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**ASSIGNMENT OF OIL AND GAS LEASES**  
**(Big River - Washtenaw)**

PAXTON RESOURCES, LLC, a Michigan Limited Liability Company, whose address is 132 N. Otsego Ave, Gaylord, Michigan 49735 (hereinafter called "Assignor"), for and in consideration of Ten Dollars (\$10.00), the receipt of which is hereby acknowledged, does hereby grant, convey, assign and transfer to **FLATIRONS RESOURCES, LLC**, a Colorado limited liability company, whose address is 11080 Circle Point Road, Suite 180, Westminster, Colorado 80020, (hereinafter called "Assignee"), an undivided ten percent (10%) of all right, title and interest in and to the Oil and Gas Leases described on Exhibit "A" attached hereto and made a part hereof for all purposes herein.

Assignor does hereby reserve and except unto itself, its heirs, successors and assigns, an overriding royalty interest equal to the difference between all existing lease burdens recorded as of the effective date hereof and 20% of 8/8ths of the oil, gas or other hydrocarbons in and under and which may be produced, saved and sold from said lands, it being the intent of Assignor to assign to Assignee an 80% net revenue interest in the leases. Said overriding royalty interest shall be free of all costs, but subject to its proportionate share of applicable taxes.

In the event the Oil and Gas Leases cited in Exhibit "A" cover less than the entire and undivided fee interest in the lands described, then the interests herein assigned and reserved shall be proportionately reduced.

Said overriding royalty shall apply to any extensions, renewals or new leases covering the leased interests acquired by Assignee, its successors or assigns, within one year from the expiration of a lease covered by this Assignment.

This assignment is made subject to the following terms and conditions:

- 1) An unrecorded Letter Agreement dated July 15, 2014 between Assignor and Assignee
- 2) Joint Operating Agreement dated April 22, 2011, as amended, between Assignor and Wavelet Investments, LLC

TO HAVE AND TO HOLD the Leases unto Assignee, its successors and assigns, forever, subject to the terms, conditions, reservations and exceptions herein expressed and Assignor hereby warrants the title to same by, through or under Assignor, but not otherwise.

This Assignment of Oil and Gas Leases shall be binding upon and shall inure to the benefit of the parties hereto, their respective representatives, agents, successors and assigns.

Notwithstanding anything herein to the contrary contained herein, it is hereby understood and agreed that this assignment is not a duplication of any other assignment bearing the same effective date, between the parties hereto.

Dated this 31st day of July, 2014, but effective as of June 1, 2014.

PAXTON RESOURCES, LLC

BY: [Signature]  
Scott Lampert, as Member

STATE OF MICHIGAN )  
                                  ) SS  
COUNTY OF OTSEGO )

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of August, 2014, by Scott Lampert, as Member of Paxton Resources, LLC, a Michigan limited liability company, on behalf of the company.

My Commission Expires: May 15, 2016

Becky A. Farmer  
Becky A. Farmer Notary Public  
In and for Otsego County, Michigan  
Acting in Otsego County, Michigan

Prepared by/Return to: Becky A. Farmer, Paxton Resources, 132 N. Otsego Ave., Gaylord, MI 49735

Time Submitted for Recording  
Date 8-11-2014 Time 9:33 AM  
Lawrence Kestenbaum  
Washtenaw County Clerk/Registrar



Washtenaw County  
 Exhibit A to Assignment of Oil and Gas Leases dated  
 July 31, 2014 between Paxton Resources and Flatirons Resources

Lease No.	Lessor	Lessee	Date	Book	Page	Twp	Rge	Sec	Description
211610359	SHIRLEY KLUMPP	Paxton Resources LLC	9/14/2011	4880	788	3S	5E	32	S/8 E/2NW/4
211610360	JOHN RESZETAR ET UX	Paxton Resources LLC	9/21/2011	4880	787	3S	5E	32	PT SW/4NE/4, PT SE/4NW/4
211610362	PATRICK BLAKE BEVER ET UX	Paxton Resources LLC	10/18/2011	4880	792	3S	5E	29	PT NW/4SW/4
211610363	KENNETH A. BALDUS ET UX	Paxton Resources LLC	10/19/2011	4880	769	4S	5E	20	PT S/2W/2NE/4
211610364	CHARLES R. BIELAK ET UX	Paxton Resources LLC	10/4/2011	4880	793	3S	5E	29	PT SW/4SW/4
211610365	CURTIS C. CRAMER ET UX	Paxton Resources LLC	10/13/2011	4880	794	3S	5E	29	PT SW/4
211610366	CHRISTINE M. CLISHAM	Paxton Resources LLC	10/22/2011	4880	795	3S	5E	29	W/4NW/4SW/4
211610367	SALLY A. CLISHAM	Paxton Resources LLC	10/25/2011	4880	790	4S	5E	9	PT S/2NE/4NE/4
211610368	TIM BLACKLOCK ET UX	Paxton Resources LLC	10/24/2011	4880	796	3S	5E	33	PT E/2SW/4
211610369	KEVIN ET AL WALKER JT REV TRST	Paxton Resources LLC	10/24/2011	4880	800	3S	5E	33	PT E/2SW/4
211610370	DONALD J. GINGRAS ET UX	Paxton Resources LLC	11/2/2011	4880	797	3S	5E	33	PT N/2SW/4
211610371	GLENDRA R. LINDEMANN	Paxton Resources LLC	11/1/2011	4880	798	3S	5E	32	PT W/2SE/4
211610373	VALMA E. CORNELL TRUST	Paxton Resources LLC	11/4/2011	4880	799	3S	5E	33	PT E/2SW/4
211610374	MARK A. NELSON ET UX	Paxton Resources LLC	11/6/2011	4885	141	3S	5E	33	PT E/2SW/4
211610375	SHAWN DICKSON ET UX	Paxton Resources LLC	11/10/2011	4885	112	3S	5E	33	PT E/2SW/4
211610376	DAVID J. ABEN ET UX	Paxton Resources LLC	11/5/2011	4885	113	3S	5E	32	UNIT 1, WATERWORKS ESTATES
211610377	ROBERT GROSS	Paxton Resources LLC	11/2/2011	4885	114	3S	4E	12	W/2SE/4SE/4, W/2SE/4, E/2E/2SW/4, W/2NE/4SW/4
211610378	RONALD DIUBLE ET UX	Paxton Resources LLC	11/17/2011	4885	115	3S	5E	7	W/2NW/4, NW/4SW/4
211610379	MATTHEW J. TURNER ET UX	Paxton Resources LLC	11/17/2011	4885	116	3S	5E	7	PT SW/4SW/4
211610380	RICHARD L. SCHAIBLE ET UX	Paxton Resources LLC	11/16/2011	4885	117	3S	4E	13	NE/4SW/4, N/2SE/4SW/4, W/2NE/4, E/2NW/4 EXC W 10 AC
211610381	BRYAN R. DIUBLE	Paxton Resources LLC	11/19/2011	4885	118	3S	5E	18	PT NE/4NW/4
211610382	RONALD DIUBLE ET UX	Paxton Resources LLC	11/19/2011	4885	119	3S	5E	18	PT NW/4NW/4
211610383	WILLIAM BIRCHMEIER ET UX	Paxton Resources LLC	11/21/2011	4885	120	3S	5E	7	PT SW/4
211610384	MICHAEL DIUBLE ET UX	Paxton Resources LLC	11/22/2011	4885	121	3S	5E	7	PT SW/4NW/4
211610385	KENNETH HIEBER ET UX	Paxton Resources LLC	11/15/2011	4885	125	3S	4E	12	W/2SW/4, W/2SE/4SW/4
									13 PT SW/4SE/4, NW/4SW/4, S/2SE/4SW/4, PT SW/4SE/4, E/2SE/4
									24 N 30 AC OF W 50 AC OF NW/4
211610386	EARL S. MILTON ET UX	Paxton Resources LLC	11/26/2011	4885	122	3S	4E	13	PT NW/4SE/4
211610387	GILES C ET AL THIELK REV TRUST	Paxton Resources LLC	12/2/2011	4885	123	3S	5E	18	PT E/2NW/4NW/4
211610388	CLYDE KRUGER ET UX	Paxton Resources LLC	12/3/2011	4885	124	3S	5E	18	PT N/2NW/4
211610389	ALVIN S. ERNST ET AL	Paxton Resources LLC	12/7/2011	4885	126	3S	4E	13	W/2NW/4, W 10 AC OF E/2NW/4, SW/4SW/4
									14 N/2SE/4
211610390	CLAYTON S. ERNST TRUST	Paxton Resources LLC	12/7/2011	4885	127	3S	4E	13	E/2NE/4
									12 E/2SE/4SE/4
211610391	ROGER F. WIEDMAYER ET UX	Paxton Resources LLC	12/7/2011	4885	128	3S	4E	24	PT SW/4
									14 SW/4SE/4
									23 PT E/2NE/4

Washtenaw County Exhibit A to Assignment of Oil and Gas Leases dated July 31, 2014 between Paxton Resources and Flatirons Resources

Lease No.	Lesser	Lessee	Date	Book	Page	Typ	Rge	Sec	Description
211610392	TIMOTHY G. SPIESS ET UX	Paxton Resources LLC	12/12/2011	4885	129	3S	4E	13	PT NW/4SE/4
211610393	SHIRLEY M. TORRANCE	Paxton Resources LLC	12/17/2011	4885	131	3S	5E	33	PT E/2SW/4
211610394	GORDON THOMAS TAYLOR, JR ET UX	Paxton Resources LLC	12/15/2011	4885	132	3S	5E	7	PT SW/4
211610395	DOUGLAS H. SAGER ET AL	Paxton Resources LLC	1/5/2012	4891	437	3S	4E	2	PT NW/4
211610395	DOUGLAS H. SAGER ET AL	Paxton Resources LLC	1/5/2012	4891	437	2S	4E	35	W/2SW/4 EXC PT N OF HWY
211610396	ROBERT L. ROEHM ET UX	Paxton Resources LLC	12/29/2011	4891	433	3S	5E	7	PT E/2NW/4
211610397	JAMES L BURMEISTER REV LIV TRT	Paxton Resources LLC	1/3/2012	4891	438	3S	4E	24	PT W/2NW/4 PT E 30 AC OF NW/4, PT NW/4SW/4
								23	NE/4SE/4, 40 AC OFF E PT OF W/2SE/4
								13	S 10 AC OF SW/4SE/4
211610398	VERNON R. JOHNSON ET UX	Paxton Resources LLC	1/6/2012	4891	434	3S	5E	18	PT NE/4NW/4
211610399	DANIEL A. KOWALCZYK ET UX	Paxton Resources LLC	1/31/2012	4891	435	3S	5E	7	PT NE/4SW/4
211610400	ROY H. KNOEDLER ET UX	Paxton Resources LLC	1/26/2012	4891	436	3S	5E	7	PT N/2NW/4
211610401	NEIL A. ROTHFUSS	Paxton Resources LLC	1/24/2012	4898	890	2S	4E	35	N/2NW/4
211610402	BRIAN A. URQUHART ET UX	Paxton Resources LLC	2/6/2012	4898	892	2S	4E	23	SE/4, E/2SW/4, S 50 AC OF W/2SW/4, PT NW/4
211610403	URQUHART FARMS, LLC	Paxton Resources LLC	2/8/2012	4898	893	2S	4E	23	PT NE/4
211610404	LEO WAYNE VONWALD ET UX	Paxton Resources LLC	2/3/2012	4898	891	2S	4E	26	PT SW/4SW/4
211610405	DAVID G. SCHABLE ET UX	Paxton Resources LLC	2/11/2012	4899	777	3S	5E	18	SE/4 EXC 40 AC OFF W SIDE
211610406	DAVID L. LUICK ET AL TRUST	Paxton Resources LLC	3/1/2012	4898	894	2S	4E	22	W/2NE/4, E/2NW/4 EXC PT
211610407	DAVID L. LUICK ET AL TRUST	Paxton Resources LLC	3/1/2012	4899	776	2S	4E	22	PT W/2NW/4, PT BLKS 4, 5 & 6, VILLAGE OF HARFORD
211610408	FRANK S. GALGAN ET UX	Paxton Resources LLC	2/9/2012	4899	774	2S	4E	24	W/2SW/4, PT E/2SW/4
211610409	JEFFERY SZPARA ET UX	Paxton Resources LLC	2/9/2012	4899	773	2S	4E	26	PT NW/4SW/4
211610414	GARY W. JEDELE ET UX	Paxton Resources LLC	3/5/2012	4905	481	3S	5E	7	PT E/2NW/4
211610415	LUTHER M. NAGEL ET UX	Paxton Resources LLC	2/23/2012	4905	482	3S	4E	24	PT E/2E/2NE/4
211610416	JEFFREY R. SCOTT ET UX	Paxton Resources LLC	2/24/2012	4905	483	3S	4E	12	PT NW/4NW/4
211610417	BARBARA A. NEFF	Paxton Resources LLC	2/24/2012	4905	484	3S	4E	12	PT NW/4NW/4
211610419	ST. THOMAS LUTHERAN CHURCH	Paxton Resources LLC	4/2/2012	4915	108	3S	4E	24	PT E/2
211610420	FRANK GARZIA ET AL	Paxton Resources LLC	3/2/2012	4919	934	2S	4E	26	PT NW/4NW/4
211610421	REDEMAN FARMS	Paxton Resources LLC	3/2/2012	4919	935	2S	4E	26	PT NW/4
211610422	KARL R GEBHARDT ET AL TRUST	Paxton Resources LLC	3/7/2012	4924	68	3S	4E	2	PT E/2SW/4
211610423	JANET L. MCCALLA ET AL	Paxton Resources LLC	3/8/2012	4924	64	2S	4E	25	PT NW/4
211610424	ANTHONY K. GHASSOUB ET UX	Paxton Resources LLC	3/13/2012	4924	69	3S	5E	19	PT W/2SW/4NW/4
211610425	MICHAEL L. WYATT ET UX	Paxton Resources LLC	3/15/2012	4924	70	3S	5E	7	PT SE/4SW/4
211610426	PATRICK J. CONLIN ET UX	Paxton Resources LLC	3/19/2012	4924	66	2S	4E	22	E/2E/2SW/4, PT SE/4 S OF MILL CREEK
211610427	LINDA K. SPRUCE ET VIR	Paxton Resources LLC	3/14/2012	4924	65	2S	4E	26	PT N/2NW/4
211610428	JOHN L. RENZ	Paxton Resources LLC	4/2/2012	4924	73	2S	4E	36	PT NE/4NW/4
211610429	RAYMOND L. RENZ	Paxton Resources LLC	4/2/2012	4924	74	2S	4E	35	S/2E/2NE/4, S/2SW/4NE/4, N/2E/2NE/4

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211610430	ROSE FARM TRUST	Paxton Resources LLC	4/12/2012	4924	76	3S	4E	36	N/2NW/4 EXC 15 AC IN SE COR
211610431	SIAS FARMS, LLC	Paxton Resources LLC	5/2/2012	4924	77	2S	4E	26	PT E/2SW/4, W/2SE/4
211610432	ARTHUR L. SIAS ET AL	Paxton Resources LLC	5/1/2012	4924	67	2S	4E	25	PT W/2NE/4, E 12 RODS OF N 16 RODS OF E/2NE/4
								26	PT S/2NW/4
								26	NW/4SE/4, E/2NE/4, PT SE/4W/2NE/4, PT NE/4SE/4
211610433	DALE A ROSE ET UX	Paxton Resources LLC	6/12/2012	4924	71	3S	4E	36	PT W/2NE/4
211610434	JEFFREY NOWOSIELSKI ET UX	Paxton Resources LLC	6/21/2012	4924	72	4S	5E	34	PT W/2E/2SE/4
211610435	CHARLES E. HIEBER ET UX	Paxton Resources LLC	8/9/2012	4926	205	3S	4E	14	PT NW/4SE/4
211610436	SARI CLAPPERTON	Paxton Resources LLC	7/10/2012	4926	207	2S	4E	26	S 50 AC OF E/2NE/4
211610437	BLANKENSHIP FARMS LLC	Paxton Resources LLC	5/10/2012	4926	206	3S	4E	24	E/2SW/4
211610438	SCOTT W. GUENTHER ET UX	Paxton Resources LLC	7/9/2012	4926	204	3S	4E	24	PT E/2E/2NE/4
211610439	DAVID FINKBEINER ET UX	Paxton Resources LLC	8/29/2012	4928	498	4S	5E	8	PT NW/4
								17	W/2SE/4
								19	PT S/2SE/4NE/4, PT NW/4NE/4
211610440	TWO YAHOOIS LLC	Paxton Resources LLC	5/10/2012	4927	231	3S	5E	19	PT N/2SW/4
211610442	STEPHEN E. BRISTLE ET UX	Paxton Resources LLC	9/11/2012	4932	861	3S	4E	24	W/2E/2NE/4, W 2.5 FT OF E/2E/2NE/4, PT W/2NE/4
211610443	MARCUS S. BRISTLE ET UX	Paxton Resources LLC	9/11/2012	4932	862	3S	4E	24	PT W/2NE/4
211610448	CHARLES SCHAIBLE ET UX	Paxton Resources LLC	9/11/2012	4937	658	3S	5E	19	PT ALL
211610449	ANTHONY M. SENSOUJ ET UX	Paxton Resources LLC	8/29/2012	4937	657	2S	4E	35	NW/4NE/4, N/2SW/4NE/4, PT S/2NW/4
								26	PT SW/4SE/4
211610450	HERMAN J. COVAL ET UX	Paxton Resources LLC	8/30/2012	4937	652	3S	4E	24	PT SE/4SE/4, PT SE/4SW/4
								25	PT N/2NE/4, E/2NW/4
211610450	HERMAN J. COVAL ET UX	Paxton Resources LLC	8/30/2012	4937	652	3S	5E	19	SW/4SW/4
211610453	LAFERN A. HAAS	Paxton Resources LLC	11/12/2012	4945	532	3S	4E	24	NE/4SE/4
211610454	HAZEL E. SEEGER REV TRUST	Paxton Resources LLC	11/8/2012	4945	533	4S	5E	9	PT S/2SE/4SW/4
211610455	GUY B. THOMPSON III ET UX	Paxton Resources LLC	11/21/2012	4950	441	3S	4E	24	PT S/2SE/4
211610456	FRANK M. REMSKI ET UX	Paxton Resources LLC	11/30/2012	4951	346	3S	4E	25	PT E/2NE/4
211610457	KEVIN L. CLINK ET UX	Paxton Resources LLC	12/12/2012	4953	313	4S	5E	10	PT NW/4SE/4
211610458	JAMES D. COVAL TRUST ET AL	Paxton Resources LLC	11/29/2012	4958	593	3S	4E	25	W 330.00 FT OF N/2NE/4
211610459	INGA J. HEATON REV TRUST	Paxton Resources LLC	12/18/2012	4987	229	4S	5E	10	PT NE/4, PT E/2E/2SE/4
								15	PT SW/4NE/4
211610460	LOUIS C. NAEBECK	Paxton Resources LLC	11/8/2012	4987	228	3S	4E	25	PT NE/4
211610461	BRIAN EARL	Paxton Resources LLC	1/29/2013	4963	732	3S	4E	24	PT S/2SE/4
211610462	STEPHEN ROTHFUSS ET UX	Paxton Resources LLC	2/6/2013	4967	658	4S	5E	20	PT NW/4NE/4
211610463	PAUL ROTHFUSS & SONS, LLC	Paxton Resources LLC	2/12/2013	4967	659	4S	5E	18	PT E/2NE/4
211610464	PAUL W. ROTHFUSS REV TRST ET AL	Paxton Resources LLC	2/6/2013	4967	348	4S	5E	20	PT NW/4NE/4
								17	PT SE/4SW/4, PT W/2SE/4

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211610466	TIMOTHY L. TOBIAS	Paxton Resources LLC	1/30/2013	4968	759	3S	5E	31	W/2NW/4
211610467	RICHARD P. STAPNOWSKI ET UX	Paxton Resources LLC	3/4/2013	4973	370	3S	4E	24	PT SE/4SE/4
211610468	MARK T. DESECK ET UX	Paxton Resources LLC	2/22/2013	4975	819	4S	5E	34	PT NW/4SE/4
211610469	VINCENT BANKSTON	Paxton Resources LLC	3/7/2013	4976	605	4S	5E	9	PT SE/4SW/4
211610470	DAVID L. JEDELE ET UX	Paxton Resources LLC	4/8/2013	4981	535	3S	5E	31	PT NE/4NW/4
211610471	STANLEY A. MATOS ET UX	Paxton Resources LLC	5/7/2013	4980	220	2S	4E	36	NE/4NW/4, NW/4NE/4, N/2SW/4NE/4, NE/4NE/4
211610472	THOMAS A. TOBIAS ET UX	Paxton Resources LLC	5/15/2013	4980	219	3S	5E	31	PT SE/4SW/4
211610473	CHRISTOPHER N. DAVIS ET UX	Paxton Resources LLC	5/15/2013	4980	219	4S	5E	6	E 2/3 OF E/2SE/4
211610474	WAYNE H. HARTLEY	Paxton Resources LLC	4/23/2013	4980	218	3S	4E	2	PT E FR/1/2 NE FR/1/4
211610475	DONALD J. DAVIS ET UX	Paxton Resources LLC	4/23/2013	4980	221	3S	4E	2	PT NE/4NE/4
211610476	SHANNON BOUTON ET VIR	Paxton Resources LLC	4/23/2013	4980	217	3S	4E	2	PT NE/4NE/4
211610477	JOHN KOHLER	Paxton Resources LLC	3/7/2013	4984	189	2S	4E	26	PT NW/4SE/4
211610481	NEG MICHIGAN LLC	Paxton Resources LLC	4/25/2013	4981	530	4S	5E	20	NW/4SE/4
211610482	ARBOR INT'L INC PROFIT SHARING	Paxton Resources LLC	10/28/2013	5010	630	4S	5E	10	PT SW/4NW/4
211610486	MAGGIE J. BANKSTON	Paxton Resources LLC	10/28/2013	5010	629	4S	5E	10	PT W/2NW/4
			6/20/2014	5047	630	4S	5E	16	PT W/2NE/4