 FEET NORTH OF THE POINT OF BEGINNING; THENCE DISTRICTING LEFT 16 OF SECTION 2, TOWNSHIP 25 SOUTH, RANGE 04 EAST | 2014    | 2018 |      |
| CS | BUTLER | 4186  | 4823  | STIVE L WESTERLOAD AND EAREN L WESTERLOAD, HUSBAND AND WIFE   | SOURCE ENERGY WOODCO LLC | TOWNSHIP 25 SOUTH, RANGE 3 EAST, THENCE EAST ON THE NORTH LINE OF SAID E7/4 ME/4 A DISTANCE OF 330.76 FEET; THENCE WEST 330.76 FEET TO THE WEST LINE OF SAID E7/4 ME/4; THENCE NORTH 700 FEET TO THE POINT OF BEGINNING;<br>1755-ALBY SEC 2: BEGINNING AT THE NW CORNER OF THE E7/4 ME/4 OF SECTION 2, TOWNSHIP 24 SOUTH, RANGE 3 EAST, THENCE EAST ON THE NORTH LINE OF SAID E7/4 ME/4 A DISTANCE OF 330.76 FEET; THENCE WEST 330.76 FEET TO THE WEST LINE OF SAID E7/4 ME/4; THENCE NORTH 700 FEET TO THE POINT OF BEGINNING;<br>1756-ALBY SEC 2: A TRACT IN THE SOUTHWEST QUARTER DESCRIBED AS COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER, THENCE SOUTHWESTERLY ALONG THE EAST LINE OF THE SOUTHWEST QUARTER 811.45 FEET; THENCE S90 DEGREES W 420.00 FEET TO BEYOND POINT 1; THENCE S90 DEGREES W 74.55 FEET; THENCE N60 DEGREES E PARALLEL WITH THE EAST LINE OF THE SOUTHWEST QUARTER, 377.76 FEET TO THE POINT OF BEGINNING; THENCE N63 DEGREES E 473.12   | 2014    | 2019 |      |
| CS | BUTLER | 4785  | 5877  | JAMES C. DALLAS ALSO KNOWN AS JAMES CLAYTON DALLAS AND SALLY G. DALLAS ALSO KNOWN AS SALLY CLAYTON DALLAS, HUSBAND AND WIFE | SOURCE ENERGY WOODCO LLC | 1756-ALBY SEC 2: BEGINNING AT THE NW CORNER OF THE E7/4 ME/4 OF SECTION 2, TOWNSHIP 25 SOUTH, RANGE 3 EAST, THENCE EAST ON THE NORTH LINE OF SAID E7/4 ME/4 A DISTANCE OF 330.76 FEET; THENCE WEST 330.76 FEET TO THE WEST LINE OF SAID E7/4 ME/4; THENCE NORTH 700 FEET TO THE POINT OF BEGINNING;<br>1755-ALBY SEC 2: BEGINNING AT THE NW CORNER OF THE E7/4 ME/4 OF SECTION 2, TOWNSHIP 24 SOUTH, RANGE 3 EAST, THENCE EAST ON THE NORTH LINE OF SAID E7/4 ME/4 A DISTANCE OF 330.76 FEET; THENCE WEST 330.76 FEET TO THE WEST LINE OF SAID E7/4 ME/4; THENCE NORTH 700 FEET TO THE POINT OF BEGINNING;<br>1756-ALBY SEC 2: A TRACT IN THE SOUTHWEST QUARTER DESCRIBED AS COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER, THENCE SOUTHWESTERLY ALONG THE EAST LINE OF THE SOUTHWEST QUARTER 811.45 FEET; THENCE S90 DEGREES W 420.00 FEET TO BEYOND POINT 1; THENCE S90 DEGREES W 74.55 FEET; THENCE N60 DEGREES E PARALLEL WITH THE EAST LINE OF THE SOUTHWEST QUARTER, 377.76 FEET TO THE POINT OF BEGINNING; THENCE N63 DEGREES E 473.12  | 2015    | 1136 |      |



Attached to and made a part of that certain Agreement of Sale and Conveyance effective July 1, 2013  
between Directional Drilling Systems, LLC, as Seller,  
and U.S. Energy East Corporation, as Assignee

Leasehold Interest

Lease

Lease

Lease

Lease

Lease

121.9 FEET TO THE CENTERLINE OF THE WHITEWATER LANE, THENCE EAST ALONG THE  
CENTERLINE OF SAID ROYAL (MEASURES 104 DEGREES 59' 13" W, 20.18 FEET) TO A  
POINT THAT IS 132.89 FEET NORTH AND 84.3 FEET EAST OF THE POINT OF BEGINNING;  
2. THENCE S35 DEGREES 13' 27" W, 34.81 FEET; THENCE N83 DEGREES 09' 37" W, 123.9  
FEET TO THE POINT OF BEGINNING.

**Exhibit "B"**  
Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance effective July 1, 2015  
between Directional Drilling Systems, LLC, as Assignor, and U.S. Energy Expl Corporation, as Assignee

| <u>ST</u> | <u>County</u> | <u>Well ID</u> | <u>Well Name</u>         | <u>Operator</u>          | <u>Well Spot</u>                | <u>API Number</u> | <u>GWI</u> | <u>NRI</u> |
|-----------|---------------|----------------|--------------------------|--------------------------|---------------------------------|-------------------|------------|------------|
| KS        | BUTLER        | 10075          | BUSENITZ 13-14-12-14H    | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 13: E2 SW SW SW  | 15015-239930100   | 1.0000000  | 0.8750000  |
| KS        | BUTLER        | 10097          | CHASE 17-12-31           | SOURCE ENERGY MIDCON LLC | T255 R4E, Sec. 17: NE NW SW NW  | 15-015-24038      | 1.0000000  | 0.8750000  |
| KS        | BUTLER        | 10086          | EVERLEY 12-44-1-43H      | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 12: SE SW SE SE  | 1501524010100     | 1.0000000  | 0.8535569  |
| KS        | BUTLER        | 10077          | FOULSTON 2-11-11-12H     | SOURCE ENERGY MIDCON LLC | T265 R3E, Sec. 2: E2 NW NW NW   | 15015239900100    | 1.0000000  | 0.8750000  |
| KS        | BUTLER        | 10062          | GOERING 10-14-10-11 H    | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 10: SW SW SW SW  | 15015-239880200   | 1.0000000  | 0.8000000  |
| KS        | BUTLER        | 10082          | GOERING 10-24-10-21H     | SOURCE ENERGY MIDCON LLC | T255 R3E, Sec. 10: SW SEW SE SW | 15015240050100    | 1.0000000  | 0.8000000  |
| KS        | BUTLER        | 10083          | J. FOULSTON 36-32-25-32H | SOURCE ENERGY MIDCON LLC | T245 R3E, Sec. 36: SE SW SW NE  | 15015240110100    | 1.0000000  | 0.8471000  |
| KS        | BUTLER        | 10089          | CHASE RANCH 5-21-8-21H   | SOURCE ENERGY MIDCON LLC | T255 R4E, Sec. 5: NW NW NE NW   | 15-015-24012-0100 | 1.0000000  | 0.8750000  |

Exhibit "C"

Attached to and made a part of that certain Assignment, Bill of Sale and Conveyance effective July 1, 2015 between Directional Drilling Systems, LLC, as Assignor, and U.S. Energy Expl Corporation, as Assignee

| <u>St</u> | <u>County</u> | <u>Well ID</u> | <u>Well Name</u>     | <u>Operator</u>          | <u>Well Spot</u>              | <u>API Number</u> | <u>GW</u> | <u>NRI</u> |
|-----------|---------------|----------------|----------------------|--------------------------|-------------------------------|-------------------|-----------|------------|
| KS        | BUTLER        | 10073          | FOULSTON 2-11 SWD    | SOURCE ENERGY MIDCON LLC | T26S R3E, Sec. 2: SE NW NW NW | 15015239920000    | 1.0000000 | 1.0000000  |
| KS        | BUTLER        | 10074          | SOURCE FEE 16-11 SWD | SOURCE ENERGY MIDCON LLC | T25S R3E, Sec. 16: NW NW NW   | 15015239890000    | 1.0000000 | 1.0000000  |