

REC'D NOV 26 2015

CORRECTION ASSIGNMENT AND BILL OF SALE

STATE OF NEW MEXICO §
 § KNOW ALL MEN BY THESE PRESENTS
 COUNTY OF EDDY §

This Correction Assignment and Bill of Sale (this Correction Assignment) is made between Nearburg Exploration Company L L C a Texas limited liability company (ASSIGNOR) whose address is P O Box 823085 Dallas Texas 75382 3085 and SRO2 LLC a Texas limited liability company (ASSIGNEE) whose address is P O Box 823085 Dallas Texas 75382 3085 in order to correct that certain Assignment and Bill of Sale executed on and effective as of July 1 2015 by and between ASSIGNOR and ASSIGNEE and filed and recorded under Reception No 1507281 at Book 1029 Page 0025 in the office of the County Clerk of Eddy County New Mexico (the Original Assignment) Pursuant to this Correction Assignment, subparagraph (d) on page 1 of the Original Assignment is corrected to delete the phrase regardless of depth and insert in its place the phrase limited to the depth stated on Exhibit A so that such subparagraph (d) should read as follows

- (d) without limitation of the foregoing all of ASSIGNOR's right title and interest in and to the lands described in Exhibit A hereto whether oil and gas leasehold overriding royalty interest or any other interest in oil and gas or minerals produced in association therewith or rights thereto of whatever nature and whether or not correctly or adequately described in Exhibit A and limited to the depth stated on Exhibit A and

Pursuant to the foregoing the Original Assignment is now corrected after the introductory paragraph to read as follows

For the consideration of Ten Dollars (\$10.00) and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged ASSIGNOR hereby assigns transfers and conveys unto ASSIGNEE all of ASSIGNOR's right title and interest in and to all oil and gas leases (the Leases) described on Exhibit A hereto together with all of ASSIGNOR's interest in and to the wells leasehold equipment of every nature including but not limited to casing wellhead equipment fixtures and personal properties of every kind and nature owned by ASSIGNOR presently situated upon the Leases and used in connection with the production of oil gas and associated liquid hydrocarbons and gaseous substances from the Leases (the Equipment)

In addition to the Leases and Equipment ASSIGNOR for other valuable consideration the receipt and sufficiency of which is hereby acknowledged TRANSFERS ASSIGNS and CONVEYS unto ASSIGNEE all of the following

- (a) all of ASSIGNOR's right title and interest if any in and to any rights privileges surface reversionary or remainder interests which relate to the Leases and/or Equipment and
- (b) all of ASSIGNOR's right title and interest in to and under or derived from all of the present existing and valid communitization unitization pooling agreements (including all units formed under order regulations rules or other official acts of any federal state or other governmental agency having jurisdiction) and Operating Agreements which relate to the Leases and Equipment and
- (c) all of ASSIGNOR's right title and interest in to and under or derived from all existing and valid oil casinghead gas and gas sales purchase exchange and processing contracts which relate to the Leases and Equipment and
- (d) without limitation of the foregoing all of ASSIGNOR's right title and interest in and to the lands described in Exhibit A hereto whether oil and gas leasehold overriding royalty interest or any other interest in oil and gas or minerals produced in association therewith or rights thereto of whatever nature and whether or not correctly or adequately described in Exhibit A and limited to the depth stated on Exhibit A and
- (e) all claims and benefits appurtenant to the Properties (as hereinafter defined) which accrued to ASSIGNOR on or after March 1 2014

All of the above items set forth in subparagraphs (a) through (e) are hereinafter referred to as Related Rights and collectively with the Leases Equipment and Related Rights are hereinafter referred to as the Properties

ATTN: SHERIFF
 NEARBURG
 PO BOX 8
 DALLAS TX

NMOCC CASE Nos 15441 15481 15482

NEX SRO2 LLC AND SRO3 LLC

Exhibit No 17

February 28 2017

TO HAVE AND TO HOLD SUBJECT TO THE FOLLOWING

- 1 The terms provisions covenants and royalties set forth in the Leases pooling communitization and unitization agreements including and/or affecting the Leases
- 2 The terms and conditions of all existing valid orders rules regulations and ordinances of federal state and other governmental agencies the terms and conditions of all overriding royalty agreement Related Rights and other matters if any which are filed of record and which burden or affect the Properties as of the Effective Date hereof
- 3 The terms and condition contained in the operating agreement(s) and unit operating agreement(s) if any which cover and affect the Properties
- 4 All taxes affecting or relating to the Properties accruing to the Properties after the Effective Date including but not limited to any excise taxes ad valorem taxes production taxes and severance taxes (exclusive of federal and state income taxes and franchise or other taxes imposed upon ASSIGNOR)
- 5 ASSIGNEE assumes and agrees to fully perform all of the express and implied covenants duties obligations and conditions of the Leases overriding royalty interests and other burdens of record all farm out agreements farm in agreements and the existing contracts and agreements in ASSIGNOR's files which were provided to ASSIGNEE and which affect the Properties The Leases and agreements referenced immediately above are sometimes hereinafter collectively referred to as the Existing Agreements ASSIGNEE indemnifies and agrees to hold ASSIGNOR harmless from and against any and all demands liabilities cost or claims for damages losses and forfeitures that are based on any failure or alleged failure of ASSIGNEE to comply with the express or implied covenants of said Leases and the Existing Agreements as well as any act or omission of ASSIGNEE relating to the Properties
- 6 If and when it becomes necessary to plug and abandon any well(s) covered under this Assignment ASSIGNEE will plug and abandon said well(s) in accordance with all local state and federal rules and regulations and will restore the premises pursuant to the terms of the Leases and regulatory requirements ASSIGNEE further agrees to indemnify and hold ASSIGNOR harmless from and all liability or expense arising from ASSIGNEE's failure or alleged failure to properly plug and abandon such wells
- 7 Additionally ASSIGNEE shall be responsible and liable for all claims liabilities charges and expenses of every kind and character (including but not limited to any and all claim causes of action or liability arising out of or relating to the violation of any state or federal environmental and contamination related law rule or regulation) court costs interest and reasonable attorney's fees associated therewith pertaining to the Properties and ASSIGNEE shall indemnify and hold ASSIGNOR its successors and assigns harmless against the same
- 8 This Assignment and all rights and covenants and conditions hereof shall be considered covenants running with the land and shall inure to and be binding upon the parties hereto their respective heirs legal representatives successors and assigns provided however no transferor encumbrance of any of the Properties shall be made unless the same be made expressly subject to this Assignment
- 9 ASSIGNEE shall comply with all applicable orders laws ordinances rules and regulations and shall promptly obtain and maintain all permits required by proper governmental authorities in connection with the Properties
- 10 As part of the consideration for the execution and delivery of this Assignment by ASSIGNOR ASSIGNEE agrees to all of the terms and provisions hereof and joins in the execution of this Assignment to evidence its agreement hereto
- 11 ASSIGNOR and ASSIGNEE each represent and warrant to the other that they have the full right and power to enter into and perform each of the obligations under this Assignment All representations and warranties made by the parties in this Assignment shall survive execution hereof
- 12 ASSIGNOR will execute acknowledge and deliver all further conveyances transfer orders division orders notices releases and acquittances and such other instruments as may be

reasonably necessary or appropriate to more fully assure and convey to ASSIGNEE its successors or assigns all of the Properties rights title and interests remedies powers and privileges assigned and conveyed by this Assignment or intended to be so assigned and conveyed

- 13 The foregoing sets forth the entire agreement between the parties and there are no oral agreements between the parties not set out herein in writing This Assignment supersedes all other prior written or oral agreements if any

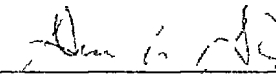
THIS ASSIGNMENT IS MADE AND ACCEPTED WITHOUT WARRANTIES EXPRESS OR IMPLIED RELATING TO THE CONDITION OR MERCHANTABILITY OF THE EQUIPMENT OR THE FITNESS OF THE EQUIPMENT FOR A PARTICULAR PURPOSE OR PURPOSES ASSIGNEE HAS INSPECTED THE SUBJECT MATERIAL EQUIPMENT AND PERSONAL PROPERTY AND ACCEPTS THE SAME AS IS WHERE IS NO REPRESENTATIONS ARE MADE AS TO THE QUANTITY OR VALUE OF ANY OIL OR GAS RESERVES UNDERLYING THE LANDS SUBJECT TO THE LEASES ASSIGNOR DOES NOT WARRANT TITLE EXPRESS OR IMPLIED THIS ASSIGNMENT IS MADE WITH FULL RIGHTS OF SUBSTITUTION AND SUBROGATION OF ASSIGNOR IN AND TO ALL COVENANTS AND WARRANTIES BY OTHERS HERETOFORE GIVEN OR MADE IN RESPECT TO THE SUBJECT PROPERTIES OR ANY PART THEREOF INsofar AS SUCH COVENANTS AND WARRANTIES EXTEND BEYOND THE EFFECTIVE DATE HEREOF

The Original Assignment as corrected by this Correction Assignment and this Correction Assignment shall be effective for all purposes as of July 1 2015 (the Effective Date)

ASSIGNOR

NEARBURG EXPLORATION COMPANY L L C a Texas limited liability company

By


Duane A Davis
Chief Operating Officer / Chief Financial Officer


ASSIGNEE

SRO2 LLC a Texas limited liability company

By

NEARBURG EXPLORATION COMPANY
L L C a Texas limited liability company its sole member

By

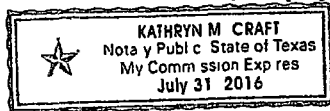

Duane A Davis
Chief Operating Officer / Chief Financial Officer

[This space is intentionally blank Acknowledgements appear on the following page]

ACKNOWLEDGMENTS

STATE OF TEXAS §
 COUNTY OF DALLAS §

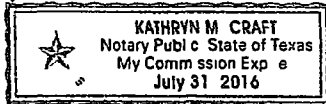
The foregoing instrument was acknowledged before me on this 12th day of Nov, 2015
 by Duane A Davis Chief Operating Officer / Chief Financial Officer of Nearburg Exploration Company
 L L C a Texas limited liability company on behalf of said limited liability company



Kathryn M Craft
 Notary Public State of Texas

STATE OF TEXAS §
 COUNTY OF DALLAS §

The foregoing instrument was acknowledged before me on this 12th day of Nov, 2015
 by Duane A Davis Chief Operating Officer / Chief Financial Officer of Nearburg Exploration Company
 L L C Sole Member of SRO2 LLC a Texas limited liability company on behalf of said limited liability
 company



Kathryn M Craft
 Notary Public State of Texas

EXHIBIT A

Attached to and made a part of the certain Assignment and Bill of Sale between
Nearburg Exploration Company L L C as Assignor and SRO2 LLC as Assignee

NEX Lease Number 4309 00

Lessor State of New Mexico V0 7450 1

Original Lessee Doug J Schutz

Lease Date July 1 2005

Recorded Not Recorded

Description Township 26 South Range 28 East N M P M
Eddy County New Mexico
Section 20 W/2 containing 320 acres and limited to the
2^d Bone Spring productive interval as defined in the Marbob
Energy SRO State Unit #1H located in Section 4 Township
26 South Range 28 East API No 30 015 37120 as being from
7 760 feet 8 130 feet MD as evidenced on the Dual Laterolog
run by Halliburton on July 29 2009

RECEIVED NO 1512384 STATE OF
NEW MEXICO COUNTY OF EDDY
RECORDED 1/17/2011 8:10 AM
BOOK 1047 PAGE 0230
ROBIN VANNATTA COUNTY CLERK





CORRECTION ASSIGNMENT AND BILL OF SALE

STATE OF NEW MEXICO §
 § KNOW ALL MEN BY THESE PRESENTS
 COUNTY OF EDDY §

This Correction Assignment and Bill of Sale (this Correction Assignment) is made between Nearburg Exploration Company L.L.C. a Texas limited liability company (ASSIGNOR) whose address is P O Box 823085 Dallas Texas 75382 3085 and SRO3 LLC a Texas limited liability company (ASSIGNEE) whose address is P O Box 823085 Dallas Texas 75382 3085 in order to correct that certain Assignment and Bill of Sale executed on and effective as of July 1 2013 by and between ASSIGNOR and ASSIGNEE and filed and recorded under Reception No 1507282 at Book 1029 Page 0029 in the office of the County Clerk of Eddy County New Mexico (the Original Assignment) Pursuant to this Correction Assignment subparagraph (d) on page 1 of the Original Assignment is corrected to delete the phrase "regardless of depth" and insert in its place the phrase "limited to the depth stated on Exhibit A" so that such subparagraph (d) should read as follows

- (d) without limitation of the foregoing all of ASSIGNOR's right title and interest in and to the lands described in Exhibit A hereto whether oil and gas leasehold overriding royalty interest or any other interest in oil and gas or minerals produced in association therewith or rights thereto of whatever nature and whether or not correctly or adequately described in Exhibit A and limited to the depth stated on Exhibit A and

Pursuant to the foregoing the Original Assignment is now corrected after the introductory paragraph to read as follows

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- (c) all of ASSIGNOR's right title and interest in to and under or derived from all existing and valid oil casinghead gas and gas sale purchase exchange and processing contracts which relate to the Leases and Equipment and
- (d) without limitation of the foregoing all of ASSIGNOR's right title and interest in and to the land described in Exhibit A hereto whether oil and gas leasehold overriding royalty interest or any other interest in oil and gas or minerals produced in association therewith or rights thereto of whatever nature and whether or not correctly or adequately described in Exhibit A and limited to the depth stated on Exhibit A and
- (e) all claims and benefits appurtenant to the Properties (as hereinafter defined) which accrued to ASSIGNOR on or after March 1 2014

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ATTN: SHEPPI - - -
 NEAPBUJ P
 PO BOX 823085
 DALLAS TX

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- 2 The terms and conditions of all existing valid orders rules regulations and ordinances of federal state and other governmental agencies the terms and conditions of all overriding royalty agreements Related Rights and other matters if any which are filed of record and which burden or affect the Properties as of the Effective Date hereof
- 3 The terms and conditions contained in the operating agreement(s) and unit operating agreement(s) if any which cover and affect the Properties
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- 5 ASSIGNEE assumes and agrees to fully perform all of the express and implied covenants duties obligations and conditions of the Leases overriding royalty interests and other burdens of record all farmout agreements farm in agreements and the existing contracts and agreements in ASSIGNOR's files which were provided to ASSIGNEE and which affect the Properties The Leases and agreements referenced immediately above are sometimes hereinafter collectively referred to as the Existing Agreements ASSIGNEE indemnifies and agrees to hold ASSIGNOR harmless from and against any and all demands liabilities costs or claims for damages losses and forfeitures that are based on any failure or alleged failure of ASSIGNEE to comply with the express or implied covenants of said Leases and the Existing Agreements as well as any act or omission of ASSIGNEE relating to the Properties
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- 8 This Assignment and all rights and covenants and conditions hereof shall be considered covenants running with the land and shall inure to and be binding upon the parties hereto their respective heirs legal representatives successors and assigns provided however no transfer or encumbrance of any of the Properties shall be made unless the same be made expressly subject to this Assignment
- 9 ASSIGNEE shall comply with all applicable orders laws ordinances rules and regulations and shall promptly obtain and maintain all permits required by proper governmental authorities in connection with the Properties
- 10 As part of the consideration for the execution and delivery of this Assignment by ASSIGNOR ASSIGNEE agrees to all of the terms and provisions hereof and joins in the execution of this Assignment to evidence its agreement hereto
- 11 ASSIGNOR and ASSIGNEE each represent and warrant to the other that they have the full right and power to enter into and perform each of the obligations under this Assignment All representations and warranties made by the parties in this Assignment shall survive execution hereof
- 12 ASSIGNOR will execute acknowledge and deliver all further conveyances transfer orders division orders notices releases and acquittances and such other instruments as may be reasonably necessary or appropriate to more fully assure and convey to ASSIGNEE its successors or assigns all of the Properties rights title and interests remedies powers and

privileges assigned and conveyed by this Assignment or intended to be so assigned and conveyed

- 13 The foregoing sets forth the entire agreement between the parties and there are no oral agreements between the parties not set out herein in writing. This Assignment supersedes all other prior written or oral agreements if any.

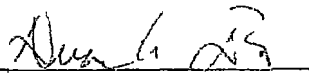
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ASSIGNOR

NEARBURG EXPLORATION COMPANY L L C a
Texas limited liability company

By



Duane A. Davis
Chief Operating Officer / Chief Financial
Officer

ASSIGNEE

SRO3 LLC a Texas limited liability company

By NEARBURG EXPLORATION COMPANY
L L C a Texas limited liability company its
sole member

By

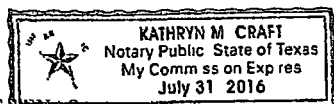

Duane A. Davis
Chief Operating Officer / Chief
Financial Officer

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COUNTY OF DALLAS §

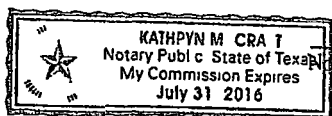
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LLC a Texas limited liability company on behalf of said limited liability company



Kathryn M Craft
Notary Public State of Texas

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COUNTY OF DALLAS §

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LLC Sole Member of SRO, LLC a Texas limited liability company on behalf of said limited liability
company



Kathryn M Craft
Notary Public State of Texas

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Lessor State of New Mexico V0 7450 1

Original Lessee Doug J Schutz

Lease Date July 1 2005

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Eddy County New Mexico
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Energy SRO State Unit #1H located in Section 4 Township
26 South Range 28 East API No 30 015 57120 as being from
8 805 feet - 9 155 feet MD as evidenced on the Dual Laterolog
run by Halliburton on July 29 2009

RECEPTION NO 151232 STATE OF
NEW MEXICO COUNTY OF EDDY
RECORDED 11/17/05 B. 41 AM
BOOK 1047 PAGE 0235
FORIN LAMNATHA COUNTY CLERK

