

**NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.**

**ASSIGNMENT OF WORKING  
INTEREST IN AN OIL AND GAS WELLBORES**

(Fox #1H/#2H Wells)

STATE OF TEXAS §

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF KARNES §

THAT for Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, **TIDAL PETROLEUM, INC.**, a Texas Corporation (hereinafter referred to as "Assignor"), whose address is 5501 Mid Cities Parkway, Suite 200, Schertz, Texas 78154, subject to the following terms, provisions, definitions, and conditions, does hereby BARGAIN, SELL, TRANSFER, ASSIGN, and CONVEY to RICHARD L. FALKENHAGEN (hereinafter referred to as "Assignee"), whose address is 22222 HOLLY CREEK TRAIL TOMBALL, TX 77377 an Undivided 0.005747126 Working Interest in and to the oil, gas and mineral leases described on Exhibit "A" attached hereto and made a part hereof (hereinafter referred to collectively as the "Subject Leases"), IN SO FAR AND ONLY IN SO FAR as the Subject Leases cover the Fox #1-H/#2H Wellbores ("Wellbores") rights in the Fox #1-H/#2H Wells being API# 42-255-37431 and API# 42-255-37432, respectively in Karnes County, Texas ("Subject Wells"). The Wellbores are located in that certain tract of land lying and situated in Karnes County, Texas, and being more particularly described on the attached Exhibit "A". The Wellbores are depicted as the staked Fox #1-H/#2H Wells ("Subject Wells") location on the Plat marked Exhibit "B", attached hereto and made a part hereof for all purposes.

It is expressly agreed that this Wellbore Assignment shall not vest in Assignee the following rights or privileges:

- (a) To sidetrack the Wellbores or in any way deviate from the existing Wellbores;
- (b) To recomplete or produce the Wellbores in any formation other than the Austin Chalk Formation;
- (c) To extend the Wellbores vertically or horizontally.

Notwithstanding the rules and regulations of the Railroad Commission of Texas, Assignor shall have the right, in its sole and absolute discretion, to designate acreage in any form surrounding the wellbores as "Proration Acreage," and there is reserved to the Assignor and Assignor's successors or assigns all oil, gas and related hydrocarbons outside the Wellbore's agreed Proration Acreage, together with the right to drill one or more horizontal drainholes through such Proration Acreage; provided, that portion of any horizontal drainhole drilled through Assignee's Proration Acreage as to the Austin Chalk Formation only shall be conclusively deemed to be a "no perforation zone." All other geological formations other than the Austin Chalk Formation are reserved to Assignor and may be explored and produced by Assignor.

202200002930 ASGMT  
 07/13/2022 11:56:57 AM Total Pages: 7 Fee: 46.00  
 Carol Swize, County Clerk - Karnes County, Texas

This Assignment includes any renewal, extension, ratification and amendment to the Subject Leases. Assignor may amend the Subject Leases without the approval of Assignee.

Assignee has no individual right of ingress and egress across the Subject Leases for access to the assigned Wellbores or acreage. Assignor reserves to itself all rights-of-way, easements, servitudes, surface use agreements, off-lease site agreements and subsurface easements, subsurface leases, permits and licenses, if any, to the extent that they are transferable and are appurtenant to, or used in connection with the ownership or operation of the Wellbores herein assigned.

This Assignment is made subject to the following:

1. The terms and provisions of the Subject Leases, including Assignee's proportionate share of all royalties and overriding royalties (collectively, "Royalty") outstanding, under or against the Subject Leases, INsofar AND ONLY INsofar as the Subject Leases cover the Wellbores, and which are in existence as of the date of execution of this instrument, which Royalty totals an undivided .30000 of 8/8 (30.0%) of production of hydrocarbons from and/or attributable to the Subject Leases; and

2. The terms and provisions of the Subject Leases as described on Exhibit "A" INsofar AND ONLY INsofar as the Subject Leases cover the Wellbores.

3. The terms and provisions of that certain Operating Agreement dated November 1, 2021, by and between Tidal Petroleum, Inc., Assignor, as Operator, and Assignee and others, as Non-Operator, an executed copy of which is in the possession of Assignor and Assignee, reference to which is hereby made for all purposes ("JOA"). In the event of a conflict between the JOA and this Assignment, the terms and provisions of this Assignment shall control.

4. For purposes of this Assignment, the definition of "Wellbores" shall be the right of Assignee in this Assignment to participate as a Working Interest Owner in the Subject Wells.

5. The continuing right reserved by Assignor to unilaterally and without prior consent or approval of Assignee release all or part of the Subject Leases, including all rights of Assignee to the Wellbores in the event of plugging and abandonment of the Subject Wells and in accordance with the terms and provision of the Subject Leases and the JOA.

With respect to the Undivided Working Interest in and to the Subject Leases, INsofar AND ONLY INsofar as the Subject Leases cover the Wellbores, being assigned herein, this instrument is executed, delivered and recorded WITHOUT ANY REPRESENTATIONS OR WARRANTIES (OF TITLE, MERCHANTABILITY, OR OTHERWISE), EITHER STATUTORY, EXPRESS OR IMPLIED.

The terms and provisions of this instrument shall be binding upon and shall inure to the benefit of Assignor and Assignee, their respective heirs or successors and assigns.

IN WITNESS WHEREOF, this instrument is executed this 5<sup>th</sup> day of July, 2022, but shall be effective as of the date of the first production from the Subject Wells.

ASSIGNOR:

TIDAL PETROLEUM, INC.

BY:

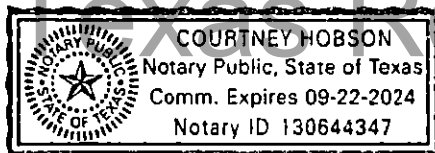
JEFFREY SCHRANTZ, Vice President

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF GUADALUPE §

This instrument was acknowledged before me on this the 5<sup>th</sup> day of July, 2022, by JEFFREY SCHRANTZ, Vice-President of TIDAL PETROLEUM, INC., a Texas Corporation, on behalf of said corporation.

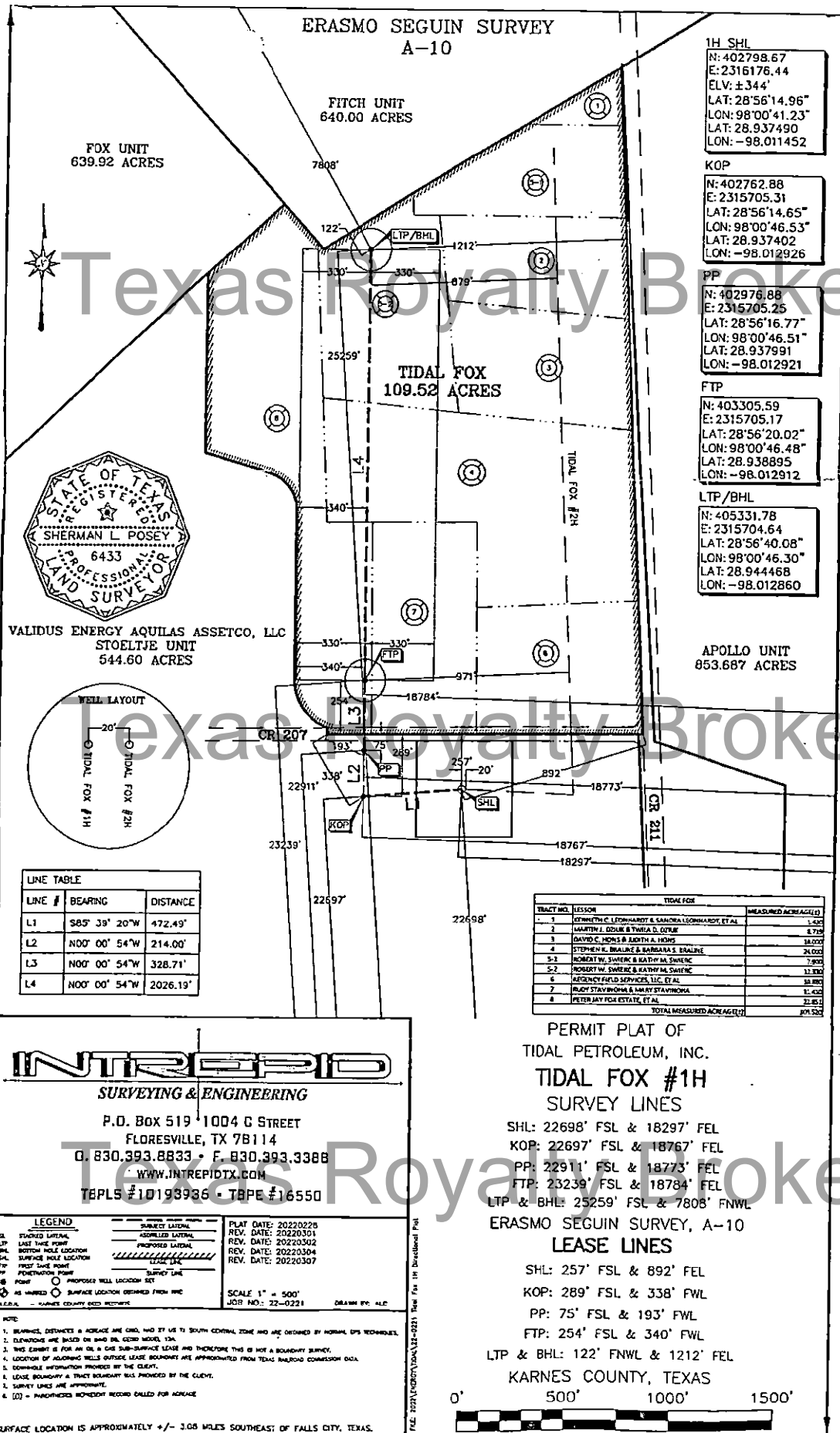


NOTARY PUBLIC, STATE OF TEXAS

Texas Royalty Brokers

**EXHIBIT "A"**

1. Oil, Gas and Mineral Lease dated August 20, 2021, recorded by Memorandum in Instrument No. 202100003646, Official Records, Karnes County, Texas, from Nieschwietz Family Partners, L.P. to Tidal Petroleum, Inc. covering 1.0500 acres of land, more or less, out of the Don Erasmo Seguin Grant, A-10, Karnes County, Texas.
2. Oil, Gas and Mineral Lease dated May 20, 2021, recorded by Memorandum in Instrument No. 202100003649, Official Records, Karnes County, Texas, from Kenneth C. Leonhardt and wife, Sandra Leonhardt to Tidal Petroleum, Inc. covering 1.0500 acres of land, more or less, out of the Don Erasmo Seguin Grant, A-10, Karnes County, Texas.
3. Oil, Gas and Mineral Lease dated September 24, 2021, recorded by Memorandum in Instrument No. 202100003636, Official Records, Karnes County, Texas, from Martin J. Dziuk aka Martin Dziuk and wife, Twila D. Dziuk aka Twila Dziuk to Tidal Petroleum, Inc. covering 8.719 acres of land, more or less, situated within the Don Erasmo Seguin Grant, A-10, Karnes County, Texas.
4. Oil, Gas and Mineral Lease dated August 20, 2021, recorded by Memorandum in Instrument No. 202100003644, Official Records, Karnes County, Texas, from Don C. Hones and wife, Judith A. Hons to Tidal Petroleum, Inc. covering 10.00 acres of land, more or less, being a part of the Erasmo Seguin Grant, A-10, Karnes County, Texas.
5. Oil, Gas and Mineral Lease dated August 20, 2021, recorded by Memorandum in Instrument No. 202100003645, Official Records, Karnes County, Texas, from Stephen K. Braune and wife, Barbara S. Braune to Tidal Petroleum, Inc. covering 24.0 acres of land, more or less, being a part of the Erasmo Seguin Grant, A-10, Karnes County, Texas.
6. Oil, Gas and Mineral Lease dated August 20, 2021, recorded by Memorandum in Instrument No. 202100003635, Official Records, Karnes County, Texas, from Robert W. Swierc and wife, Kathy M. Swierc to Tidal Petroleum, Inc. covering 20.3058 acres of land, more or less, being a portion of that 27.4558 acres out of the Erasmo Seguin Grant, A-10, Karnes County, Texas.
7. Oil, Gas and Mineral Lease dated August 20, 2021, recorded by Memorandum in Instrument No. 202100003647, Official Records, Karnes County, Texas, from Nieschwietz Family Partners, L.P. to Tidal Petroleum, Inc. covering 10.206 acres of land, more or less, out of the Don Erasmo Seguin Five League Grant, A-10, Karnes County, Texas.
8. Oil, Gas and Mineral Lease dated May 21, 2021, recorded by Memorandum in Instrument No. 202100003648, Official Records, Karnes County, Texas, from Rudy Stavinoha and wife, Mary Stavinoha to Tidal Petroleum, Inc. covering 11.01 acres of land, more or less, being a part of the Erasmo Seguin Grant, A-10, Karnes County, Texas.
9. Oil, Gas and Mineral Lease dated October 20, 2021, recorded by Memorandum in Instrument No. 202100004554, Official Records, Karnes County, Texas, from Cecilia Mary Fox, Individually and as Co-Executor of the Estate of Peter J. Fox, deceased et al. to Tidal Petroleum, Inc. covering 22.83 acres, more or less, being a portion of that 38.76 acres out of the Erasmo Seguin Grant, A-10, Karnes County, Texas.
10. Oil, Gas and Mineral Lease dated February 14, 2022, unrecorded from ETC Texas Pipeline Ltd. to Tidal Petroleum, Inc. for a primary term of three (3) years covering 10.206 acres of land, more or less, out of the Don Erasmo Seguin Give League Grant, A-10.





## FILED AND RECORDED

**Instrument Number: 202200002930**

Filing and Recording Date: 07/13/2022 11:56:57 AM Pages: 7 Recording Fee: \$46.00

I hereby certify that this instrument was FILED on the date and time stamped hereon and  
RECORDED in the OFFICIAL RECORDS of Karnes County, Texas.



*Carol Swize*

Carol Swize, County Clerk  
Karnes County, Texas

ANY PROVISION CONTAINED IN ANY DOCUMENT WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE REAL  
PROPERTY DESCRIBED THEREIN BECAUSE OF RACE OR COLOR IS INVALID UNDER FEDERAL LAW AND IS  
UNENFORCEABLE.

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