

8-K - 2016-10-03

Form: 8-K

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8-K

8-K 1 lei-8k_092916.htm CURRENT REPORT

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **September 29, 2016**

https://www.sec.gov/Archives/edgar/data/1309082/000158069516000674/lucas-logo_img001.jpg

Lucas Energy, Inc.
(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation)

001-32508

(Commission File Number)

20-2660243

(I.R.S. Employer Identification No.)

450 Gears Road, Suite 860, Houston, Texas

(Address of principal executive offices)

77067

(Zip Code)

Registrant's telephone number, including area code (713) 528-1881

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ? Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ? Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ? Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ? Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

Pursuant to a Letter Agreement entered into at Lucas Energy, Inc.'s (the "Company's") August 25, 2016 closing of the acquisition of certain oil and gas properties located in Texas and Oklahoma, the Company and RAD2 Minerals, Ltd. ("RAD2"), one of the sellers, which is owned and controlled by Richard N. Azar II, who was appointed as our Chairman on August 26, 2016, RAD2 agreed to accept full liability for any and all deficiencies between the "Agreed Assets Value" set forth in the purchase agreement relating to the acquisition, as described in greater detail in the Current Report on Form 8-K filed with the Securities and Exchange Commission on August 31, 2016, of \$80,697,710, and the mutually agreed upon value of the assets delivered at closing by the sellers, up to an aggregate of \$1,030,941 (as applicable, the "Deficiency"). In connection therewith, RAD2 agreed to establish an escrow account within three business days of the closing and place into escrow 288,779 shares of common stock, within 15 business days from the date of the closing. The escrowed shares are to be held in escrow pending (a) RAD2's transfer of assets to the Company following the closing, equal to at least the value of the Deficiency (as valued in the reasonable determination of the Company); or (b) another mutually agreeable solution to the Deficiency ((a) or (b) as applicable, the "Make-Whole"). The Letter Agreement provided that in the event the Make-Whole occurs on or prior to October 31, 2016 (45 business days from the date of closing)(the "Make-Whole Deadline"), the escrowed shares are to be released to RAD2, and in the event the Make-Whole does not occur prior to the Make-Whole Deadline, the escrowed shares (or such portion thereof that equals the Deficiency, in the reasonable determination of the Company) are to be released to the Company for cancellation as consideration for the Deficiency.

On September 29, 2016, we and RAD2 entered into another letter agreement, extending the Make-Whole Deadline to November 15, 2016. A copy of the letter agreement is filed herewith as Exhibit 10.1.

On September 30, 2016, we entered into a second amendment dated September 29, 2016 (the "Amendment") to the stock purchase agreement (the "Stock Purchase Agreement") that we had entered into with an accredited institutional investor on April 6, 2016. The Amendment extends the time in which we are required under the Stock Purchase Agreement to file a resale registration statement with the Securities and Exchange Commission (the "SEC") until 5 business days after our registration statement on Form S-3/A (File No. 333-211066) is declared effective by the SEC.

The foregoing summary of the terms of the Amendment is subject to, and qualified in its entirety by, such document attached hereto as Exhibit 10.2, which is incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On September 29, 2016, and effective October 3, 2016, Anthony C. Schnur, the Chief Executive Officer and member of the Board of Directors of the Company, resigned from the positions of Interim Chief Financial Officer, Secretary and Treasurer of the Company and also as Principal Financial Officer of the Company.

Paul Pinkston, who was appointed as Chief Accounting Officer of the Company on August 26, 2016, was appointed as the Principal Financial Officer, Treasurer and Secretary of the Company to fill the vacancies created by Mr. Schnur's resignation from those positions. Mr. Pinkston's biographical information is described in greater detail in the Current Report on Form 8-K filed with the Securities and Exchange Commission on August 31, 2016.

The Company has no current plans to fill the vacancy in the position of Chief Financial Officer.

Mr. Schnur continues to serve as Chief Executive Officer and a member of the Board of Directors of the Company.

Also on September 29, 2016, the Board of Directors formed a Related Party Transaction Committee, tasked with reviewing and approving, related party transactions, on behalf of the Board of Directors. The Company's independent directors, Messrs. J. Fred Hofheinz, Fred S. Zeidman, Alan W. Dreeben and Robert D. Tips, were appointed as members of the committee, which does not have a formal charter.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.***Change in Fiscal Year***

As reported in the Company's Current Report on Form 8-K, filed with the Securities and Exchange Commission on August 31, 2016, effective on August 26, 2016, the Board of Directors of the Company approved a change in the Company's fiscal year from March 31st to December 31st. On September 29, 2016, after discussions among the Company's Board of Directors and independent auditors, the Company's Board of Directors changed the Company's fiscal year back to March 31st. The Company does not anticipate filing any transition reports in connection with the changes in fiscal year described above.

Item 9.01 Financial Statements and Exhibits.

Exhibit No.	Description
10.1	Letter Agreement dated September 29, 2016, by and between Lucas Energy, Inc. and RAD2 Minerals, Ltd.
10.2	Second Amendment to Stock Purchase Agreement dated September 29, 2016

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LUCAS ENERGY, INC.

By: /s/ Anthony C. Schnur
Name: Anthony C. Schnur
Title: Chief Executive Officer

Date: October 3, 2016

EXHIBIT INDEX

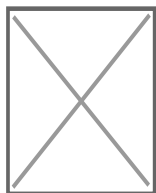
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EX-10.1

EX-10.1 2 ex10-1.htm LETTER AGREEMENT

[Lucas Energy, Inc. 8-K](#)

Exhibit 10.1



450 Gears Road
Suite 860
Houston, TX 77067
Phone: (713) 528-1881
Fax: (713) 337-1510

September 29, 2016

Mr. Richard N. Azar II
Manager
RAD2 Minerals, Ltd.
P.O. Box 6172
San Antonio, Texas 78209

VIA EMAIL AT RICHARDA@SEZARENERGY.COM

Re: August 25, 2015 Letter Agreement Regarding Deficiency In Assets To be Conveyed Pursuant to December 30, 2015 Asset Purchase Agreement (the "Purchase Agreement")

Dear Richard,

Pursuant to our signatures below, Lucas Energy, Inc. ("Lucas") and RAD2 Minerals, Ltd. ("RAD2"), agree and confirm that the Make-Whole Deadline, as defined and described in that certain Letter Agreement between Lucas and RAD2 dated August 26, 2016 (the "Prior Letter Agreement"), is hereby extended until November 15, 2016.

This letter agreement sets forth all of the promises, agreements, conditions, understandings, warranties and representations among the parties with respect to the transactions contemplated hereby, and supersedes all prior agreements, arrangements and understandings between the parties, whether written, oral or otherwise, other than the Purchase Agreement and the Prior Letter Agreement, which shall remain in full force and effect, except as amended hereby, and which are hereby re-confirmed and acknowledged.

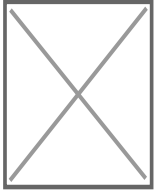
This letter and the terms and conditions hereof shall be governed by and construed in accordance with the laws of the State of Texas and applicable laws of the United States of America.

This letter and any signed agreement or instrument entered into in connection with this letter, may be executed in one or more counterparts, all of which shall constitute one and the same instrument. Any such counterpart, to the extent delivered by means of a facsimile machine or by .pdf, .tif, .gif, .peg or similar attachment to electronic mail shall be treated in all manner and respects as an original executed counterpart and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

Regards,



Anthony C. Schnur
Chief Executive Officer



450 Gears Road
Suite 860
Houston, TX 77067
Phone: (713) 528-1881
Fax: (713) 337-1510

Agreed, confirmed and acknowledged:

RAD2 Minerals, Ltd.

By: RAD2 Management, LLC, General Partner

/s/ Richard N. Azar, II

Richard N. Azar, II
Manager

Date: 09/29/2016

EX-10.2

EX-10.2 3 ex10-2.htm SECOND AMENDMENT TO STOCK PURCHASE AGREEMENT

[Lucas Energy, Inc. 8-K](#)

Exhibit 10.2

**SECOND AMENDMENT TO
STOCK PURCHASE AGREEMENT**

This Second Amendment to Stock Purchase Agreement (“**Amendment**”) is made and entered into on September 29, 2016 (“**Amendment Date**”), by and between Lucas Energy, Inc., a Nevada corporation (“**Company**”), and the investor whose name appears below (“**Investor**”).

1. Reference is made to the Stock Purchase Agreement made and entered into on April 6, 2016, by and between Lucas Energy, Inc., a Nevada corporation (“**Company**”), and Investor, and the First Amendment to the Agreement dated April 28, 2016 by and between the Company and Investor (collectively, the “**Agreement**”), both of which are incorporated herein by reference.

2. In Section V.A.1 of the Agreement, the words “the Closing, and in any event within 30 days” are hereby deleted and replaced with the words “the registration statement on Form S- 3/A (File No. 333-211066) is declared effective by the Commission, and in any event within 5 business days thereafter.”

3. Except as modified by this Amendment, the Agreement will remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed by their respective authorized signatories on the Amendment Date.

Company:

LUCAS ENERGY, INC.

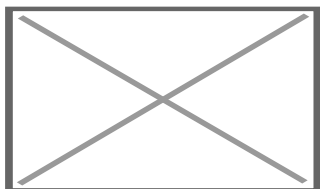


By: _____
Name: Anthony C. Schnur
Title: CEO

Investor:

Discover Growth Fund

Investor Name



By: _____
Name: David Sims
Title: Director
