

8-K - 2015-12-18

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8-K

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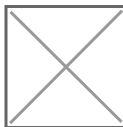
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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): **December 18, 2015 (December 14, 2015)**



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 780, 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))

Item 1.01 Entry into a Material Definitive Agreement.

On December 14, 2015, Lucas Energy, Inc. (“we”, “us” and the “Company”), entered into an amendment dated December 14, 2015, to the Second Amended Letter Loan Agreement and the Second Amended Promissory Note, both dated November 13, 2014 (the “December 2015 Loan Amendment”), with Louise H. Rogers (“Rogers”), our senior lender. Pursuant to the December 2015 Loan Amendment, the parties agreed to amend certain terms and conditions of the (a) November 13, 2014 Second Amended Letter Loan Agreement (the “Amended Letter Loan”) and (b) November 13, 2014 Second Amended Promissory Note (the “Amended Note”), and to agree to certain other terms and conditions relating to the security interests originally granted in connection with the Amended Letter Loan and Amended Note. Specifically, the December 2015 Loan Amendment (i) required us to transfer all of our oil and gas interests and equipment to our newly formed wholly-owned Texas subsidiary, CATI Operating LLC (“CATI”); (ii) clarified that following the transfer, Rogers had no right to foreclose upon the Company (at the Nevada corporate parent level) upon the occurrence of an event of default under the Amended Letter Loan or Amended Note, and that instead Rogers would only take action against CATI and its assets; and (iii) required Rogers to release all UCC and other security filings on the Company (provided that Rogers is allowed to file the same filings on CATI and its assets). Subsequently, we formally assigned all of our oil and gas interests and equipment to CATI pursuant to an Assignment and Bill of Sale dated December [], 2015, which we entered into with CATI (the “Bill of Sale”).

On December 16, 2015, we, CATI and Rogers entered into an Assignment, Novation, and Assumption Agreement (the “Assignment Agreement”). Pursuant to the Assignment Agreement, we assigned our obligations under the Amended Letter Loan, Amended Note, and the August 13, 2013 Security Agreement and August 13, 2013 Mortgage, Deed of Trust, Assignment, Security Agreement, Financing Statement, and Fixture Filing (collectively, the “Loan Documents”), to CATI, as if CATI had originally been parties thereto, CATI agreed to assume such obligations and to take whatever actions requested by Rogers in order for Rogers to secure the amounts owed under the Amended Note, and Rogers agreed to release us (at the parent company level) from any obligations under the Loan Documents, other than under the December 2015 Loan Amendment.

The foregoing descriptions of the December 2015 Loan Amendment, Bill of Sale and Assignment Agreement, are not complete and are qualified in their entirety by reference to the December 2015 Loan Amendment, Bill of Sale and Assignment Agreement, which are attached hereto as Exhibits 10.1, 10.2 and 10.3, respectively, and incorporated by reference in this Item 1.01.

Item 9.01 Financial Statements and Exhibits.

Exhibit No.	Description
10.1*	Amendment Dated December 14, 2015, to the Second Amended Letter Loan Agreement and the Second Amended Promissory Note, both dated November 13, 2014, by and between Lucas Energy, Inc. and Louise H. Rogers
10.2*	Assignment and Bill of Sale dated December 2015, by and between Lucas Energy, Inc. and CATI Operating LLC
10.3*	Assignment, Novation, and Assumption Agreement dated December 16, 2015, by and between Lucas Energy, Inc., CATI Operating LLC and Louise H. Rogers

* Filed herewith.

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: December 18, 2015

EXHIBIT INDEX

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* Filed herewith.

EX-10.1

EX-10.1 2 ex10-1.htm AMENDMENT DATED DECEMBER 14, 2015, TO THE SECOND AMENDED LETTER LOAN AGREEMENT AND THE SECOND AMENDED PROMISSORY NOTE, BOTH DATED NOVEMBER 13, 2014, BY AND BETWEEN LUCAS ENERGY, INC. AND LOUISE H. ROGERS

Exhibit 10.1

**AMENDMENT DATED DECEMBER 14, 2015, TO THE SECOND
AMENDED LETTER LOAN AGREEMENT AND THE SECOND AMENDED
PROMISSORY NOTE, BOTH DATED NOVEMBER 13, 2014**

This Amendment to that certain Second Amended Letter Loan Agreement and that certain Second Amended Promissory Note, both dated December 13, 2014, between Lucas Energy, Inc. (“LEI”), and Louise H. Rogers, an individual as her separate property (“Rogers”), is entered into and made effective on this 14th day of December, 2015. This document is referred to as the “December 2015 Amendment.”

Recitals

On or about November 18, 2014, to be effective November 13, 2014, LEI and Rogers (collectively, the “Parties”) entered into the Second Amended Letter Loan Agreement (“2d LLA”) and the Second Amended Promissory Note (“2d Note”). On August 12, 2015, the Parties entered into an additional amendment to the 2d Note and 2d LLA extending the maturity date to September 13, 2015, and including other changes and on August 28, 2015, the Parties entered into an additional amendment to the 2d Note and 2d LLA extending the maturity date to September 13, 2015, and including other changes. All references to the 2d LLA and the 2d Note include the August 12, 2015 and August 28, 2015, amendment.

The Parties desire to clarify and confirm certain terms and conditions of the 2d LLA and the 2d Note as set forth below.

All capitalized terms in this December 2015 Amendment shall have the meaning given in this document, and if not defined in this document, they shall have the meaning given in the 2d LLA in its Schedule A entitled “Definitions.”

Terms of December 2015 Amendment

In recognition of the facts set forth above and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Parties, the Parties agree as follows:

1. LEI has previously formed CATI Operating LLC as a Texas limited liability company and which is a wholly-owned subsidiary of LEI (“CATI”).
2. Promptly following the date of this December 2015 Amendment, LEI shall transfer to CATI all of its oil and gas interests as listed in Exhibit A to this December 2015 Amendment and which is incorporated by reference in this December 2015 Amendment for all purposes. LEI warrants and represents that the list contained in Exhibit A is exhaustive and complete. LEI shall contemporaneously transfer to CATI all other assets listed on the Equipment Inventory attached to this December 2015 Amendment as Exhibit B and which is incorporated by reference into this December 2015 Amendment for all purposes. LEI warrants and represents that the equipment list contained in Exhibit B is exhaustive and complete. LEI understands and agrees that if it discovers any assets of oil and gas interests, equipment, or other significant asset (with “significant” determined at the reasonable discretion of counsel for Rogers), LEI shall immediately take all steps necessary to transfer those assets to CATI. All of these transfers of assets are referred to in this December 2015 Amendment as the “Transfer.” LEI further warrants and represents that the oil and gas interests and the equipment listed in Exhibits A and B constitute substantially all of the assets of LEI as of December 14, 2015.

3. Following the Transfer, Rogers shall have no right to foreclose upon or to take any other actions whatsoever against LEI (at the Nevada parent company level), in connection with the occurrence of an event of default, events of defaults, or other breaches or failures to comply with the terms of the 2d LLA, the 2d Note, or any of the other Loan Documents, by LEI (each a "Default"), Rogers shall refrain from taking any actions against LEI (at the Nevada parent company level), and instead Rogers shall take any and all actions in connection with a Default solely against CATI and its assets. All rights, remedies, and obligations of LEI under the 2d LLA, the 2d Note, and all other Loan Documents entered into between Rogers and LEI are assigned and transferred to CATI. All rights and remedies that Rogers previously had against LEI she now has against CATI, as amended by this December 2015 Amendment.
4. Upon CATI's execution of any and all documents necessary to effect the assignment of the Loan Documents and the Transfer, any and all security interests, mortgages, and other similar documents and terms of the 2d LLA, the 2d Note, and any of the other Loan Documents, which encumber the assets or operations of LEI (at the Nevada parent company level) shall solely encumber the assets and operations of CATI. LEI shall ensure CATI executes any and all documents deemed necessary by counsel for Rogers to effect the assignment and Transfer. LEI will enter into any other documents, agreements, and confirmations that Rogers reasonably requests to memorialize and document the intent of the parties by their entry into this Agreement.
5. Upon CATI's execution of any and all documents necessary to effect the assignment of the Loan Documents and the Transfer, Rogers shall provide Lucas authority to terminate any and all UCC financing statements in place encumbering LEI or its assets (at the Nevada parent company level) and Rogers will enter into any other documents, agreements, and confirmations that LEI reasonably requests to memorialize and document the intent of the parties by their entry into this Agreement.
6. Upon CATI's execution of any and all documents necessary to effect the assignment of the Loan Documents and the Transfer, Rogers may record any and all UCC-1s she deems necessary against CATI and CATI's assets.
7. Upon the effective date of the Transfer, CATI shall assume all obligations of LEI under all of the Loan Documents.

This December 2015 Amendment is intended to be a part of the 2d LLA and the 2d Note (and all of the other Loan Documents), effective as of December 14, 2015.

LEI and Rogers have duly executed this December 2015 Amendment as of the 14th day of December, 2015.

The parties agree that electronic signatures shall bind them to the same extent as an original signature. This December 2015 Amendment may be executed in multiple counterparts, which together create a single document.

By: /s/ Anthony C. Schnur
Anthony C. Schnur, CEO

Date of Signature: December 14, 2015

Louise H. Rogers

/s/Louise H. Rogers/by SEC
Louise H. Rogers
By Sharon E. Conway as her attorney-in-fact

Date of Signature: December 14, 2015













EX-10.2

EX-10.2 3 ex10-2.htm ASSIGNMENT AND BILL OF SALE DATED DECEMBER 2015, BY AND BETWEEN LUCAS ENERGY, INC. AND CATI OPERATING LLC

Exhibit 10.2

ASSIGNMENT AND BILL OF SALE

State of Texas §
 §
County of Gonzales §

KNOW ALL MEN BY THESE PRESENTS:

THAT for and in consideration of the sum of Ten Dollars (\$10) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, Lucas Energy, Inc., 450 Gears Road, Suite 780, Houston, TX 77067 (hereinafter referred to as "Assignor"), subject to the remaining terms and provisions contained herein, does hereby BARGAIN, SELL, TRANSFER, ASSIGN and CONVEY to CATI Operating, LLC, a wholly owned subsidiary of Assignor (hereinafter referred to as "Assignee"), whose address is 450 Gears Road, Suite 780, Houston, TX 77067, its successors and assigns, the following:

- (1) All right, title and interest of Assignor in and to the oil, gas and mineral leases, oil and gas leases, oil, gas, and associated hydrocarbons leases and oil, gas and hydrocarbons leases described on Exhibit "A" attached hereto and made a part a part hereof for all purposes, which leases, as amended and/or ratified, are hereinafter referred to collectively as the "Leases," **INSOFAR AND ONLY INSOFAR** as each such Lease covers the lands as to which such Lease remains in force and effect (which lands are hereinafter referred to collectively as the "Subject Lands"); all right, title and interest of Assignor in and to the various wells more particularly described on Exhibit "A" hereto (hereinafter referred to as the "Wells"); the undivided interests in and to all of the property and rights incident thereto, including, without limitation, all fixtures, personal property and equipment located thereon or used or obtained in connection with each of the Wells (hereinafter referred to collectively as the "Equipment") including but not limited to the items described on Exhibit "A-1"; together with the undivided interests in and to all of the costs, expenses, losses, liabilities, damages, fines, penalties, charges, claims, demands, lawsuits, causes of action, appeals, judgments and diminutions in value, of any and every kind, nature and/or character which in any way cover, affect, pertain and/or relate, either directly or indirectly, with Assignor's interest in and to the Leases, the Subject Lands, the Wells and/or the Equipment including, without limitation, the operation, ownership, plugging, abandonment or environmental clean-up of same (hereinafter referred to collectively as the "Liabilities") which may accrue from and after the "Effective Time", as that term is hereinafter defined, all of the foregoing interests in and to the properties, rights, Leases, Subject Lands, Equipment and Liabilities described in this subparagraph (1) being hereinafter referred to collectively as the "Interests";
- (2) All of Assignor's rights, titles and interests in and to the oil, gas and other hydrocarbons stored upon the Subject Lands (or stored elsewhere) which are produced from or attributable to the Interests from and after the Effective Time (hereinafter referred to as the "Production"); and

- (3) Originals or copies of all of the files, records, correspondence and data (but specifically excluding all engineering, geological and geophysical data, reports and maps which depict other leases and lands owned by Assignor which are not covered by this Assignment and Bill of Sale and all excluding all geological and geophysical data and derivatives thereof that Assignor may not assign without the consent of third parties) now in the possession or control of Assignor that relate to the items described in subparagraphs (1) and (2) above (hereinafter referred to as the "Records").

This Assignment and Bill of Sale is and shall be effective as of December 1, 2015, Houston, Texas time (referred to herein as the "Effective Time").

This Assignment and Bill of Sale covers all of the rights, titles and interests of Assignor in and to the Interests, the Production and the Records, but is made subject to the "Permitted Encumbrances," which term, as used herein, means:

- (a) the terms and provisions of the Leases (including all of lessors' royalties burdening the Interests and the Production as of the Effective Time), together with all overriding royalties which burden the Interests and/or the Production and which are of record or which are referenced of record as of the date of execution of this Assignment and Bill of Sale;
- (b) the terms and provisions of the declarations or designations of unit, as amended and/or ratified, which are referenced of record;
- (c) the terms of all unrecorded agreements to which the Assignor is a party or by which the Assignor is bound.
- (d) liens for taxes or assessments affecting the Interests or the Production as of the Effective Time (i) which are not yet due and payable or (ii) which are not yet delinquent or, if delinquent, that are currently in the process of being, or shall be, contested in good faith pursuant to applicable Texas law and in the ordinary course of business;
- (e) all rights to consent by, required notices to, filings with, or other actions by governmental or tribal entities in connection with the sale or conveyance of the Interests or the Production, if the same are customarily obtained subsequent to such sale or conveyance, if any; and
- (f) all easements, rights-of-way, servitudes, permits, surface leases and other rights with respect to surface operations, timber lease easements and rights-of-way, on, over or in respect of any of the Subject Lands, which are of record, which are referenced of record.

With respect to the Interests and the Production, SAME ARE BEING ASSIGNED HEREIN BY ASSIGNOR TO ASSIGNEE WITHOUT ANY REPRESENTATIONS OR WARRANTIES (OF TITLE, OR OTHERWISE), EITHER STATUTORY, EXPRESS OR IMPLIED, AND ON AN "AS IS, WHERE IS, WITH ALL FAULTS BASIS" AND WITHOUT ANY STATUTORY, EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS AS TO THE MERCHANTABILITY OF ANY OF THE INTERESTS OR THE INTERESTS' FITNESS FOR ANY PURPOSE.

As a material inducement to Assignor executing and delivering this Assignment and Bill of Sale, Assignee, by its acceptance hereof, does hereby UNDERSTAND, ACKNOWLEDGE and AGREE, and does hereby COVENANT, REPRESENT and WARRANT unto Assignor, its successors and assigns, as follows:

- A. THAT ASSIGNEE ACKNOWLEDGES FULLY UNDERSTANDS THAT THIS ASSIGNMENT AND BILL OF SALE IS EXECUTED BY ASSIGNOR WITHOUT ANY STATUTORY, EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS AS TO THE MERCHANTABILITY OF ANY OF THE INTERESTS OR THEIR FITNESS FOR ANY PURPOSE AND WITHOUT ANY OTHER STATUTORY, EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS (OF TITLE, OR OTHERWISE), WHATSOEVER;
- B. THAT ASSIGNEE SHALL HAVE INSPECTED THE INTERESTS AND SATISFIED ITSELF AS TO THEIR PHYSICAL AND ENVIRONMENTAL CONDITION, BOTH SURFACE AND SUBSURFACE;
- C. THAT ASSIGNEE SHALL ACCEPT ALL OF THE INTERESTS IN AN "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION;
- D. That, from and after the Effective Time, Assignee, its successors and assigns, agrees to assume and perform any and all of the Liabilities arising or accruing from and after the Effective Time and any and all liabilities and obligations or alleged or threatened liabilities and obligations which in any way cover, affect, pertain and/or relate, or which arise out of or in connection with the following duties and obligations which arise or accrue from and after the Effective Time:
 - (i) the duty or obligation to pay and deliver royalties, overriding royalties and other interests burdening the Interests;
 - (ii) the duty or obligation of gas balancing (by mcf, by mmbtu or by cash) of over production or under production from and/or attributable to the Interests; and
 - (iii) the costs and expenses incurred in the ordinary course of the operation of the Interests pursuant to the terms and provisions of any and all agreements pertaining thereto, together with other commitments to which the Interests are subject;

- F. That Assignee, its successors and assigns, shall bear all of the costs and expenses of any and all recording fees and similar costs incurred and/or imposed upon, or with respect to the transfer and assignment of, the Interests as is contemplated hereby; and
- G. That from and after the date of execution of this Assignment and Bill of Sale, Assignee, its successors and assigns, agrees to comply with all laws and all governmental rules, orders and regulations with respect to operations of the Interests, including, without limitation, to the abandonment of the wells and/or the abandonment of the equipment, including, where applicable, the plugging of the wells, the compliance with all laws, rules or regulations regarding inactive or unplugged wells, including bonding requirements, and cleaning up the surface to return the Subject Lands as nearly as possible to their preleased condition and including, without limitation, to all “Environmental Laws,” which term, as used herein, means the following described federal and state laws, rules and regulations:
- (i) the Comprehensive Environmental Response Compensation and Liability Act (a/k/a Superfund), 42 U.S.C.A. §§9601 to 9675, inclusive, as amended, by the Superfund Amendments and Reauthorization Act of 1986, as amended;
 - (ii) the Resource Conservation and Recovery Act, 42 U.S.C.A. §§6901 to 6991(i), inclusive, as amended by the 1984 Hazardous and Solid Waste Amendments, as amended;
 - (iii) the Clean Air Act, 42 U.S.C.A. §§7401 to 7626, inclusive, as amended;
 - (iv) the Clean Water Act, 33 U.S.C.A. §§1256 to 1387, inclusive, as amended;
 - (v) the Emergency Planning & Community Right to Know Act, 42 U.S.C.A. §§1101 et seq., as amended;
 - (vi) the Occupation Safety & Health Act, 29 U.S.C.A. §§651 to 678, inclusive, as amended;
 - (vii) the Toxic Substances Control Act, 15 U.S.C.A. §§2601 to 2654, inclusive, as amended;
 - (viii) the Safe Drinking Water Act, 42 U.S.C.A. §§300(f) to 300(j)(11), inclusive, as amended;
 - (ix) the Coastal Zone Management Act, 16 U.S.C.A. §§661 to 668(d), inclusive, as amended;
 - (x) the National Environmental Policy Act, 42 U.S.C.A. §§4321 to 4347, inclusive, as amended; and
 - (xi) all other applicable federal and state laws, rules, regulations and orders, of any kind, nature and/or character which in any way cover, affect, pertain and/or relate to oil and gas transactions and/or oil and gas operations, as amended.

All of the foregoing covenants, duties, obligations and responsibilities described and/or referred to in subparagraphs A. through G., inclusive, above, being hereinafter referred to collectively as "Assignee's Obligations."

IN CONNECTION WITH THE PERFORMANCE OF ASSIGNEE'S OBLIGATIONS, ASSIGNEE, ITS SUCCESSORS AND ASSIGNS, SHALL, TO THE FULLEST EXTENT PERMITTED BY LAW, AT THE SOLE COST, RISK AND EXPENSE OF ASSIGNEE, ITS SUCCESSORS AND ASSIGNS, PROTECT, DEFEND, INDEMNIFY AND HOLD ASSIGNOR, ITS OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS, REPRESENTATIVES, PARENTS, SUBSIDIARIES, AFFILIATED COMPANIES, HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS AND ASSIGNS, HARMLESS FROM AND AGAINST (AND TO REIMBURSE IN CASH TO ASSIGNOR, ITS SUCCESSORS AND ASSIGNS, WITH RESPECT TO) ANY AND ALL COSTS, EXPENSES, COSTS OF CLEAN UP, COSTS OF REMOVAL OR MODIFICATION OF FACILITIES ON THE SUBJECT LANDS, COSTS OF PLUGGING WELLS, LOSSES, LIABILITIES, DAMAGES, FINES, PENALTIES, CHARGES, CLAIMS, DEMANDS, LAWSUITS, CAUSES OF ACTION, APPEALS, JUDGMENTS AND DIMINUTIONS IN VALUE, OF ANY AND EVERY KIND, NATURE AND/OR CHARACTER, INCLUDING COURT COSTS, ATTORNEY'S FEES AND OTHER COSTS AND EXPENSES INCURRED IN CONNECTION WITH INVESTIGATING AND/OR DEFENDING SAME, WHETHER OR NOT RESULTING IN ANY LIABILITY, KNOWN OR UNKNOWN, FIXED OR CONTINGENT, ASSERTED AGAINST OR INCURRED BY ASSIGNOR, ITS SUCCESSORS OR ASSIGNS, EITHER DIRECTLY OR INDIRECTLY, WHICH ARE AND/OR WHICH MAY BE BROUGHT BY ANY AND ALL PERSONS AND/OR PARTIES (INCLUDING, WITHOUT LIMITATION, TO ASSIGNOR'S AND ASSIGNEE'S RESPECTIVE EMPLOYEES, AGENTS OR REPRESENTATIVES AND ANY AND ALL PRIVATE CITIZENS, PERSONS, ORGANIZATIONS, AND ANY AGENCY, BRANCH OR REPRESENTATIVE OF FEDERAL, STATE OR LOCAL GOVERNMENT) ON ACCOUNT OF ANY PERSONAL INJURY, DEATH, DAMAGE, DESTRUCTION, LOSS OF PROPERTY OR CONTAMINATION OF NATURAL RESOURCE (INCLUDING, WITHOUT LIMITATION, SOIL, AIR, SURFACE WATER OR GROUND WATER) RESULTING FROM, ARISING OUT OF, CAUSED BY OR CONNECTED WITH ANY ACTS, OMISSIONS, EVENTS OR CIRCUMSTANCES OCCURRING ON OR BEFORE AND/OR FROM AND AFTER THE DATE OF EXECUTION OF THIS ASSIGNMENT AND BILL OF SALE, INCLUDING, WITHOUT LIMITATION, TO THE PRESENCE, DISPOSAL OR RELEASE OF ANY MATERIAL OF ANY KIND IN, ON OR UNDER THE INTERESTS, THE SUBJECT LANDS OR OTHER PROPERTY (WHETHER NEIGHBORING OR OTHERWISE) AT ANY TIME, OR FROM TIME TO TIME, BY REASON OF OR ARISING OUT OF THE BREACH OF (WHETHER MATERIAL OR NOT) OF ANY OF ASSIGNEE'S OBLIGATIONS, AS TO ACTS, OMISSIONS, EVENTS OR CIRCUMSTANCES OCCURRING ON OR BEFORE AND/OR FROM AND AFTER THE DATE OF EXECUTION OF THIS ASSIGNMENT AND BILL OF SALE. ASSIGNEE'S INDEMNIFICATION OBLIGATIONS WHICH ARE CONTAINED IN THIS PARAGRAPH SHALL EXTEND TO AND INCLUDE, BUT NOT BE LIMITED TO: (1) THE NEGLIGENCE OF ASSIGNEE AND ALL OTHER THIRD PARTIES, WHETHER SUCH NEGLIGENCE IS ACTIVE OR PASSIVE, JOINT, SOLE OR CONCURRENT, (2) STRICT LIABILITY, AND (3) LIABILITIES OR OBLIGATIONS UNDER ANY APPLICABLE FEDERAL OR STATE LAW, INCLUDING, WITHOUT LIMITATION, ALL ENVIRONMENTAL LAWS.

Assignor and Assignee agree to execute such other written instruments as may hereafter be deemed by Assignor, its successors and assigns, as being reasonably necessary, advisable or appropriate in order to carry out all of the purposes and intentions of this Assignment and Bill of Sale.

All of the terms, provisions, duties and obligations (including, without limitation, to Assignee's obligations) contained or referred to in this Assignment and Bill of Sale shall be binding upon and shall inure to the benefit of Assignor and Assignee, their respective successors and assigns.

IN WITNESS WHEREOF, this Assignment and Bill of Sale is executed this ____ day of December, but shall be effective as of the Effective Time.

AGREED TO AND ACCEPTED THIS ____ DAY OF DECEMBER, 2015.

LUCAS ENERGY, INC.

By: _____
Anthony C. Schnur
Chief Executive Officer

CATI OPERATING, LLC

By: _____
Anthony C. Schnur

STATE OF TEXAS

ACKNOWLEDGEMENT

COUNTY OF HARRIS

BEFORE ME, the undersigned authority, on this day personally appeared, Anthony C. Schnur know to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged that the same was the act and deed of LUCAS ENERGY, INC., and that he executed the same as the act of such corporation for the purposes and consideration therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____
day of December, 2015.

NOTARY PUBLIC, STATE OF TEXAS

Notary's Typed or Printed Name

My commission expires: _____

EXHIBIT A

Attached to and made a part of that certain Assignment and Bill of Sale dated effective December 1, 2015
by and between Lucas Energy, Inc. and CATI Operating, LLC.

LEASES

Lessor	Lessee	Date	Vol	PG	County	State
Arline G. Pettus	Lucas Energy, Inc.	2/11/2010	1016	864	Gonzales	Texas
Benedict W Barborak and wife Bernice	George Pendergast	2/25/2000	831	438	Gonzales	Texas
Beverly Jan Burnett	Lucas Energy, Inc.	11/24/2008	993	114	Gonzales	Texas
Beverly Jean Pirkle	Lucas Energy, Inc.	8/29/2008	989	574	Gonzales	Texas
Blaxton DuBose	Billy R Wilson	10/1/2007	973	256	Gonzales	Texas
BP Ranch	Billy R Wilson	10/1/2007	973	262	Gonzales	Texas
Carolyn Anne Boothe Cox	Lucas Energy, Inc.	7/30/2009	1007	63	Gonzales	Texas
Cecil V Hagen	Hagen-Greenbriar Exploration	5/29/1987	635	15	Gonzales	Texas
Cecilia H. Wright	Lacy & Byrd, Inc.	8/19/1987	604	427	Gonzales	Texas
Charles F. Freeman et ux	Jim Burgin and Associates	2/4/1990	653	665	Gonzales	Texas
Charles W. Graham DBA Graham Land & Cattle Co	Lucas Energy, Inc.	4/1/2009	1000	834	Gonzales	Texas
Cleo Edwards Edmonds and Husband David	TRT Energy Holding, Inc.	10/31/1989	639	624	Gonzales	Texas
Don C. Rainey and wife Imogene	Lucas Energy, Inc.	8/29/2008	989	578	Gonzales	Texas
Don C. Rainey and wife Imogene	Crude Operating, LLC	6/15/2004	988	876	Gonzales	Texas
Donna Peiser	Lucas Energy, Inc.	9/9/2008	989	707	Gonzales	Texas
Emil Hrbacek and wife Lena	Geological Research Corporation	4/18/1977	411	367	Gonzales	Texas
Ernest Fred Ehrig, Jr.	Origin Production Company	10/11/2005	931	990	Gonzales	Texas
Ernest W. Gassiot	Hall Phoenix	12/13/2010	1063	117	Gonzales	Texas
Estate of Edna Elsie Gatlin by Patsy Crockett	Lucas Energy, Inc.	5/22/2014	1164	762	Gonzales	Texas
Eugene Willard et ux	Lucas Energy, Inc.	8/9/2010	1028	840	Gonzales	Texas
Francis Wright	Lucas Energy, Inc.	7/29/2011	1066	368	Gonzales	Texas
George Gregory Griffin, Jr	TRT Energy Holding, Inc.	11/9/1989	639	661	Gonzales	Texas
Henry E. Christian and wife Nellie	Royal Oil and Gas Corp	04/20/1988	620	246	Gonzales	Texas
Jackie Robertson	Teton Exploration	4/9/2010	1020	717	Gonzales	Texas
James D. Gray, Jr. and wife Donna	Plantation Exploration, Inc.	10/25/2006	953	84	Gonzales	Texas
James David Powell	Lucas Energy, Inc.	6/30/2010	1027	933	Gonzales	Texas
James Edwin Mills	Lucas Energy, Inc.	3/25/2011	1048	339	Gonzales	Texas
James E Mills and wife Viola	TRT Energy Holding, Inc.	10/27/1989	639	631	Gonzales	Texas
James E Mills and wife Viola	Lucas Energy, Inc.	9/5/2008	989	715	Gonzales	Texas
James S Porter et ux	Lucas Energy, Inc.	8/5/2010	1028	470	Gonzales	Texas
James W. Paterson et ux	Lucas Energy, Inc.	8/9/2010	1028	927	Gonzales	Texas
Jesse M. Pacheco et al	Lucas Energy, Inc.	8/9/2010	1028	929	Gonzales	Texas
Jessie Perkins	TRT Energy Holding, Inc.	10/9/1989	638	1	Gonzales	Texas
Joan Edeth Corte	George Pendergast	10/15/1999	830	955	Gonzales	Texas
Joan Yvonne Griffin, Trustee et al	Lucas Energy, Inc.	6/1/2010	1024	50	Gonzales	Texas
Joe Dale Mills	Lucas Energy, Inc.	9/5/2008	989	719	Gonzales	Texas
Joe W. Hindman et al	Crude Operating, LLC	4/23/2007	962	374	Gonzales	Texas
Joe I. Loomis, et ux	Billy R. Wilson	8/27/2008	989	115	Gonzales	Texas
John Butler Lester, et al	Billy R. Wilson	8/1/1996	770	883	Gonzales	Texas

John Butler Lester, et al	Lucas Energy, Inc.	6/4/2010	1023	902	Gonzales	Texas
Jonathan Will Ruddock et ux	Lucas Energy, Inc.	12/8/2010	1038	857	Gonzales	Texas
Jonathon Will Ruddock and wife Jennifer	Lucas Energy, Inc.	9/10/2009	1009	486	Gonzales	Texas
Keith Borrer	Crude Operating, LLC	3/28/2005	937	903	Gonzales	Texas
Kenneth L. Hodges, et al	Lucas Energy, Inc.	7/22/2011	1060	467	Gonzales	Texas
Kenneth P Whiddon and wife Mary Jane	Lucas Energy, Inc.	9/28/2007	970	336	Gonzales	Texas
Kristin N. Schuette, et al	Lucas Energy, Inc.	10/13/2011	1067	294	Gonzales	Texas
Lawerence Weigelt, Mary Sutton, Josephine Ard	Tuskar (Texas) Inc.	11/7/1990	670	480	Gonzales	Texas
Leslie R. Talley, et ux	Lucas Energy, Inc.	8/6/2007	967	646	Gonzales	Texas
Leslie R. Talley, et ux	Lucas Energy, Inc.	7/28/2010	1027	937	Gonzales	Texas
Leta Inez Gescheidle	Lucas Energy, Inc.	12/12/2009	1014	458	Gonzales	Texas
Louis Zavadil & wife Hilda	Hagen-Greenbriar Exploration	8/5/1988	622	200	Gonzales	Texas
M & R Poultry, Inc.	Lucas Energy, Inc.	9/5/2008	989	710	Gonzales	Texas
Michael T. Rainey	Lucas Energy, Inc.	8/29/2008	989	569	Gonzales	Texas
Mildred Lowe Freeman	Jim Burgin and Associates	2/4/1990	653	763	Gonzales	Texas
Milton D. Hines and wife Reta P.	Geological Research Corporation	9/24/1975	412	12	Gonzales	Texas
Milton D. Hines and wife Reta P.	Lucas Energy, Inc.	8/12/2011	1061	564	Gonzales	Texas
Milton D. Hines and wife Reta P.	Lucas Energy, Inc.	5/9/2008	984	643	Gonzales	Texas
Milton D. Hines and wife Reta P.	Lucas Energy, Inc.	9/11/2009	1009	633	Gonzales	Texas
Milton D. Hines and wife Reta P.	Lucas Energy, Inc.	6/13/2011	1056	186	Gonzales	Texas
Myrna Paterson McLeroy, et al	Lucas Energy, Inc.	8/9/2010	1028	925	Gonzales	Texas
Nella Montgomery	Teton Exploration	4/9/2010	1020	715	Gonzales	Texas

Odd Fellow World Eye Bank & Visual Research FDN	Plantation Exploration, Inc.	10/31/2006	956	223	Gonzales	Texas
Patricia Ann Farrell	Lucas Energy, Inc.	9/10/2009	1009	481	Gonzales	Texas
Phillip R. Roeber et ux	George K. Pendergast	10/12/1999	824	784	Gonzales	Texas
Phillip R. Roeber et ux	Lucas Energy, Inc.	8/12/2010	1034	420	Gonzales	Texas
R B Trull et al	Tuskar (Texas) Inc.	12/14/1990	673	355	Gonzales	Texas
Raymond P. Roeber et al	Lacy & Byrd, Inc.	1/11/1988	612	543	Gonzales	Texas
Rebeca Hindman	Lucas Energy, Inc.	9/3/2010	1031	779	Gonzales	Texas
Robert J. Carter Trust	Lucas Energy, Inc.	8/17/2011	1062	94	Gonzales	Texas
Robert R Boothe, Jr.	Lucas Energy, Inc.	6/25/2009	1006	735	Gonzales	Texas
Robert W Norris, MD	Lucas Energy, Inc.	9/16/2008	990	238	Gonzales	Texas
Rozela Kifer	Billy R. Wilson	3/1/1988	616	692	Gonzales	Texas
Ruddock Vaccinating Service	Paloma Production Company	8/1/1979	456	191	Gonzales	Texas
Ruddock Vaccinating Service	Czar Resources, Inc.	10/23/1980	473	751	Gonzales	Texas
Ruddock Vaccinating Service	TRT Energy Holding, Inc.	10/5/1989	638	12	Gonzales	Texas
Ruddock Vaccinating Service	Lucas Energy, Inc.	1/25/2007	957	305	Gonzales	Texas
Ruddock Vaccinating Service	Lucas Energy, Inc.	8/31/2007	969	381	Gonzales	Texas
S R Bethel Jr and Bethel Lester	Geological Research Corporation	3/23/1976	415	714	Gonzales	Texas
Southern Comfort Farms	Lucas Energy, Inc.	8/9/2010	1028	931	Gonzales	Texas
Susan Norris Pick, MD	Lucas Energy, Inc.	9/16/2008	990	234	Gonzales	Texas
T. B. Hodges	Lucas Energy, Inc.	6/30/2008	985	354	Gonzales	Texas
T. B. Hodges	Lucas Energy, Inc.	8/5/2010	1028	472	Gonzales	Texas
Thoman D Manford III, Co Trustee	Lucas Energy, Inc.	12/9/2009	1014	718	Gonzales	Texas
Thomas E Norris, MD	Lucas Energy, Inc.	9/16/2008	990	242	Gonzales	Texas
Upton Ruddock et ux	TRT Energy Holding, Inc.	10/5/1989	638	6	Gonzales	Texas
Upton Ruddock	Lucas Energy, Inc.	9/25/2008	989	797	Gonzales	Texas
Upton Ruddock	Lucas Energy, Inc.	9/2/2014	1178	417	Gonzales	Texas
Upton Ruddock and wife Emma Rae	Lucas Energy, Inc.	8/31/2007	969	377	Gonzales	Texas
Wanda Gayle Collins Glendenning	Lucas Energy, Inc.	8/5/2010	1028	923	Gonzales	Texas
Wayne Ahr	Lucas Energy, Inc.	8/10/2010	1028	14	Gonzales	Texas
Wayne James Dworaczyk et al	George Pendergast	11/13/1998	814	77	Gonzales	Texas
William A McMillion et ux	Lucas Energy, Inc.	8/5/2010	1028	921	Gonzales	Texas
William Dickson Barnett et al	Crude Operating, LLC	6/20/2004	906	908	Gonzales	Texas
William Ray Benes et al	George Pendergast	3/15/1999	824	663	Gonzales	Texas

WELLS

ALI-O UNIT	Gonzales	Texas
W L BARNETT ET AL UNIT 1	Gonzales	Texas
W L BARNETT ET AL UNIT 2	Gonzales	Texas
W L BARNETT ET AL UNIT 3	Gonzales	Texas
W L BARNETT ET AL UNIT 4	Gonzales	Texas
BURNETT 1	Gonzales	Texas
CANNAN 1	Gonzales	Texas
CONE-DUBOSE UNIT 1	Gonzales	Texas
GANDRE 1	Gonzales	Texas
GATLIN 1	Gonzales	Texas
GRIFFIN OIL UNIT 2	Gonzales	Texas

GRIFFIN-RUDDOCK OIL UNIT 1	Gonzales	Texas
H.O.P.E. 1	Gonzales	Texas
HAGEN RANCH 3	Gonzales	Texas
HAGEN RANCH 4H	Gonzales	Texas
HAGEN RANCH UNIT 1	Gonzales	Texas
HOLUB 1	Gonzales	Texas
JIM DAVIS UNIT 1	Gonzales	Texas
KUNTSCHIK 1	Gonzales	Texas
J B LESTER 1	Gonzales	Texas
MERIT-RVS OIL UNIT 1	Gonzales	Texas
MILTON HINES 1 ST	Gonzales	Texas
PERKINS OIL UNIT 1	Gonzales	Texas
JESSIE PERKINS 1D	Gonzales	Texas
RVS OIL UNIT 3	Gonzales	Texas
RVS 2	Gonzales	Texas
RVS OIL UNIT 1	Gonzales	Texas
RAINEY UNIT 1H	Gonzales	Texas
UPTON RUDDICK 1	Gonzales	Texas
F T SCHAUER 1	Gonzales	Texas
WRIGHT 1	Gonzales	Texas
LOUIS ZAVADIL 2 ST	Gonzales	Texas

LEASES

Lessor	Lessee	Date	Vol	PG	County	State
Team Bank, N.A., Trustee, Acct # 5301, as amended	Edwin S. Nichols Expl, Inc.	2/27/1990	742	612	Wilson	Texas
		3/27/1990	744	671	Wilson	Texas
		12/14/1990	769	657	Wilson	Texas
James L. Wiatrek, et ux, as amended	El Tex Petroleum, LLC	7/22/2008	1468	742	Wilson	Texas
		10/29/2008	1481	841	Wilson	Texas
John Stoeltje, et ux	El Tex Petroleum, LLC	8/19/2008	1476	237	Wilson	Texas
Louise G. Wall, et al	El Tex Petroleum, LLC	9/3/2008	1475	310	Wilson	Texas
Martha Jane Russell, et al	El Tex Petroleum, LLC	3/13/2009	1498	846	Wilson	Texas
Gene Yelton, et ux	El Tex Petroleum, LLC	3/13/2009	1498	858	Wilson	Texas
Jason Pfiel	Lucas Energy, Inc.	9/24/2010	1537	307	Wilson	Texas
William E. Fowler	Lucas Energy, Inc.	6/20/2011	1617	683	Wilson	Texas
Cynthia K. Sanders	Lucas Energy, Inc.	6/20/2011	1617	678	Wilson	Texas
Pfiel Family Trust	Origin Production Company, Inc.	10/1/2009	1531	214	Wilson	Texas
Francis Eugene Morganroth	Lucas Energy, Inc.	2/15/2011	1594	172	Wilson	Texas
Richard W. Thayer, et ux	El Tex Petroleum, LLC	11/25/2008	1486	328	Wilson	Texas

WELLS

ESCHENBURG 4BH	Wilson	Texas
ESCHENBURG 4H	Wilson	Texas
R L ESCHENBURG II ET AL 1	Wilson	Texas
PFIEL 2	Wilson	Texas
PFIEL 1A	Wilson	Texas
STOELTJE 2	Wilson	Texas
TEAM BANK 1H	Wilson	Texas
WALL 1	Wilson	Texas
WIATREK 1	Wilson	Texas

LEASES

Lessor	Lessee	Date	Vol	PG	County	State
Emory Rauschhuber, et ux	Origin Production Company, Inc.	9/1/2011	97	237	Frio	Texas
Emory Rauschhuber, et ux	Origin Production Company, Inc.	9/1/2011	97	232	Frio	Texas

WELLS

RAUSCHHUBER 2	Frio	Texas
RAUSCHHUBER 3	Frio	Texas
RAUSCHHUBER 4	Frio	Texas
RAUSCHHUBER 5	Frio	Texas
RAUSCHHUBER 6	Frio	Texas
EMORY RAUSCHHUBER 2	Frio	Texas
EMORY RAUSCHHUBER 2	Frio	Texas

LEASES

Lessor						
Lillie Copeland	Billy R. Wilson	10/23/2000	912	530	Karnes	Texas
Red Crest Trust, JP Morgan Chase Bank, NA, Trustee	Billy R. Wilson	3/25/2008	873	394	Karnes	Texas
Leland Copeland	Lucas Energy, Inc.	7/16/2013	1134	651	Karnes	Texas
Glenn D. & Betty Boggs, Jr.	Lucas Energy, Inc.	8/16/2013	1134	653	Karnes	Texas

WELLS

COPELAND KARNES 1H	Karnes	Texas
GRIFFIN 1	Karnes	Texas

LEASES

Lessor	Lessee	Date	Vol	PG	County	State
BP America Production Company	Kidd Production Company	5/1/2010	323	234	Sabine	Texas

WELLS

ARCO Fee A-418 1H	Sabine	Texas
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LEASES

Lessor	Lessee	Date	Vol	PG	County	State
BP America Production Company	Kidd Production Company	12/1/2010	904	184	Jasper	Texas

WELLS

ARCO Fee A-908 1H	Jasper	Texas
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EXHIBIT A-1

EQUIPMENT

No.	Lease	Well No.	Status	WI %	Pumping Unit	Tanks	Heater Treater & Separator	Wellhead Other Equipment	Surface Trucks	Manufacturer	G/E	Model	Serial #
1	Ali-O	1	SI	100%	\$50,000	\$25,000	\$18,500	\$2,000	\$ 95,500	Kreiter	G	5801-0077	
2	Arco Fee 418	1	TA	100%	\$10,000	\$10,000	\$10,000	\$1,500	\$ 31,500	Superskill	G	228D-246-86	
3	Barnett, W. L. et al	1	P	100%	\$50,000	\$15,000	\$10,000	\$2,000	\$ 77,000				
4	Barnett, W. L. et al	2	SI	100%					\$ -				
5	Barnett, W. L. et al	3	TA	100%					\$ -				
6	Barnett, W. L. et al	4	SI	100%	\$50,000	\$10,000	\$10,000	\$2,000	\$ 72,000				
7	Burnett	1	TA	100%	\$50,000	\$10,000	\$10,000	\$1,500	\$ 71,500				
8	Cannan	1	SI	100%					\$ -				
9	Cone-Dubose Unit	1	P	100%	\$50,000	\$10,000	\$10,000	\$2,500	\$ 72,500	Superskill	E	C320D-256-120	
10	Copeland Karnes	1H	P	100%	\$50,000	\$10,000	\$18,500	\$1,500	\$ 80,000	Stuller-Sentinel	G	2285246D686	
11	Eschenburg II, R.L.	1	P	100%	\$30,000	\$10,000	\$10,000	\$2,000	\$ 52,000				
12	Eschenburg	4H	P	100%	\$30,000	\$10,000	\$10,000	\$2,000	\$ 52,000		E	C228D-246-86	4H-API-228D-246-86
13	Gandre	1	SI	100%					\$ -				
14	Gatlin	1	P	100%	\$42,000	\$10,000	\$18,500	\$2,000	\$ 72,500	Lufkin	E	M-228D-256-100	
15	Griffin (Karnes Co.)	1	P	100%	\$30,000	\$15,000		\$2,000	\$ 47,000	National	G	160D	
16	Griffin	2	P	100%	\$78,000	\$25,000	\$18,500	\$2,000	\$123,500	Sentry International Inc.	E	C320D-256-120N	
17	Griffin-Ruddock	1	P	100%	\$60,000	\$15,000	\$18,500	\$1,500	\$ 95,000	American	E	T20F86-3-2957	
18	Hagen EF (MRO)	1H	P	15%	\$11,250	\$15,000	\$ 3,375	\$ 300	\$ 29,925				
19	Hagen EF (MRO)	2H	P	15%	\$11,250	\$15,000	\$ 3,375	\$ 300	\$ 29,925				
20	Hagen Ranch	1	P	51%	\$20,000	\$25,000	\$ 9,435	\$1,020	\$ 55,455	National	E	166251	
21	Hagen Ranch	3	P	55%	\$23,100	\$15,000	\$12,375	\$1,100	\$ 51,575	Sentry	E	228D/2006-03	
22	Hagen Ranch	4H	P	25%	\$10,500	\$ 6,313	\$ 4,625	\$ 500	\$ 21,938				
23	H.O.P.E.	1	SI	100%					\$ -	LS Equipment Corp	G		228-10-04-0
24	Jim Davis	1	P	100%	\$50,000	\$15,000	\$17,000	\$2,000	\$ 84,000	Cabot	E	456D-365-120	
25	Kuntschik	1	P	95%	\$39,900	\$25,000	\$17,575	\$1,900	\$ 84,375	Pumpjack	E	C-228D-246-86	
26	Lester, JB	1	P	100%	\$42,000	\$15,000	\$18,500	\$1,500	\$ 77,000	IDECO	E		
27	Merit-RVS	1	P	100%	\$50,000	\$26,250	\$16,500	\$1,500	\$ 94,250	Kenefick	E	246	
28	Milton Hines	1	P	95%	\$47,500	\$25,000	\$17,575	\$1,900	\$ 91,975	Lufkin	E	228	Rental
29	Nealy, George.	1	TA	100%					\$ -				

30	Perkins	1	P	100%	\$60,000	\$25,000	\$17,000	\$2,000	\$104,000	Magee Industries	E		
31	Perkins, Jessie	1	INJ	100%	\$10,000	\$46,250	\$18,500	\$1,500	\$ 76,250		E		
32	Pfeil	2	P	100%	\$18,000	\$15,000	\$18,500	\$1,500	\$ 53,000	Emnsco	E	160	2759-H36707-14BG
33	Rainey Unit	1H	P	28%	\$11,928	\$ 7,171	\$ 5,254	\$ 568	\$ 24,921				
34	Rauschhuber, E.	3	P	100%	\$10,000	\$ 5,000	\$ 6,000	\$2,000	\$ 23,000				
35	Rauschhuber	6	SI	100%	\$15,000	\$ 5,000	\$ 6,000	\$2,000	\$ 28,000				
36	Ruddock, Upton	1	P	100%		\$10,000		\$1,500	\$ 11,500	Oilwell	E	T233F-288I	
37	RVS	1	P	100%	\$60,000	\$35,000	\$16,000	\$1,500	\$112,500		E	912d	
38	RVS	2	TA	100%				\$1,500	\$ 1,500	Bethlehem Supply Co.	E		
39	RVS	3	P	100%	\$38,000	\$15,000	\$17,000	\$2,000	\$ 72,000	American	E	T30F120-4AL-4307	
40	Schauer	1	TA	100%					\$ -				
41	Stoeltje	2	P	100%	\$25,000	\$15,000	\$18,500	\$2,000	\$ 60,500	Lufkin	G	228DB	

42	Team Bank	1	P	100%	\$ 25,000	\$ 15,000	\$ 18,500	\$ 1,500	\$ 60,000		Superskill E	C160D-200-74	CP5508-160-004
43	Wakefield, Gerald	1	SI	100%				\$	-				
44	Wall	1	P	100%	\$ 60,000	\$ 25,000	\$ 18,500	\$ 2,000	\$ 105,500		Pumpjack G	228D	
45	Wiatrek	1	P	100%	\$ 45,000	\$ 25,000	\$ 18,500	\$ 2,000	\$ 90,500		Pumpjack E	228D	
46	Wright	1	TA	100%	\$ 20,000			\$ 2,000	\$ 22,000		Superskill E		
47	Zavadil, Louis	2	ST P	81%	\$ 40,600	\$ 15,000	\$ 12,180	\$ 1,500	\$ 69,280		Lufkin E	228D-213-86	
48	2013 F250 Super Duty								\$ 35,000		Ford		1FT7W2BT1DEA3892
49	2013 F250 Super Duty								\$ 35,000		Ford		1FT7X2B66DEB7249
50	2013 F250 Super Duty								\$ 35,000		Ford		1FT7X2B64DEB9133
51	2014 Mobile Home								\$ 51,388		Cavco	150LT16764D	CAV150TX1411304A
TOTAL					\$1,244,028	\$600,984	\$444,769	\$60,088	\$2,349,869	\$ 156,388			

EX-10.3

EX-10.3 4 ex10-3.htm ASSIGNMENT, NOVATION, AND ASSUMPTION AGREEMENT DATED DECEMBER 16, 2015, BY AND BETWEEN LUCAS ENERGY INC., CATI OPERATING LLC AND LOUISE H. ROGERS.

Exhibit 10.3

ASSIGNMENT, NOVATION, AND ASSUMPTION AGREEMENT

This Assignment, Novation, and Assumption Agreement (this “**Agreement**”), dated as of December 16, 2015, is by and between Lucas Energy, Inc., a Nevada corporation (“**Lucas**”), CATI Operating, LLC, a Texas limited liability company (“**CATI**”), and Louise H. Rogers, an individual as her separate property (“**Rogers**”), each a “**Party**” and collectively, the “**Parties**”.

Recitals:

Lucas and Rogers are party to that certain Second Amended Letter Loan Agreement (as amended, modified, and supplemented to date, the “**2d LLA**”) and the Second Amended Promissory Note (as amended, modified, and supplemented to date, the “**2d Note**”), each dated on or around November 18, 2014; that certain Security Agreement dated on or around August 13, 2013 (the “**Security Agreement**”); and that certain Mortgage, Deed of Trust, Assignment, Security Agreement, Financing Statement, and Fixture Filing, dated on or around August 13, 2013 (the “**Mortgage**”). The 2d LLA, 2d Note, Security Agreement, and Mortgage are collectively referred to as the “**Loan Documents**.”

Lucas and Rogers are party to that certain Amendment Dated December 14, 2015, to the Second Amended Letter Loan Agreement and the Second Amended Promissory Note, Both Dated November 13, 2014, which requires, among other things, that Lucas assign all of its oil and gas properties and related rights to CATI, and that all rights and obligations of Lucas under the Loan Documents be transferred to CATI as a special purpose entity, remote from Lucas, and freeing Lucas from any obligations or rights under the Loan Documents.

The Parties desire to enter into this Agreement, to make CATI a party to the Loan Documents, for Lucas to novate and transfer to CATI all of its rights and obligations under the Loan Documents, and for Rogers to release Lucas from all of its obligations and liabilities under the Loan Documents. This Agreement implements the transition from Lucas to CATI as party (borrower, maker, mortgagor, and obligor) under the Loan Documents.

In consideration of the mutual promises and covenants contained in this Agreement and for other valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

1. Definitions. Terms defined in the Loan Documents and not otherwise defined in this Agreement shall have the meanings given to them in the Definitions in the 2d LLA.

2. Joinder.

2.1 Effective as of the date of this Agreement (the “**Effective Date**”), CATI (i) joins in and becomes a party (as fully as if CATI had been an original signatory to them) to the Loan Documents as the borrower, maker, obligor and mortgagor thereunder, as applicable, for all purposes of the Loan Documents, and the Loan Documents shall be construed and treated in all respects as if CATI was (and had at all times been) named in them as a party instead of Lucas and (ii) without limiting any other provision of the Loan Documents, agrees that it shall take all steps that are necessary, including, without limitation, pursuant to Section III(D) of the Security Agreement, to grant to Rogers, a perfected first priority security interest, subject to the terms of the Loan Documents and to the extent set forth in the Security Agreement and Mortgage, on all of CATI’s (formerly Lucas’) assets constituting Collateral and/or Mortgaged Property.

2.2 CATI unconditionally assumes and shall promptly, fully, and completely keep, fulfill, observe, perform, and discharge each and every covenant and obligation that may accrue and become performable, due, or owing under the Loan Documents from and after the Effective Date, and CATI shall be bound by all of the terms and conditions of the Loan Documents in every way as if CATI were originally a party to the Loan Documents instead of Lucas.

3. Novation and Assumption; Release. Effective as of the Effective Date:

3.1. Novation and Assumption. Lucas irrevocably novates and transfers to CATI all of Lucas' rights, title, and all of Lucas' interests and duties, liabilities, and obligations under the Loan Documents, and CATI irrevocably accepts all of those rights, titles, and interests and assumes all of those duties, liabilities, and obligations from Lucas from the Effective Date on the terms and conditions contained in this Agreement, including, without limitation, (i) any claims, liabilities, or obligations arising from any failure of Lucas to perform any of its covenants, agreements, commitments, and/or obligations to be performed prior to the date of this Agreement under the Loan Documents, and (ii) all claims or liabilities of Lucas regarding the Loan under the Loan Documents.

3.2. CATI's Performance Obligation. CATI shall duly perform and discharge all of its liabilities and obligations arising out of or related to the Loan Documents as if CATI was (and had at all times been) named in them as a party instead of Lucas.

3.3. CATI's Release of Lucas. CATI shall assume liability for any breach, non-observance, or failure by Lucas to perform any obligations expressed to be undertaken by Lucas under the Loan Documents before the Effective Date or for which Lucas is liable, regardless of whether the breach, non-observance, or failure was known or should have been known by any of the Parties.

3.4. Lender's Release of Lucas. Rogers releases and forever discharges Lucas and its officers, directors, shareholders, employees, agents, and representatives (collectively, the "**Lucas Parties**"), from all covenants, agreements, obligations, claims and demands of any kind, whether in law or at equity, which Rogers now has, or which any successor or assign of Rogers shall subsequently have, against any Lucas Party, arising out of or related to the Loan Documents or any officer's certificates delivered in connection with the Loan Documents; provided, however, that this provision shall not release in any respect any liability of Lucas for breach of the representations, warranties, and covenants contained in this Agreement or in the December 2015 Amendment, and this liability shall remain and shall be a joint and several obligation of Lucas and CATI from and after the Effective Date, nor shall the release above result in the release of CATI as wholly-owned subsidiary of Lucas.

3.5. Rogers' Acceptance of Novation and Assumption by CATI. Rogers consents to the novation and assumption set forth in Section 3.1 above, and accepts the liability of CATI in place of the liability of Lucas arising out of or related to the Loan Documents and grants to CATI the same rights under or arising out of or related to the Loan Documents as were granted to Lucas in every way as if CATI was and had been a party to the Loan Documents instead of and in place of Lucas.

3.6 Cross Indemnity. Lucas indemnifies CATI and shall hold CATI harmless for any pre-Effective Date liability, claim, action, or demand that arises from or relates to the Loan Documents, except as otherwise provided in this Agreement, and CATI indemnifies Lucas and shall hold Lucas harmless for any post-Effective Date liability, claim, action, or demand that arises from or relates to the Loan Documents.

3.7 Confirmation of Rights post-Effective Date. Following the Effective Date, Rogers shall have no right to foreclose upon or to take any other actions whatsoever against Lucas (at the Nevada parent company level), in connection with the occurrence of an event of default, events of defaults, or other breaches or failures to comply with the terms of the Loan Documents (each a "**Default**"), Rogers shall refrain from taking any actions against Lucas (at the Nevada parent company level), and instead Rogers shall take any and all actions in connection with a Default or in connection with Rogers' security interests or mortgages under the Loan Documents, solely against CATI and its assets.

4. Mutual Representations, Covenants, and Warranties. Each of the Parties, for themselves and for the benefit of each of the other Parties to this Agreement, represents, covenants, and warrants that:

4.1 Each Party has all requisite power and authority, corporate or otherwise, to execute and deliver this Agreement and to consummate the transactions contemplated by this Agreement. This Agreement constitutes the legal, valid, and binding obligation of each Party enforceable against each other Party in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting creditors' rights generally and general equitable principles.

4.2 The execution and delivery by each Party and the consummation of the transactions contemplated by this Agreement do not and shall not, by the lapse of time, the giving of notice, or otherwise: (i) constitute a violation of any law; or (ii) constitute a breach of any provision contained in, or a default under, any governmental approval, or any writ, injunction, order, judgment, or decree of any governmental authority, or any agreement, contract, or understanding to which the Party or its assets are bound or affected; and

4.3 Any individual executing this Agreement on behalf of an entity has authority to act on behalf of the entity and has been duly and properly authorized to sign this Agreement on behalf of the entity.

6. Further Assurances; Actions of CATI.

6.1 The Parties to this Agreement agree to execute and deliver all other instruments and documents and to take all other actions as any Party may reasonably request in connection with the transactions contemplated by this Agreement. In particular, Rogers agrees to execute and deliver any Uniform Commercial Code amendments and releases and other collateral release documents (including, to the extent deemed necessary or required by Lucas, of the Mortgage) as may be reasonably necessary to carry out the purposes of this Agreement, and CATI agrees to execute and cooperate in the filing of any Uniform Commercial Code UCC-1 filings and any recordings of the Mortgage or of the assignment of the Mortgage, among other things.

6.2 Notwithstanding the terms of the Loan Documents, Rogers consents to and approves the adoption of, and/or filing of an amendment to, CATI's organizational documents after the date of this Agreement in order to make CATI a bankruptcy remote entity and to further provide for CATI's obligations and liabilities to be separate from those of Lucas.

7. Benefit and Burden. This Agreement shall inure to the benefit of, and shall be binding upon, the Parties to this Agreement and their successors and permitted assigns.

8. Severability. Every provision of this Agreement is intended to be severable. If, in any jurisdiction, any term or provision of this Agreement is determined to be invalid or unenforceable, (a) the remaining terms and provisions of this Agreement shall be unimpaired, (b) any determination of invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable the term or provision in any other jurisdiction, and (c) the invalid or unenforceable term or provision shall, for purposes of jurisdiction, be deemed replaced by a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision. In the event a court of competent jurisdiction determines that any provision of this Agreement is invalid or against public policy and cannot be reduced or modified to make it enforceable, the remaining provisions of this Agreement shall not be affected by the determination of invalidity of that provision, and all other provisions of this Agreement shall remain in full force and effect.

9. Remedies. The Parties agree that the covenants and obligations contained in this Agreement relate to special, unique, and extraordinary matters and that a violation of any of the terms of this Agreement would cause irreparable injury in an amount which would be impossible to estimate or determine and for which any remedy at law would be inadequate. Therefore, the Parties agree that if either Party fails or refuses to fulfill any of its obligations under this Agreement or to make any payment or deliver any instrument required under this Agreement, then the other Party shall have the remedy of specific performance, and this remedy shall be cumulative and nonexclusive and shall be in addition to any other rights and remedies otherwise available under any other contract or at law or in equity and to which that Party might be entitled.

10. Construction. When used in this Agreement unless a contrary intention appears: (i) a term has the meaning assigned to it; (ii) “**or**” is not exclusive; (iii) “**including**” means including without limitation; (iv) words in the singular include the plural and words in the plural include the singular and words importing the masculine gender include the feminine and neuter genders; (v) any agreement, instrument, or statute defined or referred to in this Agreement or in any instrument or certificate delivered in connection with this Agreement means the agreement, instrument, or statute as from time to time amended, modified or supplemented and includes (in the case of agreements or instruments) references to all attachments to them and instruments incorporated into them; (vi) references contained in this Agreement to Article, Section, Schedule, and Exhibit, as applicable, are references to Articles, Sections, Schedules, and Exhibits in this Agreement unless otherwise specified; (vii) references to “**writing**” include printing, typing, lithography and other means of reproducing words in a visible form, including, but not limited to email; (viii) references to “**dollars**”, “**Dollars**” or “**\$**” in this Agreement shall mean United States dollars; (ix) reference to a particular statute, regulation, or law means that statute, regulation, or law as amended or otherwise modified from time to time prior to the date of this Agreement; and (x) any definition of or reference to any agreement, instrument, or other document in this Agreement shall be construed as referring to the agreement, instrument, or other document as from time to time amended, supplemented, or otherwise modified (subject to any restrictions on the amendments, supplements, or modifications set forth in this Agreement).

11. Entire Agreement. This Agreement sets forth all of the promises, agreements, conditions, understandings, warranties, and representations among the Parties regarding the actual assignment of the Loan Documents from Lucas to CATI. This Agreement does not supersede in any way the content of the Loan Documents themselves, all of which survive the execution of this Agreement.

12. Governing Law and Jurisdiction. This Agreement shall be governed by, enforced, and construed under and in accordance with the laws of the United States of America and, with respect to the matters of state law, with the laws of the State of Texas without giving effect to principles of conflicts of law under Texas law. Each of the Parties: (a) irrevocably agrees that venue for any claim or dispute under this Agreement is proper in Montgomery County, Texas, irrevocably agrees that all claims and disputes may be heard and determined in Montgomery County, Texas, courts; and (b) irrevocably waives, to the fullest extent permitted by applicable law, any objection it may now or subsequently have to the laying of venue in any proceeding brought in a Montgomery County, Texas, court.

13. No Presumption from Drafting. This Agreement has been negotiated at arm's-length between persons knowledgeable in the matters set forth within this Agreement. Accordingly, given that all Parties have had the opportunity to draft, review, and/or edit the language of this Agreement, no presumption for or against any Party arising out of drafting all or any part of this Agreement will be applied in any action relating to, connected with, or involving this Agreement. In particular, any rule of law, legal decisions, or common law principles of similar effect that would require interpretation of any ambiguities in this Agreement against the Party that has drafted it, is of no application and is expressly waived by all Parties. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the intentions of the Parties.

14. Review and Construction of Documents. Each Party expressly represents and warrants to all other Parties that (a) before executing this Agreement, the Party has fully informed itself of the terms, contents, conditions, and effects of this Agreement; (b) the Party has relied solely and completely upon its own judgment in executing this Agreement; (c) the Party has had the opportunity to seek and has obtained the advice of its own legal, tax, and business advisors before executing this Agreement; (d) the Party has acted voluntarily and of its own free will in executing this Agreement; and (e) this Agreement is the result of arm's length negotiations conducted by and among the Parties and their respective counsel.

15. Counterparts; Effect of Facsimile, Emailed, and Photocopied Signatures. This Agreement and any signed agreement or instrument entered into in connection with this Agreement, and any amendments to them, may be executed in one or more counterparts, all of which shall constitute one and the same instrument. Any signed counterpart, to the extent delivered by means of a facsimile machine or attached as a .pdf, .tif, .gif, .peg or similar file to an electronic mail (including email) or as an electronic download, all of which are referred to as an "**Electronic Delivery**") 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 of the Agreement or instrument delivered in person. At the request of any Party, each other Party shall re-execute the original form of this Agreement and deliver it to all other Parties. No Party shall raise the use of Electronic Delivery to deliver a signature or the fact that any signature or agreement or instrument was transmitted or communicated through the use of Electronic Delivery as a defense to the formation of a contract, and each Party forever waives any similar defense, except to the extent the defense relates to lack of authenticity.

[Remainder of page left intentionally blank. Signature page follows.]

Each of Lucas, CATI and Rogers, has caused this Agreement to be executed and delivered by its duly authorized director or officer as of the date first above written.

“Lucas”
LUCAS ENERGY, INC.

By: /s/ Anthony C. Schnur
Anthony C. Schnur, Chief Executive Officer

Date: December 16, 2015

“CATI”
CATI OPERATING, LLC
By Lucas Energy, Inc., its sole Member

By: /s/ Anthony C. Schnur
Anthony C. Schnur, Chief Executive Officer

Date: December 16, 2015

“Rogers”
LOUISE H. ROGERS

/s/Louise H. Rogers/by SEC
Louise H. Rogers, as her separate property
By Sharon E. Conway as her attorney-in-fact

Date: December 16, 2015

