

MINERAL PURCHASE CONTRACT

THIS MINERAL PURCHASE CONTRACT ("AGREEMENT"), is made and entered this
__21__ day of __May__, 20__20__ (the "Effective Date"), by and between _____
_____ (hereinafter referred to as "Buyer"),
and Madelyn Caron (hereinafter referred to as "Seller").

WHEREAS, Seller is the owner of the following interest(s) in and to all of the oil, gas and other minerals and mineral rights lying in and under and that may be produced from the following lands situated in _____Ellis_____ County, State of Oklahoma, described as follows, to-wit:

[An undivided _____ (1/2?) interest in and to all of the oil, gas and other minerals and mineral rights lying in, under and that may be produced from the _____ (NE/4?) of Section _____, Township _____ North, Range _____ WIM.]

or

[All of the oil, gas and other minerals and mineral rights lying in, under and that may be produced from the _____ (NE/4?) of Section _____, Township _____ North, Range _____ WIM.]

or

[An undivided __40.00__ net mineral acres lying in, under and that may be produced from the __NW/4 SW/4__ (NE/4?) of Section __27__, Township __19__ North, Range __23__ WIM.]

(herein referred to as the "Minerals").

WHEREAS, Buyer desires to purchase the Minerals from Seller and Seller is willing to convey the Minerals to Buyer pursuant to the terms and conditions herein.

Now, therefore, in consideration of the mutual covenants and promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Seller and the Buyer, the Parties hereto agree as follows:

1. **Purchase Price.** Subject to the terms and conditions hereafter set forth, Seller offers to sell to Buyer, and Buyer agrees to purchase the Minerals from Seller. Buyer agrees to pay for the Minerals the total Purchase Price of \$_____ (hereafter referred to as the "Purchase Price"). This sale is not contingent upon the Minerals appraising for a specified dollar amount, nor is it contingent upon Buyer's ability to obtain financing.

2. **Payment Terms.** Upon execution of this Agreement, Buyer shall deposit with the Escrow Agent, _____ (the "Escrow Agent"), a down payment in the amount of \$_____ (equal to 10% of the Purchase Price) (hereinafter,

the “Down Payment”). In consideration of the conveyance of the Minerals from Seller to Buyer and of the covenants and agreements herein contained to be kept and performed, Buyer agrees to tender the balance of the Purchase Price to Seller at Closing. The balance of the Purchase Price shall be paid by Buyer to Seller in certified funds on the Closing Date (as hereinafter defined).

3. **Time and Place of Closing.** This Agreement shall be closed as soon as practicable by the Parties and, in all events, no later than _____ days from the Effective Date (the “Closing Date”), at the offices of the Escrow Agent, unless otherwise agreed to by the Parties.

4. **Events at Closing.** At the Closing, the following will occur:

(a) Seller shall execute and deliver to Buyer a Mineral Deed in the form attached hereto as Exhibit “A” covering the Minerals to Buyer.

(b) Buyer shall deliver the balance of the Purchase Price, plus Buyer’s Closing Expenses, to the Escrow Agent in certified funds.

5. **Purchase Price Adjustments.** In the event that it is determined that Seller owns fewer net mineral acres than what is represented herein, then, in such event, the Parties will proceed with Closing this Agreement and will authorize and instruct the Escrow Agent to proportionately reduce the Purchase Price based upon the actual number of mineral acres or the fractional interest actually owned by Seller. In the event that it is determined that Seller owns more net mineral acres than what is represented herein, then, in such event, the Buyer may, in Buyer’s discretion, either (i) proceed to close this sale on the terms contained herein in exchange for the Minerals; or (ii) elect to purchase the Minerals, plus such additional mineral interest that is owned by Seller under the above described property, and, in such event, the Purchase Price will be proportionately increased based upon the actual number of mineral acres or the fractional interest actually conveyed by Seller.

6. **Escrow Agent’s Responsibilities.** The Escrow Agent shall carry out the terms of this Agreement without personal liability and that upon completion of said terms, the Escrow Agent is hereby released from any further obligation, liability or responsibility to the Parties.

7. **Title.** The Parties acknowledge that Seller is not furnishing an abstract or any other evidence of title for the Minerals, and Buyer, at Buyer’s expense, will be responsible for examining the public land records, other documents and/or the land associated with the Minerals in order to fully satisfy itself regarding any and all title issues prior to Closing. Buyer shall have a reasonable time, not to exceed 30 days following the Effective Date, to examine title and return a written report to Seller specifying any objections to the title based upon and according to the title examination standards adopted by the Oklahoma Bar Association. Seller shall have a reasonable time after receipt of such report to correct such objections. If Seller is unable to cure such objections within such period, then unless Buyer waives such objections in writing, this Agreement shall be terminated and the Down Payment shall be returned to Buyer. At Closing, Seller will deliver the Property to Buyer free and clear of any and all liens and other encumbrances, but subject to restrictive covenants, zoning restrictions, pipeline and other similar easements and oil and gas leases appearing of record. Buyer acknowledges that unreleased oil and gas leases appearing of

record shall not constitute a valid objection to title nor shall such serve as a basis for terminating this contract.

8. **Effective Date of Transfer of Producing Properties.** To the extent that any portion of the Minerals are currently being produced, the Parties agree that the effective date of the transfer of the Minerals from Seller to Buyer, and the first date that Buyer will be entitled to receive any production, right or other interest or benefit associated with or attributable to the Minerals, will be the first day of the month following the Closing Date.

9. **Buyer's Representations and Warranties.** By executing this Agreement, Buyer represents and warrants to Seller and to Seller's agents and representatives, including Smith and Co. Auction and Realty, Inc. and its agents, representatives, owners and employees (collectively the "Seller Group") through Closing, and subsequent thereto, as follows:

(a) Buyer acknowledges that the Seller Group has made no representations and given no opinions as to the status, condition or value of the interests being sold;

(b) Buyer accepts the consideration herein as fair and adequate compensation for the purchase of the Minerals based upon Buyer's own evaluation of the Minerals and without any reliance upon any statement, promise, inducement, representation or agreement not expressly contained herein, and Buyer specifically acknowledges that the Seller Group has made no statements, promises, inducements, representations or agreements as to past, current or future production, the value of the Minerals or related or adjoining properties, reserves, suspended funds, future wells or production and or product pricing to induce Buyer to enter into this transaction;

(c) Buyer has been advised by or has had the opportunity prior to the execution of this Agreement to consult with counsel of his own choosing, including, but not limited to valuation experts and legal counsel; that Buyer has had the opportunity to review public information concerning the Minerals and that Buyer has conducted its own due diligence in regard to the Minerals prior to executing this Agreement; and that Buyer is exclusively relying upon Buyer's own investigation, research and due diligence in entering into this Agreement; and

(d) Buyer acknowledges that the value of the transferred Minerals is subject to fluctuation depending on multiple objective and subjective factors and circumstances that can change at any time.

10. **Settlement Adjustments/Closing Expenses.** Seller shall be responsible for the sum sufficient to purchase and affix to the Mineral Deed the necessary documentary stamps, shall pay the cost of preparing the Mineral Deed and will be responsible for any title curative expenses. Buyer shall incur the cost of title examination, including any title search, title opinion, title insurance premiums, if any, and shall pay the cost of recording the Mineral Deed. The Parties will split equally the closing fees charged by the Escrow Agent. Said Escrow Agent is hereby

authorized and directed to deduct from the proceeds of the Purchase Price the closing costs of Seller above set forth not previously paid by Seller and to pay the same to the parties entitled thereto. Said Escrow Agent is further authorized and directed to collect from Buyer the closing costs of Buyer above set forth not previously paid by Buyer and to pay the same to the parties entitled thereto. Each party will be responsible for its own attorney fees incurred in connection with this transaction

11. **Use of Property.** During the period of this Agreement, Seller shall not sell, convey, mortgage, or otherwise further encumber the Minerals or any part thereof, or enter into any new lease or letting of the Minerals, or any part thereof.

12. **Default:**

(a) If the Buyer fails to consummate the purchase of the Property pursuant to this Agreement for any reason other than termination hereof pursuant to a right granted to the Buyer herein, then the Seller, as the Seller's sole and exclusive remedies, shall have the right to: (i) receive the Down Payment as liquidated damages and terminate this Agreement by notifying the Buyer thereof, whereupon the Down Payment shall be delivered to Seller and neither the Buyer nor the Seller shall have any further rights or obligations hereunder; (ii) enforce specific performance of the obligations of the Buyer hereunder; or (iii) seek all other rights, recourses or remedies available to the Seller whether hereunder, at law or in equity, said rights, remedies and recourses being cumulative.

(b) If the Seller fails to consummate the sale of the Property pursuant to this Agreement for any reason other than termination hereof pursuant to a right granted to the Seller herein, then the Buyer, as the Buyer's sole and exclusive remedies, shall have the right to: (i) terminate this Agreement by notifying the Seller thereof, in which case the Down Payment shall be delivered to Buyer and neither party hereto shall have any further rights or obligations hereunder; or (ii) enforce specific performance of the obligations of the Seller hereunder; or (iii) seek all other rights, recourses or remedies available to the Buyer whether hereunder, at law or in equity, said rights, remedies and recourses being cumulative.

(c) In the event a suit for specific performance is instituted, the prevailing party shall have the right to recover all of such party's expenses and costs incurred by reason of such litigation including, but not limited to, attorney's fees, court costs, and costs of suit preparation.

13. **Real Estate Commission.** The Parties acknowledge that Smith and Co. Auction and Realty, Inc. ("Smith") is a transaction broker for both Seller and Buyer. Smith will be compensated at Closing by Seller according to the existing agreement between Seller and Smith.

14. **Amendments.** This Agreement shall not be changed or amended except by written amendment signed by all parties hereto.

15. **Miscellaneous.**

(a) It is the intention of the parties that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies of the State of Oklahoma, but that the unenforceability (or the modification to conform with such laws or public policies) of any provisions hereof shall not render unenforceable, or impair the remainder of this Agreement. This Agreement shall be governed, construed, and interpreted in accordance with the laws of the State of Oklahoma.

(b) If any provision of this Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provisions shall be fully severable as if such invalid or unenforceable provisions had never comprised a part of the Agreement; and the remaining provisions of the Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be automatically as a part of this Agreement, a provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and be legal, valid and enforceable.

(c) This Agreement shall inure to the benefit of and be binding on the parties hereto and their respective heirs, legal representatives, successors and assigns. This Agreement is for the sole benefit of the Seller and the Buyer and no third party is intended to be a beneficiary of this Agreement.

(d) Time is of the essence with respect to this Agreement.

(e) This Agreement may be executed in a number of identical counterparts. If so executed, each of such counterparts is to be deemed an original for all purposes and all such counterparts shall, collectively, constitute one agreement, but, in making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart.

(f) The captions, headings and arrangements used in this Agreement are for convenience only and do not in any way affect, limit, amplify or modify the terms and provisions hereof.

(g) This Agreement constitutes the entire agreement between the Seller and Buyer concerning the sale of the Minerals, and no modification hereof or subsequent agreement relative to the subject matter hereof shall be binding on either party unless reduced to writing and signed by the party to be bound.

BUYER:

SELLER:

_____ (print name)

_____ Madelyn Caron _____ (print name)

_____ (print name)

_____ (print name)

Buyer's Address: _____

Buyer's Phone #: _____

Identify how Buyer wants to take title to property:

SAMPLE