

Explanation of Oil, Gas & Mineral Rights for 588.52 AC (+/-) owned by Scherr Agricultural Enterprises, Inc.

Title examiner did not do a specific mineral search but in doing a 60 year title search it appears to be as follows:

1. There are several old oil and gas leases, whose primary terms have expired but are not released. This is very common. The most recent lease expired in 2017.
2. On the 131 AC tract Scherr Agricultural Enterprises, Inc. owns $\frac{1}{2}$ the mineral rights, it appears that nobody has ever paid taxes on the other $\frac{1}{2}$ and it may be possible to petition the state auditor's office and try to reclaim the other $\frac{1}{2}$.
3. Scherr Agricultural Enterprises, Inc. appears to own $\frac{1}{2}$ of the mineral rights on the 316.43 AC tract. A previous owner retained the other $\frac{1}{2}$ in 1982 and then sold his $\frac{1}{2}$ completely in 2007.
4. The minerals on the 1 AC tract and the 123.96 AC tract appear to be fully intact.
5. There are 2 gas wells on the property: a really old one on the 131 AC tract and a newer one on the 316.43 AC tract. Both are capped off, neither appear to have ever been used for production, as there are no pipelines leading to or from these wells. The newer well appears to have been drilled in 1990 and Columbia Natural Resources, Inc. has a road easement to the well site. There appears to be no easement or road to the old well site on the 131 AC tract.
6. Potomac Valley Soil Conservation District has a permanent 20 AC easement for the flood control dam.

This is not a legal document and should not be fully relied upon, it's merely a summary of what appears to be the situation with the mineral rights