

**CONTRACT FOR SALE AND PURCHASE  
OF MINERAL RIGHTS**

**THIS CONTRACT FOR SALE AND PURCHASE OF MINERAL RIGHTS** (hereinafter, this “Contract”) is made and entered into effective this date by and between:

**SELLER:** Margie Schmidt Estate

AND

**BUYER: Name:** \_\_\_\_\_ and \_\_\_\_\_ (**“Buyer”**)

**Address:** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**DATE OF CONTRACT –**

**LEGAL DESCRIPTION OF LOT -**

90 ac. in the S/2 NE/4 and the SE/4 of Section 23, Township 10 N., Range 15, W.I.M., Washita County, Oklahoma. Thought to be “Open”

NUMBER OF ACRES CONVEYED	
CONTRACT PRICE PER ACRE	\$0.00
TOTAL CONTRACT PRICE	\$0.00
ESCROW PAYMENT- 10%	
TOTAL DUE AT CLOSING	\$0.00

\_\_\_\_\_  
Buyers Initials

\_\_\_\_\_  
Sellers Initials

**WITNESSETH:**

**WHEREAS** Seller is the owner of the above-described Oklahoma mineral rights;

**AND WHEREAS** Buyer is the high bidder for the Mineral Rights at a mineral auction conducted this day by Hinz Auction, LLC (the “**Auctioneer**”);

**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are acknowledged by both parties, Seller and Buyer hereby agree as follows:

1. **Purchase Price.** Seller agrees to transfer and convey to Buyer, and Buyer agrees to purchase and receive from Seller, all right, title, and interest in and to the Mineral Rights by valid recordable Mineral Deed with limited warranty of title (see Section 6 below) in exchange for the Total Contract Price stated in the table above (the “**Purchase Price**”), to be paid by Buyer to Seller as follows:
  - (a) Concurrently with the execution of this Contract Buyer must deliver to Auctioneer an initial earnest money payment, equal to ten percent (10%) of the Purchase Price, in the form of a check drawn on an account with good and sufficient funds payable to Hinz Auction Escrow (the “**Escrow Agent**”) for deposit with Escrow Agent. Such earnest money payment is non-refundable except in event of Seller’s default and as provided in Section 4 and Section 5 below; and
  - (b) The full balance of the Purchase Price, subject to adjustments as provided herein, is due at closing in the form of cash or otherwise immediately available certified funds.
2. **Existing Leases.** This sale is made subject to any rights now existing to any lessee or assigns under any valid and subsisting oil and gas lease(s) of record. From and after the day of closing Buyer will have, receive, and enjoy the undivided interests in and to all bonuses, rents, royalties and other benefits which accrue to the owner of the Mineral Rights under the terms of said lease(s). Buyer may object to any lease or other encumbrance recorded on or after the Sale Date stated in the table above as an encumbrance to Seller’s marketable title and proceed accordingly under Section 4 below.
3. **The Closing.** The closing of this sale and purchase transaction is to be conducted on a date and at such time and place as the parties may mutually agree; provided, however, the parties agree to use their respective good faith efforts to close the transaction in a timely manner. Buyer agrees to use due diligence and good faith efforts to complete **title review by Wednesday, August 2, 2023**. Except for an extension of the time to close contemplated in Section 4 below, and subject to the provisions of Section 9 below pertaining to a failure of Seller’s marketable title, if a party is unable or unwilling to close within \_\_\_\_\_ days (90 if left blank) of the date hereof, then such party is deemed to be in default of this contract.
4. **Marketable Title.** It is understood and agreed that this sale is subject to the regular marketable title standards published by the Real Property Section of the Oklahoma Bar Association. In the event any one or more title exceptions cloud Seller’s marketable title to the Mineral Rights, Seller has 60 days from the time of notice thereof to effect the cure and removal of such cloud to title, and Seller agrees to make prompt and diligent efforts to cure and/or remove such cloud to title before expiration of the 60-day cure period. If Seller fails to either cure or remove all objections to title to the reasonable satisfaction of Buyer prior to expiration of the 60-day cure period, Buyer may either (i) waive all uncured objections and accept such title as Seller is able to convey without any reduction in the Purchase Price or (ii) cancel this Contract and receive a refund of any down payment or earnest money payment previously remitted. These remedies are exclusive. Buyer is solely responsible for all fees, costs, and expenses of confirming Seller’s title.
5. **Prorated Purchase Price for Partial Sale.** If prior to closing Buyer’s title review and due diligence reveals that Seller owns less than 60% of the net mineral acreage contemplated by this Contract, then Buyer has the option of either (a) closing on such acreage Seller does hold for the price per acre specified above, pro-rated based on the actual net mineral acreage conveyed or (b) cancelling this Contract and receive a full refund of all earnest money previously remitted. If prior to closing Buyer’s title review and due diligence reveals that Seller owns more than

60% but less than all the net mineral acreage contemplated by this Contract, then this Contract remains in full force and effect with each party obligated to close upon the terms stated herein subject only to a pro-rated reduction in the total contract price based on the actual net mineral acreage conveyed.

6. **Limited Warranty of title.** Except as otherwise expressly provided herein, SELLER MAKES NO REPRESENTATIONS AND GIVES NO WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE MINERAL RIGHTS, including, by way of example and not of limitation, any representation about or warranty of lease status and lease terms. By closing on this sale Buyer accepts Seller's title and ownership interest "as-is" and accepts all risks of ownership including the risk of failure of title, except for the following limited warranty clause which must be stated on the face of the Mineral Deed given by Seller at closing:

This sale and transfer is made subject to a limited warranty of title. If within six months from the date of execution of this Mineral Deed Grantee or Grantee's successor in title notifies Grantor in writing that Grantor failed to convey marketable title in the subject mineral rights, and Grantee presents evidence reasonably establishing such failure of title, then and in that event Grantor, at Grantor's option, must either (a) defend Grantee's title and take such curative measures necessary to vest marketable title in Grantee, or (b) refund to Grantee the full contract price paid by Grantee to purchase the Mineral Rights. These remedies are exclusive, and GRANTOR MAKES NO REPRESENTATIONS AND GIVES NO OTHER WARRANTY OF ANY KIND, EXPRESS OR IMPLIED.

7. **Closing Fees and Other Costs.** Seller agrees to pay the documentary stamps on the deed of conveyance to the State of Oklahoma (currently \$1.50 per thousand). Buyer agrees to pay for the recording of the Mineral Deed to be delivered by Seller at the closing. The parties agree to equally share and pay (i) the costs incurred for the preparation of this Contract; (ii) the costs incurred for the preparation of the Mineral Deed and other closing documents, and (iii) the fees and costs of the closing agent charged in connection with escrow and closing. All other costs and fees are the responsibility of, and must be paid prior to closing by, the party incurring the same. Any costs incurred in connection with clearing title requirements for the Mineral Rights or otherwise making the Mineral Rights "marketable" are the sole obligation and responsibility of Seller. Each party is responsible for paying their respective shares of the closing costs and related transactional costs in cash at or prior to the time of closing. Buyer is solely responsible for all fees, costs, and expenses of confirming Seller's title.
8. **No Financing Contingency.** Buyer's obligation to close is not contingent upon Buyer's ability to obtain commercial or other third-party financing. Buyer represents and warrants to Seller that Buyer has sufficient cash or current financing to promptly complete the purchase of the Mineral Rights on the terms and conditions contained herein.
9. **Default.** Seller or Buyer will be in default if either fails to comply with any material covenant, agreement, or obligation within the time limits required by this Contract. **TIME IS OF THE ESSENCE IN THIS CONTRACT.** In the event of a default on the part of either party, the non-defaulting party may either (a) enforce specific performance, seek other remedy as may be provided by law, or do both, or (b) terminate this Contract and receive the Earnest Money as liquidated damages, thereby releasing both parties from this Contract. If Seller is unable to close due to defects to Seller's marketable title, such failure does not constitute a default and Buyer's options for relief are limited to the exclusive remedies in Section 4 above.
10. **Auctioneer's Fee / No Brokers.** Seller covenants and agrees to pay Auctioneer a commission fee in the amount stated in the listing contract; such fee is due and payable at the time of closing in the form of an adjustment to Seller's proceeds from the sale. Each party represents and warrants to the other that no broker or finder has been engaged or has any interest in the transaction represented by this Agreement other than Auctioneer. Each party hereby covenants and agrees to indemnify and hold harmless the other party from and

against any claims for a commission or other fee from any broker claiming by, through or under them with respect to the transaction contemplated herein. This provision survives the closing.

11. **Disclaimer and Indemnification.** BUYER AND SELLER EXPRESSLY ACKNOWLEDGE, COVENANT, AND AGREE THAT AUCTIONEER AND ITS AFFILIATED LICENSEES, EMPLOYEES, MANAGERS, OFFICERS, AGENTS, AND OTHER REPRESENTATIVES (the "Auctioneer Parties") PROVIDE NO WARRANTIES OR GUARANTIES WHATSOEVER WITH REGARD TO THE MINERAL RIGHTS OR THE SALE TRANSACTION CONTEMPLATED BY THIS CONTRACT, NOR DO THEY HOLD THEMSELVES OUT TO BE EXPERTS IN OIL, GAS, AND MINERAL RIGHTS MATTERS. SELLER AND BUYER, JOINTLY AND SEPARATELY, EACH INDEMNIFY AND HOLD HARMLESS THE AUCTIONEER PARTIES, AND EACH OF THEM, IN THE EVENT OF LOSSES, CLAIMS, OR DEMANDS BY OR AGAINST SELLER OR BUYER. THIS SECTION AND THE PARTIES' RESPECTIVE OBLIGATIONS AND DUTIES UNDER THIS SECTION SURVIVE THE CLOSING.

12. **Miscellaneous.** This Contract is governed by and construed and enforced in accordance with the laws of the State of Oklahoma. The paragraph headings contained herein are for reference purposes only and do not in any way affect the meaning or interpretation of this Contract. This Contract may be executed in duplicate original counterparts and, when executed by both Seller and Buyer, all the terms, covenants, representations, warranties, and conditions of this Contract are binding upon, inure to the benefit of, and are enforceable by, the parties hereto and their permitted successors and assigns. This Contract may not be amended or modified, or any of the terms, covenants, representations, warranties, or conditions hereof waived, except by written instrument executed by all parties hereto or, in the case of a waiver, by the party waiving compliance. The failure of either party at any time or times to require performance of any provision hereof shall in no manner affect the right at a later time to enforce the same. This Contract contains the entire understanding between the parties hereto respecting the transaction contemplated hereby and supersedes all prior statements, representations, communications, or correspondence.

IN WITNESS WHEREOF, the undersigned parties have hereunto set their hands to form a valid and binding contract effective as of the Sale Date first stated in the table above.

BUYER: \_\_\_\_\_

SELLER: \_\_\_\_\_

By:

By:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

**TITLE EXAMINATION REPORT FORM  
TO BE COMPLETED AND RETURNED TO ATLAS TITLE & CLOSING  
BY WEDNESDAY, AUGUST 2, 2023**

Initial One (1) of the Following and Complete the Section:

\_\_\_\_\_ I understand I have the right to examine title to the tract covered by this Contract, but I have elected not to exercise my right to examine title and consent to close the transaction.

\_\_\_\_\_ I have examined title to the tract covered by this Contract and find marketable title to the tract to be in the name of

\_\_\_\_\_ and consent to close of the transaction.

\_\_\_\_\_ I have examined title to the tract covered by this Contract and find the following defects in title:

\_\_\_\_\_  
Signature of Buyer

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
Lot #

**SUBMIT THIS FORM TO THE CLOSING AGENT ON OR BEFORE THE DATE SHOWN IN THE CONTRACT. FAILURE TO SUBMIT THE FORM BY THE DEADLINE COULD RESULT IN WAIVER OF YOUR RIGHT TO DEMAND MARKETABLE TITLE. Email to: (kruss@aatlastitleok.com)**