



CX-Energy Marketing Agreement Instructions

Dear Landowner,

Thank you for your interest in contracting with CX-Energy to market your oil and gas rights. Enclosed in this packet is the paperwork that you will need to fill out in order to be a member of the Cambria County landowners group. Please follow the instructions below to ensure that your agreement is completed correctly. CX-Energy will not be able to accept any paperwork that is incomplete.

- Carefully read the CX-Energy Marketing agreement (3 pages) entitled "**Landowner Marketing Agreement**" and sign and date the second page. All landowners must sign and date this page on the right hand side under 'Owner'. You are a landowner if your name is listed on your deed.
- Complete Exhibit A with your contact and parcel information. Please reference your property tax bill to identify your parcel number. If you are unable to identify your parcel number, contact your county's assessment office for assistance.
- Return your completed paperwork (including both pages of the **Marketing Agreement** and **Exhibit A**) to CX-Energy via email, fax, or mail via the addresses below:

CX-Energy
1373 Washington Pike, Suite 204
Bridgeville, PA 15017
Phone: 724.933.1311
Fax: 724.913.4706
Email: Cambria@cx-energy.com

Upon receipt of your completed paperwork CX-Energy will process your information and return a countersigned copy of the agreement to you for your records.

Thank You,
Your CX-Energy Team



Landowner Marketing Agreement

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, the parties agree as follows:

The purpose of these terms and conditions (the "Marketing Agreement" or "Agreement") is to set forth the activities that Shale Consultants LLC, dba CX-Energy ("CX-Energy"), and Morascyzk & Polochak, Attorneys at Law ("M&P") (collectively, "Representatives") will assist and facilitate the leasing of the oil and gas located in and under the surface of the parcels of land (the "Parcels"), defined below, to prospective Lessees on behalf of the owner of the oil, gas, and associated hydrocarbons in the Parcels ("Owner") and to set forth the responsibilities and liability of Representatives and Owner.

1. CX-Energy agrees:

- a) To coordinate lease offers from oil and gas drillers and other interested lessees (e.g., gas companies, financial institutions, and others that may be interested in leasing oil and gas rights in the Parcels "Lessees") in an effort to secure an acceptable lease price and terms for the Parcels that are eligible for oil and gas-related property leases, including but not limited to leases that enable a lessee to access certain oil & natural gas deposits contained in various Shale formations and other underground reservoirs on Parcels included in Exhibit A, identified by parcel/map/tax numbers, deed book identifier, and/or lot & block numbers, as available; and
- b) to execute the "CX-Energy Process" which means one or more of the following (depending on the specifics of the project):
 - (1) CX-Energy collects required Parcel data;
 - (2) CX-Energy identifies, contacts and works with potential Lessees identified to participate in a Leasing Event (as defined herein);
 - (3) CX-Energy develops and submits the request for quotation ("RFQ") to Lessees, manages Lessee communication regarding the RFQ, and updates the RFQ accordingly. In order for a Lessee to participate in a Leasing Event, such Lessee must agree to abide by the terms of the RFQ and submit bids during a Leasing Event. CX-Energy shall have no liability or responsibility for the actions of any Lessees including, without limitation, Lessees who: (i) refuse to agree to the terms of the RFQ; (ii) breach the terms of the RFQ; (iii) fail to bid on specific Parcels that are part of the CX-Energy Process; and/or (iii) refuse to participate in a particular Leasing Event;
 - (4) CX-Energy assists Owner in defining a leasing strategy and establishing lease parameters, but makes no guarantees that Owner will receive an agreeable result or an acceptable offer from a Lessee;
 - (5) CX-Energy provides support involving oil & gas lease documentation;
 - (6) During the Term (defined herein) of this Agreement, CX-Energy conducts one or more Leasing Events and shall provide each approved Lessee access to a Leasing Event. "Leasing Event" means a defined time period and date on which participants will submit lease offers;
- c) To present Owner with an oil and gas lease form, addendum, memorandum of lease, payment order, and other pertinent lease documentation, (the "Lease Documents") and to facilitate the submission of said Lease Documents to prospective Lessees.

2. M&P agrees:

- a) To conduct "Legal Services," including the drafting and preparation applicable Lease Documents on Owner's behalf, and if necessary and applicable, drafting additional lease language on Owner's behalf, and communicating with the eventual Lessee on Owner's behalf concerning title and clerical issues in regard to said Lease Documents post-signing, as applicable. Legal Services DO NOT include conducting mineral title abstracts or certifications.
- b) Upon Owner's request, to consult with Owner and explain legal terms and issues to Owner that concerns the Lease Documents. ALL INFORMATION PRESENTED AT PUBLIC PRESENTATIONS, MEETINGS, AND SEMINARS CONNECTED TO THE MARKETING AGREEMENT IS GENERAL LEGAL INFORMATION AND IS NOT LEGAL ADVICE. Owner is encouraged to consult with M&P or Owner's independent counsel concerning specific legal advice. M&P's representation and services are limited legal services, meaning that the services are limited to this transaction and to the Lease Documents associated with this transaction only. For additional legal services beyond the scope of this Agreement, Owner will be required to sign an additional engagement letter with M&P, or to hire another attorney. OWNER MAY AND IS ENCOURAGED TO HIRE AN INDEPENDENT ATTORNEY TO REVIEW ALL LEASE DOCUMENTS AND GIVE OWNER ADDITIONAL ADVICE.

3. Owner acknowledges and agrees:

- a) That Representatives have, and Owner hereby grants, the sole and exclusive authority and right, on behalf of Owner, to accept lease offers from all Lessees, but Representatives are not in any way responsible for the obligations of Lessees regarding the Lease Agreements themselves;
- b) To refrain from negotiating with or accepting offers from Lessees whether or not such Lessees are communicating directly with Representatives; to promptly forward to Representatives all lease proposals from inquiring Lessees, and instruct such Lessees as follows: "CX-Energy has been exclusively retained to accept all lease offers on the Parcels. Contact CX-Energy regarding the Parcel.";
- c) To be obligated by the terms of a lease agreement or lease agreements should multiple leases be necessary, with the successful Lessee ("Lease Agreement") that Owner executes and to abide by the terms of such Lease Agreement;
- d) To pay the "Legal Fee" and "Transaction Fee" listed below to M&P and CX-Energy, respectively, upon successful signing of a Lease Agreement, and Bonus Payment paid to Owner by the Lessee. The Legal Fee includes fees for legal services which shall be paid to M&P, and the Transaction Fee represents fees for marketing and administrative services which shall be paid to CX-Energy;
- e) In the event that the CX-Energy Process results in the offer of a Lease Agreement that is acceptable to Owner, owner shall be obligated to execute such Lease Agreement and other documents associated therewith.

4. Legal Fee/Transaction Fee. For the following Parcels identified in Exhibit A or any additional Parcels that the parties agree to add to a Lease Agreement, Owner shall pay fees totaling six percent (6%) of the Bonus Payment paid to the Owner by the Lessee which includes a "Legal Fee" to M&P for Legal Services as described above and a separate "Transaction Fee" to CX-Energy for conducting the CX-Energy Process, as described above, through the Lease Agreement with the successful Lessee. Owner acknowledges that the Legal Fee is equal to two and seven tenths percent (2.7%) of the Bonus Payment, to be paid as legal fees to M&P. The Transaction Fee is equal to three and



three tenths percent (3.3%) of the Bonus Payment, to be paid as administration fees to CX-Energy. Although the Owner is solely obligated to pay the Legal Fee and the Transaction Fee, directly or indirectly, the parties acknowledge that the payment of the Legal Fee and Transaction Fee may be a written obligation imposed on the successful Lessee by Representatives, or paid on behalf of Owner by Lessee pursuant to terms of the Lease Agreement. In the event that while this Agreement is in effect, Owner breaches this Agreement and enters a Lease Agreement on any of the Parcels listed in Exhibit A outside of the CX Energy Process, Owner will be responsible to pay the Legal Fee and Transaction Fee pertaining to such Parcel.

5. Term. This Agreement shall be in effect and exclusive for a period of six (6) months ("Term") beginning on the Effective Date, and shall renew automatically for additional six (6) month periods unless the other party is notified in writing at least thirty (30) days prior to the expiration of the current Term. The Transaction Fee is considered earned on any Lease Agreement signed during the Term, as it will be assumed that any Lease Agreement signed during this time period was secured because of Representatives' services. In the event of any material breach of this Agreement, the non-breaching party may terminate this Agreement prior to the end of the applicable term by giving thirty (30) days prior written notice to the breaching party; provided however, that this Agreement shall not terminate if the breaching party cures the breach prior to the expiration of such thirty (30) day period.

6. General

a) **Confidentiality, Intellectual Property and Use of Data.** Except as otherwise provided, each party shall use the confidential information of the other parties only in furtherance of this Agreement and shall not transfer or otherwise disclose the confidential information of the other parties to any third party. This Agreement grants no rights whatsoever to Owner in the patents, copyrights, trade secrets, trademarks, service marks or other Intellectual Property rights of CX-Energy or M&P whether created prior to, during or after the performance of this Agreement. Notwithstanding anything to the contrary herein, Representatives shall have the right to: (i) use and disclose all data generated in connection with this Agreement to create a database that is accessible by prospective and current customers, to determine general price trends in various supply industries, to create predictive analyses useful for estimating likely market prices and for other general business purposes, including, without limitation, publication of results and named case studies, and (ii) list or otherwise identify Owner as a customer in customer lists and other publication material.

b) **Disclaimer of Warranties and Limitation of Liability.** Except for any express warranties made herein, CX-Energy makes no other warranties, express or implied, concerning the subject matter of this Agreement, including without limitation, any implied warranties of merchantability, noninfringement or fitness for a particular purpose. The value of oil and gas rights is speculative in nature and has a history of fluctuation due to the price of oil and natural gas and numerous other factors. Any opinion on the fairness of monetary offers is only an opinion, and Representatives make no predictions, guarantees or warranties that bonus payments, royalty payments, and/or the value of oil and gas interests in the future will be any greater or less than what they are now. Representatives cannot predict the future of the oil and natural gas leasing and purchasing markets. Additionally, Representatives make no guarantee, warranty, or determination on the effect that an oil and gas Lease Agreement will have on the fair market value of the property in the future, and/or Owner's ability to sell or refinance the property. Owner agrees that it releases and shall indemnify and hold harmless CX-Energy for any losses, expenses or costs, including reasonable attorneys' fees, arising or incurred in connection with any Lease Agreement, or any other agreement entered into pursuant to this Agreement whether in contract, tort, negligence or otherwise. In no event shall CX-Energy's liability in connection with this Agreement exceed the Transaction Fees received by CX-Energy pursuant to this Agreement. In no event shall CX-Energy be liable for any special, incidental, indirect or consequential damages whatsoever (including but not limited to lost profits or savings) arising out of or in any way related to the Agreement regardless of whether CX-Energy has been advised of the possibility of such damages. This clause does not limit any potential professional legal malpractice liability as to M&P.

c) **Complete Understanding; Modification; Nonassignability and Binding Effect.** This Agreement and the Representatives constitute the complete and exclusive understanding and agreement of the parties and supersedes all prior understandings and agreements, whether written or oral, with respect to the subject matter hereof. Any waiver, modification or amendment of any provision of this Agreement will be effective only if in writing and signed by both parties hereto. Owner shall not assign this Agreement, in whole or in part, to any third party without the prior written consent of the Representatives; provided, however, that either party may, without the other party's prior written consent, assign this Agreement to a successor in interest to the entire business or assets of the assigning party or to a majority-owned subsidiary. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their permitted successors and assigns.

d) **Governing Law; Notices; Counterparts.** This Agreement and any claims, whether in contract, tort or otherwise, arising from this Agreement shall be governed by and interpreted in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to principles of conflicts of law. The parties agree that the state and federal courts sitting in Pittsburgh, Pennsylvania, USA, shall have proper and exclusive jurisdiction and venue for any proceedings arising from this Agreement. If any provision of this Agreement is held by a court of competent jurisdiction to be contrary to law, then the remaining provisions of this Agreement will remain in full force and effect. This Agreement may be executed in any number of copies, each of which will be deemed an original and all of which together will constitute one and the same instrument. All notices, legal service, requests or other communications required hereunder will be in writing and will be deemed to have been given or made if delivered personally or by confirmed courier, or mailed by certified or registered mail, postage prepaid, return receipt requested, to the parties at the principal addresses set forth above, or to such other address(es) as may be specified in writing by either of the parties to the other in accordance with this Section.



IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have executed this Agreement as of the Effective Date.

**Shale Consultants LLC dba,
CX-Energy**

By:

Signature

Print Name & Title

Morascyzk & Polochak, Attorneys at Law

By:

Signature

Print Name & Title

Owner:

By:

Signature and Print Name

Date

Signature and Print Name

Date

Signature and Print Name

Date

Signature and Print Name

Date

For office use only:

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Exhibit A

Primary Contact Information: Primary Contact is the point of contact for all listed Parcels that will be contacted for updates and information.

Primary Contact Name	Full Mailing Address	
Email Address	Primary Phone Number	Secondary Phone Number

Parcel Information: Please complete or circle all known information. Please list which of the above numbered owners own each property. Please use additional entry sheets as needed.

Parcel Number or Map Number	Property Location (Address or Description)	Township	
County	Owners (List all if multiple)	Acreage	
Do you receive Royalty Payments?	Do you receive Shut-In Fees?	Lessee / Depths Held	Lease Expiration Date
Yes / No / Not Sure	Yes / No / Not Sure		

Parcel Number or Map Number	Property Location (Address or Description)	Township	
County	Owners (List all if multiple)	Acreage	
Do you receive Royalty Payments?	Do you receive Shut-In Fees?	Lessee / Depths Held	Lease Expiration Date
Yes / No / Not Sure	Yes / No / Not Sure		

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Return To: CX-Energy via 724-913-4706 (Fax), cambria@cx-energy.com (email) or 1373 Washington Pike, Suite 204, Bridgeville, PA 15017
 SHOULD LANDOWNER HIRE CX-ENERGY AND MORASCYK & POLOCHAK, THIS FORM WILL BE REFERENCED AS A CONTRACT EXHIBIT

Parcel Number or Map Number	Property Location (Address or Description)		Township
County	Owners (List all if multiple)		Acreage
Do you receive Royalty Payments?	Do you receive Shut-In Fees?	Lessee / Depths Held	Lease Expiration Date
Yes / No / Not Sure	Yes / No / Not Sure		

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Yes / No / Not Sure	Yes / No / Not Sure		

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