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04/07/2014 03:49 PM Total Pages: 2
Laurence Kestenbaum, Washtenaw Co



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DECLARATION OF POOLING

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, PAXTON RESOURCES, L.L.C., of 132 North Otsego Avenue, Gaylord, Michigan 49735, hereinafter referred to as "Paxton", is the owner of the Oil and Gas Leases described on the Exhibit "A" attached hereto and made a part hereof, insofar as said leases cover the tract of land hereinafter described and designated as the "Pooled Area".

WHEREAS, each of said leases authorizes the owner of the lease to unitize and pool all or any part of the leased premises with other lands and leases in the same manner and for the purpose hereinafter set forth.

NOW, THEREFORE, pursuant to and in accordance with the authority granted the lease owner under the provisions of each said lease, the undersigned does hereby unitize and pool the following described land, hereinafter called "Pooled Area", to-wit:

Township 4 South, Range 5 East, Saline Township
Section 10: NW/4SW/4
Washtenaw County, Michigan

into a single pooled unit for the purpose of development and operation of said Pooled Area for the production of oil and gas and associated hydrocarbons from the Trenton and/or Black River Formation.

All oil and gas leases covering the lands situated in the Pooled Area created hereby authorize pooling as is provided herein, which are now owned or hereafter acquired by the undersigned or its successors or assigns while this unit is in effect, insofar as the same affect the Pooled Area, shall be subject to and included in such unit. In the event that the aforementioned leases do not cover all of the lands within the Pooled Area, this declaration shall nevertheless remain in full force and effect insofar as it affects the aforementioned leases and any leases which cover lands in the Pooled Area, which are hereafter added to the pooled unit by separate pooling agreement or declaration or by ratification of this instrument.

The Pooled Area established hereby may be terminated by Paxton, its successors or assigns, if at any time there is no production of oil or gas therefrom or if the lands covered hereby are included within the boundaries of another pooled or unitized area, by filing an instrument declaring the same to be terminated in the Office of the Register of Deeds where this instrument is recorded.

Dated this 7th day of February, 2014.

PAXTON RESOURCES, L.L.C.

By: [Signature]
Kevin Reynolds, CFO

ACKNOWLEDGEMENT

STATE OF MICHIGAN)
) ss
COUNTY OF OTSEGO)

The foregoing instrument was acknowledged before me this 7th day of February, 2014 by Kevin Reynolds, as CFO of Paxton Resources, L.L.C., on behalf of the company.

My commission expires:
May 15, 2016

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

(Koshy C1-10 well)

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

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Washtenaw County Register of Deeds
Submitted for Recording
4/7/2014, 11:00:00 AM

Washtenaw County, Michigan
 Exhibit "A"
 Attached to Declaration of Pooling dated February 7, 2014
 (Koshy C1-10 HD well)

Lease No.	Lessor	Lessee	Date	Liber	Page	Twp	Rge	Sec	Description
211610183	MEGAS PROPERTIES, LLC	Dakotah Oil	12/15/2009	4817	133	4S	5E	10	PT NW/4SW/4
211610164	O. C. KOSHY AND SARA KOSHY TRUST	Dakotah Oil	10/8/2008	4729	706	4S	5E	10	PT NW/4SW/4
211610213	STANLEY M. SIBO & THERESA SIBO	Dakotah Oil	4/9/2010	4817	141	4S	5E	10	PT NW/4SW/4
211610481	NEG MICHIGAN LLC	Paxton Resources, LLC	10/28/2013	5010	630	4S	5E	10	PT NW/4SW/4
211610482	ARBOR INTERNATIONAL INC. PROFIT SHARING PLAN AND TRUST	Paxton Resources, LLC	10/28/2013	5010	629	4S	5E	10	PT NW/4SW/4