

## PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement is made and entered into effective as of the 31st day of December 2022 (“Effective Date”), by and between:

**Wedgemount Texas Corp.**, a Texas corporation (hereinafter referred to as “Buyer”)  
located at: 5900 Balcones Drive, Suite 100, Austin Texas, 78731

**Willowbend Investments, Inc.**, a Texas company (hereinafter referred to as “Seller”)  
located at: 4000 Henry S Grace Fwy, Wichita Falls, TX 76302, United States

In consideration of the mutual promises contained herein, the mutual benefits to be derived by each party hereunder and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller agree as follows:

1. Agreement to Sell and Purchase. Subject to the terms and provisions of this Purchase and Sale Agreement (the “Agreement”) the Seller agrees to sell and assign, and Buyer agrees to purchase all of Seller’s rights, titles, and interests in and to:
  - a. The oil, gas and/or mineral leases described in Exhibit A hereto, and any ratifications and/or amendments to such leases, whether or not such ratifications or amendments are described in Exhibit A insofar, and only insofar, as they cover the lands described on Exhibit A (the “Leases”);
  - b. The oil and gas Wells (producing, injecting, shut-in, and/or temporarily abandoned wells) located on the Leases identified in Exhibit A hereto and all property and equipment located thereon or used in connection therewith, including, but not limited to pumps, platforms, well equipment (surface and subsurface), saltwater disposal wells, injection wells, plugged wells, abandoned wells, water wells, lines and facilities, sulfur recovery facilities, compressors, compressor stations, dehydration facilities, treating facilities, pipelines, gathering systems, gathering lines, flowlines and transportation lines, valves, meters, separators, tanks, tank batteries, existing and reclaimed pits and other fixtures associated or used in conjunction with present production, gathering, storing, measuring, treating, operating, maintaining, marketing, or transportation of production from the Leases or lands pooled therewith (the “Equipment”);
  - c. To the extent transferable, all contracts and contractual rights insofar as they relate to the Leases and Equipment including, but not limited to, unit agreements and orders, servitudes, easements, rights-of-way, permits, surface leases and rights, subleases and assignments, operating agreements, farmout and farm-in agreements, licenses, orders and similar rights leased or owned by Seller and oil and gas sales, purchase, exchange, transportation, gathering and processing contracts and agreements (the “Contracts”).

The Leases, Equipment, and Contracts are sometimes hereafter collectively referred to as the Assets.

Seller EXCEPTS and RESERVES from the Leases, Equipment and Contracts:

- a. All rights and claims of any nature relating to the Assets which Seller has asserted or are entitled to assert and which relate in to any time period prior to December 31, 2022;
- b. Except as otherwise specifically herein provided, all monies, proceeds, benefits, receipts, credits, income or revenues relating to the Assets and attributable to periods prior to December 31, 2022.

2. Purchase Price.

Upon execution of this Agreement by Seller and subject to the other provisions of this Agreement, Buyer shall be obligated to pay Seller an aggregate amount (the "Purchase Price") equal to \$1,500,000.00 (one million and five hundred thousand dollars) as follows:

- (i) \$250,000 on or before December 31, 2022;
- (ii) \$500,000 on or before February 28, 2023; and
- (iii) \$750,000 on or before March 31, 2023

3. Representations:

A. Seller Representations: THIS PURCHASE AND SALE IS ON AN "AS IS" BASIS, AND SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OF TITLE QUANTITY, QUALITY, CONDITION, MERCHANTABILITY, FITNESS FOR ANY PURPOSE, SAFETY OF EQUIPMENT, COMPLIANCE WITH GOVERNMENTAL REGULATIONS OR OTHERWISE.

Seller represents and warrants that, there is no pending litigation affecting the Leases and Equipment, nor, to the best of Seller's knowledge, is there any unresolved claims regarding contamination of the freshwater aquifer underlying the Leases or other environmental infractions. Seller also represents and warrants that it has the authority to execute this Agreement and the Assignment and Bill of Sale provided for herein.

Subject to the provisions hereinafter provided, Buyer specifically assumes the risk of description, title and the condition of the Assets and shall inspect the Leases and the Equipment prior to the Closing Date. Such inspection shall cover, but not be limited to, the physical condition of the Leases and Equipment. Seller agrees, Buyer shall have access during normal business hours to the Assets for the purpose of inspecting and evaluating the condition and/or quality thereof.

Seller represents and warrants that Buyer has rights of ingress and egress on the surface of the Leases. If Buyer does not have the rights of ingress and egress, then Seller will inform Buyer in writing of which Leases are exempt. After which, Buyer expressly acknowledges that it must negotiate such rights with the surface owner.

Upon request and until the Closing Date, Seller shall make available for examination by Buyer such title information, operating agreements, well files, geologic data, and environmental information as may currently exist. Existing abstracts and title opinions will not be brought down to date by Seller. NO WARRANTY OF ANY KIND IS MADE BY SELLER AS TO THE INFORMATION SO SUPPLIED and Buyer agrees that any conclusions made therefrom shall be the result of its own independent review and judgment.

B. Buyer Representations: Buyer represents and warrants that it is a duly authorized and existing entity, and is authorized to enter into this Agreement.

4. Reservations.

Oil in tanks above the pipeline connection on December 31, 2022 shall not be part of this purchase and sale, but shall remain the property of Seller. Gas produced and sold prior to December 31, 2022 shall likewise not be part of this purchase and sale but shall remain the property of Seller.

5. Closing. The closing of this purchase and sale shall occur at Seller's offices on the date Buyer has paid Seller the aggregate Purchase Price, (the "Closing Date", on or before March 31, 2023) or at such other time or place as may be mutually agreed upon by Seller and Buyer. At closing, Seller shall deliver to Buyer a duly executed recordable Assignment conveying Seller's interests in the Assets to Buyer and incorporating the terms and provisions of this Agreement and such other terms as are mutually acceptable by the parties hereto.

If necessary, at closing, Seller will execute and deliver Texas Railroad Commission forms P-4, Change of Operator, designating the operator Wedgemount Texas Corp. assigns as Operator of the leases outlined in Exhibit A, transfer orders or Letters-in-Lieu thereof, and release of liens, if any, directing purchasers of production to make payment to Buyers on production from the assigned oil and gas properties after the Closing Date. At closing Seller agrees to deliver to Buyer all available copies of information and/or data (including, but not limited to, leases, title opinions, division orders, logs, Railroad Commission permits, geologic data, well files, and maintenance records, etc.) concerning the Assets which Seller possesses.

6. Liabilities and Indemnities After Closing. Buyer agrees to plug and abandon any Wells regardless of when drilled, located on the Leases in accordance with all applicable governmental regulations and hereby agrees to RELEASE, PROTECT, INDEMNIFY AND HOLD SELLER HARMLESS FROM any and all liabilities arising from Buyer's failure to plug and abandon such Wells.

Buyer shall observe and comply with all covenants, terms, and provisions, express or implied, contained in the agreements, leases, easements, and all other contracts appertaining to Seller's Assets and this purchase and sale is made expressly subject to all such agreements, leases, easements, and other contracts, whether or not the same are herein specifically identified.

A. Buyer Indemnities. BUYER ACKNOWLEDGES THAT (i) IT HAS BEEN AFFORDED AN OPPORTUNITY TO (a) EXAMINE THE ASSETS AND SUCH MATERIALS AS IT HAS REQUESTED TO BE PROVIDED TO IT BY SELLER; (b) DISCUSS WITH REPRESENTATIVES OF SELLER SUCH MATERIALS AND THE NATURE AND OPERATION OF THE ASSETS; AND (c) INVESTIGATE THE CONDITION, INCLUDING SUBSURFACE CONDITION OF THE REAL PROPERTY AND THE CONDITION OF THE EQUIPMENT; (i) IT HAS ENTERED INTO THIS AGREEMENT ON THE BASIS OF ITS OWN INVESTIGATION OF THE PHYSICAL CONDITION OF THE ASSETS INCLUDING SUBSURFACE CONDITION; (ii) THE ASSETS HAVE BEEN USED IN THE MANNER AND FOR THE PURPOSES SET FORTH ABOVE AND THAT PHYSICAL CHANGES TO THE ASSETS MAY HAVE OCCURRED AS A RESULT OF SUCH USE; (iii) IN ENTERING INTO THIS AGREEMENT, BUYER HAS RELIED SOLELY ON ITS INDEPENDENT INVESTIGATIONS AND JUDGMENTS WITH RESPECT TO THE EQUIPMENT AND THE OTHER ASSETS AND THE ADVICE OF ITS OWN LEGAL, TAX, ECONOMIC, ENVIRONMENTAL ENGINEERING, GEOLOGICAL AND GEOPHYSICAL ADVISORS AND NOT ON ANY COMMENTS OR STATEMENTS OF ANY REPRESENTATIVES OF OR CONSULTANTS OR ADVISORS ENGAGED BY SELLER, AND (iv) LOW LEVELS OF NATURALLY OCCURRING RADIOACTIVE MATERIAL (NORM) AND MAN-MADE MATERIAL FIBERS (MMMF) MAY BE PRESENT AT SOME LOCATIONS. BUYER ACKNOWLEDGES THAT NORM IS A NATURAL PHENOMENON ASSOCIATED WITH MANY OIL FIELDS IN THE U.S. AND THROUGHOUT THE WORLD. BUYER ACKNOWLEDGES THAT IT MUST MAKE ITS OWN DETERMINATION OF THIS PHENOMENON AND OTHER CONDITIONS. SELLER DISCLAIMS ANY LIABILITY ARISING OUT OF OR IN CONNECTION WITH ANY PRESENCE OF NORM OR MMMF ON THE ASSETS AND EFFECTIVE AT CLOSING. BUYER SHALL ASSUME THE RISK THAT THE ASSETS MAY CONTAIN WASTES, CONTAMINANTS OR POLLUTION, AND THAT ADVERSE PHYSICAL

CONDITIONS, INCLUDING THE PRESENCE OF WASTES, CONTAMINANTS OR POLLUTION, MAY NOT HAVE BEEN REVEALED BY BUYER'S INVESTIGATION. MOREOVER, BUYER SHALL INDEMNIFY SELLER AND ITS OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS, AND AGENTS FROM ANY AND ALL LIABILITIES, COSTS, EXPENSES AND CLAIMS OF ANY KIND OR CHARACTER FOR THE PRESENCE OF NORM OR OTHER WASTES, CONTAMINATES OR POLLUTION LOCATED ON THE ASSETS, REGARDLESS HOW SUCH CONDITIONS AROSE OR WHEN SUCH CONDITIONS FIRST OCCURRED (EITHER BEFORE OR AFTER THE CLOSING DATE). EFFECTIVE AT CLOSING, ALL RESPONSIBILITY AND LIABILITY RELATED TO DISPOSAL, SPILLS, WASTE, CONTAMINANTS OR POLLUTION ON AND BELOW THE ASSETS SHALL BE TRANSFERRED FROM SELLER TO BUYER AND BUYER SHALL INDEMNIFY, DEFEND, SAVE, DISCHARGE, RELEASE AND HOLD SELLER HARMLESS THEREFROM.

BUYER SHALL INDEMNIFY SELLER AND ITS OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS, AND AGENTS, FROM ANY AND ALL LIABILITIES, COSTS, EXPENSES AND CLAIMS OF ANY KIND OR CHARACTER ARISING OUT OF, IN CONNECTION WITH, OR RELATING TO THE ASSETS OCCURRING ON OR AFTER THE CLOSING DATE, AND REGARDLESS OF ANY SOLE, JOINT OR CONCURRENT NEGLIGENCE, LIABILITY, BREACH OR OTHER FAULTS OR RESPONSIBILITY OF SELLER OR ANY THIRD PERSON. ON THE CLOSING DATE, BUYER SHALL ASSUME AND SHALL FULLY SATISFY ALL OF SELLER'S OBLIGATIONS AND RESPONSIBILITIES WITH RESPECT TO (i) THE ASSETS, INCLUDING, BUT NOT LIMITED TO THE TERMS AND PROVISIONS OF THE LEASES AND CONTRACTS AFTER THE CLOSING DATE AND, (ii) ALL LAWS AND REGULATIONS, INCLUDING, BUT NOT LIMITED TO APPLICABLE ENVIRONMENTAL LAWS, AND ALL PLUGGING AND ABANDONMENT OBLIGATIONS AND RESPONSIBILITIES BEFORE AND AFTER THE CLOSING DATE. BUYER COVENANTS NOT TO SUE SELLER OR ITS RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS AND AGENTS WITH REGARD TO ANY CLAIM OR LIABILITY RELATING TO THE ASSETS OR TO ACTIONS, EVENTS, OR CONDITIONS OCCURRING ON OR AFTER THE CLOSING DATE.

B. Seller Indemnity. SELLER SHALL INDEMNIFY BUYER AND ITS OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS, AND AGENTS, FROM ANY AND ALL LIABILITIES (OTHER THAN ENVIRONMENTAL), COSTS, EXPENSES AND CLAIMS OF ANY KIND OR CHARACTER ARISING OUT OF, IN CONNECTION WITH, OR RELATING TO THE ASSETS, FROM ANY PARTY INCLUDING ROYALTY OWNERS, LAND OWNERS, WORKING INTEREST OWNERS, OVERRIDING ROYALTY OWNERS, AND OTHERS, OCCURRING BEFORE THE CLOSING DATE AND REGARDLESS OF ANY SOLE, JOINT OR CONCURRENT NEGLIGENCE, LIABILITY, BREACH OR OTHER FAULTS OR RESPONSIBILITY OF BUYERS OR ANY THIRD PERSON. SELLER AGREES TO INDEMNIFY AND HOLD BUYER HARMLESS FROM ALL LIABILITIES RESULTING FROM PAYMENTS MADE TO THE SELLER AND/OR ANY WORKING INTEREST OWNER IN CONNECTION WITH THE PURCHASE OF CRUDE OIL UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO ALL EXPENSES AND REASONABLE ATTORNEY FEES OR JUDGEMENT IN CONNECTION WITH ANY SUIT AFFECTING ANY OWNER HEREIN TO WHICH BUYER IS MADE A PARTY.

7. Encumbered Properties. Upon closing, Seller agrees to convey Seller's interests in the Assets free of any liens or mortgages created by Seller. Should the Assets or any portion thereof require third party consent to assign, Seller shall endeavor to obtain the necessary consent, but shall have no liability to Buyer by reason of its inability or failure to do so. In the event Seller is unable to obtain such consent, Buyer may elect to either; terminate this Agreement and have refunded to it by Seller, any amounts paid by Buyer per Section 2.; or not to purchase the portion of the Assets affected and the purchase price shall be reduced by an amount agreed upon by both parties.
8. Taxes. Seller shall be responsible for its Interest share of oil and gas production taxes and any other severance or similar taxes applicable to oil and gas production occurring prior to December 31, 2022 and Buyer shall be responsible for Seller's Interest share of such taxes applicable to oil and gas production occurring on and after December 31, 2022.

Ad valorem taxes and other property taxes assessed attributable to Seller's interests in the Assets for the year 2023 and thereafter shall be borne entirely by the Buyer.

9. Interim Operations and Risk of Loss. Interim Operations are defined as the period of time between December 31, 2022 and the Closing Date. During Interim Operations, Seller shall remain the Operator and Buyer will receive all gross revenue from sales of oil and gas and be responsible for Seller's costs and expenses incurred for operation of the Leases pursuant to the existing operating agreement. Seller shall prepare and submit to Buyer within sixty (60) days of the Closing Date a post-closing settlement of expenses incurred and revenues received by Seller attributable to operations during the period of Interim Operations. Buyer and Seller agree to resolve any questions and to pay amounts due attributable to operations during Interim Operations within thirty (30) days of Buyer's receipt of Seller's settlement statement.

During Interim Operations Seller will conduct operations at the direction of Buyer, and without the prior written consent of Buyer, Seller shall not make or approve any purchase or sale of Equipment, the drilling, re-working, or plugging back of any well, or the removal of any Equipment from the Leases. To the extent that Seller incurs any obligation or expense in connection with the operation of the Leases Interim Operations, Buyer shall hold Seller harmless from such obligation or expense. In the event any part of the Assets are damaged or destroyed by fire or other calamity during Interim Operations such loss shall be borne by Buyer and Buyer shall be entitled to Seller's Interests share of any insurance proceeds due Seller under the terms of any insurance policy maintained pursuant to an existing operating agreement by the lease operator for the Seller's benefit.

10. Waiver of Texas DTPA. Buyer hereby waives the provisions of the Texas Deceptive Trade Practices Act, Chapter 17, Subchapter E, Section 17.41 - 17.63 inclusive, Texas Business & Com. Code, except Section 17.55A, which is not waived.

IN ORDER TO EVIDENCE ITS ABILITY TO GRANT SUCH WAIVER, BUYER HEREBY REPRESENTS AND WARRANTS TO SELLER THAT BUYER (i) IS IN THE BUSINESS OF SEEKING OR ACQUIRING, BY PURCHASE OR LEASE, GOODS OR SERVICES FOR COMMERCIAL OR BUSINESS USE, (ii) HAS KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT ENABLE IT TO EVALUATE THE MERITS AND RISKS OF THE TRANSACTION CONTEMPLATED HEREBY, AND (iii) IS NOT IN A SIGNIFICANTLY DISPARATE BARGAINING POSITION.

11. Entire Agreement. This Agreement constitutes the entire understanding between Seller and Buyer with regard to the subject matter hereof, superseding all prior statements, representations, discussions, agreements, and understandings. The performance and interpretation of this Agreement shall be under and pursuant to the Laws of the State of Texas.

12. Survival of Agreement. It is understood the covenants and agreements of Buyer and Seller herein contained shall survive the closing of this Agreement, the execution of an Assignment and Bill of Sale by Seller, and the delivery of the Assets to Buyer.
13. Counterpart Execution. This Agreement may be executed in any number of counterparts, each of which shall be binding on the parties executing same and shall be considered an original for all purposes.

IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date and year first above written.

BUYER

WEDGEMOUNT TEXAS CORP.

*(signed) "Mark Vanry"*

By: Mark Vanry

SELLER

WILLOWBEND INVESTMENTS, INC.

*(signed) "T. Lee Murchison"*

By: T. Lee Murchison

**EXHIBIT A  
LEASES**

*[Redacted – Commercially Sensitive]*