

#29

NOTICE OF SUBSTITUTE TRUSTEE'S SALE

Date: October 13, 2017

Assert and protect your rights as a member of the armed forces of the United States of America. If you or your spouse is serving on active military duty, including active military duty as a member of the Texas National Guard or the National Guard of another state or as a member of a reserve component of the armed forces of the United States, please send written notice of the active duty military service to the sender of this notice immediately.

Deed of Trust:

Deed of Trust, Mortgage, Security Agreement, Assignment of Production and Financing Statement (As-Extracted Collateral Including, Oil, Gas and Minerals), amended, dated, filed and recorded as set forth in Exhibit A, which is attached hereto and incorporated herein by reference.

Dated: March 15, 2012

Recording information: 2012-1597, Real Property Records of Gaines County, Texas

First Amendment to Deed of Trust:

First Amendment to Deed of Trust, Mortgage, Security Agreement, Assignment of Production and Financing Statement (As-Extracted Collateral Including, Oil, Gas and Minerals), amended, dated, filed and recorded as set forth in Exhibit A, which is attached hereto and incorporated herein by reference.

Dated: September 29, 2016

Recording information: 2016-6594, Real Property Records of Gaines County, Texas

Second Amendment to Deed of Trust:

Second Amendment to Deed of Trust, Mortgage, Security Agreement, Assignment of Production and Financing Statement (As-Extracted Collateral Including, Oil, Gas and Minerals), amended, dated, filed and recorded as set forth in Exhibit A, which is attached hereto and incorporated herein by reference.

FILED
10-B-D - 12:05 PM
Vicki Platts,
Gaines County, Texas

Vicki Platts

Dated: January 30, 2017

Recording information: 2017-1109, Real Property Records of Gaines County, Texas

Grantor: Tritium Resources, Ltd., a Texas Limited Partnership, doing business as (d/b/a) in some cases as Tritium Resources, L.L.C., whose General Partner is Torrent, L.L.C., whose organizational number is 800246466, and Cobalt Operating, LLC, a Texas Limited Liability Company, whose organizational number is 801219356.

Grantor's Address: 3001 N. Big Spring, Suite 204
Midland, Texas 79702

Substitute Trustee: Lance McDougall

Substitute Trustee's Address: 600 N. Marienfeld, Suite 100
Midland, Texas 79701

Lender: Security Bank

Lender's Address: 600 N. Marienfeld, Suite 100
Midland, Texas 79701

Security: A Promissory Note dated March 15, 2012 in the original principal amount of \$10,000,000.00 executed by Borrower Tritium Resources, Ltd and payable to the Lender, as renewed and extended by a Promissory Note on January 30, 2017 in the original principal amount of \$4,714,430.20 executed by Borrower Tritium Resources, Ltd, Siluro Energy, LLC and Zephyr Oil and Gas Ltd. and payable to the Lender ("Note").

A Promissory Note dated January 30, 2017 in the original principal amount of \$173,586.59 executed by Borrower Tritium Resources, Ltd, Siluro Energy, LLC and Zephyr Oil and Gas Ltd. and payable to the Lender ("Second Note").

Property: The oil, gas and/or mineral properties described on Exhibit B, which is attached hereto and incorporated herein by reference (the "Property").

Foreclosure Sale:

Substitute Trustee's Address: 600 N. Marienfeld, Suite 100
Midland, Texas 79701

Date of Sale: November 7, 2017

Time of Sale: 10:00 a.m. or no later than three hours thereafter

Place of Sale: Gaines County Courthouse
101 South Main
Seminole, Texas 79360
Sale will take place on the front steps of the West porch of the courthouse, or in a place designated by the County Commissioners.

Terms of Sale: The Foreclosure Sale will be conducted as a public auction and the Property will be sold to the highest bidder for cash, except that Lender's bid may be by credit against the indebtedness secured by the lien of the Deed of Trust.

Default has occurred in the payment of the Note and the Second Note and in the performance of the obligations of the Deed of Trust. Because of that default, Lender, the owner and holder of the Note, is entitled to have the security interests of the Deed of Trust foreclosed and to enforce the payment of all sums secured thereby.

The Deed of Trust may encumber both real and personal property. Formal notice is hereby given of Lender's election to proceed against and sell both the real property and any personal property described in the Deed of Trust in accordance with the Lender's rights and remedies under the terms of the Deed of Trust and pursuant to Section 9.604(a) of the Texas Business and Commerce Code.

Lender appointed Lance McDougall as Substitute Trustee in the First Amendment to the Deed of Trust dated September 29, 2016. Lender has instructed Substitute Trustee to proceed with foreclosure under the Deed of Trust.

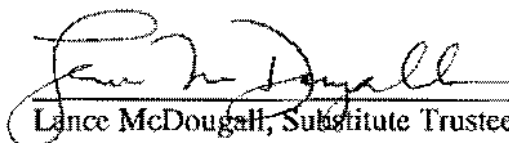
Therefore, notice is given that on and at the date, time and place for the Foreclosure Sale described above, Trustee will sell the Property by public auction to the highest bidder for cash in accordance with the Terms of Sale herein, the Deed of Trust and applicable law. The public auction will be held the first Tuesday in November, 2017, November 7, 2017, between the hours of 10:00 a.m. and 4:00 p.m., with the first sale to begin at the earliest at 10:00 a.m., but not later than 3 hours after that time, at the County Courthouse in Gaines County, Texas, in accordance with the provisions of the Deed of Trust.

Those desiring to purchase the Property will need to demonstrate their ability to pay cash on the day the Property is sold.

Notice is given that before the Foreclosure sale, Lender may appoint another person as Trustee to conduct the Foreclosure Sale.

The name and address of the sender of this notice is:

Lance McDougall, Substitute Trustee
600 N. Marienfeld, Suite 100
Midland, Texas 79701


Lance McDougall, Substitute Trustee

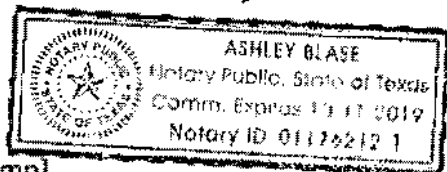
THE STATE OF TEXAS

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COUNTY OF Midland

BEFORE ME, the undersigned authority, on this day personally appeared Lance McDougall, Substitute Trustee, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this 13 day of October, 2017.



[stamp]


Notary Public, State of Texas

EXHIBIT A

Schedule of Security Instruments

Document	County	Vol. / Page	File No.	Date Filed
Deed of Trust, Mortgage, Security Agreement, Assignment of Production and Financing Statement from Tritium Resources, Ltd. and Cobalt Resources, Ltd. to or for the benefit of Security Bank, covering those certain leases and oil and gas properties and descriptions thereof are incorporated herein by reference, recorded in the following counties at the respective volume and page number and/or file number.	Andrews, Texas	1027/ 440		March 15, 2012
	Callahan, Texas	255/ 138		March 15, 2012
	Cochran, Texas	305/ 599		March 15, 2012
	Dawson, Texas	677/ 121		March 15, 2012
	Gaines, Texas		2012-1597	March 15, 2012
	Martin, Texas	331/ 593		March 15, 2012
	Terry, Texas	832/ 058		March 15, 2012
	Lea, New Mexico	1769/ 734 (Official Public Records)		March 15, 2012
First Amendment to Deed of Trust, Mortgage, Security Agreement, Assignment of Production and Financing Statement from Tritium Resources, Ltd. and Cobalt Resources, Ltd. to or for the benefit of Security Bank, covering those certain leases and oil and gas properties and descriptions	Andrews, Texas		16-4019	September 29, 2016

thereof are incorporated herein by reference, recorded in the following counties at the respective volume and page number and/or file number.				
	Brown, Texas		1606682	September 29, 2016
	Callahan, Texas		162459	September 29, 2016
	Cochran, Texas	337/ 741		September 29, 2016
	Dawson	802/178		September 29, 2016
	Gaines, Texas		2016-6594	September 29, 2016
	Martin, Texas	531/462		September 29, 2016
	Sterling, Texas	92/529		September 29, 2016
	Terry, Texas	903/853		September 29, 2016
	Lea, New Mexico	2062/ 936		September 29, 2016
Second Amendment to Deed of Trust, Mortgage, Security Agreement, Assignment of Production and Financing Statement from Tritium Resources, Ltd. and Cobalt Resources, Ltd. to or for the benefit of Security Bank, covering those certain leases and oil and gas properties and descriptions thereof are incorporated herein by reference, recorded in the following counties at the respective volume and page number and/or file number.	Andrews, Texas		17-0602	January 30, 2017
	Brown, Texas		1700952	January 30, 2017
	Callahan, Texas		170324	January 30, 2017

Cochran, Texas	340/528		January 30, 2017
Dawson, Texas	808/0213		January 30, 2017
Gaines, Texas		2017- 1109	January 30, 2017
Martin, Texas	544/725		January 30, 2017
Sterling, Texas		022324	January 30, 2017
Terry, Texas	907/355		January 30, 2017
Lea, New Mexico	2084/452		January 30, 2017

EXHIBIT B - Property Descriptions

GAINES COUNTY, TEXAS

2. HIGGINBOTHAM BROTHERS:

All of Grantor's right, title and interest in and to the following Oil and Gas Lease:

Lease No: TX7780288-000
Lease Date: 07/28/1958
Lessor: Higginbotham Bros & Co.
Lessee: Max E. Combs
Recorded: Book 117, Page 439, Gaines County, Texas

insofar as the above Lease covers the following described Lands, to-wit:

The Northeast 198.50 acres in the form of a square surrounding the Higginbotham Bros Well in Labor 1, League 302, Terry County School Land Survey, A-986, Gaines County, Texas, limited in depth from 12,650 feet to 13,600 feet.