

SELLER DISCLOSURE REGARDING OIL, GAS, MINERAL AND TIMBER RIGHTS

The owner of real property has a variety of rights that can convey with property when the property is sold to another. These rights include surface rights (the rights to build or plant crops upon the ground) and certain subsurface rights (the right to extract materials from below the ground). Among the various subsurface rights, are the rights to explore for, and remove, oil, gas and various minerals such as coal, sand and gravel.

Surface and subsurface rights are often transferred together; however these rights can transfer separately. Despite the best intention of Sellers, property owners are often not aware of the extent of the oil, gas and mineral rights they may or may not own. Determining who owns the various rights to oil, gas and minerals can be complex and should only be done by an attorney and/or title company with expertise in this area. Buyers of real property are strongly encouraged to have their rights to oil, gas and minerals examined before moving forward with a purchase and sale agreement.

Property Address 555 County Highway 7- Otego NY

Seller Horizon Energy ResourcesNY LLC
(Print/Type Name)

Seller _____
(Print/Type Name)

* **Oil, Gas, Mineral and Timber Rights to Property:**

- Seller owns all and has not leased any oil, gas, mineral and/or timber rights.
- Seller does not own the rights to oil, gas and/or minerals.
- Seller does not own the rights to timber.
- Some oil, gas, mineral and/or timber rights have been leased by the Seller or previous owner. Seller has attached copies of all written oil, gas, mineral and/or timber rights leases and other documents (e.g. leases, royalty agreements) within the Seller's possession to this disclosure.

* **Seller Reservation of Oil, Gas, Mineral and Timber Rights: (Check all that apply.)**

- Seller will not reserve any future rights to oil, gas, minerals and timber.
- Seller is reserving all rights to oil, gas and/or mineral rights and will not convey these rights to the Buyer.
Explain: **SELLER IS RESERVING OIL, GAS AND MINERAL RIGHTS; SUBSURFACE MINERAL RIGHTS FROM 500' BELOW GROUND AND FURTHERMORE.**

- Seller is reserving certain oil, gas, and mineral rights and will convey these rights to the Buyer as follows:

- Seller is reserving rights to timber as follows:

- Other:

SELLER IS RESERVING MINERAL RIGHTS FROM 500' BELOW GROUND AND BEYOND

THIS IS A DISCLOSURE ONLY.

Buyer has received and read this disclosure notice. Any negotiations pertaining to transfer of oil, gas, mineral and/or timber rights will be set forth in an addendum to the Purchase & Sale Agreement.