

OIL, GAS AND MINERAL LEASE

ALA-6623

732

Producers 84 (SP 3-79) - With Pooling Provision
Mississippi, Alabama, Florida
RETURN TO:
ARCO OIL AND GAS COMPANY
LEASE PURCHASE UNIT
DALLAS, TEXAS 75221
P.O. BOX 2819

THIS AGREEMENT made this 31st day of October 19 79 between
JOHN W. DURR, INDIVIDUALLY AND AS ATTORNEY IN FACT AS MORE FULLY DESCRIBED BELOW

lessor (whether one or more), whose address is: 3350 Allendale Place, Montgomery, Alabama 35111

and ATLANTIC RICHFIELD COMPANY, lessee. WITNESSETH:

1. Lessor, in consideration of Ten and no/100 & OVC Dollars, receipt of which is hereby acknowledged, and of the covenants and agreements of lessee hereinafter contained, does hereby grant, lease and let unto lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, power lines, telephone lines, employee houses and other structures on said land, necessary or useful in lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land", is located in the County of Shelby, State of Alabama, and is described as follows:

SEE RIDER FOR MORE COMPLETE IDENTIFICATION OF LESSOR, FOR FURTHER PROVISIONS AND FOR DESCRIPTION WHICH IS ATTACHED HERETO AND MADE A PART HEREOF:



19800121000008620 Pg 1/6 .00
Shelby Cnty Judge of Probate, AL
01/21/1980 00:00:00 FILED/CERTIFIED

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by lessor by limitation, prescription, possession, reversion or unrecorded instrument or (b) as to which lessor has a preference right of acquisition. Lessor agrees to execute any supplemental instrument requested by lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus, delay rental or

other payment hereunder, said land shall be deemed to contain 4986.0 acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus and agrees to accept the delay rental as lump sum considerations for this lease and all rights, and options hereunder.

2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of ten (10) years from the date hereof, hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than ninety (90) consecutive days.

3. As royalty, lessee covenants and agrees: (a) To deliver to the credit of lessor, in the pipe line to which lessee may connect its wells, the equal one-eighth part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessor the market price of such one-eighth part of such oil at the wells as of the day it is run to the pipe line or storage tanks, lessor's interest, in either case, to bear one-eighth of the cost of treating oil to render it marketable pipe line oil; (b) To pay Lessor on gas, including casinghead gas or other gaseous substances, produced from said land and sold or used off the premises for the extraction of gasoline or other product therefrom, one-eighth of the market value computed at the mouth of the well of the gas so sold or used; provided that on gas sold by Lessee the market value shall not exceed the cash proceeds received by the Lessee for such gas computed at the mouth of the well, and on gas sold at the well the royalty shall be one-eighth of the cash proceeds realized by Lessee from such sale. (c) To pay lessor on all other minerals mined and marketed or utilized by lessee from said land, one-tenth either in kind or value at the well or mine at lessee's election, except that on sulphur mined and marketed the royalty shall be one dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing gas or any other mineral covered hereby, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to lessee. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, lessee shall pay or tender, by check or draft of lessee, as royalty, a sum equal to the amount of annual delay rental provided for in this lease. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in a depository bank provided for below. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In event of assignment of this lease and in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each. If the price of any mineral or substance upon which royalty is payable hereunder is regulated by any law or governmental agency, the market value or market price of such mineral or substance for the purpose of computing royalty hereunder shall not be in excess of the price which Lessee may receive and retain.

4. Lessee is hereby granted the right, at its option, to pool or unitize all or any part of said land and of this lease as to any or all minerals or horizons thereunder, with other lands, lease or leases, or portion or portions thereof, or mineral or horizon thereunder, so as to establish units containing not more than 80 surface acres plus 10% acreage tolerance; provided, however, a unit may be established or an existing unit may be enlarged to contain not more than 640 acres plus 10% acreage tolerance, if unitized only as to gas or only as to gas and liquid hydrocarbons (condensate) which are not a liquid in the subsurface reservoir. If larger units are prescribed or permitted under any governmental rule or order for the drilling or operation of a well at a regular location, or for the obtaining of a maximum allowable, from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged to conform to the size prescribed or permitted by such governmental order or rule. Lessee shall exercise said option as to each desired unit by executing an instrument identifying such unit and filing it for record in the public office in which this lease is recorded. Each of said options may be exercised by lessee from time to time, and whether before or after production has been established either on said land or on the portion of said land included in the unit or on other land unitized therewith and any such unit may include any well to be drilled, being drilled or already completed. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be land or mineral, royalty or leasehold interests in land within the unit which are not pooled or unitized. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, operations conducted under this lease. There shall be allocated to the land covered by this lease included in any such unit that proportion of the total production of unitized minerals from wells in the unit, after deducting any used in lease or unit operations, which the number of surface acres in the land covered by this lease included in the unit bears to the total number of surface acres in the unit. The production so allocated shall be considered for all purposes, including the payment or delivery of royalty, overriding royalty, and any other payments out of production, to be the entire production of unitized minerals from the portion of said land covered hereby and included in such unit in the same manner as though produced from said land under the terms of this lease. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of such unit shall not have the effect of changing the ownership of any delay rental or shut-in production royalty which may become payable under this lease. Neither shall it impair the right of lessee to release from this lease all or any portion of said land, except that lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. Lessee may dissolve any unit established hereunder by filing for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force. A unit may be so established, modified or dissolved during the life of this lease.

5. If operations are not conducted on said land on or before the first anniversary date hereof, this lease shall terminate as to both parties, unless lessee on or before said date shall, subject to the further provisions hereof, pay or tender to lessor or to lessor's credit in the

First National Bank of Birmingham, a Bank at Birmingham, Alabama

or its successors, which shall continue as the depository, regardless of changes in ownership of delay rental, royalties, or other moneys, the sum of \$ 4986.00

, which shall operate as delay rental and cover the privilege of deferring operations for one year from said date. In like manner and upon like payments or tenders, operations may be further deferred for like periods of one year each during the primary term. If at any time that lessee pays or tenders delay rental, royalties, or other moneys, two or more parties are, or claim to be, entitled to receive same, lessee may, in lieu of any other method of payment herein provided, pay or tender such rental, royalties, or moneys, in the manner herein specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessee may elect. Any payment hereunder may be made by check or draft of lessee deposited in the mail or delivered to lessor or to a depository bank on or before the last date of payment. Said delay rental shall be apportionable as to said land on an acreage basis, and a failure to make proper payment or tender of delay rental as to any portion of said land or as to any interest therein shall not affect this lease as to any portion of said land or as to any interest therein as to which proper payment or tender is made. Any payment or tender which is made in an attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depository, shall nevertheless be sufficient to prevent termination of this lease and to extend the time within which operations may be conducted in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof from lessor. Lessee may at any time and from time to time execute and deliver to lessor or file for record a release or releases of this lease as to any part or all of said land or of mineral or horizon thereunder, and thereby be relieved of all obligations as to the released acreage or interest. If this lease is so released as to all minerals and horizons under a portion of said land, the delay rental and other payments computed in accordance therewith shall thereupon be reduced in the proportion that the acreage released bears to the acreage which was covered by this lease immediately prior to such release.

6. If at any time or times during the primary term operations are conducted on said land and if all operations are discontinued, this lease shall thereafter terminate on its anniversary date next following the ninetieth day after such discontinuance unless on or before such anniversary date lessee either (1) conducts operations or (2) commences or resumes the payment or tender of delay rental; provided, however, if such anniversary date is at the end of the primary term, or if there is no further anniversary date of the primary term, this lease shall terminate at the end of such term or on the ninetieth day after discontinuance of all operations, whichever is the later date, unless on such later date either (1) lessee is conducting operations or (2) the shut-in well provisions of paragraph 3 or the provisions of paragraph 11 are applicable. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, constructing a mine, production of oil, gas, sulphur or other mineral whether or not in paying quantities.

BOOK 324 PAGE 556

the house or barn no _____ and without the consent of the lessor. Lessee shall pay _____ damages caused by its operations to growing crops and in _____ land.

8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, delay rental, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to lessee, its successors or assigns, no change or division in the ownership of said land or of the royalties, delay rental, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until thirty (30) days after there has been furnished to such record owner at his or its principal place of business by lessor or lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such court records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, lessee may, nevertheless pay or tender such royalties, delay rental, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above. In the event of assignment of this lease as to any part (whether divided or undivided) of said land, the delay rental payable hereunder shall be apportionable as between the several leasehold owners, ratably according to the surface area or undivided interests of each, and default in delay rental payment by one shall not affect the rights of other leasehold owners hereunder.

9. In the event lessor considers that lessee has not complied with all its obligations hereunder, both express and implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all of its obligations hereunder. Should it be asserted in any notice given to the lessee under the provisions of this paragraph that lessee has failed to comply with any implied obligation or covenant hereof, this lease shall not be subject to cancellation for any such cause except after final judicial ascertainment that such failure exists and lessee has then been afforded a reasonable time to prevent cancellation by complying with and discharging its obligations as to which lessee has been judicially determined to be in default. If this lease is cancelled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but lessor agrees that lessee shall have the right at any time to pay or reduce same for lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to lessor and/or assigns under this lease. Lessee is hereby given the right to acquire for its own benefit, deeds, leases, or assignments covering any interest or claim in said land which lessee or any other party contends is outstanding and not covered hereby and even though such outstanding interest or claim be invalid or adverse to lessor. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not), or no interest therein, then the royalties, delay rental, and other moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as lessor.

11. If, at, or after the expiration of the primary term hereof, and while this lease is in force, there is no well on said land, or on lands with which said land or any portion thereof has been unitized, capable of producing oil or gas, and lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of lessee, the primary term and the delay rental provisions hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

John W. Durr

JOHN W. DURR, INDIVIDUALLY AND AS ATTORNEY
IN FACT AS MORE FULLY SET OUT HEREIN BELOW

ESTATE TAX I. D. NUMBER-63-6075579

JOINT OR SINGLE ACKNOWLEDGEMENT
(MISSISSIPPI-ALABAMA-FLORIDA)

STATE OF Alabama

COUNTY OF _____

I hereby certify, that on this day, before me, X the undersigned authority

duly authorized in the state and county aforesaid to take acknowledgments, personally appeared _____

John W. Durr

to me known to be the person _____ described in and who executed the foregoing instrument and _____ he
_____ acknowledged before me that, being informed of the contents of the same, _____ he _____ voluntarily signed
and delivered the within and foregoing instrument on the day and year therein mentioned.

Given under my hand and official seal, this 31 day of October, A. D., 19 79

(Affix Seal)

June Ann Bailey
Notary Public

(Title or Official)

My commission expires 2-1-81

in and for _____ County, Alabama

Products 88 (8/77E) OE—Paid Up
With Pooling Provision
Mississippi, Alabama, Florida

No. _____

Oil, Gas and Mineral Lease

FROM

TO

County, _____

Date _____ 19 _____

No. Acres _____

Term _____

This instrument was filed for record on the _____

day of _____ 19 _____ at _____

o'clock _____ and duly recorded in _____

Book _____ Page _____

of the _____ record of this office.

County Clerk _____

By _____ Deputy _____

When recorded return to _____

Hederman Brothers—Jackson, Mississippi

RIDER FOR MORE COMPLETE IDENTIFICATION OF LESSOR, FOR FURTHER PROVISIONS AND FOR DESCRIPTION WHICH IS ATTACHED TO OIL, GAS AND MINERAL LEASE DATED OCTOBER 31, 1979, BY AND BETWEEN:

JOHN W. DURR, INDIVIDUALLY AND AS ATTORNEY IN FACT FOR ALL THE HEIRS AND BENEFICIARIES OF THE ESTATE OF JOHN W. DURR LISTED AS FOLLOWS:

ELIA DURR BUCK;

JAMES J. DURR;

LUCY DURR DUNN;

VIRGINIA FOSTER DURR;

THE FIRST NATIONAL BANK OF BIRMINGHAM AND J. W. DURR, III, CO-EXECUTORS UNDER THE LAST WILL AND TESTAMENT OF J. W. DURR, SR.; AND

THE FIRST ALABAMA BANK OF MONTGOMERY AND JOHN DURR ELMORE, TRUSTEES UNDER THE LAST WILL AND TESTAMENT OF KATE DURR ELMORE.

3350 Allendale Place
Montgomery, Alabama 36111, Lessor,

and

ATLANTIC RICHFIELD COMPANY, Lessee.

TOWNSHIP 19 SOUTH, RANGE 1 WEST:

Section 10: The Southwest Quarter of the Northwest Quarter.

Section 17: The Southeast Quarter of the Southeast Quarter.

Section 20: The Northeast Quarter of the Northeast Quarter; and the Southwest Quarter of the Northeast Quarter.

Section 23: The Northeast Quarter of the Southeast Quarter; and the North one-half of the Northeast Quarter.

Section 24: The North one-half, less the Northeast Quarter of the Northeast Quarter; the Southwest Quarter of the Southeast Quarter; the North one-half of the South one-half, less four (4) acres in the Northeast Quarter of the Southeast Quarter and five (5) acres in the Southeast Quarter of the Southeast Quarter.

Section 25: The South one-half of the Northeast Quarter; the Southeast Quarter of the Southwest Quarter, less three (3) acres in the Northwest corner; the Southwest Quarter of the Southwest Quarter of the Southeast Quarter; and the Northwest Quarter of the Northeast Quarter.

Section 26: The North one-half; the West one-half of the Southwest Quarter; and the Southeast Quarter of the Southwest Quarter.

Section 27: The South one-half, less ten (10) acres in the Southeast Quarter of the Southeast Quarter.

Section 28: The East one-half of the Southeast Quarter; and the East one-half of the Northwest Quarter.

Section 29: The Southeast Quarter of the Southwest Quarter; and the Southwest Quarter of the Northwest Quarter of the Southeast Quarter.

Section 30: The Northwest Quarter of the Northwest Quarter; the Southwest Quarter of the Northeast Quarter; the North one-half of the Southeast Quarter; and the Southwest Quarter of the Southeast Quarter.

Section 31: The Northeast Quarter of the Northwest Quarter.

Section 33: The East one-half of the Northeast Quarter; and the Southwest Quarter of the Northeast Quarter.

Section 34: The East one-half of the Northwest Quarter; the Northeast Quarter, less four acres; the Northeast Quarter of the Southeast Quarter; the South one-half of the Northwest Quarter of the Southwest Quarter; and the South one-half of the South one-half.

Section 35: The West one-half of the West one-half; the West one-half of the East one-half; the Southeast Quarter of the Northwest Quarter; the Northeast Quarter of the Northeast Quarter; the Southeast Quarter of the Southwest Quarter; and the East one-half of the Southeast Quarter.

Section 36: The South one-half of the Southwest Quarter, less two (2) acres in the Northeast corner of the Southeast Quarter of the Southwest Quarter; the Northwest Quarter of the Southwest Quarter; and the West one-half of the East one-half.

TOWNSHIP 20 SOUTH, RANGE 1 WEST:

- Section 1: The North one-half of the Northwest Quarter.
- Section 2: The West one-half of the Northwest Quarter; the West one-half of the Northeast Quarter; the East one-half of the East one-half of the Northwest Quarter East of the Creek; and the Northwest Quarter of the Southeast Quarter East of the Creek.
- Section 3: The North one-half, less the North one-half of the Northeast Quarter of the Northwest Quarter.
- Section 4: The East one-half of the Northeast Quarter; the West one-half of the Northeast Quarter, less nine (9) acres; the Southeast Quarter of the Southeast Quarter; and the South one-half of the Southwest Quarter.
- Section 9: The Northeast Quarter of the Northeast Quarter; and the North one-half of the Northwest Quarter.

TOWNSHIP 19 SOUTH, RANGE 1 EAST:

- Section 18: The Southwest Quarter of the Southwest Quarter; the East one-half of the Southwest Quarter.
- Section 19: The Southwest Quarter of the Northwest Quarter; the Northeast Quarter of the Northwest Quarter; and the West one-half of the Southwest Quarter.

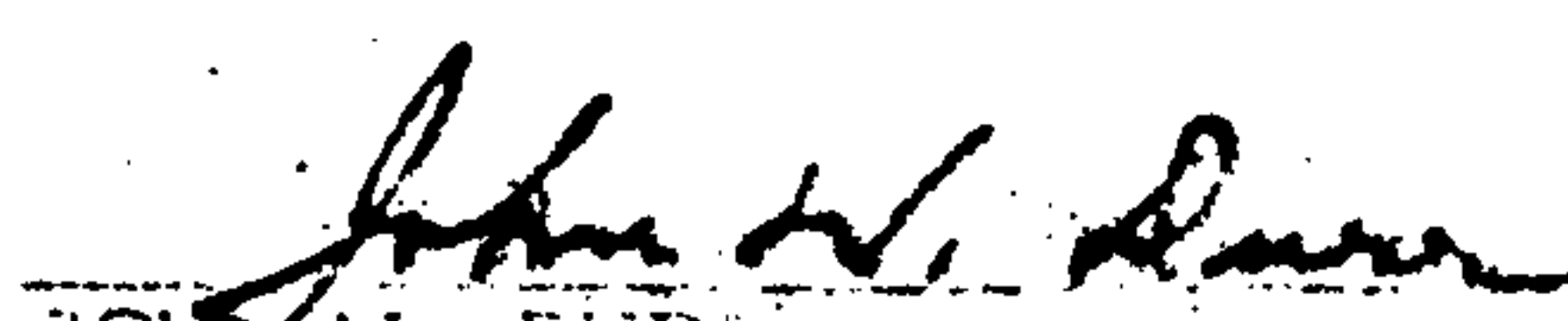
Notwithstanding any provisions herein contained to the contrary, this lease shall cover only oil, gas, gas derivations, helium, sulphur and liquid and associated hydrocarbons and does not cover coal, iron ore or any other mineral in, on or under said lands.

It is the intent of the lessor, whether one or more to lease and let and lessor does hereby lease and let all land owned, claimed or inherited by said lessor in Township 19 South, Range 1 West, Sections 10, 17, 20, 23, 24, 25, 26, 27, 28, 29, 30, 31, 33, 34, 35 & 36; Township 20 South, Range 1 West, Sections 1, 2, 3, 4 & 9; and Township 19 South, Range 1 East, Sections 18 & 19, Shelby County, Alabama whether correctly described herein or not.

The royalties to be paid lessor, whether one or more shall be changed to read one-sixth (1/6th) in lieu of and in place of the one-eighth (1/8th) royalties as so provided for in paragraph number three (3) hereof.

Lessee shall have the option to renew this lease, in whole or in part, and extend the primary term for an additional period equal to the initial primary term commencing on the expiration date of the initial primary term by paying or tendering to Lessor, as a bonus, the sum of Three Dollars (\$3.00) per acre for each acre renewed, on or before the expiration date of the initial primary term or, if drilling or reworking operations are being conducted on the leased premises or lands pooled therewith on the expiration date of the initial primary term and such operations do not result in a commercial well and the well is plugged or abandoned, payment or tender may be made within thirty (30) days from the date on which the well is plugged and abandoned. Payment or tender of the renewal bonus may be made in the same manner and into the same depository provided for in the payment of rentals. If Lessor owns an interest in the land less than the entire fee simple estate, the renewal bonus shall be reduced proportionately to accord with the interest actually owned by the lessor. In the event of assignment of this lease as to a segregated portion of the land, the renewal bonus payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each and the renewal option shall be exercisable severally and separately as to each assigned portion. In the event the lease is renewed and extended in part only, Lessee shall promptly file for record an instrument in the county in which the land is situated, designating the acreage renewed and extended. The renewal bonus shall be in lieu of delay rental for the first year of the extended term.

Anything to the contrary herein notwithstanding, the parties further agree that for all purposes of this lease, it is understood that Lessor does not own or claim to own the surface of any of the lands described herein, but Lessor does claim to own the entire, undivided mineral interest in and to the leased minerals in and under the lands described herein, together with the usual and customary mineral rights and privileges pertaining thereto. Lessor makes no warranty of any kind or character with respect to its title to the interests in lands leased and demised herein, but does agree with Lessee that if its interest in any of the lands described herein is less than the interest claimed by it and specified hereinabove in this paragraph, or Lessor shall have no interest in such land, the Lessor shall restore to Lessee, in the proportion to which Lessor's interest therein bears to the interest claimed by Lessor, and specified in this paragraph, all bonuses, rentals, royalties and any other monies paid by Lessee to Lessor under this lease with respect to the lands as to which the Lessor owns such less interest or no interest.


JOHN W. DURR

If the amount of money from actual production during any calendar year calculated on the first and on each succeeding anniversary of the date hereof shall be less than the annual delay rental, then in each and every such event lessee shall either release this lease in its entirety or pay to lessor the amount of any such deficiency. Lessor shall, after the expiration of each calendar year address a notice in writing to lessee at P. O. Box 2819, Dallas, Texas, 75221, informing lessee of the amount of the deficiency, if any that is due lessor for the calendar year just expired. If any deficiency payment is stated to be due, lessee shall have thirty (30) days after receipt of said written notice to tender payment to lessor in the depository bank named in this lease.

JOHN W. DURR

BOOK 324 PAGE 560

This oil, gas and mineral lease has been submitted to and the terms and conditions of said lease has been approved by The First National Bank of Birmingham on this the 7TH day of NOVEMBER, A. D., 1979.

ATTEST:

The First National Bank of Birmingham
as Co-Executor o/w/o John W. Durr, Sr.,
deceased.

Paul L. Ash
Assistant Vice President and
~~Geologist~~ FARM MANAGER

BY: Henry A. Long Jr
Vice President and Trust Officer

This oil, gas and mineral lease has been submitted to and the terms and conditions of said lease has been approved by John W. Durr, III on this the 31st day of OCTOBER, A. D., 1979.

John W. Durr, III
John W. Durr, III as Co-Executor
o/w/o John W. Durr, Sr., deceased

19800121000008620 Pg 6/6 .00
Shelby Cnty Judge of Probate, AL
01/21/1980 00:00:00 FILED/CERTIFIED

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED

1980 JAN 21 AM 10:51

Thomas A. Snowden, Jr.
JUDGE OF PROBATE

deed 29.50
mineral 249.30
Rec. 16.00
Ind. 1.00
295.80