

FINAL AUCTION TERMS AND CONDITIONS AGREEMENT

PARTIES, TERMS AND DEFINITIONS	
<p><u>BROKER</u> Legacy Auctions, LLC a Texas limited liability company 7673 Canyon Drive Amarillo, TX 79110 Texas Real Estate Broker License #9003512 Manager: John Thacker "JT" Haynes Phone: 806.324.7949 Email: secretary@legacylandauctions.com</p>	<p><u>AUCTIONEER</u> Legacy Auctions, LLC a Texas limited liability company 7673 Canyon Drive Amarillo, TX 79110 TDLR License Number #AUC -17494 Auctioneer: Charles Thomas "Charlie" Sellers, Sr. Phone: 806.324.7949 Email: secretary@legacylandauctions.com</p>
<p><u>SELLER</u> Name: DeeDee and Frank Hommel April and Joseph Yankie Address: PO Box 1191 PO Box 324 Address: Clarendon, TX 79226 Clarendon, TX 79226 Contact: DeeDee and Frank Hommel April Yankie Phone: 806-336-1651 806-236-1838 Email: buffalo@barhduderanch.com april356@hotmail.com</p>	
<p><u>AUCTION</u> - For the purpose of this Auction Terms and Conditions Agreement (this "Agreement"), the term "Auction" shall mean and refer to the online-only auction conducted by the Auctioneer beginning at 10:00 a.m. on November 13, 2017 and concluding at roughly 10:00 a.m. on November 17, 2017.</p>	
<p><u>BUYER</u> - For the purpose of this Agreement, the term "Buyer" shall mean and refer to each person or entity that enters a successful bid at the Auction.</p>	
<p><u>PROPERTY</u> - For the purpose of this Agreement, the term "Property" shall mean and refer to 160± Acres in the NW/4 of Section 7, Block G, Adair Survey, Abstract 430 in Donley County, Texas.</p>	
<p><u>INCLUDING</u> <input checked="" type="checkbox"/> all _____ % of the mineral interests that Seller may have with respect to oil, gas, and other minerals that may be in, under, or produced from the Property</p>	
INSPECTION	
<p>The Property will be available for inspection as follows: <u>Thursday, October 26, 2017 from 3:00 p.m. – 6:00 p.m. and Monday, October 30, 2017 from 10:00 a.m. – 1:00 p.m.</u> A private showing of the Property may be arranged by contacting Broker (contact information is set forth above).</p>	
DISCLAIMERS AND INDEMNITY AGREEMENT	
<p>EACH BIDDER AND, TO THE EXTENT A SUCCESSFUL BIDDER BECOME A BUYER, EACH BUYER WARRANTS, UNDERSTANDS, ACKNOWLEDGES, REPRESENTS, AND AGREES WITH BROKER, AUCTIONEER, AND SELLER:</p> <ol style="list-style-type: none"> 1. THAT NEITHER BROKER NOR AUCTIONEER, NOR ANY PERSON, AGENT, REPRESENTATIVE, OR EMPLOYEE OF EITHER OF THEM, NOR ANY PERSON OR ENTITY ACTING OR PURPORTING ACT ON BEHALF OF ANY OF THEM, HAS MADE OR IS MAKING ANY REPRESENTATIONS, ASSERTIONS, OR GUARANTEES OF ANY NATURE WHATSOEVER WITH RESPECT TO, RELATING TO, OR ARISING OUT OF THE PROPERTY OR THE AUCTION TO SELL THE PROPERTY. 2. THAT BUYER, BY BECOMING THE SUCCESSFUL BIDDER AT THE AUCTION, IS BUYING, TAKING, AND ACCEPTING THE PROPERTY "AS IS, WHERE IS" AND "WITH ALL FAULTS." 3. THAT BROKER, AUCTIONEER, AND SELLER HAVE MADE NO, AND ARE NOT MAKING ANY, WARRANTIES OR REPRESENTATIONS ABOUT THE PROPERTY OR ANY PORTION THEREOF TO BUYER (EXCEPT AS EXPRESSLY PROVIDED OTHERWISE IN THE FINAL SALES CONTRACT OR OTHER DOCUMENTS SIGNED AT THE CONCLUSION OF THE AUCTION OR AT THE CLOSING OF THE SALE OF THE PROPERTY), EXPRESS, IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF CONDITION, TITLE, HABITABILITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. 4. THAT EACH BIDDER/BUYER, BY ENTERING A BID FOR THE PROPERTY, HAS HAD THE OPPORTUNITY TO INSPECT, TEST AND EXAMINE THE PROPERTY, INCLUDING TITLE TO THE PROPERTY, PRIOR TO THE AUCTION TO THE FULL SATISFACTION OF BIDDER/BUYER, AND THAT BIDDER/BUYER, PRIOR TO THE AUCTION, HAS HAD THE OPPORTUNITY TO CONSULT WITH ANY ATTORNEY, ACCOUNTANT, INSPECTOR, REALTOR, ADVISOR, OR CONSULTANT OF BIDDER/BUYER'S CHOICE IN RELATION TO ANY QUESTIONS THAT BIDDER/BUYER MAY HAVE HAD REGARDING THE PROPERTY OR THE AUCTION OR THE TERMS AND CONDITION UNDER WHICH THE PROPERTY WAS OFFERED FOR AUCTION/SALE TO BIDDER/BUYER. 	

5. THAT, AFTER CLOSING, THE RISK OF LIABILITY OR LOSS ARISING FROM OR RELATED TO ENVIRONMENTAL ISSUES (EVEN IF SUCH ISSUES AROSE PRIOR TO THE AUCTION OR CLOSING) SHALL BE THE SOLE RESPONSIBILITY OF BUYER, REGARDLESS OF WHETHER THE ENVIRONMENTAL ISSUES WERE UNKNOWN, KNOWN, OR SHOULD HAVE BEEN KNOWN PRIOR TO THE AUCTION OR CLOSING.
6. THAT BUYER EXPRESSLY AGREES TO, AND DOES HEREBY, RELEASE, INDEMNIFY, AND HOLD HARMLESS BROKER, AUCTIONEER, AND SELLER FROM AND AGAINST OR RELATED TO (A) ANY LATENT DEFECTS ASSOCIATED IN ANY WAY WITH THE PROPERTY, (B) ANY LIABILITY FOR ENVIRONMENTAL ISSUES AFFECTING THE PROPERTY, INCLUDING LIABILITY UNDER CERCLA (COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION, AND LIABILITY ACT), RCRA (RESOURCE CONSERVATION AND RECOVERY ACT, THE TEXAS SOLID WASTE DISPOSAL ACT, THE TEXAS WATER CODE, OR ANY OTHER FEDERAL, STATE, OR LOCAL LAW UNDER WHICH THEORIES OF LIABILITY MAY BE ASSERTED, (C) LIABILITY ARISING AS A RESULT OF SELLER'S OWN NEGLIGENCE OR THE NEGLIGENCE OF SELLER'S AGENTS, REPRESENTATIVES, OR EMPLOYEES, AND (D) PRODUCTS LIABILITY, THEORIES OF STRICT LIABILITY, OR UNDER NEW LAWS (OR CHANGES TO EXISTING LAWS) ENACTED AFTER THE EFFECTIVE DATE OF THIS AGREEMENT THAT WOULD OTHERWISE IMPOSE LIABILITIES FOR DEFECTS OR ENVIRONMENTAL ISSUES WITH RESPECT TO THE PROPERTY.
7. THAT SELLER HAS MADE AVAILABLE TO BIDDER/BUYER FOR INSPECTION COPIES OF ALL GOVERNMENTAL PROGRAM AGREEMENTS APPLICABLE TO THE PROPERTY.
8. THAT FOR THE PURPOSES OF THE AUCTION, ANY REAL ESTATE SALES CONTRACT, AND ALL CLOSING DOCUMENTS, IF A STATEMENT RELATING TO THE PROPERTY REFERS TO THE SELLER'S "KNOWLEDGE" OR "BELIEF," THEN SUCH TERMS SHALL BE DEEMED TO INCLUDE ONLY THE CURRENT ACTUAL KNOWLEDGE OF THE SELLER, AND SHALL NOT BE DEEMED TO IMPLY THAT SELLER, BROKER, OR AUCTIONEER HAS CONDUCTED ANY INQUIRY OR INVESTIGATION WITH RESPECT TO THE SUBJECT MATTER OF ANY STATEMENT THAT IS SO QUALIFIED. EACH BUYER AGREES THAT NEITHER SELLER NOR BROKER NOR AUCTIONEER HAS ANY DUTY OF INQUIRY OR INVESTIGATION TO MAKE ANY SUCH STATEMENT AND SELLER AND BROKER AND AUCTIONEER SHALL HAVE NO LIABILITY TO ANY BUYER FOR FAILING TO DISCOVER WHETHER A CONDITION AS TO WHICH SUCH A QUALIFIED STATEMENT IS MADE IS TRUE OR EXISTS, REGARDLESS OF THE LEVEL OF EFFORT OR EXPENSE REQUIRED TO MAKE SUCH AN INQUIRY.
9. THAT THE INFORMATION REGARDING THE NUMBER OF ACRES IN EACH TRACT IS AN ESTIMATE AND THE ACTUAL ACREAGE INVOLVED IN EACH TRACT MAY VARY FROM THE ESTIMATE. NOTWITHSTANDING ANY ESTIMATES OF ACREAGE PROVIDED, NEITHER SELLER, BROKER, NOR AUCTIONEER MAKE ANY REPRESENTATION OR WARRANTY THAT THE ACREAGE OF ANY TRACT IS OF ANY PARTICULAR QUANTITY. ALL BIDDERS ARE ADVISED TO MAKE INDEPENDENT INVESTIGATION OF THE ACTUAL ACREAGE INVOLVED IN ANY AND ALL TRACTS PRIOR TO SUBMITTING A BID.
10. THAT THE SALES PRICE OF ANY FINAL REAL ESTATE SALES CONTRACT RESULTING FROM THE AUCTION WILL **NOT** BE ADJUSTED, BASED ON ANY SURVEY OBTAINED.
11. THAT THE ONLY REPRESENTATIONS AND WARRANTIES MADE ARE THOSE CONTAINED IN THE FINAL REAL ESTATE SALES CONTRACT, IF ANY.
12. THAT SELLER RESERVES THE RIGHT TO ADD OR DELETE ANY PROPERTY, REJECT ANY BID AND/OR CANCEL THE SALE PRIOR TO EXECUTING A REAL ESTATE SALES CONTRACT.
13. THAT SELLER SHALL CONVEY THE PROPERTY ONLY BY SPECIAL WARRANTY DEED.
14. THAT THE INFORMATION CONTAINED IN THIS AGREEMENT, AND THE MATERIALS PREPARED AND/OR PROVIDED IN CONNECTION WITH THE AUCTION, WERE OBTAINED FROM SOURCES DEEMED RELIABLE. ALTHOUGH REASONABLE PRECAUTIONS HAVE BEEN TAKEN TO ENSURE ACCURACY, NEITHER THE SELLER NOR THE BROKER NOR THE AUCTIONEER NOR ANY OF THEIR RESPECTIVE REPRESENTATIVES, AGENTS, OR EMPLOYEES WILL BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS CONTAINED IN SUCH INFORMATION AND MATERIALS. SELLER, BROKER, AND AUCTIONEER EXPRESSLY DISCLAIM ANY WARRANTY OR REPRESENTATION REGARDING THE PROPERTY TO ANY BIDDER. BIDDERS SHOULD CAREFULLY VERIFY ALL INFORMATION AND MAKE THEIR OWN DECISIONS AS TO THE ACCURACY THEREOF BEFORE SUBMITTING A BID AT THE AUCTION. THE TERMS OF THE FINAL REAL ESTATE SALES CONTRACT ARE CONTROLLING IN THE EVENT OF ANY PERCEIVED INCONSISTENCY BETWEEN ITS TERMS AND ANY STATEMENTS IN THIS AGREEMENT.
15. THAT, BUT FOR BIDDER/BUYER'S AGREEMENT TO THE FOREGOING, NEITHER BROKER, NOR AUCTIONEER, NOR SELLER WOULD HAVE OFFERED THE PROPERTY FOR AUCTION/SALE TO BIDDER/BUYER.

AUCTION PROCEDURE

The Property will be offered in and online-only auction in 4 individual tracts. There will be open bidding on tracts until the close of the Auction. The Property will be sold in such a manner that results in the highest total sales price to Seller.

Any bid submitted throughout the auction remains live until the auction is officially closed by the Auctioneer and may become the high bid obligating the Bidder to purchase the tract(s) or parcel(s) for which the bid was entered. Various occurrences may cause any given bid to become the high bid on the tract(s) or parcel(s) made the subject of that bid.

BUYER'S PREMIUM

BUYER SHALL PAY, IN ADDITION TO BUYER'S SUCCESSFUL BID, A "BUYER'S PREMIUM" IN THE AMOUNT OF TEN PERCENT (10%) OF THE SUCCESSFUL BID, WHICH SHALL BE ADDED TO THE SUCCESSFUL BID TO DETERMINE THE FINAL "SALES PRICE" OR "CONTRACT PRICE" FOR THE PROPERTY. FOR EXAMPLE:

SUCCESSFUL BID AMOUNT: \$100,000

BUYER'S PREMIUM: \$ 10,000

SALES PRICE/CONTRACT PRICE: \$110,000

ACCEPTANCE OF BID – DOWN PAYMENT/EARNEST MONEY - CLOSING

1. Unless the Auctioneer expressly announces that the Auction is to be "without reserve," the Auction will be a "reserve" auction – i.e., the Seller may accept or reject bids for the Property or with respect to tracts of the Property. For this auction, Tracts 1, 2, and 3 will be sold without reserve. Tract 4 will be offered with an undisclosed reserve.
2. Upon becoming a successful bidder for the Property or for a tract of the Property, each Buyer shall be notified and arrangements made to sign a real estate purchase or sales contract IMMEDIATELY UPON THE CLOSE OF THE AUCTION, at which time, Buyer shall deposit with Chicago Title of Texas, LLC or its Escrow Agent earnest money/down payment in the amount of ten percent (10%) of the Sales Price/Contract Price in the form of a cashier's check, money order, cash, or personal check.
3. The Property shall be sold for cash and, therefore, by entering a bid for the Property each Bidder is expressly representing that said Bidder has funds sufficient to purchase the Property in the amount of the bid entered.
4. Accordingly, each Bidder/Buyer assumes sole and complete responsibility for obtaining and arranging financing for the purchase of the Property for which a successful bid has been entered.
5. Neither Broker, Auctioneer, nor Seller assumes any responsibility for arranging financing for Buyer or for Buyer's inability to obtain financing.
6. Each Bidder/Buyer's bid and offer to purchase is NOT contingent upon Buyer obtaining financing.
7. At closing, Buyer shall pay the balance of the Sales Prices/Contract Price plus all closing costs and expenses associated with closing, including, but not limited to, the cost of an on-the-ground survey, as applicable, and appraisals.
8. Closing of the sale of the Property to Buyer shall be coordinated by and through Chicago Title of Texas, LLC (CTOT) and its fee attorney, Flow Law Firm, PLLC (FLF), at 800 SW 9th Avenue, Amarillo, Texas, 79101-3206. CTOT/FLF may be contacted through F. Scott Flow (Fee Attorney) at telephone at 806.372.2010 (facsimile 806.376.4515).
9. Closing SHALL OCCUR ON OR BEFORE December 19, 2017.
10. Seller shall provide to Buyer, at Buyer's expense, an owner's policy of title insurance with respect to the Property.
11. Real Property taxes applicable to the Property shall be prorated to the date of closing.
12. At Closing, Seller shall deliver to Buyer a Special Warranty Deed conveying title to the surface estate of the Property to Buyer free and clear of liens, which warranty shall be by, through, and under Seller only.

MISCELLANEOUS

1. The Property is sold subject to easements, restrictions, covenants, conditions and zoning matters of record that would be revealed by a current survey and inspection of the Property and of public records. No personal property, other than fixtures attached to the Property, is included with the sale of the Property.
2. If the Property is agricultural in nature, the Property may be subject to one or more government programs. Any allocations or payments attributable to governmental programs affecting the Property shall be prorated to the date of closing. All sums received prior to closing arising from any applicable government programs and cooperative or association memberships applicable to the Property will be retained by Seller.

3. Buyer agrees to assume all of the responsibilities of and fully perform all of the obligations of a program participant with respect to each and every governmental program affecting or applicable to the Property and, in this regard, further agrees to indemnify and hold Seller harmless from all obligations under such programs from and after the date of the closing of the sale of the Property. Furthermore, each Buyer will indemnify, defend, and hold harmless Seller from and against any and all claims, suits, losses, judgments, damages, and liabilities including any investigation, legal, and other expenses incurred in connection with, and any amount paid in settlement of, any claim, action, suit, or proceeding (collectively called "Losses"), to which Seller may become subject, if such Losses arise out of or are based upon action taken by such Buyer or that should have been taken by the Buyer with relation to the government programs.
4. If Seller is transferring to Buyer all or any portion of the mineral interests that Seller may have with respect to oil, gas, and other minerals that may be in, under, or produced from the Property, then such transfer is WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED. Any such transfer of mineral interests to Buyer shall convey to Buyer only the Seller's presently existing right, title, and interest in and to any mineral interest, royalty interest, any leasehold interest that is attributable to the surface tract or tracts sold to Buyer. Seller makes no representation or warranty regarding any ownership by Seller of any or all of the mineral interest, royalty interest, any leasehold interest that is attributable to the surface estate. Seller may or may not own any oil, gas or other mineral rights and it is therefore the obligation of Buyer to conduct any investigation or examinations the Buyer deems necessary to make an independent determination of what, if any, oil, gas or other minerals may be owned by Seller with respect to the surface tract being sold. If none or less than all of Seller's oil, gas and other minerals are being transferred to Buyer, then Seller expressly retains the Executive Right and surface rights (including rights of ingress and egress), production and drilling rights and all related benefits. Seller does not waive Seller's surface rights (including rights of ingress and egress).
5. **EASEMENTS & LEASES:**
 - a. There is existing access easement detailed in the Title Commitment granting access to the buyer of Tract 4 along the existing roadway off of County Road N across Tract 1.
6. **BROKER PARTICIPATION** - Properly licensed Texas Brokers (Third Party Broker or 3dP Broker) may register bidders for the Auction. If a 3dP Broker's registered bidder becomes a successful Buyer through the Auction, then Broker shall pay 3dP Broker according to the separate Broker Participation Agreement. The Broker Participation Agreement must be completed and received by Broker on or before 5 PM Central Time on the day prior to the date of the Auction. For further information, contact Broker (contact information set forth above).
7. **AGENCY DISCLOSURE** – Broker and Auctioneer are hereby giving notice that they are agents and representatives of the Seller of the Property.
 - a. John Thacker "JT" Haynes has the following connection with Seller:
 - he is a shareholder, owner, partner or other person who owns an interest in or controls Seller.
 - he is a shareholder, owner, partner or other person owning or controlling an interest in an entity that owns an interest in or controls Seller.
 - (other): NONE.
 - b. Charles Thomas "Charlie" Sellers, Sr. has the following connection with Seller:
 - he is a shareholder, owner, partner or other person that owns an interest in or controls Seller.
 - he is a shareholder, owner, partner or other person owning or controlling an interest in an entity that owns an interest in or controls Seller.
 - (other): NONE.
8. **NOTICES** - This Offering is subject to errors, omissions, prior sale, change or withdrawal without notice, and approval with purchase by Seller. Information regarding land classifications, square footage of any buildings or dwellings, acreages, prior production, carrying capacities, potential profits, etc., if any, are intended only as general guidelines and have been provided by sources deemed reliable, but whose accuracy cannot be guaranteed. Prospective buyers should verify all information to their

satisfaction.

9. **NEW DATA, CORRECTIONS AND CHANGES** - Please arrive prior to scheduled auction time to inspect any changes, corrections or additions to this Agreement.
10. **AUCTION TERMS AND CONDITIONS SURVIVE CLOSING** - All of the provisions of this Agreement, including, without limitation all disclaimers, indemnifications and releases shall survive the closing and shall, at the election of Seller, be repeated in the deed and other instruments executed and delivered by Seller at closing.

ATTORNEY REVIEW AND PROPERTY INSPECTION RECOMMENDED

1. It is recommended that all information included in this Agreement and all other material related to the Auction be carefully reviewed by Bidder/Buyer's attorney. Additionally, all terms and procedures are subject to and may be superseded by changes distributed or announced to bidders prior to the Auction.
2. As indicated above, the Property is being sold on an "as is, where is" and "with all faults" basis, and neither Seller, Broker, nor Auctioneer nor any of their respective representatives, agents, or employees make any representations or warranties as to the condition of the Property.
3. Bidder/Buyer is strongly encouraged to completely inspect the Property (or have the Property inspected by professionals of Bidder/Buyer's own choice) to Bidder/Buyer's satisfaction prior to the time of the Auction; provided, however, Bidder/Buyer assumes all risks associated with any inspection of the Property, and by entering upon the Property confirm Bidder/Buyer's agreement to indemnify Seller, Broker, and Auctioneer, and their respective representatives, agents, and employees, from any and all claims, causes of action, injuries or damages arising from such inspection.

TEXAS DEPARTMENT OF LICENSING AND REGULATION DISCLOSURE

To file a complaint, contact the Texas Department of Licensing and Regulation at P.O. Box 12157, Austin, Texas 78711 or call 800-803-9202.