

SELLER'S AGREEMENT FOR THE SALE OF OIL AND GAS PROPERTIES

THIS AGREEMENT for the sale of Oil and Gas Properties is entered into this _____ day of _____, 20____, between **EnergyNet.com, Inc.**, 7201 I-40 West, Suite 319, Amarillo, TX 79106 and _____ (hereinafter "**SELLER**") whose address is _____

whose ENERGINET SELLER ID (USER NAME) is _____

IN CONSIDERATION of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **SELLER** and **EnergyNet.com, Inc.** agree as follows:

EXCLUSIVE RIGHT TO SELL

SELLER hereby grants to **EnergyNet.com, Inc.** the exclusive right to sell the Properties of **SELLER** that are listed on Exhibit "A" to this Agreement (hereinafter "the Property or Properties" whether used in the singular or plural tense or properties making up a lot). The sale of the Properties will be subject to the following terms and conditions and any additional terms as posted on the Lot or Property Narrative or Property Information Page or Additional Information on the **EnergyNet.com** Website ("the Website").

SALE OF PROPERTIES IN ONLINE AUCTION

In the Online Auction, **SELLER** may offer the Property for sale with or without a minimum reserve sales price. A specific date and time are designated for the beginning and ending dates that potential **BUYERS** may bid on the Property. The highest bidder at the ending time and date, whose bid meets the minimum reserve sales price (if any) or whose bid is accepted by **SELLER**, will be obligated to purchase the Property for that price.

SELLER'S REPRESENTATIONS, AGREEMENTS, WARRANTIES AND ASSURANCES:

1. OWNERSHIP

SELLER is of legal age and is the sole owner, agent, fiduciary or trustee of the Property listed on Exhibit "A" to this Agreement. **SELLER** further states that, except as set forth on the Property Information Sheet, the Properties listed are free and clear from all encumbrances, liens, mortgages, pledges, production payments, and security interests created by **SELLER**, and any other defects of title that adversely affect or interfere with the operation or use of the Properties as currently operated or used or the ownership or value thereof. **SELLER** has not incurred any obligation or liability contingent or otherwise other than those usual in day-to-day management, and **SELLER** has the authority to enter into this Agreement and to fully and freely convey the same. **SELLER** will not assign, dispose or encumber such Property during the term of this Agreement without the prior written consent of **EnergyNet.com, Inc.**

SELLER is to disclose to **EnergyNet.com, Inc.**, for review by potential **BUYERS**, all mortgages, liens, encumbrances and contractual obligations that burden the Properties. **SELLER** is to provide **EnergyNet.com, Inc.**, for review by potential **BUYERS**, all pertinent documentation and releases as to outstanding mortgages, liens, encumbrances and contractual obligations if noted in said Property Information Sheet or if discovered by potential **BUYERS** ten (10) working days prior to activation of the Property by **EnergyNet.com, Inc.** for review by potential **BUYERS**. **SELLER** agrees and acknowledges that certain Properties subject to mortgage liens may be subject to the mortgagee attending the closing, receiving funds to fully satisfy said mortgage and pay all costs associated with any such release or recording of any release. Certain permitted encumbrances are allowed such as gas imbalances and preferential rights of purchase that are discussed below, SUBJECT TO FULL DISCLOSURE OF THE SAME AND ACCEPTANCE THEREOF BY **BUYER**. Such Acceptance by **BUYER** shall be by **BUYER'S** placement of any bid on said Properties.

SELLER is engaged in the business of exploration for or producing oil, gas and other minerals as an ongoing business.

2. FURNISHING OF INFORMATION

SELLER hereby agrees to provide, if reasonably obtainable, to **EnergyNet.com, Inc.**, for review by potential **BUYERS**, all well data that is listed on **EnergyNet.com, Inc.'s** Property Information Sheet attached as Exhibit "B" hereto; further, upon request of **EnergyNet.com, Inc.** or a potential **BUYER**, **SELLER** agrees to cooperate and furnish all applicable data requested outside of data presented on the Exhibit "B", if reasonably obtainable and in **SELLER'S** possession, being all records and instruments relating to the leases including, without limitation, title opinions, title reports and curative materials, gas purchase contracts, gathering and transportation agreements, processing agreements, gas balancing agreements, operating agreements, joint venture agreements, well data, production, pricing and operating expense data or other files maintained by **SELLER** covering such Properties. **SELLER** must provide the information to **EnergyNet.com, Inc.** in Exhibit "B" twenty (20) working days prior to activation of the Property by **EnergyNet.com, Inc.**, for review by potential **BUYERS** in order to allow such potential **BUYERS** to verify and examine the Properties. **SELLER** agrees and represents that **SELLER** will delete, redact or cover Personal Information included in all data and information furnished to **EnergyNet.com, Inc.** or a potential **BUYER**. Personal Information includes social security numbers, driver's license numbers, credit card numbers, and information related to assets or financial accounts owned by individuals unless directly related to the Properties.

SELLER must provide a fully executed original Assignment and/or Bill of Sale to **EnergyNet.com, Inc.** Such Assignment should be drafted, notarized and executed in accordance with the applicable state laws in which the Properties are located. If any of the Properties include oil and gas leases from any governmental agencies, **SELLER** agrees to execute and deliver to **BUYER** an assignment of such leases on the forms prescribed by such governmental agencies, subject to the reservations or limitations listed on Exhibits "A" and "B" to this Agreement. In addition, for the sale of operated Properties, **SELLER** is to furnish **EnergyNet.com, Inc.**, at least ten (10) working days prior to activation of the Property by **EnergyNet.com, Inc.** for review by potential **BUYERS**, a fully executed, notarized, if required, original Change of Operator form or other form or forms necessary for the transfer of operations in the state in which the Properties are located.

EnergyNet.com, Inc. will not allow a Property or Lot to be viewed on the Website until such time as the herein required original executed conveyancing documents and other documents and information requested of **SELLER** hereunder are received by **EnergyNet.com, Inc.**

SELLER hereby consents and acknowledges that all information furnished will be available to pre-approved prospective, qualified and accredited **BUYERS** to download the information from the **EnergyNet.com, Inc.** Website or receive data by other means prior to or during the Auction or negotiations following the Auction.

SELLER further consents and agrees that the Property Information Sheet and all other related data furnished by **SELLER** may be circulated, published and distributed by **EnergyNet.com, Inc.** only to qualified **BUYERS**.

In no event will **SELLER** be required or obligated to deliver to any **BUYER** any proprietary or confidential information, including but not limited to geology, geophysical, seismic, or other information, that, in **SELLER'S** reasonable determination, it is prohibited from disclosing by contract.

SELLER hereby consents and grants to **EnergyNet.com, Inc.** the limited use of its logos, trademarks and promotional designs for use on **EnergyNet.com, Inc.'s** Property Listing, information and brochures whether on the Website or published in a brochure.

The information provided by **SELLER** will be made available to prospective, qualified and accredited BUYERS primarily engaged in the business of exploring for or producing oil or gas or other minerals as an ongoing business. **SELLER** will review all information and well data posted by **SELLER** and or **EnergyNet.com, Inc.** and notify **EnergyNet.com, Inc.** of any corrections or clarifications to be made by **EnergyNet.com, Inc.** **SELLER** HEREBY INDEMNIFIES AND AGREES TO HOLD **ENERGYNET.COM, INC.** AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS AND REPRESENTATIVES HARMLESS FROM AND AGAINST ANY LIABILITY, CLAIM, DAMAGE, HARM, COST OR EXPENSES (INCLUDING REASONABLE ATTORNEY'S FEES AND COURT COSTS) THAT **ENERGYNET.COM, INC.** MAY SUFFER OR INCUR IN THE PERFORMANCE OF SELLING THE PROPERTIES, INCLUDING ENTERING AND POSTING WELL DATA AND OTHER INFORMATION RELATING TO THE PROPERTIES, INCLUDING PERSONAL INFORMATION, PROVIDED BY THE **SELLER** TO **ENERGYNET.COM, INC.** FOR POSTING ON THE WEBSITE ON BEHALF OF **SELLER**.

3. RESALE OF PROPERTIES

Except and unless **SELLER** notifies **EnergyNet.com, Inc.** in writing to the contrary, **SELLER** hereby acknowledges and states that the Properties to be posted for sale on the Website by **SELLER** were not acquired by **SELLER** with a view to resale, unless the **SELLER** was forced to acquire the mineral or property interest in a package in order to obtain other Properties in the package.

4. NO FRACTIONALIZATION OF MINERAL INTERESTS

SELLER hereby acknowledges and confirms that the definition of "Mineral Interest" means an interest in or under oil, gas or mining lease, fee or title, including real property from which the minerals have not been severed or contracts relating thereto. **SELLER** hereby acknowledges and states that (i) the prospective sale of the Properties will not involve the fractionalization of the Mineral Interest in which there will be no sharing of the Mineral Interest through concurrent ownership, including the retention of a fractional undivided interest in the Properties being conveyed. Where all **SELLER** currently owns is a partial interest in the Properties (such as a royalty, overriding royalty, or undivided fractional working interest), the non-fractionalization requirement is met if **SELLER** does not retain a concurrent ownership in the Properties, such as a tenancy in common or a joint tenancy. Moreover, the **SELLER** shall not be considered to be fractionalizing its interest in the Properties where **SELLER** retains only a royalty or overriding royalty interest, or where the **SELLER** horizontally severs the Properties by retaining an interest in a separate horizontal zone that is distinguishable from the zones being conveyed or severs and sells only the wellbore. **SELLER** further represents that (i) the Properties are offered free of any agreement by **SELLER** (or any affiliated or related party) to provide for future development of the Properties and (ii) it will not directly or indirectly otherwise exercise control over the management of the Properties being conveyed or offer incidental service for the management or exploration of the Properties unless **SELLER** is the operator of the Properties.

5. SECURITIES

SELLER hereby acknowledges and confirms that the Properties to be offered for sale on the Website are not intended or considered by **EnergyNet.com, Inc.** to be "securities," including an investment contract, under applicable securities laws. Notwithstanding the foregoing, there can be no assurance that a judicial tribunal and/or applicable regulatory agency will not take a contrary position.

6. ENVIRONMENTAL LIABILITIES

SELLER hereby acknowledges and agrees that prior to closing on the subject Properties, it is responsible for any and all losses attributable to any and all environmental events or impacts, including without limitation, damage to property, injury or death of persons or other things, natural resource damages, CERCLA response costs, environmental remediation and restoration, costs or fines or penalties, arising out of or attributable to, in whole or in part, either directly or indirectly, the ownership, condition or operation of the Properties at any time prior to closing. Upon the closing of the purchase of subject Properties by the **BUYER**, future responsibility for environmental damages and/or impacts occurring after closing date passes to the **BUYER**, and **SELLER** remains responsible for environmental damages and/or impacts occurring prior to closing of the sale of the subject Properties.

7. ROYALTY, OVERRIDING ROYALTY AND WORKING INTEREST AND CONTRACTUAL LIABILITIES AND OPERATION LIABILITIES

SELLER hereby acknowledges and agrees that any and all liabilities related to **SELLER'S** obligations to pay royalties, overriding royalties and contractual obligations under Oil and Gas Leases, Joint Operating Agreements and liabilities associated with the ownership, condition or operation of the subject Properties remain **SELLER'S** liability from **SELLER'S** period of ownership to the effective date of the assignment. Upon closing, **BUYER** assumes all such liabilities associated with ownership of the Properties, accruing after the effective date of the assignment.

8. NO WARRANTIES (EXPRESS OR IMPLIED)

Notwithstanding any provision contained in this Agreement to the contrary, **SELLER** agrees that the conveyance of the Property, wells, equipment or other Property located thereon shall be without warranty whatsoever, express, statutory, or implied as to description, title, condition, quality, fitness for purpose, merchantability, or otherwise. **SELLER** makes no representation or warranty whatsoever as to the physical condition of the Property. **SELLER** has made no statements or representation concerning the present or future value of the anticipated income, costs, or profits, if any, to be derived from the Property. **ALL PROPERTY IS SOLD ON AN "AS IS"/"WHERE IS" CONDITION.** **SELLER** acknowledges and agrees that **BUYER** shall have the right to full substitution and subrogation in and to any and all rights and actions of warranty that **SELLER** has or may have against any and all preceding owners or vendors of the Property.

9. TITLE

SELLER is to provide to **EnergyNet.com, Inc.** all instruments of title to the subject Properties prior to activation of the Property by **EnergyNet.com, Inc.** for review by potential **BUYERS**. If **SELLER** fails to timely deliver its assignments, the **BUYER** agrees to accept such assignment "AS IS", in its form and substance as prepared by **SELLER** when delivered by **SELLER** to **EnergyNet.com, Inc.** **SELLER** does not warrant title either express or implied and all title to the Property is on an "AS IS" basis. It is the duty of the **BUYER** to satisfy himself as to whether the title is marketable, defensible or acceptable to the **BUYER**.

10. LESSER INTEREST

SELLER hereby acknowledges and agrees that if the Properties conveyed by the **SELLER** is of lesser interest than what is represented on the Property Information Sheet and associated data, or any modifications or changes thereto and **BUYER** contacts the **SELLER** within sixty (60) days from the date of the sale as to the difference in interest, it is agreed that **SELLER** must, within thirty (30) days following receipt of written notification and accompanied by adequate proof of said lesser interest, at its option and by written notice to **BUYER**,

- (a) refund a pro-rata share of the purchase price based on the amount of the interest lost compared to the total price paid for the full or represented interest, or
- (b) cure the defect that is attributed to the lesser interest, subject to the **BUYER'S** reasonable satisfaction of the recovery and confirmation of the lost interest, or
- (c) rescind the sale and refund to **BUYER** the amount paid for the Property plus all recording costs associated with the sale of the Property and **BUYER** will reassign the same, such assignment to be effective the same date of the **SELLER'S** assignment to **BUYER**.

If **SELLER** does not make the election in writing within the thirty (30) day period, **SELLER** agrees that **BUYER** may elect either the remedy set forth in clause (a) above or the remedy set forth in clause (c) above, by providing written notice to **SELLER** within thirty (30) days after the expiration of **SELLER'S** option period. **EnergyNet.com, Inc.** shall be entitled to retain any commission paid by **SELLER**, and **BUYER'S** sole remedy shall be against **SELLER**.

11. GAS IMBALANCES

All Properties shall be sold without warranty on an "AS IS, WHERE IS" basis. No adjustment in the purchase price shall be made as a result of an inaccuracy in the estimated gas imbalance amount disclosed by **SELLER** to **EnergyNet.com, Inc.** for review by potential **BUYERS**. **SELLER** shall provide information it believes accurate as to the status of gas imbalances for the offered Properties, but makes no representations or warranties as to the accuracy of such information.

SELLER acknowledges and agrees that Properties to be posted for sale on the Website may be subject to gas imbalances pursuant to Gas Balancing Agreements between working interest parties or in the absence of agreements between the working interest parties in the unit. As to interests subject to Gas Imbalance Agreements, **SELLER** agrees to fully disclose the Gas Balancing Agreement in the Property Information Sheet, and **SELLER** will present therein the last production figures available as to gas imbalances on the subject properties. It is the **BUYER'S** responsibility to monitor the gas imbalance from the effective date of the last Gas Balance Statement to the effective date of assignment. However, **SELLER** agrees to provide up to date figures on gas imbalances as they occur either prior to or during the auction or negotiation process, all properties sold with gas imbalances are the responsibility of the **BUYER** upon the effective date of the assignment.

SELLER acknowledges and agrees that the consideration paid by the **BUYER** includes the acceptance by the **BUYER** of the either over or under production on the Properties. **BUYER** is responsible for removing or clearing any balancing obligation. **BUYER** shall indemnify and hold **SELLER** and **EnergyNet.com, Inc.** harmless as to any and all claims of gas imbalances or liabilities either before or after the effective date of the assignment. If within sixty (60) days from the date of sale of the properties, **BUYER** notifies **SELLER** that the amount of **SELLER'S** over production gas imbalance is understated by at least 50% in the Property Information Sheet or in any other information provided by **SELLER**, and uploaded to the Website, or by subsequent statements prior to sale on the Website by **SELLER** and **BUYER** notifies **SELLER** of the amount of overproduction within the sixty (60) day period providing **SELLER** with written evidence of said overproduction, **BUYER**, may, at the sole option of the **BUYER**, void the sale. In the event, **BUYER** voids the sale of the Property, **SELLER** shall return to **BUYER** the purchase price plus pay all recording costs associated with the sale of such Property. **BUYER** will assist **SELLER** in the drafting and execution of any conveyancing documents, of which **SELLER** will pay all recording fees. In addition, **SELLER** agrees to pay and will be liable and responsible to pay to **EnergyNet.com, Inc.** a sum equal to the commission that would have been realized on said Property had the sale not been declared void by the **BUYER**, as described and calculated in accordance with Exhibit "C" attached hereto and made a part hereof.

12. INDEMNIFICATIONS

A. As to any breach between **BUYER** and **SELLER** as to the purchase of the Property, **SELLER** agrees that **EnergyNet.com, Inc.** and its officers, directors, shareholders, agents, representatives, contractors, successors and assigns are not liable to the **SELLER** for any breach resulting from **BUYER'S** failure to close the sale of the Properties or any other breach of duty owed to the **SELLER** from the **BUYER** by nature of **BUYER'S** agreement with **EnergyNet.com, Inc.** or any other agreements between the parties. **SELLER'S** sole remedy is against the **BUYER**.

B. If prior to the date the escrowed funds are disbursed, a dispute arises between **SELLER** and **BUYER** as to the proper disbursement of such funds to be made by **EnergyNet.com, Inc.**, **EnergyNet.com, Inc.** is hereby authorized to receive from Escrow Bank any commission or other fees payable to **EnergyNet.com, Inc.** as provided for herein, and **EnergyNet.com, Inc.** shall direct Escrow Bank to retain the remaining funds until **EnergyNet.com, Inc.** receives written instructions executed by **SELLER** and **BUYER** as to the disposition and disbursement of such funds or until ordered by final court order, decree or judgment, that has not been appealed, to deliver such funds to a particular party, in which event such funds shall be delivered in accordance with such instruction, order, decree or judgment.

C. **SELLER** HEREBY INDEMNIFIES AND AGREES TO HOLD **ENERGYNET.COM, INC.** AND ITS OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS AND REPRESENTATIVES HARMLESS FROM AND AGAINST ANY LIABILITY, CLAIM, DAMAGE, HARM, COST OR EXPENSE (INCLUDING REASONABLE ATTORNEY'S FEES, AND COURT COSTS) RESULTING OR ARISING FROM BREACHES BY **SELLER** UNDER THIS AGREEMENT AND ANY AND ALL CAUSES OF ACTION RELATED TO OR ARISING FROM **SELLER'S** DUTIES UNDER THIS AGREEMENT AND AS A RESULT OF OR ARISING FROM **SELLER'S** DUTIES OWED TO THE **BUYER** OUTSIDE OF THIS AGREEMENT.

ALL INDEMNIFICATIONS IN THIS AGREEMENT (INCLUDING BUT NOT LIMITED TO, SECTION 2 HEREOF) EXTEND TO THE BENEFIT OF THE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS, REPRESENTATIVES, AND ASSIGNS OF EACH INDEMNIFIED PARTY, AND SUCH PERSONS ARE THIRD PARTY BENEFICIARIES OF THIS AGREEMENT. ALL SUCH INDEMNITIES SURVIVE THE TERM OF THIS AGREEMENT.

13. COMMISSION AND FEES AGREEMENT

SELLER hereby agrees to pay to **EnergyNet.com, Inc.** the minimum reserve listing fee and/or Commission based on the gross sales price for each Property, or lot sold on the Website; or by mutually agreed upon other means of sale between **SELLER** and **EnergyNet.com, Inc.**, including but not limited to a sale negotiated by the parties subsequent to an auction.

FEE AND COMMISSION RATES - See Exhibit "C", attached hereto.

14. EFFECTIVE DATE AND CLOSING

The date of sale for Properties sold in the Online Auction is when **BUYER** is declared to be the successful bidder on **SELLER'S** Property as declared by the online auctioneer. The date of sale for Properties sold as the result of negotiations following the Auction is the date **SELLER** and **BUYER** agree upon a sales price.

SELLER further agrees to provide to **BUYER** within ten (10) days after notification to **SELLER** of receipt of funds by **EnergyNet.com, Inc.** all original files, records, information and data, whether written or electronically stored, relating to the Properties, including without limitation, all leases, contracts, well data, gas contracts and accounting files maintained by the **SELLER** covering the Properties. **SELLER** is not required to deliver to **BUYER** any proprietary or confidential information including, but not limited to, geological, geophysical, seismic or other information, that in **SELLER'S** reasonable determination, is prohibited by contract from disclosing.

SELLER acknowledges and agrees that the effective date of sale is the date reflected in **SELLER'S** assignment, which date should be the first (1st) day of the month prior to or after the date of the sale.

SELLER acknowledges and agrees that since **BUYERS** are not at the physical location of the sale, but on the World Wide Web, the total amount of funds to purchase the Property are to be received by designated Escrow Bank (currently the Wells Fargo Bank of Amarillo, Texas; provided however, that **EnergyNet.com, Inc.** may, from time to time, at its sole discretion, change the Escrow Bank to another bank of its choice) in Texas by one of the following methods.

A. Wire transfer from **BUYER'S** bank or financing institution made payable to EnergyNet.com, Inc. (the Wells Fargo Bank of Amarillo, Texas as escrow agent).

B. Next day delivery overnight mail from **BUYER** to **EnergyNet.com, Inc.** Funds must be either certified or check pre-approved by **EnergyNet.com, Inc.**, or made payable to EnergyNet.com, Inc. (the Wells Fargo Bank of Amarillo, Texas, as escrow agent).

C. Hand or carrier delivered to **EnergyNet.com, Inc.** at its offices at 7201 I-40 West, Suite 319, Amarillo, TX, 79101, with funds made payable to EnergyNet.com, Inc., (the Wells Fargo Bank of Amarillo, Texas, as escrow agent).

D. In addition to the purchase price, **BUYER** will, by payment of any of the methods listed above in paragraph A, B or C and within the time provided for below, pay the applicable recording fees, sales tax, if any, and handling/administrative fees due **EnergyNet.com, Inc.** associated with **BUYER'S** purchase.

Escrow Bank is to be considered as a depository only for funds escrowed pursuant to this Agreement, and it shall hold and disburse such funds solely on the basis of written instructions it receives from **EnergyNet.com, Inc.** Escrow Bank shall be entitled to rely at all times on the written instructions given to it by **EnergyNet.com, Inc.** without any necessity of verifying the authority therefore. Neither **SELLER** nor **BUYER** shall have any authority to give instructions to or otherwise direct the actions of Escrow Bank with respect to the escrowed funds. ESCROW BANK SHALL NOT AT ANY TIME BE HELD LIABLE FOR ACTING IN ACCORDANCE WITH THE WRITTEN INSTRUCTIONS IT RECEIVES FROM **ENERGYNET.COM, INC. ENERGYNET.COM, INC., SELLER AND BUYER AGREE TO SAVE AND HOLD ESCROW BANK HARMLESS FROM ANY LOSS AND FROM ANY CLAIMS OR DEMANDS ARISING OUT OF ACTIONS TAKEN OR OMITTED TO BE TAKEN BY ESCROW BANK PURSUANT TO SUCH WRITTEN INSTRUCTIONS AND HEREBY AGREE TO INDEMNIFY AND HOLD HARMLESS ESCROW BANK FROM ANY ALL CLAIMS, EXPENSES (INCLUDING REASONABLE ATTORNEY'S FEES INCURRED BY ESCROW BANK) OR DEMANDS FOR LOSSES ARISING OUT OF ITS ACTIVITIES AS ESCROW BANK.**

THE INDEMNITIES HEREUNDER IN FAVOR OF ESCROW BANK SURVIVE THE TERM OF THIS AGREEMENT.

SELLER acknowledges and agrees that **BUYER** shall have two (2) full banking days to complete the transfer of funds, unless the parties both agree otherwise in writing.

Unless otherwise provided in the assignment to be delivered to **BUYER**,

(a) **SELLER** is entitled to receive all production (including oil in the tanks), revenues and joint interest billings accruing prior to the effective date of the assignment to **BUYER**, and

(b) **SELLER** is obligated to pay all expenses related to operation and control of the Properties incurred prior to the effective date of said assignment.

(c) **SELLER** and **BUYER** shall be solely responsible for all post sale settlements and adjustments, including but not limited to the proration of production, revenues and expenses.

(d) **SELLER** AGREES TO INDEMNIFY AND HOLD **BUYER** HARMLESS AS TO ALL EXPENSES INCURRED PRIOR TO THE EFFECTIVE DATE OF THE ASSIGNMENT AND TO PAY **BUYER'S** REASONABLE COSTS, LEGAL OR OTHERWISE, RELATING TO ANY SUCH EXPENSES NOT PAID BY **SELLER**.

Upon disbursement of escrowed funds in the Escrow Bank, **SELLER** acknowledges and agrees that **EnergyNet.com, Inc.** shall immediately receive its commission from Escrow Bank net of listing fee, if any, as set out on the **EnergyNet.com, Inc.'s** Fees and Commission Schedule as set out in Exhibit "C", attached hereto. All funds will be held in escrow until **SELLER** provides all executed documents of conveyance and any other documents that are required under the terms of this Agreement.

SELLER acknowledges and agrees that settlement can be withheld if **SELLER** fails to provide requisite assignments or conveyancing documents or if **SELLER** has failed to obtain waiver of preferential rights, consents to assignments, releases or subordination of encumbrances or any other duty of **SELLER** to assist or assign the Properties to **BUYER**.

The assignment is to be recorded in the applicable jurisdiction by **EnergyNet.com, Inc. EnergyNet.com, Inc.** upon receipt of executed, conveyancing documents and mailing of same for recording will direct Escrow Bank to release all funds to **EnergyNet.com, Inc.** for disbursement to **SELLER** minus listing fees/commissions, sales tax, if any, associated with the sale of **SELLER'S** Properties incurred by **EnergyNet.com, Inc.**, within ten (10) banking days of receipt of such funds from **BUYER**, provided funds have cleared the Escrow Bank or until funds are available for distribution under the terms of this Agreement. In no event shall any conveyancing document be sent for recording prior to confirmation that 100% of the applicable purchase price and all other sums due from **BUYER** are received by **EnergyNet.com, Inc.** and placed in Escrow. **BUYER** agrees to pay sales tax, if any, recording fees and **EnergyNet.com, Inc.'s** administrative handling fee.

15. BUYER'S AGREEMENT

SELLER acknowledges and agrees that its sale of Properties is subject to terms and conditions of the **BUYER'S AGREEMENT TO PURCHASE PROPERTIES**, attached hereto as Exhibit "D", and hereby states that **SELLER** has read and understands the same.

16. **BUYER'S DEFAULT**

SELLER acknowledges and agrees that if a **BUYER** defaults for any reason after the date of sale but prior to the date of closing and does not tender the requested total purchase funds to the Escrow Bank within the required time, **SELLER**, and **EnergyNet.com, Inc.** will have the option to do the following:

- A. Declare the sale void and sell the Property to the next highest bidder who has the option to tender the full amount of its bid to the Escrow Bank within two (2) banking days of notification.
- B. Remove the Property from the Website and at **SELLER'S** election, offer the Property for resale at a future date.

SELLER acknowledges and agrees that if the **BUYER** has tendered full or partial funds to the Escrow Bank and then subsequently defaults as to other terms and conditions as set forth in the **BUYER'S AGREEMENT TO PURCHASE PROPERTIES**, **EnergyNet.com, Inc.** will receive its commission as set out in Exhibit "C" from the tendered funds deposited in the Escrow Bank. **EnergyNet.com, Inc.** will be relieved of any further obligations under such sale and **SELLER'S** sole remedy for performance or damages is against the **BUYER**.

17. **SELLER'S DEFAULT**

As used in this Agreement, "Commission Damages" means the commissions or fees EnergyNet.com, Inc. would have received, if a sale has been consummated, calculated pursuant to the Fee and Commission Schedule attached as Exhibit "C" based upon the greater of 1) the gross sales price of the Properties if **SELLER** sold the Properties to any party not participating in the sale pursuant to a **BUYER'S** Agreement ("Outside Party"), or 2) the **SELLER'S** estimated property value as set out on Exhibit "A." In the event that **SELLER** defaults for any reason under this Agreement, including but not limited to, the sale of any or all of the **SELLER'S** Property that is subject to this Agreement to any Outside Party, EnergyNet.com, Inc. shall be entitled, at its sole option, to recover Commission Damages from the **SELLER** or to receive from the Escrow Bank its Commission Damages. In the event of default by **SELLER**, EnergyNet.com, Inc. will also be entitled to any additional damages, costs and fees as allowed under other provisions of this Agreement, at law or in equity.

18. **PREFERENTIAL RIGHTS**

SELLER acknowledges and agrees that certain Properties may be subject to preferential rights of purchase, consents or permission to assign by nature of Joint Operating Agreements and other agreements between third parties and **SELLER**.

SELLER agrees that upon closing of the Properties subject to preferential rights, it will within five (5) business days distribute the appropriate notification to the owners of all preferential rights pursuant to the terms of the preferential rights agreement. **SELLER** agrees to provide **EnergyNet.com, Inc.** copies via fax of the Consent to Assign or Preferential Right letters as they are sent out. **SELLER** further agrees to advise **EnergyNet.com, Inc.** of the status of such letters so that **BUYER** can be informed on a timely basis. **SELLER** will either obtain waivers of the preferential rights, obtain constructive waiver by failure of the third party to exercise the same within the allotted time period or will notify **BUYER** and **EnergyNet.com, Inc.** of the third party's desire to purchase said Property on the same terms and conditions, which includes the payment of the commission and expenses due to **EnergyNet.com, Inc.** All proceeds paid by **BUYER** will be refunded to the **BUYER** upon **SELLER** receiving proceeds from the party exercising the preferential right to purchase.

SELLER further agrees and consents that if a Property is sold on the Website for over \$300,000.00 and such Property is subject to a preferential right of purchase, **SELLER** agrees that **BUYER** is to tender only 25% of the purchase price of such Property to the Escrow Bank until such time as the preferential right is exercised or waived by the holders of the same. If the preferential right is exercised by a third party or parties, **SELLER** agrees to pay to **EnergyNet.com, Inc.** the commission as set forth on Exhibit "C" upon tender of funds from third party or parties to **SELLER**. If such third parties do not exercise the preferential right of purchase, **SELLER** shall notify **EnergyNet.com, Inc.** and **BUYER** of the waiver, and **BUYER** will tender the remaining 75% purchase price balance to the Escrow Bank within two (2) full banking days of such notification by **SELLER**. **SELLER** agrees to pay to **EnergyNet.com, Inc.** the commission as set forth on Exhibit "C" upon tender of funds from the **BUYER** to **SELLER**.

19. **TERM OF AGREEMENT**

The term of this Agreement expires on the later of the following:

- A. Sixty (60) days from the date an Online Auction ends;
- B. Sixty (60) days following the date the **SELLER** and **EnergyNet.com, Inc.** have received all sums due; or,
- C. Sixty (60) days following the date of any communication between **SELLER** or **BUYER** and **EnergyNet.com, Inc.** regarding continued negotiations for the sale of any Property not successfully sold in the Online Auction.

If within any of such sixty (60) day periods provided for in paragraphs A, B or C above, **SELLER** enters into a contract to sell such Property or Properties or sells, exchanges or otherwise transfers a legal or equitable interest in such Property or Properties to any person, **SELLER** will pay to **EnergyNet.com, Inc.** Commission Damages as defined in Section 17. The term "person" is broadly construed to include any individual or entity in any capacity.

20. **NO RESERVE OR MINIMUM RESERVE FOR ONLINE AUCTION**

SELLER acknowledges and agrees that any Property or Properties posted for sale on the Website shall be offered for sale, at **SELLER'S** option, on a basis of "no reserve" or on a basis of "minimum reserve".

For the purpose of this Agreement, a "no reserve" basis sale is defined as **SELLER'S** acceptance of the sale of the Properties with no minimum monetary amount. For the purpose of this Agreement, a "minimum reserve" basis sale is defined as **SELLER'S** request for Properties to be sold for not less than a specified minimum monetary amount.

SELLER agrees that Properties sold on a "no reserve" basis are to be entered into the Online Auction until sold to the highest bidder as declared by the online auctioneer. "Minimum Reserve" Properties are sold to the highest bidder within the time period set for the Auction only when the highest bid entered equals or exceeds the minimum monetary amount for the Property. "Minimum Reserve" properties failing to be sold within the time period set for the Auction may be sold during the Term of the Agreement during post Auction negotiations if a Buyer makes a bid meeting or exceeding the minimum reserve price for the Properties. The online auctioneer has the sole discretion to declare the highest bidder, arbitrate disputed bids and declare any changes in the Properties or lots being sold. All sales are final when the auctioneer declares the **BUYER** to be the highest bidder on the Property.

SELLER agrees that in the event the "minimum reserve amount" is not met during the Auction, **SELLER** may list the Property in a subsequent minimum reserve auction. In the event the Property is listed in a subsequent minimum reserve auction, **SELLER** will not be required to pay an additional minimum reserve fee to **EnergyNet.com, Inc.**

21. **PURCHASE REPRESENTATIVES OF BUYER**

SELLER acknowledges and agrees that **BUYER** may by executed Power of Attorney designate certain individuals to bid or negotiate and purchase Properties posted for sale on the Website.

Compensation, if any, is to be paid solely by **BUYER** to the representative.

22. **NON-COMPETITION OF SELLER**

SELLER hereby acknowledges and agrees that neither **SELLER** nor its employees, directors, officers, shareholders, affiliates, representatives, assigns and agents will not participate in the bidding or in any subsequent negotiating process by making bids or offers on its Properties posted for sale on the Website.

23. **MISCELLANEOUS**

23.1 **Governing Law and Litigation Costs.** **SELLER** acknowledges and agrees that this Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas and the exclusive venue for any action arising under this Agreement shall be the Federal District Court for the Northern District of Texas, Amarillo Division and the Texas District Courts for Potter County, Texas. The assignment and matters pertaining to the Properties will be governed by and interpreted in accordance with the laws of the states in which the Properties are located. Auctions are conducted at the discretion of William W. Britain, Texas Auctioneer License AUCTNR00013136. In the event that any party to this Agreement resorts to legal proceedings to enforce this Agreement, the prevailing party in such proceedings shall be entitled to recover all costs incurred by such party, including reasonable attorney fees.

23.2 **Entirety and Amendments.** **SELLER** acknowledges and agrees that this Agreement and all attached Exhibits and the instruments delivered or required to be delivered pursuant hereto supersede all prior negotiations, understandings and agreements between the parties relating to the subject matter hereof and constitute the entire understanding and agreement between the parties with respect thereto; and no alterations, modifications, amendments or changes in the Agreement shall be effective or binding unless the same shall be in writing and shall have been executed by **SELLER** and **EnergyNet.com, Inc.**

23.3 **Assignment to Control.** **SELLER** hereby acknowledges and agrees that the assignment to be prepared by **SELLER** is the controlling document over this Agreement as to what interest is conveyed by the **SELLER**. As between **SELLER** and **BUYER** the terms and conditions of the assignment provided by the **SELLER** and displayed on the Website with each of **SELLER'S** Properties shall supersede and control over any conflicting terms and conditions in this Agreement. Both **BUYER** and **SELLER** have a duty to determine any discrepancies between the assignment and what is represented in the Property Information Sheet provided. **SELLER** agrees to indemnify and hold **EnergyNet.com, Inc.** and **BUYER** harmless as to discrepancies between its assignment and Property Information Sheet provided.

23.4 **Waiver.** Each party acknowledges and agrees that no waiver by either party of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other portions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

23.5 **Captions.** **SELLER** acknowledges and agrees that the titles and headings in this Agreement are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Agreement.

23.6 **Notices.** **SELLER** acknowledges and agrees that any notice provided or permitted to be given under this Agreement shall be in writing, and may be served by personal delivery including, without limitation by telecopier or facsimile or by depositing same in the United States mail, addressed to the party to be notified, postage prepaid, and registered or certified with a return receipt requested. Notices deposited in the mail in the manner herein above described shall be deemed to have been given and received upon the date of delivery as shown on the return receipt. Notice served in any other manner shall be deemed to have been given and received only if and when actually received by the addressee. For purposes of notice, the addresses of the parties shall be as follows:

If to: **SELLER:** (Include mailing address)

SSN or TIN: (Must be completed)

If to: **EnergyNet.com, Inc.**

7201 I-40 West, Suite 319
Amarillo, TX 79106
Attn: William W. Britain, President

The address of any party for notice purposes may be changed by such party by giving two days written notice of such change to all other parties to the Agreement.

23.7 **Severability.** **SELLER** acknowledges and agrees that if any term or other provision of this Agreement is invalid, illegal or incapable of being enforced under any applicable rule or law, such provision will be ineffective only to the extent of such invalidity, illegality or unenforceability. And all other conditions and provisions of this Agreement shall, nevertheless, remain in full force and effect so long as the economic or legal substance of the transaction contemplated hereby is not affected in a materially adverse manner with respect to either party.

In witness whereof, the parties have executed this Agreement as of the day and year first set forth above.

SELLER:

ENERGYNET.COM, INC.

By: _____

By: _____

William W. Britain, President

Printed/typed name, title

WITNESS TO SELLER SIGNATURE

By: _____

EXHIBIT "A"

PROPERTY LISTING

Well Name	State	Reserve Price
Location	County	Estimate of Value
(Well Name)	(State)	(Reserve)
(Location)	(County)	(Est. Value)
(Well Name)	(State)	(Reserve)
(Location)	(County)	(Est. Value)
(Well Name)	(State)	(Reserve)
(Location)	(County)	(Est. Value)
(Well Name)	(State)	(Reserve)
(Location)	(County)	(Est. Value)
(Well Name)	(State)	(Reserve)
(Location)	(County)	(Est. Value)
(Well Name)	(State)	(Reserve)
(Location)	(County)	(Est. Value)
(Well Name)	(State)	(Reserve)
(Location)	(County)	(Est. Value)
(Well Name)	(State)	(Reserve)
(Location)	(County)	(Est. Value)
(Well Name)	(State)	(Reserve)
(Location)	(County)	(Est. Value)

Seller's Initials for EXHIBIT "A"

EXHIBIT "B"

Property Information Sheet - REQUIRED INFORMATION FIELDS TO BE PROVIDED BY SELLER TO ENERGYNET.COM, INC. DO NOT FILL IN THIS PAGE. This data should be loaded into new lots created using the tools available on the EnergyNet.com Seller's Home Page.

- Property/Well Name
- County/Parish
- State
- Sec.-Twp-Rng. OR Sec-Blk-Survey
- Field Name
- Producing Formation
- Completion Interval (Feet to Feet)
- Completion Date
- Facility Type (Well/Compressor/Station etc.)
- Operated (Y/N)
- Operator's Name
- Operator's Address
- Operator's Telephone
- Operator's Email
- Well Type (Gas/Oil/Salt Water Disposal)
- API Number
- State Well ID Number
- Producing or Shut-In
- Plugged Back TD (Feet)
- BPO WI - Decimal
- BPO NRI - Decimal
- BPO ORRI - Decimal
- BPO RI - Decimal
- APO WI - Decimal
- APO NRI - Decimal
- APO ORRI - Decimal
- APO RI - Decimal
- Cumulative Production 8/8ths Oil (BBLs)
- Cumulative Production 8/8ths Gas (MCF)
- Average Price Received Last Month - Oil (\$/BBL)
- Average Price Received Last Month - Gas (\$/MCF)
- Average Daily Production Last 6 Months - Oil
- Average Daily Production Last 6 Months - Gas
- Average Daily Barrels Water Per Day Last 6 Months
- Payout Balance
- Payout Balance Date
- Previous 12 Months LOE (MONTHLY AVERAGE) 8/8ths
- Last Month LOE 8/8ths
- Oil Marketer and Address
- Gas Marketer and Address
- Gas Imbalance? (Y/N) If Yes state amount and date (over/under) as to interest for sale
- Depth Or Wellbore Restrictions? (Y/N) If Yes state restrictions
- Environmental Problems/Issues/Wetlands/etc.? (Y/N) If Yes explain
- Preferential Rights (Y/N) If Yes give number of days & number of Pref. Rt. Holders
- Consent To Assign (Y/N) If Yes state holders name and address
- State Federal or Indian Jurisdiction (Y/N) If Yes state jurisdiction
- Other Outstanding Obligations including mortgages liens (Y/N) If Yes describe
- Are operations being relinquished (Y/N)
- Describe any well proposals or notices of recompletions in this unit
- Company Name
- Seller's First/Last Name
- Seller's Address
- Seller's Telephone
- Seller's Fax
- Seller's Email
- Seller's Website

EXHIBIT "C"
ENERGYNET.COM, INC. FEES AND COMMISSIONS

PROPERTIES \$1,000,000 OR LESS

Commission Schedule for properties individually selling for less than \$1,000,000.

GROSS SALES PRICE	COMMISSION
Between \$1 and \$100,000	10.0%
\$200,000	9.50%
\$300,000	8.75%
\$400,000	8.25%
\$500,000	7.75%
\$600,000	7.25%
\$700,000	6.75%
\$800,000	6.25%
\$900,000	5.75%
\$1,000,000	5.25%
Greater than \$1,000,000	4.75%

COMMISSIONS ARE CALCULATED AND PAID BY SELLER ON THE AGGREGATE SALES PROCEEDS FROM ALL OF THE PROPERTIES LISTED ON EXHIBIT A OF THE SELLER'S AGREEMENT WHICH ARE SOLD DURING THE CALENDAR MONTH FOR LESS THAN \$1,000,000 EACH. **THE COMMISSION RATE ON GROSS SALES PRICES FALLING BETWEEN ABOVE FIGURES WILL BE INTERPOLATED. THE COMMISSION FOR EXAMPLE ON SALES OF \$350,000 = 8.50%.**

PROPERTIES GREATER THAN \$1,000,000

Commission Schedule for properties individually selling for greater than or equal to \$1,000,000.

GROSS SALES PRICE	COMMISSION
First \$ Million	4.25%
Second \$ Million	3.75%
Third \$ Million	3.25%
Fourth \$ Million	2.75%
Greater than \$ 5 Million	2.25%

COMMISSIONS ARE CALCULATED AND PAID BY SELLER ON THE AGGREGATE SALES PROCEEDS FROM ALL OF THE PROPERTIES LISTED ON EXHIBIT A OF THE SELLER'S AGREEMENT WHICH ARE SOLD DURING THE CALENDAR MONTH FOR GREATER THAN OR EQUAL TO \$1,000,000 EACH. **THE COMMISSION FOR EXAMPLE ON A PROPERTY SELLING FOR \$2,500,000 IS CALCULATED AS: \$1,000,000 × 4.25% + \$1,000,000 × 3.75% + \$500,000 × 3.25% = \$42,500 + \$37,500 + \$16,250 = \$96,250.**

THERE IS NO SALES TAX ON COMMISSIONS.

LISTING FEE

MINIMUM/RESERVE BID PROPERTY LISTINGS

- LISTING FEES ARE CHARGED IF ENERGYNET PRICING GUIDELINES ARE EXCEEDED AND ENERGYNET AND SELLER DO NOT AGREE ON THE RESERVE PRICE SET BY SELLER.
- PROPERTIES CONTAINING ONLY NON-PRODUCING LEASEHOLD WILL BE CHARGED A LISTING FEE. THE FEE IS \$2,500 FOR A PROPERTY GREATER THAN OR EQUAL TO 5,000 ACRES. FOR PROPERTIES LESS THAN 5,000 ACRES, PLEASE CONSULT WITH YOUR BUSINESS DEVELOPMENT REPRESENTATIVE.
- LISTING FEES ARE COLLECTED PRIOR TO ACTIVATION OF THE PROPERTY.
- LISTING FEES ARE DEDUCTED FROM COMMISSIONS (ONLY A LISTING FEE OR COMMISSION IS PAID - NOT BOTH).

THE LISTING FEE ON MINIMUM (RESERVE) BID PROPERTIES IS 10% OF THE COMMISSION RATE RECITED HEREINABOVE MULTIPLIED BY THE RESERVE YOU SET FOR THE PROPERTY. THIS FEE IS PAID WHEN THE PROPERTY DOES NOT SELL IN THE ONLINE AUCTION. WHEN THE PROPERTY DOES SELL, THE LISTING FEE IS CREDITED TOWARD THE COMMISSION.

For Example:

Assume Reserve is set at \$80,000

Listing Fee: $\$80,000 \times 10\% \times 10\% = \800.00

THE MINIMUM LISTING FEE IS \$300.00.

WHEN THE PROPERTY OR LOT SELLS, **ANY LISTING FEE WILL BE DEDUCTED FROM THE FINAL COMMISSION.**

SELLER'S Initials for EXHIBIT "C"

EXHIBIT "D"

BUYER'S AGREEMENT TO PURCHASE PROPERTIES

THIS AGREEMENT dated the _____ day of _____, 20___, between **EnergyNet.com, Inc.**, 7201 I-40 West, Suite 319, Amarillo, TX 79106 and Intentionally Left Blank, hereinafter designated as ("**BUYER**"), Intentionally Left Blank (address)

IN CONSIDERATION of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, **BUYER** and **EnergyNet.com, Inc.** agree as follows:

BUYER AGREES THAT THIS WEBSITE IS MAINTAINED SOLELY FOR THE PERSONAL USE OF VISITORS. WE CANNOT GUARANTEE THE COMPLETENESS, TIMELINESS, OR ACCURACY OF THE INFORMATION CONTAINED HEREIN. NOTHING IN THIS WEBSITE OR ANY OTHER COMMUNICATION BY **ENERGYNET.COM, INC.** CONSTITUTES INVESTMENT ADVICE. ANY DECISIONS BASED UPON THE INFORMATION CONTAINED IN THIS WEBSITE ARE THE SOLE RESPONSIBILITY OF THE USER.

PURCHASE OF PROPERTIES IN ONLINE AUCTION

In the Online Auction, **SELLER** may offer the Property for sale with or without a minimum reserve sales price. A specific date and time are designated for the beginning and ending dates that potential **BUYERS** may bid on the Property. The highest bidder at the ending time and date, whose bid meets the minimum reserve sales price (if any) or whose bid is accepted by **SELLER**, will be obligated to purchase the Property for that price.

AGREEMENT TO PURCHASE

BUYER hereby agrees to participate as a bidder in the Online Auction for the sale of Oil and Gas Properties on the Website and any negotiations following auctions. **EnergyNet.com, Inc.** agrees to allow **BUYER** to participate in the sale based on the following terms and conditions and any additional terms as posted on the Lot or Property Narrative or Property Information Page or Additional Information on the Website:

BUYER'S REPRESENTATIONS, AGREEMENTS, WARRANTIES AND ASSURANCES:

1. SOPHISTICATED, ACCREDITED AND QUALIFIED INVESTOR

Properties (hereinafter "the Property or Properties" whether used in the singular or plural tense) for sale on the Website are not intended or considered by **EnergyNet.com, Inc.** to be securities under the Securities Act of 1933 (the "Securities Act"), the Securities Exchange Act of 1934 and all applicable state securities laws (collectively, the "Applicable Securities Laws"). Nevertheless, because the sale of the Properties pursuant to the Online Auction may be deemed to be the sale of securities under any Applicable Securities Laws, the **BUYER** hereby acknowledges and agrees that such sale shall not be registered under Applicable Securities Laws, and that applicable exemptions from registration under the Applicable Securities Laws are based, among other things, on the **BUYER** being a sophisticated, accredited and qualified investor. Conveyances will be made only to **BUYERS** who are registered with **EnergyNet.com, Inc.** as sophisticated, qualified and accredited investors.

Therefore, **BUYER** by executing this Agreement to purchase Properties hereby acknowledges and represents:

A. It is primarily engaged in the business of exploring for or producing oil or gas or other minerals as an ongoing business;

B. By reason of this knowledge and experience, the **BUYER** or its representative will evaluate the merits and risks of the Properties to be purchased on the Website and will form an opinion based solely upon its knowledge and experience and not upon any statement, representation, or printed material provided or made by **EnergyNet.com, Inc.** and its representatives or **SELLER**;

C. The **BUYER**, being of legal age, has sufficient financial resources in order to bear the risk of loss attendant to the purchase of the Property. "Sufficient Financial Resources" are to be defined as follows:

Not less than an annual income of \$200,000.00 for any natural person in each of the two most recent years or joint income with the person's spouse of less than \$300,000.00 in each of those years and has a reasonable expectation of reaching the same income level in the current year.

OR

Any natural person whose individual net worth or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000.00; provided, however, for this purpose such net worth shall not include the value of such person's primary residence..

OR

Any Business entity, not formed for the specific purpose of acquiring the Property or Properties, with total assets in excess of \$5,000,000.00, and that amount must be shown on its most recently prepared financial statements.

D. **BUYER** agrees and acknowledges that if a Purchaser Representative is used, such Purchaser Representative:

(1) has no business relationships with the **SELLER**;

(2) represents only the **BUYER** and not the **SELLER**;

(3) is compensated only by the **BUYER**; and

(4) is a designated Attorney-in-Fact for **BUYER**, by documentation submitted to **EnergyNet.com, Inc.** prior to sale.

E. **BUYER** acknowledges that the purchase of Properties is suitable for the **BUYER**.

BUYER hereby agrees and acknowledges that **EnergyNet.com, Inc.** has the sole discretionary power to determine that **BUYER** is a qualified and accredited investor as defined above, and **BUYER** further acknowledges that this is a continuing right and power and that **BUYER** may be disqualified at any time by **EnergyNet.com, Inc.**

BUYER acknowledges and agrees that it is under a continuing duty to **EnergyNet.com, Inc.** and **SELLER** to notify the same if **BUYER** subsequently fails to qualify as a sophisticated, qualified and accredited investor.

BUYER agrees to indemnify and hold **EnergyNet.com, Inc.** and **SELLER** harmless as to any and all violations of Applicable Securities Laws that result from any misrepresentation of the **BUYER** being a sophisticated, qualified, and accredited investor. If it is determined by an applicable regulatory agency or a judicial tribunal that (i) the sale of the Properties constitute the sale of a security under any Applicable Securities Laws and (ii) such **BUYER** was not a sophisticated, qualified, and accredited investor, **SELLER** can rescind such sale and return 75% of the proceeds to the **BUYER** net of the total commission paid to **EnergyNet.com, Inc.** The remaining 25% of the proceeds may be retained by **SELLER** as liquidated damages and not as a penalty. **BUYER** agrees to indemnify and hold **SELLER** and **EnergyNet.com, Inc.** harmless as to any and all attorneys' fees, costs and other damages incurred by the parties in any proceeding that determines that **BUYER** was not a sophisticated, qualified, accredited investor.

2. NO VIEW TO RESALE

BUYER acknowledges and understands that the Properties are not intended or considered by **EnergyNet.com, Inc.** to be "securities" as that term is used in Applicable Securities Law. Nevertheless, except and unless **BUYER** notifies **EnergyNet.com, Inc.** in writing to the contrary, **BUYER** hereby agrees and acknowledges that it is purchasing such Properties for investment purposes and not for resale of the Properties. Moreover, it is determined by an applicable regulatory agency or a judicial tribunal that (i) the sale of the Properties constituted the sale of a security under any Applicable Securities Laws and (ii) such **BUYER** was acquiring Properties for resale, **SELLER** can rescind such sale and return 75% of the proceeds to the **BUYER** net of the total commission paid to **EnergyNet.com, Inc.** The remaining 25% of the proceeds may be retained by **SELLER** as liquidated damages and not as a penalty. **BUYER** agrees to indemnify and hold **SELLER** and **EnergyNet.com, Inc.** harmless as to any and all attorneys' fees, costs and other damages incurred by the parties in any proceeding that determines that **BUYER** was acquiring such Properties with the intent to resell same.

BUYER further agrees that it is the sole purchaser of any Property acquired by it on the Website.

3. DUE DILIGENCE AND INDEPENDENT EVALUATION

BUYER hereby acknowledges and agrees that it has the sole responsibility to examine all information concerning ownership and production of the Properties placed for sale on the Website by the **SELLER**. Further, **BUYER** acknowledges and agrees that if it requires more information concerning said Properties, **BUYER** must contact **EnergyNet.com, Inc.** or the **SELLER** to obtain requested information prior to the beginning date of the Online Auction.

BUYER further agrees that it will make an independent evaluation of the Property and acknowledges that **SELLER** and **EnergyNet.com, Inc.** have made no statements or representations concerning the present or future value of the future income, costs or profits, if any, to be derived from the Property.

BUYER further acknowledges that in making its BID in the Online Auction or any subsequent negotiations, it has relied solely upon its independent examination of the premises and public records, and **BUYER'S BIDS** and offers are based solely on **BUYER'S** independent inspections, estimates, computations, evaluations, reports, studies and knowledge of the Properties. Any and all information provided by **SELLER** or **EnergyNet.com, Inc.** in the Property Information Sheet data packages as well as any other information provided by **SELLER** or **EnergyNet.com, Inc.** as requested by **BUYER** are furnished to **BUYER** at **BUYER'S** sole risk. **SELLER** and **EnergyNet.com, Inc.** do not warrant or represent as to the accuracy or completeness of the data presented to the **BUYER**, and **BUYER** agrees to indemnify and hold **EnergyNet.com, Inc.** and **SELLER** harmless from any reliance by **BUYER** on data provided by the **SELLER** and/or **EnergyNet.com, Inc.**

BUYER agrees and represents that if **BUYER** receives or has access to Personal Information from **EnergyNet.com, Inc.** or **SELLER**, **BUYER** will keep such Personal Information confidential and will not use such Personal Information for any purpose other than conducting an evaluation of the Property. **BUYER** also agrees and represents that **BUYER** will not sell or provide any information obtained from **EnergyNet.com, Inc.** or **SELLER**, including Personal Information, to any other person or entity. Personal Information includes social security numbers, driver's license numbers, credit card numbers, and information related to assets or financial accounts owned by individuals unless directly related to the Property.

4. BUYER'S ASSURANCE OF CAPACITY

BUYER represents and warrants to **SELLER** that it is authorized to hold title to the Properties and is in good standing and duly qualified to conduct its business in the jurisdiction where the Properties are located.

If **BUYER** is a corporation, partnership or limited liability company, **BUYER** warrants and represents that the consummation of the transactions contemplated by this Agreement will not violate nor be in conflict with any provision of the applicable Articles of Incorporation, By-Laws, Partnership Agreements, and/or Company Agreements and that the transactions contemplated by this Agreement have been duly and validly authorized by **BUYER**.

If such Property conveys operating rights of the Property, **BUYER** represents and warrants that it is duly bonded and licensed to operate oil and gas wells within any jurisdiction where the Property is located.

After the conclusion of the purchase of the subject Property, the **SELLER** will not be obligated to assist the **BUYER** in any way in the management or operation of the Properties, and the **BUYER** will be dependent solely upon its own efforts to realize a profit from the Properties.

5. CONTRACT COMPLIANCE

BUYER further states that it will comply with all applicable Joint Operating Agreements, Unitization Agreements, Communitization Agreements and any other agreements that pertain to ownership of the subject Properties. **BUYER** is fully responsible to obtain waivers of uniform maintenance under Joint Operating Agreements, if needed, and agrees to indemnify and hold **EnergyNet.com, Inc.** and **SELLER** harmless, if the same are not obtained by **BUYER**, or waived by third parties.

It is further agreed by **BUYER** that Buyer and Seller shall cooperate and be responsible for the notification of any operators and or disburser or disbursers of revenue, of any change in ownership.

6. LESSER INTEREST

If **BUYER** discovers that the Properties conveyed by **SELLER** is of lesser interest than what was represented on the Property Information Sheet and associated data, or any modifications or changes thereto, **BUYER** will contact the **SELLER** within sixty (60) days from the date of the sale as to the difference in interest, and **BUYER** agrees that **SELLER**, within thirty (30) days following receipt of written notification and accompanied by adequate proof of said lesser interest, will, at **SELLER'S** option and by written notice to **BUYER**,

- (a) refund a pro-rata share of the purchase price based on the amount of the interest lost compared to the total price paid for the full or represented interest, or
- (b) cure the defect that is attributable to the lesser interest, subject to **BUYER'S** reasonable satisfaction of the recovery and confirmation of the lost interest, or
- (c) rescind the sale and **BUYER** shall reassign the same back to **SELLER**, free of any and all encumbrances of **BUYER**, and **SELLER** will refund the amount paid by **BUYER** upon execution and delivery of the assignment from **BUYER** to **SELLER**.

If **SELLER** does not make the election in writing within the thirty (30) day period, **BUYER** may elect either the remedy set forth in clause (a) above or the remedy set forth in clause (c) above, by providing written notice to **SELLER** within thirty (30) days after the expiration of **SELLER'S** option period.

EnergyNet.com, Inc. shall be entitled to retain any commission paid or payable by **SELLER**. In any event **BUYER'S** sole remedy is against **SELLER**.

7. GAS IMBALANCES

BUYER acknowledges and agrees that Properties on which it may bid may be subject to gas imbalances pursuant to Gas Balancing Agreements between working interest parties or in the absence of agreements between the working interest parties in the unit.

All Properties shall be sold without warranty on an "AS IS, WHERE IS" basis. No adjustment in the purchase price shall be made as a result of an inaccuracy in the estimated gas imbalance amount disclosed by **SELLER**. **SELLER** shall provide information it believes accurate as to the status of gas imbalances for the offered Properties, but neither **SELLER** nor **EnergyNet.com, Inc.** makes any representations or warranties as to the accuracy of such information.

As to interests subject to Gas Imbalance Agreements, **SELLER** agrees to fully disclose the Gas Balancing Agreement in the Property Information Sheet and **SELLER** will present the last production figures available as to gas imbalances on the subject properties. It is the **BUYER'S** responsibility to monitor the gas imbalance from the effective date of the last Gas Balance Statement to the effective date of assignment. However, **SELLER** agrees to provide up to date figures on gas imbalances as they occur either prior to or during the Auction, all properties sold with gas imbalances are the responsibility of the **BUYER** upon the effective date of the assignment.

BUYER acknowledges and agrees that the consideration paid by the **BUYER** includes the acceptance by the **BUYER** of the either over or under production on the subject Properties. **BUYER** is responsible for removing or clearing any balancing obligation. **BUYER** shall indemnify and hold **SELLER** and **EnergyNet.com, Inc.** harmless as to any and all claims of gas imbalances or liabilities either before or after the effective date of the assignment. If within sixty (60) days from the date of sale, the amount of **SELLER'S** over production gas imbalance is understated by at least 50% in the Property Information Sheet or in any other information provided by **SELLER**, and uploaded to the Website or by subsequent statements prior to sale in the Auction by **SELLER**, and **BUYER** notifies **SELLER** of the amount of overproduction within the sixty (60) day period by providing **SELLER** with written evidence of said overproduction, **BUYER**, may, at the sole option of the **BUYER**, void the sale. In the event **BUYER** voids the sale of the Property, **SELLER** shall return to **BUYER** the purchase price plus pay all recording costs associated with the sale of said Property. **BUYER** will assist **SELLER** in the drafting and execution of any conveyancing documents, of which **SELLER** will pay all recording fees. In addition, **SELLER** agrees to pay and will be liable and responsible to pay to **EnergyNet.com, Inc.** a sum equal to the commission that would have been realized on the sale of said Property had the sale not been declared void by the **BUYER**, as described and calculated in accordance with Exhibit "C" attached hereto and made a part hereof.

8. PREFERENTIAL RIGHTS

BUYER acknowledges and agrees that certain Properties may be subject to preferential rights of purchase, consents or permission to assign by nature of Joint Operating Agreements and other agreements between third parties and **SELLER**.

BUYER acknowledges and agrees that if **BUYER** is the successful bidder on Properties subject to preferential rights, consents or permissions to assign, **BUYER** is to allow **SELLER** upon the date of sale the right to obtain waivers of the preferential rights, consents or permissions to assign. **BUYER** agrees to allow **SELLER** the time allowed under the agreements to obtain the waivers, consents or permissions to assign or sixty (60) days from date of sale, whichever is later. **SELLER** will notify **BUYER** and **EnergyNet.com, Inc.** of the third parties' desire to purchase such Property on the same terms and conditions which includes the payment of the commission and expenses due to **EnergyNet.com, Inc.** All proceeds paid by **BUYER** will be refunded to the **BUYER** upon **SELLER** receiving proceeds from the party exercising the preferential right to purchase.

If Property sold to **BUYER** exceeds a total purchase price of \$300,000.00, **BUYER** agrees to tender 25% of the purchase price to the Escrow Bank until such time that the preferential right is exercised or waived by the holders of the same. Upon consent or waiver, **BUYER** will tender the remaining 75% of the gross sales price to the Escrow Bank within two (2) full banking days of notification of such consent or waiver by **SELLER**.

9. ENVIRONMENTAL LIABILITIES

BUYER hereby acknowledges and agrees that after the effective date of the assignment, it is responsible for any and all losses attributable to any and all environmental events or impacts, including, without limitation, damage to property, injury or death of persons or other things, natural resource damages, CERCLA response costs, environmental remediation and restoration, costs or fines or penalties arising out of or attributable to, in whole or in part, either directly or indirectly, the ownership, condition or operation of the Properties.

BUYER acknowledges and agrees that **SELLER** is responsible for all environmental events or impacts that occurred during its period of ownership of the Properties prior to the effective date of the assignment of the Properties to the **BUYER**.

10. ROYALTY, OVERRIDING ROYALTY, WORKING INTEREST, CONTRACTUAL LIABILITIES AND OPERATION LIABILITIES

BUYER hereby acknowledges and agrees that any and all liabilities related to obligations to pay royalties, overriding royalties and contractual obligations under Oil and Gas Leases, Joint Operating Agreements and liabilities associated with the ownership, condition or operation of the subject Properties become **BUYER'S** liability from the effective date of the assignment. **SELLER** retains liability for its period of ownership to the effective date of the assignment of the Properties.

11. **NO WARRANTIES (EXPRESS OR IMPLIED)**

Notwithstanding any provision contained in this Agreement to the contrary, **BUYER** acknowledges and agrees that it is acquiring the Properties, wells, equipment or other property located thereon from **SELLER** without warranty whatsoever, express, statutory, or implied as to description, title, condition, quality, fitness for purpose, merchantability, or otherwise. **BUYER** acknowledges and agrees that neither **SELLER** nor **EnergyNet.com, Inc.** makes any representation or warranty whatsoever as to the physical condition of the Property nor any statements or representation concerning the present or future value of the anticipated income, costs, or profits, if any, to be derived from the Property. **BUYER ACKNOWLEDGES AND AGREES THAT ALL PROPERTY IS SOLD ON AN "AS IS"/"WHERE IS" CONDITION.**

12. **TITLE**

BUYER hereby acknowledges and agrees that it has the sole responsibility to examine all information concerning title to the Property and to conduct its own independent evaluation to ascertain title to the Properties and to satisfy itself that title is marketable, defensible or acceptable.

BUYER acknowledges and agrees that it will indemnify and hold SELLER and EnergyNet.com, Inc. harmless as to accuracy of any documents of title to the Properties. BUYER further acknowledges and agrees that neither SELLER nor EnergyNet.com, Inc. warrants title, either express or implied, and all title to the Properties is on an "AS IS" basis.

13. **EFFECTIVE DATE AND CLOSING**

The date of sale for Properties purchased in the Online Auction is when **BUYER** is declared to be the successful bidder on **SELLER'S** Property as declared by the online auctioneer. The date of sale for Properties sold as the result of negotiations following the auction is the date **SELLER** and **BUYER** agree upon a sales price.

BUYER acknowledges and agrees that the effective date of sale is the date reflected in **SELLER'S** assignment, which date should be the first (1st) day of the month prior to or after the date of the sale.

BUYER acknowledges and agrees upon notification from **EnergyNet.com, Inc.** of **BUYER'S** successful bid or offer on **SELLER'S** Property, **BUYER** is to tender, subject to Paragraph 8, the total amount of funds required hereunder to purchase the Property to the designated Escrow Bank (currently the Wells Fargo Bank of Amarillo, Texas; provided however, that **EnergyNet.com, Inc.** may, from time to time, at its sole discretion, change the Escrow Bank to another bank) by one of the following methods.

A. Wire transfer from **BUYER'S** bank or financing institution made payable to **EnergyNet.com, Inc.** (the Wells Fargo Bank of Amarillo, Texas as escrow agent).

B. Next day delivery overnight mail from **BUYER** to **EnergyNet.com, Inc.** Funds must be either certified or check pre-approved by **EnergyNet.com, Inc.**, made payable to **EnergyNet.com, Inc.** (the Wells Fargo Bank of Amarillo, Texas, as escrow agent).

C. Hand or carrier delivered to **EnergyNet.com, Inc.** at its offices at 7201 I-40 West, Suite 319, Amarillo, TX, 79106, with funds either certified or check pre-approved by **EnergyNet.com, Inc.**, made payable to **EnergyNet.com, Inc.** (the Wells Fargo Bank of Amarillo, Texas, as escrow agent).

D. In addition to the purchase price, **BUYER** will, by payment of any of the methods listed above in paragraph A, B or C and within the time period provided for below, pay the applicable recording fees, sales tax, if any, and handling/administrative fees due **EnergyNet.com, Inc.** associated with **BUYER'S** purchase.

Escrow Bank is to be considered as a depository only for funds escrowed pursuant to this Agreement, and it shall hold and disburse such funds solely on the basis of written instructions it receives from **EnergyNet.com, Inc.** Escrow Bank shall be entitled to rely at times on the written instructions given to it by **EnergyNet.com, Inc.** without any necessity of verifying the authority therefor. Neither **SELLER** nor **BUYER** shall have any authority to give instructions to or otherwise direct the actions of Escrow Bank with respect to the escrowed funds. ESCROW BANK SHALL NOT AT ANY TIME BE HELD LIABLE FOR ACTING IN ACCORDANCE WITH THE WRITTEN INSTRUCTIONS IT RECEIVES FROM ENERGYNET.COM, INC. ENERGYNET.COM, INC., SELLER AND BUYER AGREE TO SAVE AND HOLD ESCROW BANK HARMLESS FROM ANY LOSS AND FROM ANY CLAIMS OR DEMANDS ARISING OUT OF ACTIONS TAKEN OR OMITTED TO BE TAKEN BY ESCROW BANK PURSUANT TO SUCH WRITTEN INSTRUCTIONS AND HEREBY AGREE TO INDEMNIFY ESCROW BANK FROM ANY ALL CLAIMS, EXPENSES (INCLUDING ATTORNEY'S FEES INCURRED BY ESCROW BANK) OR DEMANDS FOR LOSSES ARISING OUT OF ITS ACTIVITIES AS ESCROW BANK.

BUYER acknowledges and agrees that **BUYER** shall have two (2) full banking days to complete the transfer of funds, unless **SELLER, BUYER,** and **EnergyNet.com, Inc.** mutually agree otherwise, in writing.

Unless otherwise provided in the assignment to be delivered to **BUYER,**

(a) **SELLER** is entitled to receive all production (including oil in the tanks), revenues and joint interest billings accruing prior to the effective date of the assignment to **BUYER;**

(b) **SELLER** is obligated to pay all expenses related to operation and control of the Properties incurred prior to the effective date of said assignment;

(c) **SELLER** and **BUYER** shall be solely responsible for all post-sale settlements and adjustments, including but not limited to the proration of production, revenues and expenses; and

(d) **SELLER** AGREES TO INDEMNIFY AND HOLD **BUYER** HARMLESS AS TO ALL EXPENSES INCURRED PRIOR TO THE EFFECTIVE DATE OF THE ASSIGNMENT AND TO PAY **BUYER'S** COSTS, LEGAL OR OTHERWISE, AS TO ANY SUCH EXPENSES NOT PAID BY **SELLER.**

BUYER acknowledges and agrees that upon disbursement of the escrowed funds in the Escrow Bank, **EnergyNet.com, Inc.** shall immediately receive its commission from Escrow Bank, net of listing fee, if any, as set out on the **EnergyNet.com, Inc.'s** Fees and Commission Schedule as (Exhibit "C") set out in the **SELLER'S** Agreement to Purchase Oil and Gas Properties (the "Seller's Agreement").

BUYER agrees that all funds will be held in escrow until **SELLER** provides all executed documents of conveyance and any other documents that are required under the terms of this Agreement or Seller's Agreement.

BUYER acknowledges and agrees that settlement can be withheld if **SELLER** fails to provide requisite assignments or conveyancing documents to **BUYER** or if **SELLER** fails to obtain waivers of preferential rights, consents to assignments, releases or subordinations of encumbrances or any other requirements of **SELLER** under the Seller's Agreement in connection with the assignment of the Properties to **BUYER**.

BUYER agrees that **SELLER'S** assignment will be recorded by **EnergyNet.com, Inc.** in the appropriate jurisdiction, but in no event will any conveyancing document be recorded prior to receipt of 100% of the purchase price and other sums due are received from **BUYER**. **EnergyNet.com, Inc.**, upon receipt of all executed, conveyancing documents, the purchase price and other sums that are due, will direct Escrow Bank to release all funds to **EnergyNet.com, Inc.** for disbursement to **SELLER** minus listing fees/commissions, recording fees, sales tax, if any, or other fees or costs incurred by **EnergyNet.com, Inc.**, within ten (10) banking days of receipt of **BUYER'S** total purchase price funds, provided funds have cleared the Escrow Bank or until funds are available for distribution under the terms of this Agreement.

14. ASSIGNMENT TO CONTROL

BUYER hereby acknowledges and agrees that the assignment to be prepared by **SELLER** is the controlling document over this Agreement as to what interest is conveyed by the **SELLER**. As between **SELLER** and **BUYER**, the terms and conditions of the assignment provided by the **SELLER** and displayed on the Web site with each of **SELLER'S** Properties shall supersede and control over any conflicting terms and conditions in this Agreement. Both **BUYER** and **SELLER** have a duty to determine any discrepancies between the assignment and what is represented in the Property Information Sheet provided. If **SELLER** fails to timely deliver its assignment for examination prior to the sale, **BUYER** agrees to accept such assignment "AS IS" in the form and substance as prepared by **SELLER** when delivered to **EnergyNet.com, Inc.** **BUYER** agrees to indemnify and hold **EnergyNet.com, Inc.** and **SELLER** harmless as to discrepancies between the assignment and property information provided.

15. SELLER'S AGREEMENT

BUYER acknowledges and agrees that its purchase of Properties is subject to terms and conditions of the Seller's Agreement and hereby states that **BUYER** has read and understands the same.

16. SELLER'S DEFAULT

In the event that **SELLER** defaults for any reason whatsoever, **BUYER'S** sole remedy is against the **SELLER** only. **BUYER** indemnifies and holds harmless **EnergyNet.com, Inc.** as to any and all defaults of **SELLER**.

17. BUYER'S DEFAULT

BUYER acknowledges and agrees that if it defaults for any reason after the date of sale but prior to the date of closing and does not tender the requested total purchase funds to the Escrow Bank within the required time, **EnergyNet.com, Inc.** and **SELLER** will have the option to do the following:

- A. Declare the sale void and sell the Property to the next highest bidder who has the option to tender the full amount of its bid to the Escrow Bank within two (2) banking days of notification.
- B. For negotiated sales, declare the sale void and sell the Property to the party next in time, whose offer meets or exceeds **SELLER'S** asking price.
- C. Remove the Property from the Online Auction and resell the Property at a future date.
- D. In addition, EnergyNet.com Inc., may, at its sole option and discretion, terminate the Buyer's Agreement executed by **BUYER** and **BUYER'S** right to participate in any subsequent sale on the Website.

BUYER acknowledges and agrees that the above options are remedies for mitigation of damages and that **SELLER** will have the full right to seek damages against **BUYER** for its failure to tender the total purchase funds bid by the **BUYER**. **BUYER** further agrees that **SELLER** and **EnergyNet.com, Inc.** will be entitled to recover all costs and attorneys fees resulting from the **BUYER'S** breach.

If **BUYER** has tendered partial funds pursuant to the preferential rights provisions of this contract and then fails to tender the full total purchase price upon waiver or expiration of the third party rights, **EnergyNet.com, Inc.** will be entitled to retain the partial funds towards satisfaction of its total purchase price commission as set out in the Seller's Agreement. Upon satisfaction of the commission, the remaining funds, if any, will be distributed to the **SELLER** as liquidated damages and not as a penalty. Retention of the partial funds does not release the **BUYER** from any action by the **SELLER** for **BUYER'S** breach and **SELLER** will be allowed the mitigation options as set out above and the right to seek damages from the **BUYER** for its failure to tender the total purchase funds bid by the **BUYER**.

18. RESERVE OR MINIMUM RESERVE FOR ONLINE AUCTION

BUYER acknowledges and understands that any Property or Properties placed on the Website for sale in the Online Auction shall be offered for sale in the Online Auction on a basis of "no reserve" or on a basis of "minimum reserve".

For the purpose of this Agreement, a "no reserve" basis sale is defined as **SELLER'S** acceptance of the sale of the Properties with no minimum monetary amount. "Minimum reserve" basis sale is defined as **SELLER'S** request for Properties to be sold for not less than a specified minimum monetary amount. "No reserve" Properties are sold to the highest bidder within the time period set for the Online Auction. "Minimum reserve" Properties are sold to the highest bidder only when the highest bid entered equals or exceeds the minimum monetary amount for the Property. The online auctioneer has the sole discretion to declare the highest bidder, arbitrate disputed bids and declare any changes in the Properties or lots being sold.

All sales are final when the auctioneer declares the **BUYER** to be the highest bidder on the Property.

19. PURCHASE REPRESENTATIVES OF BUYER

BUYER acknowledges and agrees that a pre-approved **BUYER** may, by executed Power of Attorney, designate certain individuals to bid or make offers and purchase Properties in the Online Auction or in any negotiations following conclusion of an online auction.

All Attorneys-in-Fact must be pre-approved by **EnergyNet.com, Inc.** prior to the beginning date of an Online Auction or any subsequent negotiations.

Compensation, if any, is to be paid solely by the **BUYER** to such Attorney-in-Fact.

20. INDEMNIFICATIONS

A. As to any breach between **BUYER** and **SELLER** as to the purchase of the Property, **BUYER** agrees that **EnergyNet.com, Inc.** and its officers, directors, employees, shareholders, agents, representatives, contractors, successors and assigns are not liable to the **BUYER** for any breach resulting from **SELLER'S** failure to close the sale of the Properties or any other breach of duty owed to the **BUYER** from the **SELLER** by nature of Seller's Agreement with **EnergyNet.com, Inc.** or any other agreements between the parties. **BUYER'S** sole remedy is against the **SELLER**.

B. If prior to the date the escrowed funds are disbursed, a dispute arises between **SELLER** and **BUYER** as to the proper disbursement of such funds to be made by **EnergyNet.com, Inc.**, **EnergyNet.com, Inc.** is hereby authorized to receive from Escrow Bank any commission or other fees payable to **EnergyNet.com, Inc.** as provided for herein, and **EnergyNet.com, Inc.** shall direct Escrow Bank to **RETAIN** the remaining funds until **EnergyNet.com, Inc.** receives written instructions executed by **SELLER** and **BUYER** as to the disposition and disbursement of such funds or until ordered by final court order, decree or judgment, that has not been appealed, to deliver such funds to a particular party, in which event such funds shall be delivered in accordance with such instruction, order, decree or judgment.

C. **BUYER** AGREES TO INDEMNIFY AND HOLD HARMLESS **ENERGYNET.COM, INC.** AND ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS, REPRESENTATIVES, AND CONTRACTORS AS TO ANY AND ALL COSTS, LEGAL OR OTHERWISE, RESULTING FROM BREACHES BY **BUYER** AS TO ANY AND ALL CAUSES OF ACTION RELATED TO **BUYER'S** DUTIES UNDER THIS AGREEMENT AND ANY OTHER LOSS OR DAMAGE OCCURRING AS A RESULT OF **BUYER'S** DUTIES OWED TO THE **SELLER** OUTSIDE OF THIS AGREEMENT.

ALL INDEMNIFICATIONS EXTEND TO THE BENEFIT OF THE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS, REPRESENTATIVES, CONTRACTORS AND ASSIGNS OF EACH INDEMNIFIED PARTY. ALL INDEMNITIES SURVIVE THE TERM OF THIS AGREEMENT.

21. TERM OF AGREEMENT

The term of this Agreement, including any subsequent amendments hereto, is for one (1) year from the date **BUYER** executes this Agreement. Notwithstanding this one (1) year term, **BUYER** acknowledges and understands that the terms and provisions of this Agreement may be changed or amended from time to time by **EnergyNet.com, Inc.**, and that **BUYER'S** use of **EnergyNet.com, Inc.'s** Website to bid or make offers on Oil and Gas Properties will be subject to and governed by the terms of the Buyer's Agreement posted on **EnergyNet.com, Inc.'s** website as of seven days prior to the beginning date of the Online Auction.

BUYER UNDERSTANDS THAT IT IS **BUYER'S** RESPONSIBILITY AND DUTY TO READ **BUYER'S** AGREEMENT TO PURCHASE OIL AND GAS PROPERTIES SEVEN DAYS PRIOR TO THE BEGINNING DATE OF ANY ONLINE AUCTION IN WHICH **BUYER** WISHES TO PARTICIPATE. BY PARTICIPATING IN SUCH ONLINE AUCTION OR ANY SUBSEQUENT NEGOTIATIONS, **BUYER** AGREES TO BE BOUND BY THE TERMS OF SUCH **BUYER'S** AGREEMENT.

22. RESTRICTIONS ON PURCHASES OUTSIDE OF THIS AGREEMENT

Buyer will not take any action designed to prevent **EnergyNet.com, Inc.** from receiving its commission for the sale of Properties listed on its Website. **Buyer** acknowledges that **EnergyNet.com, Inc.** has the exclusive right to sell the Properties listed on its Website. **Buyer** agrees that it will not use the information on the Website for pursuing in any manner the purchase of Properties listed on the Website unless any such purchase is pursuant to this Agreement. **Buyer** agrees that neither **Buyer** nor any representative or intermediary of **Buyer** will offer to purchase from a Seller any Property listed by **EnergyNet.com, Inc.** on the Website, except as provided by **EnergyNet.com, Inc.** through its Online Auction or negotiated sales. Any such offer constitutes an event of default by **Buyer**. For a period of six months from the posting of information on a particular Property on the Website, **Buyer** further agrees that **Buyer** will not purchase any such Property, other than pursuant to this Agreement or with the prior written consent of **EnergyNet.com, Inc.** **Buyer** acknowledges that **EnergyNet.com, Inc.** has spent considerable time and expense to attract potential sellers and to acquire and assimilate the information available to **Buyer** on the Website. **Buyer** further acknowledges that the damages suffered by **EnergyNet.com, Inc.** for **Buyer's** breach of any provision of this Agreement will be impossible to specifically identify. In the event that **Buyer** breaches any provision in this paragraph, **Buyer** agrees that **EnergyNet.com, Inc.** will be entitled to recover from **Buyer**, as liquidated damages, the amount of the commission **EnergyNet.com, Inc.** would have received if the **Buyer** had purchased the Property pursuant to this Agreement.

23. MISCELLANEOUS

23.1 Governing Law and Litigation Costs. **BUYER** acknowledges and agrees that this Agreement shall be governed by and interpreted in accordance with the laws of the State of Texas and the exclusive venue for any action by **BUYER** or **SELLER** arising under this Agreement shall be the Federal District Court for the Northern District of Texas, Amarillo Division and the Texas District Court for Potter County, Texas. The assignment and matters pertaining to the Properties will be governed by and interpreted in accordance with the laws of the states in which the Properties are located. Auctions are conducted at the discretion of William W. Britain, Texas Auctioneer License AUCTNR00013136. In the event that any party to this Agreement resorts to legal proceedings to enforce this Agreement, the prevailing party in such proceedings shall be entitled to recover all costs incurred by such party, including reasonable attorney fees.

23.2 Severability. **BUYER** acknowledges and agrees that if any term or other provision of this Agreement is invalid, illegal or incapable of being enforced under any applicable rule or law, such provision will be ineffective only to the extent of such invalidity, illegality or unenforceability and all other conditions and provisions of this Agreement shall, nevertheless, remain in full force and effect so long as the economic or legal substance of the transaction contemplated hereby is not affected in a materially adverse manner with respect to either party.

23.3 Waiver. Each party acknowledges and agrees that no waiver by either party of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other portions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

23.4 Captions. **BUYER** acknowledges and agrees that the titles and headings in this Agreement are for convenience only and shall not be considered a part of or affect the construction or interpretation of any provision of this Agreement.

23.5 Notices. **BUYER** acknowledges and agrees that any notice provided or permitted to be given under this Agreement shall be in writing, and may be served by personal delivery including, without limitation by telecopier or facsimile or by depositing same in the United States mail, addressed to the party to be notified, postage prepaid, and registered or certified with a return receipt requested. Notices deposited in the mail in the manner herein above described shall be deemed to have been given and received upon the date of delivery as shown on the return receipt. Notice served in any other manner shall be deemed to have been given and received only if and when actually received by the addressee. For purposes of notice, the addresses of the parties shall be as follows.

If to: **BUYER:**

Intentionally Left Blank

Intentionally Left Blank

If to: **EnergyNet.com, Inc.**
7201 I-40 West, Suite 319
Amarillo, TX 79106
Attn: William W. Britain, President

The address of any party for notice purposes may be changed by such party by giving two days written notice of such change to all other parties to the Agreement.

23.6 **Entirety and Amendments.** NOTWITHSTANDING PARAGRAPH 21 OR ANY OTHER LANGUAGE CONTAINED HEREIN TO THE CONTRARY, **BUYER** acknowledges and agrees that this Agreement and all attached Exhibits and the instruments delivered or required to be delivered pursuant hereto supersede all prior negotiations, understandings and agreements between the parties relating to the subject matter hereof and constitute the entire understanding and agreement between the parties with respect thereto; and no alterations, modifications, amendments or changes in the Agreement shall be effective or binding unless the same shall be in writing and shall have been executed by **BUYER** and **EnergyNet.com, Inc.**

BUYER

WITNESS TO BUYER SIGNATURE

ENERGYNET.COM, INC.

By: Intentionally Left Blank

By: Intentionally Left Blank

By: Intentionally Left Blank

Intentionally Left Blank

William W. Britain, President

Printed/typed name, title