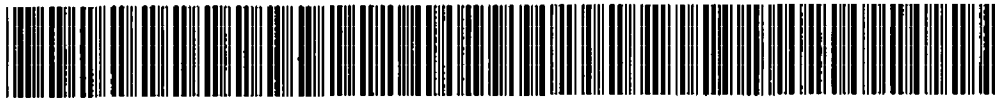


13923176 B: 11323 P: 5530 Total Pages: 9
03/31/2022 10:47 AM By: salvarado Fees: \$40.00
AGREE- AGREEMENT
Rashelle Hobbs, Recorder, Salt Lake County, Utah
Return To: CSC ERECORDING
919 N 1000 WLOGAN, UT 84321

WHEN RECORDED MAIL TO:
BOKF, NA dba BOK Financial
P.O. Box 22117
Tulsa, OK 74121-2117

FOR RECORDER'S USE ONLY



#####078011252020

NEGATIVE PLEDGE AGREEMENT

THIS NEGATIVE PLEDGE AGREEMENT dated November 25, 2020, is made and executed between Hark, LLC, an Arizona limited liability company, whose address is 12225 W. Peoria Ave., Ste. A, El Mirage, AZ 85335, (referred to below as "Grantor") and BOKF, NA dba BOK Financial, whose address is 3001 E. Camelback Rd., Phoenix, AZ 85016 (referred to below as "Lender").

REAL PROPERTY DESCRIPTION. Grantor is the owner of the following described real property, together with all improvements thereon (the "Real Property") located in Salt Lake County, State of Utah:

See EXHIBIT A, which is attached to this Agreement and made a part of this Agreement as if fully set forth herein.

The Real Property or its address is commonly known as 210 & 220 W. 5th Ave., Murray, UT 84107.

REPRESENTATIONS AND WARRANTIES. Grantor hereby makes the following representations

**NEGATIVE PLEDGE AGREEMENT
(Continued)**

Page 2

and warranties to Lender:

Indebtedness. Borrower is justly indebted to Lender under and pursuant to the Note as described in the Definitions Section of this Agreement.

Title. Grantor warrants that: (1) Grantor holds good and marketable title of record to the Real Property in fee simple, free and clear of all liens and encumbrances other than those set forth in the Real Property description above or in the existing lien section below or in any title insurance policy, title report, or final title opinion issued in favor of, and accepted by, Lender in connection with this Agreement, and (2) Grantor has the full right, power, and authority to execute and deliver this Agreement to Lender.

Other Obligations. Grantor shall at all times pay any and all taxes and other liens or charges against the Real Property as and when the same fall due until this Agreement is released by Lender.

NO FURTHER LIENS AND ENCUMBRANCES. Grantor agrees that until the Note is paid in full, Grantor will not, without the prior written consent of Lender, and subject to the existing lien described above, (A) convey or transfer the Real Property, (B) incur, create, assume, suffer, or permit to exist any mortgage, deed of trust, lien, pledge, or security interest on the Real Property, or (C) otherwise encumber the Real Property.

SALE OF THE PROPERTY. Grantor shall promptly notify Lender in writing in the event a contract is executed and accepted for the sale or refinancing of the Real Property. The written notice shall be accompanied by a copy of written instructions from Grantor to the title company or attorney which will be closing the transaction, instructing the title company or attorney to withhold from the proceeds of the sale or refinancing the sum necessary to pay or satisfy in full all sums owing to Lender on the Note and to pay over the same to Lender for application to the Note unless sooner paid.

ASSIGNMENT AND PLEDGE OF PROCEEDS. This Agreement shall constitute an assignment and pledge of the proceeds of the sale or refinancing of the Real Property to the extent of the outstanding balance of the Note from time to time. This Agreement shall also constitute a negative pledge against any and all further liens and encumbrances against the Real Property, in the form of a security interest in the Real Property as hereby granted by Grantor to Lender, and Lender shall have the rights and remedies hereby granted, in addition to the rights and remedies granted to secured parties pursuant to the Uniform Commercial Code. Upon any default under this Agreement or the Note, Lender shall have the right to pursue whatever legal or equitable remedies, or both, that Lender shall deem necessary or appropriate to enforce this Agreement.

FURTHER ASSURANCES. At Lender's request, Grantor shall promptly sign such documents as Lender may reasonably require to cause a lien or encumbrance in Lender's favor to be recorded against Grantor's interest in and to the Real Property. In addition, Grantor shall promptly sign such other documents as Lender may request, such as documents of title, to perfect, protect, and continue Lender's security interest in the Real Property. Grantor irrevocably appoints Lender as Grantor's attorney-in-fact to execute financing statements and documents of title in Grantor's name.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

**NEGATIVE PLEDGE AGREEMENT
(Continued)**

Page 3

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration of or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Governing Law. With respect to procedural matters related to the perfection and enforcement of Lender's rights against the Real Property, this Agreement will be governed by federal law applicable to Lender and to the extent not preempted by federal law, the laws of the State of Utah. In all other respects, this Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Arizona without regard to its conflicts of law provisions. However, if there ever is a question about whether any provision of this Agreement is valid or enforceable, the provision that is questioned will be governed by whichever state or federal law would find the provision to be valid and enforceable. The loan transaction that is evidenced by the Note and this Agreement has been applied for, considered, approved and made, and all necessary loan documents have been accepted by Lender in the State of Arizona.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of Maricopa County, State of Arizona.

Attorneys' Fees; Expenses. If Lender institutes any suit or action to enforce any of the terms of this Agreement, Lender shall be entitled to recover such sum as the court may adjudge reasonable as attorneys' fees at trial and upon any appeal. Whether or not any court action is involved, and to the extent not prohibited by law, all reasonable expenses Lender incurs that in Lender's opinion are necessary at any time for the protection of its interest or the enforcement of its rights shall become a part of the Indebtedness payable on demand and shall bear interest at the Note rate from the date of the expenditure until repaid. Expenses covered by this paragraph include, without limitation, however subject to any limits under applicable law, Lender's reasonable attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including reasonable attorneys' fees and expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services, the cost of searching records, obtaining title reports (including foreclosure reports), surveyors' reports, and appraisal fees and title insurance, to the extent permitted by applicable law. However, Grantor will only pay reasonable attorneys' fees of an attorney not Lender's salaried employee, to whom the matter is referred after Grantor's default. Grantor also will pay any court costs, in addition to all other sums provided by law.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such

**NEGATIVE PLEDGE AGREEMENT
(Continued)**

Page 4

consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Unless otherwise provided by applicable law, any notice required to be given under this Agreement or required by law shall be given in writing, and shall be effective when actually delivered in accordance with the law or with this Agreement, when actually received by telefacsimile (unless otherwise required by law), when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided by applicable law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Successors and Assigns. Subject to any limitations stated in this Agreement on transfer of Grantor's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Real Property becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Agreement and the Indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Agreement or liability under the Indebtedness.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

Waive Jury. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means this Negative Pledge Agreement, as this Negative Pledge Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Negative Pledge Agreement from time to time.

Borrower. The word "Borrower" means Hark Drilling Inc.

Grantor. The word "Grantor" means Hark, LLC.

Indebtedness. The word "Indebtedness" means all principal, interest, and other amounts, costs and expenses payable under the Note or Related Documents, together with all renewals of, extensions of, modifications of, consolidations of and substitutions for the Note or Related Documents and any amounts expended or advanced by Lender to discharge Grantor's obligations or expenses incurred by Lender to enforce Grantor's obligations under this Agreement, together with interest on such amounts as provided in this Agreement.

Lender. The word "Lender" means BOKF, NA dba BOK Financial, its successors and

**NEGATIVE PLEDGE AGREEMENT
(Continued)**

assigns.

Note. The word "Note" means the promissory note dated November 25, 2020, in the original principal amount of \$2,250,000.00 from Borrower to Lender, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the promissory note or agreement.

Real Property. The words "Real Property" mean all of Grantor's right, title and interest in and to all the real property as described in the "Real Property Description" section of this Agreement.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guaranties, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the Indebtedness.

EACH GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS AGREEMENT, AND EACH GRANTOR AGREES TO ITS TERMS.

BOKF, NA DBA BOK FINANCIAL

X 

Authorized Officer

GRANTOR:

HARK, LLC

By: 

Jeff Harkless, Manager of Hark, LLC

NEGATIVE PLEDGE AGREEMENT
(Continued)

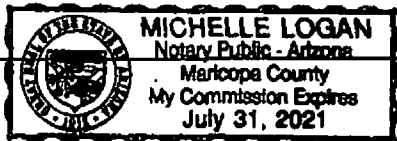
LENDER ACKNOWLEDGMENT

STATE OF Arizona)
) SS
COUNTY OF Maricopa)

On this 4th day of December, 20 20, before me, the undersigned Notary Public, personally appeared Chris Barone and known to me to be the SVP, authorized agent for **BOKF, NA dba BOK Financial** that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of **BOKF, NA dba BOK Financial**, duly authorized by **BOKF, NA dba BOK Financial** through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and in fact executed this said instrument on behalf of **BOKF, NA dba BOK Financial**.

By Michelle Logan
Notary Public in and for the State of Arizona

Residing at Scottsdale, AZ
My commission expires July 31, 2021



NEGATIVE PLEDGE AGREEMENT
(Continued)

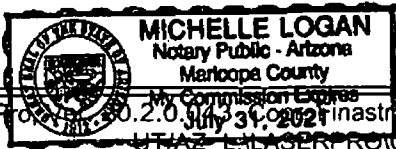
LIMITED LIABILITY COMPANY ACKNOWLEDGMENT

STATE OF Arizona)
) SS
COUNTY OF Maricopa)

On this 4th day of December, 20 20, before me, the undersigned Notary Public, personally appeared **Jeff Harkless, Manager of Hark, LLC**, and known to me to be a member or designated agent of the limited liability company that executed the Negative Pledge Agreement and acknowledged the Agreement to be the free and voluntary act and deed of the limited liability company, by authority of statute, its articles of organization or its operating agreement, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Agreement and in fact executed the Agreement on behalf of the limited liability company.

By Michelle Logan
Notary Public in and for the State of Arizona

Residing at Scottsdale, AZ
My commission expires July 31, 2021



LaserPro 0.2.0.0 My Commission Expires July 31, 2021 inastra USA Corporation 1997, 2020. All Rights Reserved.
UTAZ-LASER-PRO-CFILPLIG209.FC TR-299143 PR-1736

EXHIBIT A
Legal Description

PARCEL 1:

COMMENCING AT A POINT DESCRIBED AS BEING 711 FEET EAST AND 704.52 FEET SOUTH AND SOUTH 87°24' EAST 68.05 FEET FROM THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 12, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SALT LAKE MERIDIAN, SAID POINT ALSO BEING NORTH 87°24' WEST 68.05 FEET FROM GRANITE MONUMENT OF THE MINGO SMELTER SURVEY AND RUNNING THENCE SOUTH 87°24' EAST 68.05 FEET; THENCE SOUTH 123.8 FEET; THENCE NORTH 77°34' WEST 69.63 FEET; THENCE NORTH 111.9 FEET TO BEGINNING.

LESS AND EXCEPTING THEREFROM ANY PORTION LYING WITHIN THE BOUNDS OF THAT CERTAIN PARCEL CONVEYED TO MURRAY CITY CORPORATION BY THAT CERTAIN WARRANTY DEED RECORDED OCTOBER 14, 1975 AS ENTRY NO. 2750708 IN BOOK 3996 AT PAGE 202 OF OFFICIAL RECORDS.

PARCEL 2:

BEGINNING AT A GRANITE MONUMENT, SAID POINT BEING SOUTH 89°55'55" EAST ALONG THE SECTION LINE 534.00 FEET TO THE EXTENDED SAID EAST RIGHT OF WAY LINE AND SOUTH 00°12'30" EAST ALONG SAID EAST RIGHT OF WAY LINE EXTENDED AND EAST RIGHT OF WAY LINE 691.45 FEET, MORE OR LESS, TO THE NORTHWEST CORNER OF EDWARD M. HARVEY PROPERTY, AS DESCRIBED IN THAT CERTAIN QUIT CLAIM DEED DATED OCTOBER 20, 1955 AND RECORDED DECEMBER 1, 1955 AS ENTRY NO. 1458579 IN BOOK 1263 AT PAGE 280, OF OFFICIAL RECORDS, AND EAST 187.49 FEET TO THE NORTHEAST CORNER OF SAID HARVEY TRACT, AND SOUTH 13.02 FEET; AND SOUTH 87°24' EAST 136.13 FEET FROM THE NORTH QUARTER CORNER OF SECTION 12, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE EAST 231.45 FEET; THENCE SOUTH 126.06 FEET; THENCE WEST 170.75 FEET; THENCE NORTH 2.26 FEET; THENCE WEST 60.70 FEET; THENCE NORTH 123.80 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

A NON-EXCLUSIVE RIGHT OF WAY APPURTENANT TO PARCELS 1 AND 2 FOR INGRESS AND EGRESS TO BE KNOWN AS 5TH AVENUE AS DISCLOSED BY QUIT CLAIM DEED RECORDED MARCH 18, 1996 AS ENTRY NO. 6306133 IN BOOK 7353 AT PAGE 1978 OF OFFICIAL RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST RIGHT OF WAY LINE OF 2ND WEST STREET, SAID POINT BEING SOUTH 89°55'55" EAST ALONG THE SECTION LINE 534.00 FEET TO THE EXTENDED SAID EAST RIGHT OF WAY LINE, AND SOUTH 00°12'30" EAST ALONG SAID EAST RIGHT OF WAY LINE EXTENDED AND EAST RIGHT OF WAY LINE 791.45 FEET, MORE OR LESS, TO THE SOUTHWEST CORNER OF EDWARD M. HARVEY PROPERTY, AS DESCRIBED IN THAT CERTAIN QUIT CLAIM DEED DATED OCTOBER 20, 1955 AND RECORDED DECEMBER 1, 1955 AS ENTRY NO. 1458579 IN BOOK 1263 AT

PAGE 280, OF OFFICIAL RECORDS, SAID POINT BEING FROM THE NORTH QUARTER CORNER OF SECTION 12, TOWNSHIP 2 SOUTH, RANGE 1 WEST, SALT LAKE BASE AND MERIDIAN AND RUNNING THENCE EAST 187.12 FEET, MORE OR LESS, TO THE SOUTHEAST CORNER OF SAID HARVEY TRACT; THENCE SOUTH 13.02 FEET; THENCE SOUTH 77°34' EAST 139.26 FEET; THENCE EAST 60.70 FEET; THENCE SOUTH 39.24 FEET; THENCE WEST 60.00 FEET; THENCE NORTH 09°52'09" EAST 12.33 FEET; THENCE WEST 51.30 FEET; THENCE NORTH 20.08 FEET TO THE NORTHEAST CORNER OF THE HILDA E. YATES PROPERTY, AS DESCRIBED IN THAT CERTAIN QUIT CLAIM DEED DATED FEBRUARY 18, 1967 AND RECORDED JUNE 2, 1967 AS ENTRY NO. 2201789 IN BOOK 2560 AT PAGE 155 OF OFFICIAL RECORDS, AND RUNNING THENCE WEST 274.63 FEET, MORE OR LESS, TO THE EAST RIGHT OF WAY LINE OF 2ND WEST STREET, THENCE NORTH 50.00 FEET TO THE POINT OF BEGINNING.