Oil and Gas Lease.

Agreement, Made and entered into the 18th day of July, 1921. by and between the Scott Investment Company in Cash organized under the laws of Alabama, hereinafter called Lessor (whether one or more), and W. H. Powers of Pensacola Fla. hereinafter called Lessee:

Witnesseth: That the said lessor, for and consideration of Two 20/100 Dollars, cash in hand and paid, receipt of which is hereby acknowledged, and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased and let, and by these presents does grant, lease and let unto the said lessee for the sole and only purpose of mining and operating for oil and gas and of laying pipe lines and of building tanks, power stations and structures thereon to produce, save and take care of said products, all that certain tract of land situated in the County of Shelby in the State of Alabama, described as follows, to-wit: All of its lands situated in the following named Township, to-wit: 18 S. Range 1 E. – 18 S. Range 1 W. – 19 S. Range 1 W. and 20 S. Range 2 W. more particularly described in list of lands hereto attached and marked Exhibit "A"

– Exhibit A –

Description	Sec.	Tp.	Rng	Meridian
All of	7	18 S.	1 E.	Huntsville
E½ of N½ – N½ of S.E¼ and S.W¼ of S.W¼	9	18 S	1 E	"
All of	19	18 S.	1 E	"
N.E¼ – S.W¼ and N½ of S.E¼	13	18 S.	1 W	"
All of the N.W¼ lying East of the top of Oak Mountain in Shelby Co.	13	18 S.	1 W	"
N½ of Section	31	18 S.	1 W	"
N½ of Section	27	19 S.	1 W	"
S½ of N.E¼, N.E¼ of S.W¼ and S½ of S.W¼	1	20 S.	2 W	"
S.E¼ of	1	20 S.	2 W	"
All of	3	20 S.	2 W	"
N.E¼ of N.E¼ – N.W¼ of N.W¼ and N.E¼ of S.E¼	5	20 S.	2 W	"
S½ of S.E¼	5	20 S.	2 W	"
N.E¼ of N.W¼ – W½ of N.W¼ and N.W¼ of S.W¼	7	20 S.	2 W	"

Description	Sec.	Twp.	Rng	Meridian
S. E¼ of S. E¼	7	20 S.	2 W	Huntsville
All Section	9	20 S.	2 W	"
S½ of N. E¼, S. E¼ of N. W¼ and S½ of Section	11	20 S.	2 W	"
NE¼ of N. W¼ and W½ of N. W¼	13	20 S.	2 W	"
NE¼ - NE¼ of N. W¼ and S. W¼ of N. W¼	15	20 S.	2 W	"
NE¼ of S. W¼, S½ of S. W¼ and S. E¼	15	20 S.	2 W	"
N½ of Section, S. W¼ - N½ of S. E¼, S. W¼ of S. E¼	17	20 S.	2 W	"
NE¼ of N. E¼ - S½ of N. E¼ and S. E¼ of N. W¼	19	20 S.	2 W	"
E½ of S. W¼ and S. E¼	19	20 S.	2 W	"
NE¼ of N. E¼, S½ of N. E¼ and S. E¼ of N. W¼	21	20 S.	2 W	"
S½ of Section	21	20 S.	2 W	"
S. E¼ of S. W¼	25	20 S.	2 W	"
NE¼ of N. E¼. W½ of N. E¼ and S E¼ of N. W¼	29	20 S.	2 W	"
NE¼ of S. W¼, S½ of S. W¼ and W½ of S. E¼	29	20 S	2 W	"
E½ of N. E¼ and S½ of Section	31	20 S	2 W	"
NE¼ of N. E¼, S½ of NE¼ and S½ of NW¼	33	20 S.	2 W	"
NE¼ of NE¼, W½ of N. E¼ and W½ of NW¼	35	20 S.	2 W	"
S. E¼	35	20 S.	2 W	"

and containing 6760 acres, more or less.

It is agreed that this lease shall remain in force for a term of ten years from this date, and as long thereafter as oil or gas, or either of them is produced from said land by the lessee.

In consideration of the premises the said lessee covenants and agrees:

1st. To deliver to the credit of lessor, free of cost, in the pipe line to which it may connect its wells, the equal one-eighth part of all oil produced and saved from the leased premises.

2nd. To pay the lessor the 1/10th part and $100.00 Dollars, each year in advance for the gas from each well where gas only is found, while the same is being used off the premises, and lessor to have gas free of cost from any such well for all stoves and all inside lights in the principal dwelling house on said land during the time by making its own connections with the well at its own risk and expense.

3rd. To pay lessor for gas produced from any oil well and used on the premises at the rate of $100.00 Dollars per year,

for the time during which such gas shall be used, said payments to be made each three months in advance.
If no well be commenced on said land on or before the 18th day of July 1923, this lease shall terminate as to both parties, unless the lessee on or before that date shall pay or tender to the lessor, or to the lessor's credit in the Farmers National Bank at Montgomery, Ala, or its successors, which shall continue as the depository, regardless of changes in the ownership of said land, the sum of Sixteen Hundred, Ninety & 00/100 Dollars, which shall operate as rental and cover the privilege of deferring the commencement of a well for twelve months from date of date. In like manner and upon like payments or tenders the commencement of a well may be further deferred for like periods of the same number of months successively. And it is understood and agreed that the consideration first recited herein, the down payment, covers not only the privilege granted to the date when said first rental is payable as aforesaid, but also the lessee's option of extending that period as aforesaid, and any and all other rights conferred.
Should the first well drilled on the above described land be a dry hole, then and in that event, if a second well is not commenced on said land within twelve months thereafter, this lease shall terminate as to both parties, unless the lessee on or before the expiration of said twelve months shall resume the payments of rentals in the same amount, and in the same manner as hereinbefore provided. And it is agreed that upon the resumption of the payment of rentals, as above provided, that the last preceding paragraph hereof, governing the payment of rentals and the effect thereof, shall continue in force just as though there had been no interruption in the rental payment.
If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties and rentals herein provided for shall be paid the said lessor only in proportion which his interest bears to the whole and undivided fee. Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for all operations thereon, except water from wells of lessor.

When requested by lessor lessee shall bury his pipe line below plow depth.
No well shall be drilled nearer than 200 feet to the house or barn now on said premises without the written consent of the lessor.
Lessee shall pay for damages caused by all operations to growing crops on said land.
Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.
If the estate of either party hereto is assigned - and the privilege of assigning in whole or in part is expressly allowed - the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns, but no change in the ownership of the land or assignment of rentals or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment, or a copy thereof, and it is hereby agreed that in the event this lease shall be assigned as to a part or as to parts of the above described lands and the assignee or assignees of such part or parts shall fail or make default in the payment of the proportionate part of the rents due from him or them, such default shall not operate to defeat or affect this lease in so far as it covers a part or parts of said lands upon which the said lessee or any assignee thereof shall make due payment of said rental.
Lessor hereby warrants and agrees to defend the title to the lands herein described and agrees that the lessee shall have the right at any time to redeem for lessor by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof.
In Witness whereof, we hereto set our hands and seals on the date first in above written.

Attest:
Gaston Scott
Secretary of the Scott Investment Co.

Scott Investment Co. (Seal)
By Thomas J. Scott (Seal)
Its President (Seal)

State of Alabama } I, G. W. Hails Jr. a Notary Public in and
Montgomery Co } for said County, in said State, hereby certify
that Thomas A. Scott whose name as President of the Scott
Investment Company, a Corporation, is signed to the foregoing
Conveyance and who is known to me, acknowledged before
me on this day that, being informed of the contents of the
Conveyance he, as such Officer, and with full authority
executed the same voluntarily for and as the act of
said Corporation.
Given under my hand and seal, this the 18th day
of July 1921.

G. W. Hails Jr.
Notary Public, Montgomery Co.

Commission Expires
Jan 19th 1924

For one dollar and other valuable consideration
I hereby assign the within Oil and Gas Lease to
the Borum Oil and Gas. Co.
August 9th 1921.

W. W. Powers.

State of Alabama } I. G. W. Weaver, Judge of Probate,
Shelby County } hereby certify that the within Lease
was filed in this office for record 15 day of Nov.
1921 at 2 o'clock P.M. and recorded in Deed
Record 71 Pages 114-118 and examined.

G. W. Weaver
Judge of Probate