



PEREGRINE ENERGY

ROCKY MOUNTAIN ENERGY DEVELOPMENT

PURCHASE OPTION AGREEMENT

This **PURCHASE OPTION AGREEMENT** (this “**Agreement**”), dated and effective as of the date on which this Agreement has been executed by both Parties as evidenced by the dates below their respective signatures (the “**Effective Date**”), is made by and between Owner (as defined in Exhibit A), and Rocky Mountain Energy Development, LLC, a Delaware Limited Liability Company (“**Optionee**”). Owner and Optionee are sometimes referred to individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

- A. Owner is the fee simple title owner of the surface estate of that certain real property more particularly described on Exhibit A and Exhibit B attached hereto and incorporated herein by this reference, together with all improvements thereon and all appurtenances belonging thereto (collectively, the “**Premises**”).
- B. Upon the terms and conditions of this Agreement, Optionee desires to obtain from Owner, and Owner desires to grant to Optionee, an exclusive option to purchase a portion of that certain portion of the Premises that is depicted on Exhibit C attached hereto and incorporated herein by this reference (the “**Property**”).

NOW, THEREFORE, in consideration of the foregoing and the mutual promises of the Parties contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

AGREEMENT

1. Grant of Option.

1.1. Option. Owner hereby grants to Optionee the exclusive right and option to purchase all or any portion of the Property upon the terms and conditions of this Agreement (the “**Option**”). In the event Optionee opts to purchase a portion of the Property, the land purchased must be contained entirely in a tract or tracts (each a “**Tract**”) depicted and dedicated in the Replat of Eden Industrial Park recorded in Cabinet 1, Slide B69, Plat Records, Concho County, Texas (the “**Plat**”). Notwithstanding anything herein to the contrary, Optionee may not purchase a portion of a Tract. For avoidance of doubt, Optionee may purchase multiple Tracts but Optionee may not purchase a partial Tract or Tracts pursuant to this Agreement.

1.2. Option Term. The term of the Option shall commence on the Effective Date and shall continue until the expiration of the Option Period, as defined in Exhibit A.

1.3. Option Payment. As consideration for the Option, Optionee shall pay to Owner the Option Payment, as defined and set forth in Exhibit A. Installments of the Option Payment shall become due when specified in Exhibit A. The Option Payment shall be nonrefundable, except as provided otherwise in this Agreement. If Optionee exercises the Option, the Option Payment (or portions thereof actually paid to Owner) shall be applied to the Purchase Price at Closing. Notwithstanding anything else contained in this Agreement to the contrary, in the event that (i) Optionee terminates this Agreement, and (ii) Optionee is entitled to a refund of the Option Payment, Owner shall retain ~~One~~Three Thousand Five Hundred and No/100 Dollars (\$3,500.00) of the Option Payment as consideration for Optionee's right to terminate this Agreement ("**Independent Consideration**").

1.4. Option Exercise. Subject to Section 1.2 and Section 1.6 herein, Optionee may exercise the Option at any time, but only one time, during the Option Period by providing written notice of exercise to Owner (the "**Notice of Exercise**"). The Notice of Exercise shall designate what portion of the Property Optionee is electing to purchase with either: (i) a copy of the Survey (defined hereinafter) that shows and describes such portion of Property; or (ii) a legal description that references the Plat to particularly describe what Tract or Tracts on the Plat that Optionee is electing to Purchase. Optionee, in its sole and absolute discretion, shall have the sole right to determine whether to issue the Notice of Exercise. After an effective delivery of the Notice of Exercise to Owner, the property described in the Notice of Exercise shall thereafter be deemed to be the "**Property**" for purposes of this Option Agreement, and the Option shall terminate as to any land not included in the Survey and/or legal description delivered in the Notice of Exercise. The Option shall terminate upon the first to occur of: (i) Optionee's provision of written notice to Owner that Optionee has elected to terminate this Agreement during the Option Period; or (ii) the expiration of the Option Period; provided, however, that this Agreement shall not terminate under this Section 1.4 if a Notice of Exercise has been delivered prior to the expiration of the Option Period. Upon an effective delivery of the Notice of Exercise, this Agreement shall be deemed to have been converted into an agreement of purchase and sale, and the closing of such purchase and sale shall be on the terms contained in this Agreement without need for execution of any further documents, other than those documents required to be executed pursuant to the terms of this Agreement.

1.5. Memorandum of Option. This Agreement shall not be recorded; however simultaneously with execution of this Agreement, Owner and Optionee shall execute the recordable memorandum of this Agreement in the form of Exhibit D attached hereto (the "Memorandum") which memorandum may be recorded by Optionee, at Optionee's sole cost and expense, in the official public property records of the County at any time before the Closing Date.

1.6. Optionee Termination Right. Without limiting Optionee's other rights of termination hereunder (including, without limitation, due to an Owner default), prior to delivering the Notice of Exercise, Optionee shall have the sole and exclusive right to terminate this Agreement as to all or any portion of the Property upon effective notice to Owner, and upon any such termination, neither Party shall have any further liability hereunder with respect to the portion of the Property as to which this Agreement has been terminated, except for any matters specifically provided to survive the termination of this Agreement. This right of termination may be exercised multiple times.

2. Due Diligence.

2.1. Investigations; Grant of License. Owner hereby grants to Optionee a continuing and irrevocable license at all times during the Option Period (and, if Optionee delivers the Notice of Exercise, continuing until the Closing Date (as hereinafter defined)) (such applicable period of time being the **"Investigation Period"**) for Optionee and its agents and invitees to access and enter upon the Property for the purposes of completing or conducting inspections, investigations, surveys, evaluations, designs of improvements, studies or other diligence reports including, without limitation, environmental, biological, wildlife and cultural resource assessments, wetlands delineations, borings and compaction surveys, and geotechnical, hazardous materials, water, groundwater and soil tests that Optionee may desire (collectively, the **"Feasibility Studies"**). Without limiting the generality of the foregoing, Owner specifically grants Optionee the right to install, operate and maintain equipment and temporary structures on the Property for the purpose of completing the Feasibility Studies, including, without limitation, the right to install meteorological evaluation towers or other equipment needed to perform the Feasibility Studies during the Investigation Period (collectively, the **"Equipment"**). The Equipment may be connected to any available public utility for purposes of providing utility services to the Equipment. If this Agreement terminates and the Parties do not consummate the purchase and sale transaction contemplated hereunder, then within ninety (90) days after termination of this Agreement, Optionee shall remove all Equipment from the Property and restore the portions of the Property on which Equipment was installed to a condition reasonably similar to the condition that existed as of the date the Equipment was installed. Notwithstanding anything to the contrary contained herein, Optionee shall have the right to perform a Phase II environmental assessment on the Property if the same is recommended or required by any of the Feasibility Studies or Approvals (including any recommended testing, boring and sampling). The Feasibility Studies shall be performed at Optionee's sole cost and expense. Optionee shall not be responsible for any diminution in value or environmental remediation resulting from the discovery of a pre-existing condition on the Property not physically caused by Optionee regardless of how or when the condition is discovered; provided, however, Optionee shall be responsible for any exacerbation of such condition to the extent that such exacerbation was physically and negligently caused by Optionee. Optionee shall indemnify Owner from and against any and all expenses, damages, claims, suits and causes of action from third parties related to the Feasibility Studies (collectively, the **"Liabilities"**); provided, however, the foregoing indemnity obligation does not apply (a) to any crop damages on the Property or other sums, damages or obligations under any agricultural lease; (b) to the extent Optionee is not liable therefor as provided above; or (c) to any Liabilities caused by Owner's negligence, gross negligence or willful misconduct.

2.2. Approvals; Interconnection Studies; Power Purchase Agreements. During the Investigation Period and continuing until the Closing Date, Optionee, at its sole expense, may, in Optionee's sole discretion, seek all zoning changes, variances, subdivision approvals, environmental permits, site development approvals, regulatory approvals or other permits, entitlements or approvals relating to Optionee's anticipated use of the Property and any necessary subdivision from the Premises (collectively, the **"Approvals"**). Owner agrees to provide its reasonable cooperation with Optionee to assist Optionee in securing any Approvals or in completing the Feasibility Studies. Specifically, Owner agrees to execute all necessary documents, including but not limited to a limited

power of attorney, to allow Optionee to submit applications, requests, plats, or other documents related to the Approvals, as Optionee may request. At no out of pocket expense to Owner, the Approvals may be applied for in Owner's name, if necessary. Optionee shall also have the exclusive right to enter into any interconnection studies or requests and power purchase agreements that Optionee chooses to pursue relating to the Property or Optionee's anticipated use of the Property, so long as said studies, requests or agreements create no liability on the part of or costs to the Owner.

2.3. Owner Premises Information. Within ~~fifteen~~thirty (~~15~~30) days after the Effective Date, Owner shall deliver to Optionee, to the extent any of the following are within Owner's possession or control, copies of all: (i) existing surveys of the Premises; (ii) reports (including title reports), analyses, studies, appraisals and documents relating to the title to, or the physical or environmental condition of, the Premises; (iii) permits, approvals and entitlements issued for the Premises; (iv) notices of violations with respect to the Premises; (v) documents relating to pending or threatened administrative actions, litigation or condemnation proceedings affecting the Premises; (vi) copies of all unrecorded interests in the Premises (or any portion thereof), including, without limitation, any leases, easements or licenses; and (vii) other materials that have, or reasonably may have, any material impact on the use or condition of the Premises.

3. Purchase Price. If Optionee exercises the Option, then Optionee shall, subject to the terms of this Agreement, purchase the Property (as described in the Notice of Exercise) from Owner for the amount equal to the Purchase Price, as defined and set forth in Exhibit A. The Purchase Price shall be payable on the Closing Date (as hereinafter defined) by wire transfer of immediately available funds, subject to any credits or adjustments provided for in this Agreement. The gross acreage of the Property for purposes of determining the Purchase Price shall be determined by one of the following selected by Optionee: (i) Optionee's Survey; (ii) the Plat; or (iii) a registered public land surveyor retained by and at the cost of the Optionee.

4. Title and Survey.

4.1. Title Insurance. At any time during the term of this Agreement, Optionee may, at Optionee's sole cost and expense, obtain a commitment of title insurance (a "**Commitment**") issued by a title ~~insurer~~insurance company licensed to conduct business by the Texas Department of Insurance of Optionee's choice (the "**Title Company**"). The form Commitment must be in a form acceptable to Optionee promulgated by the Texas Department of Insurance.

4.2. Survey. At any time during the term of this Agreement, Optionee may, at Optionee's sole cost and expense, obtain a survey of the Premises and/or the Property (a "**Survey**") to be prepared by a Texas Registered Professional Land Surveyor in accordance with Optionee's requirements. If Optionee elects to obtain a Survey, the Survey shall contain a legal description of the Property, which description, at Optionee's election, may be used in the Deed (as hereinafter defined) and in the Commitment and Optionee's title policy.

4.3. Objections to Title and Survey Matters. If a title examination, Commitment, Survey or other document related to the Property (collectively, the "**Title Documents**") discloses any matter adversely affecting title to the Property to which Optionee objects (each, a "**Title Objection**"),

Optionee shall have the right to object by sending Owner written notice (each, a **"Title Objection Notice"**) within twelve (12) months of the Effective Date. Owner agrees to diligently attempt to cure or otherwise have removed from the Commitment and/or Survey, all Title Objections; provided, however, if Owner is not willing or able to cure certain Title Objections, Owner shall notify Optionee in writing of the same within ten (10) days after Owner receives the Title Objection Notice. If Owner is unable or fails to cure all Title Objections on or before the date for Closing, then Optionee may, at its option, elect to: (i) waive any uncured Title Objection and proceed to Closing; or (ii) terminate this Agreement by written notice to Owner (the **"Termination Notice"**), in which case (A) the Option Payment (less the Independent Consideration) shall be refunded to Optionee within ten (10) business days of Owner's receipt of the Termination Notice, and (B) neither Owner (upon its satisfaction of its obligations in part '(A)' above) nor Optionee shall have any further rights or obligations hereunder or liability to the other Party by reason of this Agreement (except with respect to the provisions of this Agreement that survive termination). Notwithstanding anything in this Agreement to the contrary, prior to or contemporaneously with the Closing, Owner shall be obligated to satisfy, remove, discharge or cause to be released or removed from the Commitment and/or Survey: (i) encumbrances which have been voluntarily recorded or otherwise placed or permitted to be placed by Owner against the Property on or following the Effective Date without Optionee's prior consent; (ii) the standard preprinted exceptions in the Title Commitment which can be removed by Owner's execution of a standard seller or owner's affidavit at Closing; and (iii) mortgages, deeds of trust, security instruments, financing statements or other instruments which evidence or secure indebtedness, judgments and liens against the Property, including, without limitation, mechanics' liens, judgment liens, child support liens, tax liens, and real or personal property taxes or assessments for property taxes and assessments payable prior to Closing any of which remain unpaid as of the Closing Date (collectively, the **"Mandatory Title Removal Items"**). Mandatory Title Removal Items shall automatically be deemed Title Objections and need not be included in any Title Objection Notice or New Title Objection Notice (defined below). In the event that Owner fails to satisfy, correct, or cure all of the Mandatory Title Removal Items on or before the date of Closing, Optionee may elect to: (i) waive any uncured Mandatory Title Removal Items and proceed to Closing; or (ii) terminate this Agreement by delivering a Termination Notice, in which case (A) the Option Payment (less the Independent Consideration) shall be refunded to Optionee within ten (10) business days of Owner's receipt of the Termination Notice, and (B) neither Owner (upon its satisfaction of its obligation in part '(A)' above) nor Optionee shall have any further rights or obligations hereunder or liability to the other Party by reason of this Agreement (except with respect to the provisions of this Agreement that survive termination). If there are any Title Objections which can be cured by the payment of money, including, without limitation, any Mandatory Title Removal Items, Optionee shall have the right to cure the same, at Optionee's election, and any sums so expended shall be credited against the Purchase Price at Closing. Notwithstanding anything contained herein to the contrary, upon Optionee's written request, Owner shall reasonably cooperate with Optionee's efforts in removing any Title Objection.

4.4. Commitment and Survey Updates. At any time, Optionee shall have the right to have its Title Documents updated, revised or supplemented, and if any such update, revision or supplement discloses any defect or matter, not already considered a Title Objection, to which Optionee objects (other than Mandatory Title Removal Items that Owner shall in all cases cause to have satisfied or otherwise released at the Closing pursuant to Section 4.3 hereof) (each, a **"New Title**

Objection”), then Optionee shall notify Owner thereof by sending written notice (“**New Title Objection Notice**”). Owner agrees to diligently attempt to cure or otherwise have removed from the Commitment and/or Survey, all New Title Objections; provided, however, if Owner is not willing or able to cure certain New Title Objections, Owner shall notify Optionee in writing of the same prior to the earlier of (A) ten (10) days after Owner receives the New Title Objection Notice, or (B) one business day prior to the date for Closing. If Owner is unable or fails to cure all New Title Objections on or before the Closing Date, then Optionee may, at its option, elect to: (i) waive such New Title Objections and proceed to Closing; or (ii) terminate this Agreement by delivering a Termination Notice, in which case (A) the Option Payment (less the Independent Consideration) shall be refunded to Optionee within ten (10) business days of Owner’s receipt of the Termination Notice, and (B) neither Owner (upon its satisfaction of its obligation in part ‘(A)’ above) nor Optionee shall have any further rights or obligations hereunder or liability to the other Party by reason of this Agreement (except with respect to the provisions of this Agreement that survive termination).

4.5. Permitted Exceptions. Any matters appearing on Optionee’s Commitment and/or Survey to which Optionee does not object pursuant to Section 4.3 or Section 4.4 above, together with any Title Objections waived by Optionee pursuant to Section 4.3(i) above and any New Title Objections waived by Optionee pursuant to Section 4.4(i) above, shall be deemed to be “**Permitted Exceptions**” hereunder.

4.6. Judgment Affidavit. If the Commitment, including any update thereto, discloses judgments, bankruptcies or other returns against other persons or entities having names the same as or similar to that of Owner, on request from Optionee, Owner shall deliver to the Title Company affidavits (each a “**Judgment Affidavit**”) showing that such judgments, bankruptcies or other returns are not against Owner in order to request the Title Company to omit exceptions with respect to such judgments, bankruptcies or other returns or to insure over same. Each Judgment Affidavit requested by Optionee shall be considered an Owner Closing Deliverable and must be on a form reasonably approved by Optionee.

5. Conditions to Closing. The Parties understand and agree that the obligation of Optionee to purchase the Property following its exercise of the Option is expressly contingent upon the achievement or satisfaction of each of the following conditions precedent (collectively the “**Closing Conditions**”), to the satisfaction of Optionee:

5.1. Title and Survey. Title to the Property shall be good and marketable, with valid title of record, and insurable at regular rates by the Title Company, subject only to the Permitted Exceptions and such other matters as are approved in writing by Optionee, in its sole discretion, prior to the Closing. For avoidance of doubt; if Owner fails to discharge and remove of record (i) any Title Objections or New Title Objections that Owner has agreed to cure pursuant to Section 4.3 or Section 4.4 above, or (ii) Mandatory Title Removal Items, on or prior to the Closing Date, then at Optionee’s election, such failure shall constitute an unsatisfied or unperformed Closing Condition.

5.2. Environmental Matters. There shall have been no change in the environmental condition of the Property since the date upon which Optionee shall have had a Phase I (and if applicable, Phase II) environmental assessment of the Property performed.

5.3. Adverse Changes. There shall have been no adverse changes in (i) the legal or physical access to the Property, or (ii) the availability, adequacy and reasonable cost of or for all utilities that will be necessary to serve Optionee's proposed development of the Property or the institution of any moratoriums or related capacity limitation.

5.4. Representations and Warranties. There shall be no breach of the representations and warranties of Owner set forth in this Agreement.

5.5. Covenants and Agreements. Owner shall have observed and performed each covenant and agreement to be observed and performed by it under this Agreement, including delivering all Owner Closing Deliverables prior to the Closing Date. Before the Closing Date, the Owner Closing Deliverables (defined hereinafter) must be approved by Optionee.

If any of the Closing Conditions have not been satisfied or performed on or as of the Closing Date, Optionee shall have the right to: (i) terminate this Agreement by giving notice to Owner, in which event the Option Payment (less the Independent Consideration) shall be promptly refunded to Optionee, all rights and obligations of the parties under this Agreement shall expire, and this Agreement shall become null and void; or (ii) waive such failure of condition and proceed to Closing.

6. Closing. If Optionee exercises the Option, then closing of the sale and purchase of the Property (the "**Closing**") shall be on such date as Optionee may determine (the "**Closing Date**"), subject to the satisfaction of the Closing Conditions and the availability of the Title Company, provided that the Closing Date shall occur no later than forty-five (45) days following the date on which Optionee exercised the Option unless otherwise agreed to between Owner and Optionee. Notwithstanding anything herein to the contrary, Optionee shall have a one-time right to extend when the Closing Date may occur, with written notice to Owner, by a period of time up to thirty (30) days. Closing shall take place through escrow by delivering documents and funds to Title Company so that neither Party is required to be physically present. At Closing, Owner shall grant and convey to Optionee, by the Deed, free and clear of all liens and encumbrances except for Permitted Exceptions, good and marketable fee simple title to the Property as such will be insurable by Title Company. On the Closing Date, possession of the Property shall be given to the Optionee.

7. Proration of Items and Expenses at Closing. Owner shall be responsible for the cost of the following: (i) all matters of title clearance required under this agreement, including the cost of satisfying, canceling, and releasing all Mandatory Title Removal Items, (ii) Owner's attorneys' fees, and (iii) any recording fees incurred in connection with the recording of the Deed. Optionee shall be responsible for the cost of the following: (i) any title examination and title insurance costs (except for costs associated with remedial actions to clear title expressly allocated to Owner herein), including escrow fees charged by Title Company and the premium for Optionee's title insurance policy, (ii) the costs of any surveys, including the Survey, and (iii) Optionee's attorney's fees. All state and local real estate taxes and special assessments levied or assessed against the Property for the tax year in which Closing occurs shall be prorated as of the Closing Date based on the most current tax information for the Property (which may be the current tax information for the Premises), with Optionee receiving a credit at Closing in the amount of the unpaid real estate taxes or assessments which accrue during the year of Closing. If the most recently available tax information for the Property includes land or

improvements that are not within the bounds of the Property, then real estate taxes shall be prorated on a per-acre basis so that Optionee pays no taxes attributable to land or improvements not within the bounds of the Property. Any roll back taxes, special assessments and other similar charges (whether or not past due) resulting from action or inaction of Owner (inclusive of Owner's failure to make required filings necessary to maintain the real estate tax deferment status of the Property) shall be paid in full by Owner on or prior to the Closing Date. Likewise, any roll back taxes, special assessments and other similar charges, resulting from Optionee's receipt of the Approvals or due to Optionee's exercise of its rights under Section 2 of this Agreement, shall be paid in full by Optionee when due, regardless if assessed before or after the Closing Date.

8. **Closing Deliveries.**

8.1. **Deliveries by Owner.** At the Closing, Owner shall deliver to Optionee or the Title Company, as appropriate, the following (collectively, the **"Owner Closing Deliverables"**):

8.1.1. A special warranty deed substantially in the form of Exhibit E attached hereto (the **"Deed"**), conveying good and marketable fee simple title in and to the Property to Optionee, free and clear of all liens and encumbrances (other than the Permitted Exceptions), duly executed and acknowledged by Owner;

8.1.2. a certificate executed by Owner, confirming that each of the representations and warranties of Owner set forth in Section 11 are true and correct as of the Closing Date, and that Owner has fully performed all of the covenants of Owner set forth in this Agreement;

8.1.3. an affidavit that Owner is not a "foreign person" as such term is defined in Section 1445(b)(2) of the Internal Revenue Code of 1986, as amended, duly executed by Owner;

8.1.4. a settlement statement prepared by the Title Company (or, if none, by Optionee), duly executed by Owner;

8.1.5. all consents, authorizations or approvals which may be required from any third person or entity in connection with the sale of the Property;

8.1.6. an affidavit as to debts, liens and possession, in a form reasonably approved by the Title Company and sufficient to allow the Title Company to delete the "standard exceptions" in a title insurance policy, including, but not limited to; (i) rights of parties in possession; (ii) rights of tenants in possession; (iii) any claim related to the Perishable Agricultural Commodities Act or the Packers and Stockyards Act; and (iv) any lien, or right to lien, for services, labor, supplies or materials heretofore or hereafter furnished, imposed by law and not shown among the public records; and

8.1.7. any other document, affidavit, instrument, or agreement reasonably requested by Optionee, Optionee's counsel or the Title Company or as required by or

for any Approval to consummate the transactions contemplated hereby or to certify Optionee's title to the Property.

8.2. Deliveries by Optionee. At the Closing, Optionee shall deliver to Owner or the Title Company, as appropriate, the following:

8.2.1. the Purchase Price, subject to prorations and other adjustments as provided in Section 4 and Section 7 above;

8.2.2. a settlement statement prepared by the Title Company, duly executed by Optionee; and

8.2.3. any other document, affidavit, instrument, or agreement reasonably requested by Owner or the Title Company or as required by or for any Approval to consummate the transactions contemplated hereby.

9. Right to Assign; Estoppel. Optionee shall have the right to assign or transfer its interest pursuant to this Agreement in full or in part without Owner's consent, *provided* that Optionee shall provide written notice of any assignment within thirty (30) days after such assignment has occurred (each such transaction, an "**Assignment**"); and, *provided further* that any such Assignment (excluding any collateral assignments in connection with a financing) shall be expressly made subject to all of the terms, covenants, and conditions of this Agreement. An Assignment shall relieve Optionee of its obligations under this Agreement that have not yet accrued provided that the transferee of the interest assumes in writing such obligations. Optionee shall also have the right to collaterally assign or pledge its rights and interest pursuant this Agreement to a lender without Owner's consent, and Owner agrees to provide any reasonable estoppels or consents in connection with any such financing upon Optionee's request. Any such Assignment, collateral assignment or pledge shall not relieve Optionee of its obligations hereunder that accrued prior to such Assignment, collateral assignment or pledge. Within ten (10) business days of request and effective notice from Optionee, Owner shall execute an estoppel certificate certifying as to matters reasonably requested by Optionee.

10. Notices. All notices, demands, or consents required under in this Agreement shall be given in writing, and may be given (i) by hand, in which case the notice shall be deemed effective when so delivered, (ii) by certified or registered United States Mail, postage pre-paid, in which case the notice shall be deemed to be effective on the third business day following deposit, (iii) by delivery via a nationally recognized, overnight receipted courier service, in which case the notice shall be deemed to be effective on the next business day following delivery to such courier service, or (iv) by e-mail transmission, in which case the notice shall be deemed effective on the date of such transmission, in each case delivered to the Parties at their respective addresses listed below (or at such other address as either may specify to the other in notice under this section):

Notice to Owner: To the Owner's Address set forth in Exhibit A

Notice to Optionee: Rocky Mountain Energy Development, LLC
250 Nicollet Mall
Suite 800 & 900
Minneapolis, MN 55401
Attn: Deputy General Counsel
Telephone: 612-851-3000
Email: notices@castlelake.com &
operations@rmenergydevelopment.com

If notice that otherwise fulfills the requirements of this section is rejected by the addressee, or if an addressee refuses to accept such notice, or if a change in address for which no notice was given causes the notice to be undeliverable, then the notice is effective upon the occurrence of such rejection, refusal or undeliverability.

11. **Representations, Warranties, and Covenants.** Owner hereby covenants and makes the following representations and warranties, each of which shall be deemed remade as of the Closing Date and shall survive the Closing and delivery of the Deed and the expiration or earlier termination of this Agreement:

11.1. **No Litigation; Compliance with Law; Condemnation.** No litigation is pending, and, to Owner's Knowledge, no litigation or administrative actions are proposed, threatened, or anticipated with respect to any matter affecting the Premises, this Agreement, or Owner's title to the Premises whether commenced by a third party or Owner. No condemnation actions or proceedings are pending, and to Owner's Knowledge, no condemnation actions are proposed, threatened, or anticipated with respect to the Premises. If Owner learns of any litigation, administrative action or condemnation proceeding proposed, threatened, or instituted with respect to the Premises or this Agreement, Owner shall give Optionee prompt notice thereof, and Owner shall support and consent to any efforts by Optionee to intervene in such proceeding. To Owner's Knowledge, the Premises is in compliance with all applicable laws, ordinances, rules, statutes and regulations, including, without limitation, all local zoning, subdivision, land use and environmental laws, ordinances, rules, statutes and regulations. To Owner's Knowledge there are no planned special assessments made against, or public improvements planned for, the Premises or any portion thereof.

11.2. **Title; Right to Grant Option.** Owner is the sole owner of fee simple title to the surface estate of the Property. Owner has all necessary authority to grant the Option to Optionee and perform all of Owner's obligations under this Agreement without the consent, authorization or approval of any other party. Owner is not subject to any law, order, decree, restriction or agreement that would be violated by entering into this Agreement or by the consummation of the transactions

contemplated by this Agreement. There are no options, rights of first refusal, contracts to purchase, leases (unless otherwise noted in Section 11.3), unrecorded easements, unrecorded licenses, unrecorded mortgages, unrecorded deeds of trust, reversionary rights or similar interests.

11.3. Encumbrances. From the Effective Date until the earlier of Closing or the termination of this Agreement, Owner shall not grant or consent to any leases, liens, zoning restrictions, easements, licenses, mortgages, deeds of trust, reversionary rights, rights-of-way or similar interests concerning the Property without obtaining Optionee's prior written consent, which may be withheld in Optionee's sole discretion. There are no adverse or other parties in possession of the Property.

To Owner's Knowledge, there are no unrecorded encumbrances affecting the Property including, without limitation, any oral or written farming leases, grazing leases or hunting leases. As of the Effective Date, Owner is not engaged, and has not previously engaged, in the cultivation of crops on the Property. During the period between Effective Date and the Closing, Owner shall not engage in, and shall not permit, the cultivation of crops on the Property.

11.4. Exclusivity. From the Effective Date until the earlier of Closing or the termination of this Agreement, Owner shall not offer the Property for sale, lease, or option to any party other than Optionee, and Owner shall not respond to any unsolicited offers to purchase, lease, or grant an option with respect to all or any part of the Property.

11.5. No Physical Alterations. Until the expiration of the Option Period, Owner shall not alter in any material respect the physical condition of the Property (including, without limitation, grading and drainage patterns) without Optionee's prior written consent, which may be granted or withheld in Optionee's sole and absolute discretion.

11.6. Hazardous Materials. To Owner's Knowledge, no substances or materials defined as hazardous or toxic under state, federal, or local laws or regulations (collectively, "**Hazardous Materials**") have been placed, stored, generated, produced, discharged, disposed of, or released on the Premises or transported to or from the Premises. Owner has not placed, stored, generated, produced, discharged, disposed of, or released Hazardous Materials on the Premises, and Owner has not transported any Hazardous Materials to or from the Premises. There are no underground storage tanks located under the Premises. Owner has not received any notice of any of the foregoing or notice of any violation of any applicable environmental law.

11.7. Legal Parcel. The Premises is comprised of a single legal parcel or multiple legal parcels created pursuant to the subdivision map act or similar statutes or regulations.

11.8. Taxes. Except as otherwise may be provided in Section 7 of this Agreement, Owner shall pay when due all property taxes and assessments assessed against the Premises during the Option Period.

11.9. No Broker's Commissions. Owner has not entered into any agreement or taken any action that will result in any obligation to pay any brokerage, finder's fee, or similar commission in

connection with this Agreement or the potential purchase and sale of the Property as contemplated in this Agreement.

11.10. No Bankruptcy or Insolvency. Owner has not: (i) filed any voluntary or had involuntarily filed against it in any court or with any governmental body pursuant to any statute either of the U.S. or of any state, a petition in bankruptcy or insolvency or seeking to effect any plan or other arrangement with creditors, or seeking the appointment of a receiver; (ii) had a receiver, conservator or liquidating agent or similar person appointed for all or a substantial portion of its assets; (iii) suffered the attachment or other judicial seizure of all, or substantially all of its assets; (iv) given notice to any person or governmental body of insolvency; (v) made an assignment for the benefit of its creditors or taken any other similar action for the protection or benefit of its creditors; or (vi) been threatened or threatened with any of the foregoing whether voluntary or involuntary. Owner is not insolvent and will not be rendered insolvent by the performance of its obligations under this Agreement.

11.11. Subsequent Developments and Indemnity. After the Effective Date and until Closing, Owner shall keep Optionee fully informed of all subsequent developments of which to Owner's Knowledge which would cause any of Owner's representations or warranties contained in this Agreement to be no longer accurate in any material respect. Owner agrees to indemnify, defend and hold Optionee harmless from and against any and all damages, losses, obligations, liabilities, liens, penalties, causes of action, proceedings, claims, costs and expenses, including, but not limited to, fees of attorneys, experts and consultants (collectively, "**Claims**"), arising in any way out of or in connection with or as a result of any of the representations and warranties contained in this Section not being true and accurate as of the (i) Effective Date, and (ii) Closing Date. The foregoing indemnity shall include both third-party Claims asserted against Optionee as well as any Claims incurred or suffered directly by Optionee. This indemnification is in addition to any remedies set forth in **Section 13.1** and shall survive the Closing for the applicable statute of limitations (and shall not be merged into the deed).

12. Risk of Loss. All risk of loss or damage to the Property prior to Closing, including, but not limited to, loss by fire, windstorm, or other casualty, shall rest with Owner. If, prior to the Closing, the Premises or Property is damaged as a result of fire or other casualty or if after the Effective Date before Closing, all or any portion of the Premises or Property is condemned by any legally constituted authority, a notice of intent to condemn is issued for any portion of the Premises or Property, or any portion of the Premises or Property is sold in lieu of condemnation (all of which actions shall generically be referred to as a condemnation) (collectively, the "**Casualty Events**"), then Owner shall provide Optionee with written notice of such Casualty Event with sufficient details to inform Optionee of the extent of the Casualty Event. Within thirty (30) days after Optionee's receipt of such notice, Optionee shall give Owner written notice of Optionee's choice of one of the following options (each, a "**Casualty Election**"): (i) accept title to the Property without any abatement of the Purchase Price whatsoever, in which event at the Closing any insurance or condemnation proceeds payable to the Owner shall be assigned by Owner to Optionee, on an assignment form approved by Optionee, and any monies theretofore received by Owner in connection with such Casualty Event shall be paid over to Optionee; or (ii) terminate this Agreement, in which event neither party shall have any further

liability or obligation to the other hereunder except for those liabilities or obligations which survive the termination of this Agreement and the Option Payment (less the Independent Consideration) shall be returned to Optionee. In the event Optionee shall fail to timely exercise a Casualty Election, then Optionee shall be deemed to have elected to choose the second option to terminate this Agreement.

13. **Defaults and Remedies.**

13.1. **Default by Owner.** If the purchase and sale of the Property contemplated by this Agreement is not consummated on account of Owner's default, breach, failure or refusal to perform hereunder ("**Owner Default**"), and such Owner Default is not cured within ten (10) days after written notice thereof from Optionee (provided that there shall be no cure period for Owner's failure to deliver any Owner Closing Deliverables), Optionee may, at Optionee's sole option, (i) enforce specific performance of this Agreement against Owner, (ii) terminate this Agreement by written notice delivered to the Owner and, upon receipt of such notice, this Agreement shall terminate and thereafter become null and void except that (A) Owner shall immediately return to Optionee the Option Payment (less the Independent Consideration), and (B) Owner shall reimburse Optionee for all direct, out-of-pocket costs and expenses, including without limitation costs of title examination, surveys, property inspections, and attorneys' fees, or (iii) exercise any other remedies available to Optionee at law or in equity. If Optionee elects to bring a suit for specific performance to enforce Owner's obligations to convey the Property pursuant to this Agreement, Owner hereby waives any and all defenses which could exist in connection with such enforcement including any arguments regarding whether there is an adequate remedy at law to fully compensate Optionee and, to the maximum extent permitted by applicable law, Owner hereby waives any requirement for the security or posting of any bond in connection with such enforcement. The terms and conditions of this Section 13.1 shall survive the rescission, cancellation, termination, or consummation of this Agreement. The foregoing remedies are in addition to, and not in lieu of, any claims for indemnification under Section 11.11 of this Agreement.

13.2. **Default by Optionee.**

13.2.1. If Owner has satisfied all of its obligations and covenants under this Agreement, but the purchase and sale of the Property contemplated by this Agreement is not consummated on account of Optionee's failure or refusal to consummate the purchase and sale contemplated by this Agreement and Optionee has not terminated this Agreement pursuant to Section 1.6 or as otherwise expressly permitted herein, then Owner's sole and exclusive remedy shall be as follows: **OWNER'S SOLE AND EXCLUSIVE REMEDY SHALL BE THE RETENTION OF THE OPTION PAYMENT, AND A CLAIM FOR ALL DELINQUENT INSTALLMENTS AND FUTURE INSTALLMENTS OF THE OPTION PAYMENT. THE PARTIES EXPRESSLY AGREE SUCH RETENTION AND CLAIM ACTS AS LIQUIDATED DAMAGES AND NOT AS A PENALTY, AND THE PARTIES FURTHER HEREBY ACKNOWLEDGE AND RECOGNIZE THAT IT IS DIFFICULT, IF NOT IMPOSSIBLE, TO ESTIMATE MORE PRECISELY OR ACCURATELY THE DAMAGES WHICH MIGHT BE SUFFERED BY OWNER UPON OPTIONEE'S FAILURE TO CLOSE AND OWNER'S ACTUAL DAMAGES IN THE EVENT OF SUCH DEFAULT WOULD BE DIFFICULT TO ASCERTAIN,**

AND THAT SUCH LIQUIDATED DAMAGES REPRESENT THE PARTIES' BEST GOOD FAITH ESTIMATE OF SUCH DAMAGES.

13.2.2. Except as otherwise provided in Section 13.2.1 for Optionee's refusal or failure to consummate the purchase and sale transaction contemplated hereunder, in the event Optionee defaults on or breaches an obligation that accrued before Optionee terminated this Agreement pursuant to Section 1.6, and such default or breach is not cured within thirty (30) days after written notice thereof from Owner, then: **OWNER SHALL HAVE ALL REMEDIES AVAILABLE TO OWNER AT LAW OR IN EQUITY; PROVIDED, THAT OPTIONEE'S AGGREGATE LIABILITY FOR ALL DAMAGES ARISING UNDER THIS AGREEMENT SHALL NOT EXCEED THE AGGREGATE VALUE OF THE OPTION PAYMENT.**

13.3. Limitation on Liability. **EXCEPT IN THE CASE OF FRAUD, GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, ANY ACTION FOR MONEY DAMAGES BY EITHER PARTY SHALL BE LIMITED TO ACTUAL MONEY DAMAGES AND SHALL NOT INCLUDE SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES.**

14. Miscellaneous Provisions.

14.1. Successors and Assigns. The terms and provisions of this Agreement shall run with the Premises and be binding on, and inure to the benefit of, the successors and permitted assigns of the Parties.

14.2. Entire Agreement; Further Assurances. This Agreement constitutes the entire agreement between the Parties and supersedes any other prior understandings and agreements. This Agreement shall not be amended or modified in any way except by an instrument signed by the Parties. The Parties shall at all times hereafter execute any documents and do any further acts which may be reasonably necessary to carry out the purposes of this Agreement and to give full force and effect to each and all of the provisions hereof, so long as the requesting Party bears any financial cost (unless otherwise provided herein).

14.3. Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas.

14.4. Time; Date. Time is of the essence with respect to all obligations under this Agreement. All deadlines set out herein shall be strictly construed without considering weekends or legal holidays; provided, however: (i) the term "business day" means any day of the calendar week other than Saturday, Sunday or other day on which the majority of banks located in the County (as defined in Exhibit A) are required to be closed pursuant to any applicable law, order or regulation; and (ii) if the deadline to perform an obligation, send or receive a notice or exercise any right under this Agreement (each a "**Deadline**") falls on a non-business day, such Deadline shall be extended to the next business day. Each Deadline will expire on the applicable date at 10:00 p.m. Central Standard Time.

14.5. Confidentiality. To the extent permitted by law, Owner shall maintain in the strictest confidence, for the benefit of Optionee, all information pertaining to this Agreement and the Feasibility Studies and the terms and conditions of this Agreement, including, without limitation, the monetary value set for the Purchase Price and Option Payment. Optionee acknowledges that Owner is subject to the Texas Open Meetings Act.

14.6. Construction; Severability. As used herein, the phrase **"Owner's Knowledge"** means both: (a) what Owner actually knew as of the Effective Date; and (b) what Owner should have known as of the Effective Date after reasonable investigation and inquiry. If any term or provision of this Agreement, or the application thereof to any person or circumstance, shall be determined to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances, other than those as to which it is held to be invalid, shall be enforced to the fullest extent permitted by law. The headings of sections and paragraphs in this Agreement are for convenience only, and shall not be considered a part of this Agreement or considered in interpretation or construction of any provision of this Agreement. Each Party has cooperated in the drafting and preparation of this Agreement and, therefore, in any construction to be made of this Agreement, the same shall not be construed against either Party. The singular of any term, including any defined term, shall include the plural and the plural of any term shall include the singular. Provisions in this Agreement in **"bold"** type and/or all capital letters are unequivocal and satisfy any requirements at law or in equity that provisions be conspicuously marked, identified or highlighted.

14.7. Waiver. Any failure or delay by Optionee at any time, or from time to time, to enforce or require strict performance of any of the terms and conditions of this Agreement shall not constitute a waiver of such terms or conditions and shall not affect or impair such terms or conditions in any way or affect or impair the right of Optionee at any time to avail itself of any rights, powers or remedies available or to enforce strict compliance of the terms or conditions of this Agreement.

14.8. Attorneys' Fees and Expenses. Should either Party be required to resort to legal action to enforce any of its rights under this Agreement, the Prevailing Party in any such dispute shall be entitled to reimbursement from the other Party thereto for all reasonable expenses and costs including, without limitation, all reasonable attorneys' fees incurred in enforcing such Party's rights, including such fees incurred due to any appeal. **"Prevailing Party"** means the Party who substantially obtains or defeats the relief sought, as the case may be, by binding final non-appealable adjudication or mutual settlement.

14.9. Counterparts; Electronic Signatures. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute a single instrument. Signatures to this Agreement (except the Memorandum) may be delivered by electronic means (e.g., by .pdf or by DocuSign) with the same effect as a physical signature.

14.10. Waiver of Jury Trial. EACH PARTY HEREBY WAIVES TRIAL BY JURY IN ANY PROCEEDINGS BROUGHT BY THE OTHER PARTY IN CONNECTION WITH ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE TRANSACTION, THIS AGREEMENT, THE PROPERTY, OR THE

RELATIONSHIP OF OPTIONEE AND OWNER HEREUNDER. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE THE CLOSING (AND NOT BE MERGED THEREIN) OR ANY EARLIER TERMINATION OF THIS AGREEMENT.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement to be effective as of the Effective Date.

OWNER:

Eden Economic Development Corporation,
a Texas Economic Development Corporation

By: _____

Name: **Brent Frazier**

Title: **Vice President**

Date: _____

STATE OF _____ §

§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 202__ by **Brent Frazier, the Vice President of Eden Economic Development Corporation, a Texas Economic Development Corporation.**

[SEAL]

Notary Public

My commission expires: _____

[signature pages continue]



PEREGRINE ENERGY

ROCKY MOUNTAIN ENERGY DEVELOPMENT

IN WITNESS WHEREOF, the Parties have duly executed this Agreement to be effective as of the Effective Date.

OPTIONEE:

Rocky Mountain Energy Development, LLC,
a Delaware Limited Liability Company

By: _____

Name: _____

Title: _____

Date: _____

Exhibit A

Purchase Option Agreement Terms

Owner	Eden Economic Development Corporation, a Texas Economic Development Corporation, by Brent Frazier, Vice President (the " Owner ")
Owners' Address and email	120 Paint Rock Street, Eden, TX 76837 PO Box 1182, Eden, TX 76837 econdev@edentexas.com
Premises	The Premises consists of an estimated 28.05 acres, plus or minus, of real property, as more particularly described on <u>Exhibit B</u> and located in Concho County (the " County "), Texas (the " State "), Parcel Number(s): R000037342
Property	The Property consists of an estimated 20 acres, plus or minus, of real property, in Concho County, (the " County ") Texas (the " State ") as more particularly depicted on <u>Exhibit B</u> ; provided, however, the Parties agree and acknowledge that such acreage amount is an approximate estimation, and that the identification of the Property shall be ascertained in accordance with Section 1.4 of this Agreement, and the final acreage of the Property shall be determined pursuant to Section 3 of this Agreement.
Option Period	The period commencing on the Effective and continuing for four (4) years thereafter (the " Option Period ")
Option Payment	" Option Payment " means each of the following installment payments when such payments are due and/or paid to Owner: (i) Sixteen Thousand Eight hundred and 00/100 Dollars (\$ 16,800.00) due thirty (30) business days after the Effective Date; (ii) Eight Thousand Four hundred and 00/100 Dollars (\$8,400.00) due on the first anniversary of the Effective Date; and (iii) Eight Thousand Four Hundred and 00/100 Dollars (\$8,400.00) due on the second anniversary of the Effective Date.
Purchase Price	Six Thousand and 00/100 Dollars (\$ 6,000.00) per gross acre of the Property as determined by Section 3 of this Agreement (the " Purchase Price "), less payments made to Owner under the Option Payment as of the Closing Date

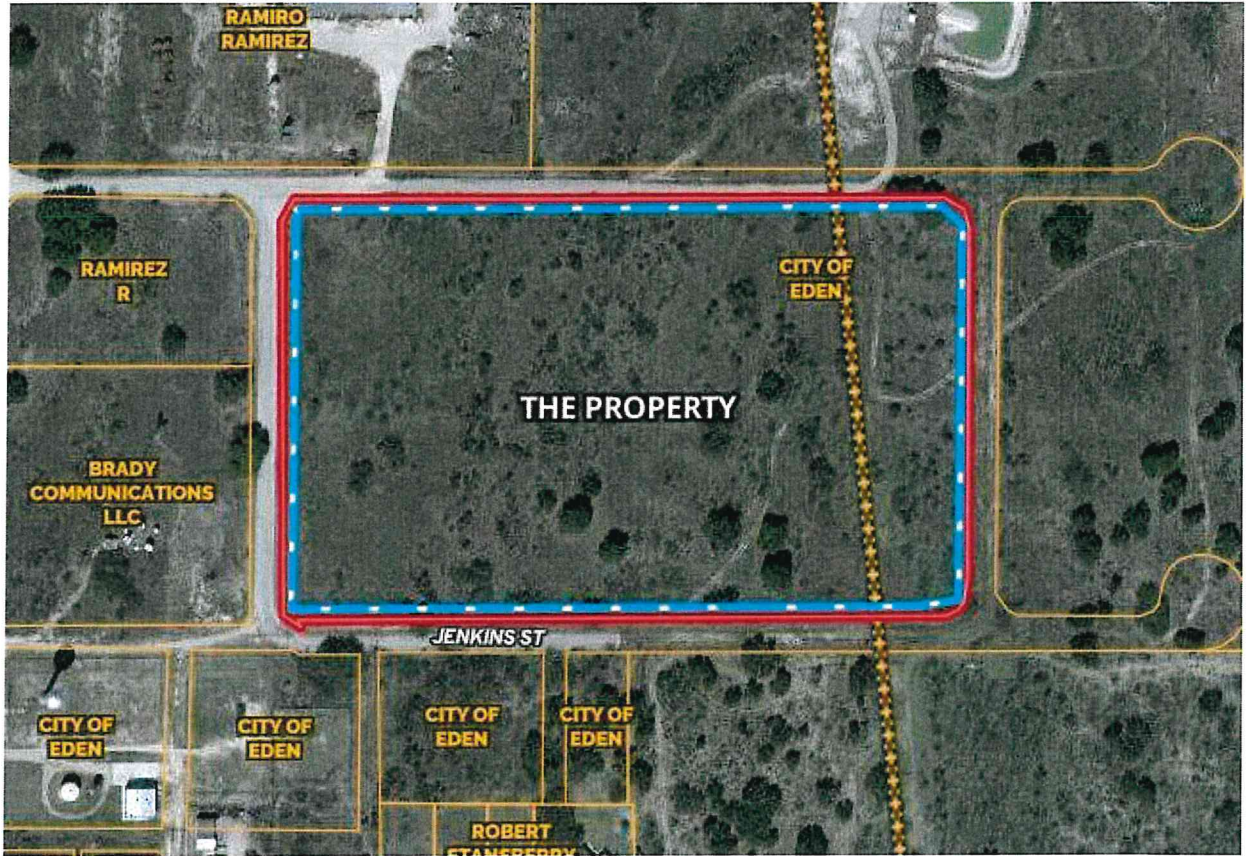
Exhibit B

Legal Description of the Premises

Tracts 8A through 12A and Tracts 15A through 19A of the Replat of Eden Industrial Park according to plat and dedication recorded in Cabinet 1, Slide B69, Plat Records, Concho County, Texas.

Exhibit C

Depiction of the Property



This Exhibit C is inserted to reference the approximate location and area of the Property and in no way shall the depiction in Exhibit C be used to limit or restrict the size, location or area of the Property; provided, that the Parties agree the Property shall be deemed to exclude Tract 13A of the Replat of Eden Industrial Park recorded in Cabinet 1, Slide B69, Plat Records, Concho County, Texas. Owner and Optionee acknowledge that the depiction of the Property set forth in this Agreement technically may be legally insufficient for the purpose of supporting an action for enforcement of this Agreement. Because the Parties desire to execute this Agreement to provide for the right of enforcement, Owner and Optionee agree that: (i) they are familiar with the location of all of the Property; and (ii) each Party waives any and all claims of an insufficient legal description, including, but not limited to, any and all claims under the Statute of Frauds.

Exhibit D

Form of Memorandum of Agreement

[see attached]

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

After recording return to:

Rocky Mountain Energy Development, LLC
250 Nicollet Mall
Suite 800 & 900
Minneapolis, MN 55401
Attn: Deputy General Counsel

MEMORANDUM OF PURCHASE OPTION AGREEMENT

THIS MEMORANDUM OF PURCHASE OPTION AGREEMENT (this "**Memorandum**"), is made and entered into effective as of the ____ day of _____, 202__ (the "**Effective Date**") by and among **Eden Economic Development Corporation**, a Texas Economic Development Corporation ("**Owner**"), having a mailing address of **PO Box 1182, Eden, TX 76837**, and Rocky Mountain Energy Development, LLC, a Delaware Limited Liability Company ("**Optionee**"), having a mailing address of 250 Nicollet Mall, Suite 800 & 900, Minneapolis, MN 55401. Owner and Optionee are sometimes individually referred to as a "**Party**" and collectively as the "**Parties**".

RECITALS

A. Owner is the fee simple owner of the surface estate of that certain real property in **Concho** County, Texas (the "**County**") that is more particularly described on Exhibit A-1 attached hereto (the "**Premises**").

B. As of the Effective Date, the Parties have entered into that certain Purchase Option Agreement (the "**Agreement**"), pursuant to which Owner granted to Optionee the exclusive right and option to purchase all or a portion of that certain portion of the Premises that is depicted on Exhibit B-1 attached hereto ("**Property**"), on the terms and conditions set forth in the Agreement (the "**Option**").

C. The Parties desire to execute and record this Memorandum to evidence the existence and certain terms of the Agreement.

NOW, THEREFORE, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Incorporation of Recitals; Capitalized Terms. The foregoing Recitals are incorporated into this Memorandum by this reference. Capitalized terms used in this Memorandum and not otherwise defined shall have the meanings ascribed to such terms in the Agreement.

2. Grant of Option. Owner has granted to Optionee the Option to purchase all or any portion of the Property, as more particularly set forth and described in the Agreement.

3. Option Period. The term of the Option shall commence on the Effective Date and expire on the **fourth (4th)** anniversary of the Effective Date of the Agreement (the “**Option Period**”) unless earlier terminated pursuant to the Agreement. The Option is exercisable by Optionee any time during the Option Period in accordance with the terms set forth in the Agreement.

4. Purpose of Memorandum. This Memorandum, when recorded in the official public records of the County, is intended to serve as public notice of the existence of the Agreement and the rights of Optionee under the Agreement with respect to the Option and the Property. This Memorandum does not describe or refer to all of the terms or conditions contained in the Agreement with respect to the Option, nor is this Memorandum intended to modify, amend or vary any of the terms or conditions set forth in the Agreement with respect to the Option. Reference should be made to the Agreement for a more detailed description of all matters contained in this Memorandum.

5. Conflict. In the event of any conflict between the terms of the Agreement and this Memorandum, the terms of the Agreement shall control. This Memorandum shall not be construed to define, limit or modify the Agreement.

6. Successors and Assigns. The terms and conditions of the Agreement with respect to the Option shall bind and inure to the benefit of the heirs, executors, administrators, legal representatives, successors and assigns of the respective party.

7. Terms Run With the Land. The Option and the terms and conditions set forth in the Agreement with respect to the Option shall run with and bind the Property, and shall be binding upon Owner and their legal representatives, heirs, successors and assigns, and shall benefit Optionee’s interest in the Property.

8. Miscellaneous. This Memorandum may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which together shall constitute one document. This Memorandum shall for all purposes be governed by and construed in accordance with the laws of the State of Texas.

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OPTIONEE:

Rocky Mountain Energy Development, LLC
a Delaware limited liability company

By: _____

Name: _____

Title: _____

STATE OF _____ §

§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 202__ by _____, the _____ of Rocky Mountain Energy Development, LLC, a Delaware limited liability company.

[SEAL]

Notary Public

My commission expires: _____

EXHIBIT A-1
LEGAL DESCRIPTION OF PREMISES

Tracts 8A through 12A and Tracts 15A through 19A of the Replat of Eden Industrial Park recorded in Cabinet 1, Slide B69, Plat Records, Concho County, Texas.

EXHIBIT B-1

PROPERTY



Exhibit E

Form of Special Warranty Deed

[see attached]

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

After recording return to:

Rocky Mountain Energy Development, LLC
250 Nicollet Mall
Suite 800 & 900
Minneapolis, MN 55401
Attn: Deputy General Counsel

SPECIAL WARRANTY DEED

THE STATE OF TEXAS §
 § **KNOW ALL PERSONS BY THESE PRESENTS:**
COUNTY OF §
 §

THAT, WHEREAS, (the "**Grantor**") whose mailing address is , is the fee simple owner of the surface estate of the Land(as defined below);

WHEREAS, Grantor and Rocky Mountain Energy Development, LLC, a Delaware Limited Liability Company, (the "**Grantee**"), whose mailing address is 250 Nicollet Mall, Suite 800 & 900, Minneapolis, MN 55401, are parties to that certain Purchase Option Agreement dated , a memorandum of which is recorded as Document Number in the official public property records of County, Texas (the "**Agreement**") and

WHEREAS, Grantor and Grantee desire to close on the Agreement by having Grantor execute this Deed.

NOW, THEREFORE, Grantor, the duly authorized owner of the Land (as defined below), for and in consideration of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has **GRANTED, SOLD** and **CONVEYED**, and by these presents does hereby **GRANT, SELL** and **CONVEY**, unto Grantee, that certain real property described in **Exhibit A** which is attached hereto and incorporated herein for all purposes (the "**Land**"), together with: (i) all improvements, structures, and facilities on the Land (the "**Improvements**"); (ii) all rights, privileges, easements and appurtenances pertaining to the Land; (iii) all of Grantor's right, title and interest in and to any alleys, strips or gores adjoining the Land and all of Grantor's rights of ingress and egress to the Land, including, without limitation, any easements, rights-of-way, rights or other interests in, on, under or to any land, highway, street, road, right-of-way, or avenue, open or proposed, in, on, under, across, in front of, abutting or adjoining the Land; and (iv) all development rights, utility capacity, governmental approvals, licenses and permits (including all water, sewer, and

drainage capacity currently held by Grantor, if any, for the Land on the date hereof), to the extent they relate to the ownership, use, leasing, maintenance, service or operation of the Land (the Land, together with the foregoing interests being referred to herein as the "**Property**").

The Property is granted, sold and conveyed by Grantor, and accepted by Grantee, subject and subordinate to the provisions of this Special Warranty Deed ("**Deed**"), including, without limitation, those matters set forth in **Exhibit B** which is attached hereto and incorporated herein for all purposes (collectively, the ("**Permitted Exceptions**").

Grantee by its acceptance hereof, hereby assumes and agrees to pay any and all standby fees, taxes and assessments by any taxing authority for the calendar year being the same of the Effective Date and subsequent years. Grantee hereby assumes and agrees to pay any and all subsequent taxes and assessments due to a change in the usage or ownership of the Property, including without limitation, so-called "rollback taxes," whether by reason of this conveyance or hereafter.

Grantor hereby assigns and transfers to Grantee all claims and causes of action arising from or related to any injury, damage or loss in value to the Property or other injury to the Property that may have occurred or originated prior to the Effective Date, including any and all injuries to the Land. Grantor makes no representations or warranties of any nature to Grantee as to the existence or viability of any such claims or causes of action.

TO HAVE TO HOLD the Property, together with the all the singular the rights and appurtenances thereto in anywise belonging unto Grantee and Grantee's successors and assigns forever; and Grantor does hereby bind Grantor and Grantor's successors and assigns to **WARRANT AND FOREVER DEFEND** all and singular the Property unto Grantee and Grantee's successors and assigns, against every person whomsoever claiming or to the claim the same, or any part thereof by, through or under Grantor, but not otherwise.

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IN WITNESS WHEREOF, this Deed has been executed by Grantor when on the date set forth below, to be effective as of the _____ day of _____, 202__ (the "Effective Date").

GRANTOR:

STATE OF _____ §

§

COUNTY OF _____ §

The foregoing instrument was acknowledged before me this _____ day of _____, 202__ by _____.

[SEAL]

Notary Public

My commission expires: _____

Exhibit A

The Land

[to be inserted]

Exhibit B

Permitted Exceptions

[to be inserted]