

6. LESSER INTEREST

If **BUYER** discovers that the Property conveyed by **SELLER** is of lesser interest than what was represented on the Property Information Sheet and associated data, or any modifications or changes thereto, **BUYER** must contact the **SELLER** within sixty (60) days from the date of the sale as to the difference in interest and **BUYER** agrees as its sole and exclusive remedy that **SELLER**, within thirty (30) days following receipt of written notification and accompanied by adequate proof of said lesser interest, will, at **SELLER'S** option,

- (a) refund a pro-rata share of the purchase price based on the amount of the interest lost compared to the total price paid for the full or represented interest, or
- (b) cure the defect which is attributable to the lesser interest, subject to **BUYER'S** satisfaction of the recovery and confirmation of the lost interest, or
- (c) rescind the sale and **BUYER** shall reassign the same back to **SELLER** free and clear of any and all encumbrances of **BUYER**, and **SELLER** will refund the amount paid by **BUYER** upon execution and delivery of the assignment from **BUYER** to **SELLER**, said assignment to be effective the same date as the **SELLER'S** assignment to **BUYER**.

Failure to provide notice as provided herein shall be a waiver of any claim for a lesser interest in title. **EnergyNet.com, Inc.** shall be entitled to retain a pro rata portion of any commission paid by **SELLER**. In any event **BUYER'S** sole remedy is against **SELLER**.

If any sale is rescinded, **BUYER** hereby agrees to indemnify **SELLER** for any and all attorneys' fees, costs and other damages or expenses arising from **BUYER'S** ownership and, if applicable, operation of the rescinded Properties, prior to the time such rescinded Properties are conveyed back to **SELLER**.

7. GAS IMBALANCES

BUYER acknowledges and agrees that Properties which it may bid or make an offer on and said purchase may be subject to gas imbalances pursuant to Gas Balancing Agreements between working interest parties or, in the absence of Gas Balancing Agreements, to gas imbalances between the working interest parties in the unit.

All Properties shall be sold without warranty on an "AS IS, WHERE IS" basis. No adjustment in the purchase price shall be made as a result of an inaccuracy in the estimated gas imbalance amount disclosed by **SELLER**. **SELLER** shall provide information it believes accurate as to the status of gas imbalances for the offered Properties, but makes no representations or warranties as to the accuracy of such information.

As to interests subject to Gas Balancing Agreements, **SELLER** agrees to fully disclose the Gas Balancing Agreement in the Property Information Sheet and **SELLER** will present the last production figures available as to gas imbalances on the subject properties up to the activation of the Property by **EnergyNet.com, Inc.** **BUYER** acknowledges it is its responsibility to monitor the gas imbalance from the effective date of the last Gas Balance Statement to the effective date of assignment. However, **SELLER** agrees to provide up to date figures on gas imbalances as they occur either prior to or during the auction or negotiating process. All gas imbalances for the Properties sold, whether arising before or after the effective date of the Assignment, are the responsibility of the **BUYER** upon the effective date of the assignment.

BUYER acknowledges and agrees that the consideration paid by the **BUYER** includes the acceptance by the **BUYER** for the Properties sold, whether arising before or after the effective date of the Assignment, of either over or under production on the **Properties**. **BUYER** is responsible for removing or clearing any balancing obligation. **BUYER** shall indemnify and hold **SELLER** and **EnergyNet.com, Inc.** harmless as to any and all claims of gas imbalances or related liabilities either before or after the effective date of the assignment. If within sixty (60) days from the date of sale, **BUYER** discovers the amount of **SELLER'S** over production gas imbalance is understated by at least 50% for a Property in the Property Information Sheet or in any other information provided by **SELLER** and uploaded to the Website or by subsequent statements prior to sale in the Auction or Negotiating Room by **SELLER**, and **BUYER** notifies **SELLER** of the amount of overproduction within the sixty (60) day period by providing **SELLER** with written evidence of said overproduction, **BUYER** may, at the sole option of the **BUYER**, void the sale of such Property. In the event **BUYER** voids the sale of the Property, **SELLER** shall return to **BUYER** the purchase price plus pay all recording costs associated with