

EUREKA COUNTY, NV

2019-238708

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DAVID G STOLFA

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LISA HOEHNE, CLERK RECORDER

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Recording Requested By:

Name David G. Stolfa

Address 3300 South 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 as of April 30, 2019 (the "Effective Date"), is from GRANT CANYON OIL & GAS, LLC, a Colorado limited liability company ("GCOG"), with an address at 717 Seventeenth Street, Suite 1400, Denver, Colorado 80202, and RESOURCE LEGACY INVESTMENTS, LLC, a Colorado limited liability company ("RLI"), with an address at 601 Corporate Circle, Golden, Colorado 80401, to the assignees listed on Annex 1 attached hereto and made a part hereof (hereinafter collectively referred to as "Assignees," and each, individually, as an "Assignee"). GCOG and RLI may hereinafter be collectively referred to as "Grantors," and each, individually, as a "Grantor."

1. FOR TEN DOLLARS (\$10.00) and other good, valuable and sufficient consideration received by Grantors, the receipt and sufficiency of which are hereby acknowledged, subject to the Reserved Interests (as defined below), Grantors do hereby grant, convey, sell, bargain, assign and deliver, unto Assignees, in the allocable shares set forth on Annex 1, an aggregate undivided 11.570517-percent leasehold working interest (the "Conveyed Interest"), in and to the following (the "Property"):

A. The oil, gas and mineral leases described in Exhibit "A" attached hereto and made a part hereof (the "Leases"), INsofar AND ONLY INsofar as the Leases cover the lands described in Exhibit "A" (the "Lands"), together with any and all rights, privileges, liabilities and obligations appurtenant thereto; and

B. To the extent assignable or transferable, all easements, rights-of-way, servitudes, and similar rights and interests applicable to or used in conducting exploration, development, production, transportation and other operations on or in respect of any of the Lands relating to oil, gas, other hydrocarbons and any other minerals covered by the Leases, INsofar AND ONLY INsofar as the Leases cover the Lands.

For all purposes hereof, the "Reserved Interests" shall mean Grantors' reservation of: (1) any and all leasehold working interests in and to the Property in excess of the undivided 11.570517-percent leasehold working interest being conveyed to Assignees pursuant hereto (the "Reserved Working Interests"); (2) an overriding royalty interest (the "Base ORRI") proportionately reduced to the leasehold working interest being conveyed hereby, which shall be calculated in the same manner as the lessor's royalty payable pursuant to each of the Leases and shall be free and clear of all costs of exploration, drilling, development and operations, but shall be subject to its proportionate share of production

taxes, in an amount equal to the excess, if any, of 17.5 percent over the sum of all existing royalties and overriding royalties burdening each of the Leases, INSO FAR AND ONLY INSO FAR as the Leases cover the Lands; and (3) an overriding royalty interest (the "Convertible ORRI"), proportionately reduced to the leasehold working interest being conveyed hereby, which shall be calculated in the same manner as the lessor's royalty payable pursuant to each of the Leases and free and clear of all costs of exploration, drilling, development and operations, but shall be subject to its proportionate share of production taxes, in an amount equal 2.50 percent; provided that at "Payout" (as defined on Schedule I attached hereto and made a part hereof) the Convertible ORRI shall automatically be converted into a 25.00-percent working interest, proportionately reduced to the leasehold working interest being conveyed hereby (the "Back-In"), in and to all of the Leases, INSO FAR as the Leases cover all of the Lands (including both the Lands inside the spacing units for producing wells and the Lands outside such spacing units). Upon the occurrence of Payout, each Assignee shall promptly execute and deliver to Grantors recordable re-assignments of the Back-In on appropriate forms prepared by Grantors for filing in the applicable county and federal records and including warranties of title against burdens, encumbrances, title defects and other matters arising by, through or under such Assignee, but not otherwise; provided that if any Assignee fails or refuses to promptly execute and deliver any such re-assignment, Grantors shall have the right to execute and record an affidavit stating that Payout has occurred, which affidavit shall be conclusive evidence of the occurrence of Payout and the vesting of the Back-In in Grantors in the following proportions: GCOG - 2/3, and RLI - 1/3.

TO HAVE AND TO HOLD the Conveyed Interest, together with all and singular the rights and appurtenances thereunto and in any way belonging, unto Assignees and their successors and assigns forever.

2. Each Grantor warrants title to the portion of the Conveyed Interest beneficially owned by such Grantor that is being assigned to Assignees hereunder against burdens, encumbrances, title defects and other matters arising by, through or under such Grantor, but not otherwise.

3. EACH GRANTOR EXPRESSLY DISCLAIMS AND NEGATES ANY EXPRESS WARRANTY OF MERCHANTABILITY, CONDITION OR SAFETY AND ANY EXPRESS WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE; AND EACH ASSIGNEE WAIVES ANY AND ALL OF THE AFOREDESCRIBED WARRANTIES AS TO THE CONVEYED INTEREST AND ACCEPTS THE CONVEYED INTEREST "AS IS, WHERE IS AND WITH ALL FAULTS". ALL DESCRIPTIONS OF THE CONVEYED INTEREST OR ANY PART THEREOF HERETOFORE OR HEREAFTER FURNISHED TO ANY ASSIGNEE BY EITHER GRANTOR HAVE BEEN AND SHALL BE FURNISHED SOLELY FOR SUCH ASSIGNEE'S CONVENIENCE AND SHALL NOT CONSTITUTE A REPRESENTATION OR WARRANTY OF ANY KIND BY EITHER GRANTOR. NEITHER GRANTOR SHALL HAVE ANY LIABILITY TO ANY ASSIGNEE FOR ANY CLAIMS, LOSSES OR DAMAGES CAUSED OR ALLEGED TO BE CAUSED DIRECTLY OR INDIRECTLY, INCIDENTALLY OR CONSEQUENTIALLY, BY THE

CONVEYED INTEREST OR ANY PART THEREOF, BY ANY INADEQUACY THEREOF OR THEREWITH, ARISING IN STRICT LIABILITY OR OTHERWISE, OR IN ANY WAY ARISING OUT OF SUCH ASSIGNEE'S ACQUISITION THEREOF.

4. Miscellaneous.

(A) This Assignment shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns, and the terms hereof shall constitute covenants running with the land.

(B) Each party hereto hereby agrees to execute, acknowledge and deliver to the other party hereto, from time to time, such other and additional instruments, notices, division orders, transfer orders and other documents, and to do all such other and further acts and things as may be reasonably necessary to more fully and effectively carry out this Assignment and the transactions contemplated hereby.

(C) Unless provided otherwise, all recording references in any Exhibit hereto are to the official real property records of the county in which the respective Property is located. All Exhibits attached to this Assignment are incorporated herein by reference and shall constitute a part of this Assignment.

(D) This Assignment may not be amended except by an instrument expressly modifying this Assignment signed by each of the parties hereto. No waiver by either party hereto of any breach of any provision of this Assignment shall be binding unless made expressly in writing.

(E) This Assignment may be executed and delivered in one or more counterparts, each of which when executed and delivered shall be an original, and all of which when executed shall constitute one and the same instrument.

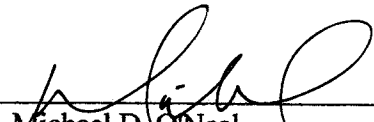
(F) This Assignment shall be governed by and construed under the laws of the State of Nevada, without regard to conflict of laws principles.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, Grantors have caused this Assignment to be executed and delivered effective as of the Effective Date, and each Assignee has joined in the execution and delivery of this Assignment to evidence its acceptance of the Conveyed Interest upon the terms and conditions set forth herein, effective as of the Effective Date.

**GCOG:**

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 30th day of April, 2019, 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.

  
Ann Hoyt Stolfa, Notary Public

(SEAL)

ANN HOYT STOLFA  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 19964008377  
MY COMMISSION EXPIRES MAY 14, 2020

GCOG Signature Page

**RLI:**

**RESOURCE LEGACY INVESTMENTS, LLC**

By: Resource Strategies L.L.C., its Manager

By: The Erie County Investment Co., its  
Manager

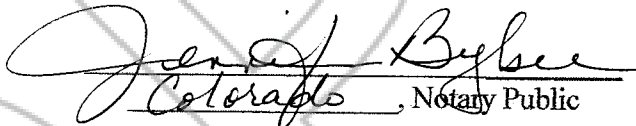
By: 

David E. Bailey,  
President/CEO

STATE OF COLORADO    )  
  ) ss.  
COUNTY OF JEFFERSON    )

The foregoing instrument was acknowledged before me this 1<sup>st</sup> day of May, 2019, by David E. Bailey, as President/CEO of The Erie County Investment Co., an Ohio corporation, in its capacity as the Manager of Resource Strategies L.L.C., a Utah limited liability company, in its capacity as the Manager of RESOURCE LEGACY INVESTMENTS, LLC, a Colorado limited liability company, on behalf of said limited liability company. Witness my hand and official seal.

**JENNIFER BYBEE  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 19984014250  
MY COMMISSION EXPIRES MAY 21, 2022**

  
Colorado, Notary Public

(SEAL)

RLI Signature Page

ASSIGNEE:

ABCM Investment Fund LLC

By: Annabel V. Bowlen  
Printed Name: Annabel V. Bowlen  
Title: Sole Member

STATE OF COLORADO )  
 ) ss.  
COUNTY OF Arapahoe )

The foregoing instrument was acknowledged before me this 29 day of May, 2019, by Annabel V. Bowlen, as an authorized agent of, ABCM Investment Fund LLC, a Colorado limited liability company, on behalf of said company. Witness my hand and official seal.

Drew Waderich  
Drew Waderich, Notary Public  
(Name Printed)

(SEAL)

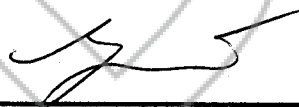
DREW WADERICH  
NOTARY PUBLIC - STATE OF COLORADO  
NOTARY ID 20074012428  
MY COMMISSION EXPIRES MAR 26, 2023

ASSIGNEE: CIARA MONFORT

Signature:   
Name Printed: Ciara Monfort

STATE OF Colorado )  
 ) ss.  
COUNTY OF Denver )

The foregoing instrument was acknowledged before me this 15 day of May, 2019, by Ciara Monfort. Witness my hand and official seal.

  
Tingwei Ma, Notary Public  
(Name Printed)

(SEAL)

My Commission Expires: 4/13, 2021

TINGWEI MA  
Notary Public  
State of Colorado  
Notary ID # 20174016087  
My Commission Expires 04-13-2021









ASSIGNEE: JORDAN STERN

Signature: [Handwritten Signature]  
Name Printed: Jordan Stern

STATE OF COLORADO )  
 ) ss.  
COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this 29th day of May, 2019, by Jordan Stern. Witness my hand and official seal.

**SHELLY M. KRANTZ  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 19974002183  
MY COMMISSION EXPIRES 02/26/2022**

(SEAL)

[Handwritten Signature]  
**SHELLY M. KRANTZ**, Notary Public  
(Name Printed)

My Commission Expires: 02/26/2022

Assignee Signature Page

ASSIGNEE: MICHAEL FANCHER

Signature: [Handwritten Signature]  
Name Printed: Michael Fancher

STATE OF Colorado )  
 ) ss.  
COUNTY OF Denver )

The foregoing instrument was acknowledged before me this 15<sup>th</sup> day of May, 2019, by Michael Fancher. Witness my hand and official seal.

[Handwritten Signature]  
Michael Stark, Notary Public  
(Name Printed)

MICHAEL STARK  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20074001506  
MY COMMISSION EXPIRES FEBRUARY 14, 2022

My Commission Expires: 2/14, 2022




ASSIGNEE: NICHOLAS HANSEN

Signature:   
Name Printed: Nicholas Hansen

STATE OF Colorado )  
COUNTY OF Arapahoe ) ss.

The foregoing instrument was acknowledged before me this 17th day of May, 2019, by Nicholas Hansen. Witness my hand and official seal.

  
Mona D. Weaver, Notary Public  
(Name Printed)

(SEAL)

My Commission Expires: 10-27, 2021

MONA D. WEAVER  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20054039704  
MY COMMISSION EXPIRES 10/27/2021

Assignee Signature Page





**ANNEX 1**  
**ASSIGNEES AND ALLOCATION OF CONVEYED INTEREST**

<b>Assignee Name and Address</b>	<b>Assignee Type of Entity</b>	<b>Before Payout Leasehold Working Interest</b>	<b>After Payout Leasehold Working Interest</b>
ABCM Investment Fund LLC 3465 S Gaylord Ct., B531 Englewood, CO 80113	Colorado Limited Liability Company	0.608974%	0.456731%
Ciara Monfort 250 Columbine Street Unit 506 Denver, CO 80206	Individual	0.608974%	0.456731%
Drew Peterson 328 Adams Street Denver, CO 80206	Individual	0.608974%	0.456731%
Jason Pickett 1 Calle Taft Apt 6F San Juan, Puerto Rico 00911	Puerto Rico Individual	2.435897%	1.826923%
JL Schmidt Enterprises, LLC Attn: Jeff Schmidt 125 Inverness Drive East Suite 250 Englewood, CO 80112	Colorado Limited Liability Company	0.608974%	0.456731%
Jordan Stern 866 S York Denver, CO 80209	Individual	0.608974%	0.456731%
Michael Fancher 61 Jackson Street Unit F Denver, CO 80206	Individual	2.435905%	1.826919%
Monfort Companies, LLC Attn: Kenny Monfort 1962 Blake Street Ste 200 Denver, CO 80202	Colorado Limited Liability Company	2.435897%	1.826923%
Nicholas Hansen 640 Ruby Trust Way Castle Rock, CO 80108	Individual	0.608974%	0.456731%
Timothy Shane Maas 3295 W 17 <sup>th</sup> Ave. Denver, CO 80204	Individual	0.608974%	0.456731%

TOTAL:            11.570517%    8.677882%

## **SCHEDULE I**

### **PROVISIONS RELATING TO PAYOUT**

#### **STATEMENT OF INTENT:**

The parties intend that Payout shall be: (1) a single point in time with respect to all “Conveyed Interests” in the Lands, as assigned pursuant to Participation Agreements entered into with Grantors during the first half of 2019 (the “2019 Participation Agreements”) and with respect to all persons or entities that either are named as Participants therein or succeed to all or any part of the rights and obligations of any such named Participant in respect of the 2019 Participation Agreements, whether by direct assignment, electing to participate in an operation relating to the Lands in the place of another person or entity that non-consents with respect to such operation or otherwise (all of the foregoing Participants and their respective successors and assigns, if any, in their respective capacities of participating in the operations on or in respect of the Lands, as contemplated by the 2019 Participation Agreements, being herein referred to as the “Program Participants”); (2) calculated on a “program basis” and not a “well-by-well basis”; (3) calculated on an aggregate basis for the “Conveyed Interests” of all Program Participants; (4) based upon operations conducted pursuant to the 2019 Participation Agreements on or in respect of BPO Wells, and all production proceeds attributable to BPO Wells, without regard to either what persons or entities participate in conducting such operations or what persons or entities receive such production proceeds; and (5) unaffected by any non-consent election exercised by, or any other non-participation of, any particular person or entity.

#### **DEFINITION:**

“Payout” shall mean the first point in time as of which the proceeds of production attributable to the “Conveyed Interests” of all Program Participants (after the deduction of applicable taxes, royalties, the Base ORRI and the Convertible ORRI borne by the Program Participants) equal or exceed the aggregate amount of the following costs and expenses, to the extent chargeable to the Program Participants in connection with their respective “Conveyed Interests”: (a) acreage costs for the Lands, as paid to Grantors pursuant to the 2019 Participation Agreements, (b) drilling and completion costs with respect to all oil and/or gas wells spudded on the Lands prior to the occurrence of “Payout” (the “BPO Wells”), and (c) operating costs relating to the BPO Wells that are charged to Program Participants under the operating agreement covering the Lands (the “Operating Agreement”).

#### **IMPLEMENTATION; RECORD-KEEPING; AUDITS:**

The operator named in the Operating Agreement shall keep track of the debits and credits applied to the Payout account and shall report to all Program Participants on the status of the Payout account at least semi-annually. Any and all provisions of the COPAS attached to the Operating Agreement with respect to audit rights, audit procedures and other matters relating to audits shall be fully applicable to the Payout account.

**EXHIBIT "A"**

**THE LEASES AND THE LANDS**

**EUREKA COUNTY, NEVADA**

Lessor: United States of America NVN087565  
Original Lessee: Breck Energy (Nevada), LLC  
Date: April 1, 2010  
Lands: T28N-R52E, MDM  
Section 19: Lots 1, 2, 3 and 4, E/2, E/2W/2;  
Section 30: Lots 1, 2, 3 and 4, E/2, E/2W/2;  
Section 31: Lots 1, 2, 3 and 4, E/2, E/2W/2;  
comprising 1886.68 acres, more or less  
Recorded: #0215093, Records of Eureka County, Nevada

Lessor: United States of America NVN096435  
Original Lessee: Grant Canyon Oil & Gas, LLC  
Date: May 1, 2018  
Lands: T28N-R51E, MDM  
Section 13: Lot 4, SW/SE/4, S/2SW/4;  
Section 23: All;  
Section 24: Lots 5, 6, 7 and 8, W/2E/2, W/2;  
comprising 1398.64 acres, more or less  
Recorded: #235526, Records of Eureka County, Nevada

Lessor: United States of America NVN096436  
Original Lessee: Grant Canyon Oil & Gas, LLC  
Date: May 1, 2018  
Lands: T28N-R51E, MDM  
Section 25: Lots 5, 6, 7 and 8, W/2, W/2E/2;  
Section 26: All;  
Section 35: All;  
Section 36: Lots 4, 5, 7, 8, 9 and 10, W/2NE/4, NW/4,  
E/2SW/4, W/2SE/4;  
comprising 2490.06 acres, more or less  
Recorded: #235527, Records of Eureka County, Nevada