



# MINERAL PURCHASE AGREEMENT

\_\_\_\_\_, OH, \_\_\_\_\_ **BROKER ONLY | Date:** \_\_\_\_\_ **Time:** \_\_\_\_\_

**1. LEGAL DESCRIPTION/ADDRESS.** In accordance with the terms of this Purchase Agreement, the undersigned Buyer hereby offers and agrees to purchase from Seller through Kaufman Realty & Auctions, LLC ("Broker"), and the Seller agrees to sell the following rights: all oil, gas, and their respective constituents located in and under the following described property:

Tax/Mineral Parcel #s: \_\_\_\_\_  
Street/City/Address: \_\_\_\_\_  
Lot/Acreage Description: \_\_\_\_\_

(Referred to as the "Oil & Gas Interest"). The Oil & Gas Interest shall include the right of ingress and egress to the surface of the property for the purpose of exploring, drilling, operating, storing, handling, transporting, marketing and developing the Oil & Gas Interest and any other lands unitized with the Oil & Gas Interest, but subject to all easements, covenants, conditions and restrictions of record; real estate taxes and assessments not yet due and payable; legal highways; zoning, building and other laws, ordinances and regulations; discrepancies, conflicts in boundary lines, shortage in area, encroachments, or any other facts which a correct survey would disclose and which are not shown by public records; oil and gas leases, coal leases, and any other lease of record; and any coal severance of record (the "Permitted Exceptions"). If the Oil & Gas Interest requires a survey prior to closing, Buyer acknowledges that the amount of acreage comprising the Oil & Gas Interest is approximate and subject to final survey. Buyer further acknowledges that the amount of acreage determined by the survey, if any, may be more or less than the amount stated in this Purchase Agreement and that the Purchase Price will be adjusted accordingly if a per-acre price calculation is used. The final Purchase Price shall be adjusted to the exact 1/100th of an acre.

**2. TERMS.** Property Sold (check one)  Lump Sum Amount  Per Acre Amount

Purchase Price:  
Approx. Acres .....  
Price Per Acre ..... x \$ \_\_\_\_\_  
WINNING BID ..... = \$ \_\_\_\_\_  
EARNEST DEPOSIT (Purchase Price x 10%) ..... \$ \_\_\_\_\_

A deposit in an amount equal to 10% of the Purchase Price or \$1,000, whichever is greater, (the "Deposit") is due and payable to **Kaufman Realty & Auctions Trust Account** on the day of the sale in U.S. Dollars in immediately available funds. The Deposit is non-refundable, unless Seller is unable to deliver title to the Oil & Gas Interest as represented by the Attorney's Title Opinion made available prior to the sale.

Type of Deposit (check one):  Wire  Check # \_\_\_\_\_

Earnest Deposit Check Made Payable to **Kaufman Realty & Auctions Trust Account**

Earnest Deposit Shall Be Deposited in the Escrow Agent's Trust Account Upon Acceptance

Or \_\_\_\_\_ Balance \$ \_\_\_\_\_

**3. PAYMENT OF PURCHASE PRICE/DEPOSIT.** No interest shall accrue on the Deposit or other funds held in trust by Escrow Agent. Buyer agrees to pay the balance of the Purchase Price in U.S. Dollars in immediately available funds on or before the Closing Date. Buyer acknowledges that its obligations under this Purchase Agreement are not contingent on obtaining financing and Buyer represents to Seller and Broker that it either has cash or is approved for a loan at \_\_\_\_\_ financial institution in an amount sufficient to discharge its payment obligations under this Purchase Agreement. In the event that the transaction does not close for any reason whatsoever, Escrow Agent shall hold the Deposit until one of the following occurs: (a) Escrow Agent receives written instruction signed by Buyer and Seller specifying how the Deposit is to be disbursed; (b) Escrow Agent receives a final court order specifying how the Deposit is to be disbursed; (c) the Deposit becomes unclaimed funds pursuant to ORC Section 169.02(M)(2) and Escrow Agent provides the required notice and remits the funds to the Director of Commerce.

**4. INSPECTIONS.** This Purchase Agreement is not contingent upon the satisfactory state of any inspections required after the date of the auction.

**5. CLOSING.** Closing shall be on or before 30 days from the date of this agreement, being \_\_\_\_\_, 20\_\_\_\_ (the "Closing" or "Closing Date"). Time is of the essence in the performance by Buyer of its obligations under this Purchase Agreement. If Seller is unable to close the transaction contemplated by this Purchase Agreement on or before the Closing Date, the Closing Date shall be automatically extended for forty-five (45) days; provided, however, that Seller, Seller's Agent, or the Escrow Agent may give Buyer written notice during the forty-five (45) day period that it is ready to close and such closing shall occur within five (5) days following such written notice.

Initials: Seller \_\_\_\_\_

Initials: Buyer \_\_\_\_\_

Buyer must complete all its due diligence regarding Seller's title to the herein described oil and gas five (5) days before the Closing Date. Should Buyer fail to complete due diligence within said period, this agreement shall automatically terminate without recourse and the Seller (1) shall instruct the escrow agent to return any refundable deposit to the Buyer, and (2) may offer the oil and gas interest to a runner up at the auction or any other third party purchaser. The Seller may, in its sole discretion, grant one (1) fifteen (15) day extension to the Buyer on the Closing for additional non-refundable consideration equal to 2.5% of the purchase price. AS USED HEREIN THE "CLOSING" SHALL REFER TO THE DATE OF RECORDING OF THE DEED; CLOSING IS NOT THE DATE OF DISBURSEMENT OF SELLER'S PROCEEDS.

6. **OWNERSHIP/POSSESSION.** Unless otherwise noted all interests and liabilities associated with these rights will transfer to the buyer at closing.

7. **DEED.** Seller shall convey title to the Oil & Gas Interest by limited warranty deed (or fiduciary deed, if appropriate) subject to the Permitted Exceptions. Buyer desires survivorship provision in the deed  YES  NO  
Names as they are to appear on deed \_\_\_\_\_

8. **EVIDENCE OF TITLE/COSTS.** Buyer selects \_\_\_\_\_ as the escrow agent connection with the closing of the sale and purchase of the Oil & Gas Interest. Seller agrees to pay for the cost of deed preparation, county conveyance fees, and one-half the cost the Escrow Agent's standard closing fee. Buyer shall pay the entire cost of any due diligence, title work, or Title Opinion, which shall be issued for the instance of both Seller and Buyer. Buyer shall pay all recording fees. Upon receipt of a county requirement to resurvey the oil and gas interest, the Closing shall be extended for only as long as needed to receive the new survey and ensure compliance with county standards.

9. **TAXES AND NOTICES.** Seller shall pay all taxes and assessments, **if any**, prorated to the Closing Date utilizing the latest available tax information as provided by the County Treasurer. If the tax duplicate is not available or fails to reflect the value of the Oil & Gas Interest then the Escrow Agent, in counties where applicable, is instructed to telephone the county auditor's office and obtain an estimate of the taxes for the proration period and such estimate shall be used in place of the latest available current tax duplicate and shall be final. However, if the auditor will not provide an estimate, then 35% of the selling price times the millage rate shall be used instead. For any governmental utilities or other fees that attach to the Oil & Gas Interest, Escrow Agent is instructed to check for delinquent accounts. If applicable, the delinquencies are to be deducted from Seller's proceeds at closing. A separate Oil & Gas tax parcel number shall be obtained from the County Auditor, and Buyer agrees to pay all fees associated with obtaining said tax parcel number.

10. **TITLE TO PROPERTY.** Except as set forth in Section 7 and Section 11, Buyer hereby acknowledges and agrees that it, at its sole cost and expense, has the sole responsibility to examine all information concerning title to the Oil & Gas Interest and to conduct its own independent evaluation to ascertain title to the Oil & Gas Interest and to satisfy itself that title is marketable, defensible, or acceptable. Buyer acknowledges and agrees that it will indemnify and hold Seller and Broker harmless as to accuracy of any documents of title to the Oil & Gas Interest. Buyer acknowledges that Buyer has been advised to seek its own independent legal counsel and that neither Seller nor Broker have provided legal advice or opinions to Buyer.

11. **OIL AND GAS LEASE:** (Check one of the following)  
 Oil and Gas Interest is Subject to a Lease. Seller has represented, to the best of their knowledge, that the Oil and Gas Interest is held by production or in the primary term, or extension thereof, of an oil and gas lease ("HBP"). Buyer is hereby granted authority by the Seller to contact any lessee or producer and otherwise make inquiry into the status of the oil and gas lease and any related production. Buyer may tender this contract to any lessee or producer as evidence of permission and authority to make inquiry into a lease and production. Time is of the essence with this Agreement and the closing will not be extended for failure of a producer or lessee to respond in a timely manner. Seller does not warrant or guarantee renewal of any lease, continued production, or any increase in production of the minerals.

Oil and Gas Interest is not Subject to a Lease. Seller has represented, to the best of their knowledge, that the Oil and Gas Interest is free and clear of any valid oil and gas leases. It is Buyer's sole responsibility to confirm this representation and Buyer is not at fault for any findings otherwise.

12. **ACCEPTANCE OF PHYSICAL CONDITIONS.** This Oil & Gas Interest is being purchased in its present physical condition, "AS IS," after examination by the Buyer, and Buyer is relying solely upon such examinations with reference to the value and character, and of the Oil & Gas Interest, and is not relying upon facts presented by Broker or its employees or agents, or any written material prepared by Broker regarding the Oil & Gas Interest, including, but not limited to the sales flyers and advertisements, Realtor information Sheet or Multiple Listing Service Publication. Further, there are no warranties or representations of any kind as to the quality, amount, character or existence of any oil, gas, or their constituents, in the Oil & Gas Interest.

Buyer has read and understands the above "AS IS" Clauses in Paragraph 12.

Initials \_\_\_\_\_, \_\_\_\_\_ Date \_\_\_\_\_

Initials: Seller \_\_\_\_\_

Initials: Buyer \_\_\_\_\_

13. **REAL ESTATE AUCTION TERMS & CONDITIONS.** Buyer acknowledges that he or she has received and understands this Purchase Agreement and any addendums thereto, including, but not limited to the Summary of Real Estate Auction Terms & Conditions sheet, all of which are hereby incorporated by reference and made a part of this Purchase Agreement. Buyer also acknowledges receipt of any applicable reservations or restrictions including but not limited to, Oil & Gas/royalty reservations set forth on the Sale Order Addendum, if any, which are hereby incorporated by reference and make a part hereof.

14. **OIL/GAS/OIL & GAS ROYALTIES.** Buyer acknowledges that, if oil and gas royalties are being paid in connection with ownership of the Oil & Gas Interest, that he or she shall be responsible for contacting the producer of the oil or gas to notify them of the change in ownership of the Oil & Gas Interest and provide them with any information needed to transfer the royalty payments to Buyer. Buyer shall be entitled to all payments made by said producer after Closing and after Buyer has validly noticed the producer.

15. **INDEMNITY.** Buyer and Seller mutually agree to indemnify, defend and hold harmless Broker, its employees, agents, directors, officers and shareholders from and against any claim, demand, cost, damage, expense or liability arising from, or in any way related to, the provision by Seller or Buyer of any incorrect information or Seller's failure to disclose any information related to the Oil & Gas Interest, whether or not known by Seller at the time of execution of this Purchase Agreement. This clause shall survive the Closing of the transaction and transfer of title to the Oil & Gas Interest.

16. **ADDITIONAL TERMS AND CONDITIONS.**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

17. **MISCELLANEOUS.** It is understood that this Purchase Agreement contains all the terms and conditions agreed upon by the parties and includes the attached addendums, if any, and there are no outside conditions, representations, warranties or agreements. Each party hereby acknowledges receipt of a copy of this Purchase Agreement. This Purchase Agreement shall be governed by the laws of the State of Ohio. Any amendment or modification of this Purchase Agreement must be in writing and signed by both parties. This Purchase Agreement may not be assigned by Buyer without the written consent of Seller. This is a legally binding document when signed by all parties. If you have any questions regarding the matters contained herein, please consult with your personal attorney as to your contractual liability. Facsimile (Fax) and electronic signatures constitute a valid signing of this Purchase Agreement. All terms and conditions of this Purchase Agreement shall survive the Closing.

18. **HUD STATEMENT.** Seller and Buyer consent to the Escrow Agent sharing information regarding the closing and specifically the HUD-1 Settlement Statements with Dave Kaufman Realty, Inc.

19. **CONSUMER GUIDE & AGENCY DISCLOSURE.**  Buyer acknowledges receipt of Broker's Consumer Guide to Agency and Agency Disclosure.

20. **FREE NATURAL GAS.** Seller  WILL; or  WILL NOT assign any rights of Seller to free natural gas. Said assignment is at all times subject to the terms of the applicable oil and gas lease giving rise to said right of free natural gas. Seller does not make any warranties of any kind relative to the herein assignment including without limitation any warranty on the quality, quantity or adequacy of any such supply of natural gas. Buyer and Seller agree that Seller is hereby released of any and all obligations relative to the assignment of free natural gas herein, and shall have no responsibility and no liability for any future disputes, liabilities or damages associated with Buyer's taking or use of natural gas on the Property. The rights herein assigned shall not create any fiduciary duty among the parties.

21. **MERGER.** Buyer and Seller hereby acknowledge and agree that the terms of this Purchase Agreement shall not merge with the deed prepared by Seller and the terms of this Purchase Agreement shall survive closing.

22. **PARTIES' AGREEMENT TO MEDIATION AND/OR ARBITRATION. IN THE EVENT OF ANY DISPUTE (AS DEFINED HERE-INBELOW) ARISING OUT OF OR RELATING TO SELLER'S EXECUTION AND DELIVERY OF THIS AGREEMENT, OR THE BREACH THEREOF, THE PARTIES FIRST AGREE TO PARTICIPATE IN AT LEAST FOUR (4) HOURS OF MEDIATION IN ACCORDANCE WITH THE COMMERCIAL MEDIATION RULES OF THE AMERICAN ARBITRATION ASSOCIATION, BEFORE HAVING RECOURSE TO ARBITRATION.** If the mediation procedure provided for herein does not resolve any such dispute, the parties agree that all disputes between the parties shall be resolved by binding arbitration administered by the American Arbitration Association in accordance with its commercial arbitration rules and pursuant to the Federal Arbitration Act, 9 U.S.C. Sections 1-16 (and all amendments thereto, if any). Judgment upon the award rendered by the arbitrator may be entered in any Court having jurisdiction. The term "dispute" shall include, but is not limited to, all claims, demands and causes of action of any nature, whether in contract or in tort, at law or in equity, or arising under or by virtue of any statute or past, present, and future personal injuries, contract damages, intentional and/or malicious conduct, actual and/or constructive fraud, statutory and/or common law fraud, class action suit, misrepresentations of any kind and/or character, libel, slander, damages and/or remedies of any kind and/or character, including without limitation, all actual damages, exemplary and punitive damages, all attorneys' fees, all penalties of any kind, pre-judgment interests and costs of court by virtue of the matters alleged and/or matters arising between the parties. The award of the arbitrator issued pursuant hereto shall be final, binding, and non-appealable.

Initials: Seller \_\_\_\_\_ Initials: Buyer \_\_\_\_\_

23. SIGNATURES

BUYER Signature: X \_\_\_\_\_ Date/Time \_\_\_\_\_  
(print name here) \_\_\_\_\_  
PHONE: \_\_\_\_\_ CELL: \_\_\_\_\_ E-MAIL ADDRESS: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_

BUYER Signature: X \_\_\_\_\_ Date/Time \_\_\_\_\_  
(print name here) \_\_\_\_\_  
PHONE: \_\_\_\_\_ CELL: \_\_\_\_\_ E-MAIL ADDRESS: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_

SELLER Signature: X \_\_\_\_\_ Date/Time \_\_\_\_\_  
(print name here) \_\_\_\_\_  
PHONE: \_\_\_\_\_ CELL: \_\_\_\_\_ E-MAIL ADDRESS: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_

SELLER Signature: X \_\_\_\_\_ Date/Time \_\_\_\_\_  
(print name here) \_\_\_\_\_  
PHONE: \_\_\_\_\_ CELL: \_\_\_\_\_ E-MAIL ADDRESS: \_\_\_\_\_  
ADDRESS: \_\_\_\_\_

27. RECEIPT OF DEPOSIT

Received with Offer  Wire Check # \_\_\_\_\_ by: \_\_\_\_\_  
Received upon Acceptance  Wire Check # \_\_\_\_\_ by: \_\_\_\_\_

28. AGENCY CONTACT INFORMATION

Seller's Broker: \_\_\_\_\_  
Broker's License Number: \_\_\_\_\_  
Phone Number: \_\_\_\_\_  
Buyer's Broker: \_\_\_\_\_  
Broker's License Number: \_\_\_\_\_  
Phone Number: \_\_\_\_\_

Seller's Agent: \_\_\_\_\_  
Agent License Number: \_\_\_\_\_  
Buyer's Agent: \_\_\_\_\_  
Agent License Number: \_\_\_\_\_