



**WHEN RECORDED, RETURN TO:**

Mark Karnes, Esq.  
DRH Energy, Inc.  
1341 Horton Circle  
Arlington, TX 76011

DATE/TIME: 04/04/2018 1342

FEE: \$15.00

PAGES: 3

FEE NUMBER: 2018-024915



Community Subledger Number #2196582

**MINERAL DEED AND RESERVATION OF SURFACE RIGHTS**

[Exempt from Affidavit of Value pursuant to A.R.S. § 11-1134(B)(7)(b)]

For the consideration of the sum of Ten Dollars (\$10.00) and other valuable consideration received, **D.R. HORTON, INC.**, a Delaware corporation ("Grantor"), does hereby grant, sell and convey to **DRH ENERGY, INC.**, a Colorado corporation ("Grantee"), the following property rights, to the extent not previously reserved or conveyed:

All oil, gas, petroleum, natural gas, coal, lignite and other hydrocarbons by whatever name, uranium, metals (including, without limitation, copper), and all minerals, gases and geothermal energy and geothermal substances and rights, whatsoever (collectively, "Minerals"), already found or which may hereafter be found, under the real property legally described on Exhibit A attached hereto and incorporated herein by this reference (the "Real Property"), together with all ores thereof and other products or materials produced in association therewith and the right to prospect for, mine and remove the Minerals. This conveyance also includes all of Grantor's right, title and interest, if any, in and to the rights, rentals, royalties and other benefits accruing or to accrue under any lease or leases of the Minerals and rights to receive all bonuses, rents, royalties, production payments or monies of any nature accrued in the past or future with respect to the Minerals.

Grantor, for itself and its successors and assigns, hereby reserves and retains in perpetuity for its sole and exclusive use all rights to the surface and thirty feet (30') below finished grade (collectively, the "Surface") of all or any portion of the Lots (as defined below) for any purpose whatsoever in connection with the development, construction and installation of any existing or future improvements benefiting the Lots and the use and enjoyment of the Lots and such improvements; provided, however, Grantee may enter upon the Surface of a Lot to develop and remove Minerals by any suitable means or method prior to the date that a deed is recorded in the land records of the county where the Lot is located conveying the Lot from Grantor or its successor or assign to a bona fide third party retail purchaser, and, provided, further, that nothing contained herein shall prevent Grantee from developing and removing any Minerals under the Surface of a Lot by slant drilling, subterranean entry or other means or operations conducted from the Surface of the Real Property (other than the Lots) or any other parcel as to which Grantee may then have rights of surface use or by any other suitable means or methods, provided that Grantee does not endanger, impair or affect the support of all or any portion of the Surface of the Lots or any existing or future improvements thereon. For purposes hereof, the term "Lots" means any portion of the Real Property that is now or hereafter subject to a final, government-approved subdivision map,



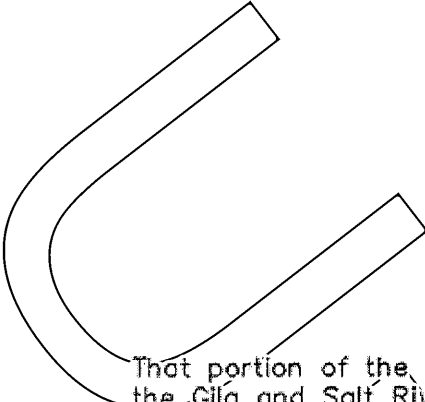


Exhibit A

Real Property

That portion of the West half of Section 31, Township 2 South, Range 8 East of the Gila and Salt River Base and Meridian, Pinal County, Arizona, described as follows:

COMMENCING at the Northwest corner of Section 31; thence South 0 degrees 24 minutes 23 seconds East, a distance of 542.72 feet along the west line of the Northwest quarter of Section 31 to the POINT OF BEGINNING said point lying on the southwesterly right-of-way line of the Union Pacific Railroad (formerly the Southern Pacific Railroad and the Arizona Eastern Railroad);

Thence South 0 degrees 24 minutes 20 seconds East, a distance of 103.21 feet to the northerly boundary of that parcel of land conveyed to Pinal County by Special Warranty Deed, recorded in Fee Number 2005-019395, Official Records of the Pinal County Recorder, Pinal County, Arizona, said point being the beginning of a non-tangent curve, concave Southwest, from which the radius point bears South 73 degrees 04 minutes 14 seconds West a distance of 678.00 feet; thence Southeasterly 68.90 feet along the arc of said curve to the right and the boundary of said Pinal County parcel through a central angle of 5 degrees 49 minutes 21 seconds; thence South 11 degrees 06 minutes 25 seconds East, a distance of 128.12 feet along the boundary of said Pinal County parcel; thence South 0 degrees 24 minutes 20 seconds East, a distance of 1840.00 feet along the boundary of said Pinal County parcel; thence South 0 degrees 20 minutes 20 seconds East, a distance of 965.94 feet along the boundary of said Pinal County parcel; thence North 89 degrees 52 minutes 29 seconds East, a distance of 2437.73 feet to a point on the southwesterly right-of-way line of said Union Pacific Railroad; thence North 38 degrees 54 minutes 06 seconds West, a distance of 3978.68 feet along the southwesterly right-of-way line of the Union Pacific Railroad to the POINT OF BEGINNING.

