

# OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made the 5 day of September, 1900 between  
Lloyd Davis, a single man

Lever, Wetherbee, Inc., Whitehouse, Kt. 1, Vincent, Ala. 35173  
and Amoco Production Company, P.O. Box 50679, New Orleans, La. 70150

I, lessor, in consideration of Ten and More Dollars,  
I, lessor, in consideration of 10,00 & MORE, in full paid of the moneys herein provided, and of the agreement of lessee herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of lessor herein contained, hereby grants, leases and lets exclusively unto lessee for the purpose of investigating, exploring, drilling and mining for and producing oil, gas and all other minerals, laying pipe lines, building roads, tanks, power stations, telephone lines and other structures thereon to produce, save, take care of, treat, transport and own and products and leasing its employees the following described land in Shelby County, Alabama.

# Township 18 South, Range 3 East

Section 18: That part of the SW $\frac{1}{4}$  of NW $\frac{1}{4}$  lying North of Old Community Road. Less:  
begin at the NE corner of said  $\frac{1}{4}$  section; South 250 feet; West along said Road 190 feet;  
North 235 feet to North boundary of  $\frac{1}{4}$  section; East 190 feet to POB.



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Shelby Cnty Judge of Probate, AL  
10/21/1980 00:00:00 FILED/CERTIFIED

it is agreed, and understood by and between the parties hereto that this lease does not cover  
or include coal, iron ore, or other minerals mined by the open pit or shaft methods.

It is the intention of Lessor and Lessee that this lease shall also include, and there is hereby included, granted, leased and let, for the purposes and consideration herein stated, all the land owned or claimed by Lessor, adjacent or contiguous to the land particularly described above, whether the same be in said section or sections, grant or grants, or in adjacent sections or grants, although not included with the boundaries

2. Subject to the other provisions herein contained, this lease shall be for a term of ten years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or lands with which said land is joined herewith.

3. The royalties to be paid by Lessee are to, on oil, one-eighth (1/8) of that produced and saved from said land, the same to be delivered at the wells or to the credit of Lessor into the pipeline to which the wells may be connected, Lessor may from time to time purchase any royalty oil in its possession, paying the market price therefor prevailing for the field where produced on the date of purchase, in either case such interest to bear its proportion of any expense of treating unmarketable oil to render it merchantable as crude; (b) on gas, one-eighth (1/8) of the market value at the well of the gas used by Lessee in operations not connected with the land leased or any pooled unit containing all or a part of said land, the royalty on gas sold by Lessee to be one-eighth (1/8) of the amount realized at the well from such sales; (c) one-eighth (1/8) of the market value at the mouth of the well of gas used by Lessee in manufacturing gasoline or other by-products, except that in computing such value, there shall be excluded all gas or components thereof used in lease or unit operations and all unall other minerals mined and marketed, one-tenth (1/10) either in kind or value at the well or mine, at Lessor's election, except that on sulphur mined and marketed, the royalty shall be fifty cents (\$0.50) per long ton. In the event that any well on the land or on property pooled therewith (or with any part thereof) is capable of producing oil or gas or gasoline substance in paying quantities but such minerals are not being produced, then Lessor's rights may be maintained in the absence of production or drilling operations by commencing or resuming rental payments by ten dollars (\$10.00) per acre per month, as determined in paragraph 8. Should such conditions occur or exist at the end of or after the primary term or within sixty (60) days prior to the expiration thereof, Lessor's rights to be extended beyond and after the primary term by the commencement, resumption or continuance of such payments at the rate and in the manner herein provided for rental payments during the primary term, and for the purpose of computing and making such payments the expiration date of the primary term and each anniversary date thereof shall be considered as a fixed rental payment date, and if such payments are made, it will be considered that oil or gas or gasoline substance is being produced within the meaning of paragraph 2 hereof. Lessee shall have free use of oil, gas, coal, wood and water from said land, except water from Lessor's wells, for all operations hereunder, and royalty on oil, gas and coal shall be computed after deducting any so used.

4. Lessor, at its option, is hereby given the right and power to pool or combine the acreage covered by this lease or any portion thereof with other land, lease or leases in the immediate vicinity thereof, when it deems it judgment it is necessary or advisable to do so in order properly to develop and operate said premises in compliance with any lawful spacing rules which may be prescribed for the field in which this lease is situated by any duly authorized authority, or when to do so would, in the judgment of Lessor, promote the conservation of the oil and gas in and under and that may be produced from said premises. Lessor shall execute, at writing, an instrument identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties on production from the pooled unit, as if it were included in this lease. If production is found on the pooled acreage, it shall be treated as if production is had from this lease, whether the well or wells be located on the entirety of or only a part of the lease or not. In event of such production, Lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the acreage of his acreage pooled in the unit or his royalty interest therein bears to the total acreage so pooled in the particular unit involved.

2. Right of lease for drilling etc. to said land or otherwise granted herewith as above provided on or before one year from this date the lease shall then terminate as to both parties, unless or if  
before such anniversary date Lessor shall pay or tender to Lessor or to the credit of Lessor in Union State, Pell City, Bank at Alabama (which bank and its successors are Lessor's agent) and shall continue as the depository for all rentals payable hereunder regardless of changes in ownership of said land or the rentals) the sum of  
Fifteen and 50/100

Fiftees and 50/100 Dollars

**15.50**

Landowner shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to draw and remove all casing. When a well is drilled, it may be located within two hundred (200) feet of any residence or business on said land without Lessee's consent. Lessee  
is liable for all damage to such residence or business.

shall be responsible for all damages caused by Lessor's agents but otherwise than damage necessarily caused by the exercise of the rights herein granted.

8. The rights of Lessor shall, hereinafter, may be assigned in whole or in part, and the privilege herein shall extend to their heirs, successors and assigns, but no change or division in ownership of the land rental or royalties however accomplished shall operate to enlarge the obligation or diminish the rights of Lessor, and no change or division in such ownership shall be binding on Lessor until thirty (30) days after Lessor shall have been furnished by registrant, or mail at Lessor's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of assignment hereunder, Lessor may sue or collect directly upon the owner of the lease or of a portion thereof who commits such breach. In the event of the death of any person entitled to rents, he or she, Lessor may pay or tender such rents to the credit of the deceased until such time as Lessor is furnished with proper evidence of the appointment and qualifications of an executor or administrator of the estate, or if there be none, then until Lessor is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased, and that all debts of the estate have been paid. If at any time two or more persons be entitled to participate in the total payable herein, Lessor may pay or tender said rental jointly to such persons or to their joint credit in the depositary named herein or to Lessor's credit in the proportionate part of said rental to which each party's interest may be paid or tendered to him separately or to his separate credit in said depository, and payment hereunder shall be apportionable between the several lessees and owners ratably according to the surface area of each and default in rental payment by one shall not affect the rights of other household members. If six or more parties Lessor entitled to royalty hereunder, Lessor may withhold payment thereof unless and until furnished with a recordable instrument executed by all such persons.

