

REAL ESTATE VALIDATION FORM

The following information is provided pursuant to Alabama Code §40-22-1, and is verified by the signature of Grantor below:


| | | | |
|-------------------|--|------------------|--|
| Grantor's Name: | D.R. Horton, Inc.-Birmingham | Grantee's Name: | DRH Energy, Inc. |
| Mailing Address: | 2188 Parkway Lake Drive Hoover, Alabama 35244 | Mailing Address: | 301 Commerce St., Ste. 500 Fort Worth, Texas 76102 Attn: Mark Karnes |
| Property Address: | Raw Land – Polo Crossings | Date of Sale: | May _____, 2016 |
| | | Purchase Price: | \$1,000.00 Non-producing Acreage: Less than 47 acres |

THIS INSTRUMENT PREPARED BY:

Christopher M. Gill, Esq.
Hand Arendall LLC
P.O. Box 123
Mobile, AL 36601

STATE OF ALABAMA
COUNTY OF SHELBY

MINERAL DEED


20160517000168180 1/5 \$27.00
Shelby Cnty Judge of Probate, AL
05/17/2016 01:01:55 PM FILED/CERT

THIS MINERAL DEED is made by D.R. HORTON, INC. – BIRMINGHAM, an Alabama corporation (“Grantor”), whose mailing address is 25366 Profit Drive, Daphne, AL 36526, to and for the benefit of DRH ENERGY, INC., a Colorado corporation (“Grantee”), whose mailing address is 301 Commerce St., Ste. 500, Ft. Worth, TX 76102, Attn: Mark Karnes.

Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration paid by Grantee, the receipt of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does hereby grant, bargain, sell and convey unto Grantee and its successors and assigns the following (collectively, the “Conveyed Rights”):

A. Any and all (i) oil rights, (ii) mineral rights, (iii) natural gas rights, (iv) rights to all other hydrocarbons by whatsoever name known, (v) geothermal heat rights or geothermal substances that may be produced from the Property (as hereinafter defined), (vi) water rights and claims or rights to water, and (vii) all products derived from any of the foregoing (collectively, “Subsurface Resources”) located in or under that certain real property located in Shelby County, Alabama, and described in **Exhibit A** attached hereto and incorporated herein (the “Property”), to the extent such Subsurface Resources have not been previously reserved and/or retained by third parties; and

B. The perpetual right to drill, mine, explore and operate for and produce, store and remove any of the Subsurface Resources on or from the

Property by any means whatsoever, including without limitation, the right to whipstock or directionally drill and mine, from lands other than the Property, wells, tunnels and shafts into, through or across the subsurface of the Property, and to bottom such whipstocked or directionally drilled wells, tunnels and shafts within or beyond the exterior limits of the Property, and to redrill, retunnel, equip, maintain, repair, deepen and operate any such wells or mines, but without the right to drill, mine, explore, operate, produce, store or remove any of the Subsurface Resources through or in the surface of the Property or the upper five hundred (500) feet of the subsurface of the Property.

TO HAVE AND TO HOLD the Conveyed Rights, with all rights, privileges and appurtenances thereunto belonging, if any, to Grantee in fee simple.

Grantor makes no warranty, express or implied, as to title to the Conveyed Rights. Furthermore, this conveyance is made subject to any and all matters of record in the county in which the Property is situated, including, without limitation, all prior reservations and conveyances of minerals, royalties, groundwater and other interests affecting all or any part of the Subsurface Resources, to the extent the same are valid and subsisting and affect the Subsurface Resources.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed by its duly authorized officer to be effective as of the 16th day of May, 2016.

D.R. HORTON, INC. – BIRMINGHAM,
an Alabama corporation

By: 
Julia L. Dummitt
As Its Assistant Secretary

STATE OF ALABAMA
COUNTY OF Shelby

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that Julia L. Dummitt, whose name as Assistant Secretary of D.R. Horton, Inc. - Birmingham, an Alabama corporation, is signed to the foregoing conveyance, and who is known to me, acknowledged before me on this day that, being informed of the contents of the conveyance, he, as such officer, executed the same voluntarily and with full authority for and as the act of said corporation.

Given under my hand and official seal this 16th day of May, 2016.



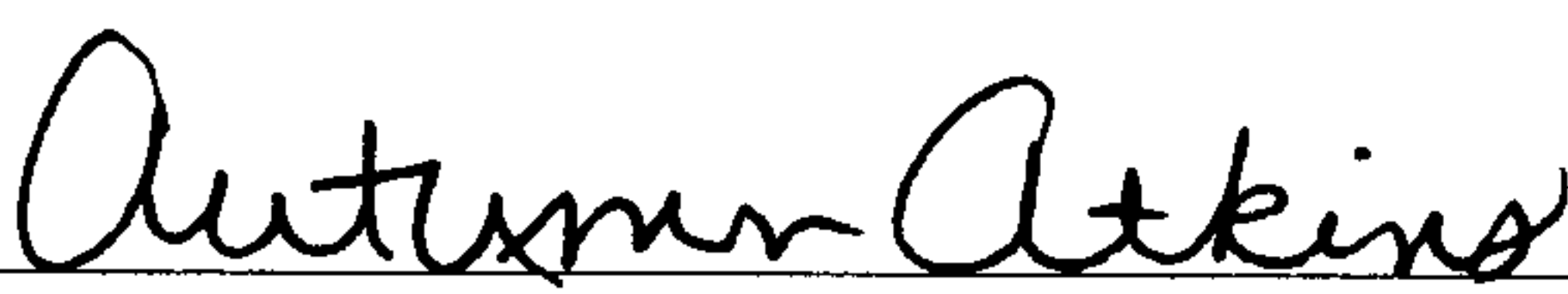

NOTARY PUBLIC
My Commission Expires: 7/6/19

EXHIBIT A

That certain real property located in Shelby County, Alabama described as follows:

A PARCEL OF LAND SITUATED IN THE SOUTH ½ OF THE SOUTHEAST ¼ OF SECTION 23, AND THE NORTH ½ OF SECTION 26, ALL IN TOWNSHIP 19 SOUTH, RANGE 1 WEST, SHELBY COUNTY, ALABAMA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT A ½" REBAR FOUND AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 26, TOWNSHIP 19 SOUTH, RANGE 1 WEST, SHELBY COUNTY, ALABAMA AND THENCE RUN NORTH 02°47'41" WEST ALONG THE EASTERLY LINE OF THE PROPERTY OF JACK HERING AS RECORDED IN INSTRUMENT NO. 201502/4334 FOR A DISTANCE OF 512.49 FEET TO A CAPPED IRON PIN STAMPED "SWH 4848, SAID POINT BEING THE SOUTHWEST CORNER OF LOT 1 ACCORDING TO THE SURVEY OF SIGNAL VALLEY ESTATES AS RECORDED IN MAP BOOK 23, PAGE 152 IN THE OFFICE OF THE JUDGE OF PROBATE OF SHELBY COUNTY, ALABAMA; THENCE RUN NORTH 87°31'08" EAST ALONG THE SOUTH LOT LINES OF LOT 1, LOT 1A AND LOT 2 OF SAID SUBDIVISION AND THE SOUTH LOT LINES OF LOT 2, LOT 5 AND LOT 4 ACCORDING TO THE SURVEY OF DOGWOOD LAKES AS RECORDED IN MAP BOOK 23, PAGE 34 IN SAID SHELBY COUNTY PROBATE OFFICE FOR A DISTANCE OF 2682.00 FEET TO A CAPPED IRON PIN STAMPED "CARR 00010LS" AND THE SOUTHEAST CORNER OF LOT 4 OF SAID DOGWOOD LAKES AND ALSO BEING A POINT ON THE WESTERLY LINE OF THE PROPERTY OF ELSIE JO McARDLE AS RECORDED IN DEED BOOK 261, PAGE 362; THENCE RUN SOUTH 04°50'37" EAST ALONG THE WESTERLY LINE OF SAID McARDLE PROPERTY FOR A DISTANCE OF 498.10 FEET TO A CONCRETE MONUMENT FOUND, SAID POINT BEING THE SOUTHEAST CORNER OF SECTION 23 AND THE NORTHEAST CORNER OF SECTION 26, TOWNSHIP 19 SOUTH, RANGE 1 WEST, SHELBY COUNTY, ALABAMA AND FURTHER BEING THE NORTHWEST CORNER OF LOT 2 OF RANDALL RIDGE FAMILY SUBDIVISION AS RECORDED IN MAP BOOK 28, PAGE 95 IN SAID SHELBY COUNTY PROBATE OFFICE; THENCE RUN SOUTH 01°57'38" EAST ALONG THE WESTERLY LINE OF LOT 2 AND LOT 1 OF SAID SUBDIVISION FOR A DISTANCE OF 285.91 FEET TO A CAPPED IRON PIN STAMPED "CARR 00010LS", SAID POINT ALSO BEING THE NORTHEAST CORNER OF COMMON AREA 1 ACCORDING TO THE SURVEY OF POLO CROSSINGS SECTOR I AS RECORDED IN MAP BOOK 39, PAGE 41 IN SAID SHELBY COUNTY PROBATE OFFICE; THENCE RUN SOUTH 88°09'44" WEST ALONG THE NORTH LINE OF SAID COMMON AREA 1 FOR A DISTANCE OF 602.00 FEET TO A CAPPED

IRON PIN STAMPED "CARR 00010LS" (ALL IRONS UNTIL FURTHER NOTED SHALL BE CAPPED IRON PIN STAMPED "CARR 00010LS") TO THE COMMON INTERSECTION OF LOTS 128 AND 129 OF SAID SUBDIVISION; THENCE RUN **NORTH 20°26'09" EAST** ALONG THE EASTERLY LINE OF SAID LOT 128 FOR A DISTANCE OF **132.37 FEET** TO THE COMMON INTERSECTION OF LOTS 128 AND 127; THENCE RUN **NORTH 46°11'26" WEST** ALONG THE NORTHERLY LINE OF LOTS 127 AND 126 OF SAID SUBDIVISION A DISTANCE OF **335.06 FEET** TO THE COMMON INTERSECTION OF LOTS 126 AND LOT 125 OF SAID SUBDIVISION AND THE NORTHEAST CORNER OF POLO CROSSINGS SECTOR II AS RECORDED IN MAP BOOK 46, PAGE 21 IN SAID SHELBY COUNTY PROBATE OFFICE; THENCE RUN THE FOLLOWING 6 COURSES ALONG SAID POLO CROSSINGS SECTOR II SUBDIVISION: THENCE **NORTH 63°16'49" WEST** FOR A DISTANCE OF **141.10 FEET**; THENCE **NORTH 82°50'38" WEST** FOR A DISTANCE OF **131.11 FEET**; THENCE **SOUTH 69°02'04" WEST** A DISTANCE OF **127.98 FEET**; THENCE **SOUTH 01°05'37" WEST** FOR A DISTANCE OF **246.15 FEET**; THENCE **SOUTH 18°41'44" WEST** FOR A DISTANCE OF **172.46 FEET**; THENCE **SOUTH 40°36'41" WEST** FOR A DISTANCE OF **240.92 FEET** TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY OF POLO FIELD WAY ACCORDING TO THE SUBDIVISION OF POLO CROSSINGS SECTOR I AS RECORDED IN MAP BOOK 39, PAGE 41; THENCE RUN **NORTH 49°23'19" WEST** ALONG SAID ROAD RIGHT-OF-WAY LINE FOR A DISTANCE OF **79.65 FEET** TO THE POINT OF BEGINNING OF A CURVE TO THE RIGHT, SAID CURVE HAVING A RADIUS OF **25.00 FEET**, AN ARC LENGTH OF **39.27 FEET** AND A CENTRAL ANGLE OF **90°00'00"**; THENCE RUN **NORTH 04°23'19" WEST** ALONG THE BEARING OF SAID CHORD FOR A CHORD DISTANCE OF **35.36 FEET** TO THE END POINT OF SAID CURVE; THENCE **NORTH 49°23'19" WEST** FOR A DISTANCE OF **50.00 FEET** TO THE SOUTHEAST CORNER OF LOT 77 OF SAID SUBDIVISION OF POLO CROSSINGS SECTOR I; THENCE THE FOLLOWING TWO COURSES AROUND SAID LOT 77: **NORTH 40°36'41" EAST** FOR A DISTANCE OF **87.90 FEET**; THENCE **NORTH 49°23'19" WEST** FOR A DISTANCE OF **87.00 FEET** TO THE NORTHWEST CORNER OF SAID LOT 77; THENCE **SOUTH 40°36'41" WEST** ALONG SAID LOT 77 AND CROSSING POLO FIELD WAY FOR A DISTANCE OF **162.90 FEET** TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY OF SAID POLO FIELD WAY; THENCE **SOUTH 49°23'19" EAST** ALONG SAID ROAD RIGHT-OF-WAY LINE FOR A DISTANCE OF **3.73 FEET** TO THE NORTHWEST CORNER OF LOT 15 OF SAID SUBDIVISION OF POLO CROSSINGS SECTOR I; THENCE RUN **SOUTH 40°36'41" WEST** ALONG THE NORTHWESTERLY LINE OF SAID LOT 15 FOR A DISTANCE OF **110.00 FEET** TO THE INTERSECTION OF THE SOUTHWEST CORNER OF SAID LOT 15 AND COMMON AREA 1 ACCORDING TO THE SUBDIVISION OF THE VILLAGE AT POLO CROSSINGS

SECTOR I AS RECORDED IN MAP BOOK 39, PAGE 42 A-C IN SAID SHELBY COUNTY PROBATE OFFICE; THENCE CONTINUING AROUND SAID COMMON AREA 1 THE FOLLOWING 4 COURSES: **NORTH 49°23'19" WEST** FOR A DISTANCE OF **62.00 FEET**; THENCE **NORTH 48°22'27" WEST** FOR A DISTANCE OF **67.29 FEET**; THENCE **NORTH 44°43'05" WEST** FOR A DISTANCE OF **22.99 FEET**; THENCE **SOUTH 40°36'41" WEST** FOR A DISTANCE OF **57.76 FEET** TO THE NORTHWEST CORNER OF LOT 373 OF SAID THE VILLAGE AT POLO CROSSINGS SECTOR I; THENCE RUN **SOUTH 40°36'41" WEST** ALONG THE NORTHWESTERLY LINE OF SAID LOT 373 FOR A DISTANCE OF **159.48 FEET** TO THE POINT OF BEGINNING OF A CURVE TO THE RIGHT, SAID CURVE HAVING A RADIUS OF **1125.00 FEET**, AN ARC LENGTH OF **343.43 FEET** AND A CENTRAL ANGLE OF **17°29'27"**; THENCE RUN **NORTH 38°30'16" WEST** ALONG THE BEARING OF SAID CHORD FOR A CHORD DISTANCE OF **342.10 FEET** TO THE INTERSECTION OF THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF POLO TRACE WITH THE MOST NORTHWESTERLY CORNER OF COMMON AREA 3 OF SAID THE VILLAGE AT POLO CROSSINGS SECTOR I; THENCE RUNNING ALONG SAID COMMON AREA 3 THE FOLLOWING 5 COURSES: **SOUTH 67°10'47" WEST** FOR A DISTANCE OF **209.56 FEET**; THENCE **SOUTH 25°08'20" WEST** FOR A DISTANCE OF **159.14 FEET**; THENCE **SOUTH 02°25'25" EAST** FOR A DISTANCE OF **191.47 FEET**; THENCE **SOUTH 87°34'35" WEST** FOR A DISTANCE OF **110.00 FEET**; THENCE **SOUTH 02°25'25" EAST** FOR A DISTANCE OF **163.42 FEET** TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF BELMONT WAY; THENCE LEAVING SAID EASTERLY RIGHT-OF-WAY LINE RUN **SOUTH 87°34'35" WEST** FOR A DISTANCE OF **50.00 FEET** TO THE INTERSECTION OF THE WESTERLY RIGHT-OF-WAY LINE OF BELMONT WAY; THENCE **SOUTH 02°25'25" EAST** ALONG SAID ROAD RIGHT-OF-WAY LINE FOR A DISTANCE OF **45.58 FEET** TO NORTHEAST CORNER OF LOT 253A ACCORDING TO THE RESURVEY OF LOTS 231 – 254 THE VILLAGE AT POLO CROSSINGS SECTOR I AS RECORDED IN MAP BOOK 41, PAGE 130; THENCE RUN **SOUTH 87°34'35" WEST** ALONG THE NORTH LINE OF SAID LOT 253A FOR DISTANCE OF **110.00 FEET** TO NORTHEAST CORNER OF COMMON AREA 5A OF SAID RESURVEY OF LOTS 231 – 254 THE VILLAGE AT POLO CROSSINGS SECTOR I; THENCE RUN **SOUTH 87°47'15" WEST** ALONG THE NORTH LINE OF SAID COMMON AREA 5A FOR A DISTANCE OF **20.38 FEET** TO A POINT ON THE EASTERLY PROPERTY LINE OF J.C. CLARK AS RECORDED IN INSTRUMENT NO. 2002-17770; THENCE **NORTH 02°12'45" WEST** ALONG SAID J.C. CLARK EASTERLY PROPERTY LINE FOR A DISTANCE OF **776.44 FEET** TO THE POINT OF BEGINNING.