

## **DIVISION ORDER**

**SM Energy  
Land Administration  
1700 Lincoln Street, Suite 3200  
Denver, CO 80203**

**EFFECTIVE DATE: 01/01/2024      ISSUE DATE: 05/15/2025  
PROPERTY NAME: SEE EXHIBIT A  
PROPERTY NO: SEE EXHIBIT A  
COUNTY/STATE: SEE EXHIBIT A**

**LEGAL DESCRIPTION: SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.**

The undersigned severally and not jointly certifies it is the legal owner of the interest set out above of all the oil and related liquid hydrocarbons produced from the property described above.

**THIS AGREEMENT DOES NOT AMEND ANY LEASE OR OPERATING AGREEMENT BETWEEN THE INTEREST OWNERS AND THE LESSEE OR OPERATOR OR ANY OTHER CONTRACTS FOR THE PURCHASE OF OIL OR GAS.**

The following provisions apply to each interest owner ("owner") who executes this agreement:

**TERMS OF SALE:** The undersigned will be paid in accordance with the division of interests set out above. The payor shall pay all parties at the price agreed to by the operator for oil to be sold pursuant to this division order. Purchaser shall compute quantity and make corrections for gravity and temperature and make deductions for impurities.

**PAYMENT:** From the effective date, payment is to be made monthly by payer's check, based on this division of interest, for oil run during the preceding calendar month from the property listed above, less taxes required by law to be deducted and remitted by payor as purchaser. Payments of less than \$100 may be accrued before disbursement until the total amount equals \$100 or more, or until 12 months' proceeds accumulate, whichever occurs first. However, the payor may hold accumulated proceeds of less than \$10 until production ceases or the payer's responsibility for making payment for production ceases, whichever occurs first. Payee agrees to refund to payor any amounts attributable to an interest or part of an interest that payee does not own.

**INDEMNITY:** The owner agrees to indemnify and hold payor harmless from all liability resulting from payments made to the owner in accordance with such division of interest, including but not limited to attorney fees or judgments in connection with any suit that affects the owner's interest to which payor is made a party.

**DISPUTE; WITHHOLDING OF FUNDS:** If a suit is filed that affects the interest of the owner, written notice shall be given to payor by the owner together with a copy of the complaint or petition filed. In the event of a claim or dispute that affects title to the division of interest credited herein, payor is authorized to withhold payments accruing to such interest, without interest unless otherwise required by applicable statute, until the claim or dispute is settled.

**TERMINATION:** Termination of this agreement is effective on the first day of the month that begins after the 30th day after the date written notice of termination is received by either party.

**NOTICES:** The owner agrees to notify payor in writing of any change in the division of interest, including changes of interest contingent on payment of money or expiration of time.

No change of interest is binding on payor until the recorded copy of the instrument of change or documents satisfactorily evidencing such change are furnished to payor at the time the change occurs.

Any change of interest shall be made effective on the first day of the month following receipt of such notice by payor.

Any correspondence regarding this agreement shall be furnished to the addresses listed unless otherwise advised by either party.

In addition to the legal rights provided by the terms and provisions of this division order, an owner may have certain statutory rights under the laws of this state.

**Failure to furnish your Social Security and/or Tax I.D. Number will result in withholding tax in accordance with Federal Law and any tax withheld will not be refundable by Payor.**

**SIGNATURE PAGE AND EXHIBITS TO FOLLOW**

**PLEASE RETURN THIS COPY**

**SIGNATURE PAGE TO SM ENERGY OIL AND GAS DIVISION ORDER**

Owner/Payee: BIG SPRING IND SCHOOL DISTRICT 31026191

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Social Security or Tax ID#: \_\_\_\_\_

Phone No." \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Owner/Payee: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Social Security or Tax ID#: \_\_\_\_\_

Phone No." \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Owner/Payee: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Social Security or Tax ID#: \_\_\_\_\_

Phone No." \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Owner/Payee: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Social Security or Tax ID#: \_\_\_\_\_

Phone No." \_\_\_\_\_

E-mail Address: \_\_\_\_\_

## **EXHIBIT A**

BA NUMBER: 31026191  
NAME: BIG SPRING IND SCHOOL DISTRICT  
708 E 11TH PL  
BIG SPRING TX 79720

DATE: 05/15/2025 15.16.18  
PAGE: 1

DOI/ PROPERTY CODE	DOI SUFFIX	TRACT FACTOR	TRACT INTEREST	TYPE INTEREST	PRODUCT CODE	UNIT INTEREST	ACCOUNT STATUS
3286	901	1.00000000	0.00034134	ROYALTY INTEREST	All Products	0.00034134	Suspend

PROPERTY NAME: TAGGERT B 0927LS  
PROPERTY TRACT DESCRIPTION: E/2 SECTIONS 9, 16, 21; T1S; BLK 32  
COUNTY OR PARISH: HOWARD  
STATE: TEXAS

DOI/ PROPERTY CODE	DOI SUFFIX	TRACT FACTOR	TRACT INTEREST	TYPE INTEREST	PRODUCT CODE	UNIT INTEREST	ACCOUNT STATUS
3284	902	1.00000000	0.00034134	ROYALTY INTEREST	All Products	0.00034134	Suspend

PROPERTY NAME: TAGGERT B 0945WA  
PROPERTY TRACT DESCRIPTION: E/2 SECTIONS 9, 16, 21; T1S; BLK 32  
COUNTY OR PARISH: HOWARD  
STATE: TEXAS

## **EXHIBIT B**

Notwithstanding anything hereinabove contained to the contrary, this division order is executed by Big Spring Independent School District ("BSISD") under the express condition that, in the event BSISD is determined to be an unleased mineral co-tenant as to the property described in this division order, as opposed to a royalty owner, as stated in the division order, this division order is made for the express, limited purpose of confirming the mineral interest of BSISD as an unleased mineral co-tenant only, so that any net revenue due and owing to BSISD shall be released from suspense and paid going forward on a monthly basis, and in no way ratifies any lease, unit, document or any other matter as to which BSISD is not a signatory.