

PATENT ASSIGNMENT COVER SHEET

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 Stylesheet Version v1.2

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
CONVEYING PARTY DATA	
Name	Execution Date
JAMES CODY MARTIN	06/27/2018
RECEIVING PARTY DATA	
Name:	MURPHY ENERGY GROUP
Street Address:	8500 CYPRESSWOOD DRIVE
Internal Address:	SUITE 104
City:	SPRING
State/Country:	TEXAS
Postal Code:	77379
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	9415426
CORRESPONDENCE DATA	
Fax Number:	
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>	
Email:	brian.murphy@murphyenergygroup.com
Correspondent Name:	MURPHY ENERGY GROUP
Address Line 1:	8500 CYPRESSWOOD DRIVE
Address Line 2:	SUITE 104
Address Line 4:	SPRING, TEXAS 77379
NAME OF SUBMITTER:	BRIAN MURPHY
SIGNATURE:	/Brian Murphy/
DATE SIGNED:	08/29/2018
Total Attachments: 9	
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BILL OF SALE AND ASSIGNMENT AND ASSUMPTION AGREEMENT

This Bill of Sale and Assignment and Assumption Agreement (this “Agreement”) is made as of June 27, 2018, among Clear Creek Environmental, LLC, a Louisiana limited liability company, C3 BHC, LLC, a Louisiana limited liability company, C. Martin Construction, L.L.C., a Louisiana limited liability company, James Cody Martin, an individual (“Mr. Martin” and, collectively with all of the foregoing, “Sellers”), Cross Country Coating LLC, a Texas limited liability company (“Buyer”), and Murphy Energy Group LLC, a Delaware limited liability company (“Parent”). Sellers, Buyer and Parent may be referred to herein individually as a “Party” and collectively as the “Parties.”

RECITALS

WHEREAS, Sellers have historically developed, manufactured, produced, marketed, sold and distributed field coating products and services in the oil and gas industry, including manually and mechanically sand blasting, wire brushing and cleaning and removing rust and applying primers and protective external coatings to bare metal surfaces (the “Business”).

WHEREAS, Sellers desire to sell and assign all the assets comprising the Business to Buyer, and Buyer desires to purchase such assets from Sellers.

AGREEMENT

In consideration of the foregoing and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties, each intending to be legally bound, hereby agree as follows:

1. Sale and Assignment of Assets. Each Seller hereby sells, transfers, assigns, conveys and delivers to Buyer, and Buyer hereby purchases, accepts and assumes from such Seller, all of such Seller’s properties and assets of every kind and description, whether personal or mixed, tangible or intangible, and wherever located and directly or indirectly at any time used in or otherwise associated with the Business, including the following (collectively, the “Assets”):

(a) Supplies. All maintenance, repair and operations supply inventory, packaging, ingredients, fuel and other supplies owned by Seller.

(b) Inventory. All inventory, merchandise, goods, work in progress and raw materials.

(c) Fixed Assets. All fixed assets, including the pipe-coating automated system patented by Seller (United States Patent No. US9415426), all machinery, equipment, furniture, furnishings, computer hardware, materials, vehicles, tools, dies, molds and other items of tangible personal property of every kind, and the full benefit of all express or implied warranties by the manufacturers or sellers or lessors of any item or component part thereof.

(d) Contracts. All of each Seller’s right, title and interest in and to any contracts, agreements, leases, licenses, commitments, understandings, franchises, warranties, guaranties, options, warrants, work orders, purchase orders or other agreements or consensual obligations, whether written or oral, including those listed on Exhibit A (collectively, the “Contracts”).

(e) Receivables. All notes and accounts receivable, including all trade accounts receivable and other rights to payment from customers, and the full benefit of all security for such accounts or rights to payment.

(f) Intangible Assets. All legal rights, title or interest in, under or in respect of the following arising under any federal, state, local, municipal, foreign or other constitution, law, statute, treaty, rule, regulation, ordinance, code, binding case law or principle of common law ("Law"): patents and applications for patents and all related reissues, reexaminations, divisions, renewals, extensions, provisional, continuations, and continuations in part; inventions (whether patentable or unpatentable and whether or not reduced to practice); trade secrets; processes; copyrights; trademarks; service marks; trade names; logos, designs, art, and packaging; confidential information; proprietary information; research; marketing; technical know-how; technical data; all databases and data collections; licenses and license rights; formulas; compositions; processes; and designs, drawings and patterns, all as owned, created, acquired, licensed or used by Seller at any time prior to and through the Effective Time (as defined below) (the "Purchased Intellectual Property"), and all other intangible rights, including all goodwill associated with such Purchased Intellectual Property.

(g) Claims. All claims, rights, credits, causes of actions, defenses and rights of set-off against third parties relating to or arising from any part of the Assets, whether accruing before or after the effectiveness of this Agreement (the "Effective Time"), and including all attorney work-product protections, attorney-client privileges and other legal protections and privileges to which Seller may be entitled in connection with or relating to any part of the Assets.

(h) Records. The books of account, general, financial, tax and personnel records, invoices, shipping records, supplier lists, customer lists, correspondence and other documents, records and files and any rights thereto (the "Records").

2. Excluded Assets. Notwithstanding anything in Section 1 of this Agreement to the contrary, Seller does not hereby sell, transfer, assign, convey or deliver to Buyer, and Buyer does not hereby purchase, accept or assume, any Seller's right, title or interest in the following assets (the "Excluded Assets"):

(a) Corporate Documents. The company seal, minute books, charter documents, stock or equity record books and such other books and records as pertain to the organization, existence or capitalization of any Seller.

(b) Real Property. Any real property owned or leased by any Seller.

(c) Taxes. All claims for refund of taxes and other governmental charges of whatever nature arising out of Sellers' operation prior to the Effective Time.

3. Obligations and Liabilities Assumed. Buyer hereby assumes and agrees to pay, perform, satisfy and discharge all of the obligations of Sellers accruing under the Contracts solely with respect to events occurring after the Effective Time. The foregoing assumption is the sole and exclusive liability being assumed by Buyer from any Seller pursuant to this Agreement. If any Contract to be assigned to Buyer pursuant to this Agreement shall require the consent of any party thereto other than a Seller, this Agreement shall not constitute an agreement to assign such Contract, and such Contract shall not be assigned to or assumed by Buyer if an actual or attempted assignment thereof would constitute a breach or default thereunder. Each Seller shall use its best efforts to obtain such consents, to the extent required, of such parties to such Contracts. If any such consent cannot be obtained, Sellers and Buyer will cooperate in any reasonable arrangement designed to obtain for Buyer all benefits and privileges of the applicable Contract at no additional cost to Buyer. Notwithstanding any other provision of this Agreement or any other writing to the contrary, and regardless of any information disclosed to Buyer or any of its affiliates or representatives, Buyer does not assume and has no responsibility for any liabilities of any Seller other than as expressly set forth in this Section 3 (the "Excluded Liabilities").

4. Purchase Price.

(a) The consideration for the Assets consists of the representations, warranties and covenants of Buyer in this Agreement and contingent payments of up to two million dollars (\$2,000,000) in cash (the "Purchase Price") to be paid in accordance with this Section 4.

(b) Subject to Sellers' compliance with the terms of this Agreement, including Section 6(e), from and after the date on which all Invested Capital shall have been repaid by Buyer to Parent in accordance with Section 4(c) and until Sellers shall have received two million dollars (\$2,000,000) in cash in the aggregate pursuant to this Section 4, Buyer shall make quarterly payments in cash to Sellers in an amount equal to the Quarterly Net Profit Allocation with respect to the immediately preceding three-month period. No such payments shall be made with respect to any three-month period during which the applicable Quarterly Net Profit Allocation is less than or equal to zero dollars. All payments by Buyer to Sellers hereunder shall be made by wire transfer to one account specified by Sellers in writing in advance and shall be deemed to have been received in such allocations by each Seller as appropriate to reflect the fair market value of the Assets being sold by such Seller under this Agreement and all other consideration provided by such Seller hereunder.

(c) From and after the Effective Time, Buyer shall pay to Parent all distributable cash generated by business activities of Buyer primarily resulting from Buyer's use of the Assets (net of reserves established by Buyer) until Parent shall have received an amount in cash equal to the sum of \$549,077.81 plus any capital contributions made by Parent to Buyer after the date hereof, in each case net of any applicable taxes ("Invested Capital").

(d) For purposes of the foregoing, "Quarterly Net Profit Allocation" during a specified three-month period means 50% of all net profit generated by business activities of Buyer primarily resulting from Buyer's use of the Assets in the Business during such three-month period, reflecting (i) reasonable allocations of general administrative expenses of Parent, (ii) other direct and indirect costs and expenses associated with the operation of the Business after Closing, including taxes and principal and interest payments on indebtedness, but excluding any costs and expenses taken into consideration in calculating Invested Capital, in each case as Buyer determines in its reasonable discretion.

(e) Nothing in this Agreement shall limit or restrict in any way Buyer's right to operate, modify, terminate, suspend, sell or expand its business, including the Business, in its sole and absolute discretion. If (i) any Seller materially breaches any provision of this Agreement, including Section 6(e), or (ii) if the employment of Mr. Martin or Kellie Overeem with Buyer is terminated for any reason other than by Buyer without "Cause", as defined in the applicable Employment Agreement (as defined below), then Sellers' entitlement to payments under this Section 4 shall immediately, unconditionally and irrevocably terminate, and Sellers, jointly and severally, shall be immediately, unconditionally and irrevocably obligated to repay any and all payments received by Sellers by operation of this Section 4. Each Party acknowledges and agrees that such repayment is not a penalty and is reasonable and appropriate.

5. Representations and Warranties. (a) Each Party hereby represents and warrants to the other Party as follows:

(i) Unless such Party is a natural person, such Party is an organization duly organized, validly existing and in good standing under the laws of its jurisdiction of formation and has the organizational power (A) to own and operate the Assets and to carry on its business as now being conducted and (B) to execute, deliver and perform its obligations under this Agreement.

(ii) This Agreement and the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action on the part of such Party. This Agreement constitutes the legal, valid and binding obligation of such Party enforceable in accordance with its terms, subject to laws governing specific performance, injunctive relief and other equitable remedies.

(iii) The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, assuming all representations and warranties of the other Party are accurate, will not, with or without the giving of notice or the lapse of time or both, (A) if such Person is not a natural person, conflict with, or result in any breach of, any provision of such Party's organizational documents; (B) to such Party's knowledge, violate any provision of law to which such Party is subject; (C) violate any judgment, order, writ or decree of any court applicable to such Party; or (D) subject to obtaining any consents to assignment required by the terms of applicable contracts, to such Party's knowledge, result in the breach of, or conflict with, any term, covenant or condition of, result in the modification or termination of, or constitute a default under any material contract to which such Party is a party.

(b) Sellers hereby jointly and severally represent and warrant to Buyer that:

(i) Each Seller has valid title to all of the Assets purporting to be sold to Buyer hereunder and is hereby transferring such Assets to Buyer free and clear of all liens, claims and encumbrances of any nature whatsoever, except for any such liens, claims or encumbrances that do not, individually or in the aggregate, have a material adverse effect on any of the Assets ("Encumbrances"). Each tangible asset included in the Assets is in good operating condition and repair, ordinary wear and tear excepted, is free from latent and patent defects, is suitable for the purposes for which it was used by the applicable Seller and has been maintained in accordance with normal industry practice.

(ii) Sellers have delivered to Buyer an accurate and complete copy of each Contract. With respect to each Contract: (A) the Contract is legal, valid, binding, enforceable and in full force and effect; (B) the applicable Seller and, to Sellers' knowledge, the other parties to the Contract, have performed all of their respective obligations required to be performed under the Contract; (C) neither the applicable Seller nor, to Sellers' knowledge, any other party to the Contract is in breach or default under the Contract and no event has occurred or circumstance exists that (with or without notice, lapse of time or both) would constitute a breach or default by the applicable Seller or, to Sellers' knowledge, by any such other party, or give rise to any right of revocation, withdrawal, suspension, acceleration, cancellation, termination, modification, imposition of additional obligations or loss of rights under, result in any payment becoming due under, result in the imposition of any encumbrances on any of the Assets under, or otherwise give rise to any right on the part of any individual, corporation, partnership, limited liability company, trust or other entity (each, a "Person") to exercise any remedy or obtain any relief under, the Contract, nor has any Seller given or received notice or other communication alleging the same; and (D) the Contract is not under negotiation, no party has repudiated any portion of the Contract and no Seller is aware that any party to the Contract does not intend to renew it at the end of its current term.

(iii) On or prior to the Effective Time, each Seller has satisfied or caused to be satisfied all obligations of such Seller owed to its creditors or taken other action or obtained other consents necessary to permit Buyer to obtain clear title to the Assets free of all Encumbrances, and each Seller delivered or caused to be delivered to Buyer termination statements,

releases, payoff letters and other appropriate evidence to the effect that no Encumbrances against the Assets exist as of the completion of the Effective Time.

(iv) Immediately prior to the Effective Time, each Seller owns or otherwise possesses valid and legally enforceable rights to use the Purchased Intellectual Property purporting to be sold to Buyer hereunder. The Purchased Intellectual Property constitutes all of the Intellectual Property used in or necessary to conduct the Business. Immediately prior to the Effective Time, each Seller is the sole owner of all right, title and interest in the Purchased Intellectual Property purporting to be sold to Buyer hereunder, including ownership of pending and accrued causes of action for infringement and misappropriation and the sole and exclusive right to bring actions for infringement and misappropriation. Immediately after the Effective Time, the Buyer will be the sole owner of, and will have valid title to, the Purchased Intellectual Property, and will have the full right to use, license and transfer the Purchased Intellectual Property in the same manner and on the same terms and conditions that Seller had immediately prior to the Effective Time. No Seller has (x) transferred ownership of or granted an exclusive license of or exclusive right to use or authorized the retention of any exclusive rights to use or joint ownership of, any Purchased Intellectual Property to any other Person or (y) permitted any of his or its rights in such Purchased Intellectual Property to enter into the public domain. The Purchased Intellectual Property is free of all payment obligations and other Encumbrances and is not subject to any judgments or limitations or restrictions on use or otherwise. No Person has any rights in the Purchased Intellectual Property that could cause any reversion or renewal of rights in favor of that Person or termination of any Seller's rights in the Purchased Intellectual Property. There is no proceeding, judgment, contract or other arrangement that prohibits or restricts any Seller from carrying on the Business, or any portion of it, anywhere in the world or from any use of the Purchased Intellectual Property. All patents and registered and unregistered trademarks, service marks and copyrights included in the Purchased Intellectual Property are valid and subsisting under applicable Law for those respective categories of Intellectual Property. No event has occurred or circumstance exists that could render any of the Purchased Intellectual Property invalid or unenforceable. There are no pending disputes between any Seller and any other Person relating to the Purchased Intellectual Property. Each Seller has taken all commercially reasonable steps necessary to protect, preserve and maintain the confidentiality of all trade secrets and material confidential business information included in the Purchased Intellectual Property.

(v) Without limiting the scope of any other representation in this Agreement, each Seller is in compliance in all material respects with, and has not violated in any material respect any, Law, judgment, or governmental authorization applicable to it or the conduct of its business or the ownership or use of any of his or its properties or assets.

6. Covenants.

(a) Further Assurances. The Parties shall cooperate in good faith to allocate the purchase price for the Assets and liabilities assumed by Buyer hereunder among the Assets within a reasonable period of time hereafter. Each Party covenants to report gain or loss or cost basis, as the case may be, in a manner consistent with such agreed-upon allocation for federal and state tax purposes.

(b) Assignment of Contracts. For a period beginning at the Effective Time and ending on the earlier to occur of (i) the date on which all of each applicable Seller's right, title and interest in and under each Contract shall have been assigned and conveyed to Buyer free and clear of all Encumbrances and (ii) the date on which Buyer delivers written notice to each applicable Seller that such Seller's obligations under this paragraph have been fully satisfied or waived, such Seller shall at its expense exercise its best efforts to cause the Contracts (except for Excluded Liabilities) to be assigned and conveyed to Buyer

in accordance with the terms of this Agreement free and clear of all Encumbrances. In furtherance and not limitation of the foregoing, each of the Parties shall execute and deliver, or cause to be executed and delivered, such documents and other papers, including all notices, opinions, consents and written agreements referred to in any Contract, as may be required to carry out the provisions of this Agreement and consummate the transactions contemplated hereby.

(c) Record Retention. Sellers will cause the Records to be retained for seven years after the Effective Time. During such period, Sellers shall allow Buyer and its representatives access to inspect or copy the Records during normal business hours.

(d) Refunds and Remittances. If any Seller (or any of his or its affiliates) receives any funds properly belonging to Buyer in accordance with the terms of this Agreement, such Seller will promptly so advise Buyer, will segregate and hold such funds in trust for the benefit of Buyer and will promptly deliver such funds, together with any interest earned thereon, to an account or accounts designated in writing by Buyer.

(e) Noncompetition. During the period commencing on the date hereof and ending on the third anniversary thereof (the "Restricted Period"), each Seller will not, and he or it will cause his or its affiliates not to, directly or indirectly, engage in the Business anywhere in the world, or own an interest in, manage, operate, join, control, lend money or render financial or other assistance to or participate in or be connected with, as a partner, stockholder, member, consultant or otherwise, any Person that is engaged or planning to become engaged in the Business; provided, however, that, for the purposes of this Section 6(e), ownership of securities having no more than 1% of the outstanding voting power of any Person that are listed on any national securities exchange will not be deemed to be in violation of this Section 6(e) as long as the Person owning such securities has no other connection or relationship with such Person.

The Restricted Period will be extended by the length of any period during which any Seller or any of their respective affiliates is in breach of or otherwise not in compliance with the terms of this Section 6(e).

7. Closing Deliveries. On the date hereof (or promptly thereafter and in any event within 30 days), the Parties shall deliver to one another the following:

(a) assignments of all patents and other purchased intellectual property, duly executed by the applicable Seller;

(b) a Lease Agreement governing the real property located at 426 Horseshoe Road, Winnfield, Louisiana 71483, duly executed by the applicable Seller and Buyer; and

(c) Employment Agreements duly executed by Mr. Martin and Kellie Overeem on the one hand and Buyer on the other hand (the "Employment Agreements").

8. Indemnification. Each of Buyer on the one hand and Sellers, jointly and severally, on the other hand (the "Indemnifying Party") agrees to indemnify and hold harmless the other Parties, his or its affiliates and their respective officers, directors, managers, members, stockholders, employees, attorneys and agents from any and all losses, damages, claims, costs and expenses, interest, awards, judgments and penalties (including reasonable attorneys' and consultants' fees and expenses) actually suffered or incurred by them ("Losses") arising out of or resulting from: (a) the breach of any representation or warranty made by the Indemnifying Party contained in this Agreement and (b) the breach of any covenant or agreement of the Indemnifying Party contained in this Agreement. Sellers, jointly and severally, agree to indemnify Buyer, Parent, their affiliates and their respective officers, directors, managers, members, stockholders,

employees, attorneys and agents from any and all Losses arising out of or resulting from (a) the operation of the Business, or events, facts or circumstances occurring or existing, prior to the Effective Time, (b) the Excluded Assets and (c) the Excluded Liabilities. Buyer agrees to indemnify Sellers, their affiliates and their respective officers, directors, managers, members, stockholders, employees, attorneys and agents from any and all Losses arising out of or resulting from the operation of the Business following the Effective Time (except to the extent required to be indemnified by Sellers hereunder). Buyer shall have a right of setoff with respect to all payments otherwise required to be made by Buyer to Sellers pursuant to Section 4 to the extent Sellers are required to provide indemnification hereunder.

9. No Third-Party Beneficiaries. This Agreement shall be binding upon and inure solely to the benefit of the Parties and their permitted assigns, and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Agreement.

10. Further Assurances. Each Party shall take such further action and execute and deliver such documents as the other Parties may reasonably request in order to consummate more effectively the transactions contemplated by this Agreement.

11. Counterparts. This Agreement may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same Agreement.

12. Governing Law; Waiver of Jury Trial. This Agreement, and all disputes and controversies arising herefrom or in connection herewith, shall be governed by, and construed in accordance with, the laws of the State of Texas without regard to principles of conflict of law that would apply any other law. Each Party hereby waives to the fullest extent permitted by applicable law any right it may have to a trial by jury with respect to any litigation directly or indirectly arising out of, under or in connection with this Agreement or the transactions contemplated hereby. Each Party (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce that foregoing waiver and (b) acknowledges that he or it and the other Parties have been induced to enter into this Agreement and the transactions contemplated hereby, as applicable, by, among other things, the mutual waivers and certifications in this paragraph.

13. Construction. The words "herein," "hereof," "hereunder" or "hereto" refer to this Agreement in its entirety and not to a particular Section, paragraph or other part of this Agreement. The headings of Sections are provided for convenience only and are not intended to affect the construction or interpretation of this Agreement. All words used in this Agreement are to be construed to be of such gender or number as the circumstances require. The words "including," "includes," or "include" are to be read as listing non-exclusive examples of the matters referred to, whether or not words such as "without limitation" or "but not limited to" are used in each instance. Where this Agreement states that a Party "shall", "will" or "must" perform in some manner or otherwise act or omit to act, it means that the Party is legally obligated to do so in accordance with this Agreement. Any reference to a statute or regulation is deemed also to refer to any amendments or successor legislation or regulations as in effect at the relevant time. Any reference to an agreement or other document as of a given date means the agreement or other document as amended, supplemented and modified from time to time through such date. The use of "or" or "any" is not intended to be exclusive unless expressly indicated otherwise.

[Remainder of page intentionally left blank; signatures appear on following page(s)]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of June 27, 2013.

SELLERS:

BUYER:

CLEAR CREEK ENVIRONMENTAL, LLC CROSS COUNTRY COATING LLC

By:

James Cody Martin
Manager

By:

Brian Murphy
Manager

C3 BHC, LLC

PARENT:

MURPHY ENERGY GROUP LLC

By:

James Cody Martin
Manager

By:

Brian Murphy
Chief Executive Officer

C. MARTIN CONSTRUCTION, L.L.C.

By:

James Cody Martin
Manager

JAMES CODY MARTIN

(Signature Page to Cross Country Coating Bill of Sale and Assignment and Assumption)

EXHIBIT A

Contracts

Any and all contracts, agreements, leases, licenses, commitments, understandings, franchises, warranties, guaranties, options, warrants, work orders, purchase orders or other agreements or consensual obligations, whether written or oral, between any Seller on the one hand and any of the following counterparties (or any of their respective affiliates) on the other hand:

1. Holloman Corporation
2. WHC Energy Services
3. Troy Construction, LLC
4. KCL Energy