

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): November 11, 2020

**Torchlight Energy Resources, Inc.**

(Exact name of registrant as specified in its charter)

**Nevada**

(State or other jurisdiction of  
incorporation or organization)

**001-36247**

(Commission File Number)

**74-3237581**

(IRS Employer Identification No.)

5700 W. Plano Parkway, Suite 3600  
Plano, Texas 75093

(Address of principal executive offices)

Telephone – (214) 432-8002

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))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.001 par value	TRCH	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 1.01 Entry into a Material Definitive Agreement.**

On November 11, 2020, our subsidiary Warwink Properties, LLC (“Warwink”) entered into and closed a letter agreement with MECO IV, LLC (“MECO”) and McCabe Petroleum Corporation (“MPC”), a company owned by our chairman Greg McCabe, which letter agreement included an Assignment, Bill of Sale and Conveyance, under which MECO purchased from Warwink and MPC (collectively, the “Sellers”) all of their right, title and interest under the Winkler Project in Winkler County, Texas for a purchase price of \$450,000, with \$100,000 allocated to MPC and \$350,000 allocated to Warwink. Before agreeing to the above transaction, MECO required both MPC and Warwink to sell their interest in the Winkler Project.

In connection with the above transaction, MPC agreed to have its \$100,000 portion of the purchase price paid directly to Warwink in exchange for Torchlight Energy Resources, Inc. issuing it 313,480 shares of common stock.

Under the letter agreement, the Sellers have a 90-day right to present MECO with a bona fide written offer from a third party to purchase the assets purchased from Warwink in this transaction and all of MECO’s interests in the Winkler prospect, provided that the offer is not from a party with leasehold interests within three miles of any of the assets. At MECO’s sole discretion, it may accept the offer. In such event, if the consideration received from the third party in such transaction, as allocated to the assets purchased from the Sellers, exceeds the purchase price set forth above, as adjusted for interim net cash flows, then MECO is to pay Seller a fee equal to one half of the positive difference between the that purchase price and the \$450,000 purchase price above.

**Item 3.02 Unregistered Sales of Equity Securities.**

Reference is made to the disclosure set forth above under the second paragraph under Item 1.01 of this current report, which disclosure is incorporated herein by reference. The common stock was issued under the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933 and the rules and regulations promulgated thereunder. The subject issuance of securities does not involve a “public offering” based upon the following factors: (i) the issuance of the securities is an isolated private transaction; (ii) a limited number of securities were issued to a single purchaser; (iii) there were no public solicitations; (iv) the purchaser has represented that it is an “accredited investor”; (v) the investment intent of the purchaser; and (vi) the restriction on transferability of the securities to be issued.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

Description

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[Exhibit 10.1](#) [Letter agreement with McCabe Petroleum Corporation and MECO IV, LLC, dated November 11, 2020](#)

**SIGNATURES**

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.

Torchlight Energy Resources, Inc.

Date: November 13, 2020

By: /s/ John A. Brda

John A. Brda

President

November 11, 2020

Warwink Properties, LLC  
500 W. Texas Ave., Ste 890  
Midland, TX 79701

McCabe Petroleum Corporation  
PO BOX 11188  
Midland, TX 79702

Attention: Mr. John Brda  
Mr. Greg McCabe

RE: Letter Agreement

Gentlemen,

This letter reflects additional terms of our agreement regarding the sale of oil and gas assets, as referenced in the Assignment, Bill of Sale and Conveyance dated November 11, 2020 and executed contemporaneous with this letter ("Assignment"). The terms contained in this letter are intended to supplement the terms contained in the Assignment.

MECO IV, LLC ("MECO") is purchasing from Warwink Properties, LLC and McCabe Petroleum Corporation (collectively "Seller") all of their right, title and interest under the Warwink prospect in Winkler County, Texas, as said assets are more particularly described in the Assignment (the "Assets").

The parties have agreed:

1. The purchase price shall be \$450,000.00 US ("Purchase Price"). The purchase price shall be allocated \$100,000.00 to McCabe Petroleum Corporation and \$350,000.00 to Warwink Properties, LLC.
2. As part of this transaction, MECO requires both McCabe Petroleum and Warwink Properties, LLC to sell their interest in the properties. McCabe Petroleum hereby directs MECO to pay its share of the Purchase Price to Warwink Properties, LLC. Any positive or negative adjustments to the Purchase Price attributable to the apportionment of pre and post Effective Date revenues and expenses shall be solely for the accounts of Warwink Properties, LLC and MECO.
3. The effective date of purchase and apportionment of revenues and expenses, for production purposes shall be 7:00 a.m., November 1, 2020 ("Effective Date").
4. Closing shall occur on November 11, 2020. Closing shall be subject to the execution of (i) an Assignment and Bill of Sale in the form attached hereto as Exhibit A, and (ii) a Preliminary Settlement Statement in the form attached hereto as Exhibit B. Within 60 days after the closing, MECO shall provide Sellers with a Final Settlement Statement, reconciling all remaining pre and post Effective Date costs and expenses. The parties shall negotiate the Final Settlement Statement in good faith and once agreed upon, the Final Settlement Statement shall be a final accounting between the parties with respect to this transaction. All amounts due to Warwink Properties will be paid promptly thereafter. Provided, however, and for the avoidance of doubt, even though the parties anticipate that some amount will be due to Warwink Properties, should the accounting determine otherwise, Warwink Properties will have no obligation to pay any amounts to MECO with respect to the transaction.

5. Seller shall have the right, for a period of ninety days from the date hereof, to present MECO with a bona fide, written offer from a third party, to purchase the Assets and all of MECO's interests in the Warwink prospect and more particularly, MECO's interests in and under the wells and leases that comprise the Assets, provided that the offer is not from a party with leasehold interests within three miles of any of the Assets, and (ii) the decision of whether to accept the offer is solely MECO's. Should MECO, in its sole discretion accept such third party offer and should such transaction close with such third party, then in the event the consideration for such transaction, as allocated to the Assets, exceeds the purchase price set forth above, as adjusted for interim net cash flows "Adjusted Purchase Price", then Seller shall be entitled to a finder's fee equal to one half of the positive difference between the Adjusted Purchase Price and the Purchase Price (as adjusted at the closing between MECO and Seller).

Please confirm your agreement to the terms of this letter agreement by signing below.

Sincerely,

MECO IV, LLC

/s/ Sam D. Winegrad  
Name: Sam D. Winegrad  
Title: Manager

Agreed to and Accepted November 11, 2020:

WARWINK PROPERTIES, LLC

/s/ John Brda  
Name: John Brda  
Title: President

MCCABE PETROLEUM CORPORATION

/s/ Greg McCabe  
Name: Greg McCabe  
Title: President