

**DOC # 0227520**

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**Official Record**

Recording requested By  
DAVID G STOLFA

**Eureka County - NV**

**Mike Rebaleati - Recorder**

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Recording Requested By

Name David G Stolfa

Address 3300 So Columbine Circle

City / State / Zip Englewood, CO 80113

**ASSIGNMENT, BILL OF SALE AND CONVEYANCE**

(Print Name Of Document On The Line Above)

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I the undersigned hereby affirm that this document submitted for recording contains personal information (social security number, driver's license number or identification card number) of a person as required by specific law, public program or grant that requires the inclusion of the personal information The Nevada Revised Statute (NRS), public program or grant referenced is

\_\_\_\_\_  
(Insert The NRS, public program or grant referenced on the line above )

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name Typed or Printed

This page is added to provide additional information required by NRS 111 312 Sections 1-2  
This cover page must be typed or printed. Additional recording fee applies

## ASSIGNMENT, BILL OF SALE AND CONVEYANCE

This ASSIGNMENT, BILL OF SALE AND CONVEYANCE (this "Assignment"), dated effective as of April 1, 2014 at 7 00 a m , Pacific Daylight Time (the "Effective Time"), is from ELAND ENERGY, INC , a Texas corporation ("Eland"), 13455 Noel Road, Suite 2000 Dallas, Texas 75240, and LOCHINVAR ENERGY, L P , a Delaware limited partnership ("Lochinvar"), a/k/a LOCHINVAR ENERGY LP, a Texas limited partnership, 203 East Interstate 30, Suite 200, Rockwall, Texas 75087, to GRANT CANYON OIL & GAS, LLC, a Colorado limited liability company ("Assignee"), 717 Seventeenth Street, Suite 1400, Denver, Colorado 80202 Eland and Lochinvar are herein collectively referred to as "Assignors" and each, individually as an "Assignor"

For \$10 00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Assignor hereby sells, assigns, transfers, grants, bargains, and conveys to Assignee all of such Assignor's undivided rights, titles and interests (all of which are collectively called the "Interests") in and to the following

1 (a) The oil and gas leases described in Exhibit A attached hereto and made a part hereof (the "Leases"), covering the lands described in Exhibit A (the "Lands"), (b) the wells described in Exhibit A and any and all other wells now or hereafter located on the Lands or on lands pooled or unitized with any of the Lands, including without limitation oil wells, gas wells and disposal wells (all of the foregoing being herein collectively referred to as the "Wells"), (c) any and all easements, rights-of-way, and other rights, privileges, benefits and powers with respect to the use and occupation of the surface of, and the subsurface depths under, the Lands, and (d) any and all rights with respect to any acreage pooled or unitized with any of the Leases or any of the Lands, including all oil and gas production from the pool or unit allocated to any such Lease or Lands and all interests in any related wells, together with the rights in and to all existing and effective unitization, pooling and communitization agreements, declarations and orders, and the properties covered and the units created thereby.

2 All of the oil, gas and associated hydrocarbons and other associated products in, on or under or that may be produced on or after the Effective Time from or otherwise attributable to the Leases, the Lands or the Wells or any other leases or lands now or hereafter pooled or unitized with any Lease or any of the Lands,

3 To the extent applicable to any of the Leases, the Lands or the Wells or any other leases or lands now or hereafter pooled or unitized with any Lease or any of the Lands all licenses, servitudes, operating agreements, unit agreements, processing agreements, options leases of equipment or facilities, joint venture agreements, pooling agreements, transportation agreements, rights-of-way, surface agreements and other contracts, agreements and rights, which are owned by such Assignor, in whole or in part, and are appurtenant to the Leases, the Lands, the Wells or any other leases or lands now or hereafter pooled or unitized with any Lease or any of the Lands (collectively, the "Contracts"),

4 All of the real, personal and mixed property and facilities located in or on the Leases, the Lands or the Wells or any other leases or lands now or hereafter pooled or unitized



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with any Lease or any of the Lands or used or held for use solely in connection therewith, including, without limitation, well equipment, flowlines, gathering systems, piping, buildings, treatment facilities, disposal facilities, injection facilities, compressors, casing and tanks, crude oil, natural gas, condensate or other products that were severed after the Effective Time, and tubing, pumps, pumping units, motors, fixtures, machinery, spare parts and other equipment,

5 To the extent assignable, all governmental permits, licenses and authorizations, as well as any applications for the same, related to the Leases, the Lands, the Wells or any other leases or lands now or hereafter pooled or unitized with any Lease or any of the Lands

6 All claims against third parties, insurance proceeds, and all other rights, privileges, benefits and powers, tangible and intangible, that relate to or affect any of the Leases, the Lands, the Wells or any other leases or lands now or hereafter pooled or unitized with any Lease or any of the Lands, for matters arising on or after the Effective Time, and

7 All of such Assignor's files, records and data relating to the items described in paragraphs 1 through 6 above, including, without limitation, lease records, title records (including title options, title curative documents and abstracts), surveys, maps and drawings, contracts, correspondence, production records, electric logs, core data, pressure data, decline curves, graphical production curves and all related matters and construction documents, but excluding accounting and legal records. All of the foregoing are collectively called the "Records"

TO HAVE AND TO HOLD the Interests unto Assignee and its successors and assigns forever

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

A This Assignment is executed without warranty of any kind, except each Assignor specially warrants and agrees to defend such Assignor's title to the Interests against (i) any liens, mortgages or encumbrances created by, through or under such Assignor, but not otherwise, and (ii) any assignment, conveyance or other transfer made by such Assignor affecting any of the Interests, except any of the foregoing to which this Assignment is specifically made subject, as shown on Exhibit A

**B THE EXPRESS WARRANTIES AND REPRESENTATIONS OF EACH ASSIGNOR CONTAINED IN PARAGRAPH A ABOVE ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER REPRESENTATIONS AND WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND, WITHOUT LIMITATION ON THE EXPRESS WARRANTIES AND REPRESENTATIONS CONTAINED IN PARAGRAPH A ABOVE, EACH ASSIGNOR EXPRESSLY DISCLAIMS, AND ASSIGNEE HEREBY EXPRESSLY WAIVES ANY RIGHT OR CAUSE OF ACTION ARISING FROM OR RELATING TO, ANY AND ALL OTHER REPRESENTATIONS AND WARRANTIES WITHOUT LIMITATION. EXCEPT FOR THE EXPRESS WARRANTIES AND REPRESENTATIONS CONTAINED IN PARAGRAPH A ABOVE, THE INTERESTS SHALL BE CONVEYED PURSUANT HERETO WITHOUT ANY WARRANTY OR**

**REPRESENTATION, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, RELATING TO THE CONDITION, QUANTITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE, CONFORMITY TO MODELS OR SAMPLES OF MATERIALS OR MERCHANTABILITY OF ANY EQUIPMENT OR ITS FITNESS FOR ANY PURPOSE. ASSIGNEE AGREES TO TAKE THE INTERESTS "AS-IS", "WHERE-IS" AND WITH ALL FAULTS AND CONDITIONS THEREON.**

C Each Assignor shall be entitled to its proportionate share of all credits and proceeds of production from and accruing to the Interests, received by Assignee or either Assignor and attributable to time periods prior to the Effective Time, and each Assignor shall be responsible for its proportionate share of all costs, expenses and disbursements that are attributable to ownership or operation of the Interests for time periods prior to the Effective Time

D Assignee shall be entitled to all credits and proceeds of production from and accruing to the Interests, received by Assignee or either Assignor and attributable to time periods after the Effective Time, and Assignee shall be responsible for all costs, expenses and disbursements that are attributable to ownership or operation of the Interests for time periods on and after the Effective Time

E All property, production and severance taxes attributable to the Interests shall be prorated between Assignors and Assignee as of the Effective Time, with ad valorem property taxes assessed for times prior to the Effective Time being the obligation of Assignors, in their respective proportionate shares, and ad valorem property taxes assessed for times on and after the Effective Time being the obligation of Assignee. Assignee shall also be obligated to pay any and all sales taxes, transfer taxes, use taxes and recording fees payable in connection with the transfer of the Interests to Assignee, except for any recording fees attributable to curative work relating to any Assignor's title, which shall be the responsibility of the applicable Assignor

F Separate assignments of the Interests may be executed on officially approved forms by Assignors to Assignee, 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 Interests conveyed herein

G The references herein and in Exhibit A attached hereto to liens, encumbrances, burdens, defects and other matters are for the purpose of defining the nature and extent of each Assignor's special limited warranty given in paragraph A above, and such references shall not be deemed to ratify or create any rights in third parties or merge with, modify or limit the rights of either of the Assignors or Assignee, as among themselves

H Unless provided otherwise, all recording references in the Exhibits hereto are to the official real property records of Eureka County, Nevada



I This Assignment may be executed in any number of counterparts, and by different parties in separate counterparts, each of which shall be deemed to be an original instrument, but all of which together shall constitute but one instrument

J This Assignment shall bind and inure to the benefit of Assignors and Assignee and their respective successors and assigns

K Each of Assignors and Assignee agrees to execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such instruments, and to take such other action as may be necessary or advisable to carry out the intent and the terms of this Assignment

[Signature/Acknowledgment Pages Follow]

EXECUTED on the dates set forth in the acknowledgments of this Assignment, to be effective for all purposes as of the Effective Time

ELAND:

ELAND ENERGY, INC

By [Signature]  
Name Robin D. McGuire  
Title VP Land & General Counsel

STATE OF TEXAS )  
 ) ss  
COUNTY OF Dallas )

This instrument was acknowledged before me on this 30<sup>th</sup> day of May, 2014, by Robin D. McGuire, as VP + General Counsel of ELAND ENERGY, INC, a Texas corporation, on behalf of said corporation

Given under my hand and official seal



(SEAL)

[Signature], Notary Public  
in and for the State of Texas

My commission expires December 05, 2014

**LOCHINVAR:**

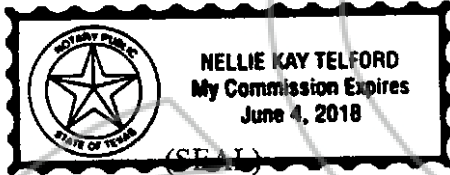
LOCHINVAR ENERGY, L P  
a/k/a LOCHINVAR ENERGY LP

By *J. Blair Garrett*  
Name John BLAIR GARRETT  
Title PARTNER

STATE OF TEXAS )  
COUNTY OF ROCKWALL ) ss  
)

This instrument was acknowledged before me on this 28 day of May, 2014, by J. Blair Garrett, as Partner of LOCHINVAR ENERGY, L P, a Delaware limited partnership, a/k/a LOCHINVAR ENERGY LP, on behalf of said limited partnership

Given under my hand and official seal

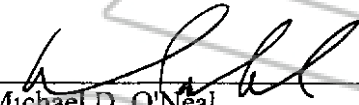


*Nellie Kay Telford*  
NELLIE KAY TELFORD, Notary Public  
in and for the State of Texas

My commission expires 6-4-2018, 201

**ASSIGNEE:**


GRANT CANYON OIL & GAS, LLC

By   
Michael D. O'Neal  
President

STATE OF COLORADO )  
 ) ss  
CITY AND COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 4th day of June, 2014, by Michael D. O'Neal, as President of GRANT CANYON OIL & GAS, LLC, a Colorado limited liability company, on behalf of said limited liability company

Witness my hand and official seal

  
Lisa A. Gray, Notary Public  
in and for the State of Colorado

(SEAL)

My commission expires 11/27/2017, 201\_\_

LISA A. GRAY  
NOTARY PUBLIC STATE OF COLORADO  
Notary Identification #20094035047  
My Commission Expires 11/27/2017





**EXHIBIT A**  
**EUREKA COUNTY, NEVADA**

**1. The Leases and the Lands:**

Lessor United States of America NVN-52055 (segregated from USA NVN-10613)  
Lessee Merle C Chambers  
Date November 1, 1974  
Description: T27N-R52E, MDM  
Section 7 SE/4,  
Section 9 N/2NW/4, SE/4NW/4, W/2SW/4,  
Section 22 W/2SW/4

Lessor United States of America NVN-11348  
Lessee Suzanne D Bucy  
Date May 1, 1975  
Recorded Book 57, Page 256, Records of Eureka County, Nevada  
Description T27N-R52E, MDM  
Section 7 NE/4,  
Section 8 W/2, SE/4, S/2NE/4

**2. The Wells:**

Blackburn #3, #10, #12, #14, #16, #18, #19, #21

**3. Disclosed Warranty Exceptions:** Assignor has disclosed to Assignee the following matters (the "Disclosed Warranty Exceptions"), which have arisen by, through or under Assignor and to which the Interests assigned hereby may be subject. The Disclosed Warranty Exceptions shall not be deemed to result in any breach of the special warranty given by Assignor under the terms of this Assignment.

1 Unit Development Agreement dated as of November 1, 2007, between Eland Energy, Inc and Blackburn Oil & Gas, LLC

2 The claim of C A Watts Energy Investments, Ltd to an overriding royalty interest in an amount not in excess of 0.0147%, covering the Blackburn #10-8, #16-7, #19-8, #18-7, #21 and #14-7 wells, as evidenced by a Special Warranty Deed dated effective as of April 1, 2006 at 7:00 A.M., recorded in the official public records of Eureka County, Nevada, in Book 461, Page 17, Document #0210364