

Appendix II
Lease and Lifting Agreement
with Property Owners;
Letter of Agreement with Sarauers

LEASE AND LIFTING AGREEMENT

THIS LEASE AND LIFTING AGREEMENT (“Lease”), is made as of *Dec 26th 2014* 2014, by and between DONALD SARAUER, JUDY SARAUER, WILLIAM SCHINDLER III, THOMAS SCHINDLER, KAREN SCHINDLER, LOUIS SONNENTAG, JANE SONNENTAG, LORAN ZWIEFELHOFER, KEVIN ZWIEFELHOFER, AND LA PROPERTY ACQUISITIONS, LLC, a Wisconsin limited liability company, (collectively, the “Landlord”), Z-BEST SANDS, LLC, a Wisconsin limited liability company (“Z-Best”) and PURFRAC, LLC, a Wisconsin limited liability company (“Tenant”).

RECITALS

- A. The Landlord is the legal owner of the real property located in Chippewa County, Wisconsin legally described on Exhibit A (the “Land”). The Landlord has created Z-Best as a payment conduit because the Landlord is made up of a number of separate individuals.
- B. Landlord and Tenant have agreed to enter into this Lease to enable Tenant to occupy and use the Land during the Term (as defined below) to extract, process, remove and sell Sand (as hereinafter defined) from the Land on the terms and conditions set forth herein.

AGREEMENT

NOW, THEREFORE, for valuable consideration, and in consideration of the agreements of the parties hereto, subject to the terms, covenants and agreements hereinafter contained, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Lease of Premises.

- 1.1 **Grant.** Except as otherwise provided in this Lease, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Land, in “as is,” “where is” condition with all existing defects whether latent or patent, for any purpose permitted by applicable law including, without limitation, exploring for, developing, mining, recovering, drying, screening, processing, storing, transporting, marketing and otherwise using, enjoying and exploiting from the Land nonmetallic minerals, including Sand (as defined below), and the right to use the surface of the Land for conducting and managing Tenant’s use of the Land (collectively, the “Mining Operations”).
- 1.2 **Definition of Sand.** As used in this Lease, the term “Sand” means all sand, frac sand, and similar silica located on the Lands, but excludes clay and topsoil.

1.3 Exclusivity. The rights herein granted to Tenant include the exclusive right of Tenant to use the Land in accordance with the terms and conditions of this Lease to:

1.3.1 construct, place, operate, maintain, repair, expand, modify and replace drill rigs, structures, conveyors, screening plants, wash plants, dry plants, storage bins, fuel storage facilities, including above-ground fuel tanks, and other facilities and processes related to the Mining Operations.

1.3.2 dispose and store on the Land materials separated from the Sand;

1.3.3 construct and maintain access roads, and other means of ingress and egress to and from the Land, and to rebuild or repair the same if damaged or destroyed;

1.3.4 park, store, load and unload trucks;

1.3.5 construct and maintain utility lines and facilities necessary to connect to existing utility lines for water, electricity and natural gas, and to rebuild or repair the same if damaged or destroyed;

1.3.6 construct, maintain and replace such additional improvements and facilities, as may be required or convenient to exercise its rights hereunder; and

1.3.7 mine, take, remove, dispose of or sell the Sand from the Lands.

1.4 Bonus Payment.

1.4.1 Tenant will pay to the Z-Best the sum of [REDACTED] (the “**Initial Bonus Payment**”) on or prior to the Commencement Date (as defined below).

1.4.2 If the Mining Operations have not commenced by [REDACTED] (“**Additional Bonus Date**”), Tenant will pay to Z-Best an additional sum of [REDACTED] and will continue to pay Z-Best the sum of [REDACTED] every month thereafter until the Mining Operations have commenced (collectively, the “**Additional Bonus Payments**”).

1.4.3 The Initial Bonus Payment and the Additional Bonus Payments that have actually been made by the Tenant are hereinafter, collectively, referred to as the “**Bonus Payment**”).

1.4.4 The Bonus Payment will be property of the Z-Best when paid and will be considered an advance on the Royalty (as defined below).

1.4.5 In the event that Tenant has not obtained all governmental permits and licenses requires by applicable law to engage in all Mining Operations upon the Land by the date that is one year after the Additional Bonus Date (the “**Suspension Date**”) then the obligation of the Tenant to make Additional Bonus Payments shall cease for a period commencing on the Suspension Date and continuing until the date that is one (1) year after the Suspension Date. Once Mining Operations have commenced the obligation to make the Additional Bonus Payments shall terminate.

2. **Term/Royalty.**

2.1 **Term.** The “**Initial Term**” of this Lease shall be for a period of twenty (20) Lease Years in addition to the Initial Lease Year (as defined in Section 2.2), commencing on the date of this Lease (the “**Commencement Date**”). If Tenant is not in default of this Lease and if the Lease has not been otherwise terminated, this Lease may be renewed by Tenant for up to two (2) additional terms of five (5) Lease Years (collectively, the “**Renewal Terms**” and each, a “**Renewal Term**”) providing written notification to Landlord of Tenant’s intent to exercise its renewal rights. Said notification to renew this Lease shall be given to Landlord not later than 90 days prior to the last day of the Initial Term or the Renewal Term, as applicable. In the event Tenant fails to provide a timely renewal notice, Landlord shall so notify Tenant, and Tenant shall thereafter have an additional ten (10) days after receipt of such notice from Landlord to elect to extend this Lease for a Renewal Term. The terms and conditions of this Lease during the Renewal Terms shall be the same as the terms and conditions of this Lease during the Initial Term. The phrase “default of this Lease” means a default of this Lease for which notice has been given in writing to Tenant by Landlord and which has extended beyond any applicable notice and cure period and which has not been cured.

.1 Tenant may terminate this Lease during the Initial Term or the Renewal Term in the event that: (a) the available quantity of Sand has been depleted or the available Sand is of such inferior quality that continued mining is no longer economically feasible; (b) market conditions have changed such that continued Sand mining is no longer economically feasible; (c) the mining, processing, stockpiling or removal of Sand from the Land is prohibited by applicable law, code, ordinance, rule or regulation; or (d) any of the Tenant Permits has been terminated or not renewed by the applicable governmental authority. To so terminate this Lease, Tenant shall: (a) provide Landlord and Z-Best with not less than one hundred eighty (180) days written notice of termination; and (b) pay to Z-Best a termination fee equal to [REDACTED], provided however that if the cumulative amount of Royalties paid to Z-Best from the Commencement Date up to the date of termination are less than the Bonus Payment, Z-Best will retain the balance of the Bonus Payment and Tenant shall not be required to make any further termination payment. If Tenant does timely terminate this Lease in accordance with this Section 2.1.1, this

Lease and Tenant's tenancy created hereunder shall be terminated, but any obligations arising under Sections 1 shall survive such termination. The term "**Tenant Permits**" means all the permits which the Tenant has obtained and which are necessary to lawfully mine on the Land.

.2 As used herein, "**Term**" means the Initial Term and, each Renewal Term for which the Tenant has validly exercised its renewal option, and "**during the Term**" and similar phrases refer to the entire period of time this Lease is in effect. Upon expiration of the Term or earlier termination of this Lease, the tenancy of Tenant in the Land shall terminate, and neither party shall have any further obligations to the other except for such obligations as are expressly intended to survive expiration or termination of this Lease.

.2 Lease Years. The period of time from the Commencement Date until December 31 of the year in which the Commencement Date occurs is the "**Initial Lease Year.**" Each subsequent period from January 1 to December 31 shall be deemed a "**Lease Year.**"

.3 Royalty. Tenant shall pay to Z-Best a royalty (the "**Royalty**") for all finished Sand taken from the Lands by Tenant during the Term of this Lease and any renewal thereof. The Royalty shall be calculated on the basis of [REDACTED] per ton for all finished Sand removed from the Land. For purposes of this Lease, Sand shall be deemed to be finished when it has been processed to remove waste materials. If Tenant processes Sand removed from the Land using a wash plant, tonnage of finished sand on which the Royalty shall be calculated shall be based the amount of finished Sand which has been generated from Sand extracted from the Land remaining after processing, subject to the following sentence. If Tenant processes Sand removed from the Land using a wash plant, tonnage of finished Sand shall be based on the amount of Sand leaving the wash plant, less a moisture allowance of 3%, as recorded on trucking records. If Tenant processes Sand removed from the Land using a dry plant, tonnage of finished sand shall be based on the amount of finished Sand leaving the dry plant which has been generated from Sand extracted from the Land. Tenant will not owe any Royalty amounts on any materials not extracted from the Land.

.4 Time and Place of Payments.

.4.1 Bonus Payment Credit. The Z-Best and Landlord agrees and acknowledges that the Bonus Payment represents a pre-payment of Royalties hereunder and the Bonus Payment shall be credited against the Royalty amounts payable pursuant to Section 2.3, as follows:

.4.1.1 the Bonus Payment shall be credited against all Royalties payable in an amount equal to [REDACTED] of finished Sand extracted from the Land, such that Tenant shall only pay to Z-Best a net [REDACTED] of

finished Sand extracted from the Land Royalty on all Sand, until such time as the aggregate amount of the ██████████ of finished Sand extracted from the Land Royalty credit which has actually been applied equals an amount equal to the Bonus Payment (“Payout”); and

.4.1.2 after Payout, Tenant will thereafter remit to Z-Best the full \$1.50/ton Royalty.

.4.2 Royalty Payments. All Royalty payments shall be paid on or before the 30th day of the month following the end of the quarter during which Sand extracted from the Land was finished as provided in Section 2.3.

.4.3 Method of Payment. The Royalty required to be made to Z-Best shall be paid in lawful money of the United States of America by check or, if Z-Best so requires, by wire transfer delivered in the usual course of business to Z-Best at such address, or at and to such financial institution as Z-Best may from time to time designate by written notice to Tenant. Any financial institution or institutions so designated to receive either wire transfers or checks shall be deemed the agent of Z-Best for the purpose of receiving, collecting, and receipting for such payments.

.4.4 Additional Information with Payments. At the time of making each payment of the Royalty, Tenant shall furnish to Z-Best an exact statement that will show the quantity of finished Sand extracted from the Land in the applicable quarter processed in the preceding calendar year quarter on which the Royalty is payable.

.5 Audit.

.5.1 Prior to Removal. All Sand removed from the Land shall be measured on the Land, or at another location approved by Z-Best not to be unreasonably withheld, conditioned, or delayed, in short tons (2,000 lbs.) across scales regularly inspected and certified in a manner approved by Z-Best. No Sand may be removed from the Land unless its weight is determined and scale tickets and other records are kept in a manner reasonably satisfactory to Z-Best.

.5.2 Production Records. All finished Sand processed at Tenant’s production facility, whether or not located on the Land, shall be measured upon completion of processing at Tenant’s production facility or at another location approved by Z-Best which approval may not be unreasonably withheld, conditioned or delayed, in short tons (2,000 lbs.) across scales regularly inspected and certified in a manner approved by Z-Best which approval may not be unreasonably withheld. No Sand may be removed from Tenant’s production facility unless its weight is determined and scale

tickets and other records are kept.

.5.3 **Reports.** During the Term of this Lease, not later than the date which is thirty (30) days after the last day of each calendar year quarter, Tenant shall provide summary reports of operations to Z-Best for the preceding calendar year quarter. Such reports shall include accurate records of all finished Sand generated from the Land during such period for which a Royalty is due hereunder, along with Tenant's calculation of the Royalty due thereon. Additionally, Tenant will, upon request of Z-Best, provide Z-Best with originals or true copies of production records, scale tickets, invoices, and other records, which support the summary reports provided by Tenant. If for any calendar quarter falling within the Term of this Lease, there is no finished Sand removed from the Land for which a Royalty is due hereunder, Tenant must report that to Z-Best in the summary report described above.

.5.4 **Audits.** Tenant shall retain, until completion of an audit and reconciliation, all production records, invoices, and other records needed to audit the calculation of production royalties under this Lease. Tenant shall retain scale tickets for at least six years. Tenant shall allow Z-Best access at all reasonable times to all books and records of Tenant relating to the tonnage of Sand removed from the Land, Sand processed at Tenant's production facility, or Sand sold to a third party or parties, provide copies of such records to Z-Best on request, allow Z-Best to test its scales and audit all records relating to royalties payable under this Lease, and cooperate with Z-Best in reconciling any discrepancies between the tonnages reported and those indicated by any audit of Tenant's scale records. If any audit conducted by Z-Best establishes that Tenant underpaid royalties and there is a final determination of the amount of the underpayment by a court of competent jurisdiction, Tenant shall pay for the net shortfall in royalty payments, applicable interest, and Z-Best's audit costs; provided, however, that Tenant's liability for such audit costs is limited to twice the amount of the net shortfall in royalty payments.

3. **Title to Sand.** Title to all Sand once processed in any manner by Tenant shall be in the name of Tenant.

4. **Title to Land.** Landlord and Z-Best jointly and severally represent and warrant that Landlord owns fee simple title to the Land which is free and clear of all encumbrances, liens, pledges, security interests and all other claims of third parties, except as listed on Exhibit B attached hereto.

5. **Mining Operations.** Tenant shall conduct its Mining Operations on the Land in accordance with all applicable permits, laws, rules, regulations and orders and the terms and conditions provided herein, including but not limited to the following:

5.1 **General Provisions.** Tenant will install a scale on the site where the Sand is

processed to weigh the Sand taken from the Land. Tenant may clear brush and undergrowth from such portions of the Land as may be necessary to explore for materials, to locate pits, quarries and stockpile areas, and to enable Tenant to use the Land as provided in this Lease. Tenant shall have the right to make use of all roadways presently existing on the Land and of ingress and egress through, to and from the Land. Tenant, at Tenant's sole cost and expense, shall have the right and privilege of setting up and erecting any necessary buildings, equipment and machinery on the Land. Tenant may use and possess as much of the Land as Tenant may require during the term of this Lease solely for the purposes and uses permitted under this Lease. In the event any mechanic's lien shall at any time be filed against the Land or any part thereof by reason of work, labor, services or materials performed or furnished to Tenant or to anyone holding the Land through or under Tenant, Tenant shall forthwith cause the same to be discharged of record. If Tenant shall fail to cause such lien forthwith to be discharged within thirty (30) days after being notified of the filing thereof, then, in addition to any other right or remedy for Landlord, Landlord may, in Landlord's sole discretion (i) instruct Tenant to stop all Mining Operations and/or removal of Sand from the Land, or (ii) discharge the same by paying the amount claimed to be due, or by bonding, and the amount so paid by Landlord and all costs and expenses, including reasonable attorneys' fees incurred by Landlord in procuring the discharge of such lien, shall be due and payable in full by Tenant to Landlord on demand.

- 5.2 Fencing. Tenant may erect fencing in order to secure Landlord's operations on the Land not presently mined by Tenant and surrounding real property owned or operated by Landlord in accordance with the Operating Plan. All such fencing shall be installed and maintained at the sole cost of Tenant.
- 5.3 Additional Operating Provisions. Tenant's Mining Operations shall maintain slopes and setbacks on the Land in accordance with applicable Wisconsin and County Ordinances and shall otherwise conduct its Mining Operations in conformity with those ordinances. Tenant shall perform appropriate erosion control and overburden material (tailings) control in connection with its Mining operations on the Land. In no event shall Tenant place overburden material on the Land in such a way as to cause any contamination to the groundwater of the Land or surrounding real property beyond the extent permitted by law.
- 5.4 Insurance. Tenant shall maintain commercially reasonable policies of commercial general liability insurance, property and casualty insurance of Tenant's improvements on the Land, and personal property insurance for Tenant's personal property. The commercial general liability insurance policy shall name Landlord as an additional insured. Tenant shall furnish to Z-Best upon request certificates of insurance evidencing that the foregoing policies are in place. Tenant shall bear the cost of all insurance that it is required to maintain under this Lease. After the first five (5) years of the Term, Landlord may by written notice to Tenant,

increase the required insurance coverages and modify required endorsements as long as such increases and modifications are commercially reasonable and typically required of other mining operations in the area. Landlord shall carry property casualty insurance on any improvement on the Mining Land and general liability insurance for its activities on the Mining Land and hereby waives and releases, and shall have its insurers waive subrogation, against Tenant for any and all claims covered by such insurance. Landlord's property insurance shall be at least for the full replacement value of such property and Landlord's general liability insurance shall have a combined single limited of at least \$500,000 per occurrence.

5.5 Dust Control. Tenant is required to manage and control dust and other mining by products in accordance with the Tenant Permits.

5.6 Surveying. All surveys required to carry out the Mining Operations shall be obtained by Tenant, at Tenant's expense. Tenant will cause the boundaries of the Land to be marked as part of such surveying.

6. **Rights of Entry**. Landlord, its agents and representatives, shall have the right, at any and all reasonable times following reasonable notice to Tenant, to enter upon the Land to inspect and survey the Land and Tenant's Mining Operations. In entering upon the Land, Landlord, its agents and representatives shall not handle Tenant's personal property, i.e.: equipment, machinery, etc. and shall not interfere with or obstruct Tenant's activities; and Landlord shall indemnify, defend, reimburse, and hold Tenant harmless from and against all damages, fees, expenses, reasonable attorney fees, injuries, and claims arising from such entry.

7. **Overburden**. Landlord retains ownership control of the overburden on the Land; provided, however, Landlord shall not cause any top soil (excluding clay) comprising the overburden to be removed from the Land until all reclamation has been completed in accordance with the Reclamation Plan. Nothing in the preceding sentence shall preclude Landlord from removing any trees from the Land provided, however, that any tree removal activities are subject to Section 6.

8. **Tenant Defaults**. Any of the following shall be deemed to be a Tenant default hereunder (a "Default" or "Event of Default"):

8.1 Monetary and Non-Monetary Obligations. In the event Tenant fails to pay any sums due to Landlord hereunder within ten (10) days of the date due hereunder and such amount remains unpaid five (5) days after written notice of nonpayment from Landlord or to Tenant fails to perform any of the other obligations required by Tenant to be performed hereunder and such failure to perform continues for a period of thirty (30) days following written notice by Landlord to Tenant of such default; provided further that if such default renders the Mining Land or any of the real property owned by Landlord which is within a one mile radius of the Mining

Land in violation of any laws pertaining to health or safety, Tenant shall be obligated to effect a cure as soon as commercially possible, and also provided that, if such default does not create an unsafe condition as provided herein and effecting a cure for such default takes more than thirty (30) days, Tenant shall effect a cure within such time as may be commercially reasonable.

8.2 Permits. Subject to the provisions of Section 11, Tenant shall fail to maintain any of the required permits for the Mining Operations and any required permit is not reinstated within ninety (90) days.

8.3 Other. If: (i) Tenant makes a general assignment or general arrangement for the benefit of creditors; (ii) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by or against Tenant and is not dismissed within thirty (30) days; (iii) a trustee or receiver is appointed to take possession of substantially all of Tenant's assets located at the Land or of Tenant's interest in this Lease and possession is not restored to Tenant within thirty (30) days; or (iv) substantially all of Tenant's assets located at the Land, or if Tenant's interest in this Lease is subjected to attachment, execution or other judicial seizure, which is not discharged within thirty (30) days. If a court of competent jurisdiction determines that any of the acts described in this Section is not a default under this Lease and a trustee is appointed to take possession (or if Tenant remains a debtor-in-possession), and such Trustee or Tenant transfers Tenant's interest under this Lease, then Landlord shall receive, in addition to the royalty payable pursuant to this Lease, the difference between the royalty (or any other consideration) paid in connection with such transfer, assignment or sublease and the royalty payable by Tenant under this Lease.

9. Taxes.

9.1 Real Estate Taxes and Special Assessments. Tenant shall pay before delinquency all real estate taxes on the Land and any special assessments which are levied against the Land as a result of the Mining Operations during the Term of this Lease, provided that Landlord will pay to Tenant each year an amount equal to the amount of the real estate taxes imposed on the Land for the year as the same may be redefined as a result of continuing Mining Operations (it being the intent that Landlord's share of such taxes each year shall be limited to the amount of such taxes imposed during the year this Lease is entered into and that Tenant shall be responsible for all such taxes in excess of such amount). Landlord shall promptly forward copies of all real estate tax bills for the Land to Tenant upon receipt of same to facilitate Tenant's payments. Landlord's payment may be paid by way of a credit to Tenant against payments due by Tenant to Landlord hereunder. Landlord will provide Tenant with proof of the payment of such taxes within thirty (30) days of the due date for the same. If the first and last Lease Years of the Term are other than a full calendar year, real estate taxes for those Lease Years shall be prorated between Landlord and Tenant on a daily basis and otherwise allocated in

accordance with the provisions of this Section 9.1.

- 9.2 Other Taxes. Tenant shall pay before delinquency any and all sales taxes, use taxes, aggregate taxes or other taxes, which may be due and payable as a result of the Mining Operations. If, at any time during the Term of this Lease, any improvements, personal property, equipment or machinery of Tenant are included within the real property taxes or assessments with respect to the Land, Tenant shall pay the amount of such additional real property taxes or assessments so levied. Landlord will provide Tenant with proof of the payment of such taxes within thirty (30) days of the due date for the same.
- 9.3 Town and County Road Agreements. The Tenant shall pay for all town and county road agreement maintenance fees/charges, etc. applicable to the mine operation on the Land.
- 9.4 PurFrac LLC. Will pay \$0.05 per ton of finished Sand which is generated from the Land to charity.
10. Utility Access. Landlord makes no representations or warranties to Tenant regarding the availability of water, electricity or other utilities available to the Land for Tenant's Mining Operations, either as of the date hereof or in the future.
11. Compliance With Governmental Regulations. Tenant shall at all times comply with the terms and conditions of the Tenant Permits. In the event that Tenant violates the terms of the Tenant Permits, Tenant shall indemnify, defend and hold harmless Landlord from any actions commenced against Landlord by reason of Tenant's violations and to pay any fines or penalties which may be levied against the Land or Landlord resulting therefrom.

Tenant shall abide by all State, Federal, and Local statutes, rules and regulations (the foregoing, along with the Tenant Permits, are referred to collectively herein as "Laws") applicable to the Land, whether in effect as of the date hereof or hereafter enacted. Tenant shall not be in default under this Lease for any violation of Laws unless (i) such violation exposes Landlord or any portion of the Land to any liability or threat of enforcement proceedings; (ii) Tenant fails to cure the violation to the satisfaction of the appropriate governmental authority within any applicable cure period; or (iii) Tenant fails to pay any penalty imposed within any applicable payment period. To the extent permitted by applicable laws and the terms of the applicable permits, Landlord and Z-Best shall transfer or cause the transfer to Tenant of all permits held by, or which are under the possession or control of, Landlord or Z-Best and which are needed for mining on the Land. If there is any license or permit held by or under the possession or control of Landlord or Z-Best which cannot be transferred to Tenant without the consent of a third party then the parties will use commercially reasonable efforts to obtain such consent and until such consent is obtained the parties will use reasonable efforts so that to the extent permitted by applicable law and the terms of the applicable license or permit the Tenant can obtain the benefit of any such license or permit until such time as it can be lawfully

transferred to Tenant. If after the date hereof Landlord or Z-Best obtains any license or permit which is needed for mining on the Land, the Landlord and Z-Best shall at the request of Landlord assign and transfer any such license or permit to Tenant to the extent permitted by applicable law and the terms of any such license or permit and if any such license or permit cannot be assigned without a third party consent the parties shall use commercially reasonable efforts to obtain such consent and until such consent is obtained the parties will use reasonable efforts so that to the extent permitted by applicable law the Tenant can obtain the benefit of any such license or permit until such time as it can be lawfully transferred to Tenant. For purposes of this Section 11, the phrase "license or permit" includes without limitation any reclamation plan applicable to the Land.

Tenant warrants and represents it shall not nor shall it permit the production or disposal of hazardous wastes or substances (as defined under Federal or State law) in or around the Land in excess of amounts permitted by law. Tenant's indemnification in the next Article shall be deemed to include any breach of this representation and warranty.

12. **Indemnification.**

12.1 **By Tenant.** Tenant covenants and agrees that, except as otherwise stated in this Lease to the contrary, Landlord shall not be liable for any damage or liability of any kind or for any damage or injury to persons or property from any cause whatsoever arising from or during the use, occupation and enjoyment of the Land by Tenant or any person thereon holding under Tenant, including claims arising out of exposure by persons to silica and microscopic fibers in cement and stone dust generated by the Mining Operations. Tenant, on behalf of itself and its successors and assigns, and each of them, hereby agrees to indemnify, defend, protect, save keep harmless and make whole Landlord and Landlord's successors, assigns, agents, employees, partners, coventurers, heirs, trustees, beneficiaries and affiliates, and each of them (collectively, "**Landlord's Indemnitees**"), from and against any and all liabilities, obligations, losses, damages, penalties, fees, fines, claims, actions, suits, costs, expenses and disbursements, including reasonable attorneys' fees and expenses, of whatsoever kind and nature imposed on, incurred by or asserted against Landlord and/or Landlord's Indemnitees in any way relating to or arising out of (a) any breach of this Lease by Tenant or (b) Tenant's and/or its successor's and assigns' use of the Land after the date of this Lease or the extraction, production or sale of the Sand from, on or at the Land accruing after the date of this Lease by Tenant and/or its successors and assigns, except to the extent caused by the negligence or misconduct of Landlord or any Landlord Indemnitees (as defined below). This indemnification obligation shall survive the termination of this Lease.

12.2 **By Landlord.** Landlord and Z-Best, jointly and severally and on behalf of their respective successors and assigns, and each of them, hereby agrees to indemnify, defend, protect, save keep harmless and make whole Tenant and Tenant's Indemnitees (as defined below), from and against any and all liabilities, obligations, losses, damages, penalties, fees, fines, claims, actions, suits, costs,

expenses and disbursements, including reasonable attorneys' fees and expenses, of whatsoever kind and nature imposed on, incurred by or asserted against Tenant and/or Tenant's Indemnitees in any way relating to or arising out of (a) any breach of this Lease by Landlord or Z-Best or (b) Landlord's or any Landlord's Indemnitees use of the Land or otherwise arising from any act, omission, negligence or misconduct of Landlord or any Landlord Indemnities, except to the extent caused by the negligence or misconduct of Tenant or any Tenant Indemnities. This indemnification obligation shall survive the termination of this Lease.

13. **Eminent Domain.** If there is any taking of all or any part of or interest in the Land because of the exercise of the power of eminent domain, whether by condemnation proceedings or otherwise, or any transfer of any part of or interest in the Land made in avoidance of the exercise of the power of eminent domain (all of the foregoing hereinafter referred to as "**taking**") during the term of this Lease, the rights and obligations of Landlord and Tenant with respect to such taking shall be governed by the following provisions.
 - 13.1 **Total Taking.** If there is a taking of all of the Land, this Lease shall terminate. Such termination shall become effective as of the date physical possession of the Land is taken or immediate possession is ordered by the agency or entity exercising the power of eminent domain.
 - 13.2 **Partial Taking.** If title and possession of twenty-five percent (25%) or more, but less than all, of the total square footage of the Land is taken, Tenant shall have the option to either terminate this Lease or to continue this Lease in full force and effect.
 - 13.3 **Minor Taking.** If title and possession of less than twenty-five percent (25%) of the total square footage of the Land is taken, this Lease shall continue in full force and effect, provided, however, that if the portion of the Land taken has a significant adverse impact on Tenant's ingress to or egress from the Land or on Tenant's ability to conduct Mining Operations, Tenant shall have the option to terminate this Lease.
 - 13.4 **Termination Procedure.** Termination of this Lease pursuant to this Section shall be made by written notice. This Lease shall terminate as of 12:01 a.m. of the first day of the calendar month following the calendar month in which the notice is delivered. Upon termination of this Lease pursuant to this Section, the Land shall be delivered to Landlord free and clear of all subleases and sub tenancies.
 - 13.5 **Condemnation Award.** Any compensation or damages awarded or payable because of the taking, whether total or partial, or for diminution in the value of all or any portion of the Land, the leasehold estate or the fee, by eminent domain shall be paid to Landlord and Tenant shall be entitled only to relocation costs and costs attributable to the Sand remaining on the Land that has not been removed by

Tenant.

14. **Memorandum of Agreement.** Tenant shall have the right to record a memorandum of this Lease in the office of the Register of Deeds for the County within which the Land is located. This Lease shall not be recorded. Upon any termination or other expiration of this Lease, Tenant shall, upon Landlord's request, and without charge or cost to Landlord, furnish to Landlord a recordable instrument terminating or otherwise releasing any interest of Tenant in the Land in form and substance satisfactory to Landlord.

15. **Hazardous Materials.**
 - 15.1 **Definition.** "Hazardous Materials" means each and every pollutant, contaminant or other substance (and each and every element, constituent, compound, chemical mixture, material, odor, waste or other substance) that is defined, determined or identified as hazardous, toxic, radioactive or dangerous, and the removal of which is required or the use or disposal of which is restricted, prohibited or penalized under any applicable law, including those relating to environmental matters and human health.

 - 15.2 **Limitation.** Landlord covenants and agrees that, except as otherwise stated in this Lease to the contrary, Tenant shall not be liable for any damage or liability of any kind or for any damage or injury to persons or property from any cause whatsoever arising from the placement, storage, generation, release or disposal of any Hazardous Materials on, in, under or about the Land, except for Hazardous Materials placed, stored, generated, released or disposed of on, in, under, or about the Land by Tenant, its agents, contractors, invitees, guests or permittees.

 - 15.3 **By Tenant.** Tenant, on behalf of itself and its successors and assigns, and each of them, hereby agrees to indemnify, defend, protect, save, keep harmless and make whole Landlord and Landlord's successors, assigns, agents, employees, officers, owners, members, partners, affiliates and contractors, and each of them (collectively, "Landlord's Indemnitees"), for, from and against any and all liabilities, obligations, losses, damages, penalties, fees, fines, claims, actions, suits, costs, expenses and disbursements, including reasonable attorneys' fees and expenses, of whatsoever kind and nature imposed on, incurred by or asserted against Landlord and/or Landlord's Indemnitees in any way relating to or arising out of the placement, storage, generation, release or disposal of any Hazardous Materials on, in, under or about the Land, except for Hazardous Materials placed, stored, generated, released or disposed of on, in, under, or about the Land by Landlord, its agents, contractors, invitees, guests or permittees. The obligations of Tenant under this Section 15 shall survive the expiration or earlier termination of this Lease.

 - 15.4 **By Landlord.** Landlord and Z-Best jointly and severally, on behalf of themselves and each of their successors and assigns, and each of them, hereby agrees to

indemnify, defend, protect, save, keep harmless and make whole Tenant and Tenant's successors, assigns, agents, employees, officers, owners, members, partners, affiliates and contractors, and each of them (collectively, "**Tenant's Indemnitees**"), for, from and against any and all liabilities, obligations, losses, damages, penalties, fees, fines, claims, actions, suits, costs, expenses and disbursements, including reasonable attorneys' fees and expenses, of whatsoever kind and nature imposed on, incurred by or asserted against Tenant and/or Tenant's Indemnitees in any way relating to or arising out of the placement, storage, generation, release or disposal of any Hazardous Materials on, in, under or about the Land, except for Hazardous Materials placed, stored, generated, released or disposed of on, in, under, or about the Land by Tenant, its agents, contractors, invitees, guests or permittees. The obligations of Landlord under this Section 15 shall survive the expiration or earlier termination of this Lease.

16. **Assignment.** Tenant may transfer or otherwise assign its interest in this Lease in whole or in part without needing to obtain the consent of the Landlord or Z-Best.
17. **Notices.** All notices required under this Lease shall be sent by U.S. First Class Mail to the following address:

If to Landlord: **14411 County Highway DD, Bloomer, WI 54724**

If to Tenant: PurFrac LLC
Attn: Shawn Rosenbrook
532 County AA
New Auburn, WI 54757

- with a required copy to:

Axley Brynelson, LLP
Attn: Attorney Charles V. Sweeney
2 E. Mifflin Street, Suite 200
Madison, WI 53703

18. **Governing Law.** This Lease shall be governed by the laws of the State of Wisconsin. The invalidity of any term of this Lease shall in no way affect the validity or enforceability of the remaining terms.
19. **No Relationship other than Landlord and Tenant.** Nothing contained in this Lease shall create between Landlord and Tenant, or be relied upon by others as creating, any relationship of partnership, association, joint venture, employer/employee or otherwise. The sole relationship of Landlord and Tenant under this Lease shall be that of a landlord and tenant.
20. **Amendment.** This Lease may be amended only by a writing signed by both Landlord and Tenant. If such a written amendment is entered into, such written amendment shall

modify only the provisions of this Lease specifically modified and shall be deemed to incorporate by reference, unchanged, all remaining provisions of this Lease.

21. **Entire Agreement.** This Lease and the Exhibits and related agreements contemplated herein contain the entire agreement of Landlord and Tenant and supersede any prior or contemporaneous written or oral agreements among them with respect to the subject matter of this Lease. There are no representations, warranties, agreements, arrangements or understandings, oral or written, between Landlord and Tenant relating to the subject matter contained in this Lease that are not fully expressed in this Lease.
22. **Headings and Captions.** The headings and captions at the beginnings of various Sections of this Lease shall not be construed to be a substantive part of this Lease or in any way define, limit, expand or affect any provision of this Lease.
23. **Time of the Essence.** With regard to the performance by Landlord, Z-Best, and Tenant of their obligations under this Lease, time is expressly made of the essence.
24. **Counterparts.** This Lease may be signed in two (2) or more counterparts, each of which shall constitute an original, but all of which, taken together, shall be one (1) and the same document.
25. **No waiver of Rights and Breaches.** No failure or delay of Landlord or Tenant in the exercise of any right given to them under this Lease shall constitute a waiver of such right, nor shall any single or partial exercise of any such right preclude other or further exercise of such right or of any other right. The waiver by Landlord or Tenant of any breach of any term or provision of this Lease shall not be deemed to be a waiver of any subsequent breach of any term or provision of this Lease or of any breach of any other provision of this Lease. No waiver under this Lease shall be effective until set forth in writing and executed by the party making the waiver.
26. **Remedies.** In the event of breach of the provisions of this Lease, the non-breaching party may pursue any remedy provided at law or in equity. Z-Best and each person or entity making up the Landlord jointly and severally guarantee the full, complete, and prompt performance by Z-Best of all its duties and obligations under this Lease. Z-Best and each person or entity making up the Landlord jointly and severally (a) guarantee the full, complete, and prompt performance of all the duties and obligations under this Lease of each person or entity who makes up the Landlord; and (b) shall cause each such person to The Tenant shall have the right to offset all its damages, losses, fees, costs, and expenses which it suffers or incurs due to the breach of this Lease by Landlord or Z-Best against any of the amounts Tenant owes from time to time to Z-Best or Landlord.
27. **Partial Invalidity.** If any term, covenant, condition or provision of this Lease is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

28. **Force Majeure.** Tenant shall not be deemed to be in Default under this Lease if and so long as nonperformance or Default herein shall relate to labor disputes (including strikes, lockouts, walkouts, slowdowns, etc.), non-availability of materials, war or national defense, preemptions, governmental restrictions, acts of God or other causes beyond the reasonable control of Tenant; provided that Tenant shall commence such performance and continue the same with diligence and continuity immediately after the removal of any of the causes hereinabove specified; provided further that the total collective time for all occasions for which Tenant's performance is excused pursuant to this Section 31 shall be added to the end of the term of this Lease.
29. **No Merger.** The fee simple estate in the Land shall not merge with the Leasehold or any other estate or interest in the Land, and the parties hereto do hereby express their intent to avoid any merger of such interests or estates.
30. **Confidentiality.** The terms and conditions of this Lease shall be forever treated as confidential by Landlord and Tenant and shall not be disclosed to any person, other than to: the individuals who are limited liability company members in Tenant and their immediate families; the individuals who are limited liability company members of Z-Best and their immediate families; the officers, directors, and management employees of Tenant or Z-Best; and representatives of Landlord and Tenant with a need to know; and in addition thereto Landlord and Tenant's attorneys, accountants, tax consultants and any state and federal taxing authorities. In addition the parties may make disclosure of the terms of this Lease to the extent reasonably necessary to (a) perform the duties and obligations under this Lease, (b) exercise rights under this Lease, or (c) enforce rights or defend claims under this Agreement. The provisions of this section do not apply to disclosures made in a court of competent jurisdiction or to a governmental agency, when required by subpoena, court order, law or administrative regulation. The provisions of this section will continue in full force and effect even after expiration or termination of this Lease.
34. **Leasehold Mortgage.** Notwithstanding anything contained herein to the contrary, Tenant may, without Landlord's or Z-Best's consent, obtain and record a leasehold mortgage against Tenant's interest in this Lease and may otherwise grant liens thereon. In the event that Tenant obtains and records a leasehold mortgage, Landlord hereby agrees that the provisions of Exhibit C, attached hereto and made a part hereof, shall apply to this Lease, to such leasehold mortgage and for the benefit of any leasehold mortgagee. In addition, Landlord shall execute any documents reasonably requested by Tenant or by a leasehold mortgagee to evidence such provisions, and Tenant shall provide Landlord with written notice information for such leasehold mortgagee. Landlord shall promptly and timely perform all duties and obligations which are secured by some or all of the Land.
35. **Tenant May Perform.** If Landlord or Z-Best fails to perform any duty or obligation which any of them are obligated to perform hereunder then Tenant shall have the right to pay or perform such duty or obligation and recover from Landlord and Z-Best all amounts paid and costs incurred in paying or performing such obligation.

[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, the undersigned have executed this Lease on the date hereinabove written.

[SIGNATURES OF LANDLORD NEXT PAGE FOLLOWING]

Donald Sarauer
Donald Sarauer

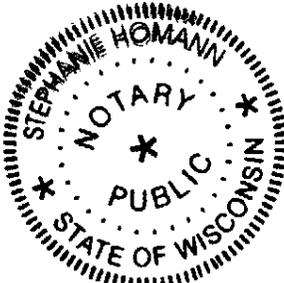
Judy Sarauer
Judy Sarauer

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss:
COUNTY OF Chippewa)

The foregoing instrument was acknowledged before me on Feb. 2, 2015 by Donald Sarauer and Judy Sarauer, who are personally known to me or have produced Drivers Licenses as identification.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Stephanie Homann
Notary Public
State of Wisconsin
My Commission Expires: 10-16-2018

[LANDLORD SIGNATURES CONTINUED NEXT PAGE FOLLOWING]

William Schindler III
William Schindler III

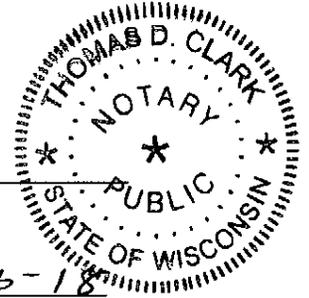
ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss:
COUNTY OF Chippewa)

The foregoing instrument was acknowledged before me on 12/26, 2014, by William Schindler III, who is personally known to me or has produced _____ as identification.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Thomas D. Clark
Notary Public
State of Wisconsin
My Commission Expires: 11-23-18



[LANDLORD SIGNATURES CONTINUED NEXT PAGE FOLLOWING]

Thomas Schindler
Thomas Schindler

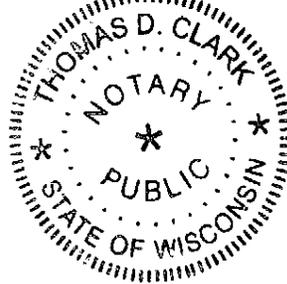
Karen Schindler
Karen Schindler

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss:
COUNTY OF Chippewa)

The foregoing instrument was acknowledged before me on 12-26, 2014, by Thomas Schindler and Karen Schindler, who are personally known to me or have produced _____ as identification.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Thomas D. Clark
Notary Public
State of Wisconsin
My Commission Expires: 11-23-18

[LANDLORD SIGNATURES CONTINUED NEXT PAGE FOLLOWING]

Louis Sonnentag

Jane Sonnentag

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss:
COUNTY OF _____)

The foregoing instrument was acknowledged before me on _____, 201_, by Louis Sonnentag and Jane Sonnentag , who are personally known to me or have produced _____ as identification.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public
State of Wisconsin
My Commission Expires: _____

[LANDLORD SIGNATURES CONTINUED NEXT PAGE FOLLOWING]

LZ
Loran Zwiefelhofer

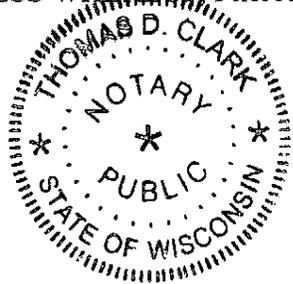
Kevin Zwiefelhofer
Kevin Zwiefelhofer

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss:
COUNTY OF Chippewa)

The foregoing instrument was acknowledged before me on 12-26, 2014, by Loran Zwiefelhofer and Keven Zwiefelhofer, who are personally known to me or have produced _____ as identification.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Thomas D. Clark
Notary Public
State of Wisconsin
My Commission Expires: 11-23-18

[LANDLORD SIGNATURES CONTINUED NEXT PAGE FOLLOWING]

LA Property Acquisitions LLC

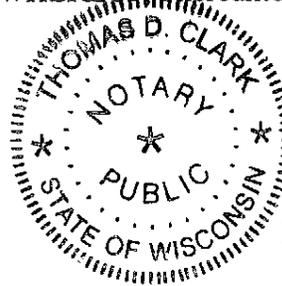
By: *L B*
Name: Loren B. Zweifelhafer
Title: General Manager

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss:
COUNTY OF Chippewa

On this 26 day of December, 2014 before me personally appeared Loren B Zweifelhafer of LA Property Acquisitions LLC, a Wisconsin limited liability company, who acknowledged himself to be such G.M. of such limited liability company, and acknowledged the same to be the free act of such limited liability company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Thomas D. Clark
Notary Public
State of Wisconsin
My Commission Expires: 11-23-18

[SIGNATURES CONTINUED NEXT PAGE FOLLOWING]

TENANT:

PURFRAC, LLC

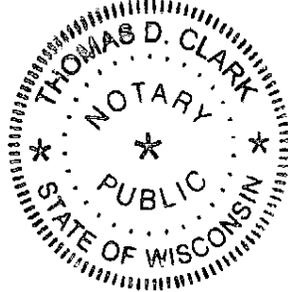
By: [Signature]
Name: Shawn Rosenbrock
Title: General Manager

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) ss:
COUNTY OF Chippewa)

On this 26 day of December, 2014 before me personally appeared Shawn Rosenbrock of PurFrac, LLC, a Wisconsin limited liability company, who acknowledged himself to be such G.M. of such limited liability company, and acknowledged the same to be the free act of such limited liability company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



[Signature]
Notary Public
State of Wisconsin
My Commission Expires: 11-23-18

[EXHIBITS NEXT PAGE FOLLOWING]

EXHIBIT A

**LEGAL
DESCRIPTION**

EXHIBIT B
PERMITTED ENCUMBRANCES

EXHIBIT C

LEASEHOLD MORTGAGE PROVISIONS

1. **Definitions.** The following terms shall have the following meanings for purposes of this Exhibit C:

(a) **“Foreclosure Event”** means (i) foreclosure under the Mortgage, (ii) any other exercise by Mortgagee of rights and remedies (whether under the Mortgage or under applicable law, including bankruptcy law) as holder of the note secured by the Mortgage and/or the Mortgage, as a result of which Successor Tenant becomes the tenant under the Lease, or (iii) delivery by Tenant to Mortgagee (or its designee or nominee) of a deed or other conveyance of Tenant’s interest in the Leased Premises in lieu of any of the foregoing.

(b) **“Mortgage”** shall mean any leasehold mortgage entered into by Tenant.

(c) **“Mortgagee”** shall mean the leasehold mortgagee under any Mortgage.

(d) **“Successor Tenant”** means any party that becomes the tenant under the Lease as the result of a Foreclosure Event.

2. **Acceptance of Performance by Mortgagee.** Landlord will accept performance by Mortgagee within the following periods (time being of the essence) of any term, covenant or condition on Tenant’s part to be performed hereunder, with the same force and effect as though timely performed by Tenant:

(a) As to any royalty or any other charges payable under the Lease, within thirty (30) days after notice of such default; and

(b) As to all other defaults under the Lease, within thirty (30) days more than the applicable time period provided therein to the Tenant to remedy such default or, if within such period such default cannot be cured, or cannot be cured without entry into possession, to commence to so cure within such period and diligently and continuously proceed therewith, including, without limitation, diligent efforts to obtain possession, to the completion of such cure.

If any default of the Tenant is not curable by the Mortgagee, including without limitation, a default consisting of the bankruptcy of the Tenant or other matter personal to the Tenant, such default shall be deemed cured if the Mortgagee (1) cures all curable defaults within the aforesaid time periods, and (2) agrees in writing to assume and perform all of the terms and conditions of this Lease from and after the date of such non-curable default. In the event Tenant rejects this lease in bankruptcy, Mortgagee shall be entitled to a new lease in accordance with paragraph 4 hereof.

3. Termination of Lease. The Landlord shall not exercise any right to terminate the Lease whether under the terms of the Lease or any applicable law, during the time that Mortgagee shall require to complete its remedies under the Mortgage, provided, however:

(a) That Mortgagee proceeds, promptly and with due diligence, with the remedies under the Mortgage and thereafter prosecutes and completes the same with all due diligence; and

(b) That Mortgagee shall pay to Z-Best or Landlord (as required under the Lease) the royalties and all other charges required to be paid by Tenant under the Lease which have accrued and which shall become due and payable during said period of time, within the time period specified in paragraph 2 above of this Exhibit C.

4. Notice of Termination; New Lease. Landlord shall give any notice of cancellation or termination of the Lease by Tenant, including without limitation cancellation or termination resulting from rejection of this Lease by Tenant in any bankruptcy proceeding, to Mortgagee. Mortgagee shall then have the right to notify Landlord in writing, within thirty (30) days after receipt of such notice of cancellation and termination, that (a) Mortgagee or any designee or nominee which Mortgagee may designate or name in such notice, elects to enter into a new lease (the "**New Lease**") pursuant to which Mortgagee or such designee or nominee will lease the Leased Premises from the date of cancellation or termination of the Lease (as specified in the notice of cancellation and termination) for the remainder of the term of the Lease, at the Royalty amount and other payments and charges herein reserved, and upon otherwise identical terms, covenants and conditions as are therein set forth with the same relative priority in time and in right as the Lease and having the benefit of any vesting in the Mortgagee or such designee or nominee of all of the rights, title, interest, powers and privileges of the Tenant thereunder (except to the extent any of the same do not run to the benefit of any successor Tenant) and (b) Mortgagee further obligates itself, within thirty (30) days after delivery to Landlord of such election: (i) to cure the default upon which such cancellation or termination was based, or in respect to any default not capable of curing within such thirty (30) days, or which cannot be cured without entry into possession, to proceed and effect cure with due diligence, including, without limitation, diligent efforts to obtain possession; (ii) to pay to Z-Best or Landlord (as required under the Lease) all royalty and other payments and charges due under the Lease up to and including the date of commencement of the term of such New Lease; and (iii) to pay to Landlord and Z-Best all expenses and reasonable attorneys' fees incurred by Landlord and/or Z-Best in connection with any such default and with the preparation, execution and delivery of such New Lease.

Upon compliance by Mortgagee or its designee or nominee, within such time, Landlord shall thereupon execute and deliver such New Lease to Mortgagee, its designee or nominee, having the same relative priority in time and in right as the Lease and having the benefit of all of the right, title, interest, powers and privileges of the Tenant hereunder (except to the extent any of the same do not run to the benefit of any successor Tenant) in and to the Leased Premises, including specifically assignment of Landlord's interest in and to any then existing sublease under the Lease where the subtenant may have attorned to Landlord and may have been recognized by Landlord and which, at the time of cancellation or termination of the Lease, was prior in right to the Mortgage or which by separate agreement or by its terms had

been granted non-disturber privileges. Landlord hereby agrees with respect to any such sublease so assigned, that it will not modify or amend any of the terms or provisions thereof, during the period between the expiration or termination of the Lease and the execution and delivery of the New Lease.

Upon the execution and delivery of the New Lease, the leasehold estate shall automatically vest in the Mortgagee, its designee or nominee, until the expiration of the term of the New Lease, unless the New Lease shall thereafter sooner be terminated, and Landlord shall execute and deliver and permit to be recorded such documents as may be reasonably required by the Mortgagee, its designee or nominee, to confirm the foregoing. Subject to such New Lease having been effectuated with the Mortgagee, its designee or nominee, Landlord further agrees that, during the period following the termination of the Lease until the date of the execution and delivery of the New Lease, it will do nothing which will give rise to any liens thereon, but Landlord shall have all of the right, power and privilege to operate, maintain and control the Leased Premises and shall payover to the Mortgagee, its designee or nominee, on the date of such execution and delivery the net income, if any, after payment of all amounts accrued as if the Lease had remained in full force and effect until the execution and delivery of the New Lease, derived from the Leased Premises from the date of termination of the Lease, or the Mortgagee, its designee or nominee, shall pay over to the Landlord the net deficit, including payment of all amounts accrued under the Lease, from such operation, both determined in accordance with generally recognized principles of accounting applied to the operation and maintenance of a property of similar size and type.

Landlord shall not be obligated to deliver physical possession of the Leased Premises to either the Mortgagee, its designee or nominee under the New Lease. In the event, however, that at the time the New Lease is executed the Tenant hereunder shall be in possession of the Leased Premises, Landlord, at the request and expense of the Mortgagee, Successor Tenant or its designee or nominee, as the new Tenant, will take all commercially reasonable and appropriate steps to remove the Tenant from the Leased Premises, but shall not be liable to Mortgagee, its designee or nominee, as new Tenant, for any damages resulting from any delay of the Tenant in vacating the Leased Premises, or from any failure to vacate them, and there shall be no abatement of rent by reason thereof.

5. Defaults Not Susceptible of Cure. Nothing herein contained shall require Mortgagee or its designee or nominee as a condition to its exercise of rights hereunder to cure any default of Tenant not reasonably susceptible of being cured by Mortgagee, Successor Tenant or its designee or nominee, including but not limited to any defaults relating to bankruptcy and insolvency and any other sections of the Lease which may impose conditions of default not susceptible to being cured by a Mortgagee, or Successor Tenant, in order to comply with paragraphs 2, 3 and 4 above.

6. Non-Merger. Notwithstanding anything to the contrary contained elsewhere in the Lease, for so long as any Mortgage encumbers the leasehold estate, then in the event that Tenant ever acquires ownership of all, or any portion, of the fee title to the property, there shall be no merger of the fee estate with the leasehold estate and the two estates shall remain separate and distinct, it being the express intent of both Landlord and Tenant that no such merger shall occur during any such period that the Mortgage exists.

7. Amendment to Lease. No amendment or modification to the Lease shall be binding upon Mortgagee unless said amendment or modification is consented to in writing by Mortgagee.

8. Attornment. In the event that Successor Tenant shall succeed to the interest of the Tenant under the Lease, and the Lease shall not have expired or been terminated in accordance with the terms of the Lease or this Exhibit C, Successor Tenant shall, from and after such event, attorn to the Landlord, all rights and obligations under the Lease to continue as though the interest of Tenant had not terminated or such foreclosure proceedings had not been brought. Such attornment shall be effective and self-operative without the execution of any further instrument on the part of the parties hereto. Landlord agrees, however, to execute and deliver at any time and from time to time, upon the request of Successor Tenant, any instrument or certificate which, in the sole judgment of Successor Tenant, may be necessary or appropriate in any such foreclosure proceeding or otherwise to evidence such attornment.

9. Miscellaneous.

(a) Successors and Assigns. The terms of this Exhibit C shall bind and benefit the parties, their successors and assigns, any Successor Tenant, and its successors and assigns. If Mortgagee assigns the Mortgage, then upon delivery to Landlord and Tenant of written notice thereof accompanied by the assignee's written assumption of all obligations under this Exhibit C, all liability of the assignor shall terminate.

(b) Interaction with Lease and with Mortgage. If this Exhibit C conflicts with the Lease, then this Exhibit C shall govern as between the parties and any Successor Tenant.

(c) Mortgagee's Rights and Obligations. Except as expressly provided for in this Exhibit C, Mortgagee shall have no obligations to Tenant or Landlord with respect to the Lease.

(d) Interpretation; Governing Law. The interpretation, validity and enforcement of this Exhibit C shall be governed by and construed under the internal laws of the State of Wisconsin, excluding its principles of conflicts of law.

(e) Amendments. The terms of this Exhibit C may be amended, discharged or terminated, or any of its provisions waived, only by a written instrument executed by the party to be charged.

(f) Notices. All notices, waivers, demands, requests or other communications required or permitted hereunder shall, unless otherwise expressly provided, be in writing and be deemed to have been properly given, served and received in accordance with the terms of the Lease.

PurFrac, LLC

February 4, 2015

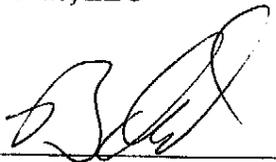
Louis & Jane Sonnentag
13522 Cty Hwy DD
Bloomer, WI 54724

Louis and Jane,

This agreement is between PurFrac, and Louis and Jane Sonnentag. This agreement allows PurFrac to include Sonnentags land that joins L A property to be included in the reclamation plan that PurFrac is applying for with Chippewa County. It only allows PurFrac to include Sonnentag property in the reclamation plan with Chippewa County, no agreement has been reached between the parties as to any mining activity. That is to be negotiated at a later date, before any mining activity can be started, on Sonnentags land. There will be no cost involved to the Sonnentags for this process of reclamation plan development.



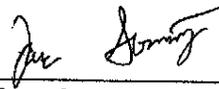
Shawn Rosenbrook
PurFrac, LLC



Bruce Durand
PurFrac



Louis Sonnentag



Jane Sonnentag