

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: _____

REQUEST FOR CHANGE OF OPERATOR (FORM T-1)

FOULSTON 2-11-11-12H (NW/4NW/4 SEC. 2, 26S-3E)

Legal Description of Lease:

T26S-R3E, 6TH PM SEC 1: S/2NW/4

T26S-R3E, 6TH PM SEC 2: NW/4; SW/4; NW/4NE/4; THAT PART OF THE SW/4NE/4 AND THE
NW/4SE/4 NORTH OF THE WHITE WATER RIVER, LESS 24.7 ACRES SOLD OFF THE NORTH END



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 19th, 2017

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

Dear Mr. Boyer,

Effective as of December 14th, 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 20th day of December 2017.

US Energy Expl. Corp.

By:
Dennis Boyer
President

ACKNOWLEDGMENT

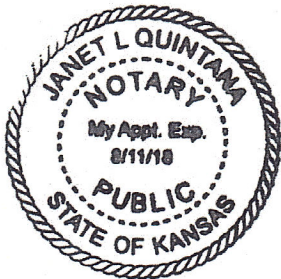
STATE OF Kansas)
) ss.
COUNTY OF Sedgwick)

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

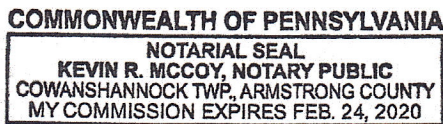
STATE OF Pennsylvania)
) ss.
COUNTY OF ARMSTRONG)

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

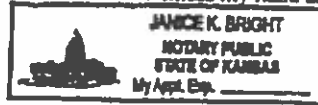
By: D. C. Boyer
Name: Dennis C. Boyer
Title: President

Acknowledgements

STATE OF KANSAS)
) ss.
COUNTY OF SEDGWICK)

The foregoing instrument was acknowledged before me this 20th 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.



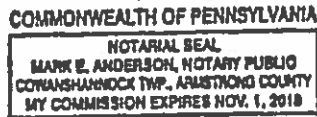
Janice K. Bright
Notary Public, _____

My commission expires:
3-26-17

STATE OF Pennsylvania)
) ss.
COUNTY OF Armstrong)

The foregoing instrument was acknowledged before me this 9th 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 that certain Application of Sale and Conveyance effective July 1, 2015 between Dimensional Drilling Systems, LLC, et al., and U.S. Energy Life Corporation, as Assignee

Tract Name	Tract Number	Tract Description	Legal Description	Acres	Block	Zone
CS BUTLER 2971	3184	GENERAL PARTNER BY EDWARD CHASE, PRESIDENT CHASE BANK OF A BANKS LIMITED PARTNERSHIP, BY AQUILA ACRES, INC.	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: NW/4 NW/4 LOT 3 (28.17) AND LOT 4 (28.61)	2014	0206
CS BUTLER 2972	3187	GENERAL PARTNER BY EDWARD CHASE, PRESIDENT CHASE BANK OF A BANKS LIMITED PARTNERSHIP, BY AQUILA ACRES, INC.	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2014	0206
CS BUTLER 2973	3188	CHASE BANK OF A BANKS LIMITED PARTNERSHIP, BY AQUILA ACRES, INC.	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2014	0206
CS BUTLER 2976	2847	GENERAL PARTNER BY EDWARD CHASE, PRESIDENT EDWARD S. TAMMER AND TANYA N. TAMMER, HUSBAND AND WIFE	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2014	0206
CS BUTLER 2979	2886	EDWARD S. TAMMER AND TANYA N. TAMMER, HUSBAND AND WIFE	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2014	0206
CS BUTLER 3000	2899	FOURSTON PROPERTIES, INC.	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2013	0206
CS BUTLER 3004	3274	CHRISTIE A. FOURSTON AS TRUSTEE OF THE FOURSTON FAMILY TRUST	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2013	0206
CS BUTLER 3005	3274	CHRISTIE A. FOURSTON AS TRUSTEE OF THE FOURSTON FAMILY TRUST	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2013	0206
CS BUTLER 3006	3279	LEE BANKS, A SINGLE MAN	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2013	0206
CS BUTLER 3007	3082	JAMES L. DIXIELEY AND FRIDA H. DIXIELEY, HUSBAND AND WIFE	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2013	0206
CS BUTLER 3071	3065	BARRY T. CLAASSEN A SINGLE MAN	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2013	0206
	3065	BARRY T. CLAASSEN A SINGLE MAN	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2013	0206
	3071	BARRY T. CLAASSEN A SINGLE MAN	COMOHO LAND CO., LLC	574/2013 7355-AM, 6TH PM SECS: S72S7	2013	0206

Exhibit "A"
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. Partners, as Assignee

ES	Owner	Local Lease	Lessee	Lease Description	Block	Date
ES	BUTLER 2073	3476 BRADY T. CLAASSEN-A SINGLE LANE	CONCHO LAND CO., LLC	CENTRIQUE OF THE WHITewater RIVER EAST OF THE CENTERLINE OF THE WHITewater RIVER	2013	11/29/2013
ES	BUTLER 2073	3153 JAMIE G. CHAMMAN, NOW ANDERSON, TRUSTEE OF THE RYAN J TRUST, DATED 21-Sep-95	CONCHO LAND CO., LLC	EAST OF AN ASSUMED BEARING OF S89 DEGREES 50 MINUTES 43 SECONDS E, A DISTANCE OF 1,602.21 FEET TO THE NE CORNER OF SAID SW/4; THENCE S00 DEGREES 18 MINUTES 34 SECONDS E, A DISTANCE OF 2,678.22 FEET TO THE SE CORNER OF SAID SW/4; THENCE N89 DEGREES 50 MINUTES 43 SECONDS W, A DISTANCE OF 819.22 FEET; THENCE N89 DEGREES 50 MINUTES 43 SECONDS W, A DISTANCE OF 419.1 FEET; THENCE N89 DEGREES 50 MINUTES 43 SECONDS W, A DISTANCE OF 419.1 FEET; THENCE N89 DEGREES 50 MINUTES 43 SECONDS W, A DISTANCE OF 1,274.70 FEET; THENCE N89 DEGREES 50 MINUTES 43 SECONDS W, A DISTANCE OF 1,274.70 FEET; THENCE N89 DEGREES 50 MINUTES 43 SECONDS W, A DISTANCE OF 808.21 FEET TO THE POINT OF BEGINNING, SUBJECT TO PUBLIC ROAD RIGHTS, THE N/4 SEC. 28, T15N/R. 10E, S1/4, LESS A TRACT DESCRIBED AS: B.C. 37-23 CHANG, THENCE NORTH 7 DEGREES EAST 4.5 CHAINS, THENCE NORTH 31 DEGREES WEST 2.74 CHAINS, THENCE SOUTH TO POB	2013	11/29/2013
ES	BUTLER 2075	3172 JAMIE G. CHAMMAN, NOW ANDERSON, TRUSTEE OF THE RYAN J TRUST, DATED 21-Sep-95	CONCHO LAND CO., LLC	EAST OF THE CENTERLINE OF THE WHITewater RIVER	2013	11/29/2013
ES	BUTLER 2075	3063 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE	CONCHO LAND CO., LLC	EAST OF THE CENTERLINE OF THE WHITewater RIVER	2013	11/29/2013
ES	BUTLER 2075	3064 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE	CONCHO LAND CO., LLC	EAST OF THE CENTERLINE OF THE WHITewater RIVER	2013	11/29/2013
ES	BUTLER 2075	3173 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE	CONCHO LAND CO., LLC	EAST OF THE CENTERLINE OF THE WHITewater RIVER	2013	11/29/2013
ES	BUTLER 2079	3147 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE	CONCHO LAND CO., LLC	THE POINT OF BEGINNING	2013	11/29/2013
ES	BUTLER 2079	3149 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE	CONCHO LAND CO., LLC	THE POINT OF BEGINNING	2013	11/29/2013
ES	BUTLER 2079	3150 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE	CONCHO LAND CO., LLC	THE POINT OF BEGINNING	2013	11/29/2013
ES	BUTLER 2079	3175 DWIGHT A. BUSEWITZ AND DAWE L. BUSEWITZ, HUSBAND AND WIFE	CONCHO LAND CO., LLC	THE POINT OF BEGINNING	2013	11/29/2013
ES	BUTLER 2080	3264 KEOLIE EMM BUSEWITZ AND JAMIE ANN BUSEWITZ, HUSBAND AND WIFE	CONCHO LAND CO., LLC	THE POINT OF BEGINNING	2013	11/29/2013

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	
05	BUTLER	3000	3675 JEROME KEITH BURGENTZ AND HARRY ANN BURGENTZ, HUSBAND AND WIFE	CONCHO LAND CO., LLC	2013	16650	
05	BUTLER	3108	3180 JOHN I. CHAPMAN, A SINGLE MAN	CONCHO LAND CO., LLC	2013	14718	
05	BUTLER	3130	3173 BARBARA P. NORTHCUTT, TRUSTEE OF THE ELMEN L. NORTHCUTT AND BARBARA P. NORTHCUTT JOINT REVOCABLE TRUST AGREEMENT	CONCHO LAND CO., LLC	2013	16594	
05	BUTLER	3112	3361 CATHERINE UNKLEWER AND CATHERINE UNKLEWER, A SINGLE PERSON	CONCHO LAND CO., LLC	2013	16595	
05	BUTLER	3163	3171 BERRY L. FARMER AND RUTH S. FARMER, CO-TRUSTEES OF THE BERRY L. FARMER AND RUTH S. FARMER LIVING TRUST	CONCHO LAND CO., LLC	2013	15445	
05	BUTLER	3160	3144 RAY STARNACE AND BERTHA A. STARNACE, HUSBAND AND WIFE	CONCHO LAND CO., LLC	2013	19337	
05	BUTLER	3170	3179 JOHN B. GELBACH AND SHARLE GELBACH, HUSBAND AND WIFE	CONCHO LAND CO., LLC	2013	16771	
05	BUTLER	3211	3139 JAMES B. WHITTREDEZ AND DOOROTHY L. WHITTREDEZ, HUSBAND AND WIFE	CONCHO LAND CO., LLC	2013	17298	
05	BUTLER	3212	3140 ROY W. GUNDBERSON AND TINA W. GUNDBERSON, HUSBAND AND WIFE	CONCHO LAND CO., LLC	2013	16641	
05	BUTLER	3217	3143 ROY W. GUNDBERSON AND TINA W. GUNDBERSON, HUSBAND AND WIFE	CONCHO LAND CO., LLC	2013	16641	
05	BUTLER	3217	3171 ROY W. GUNDBERSON AND TINA W. GUNDBERSON, HUSBAND AND WIFE	CONCHO LAND CO., LLC	2013	16641	
05	BUTLER	3230	3205 THE POTWAM LAMB AND CATTLE COMPANY, INC	CONCHO LAND CO., LLC	2013	17954	
05	BUTLER	3230	3208 THE POTWAM LAMB AND CATTLE COMPANY, INC	CONCHO LAND CO., LLC	2013	17954	
05	BUTLER	3230	3259 THE POTWAM LAMB AND CATTLE COMPANY, INC	CONCHO LAND CO., LLC	2013	17954	
				LEGAL DESCRIPTION			
				06/27/2013 T25-43E, 6TH PM SEC 11: THAT PORTION OF THE NW/4 1/2 OF THE WEST 1/2 OF THE CONTIGUOUS OF THE WHITEWATER RIVER ON AN ASSUMED BEARING OF N09 DEGREES 29 MINUTES 08 SECONDS W, ALONG THE WEST LINE OF SAID SW/4, A DISTANCE OF 277.75 FEET; THENCE S89 DEGREES 53 MINUTES 34 SECONDS E, A DISTANCE OF 1994.17 FEET; THENCE S80 DEGREES 34 MINUTES 33 SECONDS E, A DISTANCE OF 1278.70 FEET; THENCE S80 DEGREES 01 MINUTES 40 SECONDS W, A DISTANCE OF 43.52 FEET; THENCE S00 DEGREES 01 MINUTES 40 SECONDS W, A DISTANCE OF 498.18 FEET TO A POINT ON THE SOUTH LINE OF SAID SW/4; THENCE N80 DEGREES 38 MINUTES 13 SECONDS W, A DISTANCE OF 207.00 FEET TO THE POINT OF BEGINNING, SUBJECT TO PUBLIC ROAD	9/10/2013 T25-43E, 6TH PM SEC 11: NW/4 NW/4	2013	16594
				9/11/2013 T26-43E, 6TH PM SEC 11: NE/4 OF NW/4 AND W/2 OF SW/4 EXCEPT: A TRACT ON 1/2E BEGINNING AT A POINT 825.17 FT. OF SW/4 CORNER OF NW/4, THEN S 43.0 FT. TO THE S LINE OF SAID SW/4, THEN W 50.0 FT. TO THE POINT OF BEGINNING	9/11/2013 T26-43E, 6TH PM SEC 11: NW/4 NW/4	2013	16595
				10/18/2013 T26-43E, 6TH PM SEC 11: LOT 2, SUBJECT TO A SUBDIVISION ON THE N/2 BEGINNING AT A POINT 1823.50 FEET WEST OF THE N/2E, THENCE SOUTH 45.745 FEET; THENCE WEST PARALLEL WITH THE NORTH LINE OF SAID SECTION 2, A DISTANCE OF 523.50 FEET; THENCE NORTH 43.7 45 FEET TO A POINT ON SAID NORTH LINE; THENCE EAST ALONG SAID NORTH LINE A DISTANCE OF 523.50 FEET TO THE POINT OF BEGINNING, SAID TRACT CONTAINS 10 ACRES INCLUDING THE RIGHT OF WAY, SAID TRACT WILL BE BROWNS LOT 2 OF MAINTENANCE ACRES AFTER THE RECORDING OF SAID PLAN	10/18/2013 T26-43E, 6TH PM SEC 11: LOT 2 OF MAINTENANCE ACRES AFTER THE RECORDING OF SAID PLAN	2013	15445
				12/27/2013 T26-43E, 6TH PM SEC 11: A TRACT ON 1/2E BEGINNING AT A POINT 825.17 FT. OF SW CORNER OF NW/4, THEN N AT 90 DEGREES FOR 430 FT., THEN E 50.5 FT., THEN S 43.0 FT. TO THE S LINE OF SAID NW/4, THEN W 50.5 FT. TO THE POINT OF BEGINNING, PUBLIC ROAD INCLUDED	12/27/2013 T26-43E, 6TH PM SEC 11: BEGINNING AT A POINT 1432.89 FEET WEST OF THE SOUTHWEST CORNER OF THE NE/4, THENCE WEST 332.00 FEET, THENCE NORTH 273.00 FEET, THENCE EAST 332.00 FEET, THENCE SOUTH 273.00 FEET TO THE POINT OF BEGINNING	2013	16641
				12/28/2013 T26-43E, 6TH PM SEC 11: NE/4, LESS A TRACT DESCRIBED AS BEGINNING AT A POINT 1442.87 FEET WEST OF THE SOUTHWEST CORNER OF THE NE/4, THENCE WEST 332.00 FEET, THENCE NORTH 273.00 FEET, THENCE EAST 332.00 FEET, THENCE SOUTH 273.00 FEET TO THE POINT OF BEGINNING	12/28/2013 T26-43E, 6TH PM SEC 11: NE/4	2013	16641
				1/7/2013 T26-43E, 6TH PM SEC 11: ALL THAT PART OF THE SW/4 AND THE W/2 1/2 OF SECTION 2 (T26-43E, 6TH PM SEC 11: NE/4)	1/7/2013 T26-43E, 6TH PM SEC 11: NE/4	2013	16641
				1/7/2013 T26-43E, 6TH PM SEC 11: NE/4, LESS AND EXCEPT THE NORTH 100 FEET OF THE WEST 238 FEET OF THE U238W/4, AND LESS AND EXCEPT THE SW/4 NE/4 SW/4	1/7/2013 T26-43E, 6TH PM SEC 11: NE/4	2013	17954
				1/7/2013 T26-43E, 6TH PM SEC 11: E2 OF SECTION 25-7-05-02E, LESS AND EXCEPT A TRACT DESCRIBED AS BEGINNING 124.8 FEET EAST OF THE NW CORNER OF THE NE/4, THENCE SOUTH 60 DEGREES 45 MINUTES EAST A DISTANCE OF 53.3 FEET, THENCE SOUTH 60 DEGREES 54 MINUTES EAST A DISTANCE OF 104.3 FEET, THENCE SOUTH 60 DEGREES	1/7/2013 T26-43E, 6TH PM SEC 11: NE/4	2013	17954

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

ES

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Source

Owner (Date) Description

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Attached to and made a part of that certain Agreement of Sale and Conveyance effective July 1, 2011 between Directional Drilling Systems, LLC, as Seller, and U.S. Energy East Corporation, as Assignee

Lease
Lease Description

Lease

121.9 FEET TO THE CENTERLINE OF THE WHITEWATER LAYER, THENCE EAST ALONG THE CENTERLINE OF SAID RIVER (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 MONITOR POINT
2: THENCE S35 DEGREES 13' 27" W, 34.81 FEET; THENCE N83 DEGREES 09' 37" W, 123.9 FEET TO THE POINT OF BEGINNING.

Lease
Lease

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>GW</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