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November 19 80 between



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Shelby Cnty Judge of Probate, AL
12/08/1980 00:00:00 FILED/CERTIFIED

Lessor (whether one or more) whose address is Rt. 1, Box 340, Vincent, Al. 35178
and Amoco Production Company, P.O.Box 50879, New Orleans, La. 70150 LESSOR
Ten and More LESSOR-WITNESSETH

1. Lessee, in consideration of ten and more Dollars
(\$ 10.00 & more), in hand paid, of the royalties herein provided, and of the agreement of Lessee herein contained, hereby grants, leases and lets exclusively unto Lessee for the purpose of investigating, exploring, prospecting, 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 said products, and housing its employees, the following described land in Shelby County, Alabama, to-wit:

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It is the intention of Lessor to let and lease for the purposes described herein, all of the land and mineral interest(oil & gas) owned by Lessor in enclosed sections, whether land is completely and correctly described herein or not.

It is agreed and understood by and between the parties hereto that this lease does not cover nor 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 of the land particularly described above. For the purpose of determining the amount of any money payment hereunder, the lands herein shall be treated as comprising 254 acres, whether there be more or less, and in the event of a partial assignment or surrender hereunder, the assigned or surrendered portion or portions shall be deemed to contain the number of acres stated in such assignment or surrender.

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 pooled hereunder.

3. The royalties to be paid by Lessee are: (a) 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; Lessee 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 marketable 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 component thereof used in lease or unit operations; and (d) on all other minerals mined and marketed, one tenth (1/10) 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 fifty cents (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 gaseous substances in paying quantities but such minerals are not being produced, then Lessee's rights may be maintained, in the absence of production or drilling operations, by commencing or resuming rental payments thereon (sometimes referred to as shut in gas payments) as hereinafter provided in paragraph 6. 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, Lessee's rights may 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 paying date; and if such payments are made, it will be considered that oil or gas or gaseous 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. Lessee, 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 comparable after discovered any so used in Lessee's 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 an orally authorized authority, or when to do so would, in the judgment of Lessee, promote the conservation of the oil and gas in and under and that may be produced from said premises. Lessee shall execute in writing an instrument identifying and despatching 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 and 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 premises covered by this lease or not. In lieu of the royalties elsewhere herein specified, Lessee shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the amount of its acreage placed in the unit or its royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

5. If operations for drilling are not commenced on said land or on acreage pooled therewith, as above provided on or before one year from this date the lease shall then terminate as to both parties, unless on or before said expiration date the lessee shall have commenced operations for drilling on the land.

before each anniversary date Lessor shall pay or tender to Lessor or to the credit of Lessor to Alakam, Inc. bank and if 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

Two Hundred Fifty Four and No/100 Dollars

254.00
(4) "herein called rental" which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. In like manner and upon like payments to Lessee annually the commencement of drilling operations may be further deferred for successive periods of twelve (12) months each during the primary term. The payment or tender of rental may be made by check or draft of Lessee mailed or delivered to Lessor or to said bank or to be made by cash payment. If a cash payment of rental should fail, liquidate or be so excused by any other bank or financial institution or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental until thirty (30) days after Lessor shall deliver a proper recordable instrument naming another bank as agent to receive such payments or tenders. The making of such cash payment is consideration for this lease according to its terms and shall not be allocated as more rental for a period of six (6) months or more events and shall be Lessor or the proper agent's receipt or release of and release of any portion or portions of the above described premises and the release from the lease as to such portion or portions and be relieved of all obligations of the contract hereunder rendered, and thereafter the rental payable hereunder shall be reduced to the proportion that the amount of such cash payment bears to the full rental.

[illegible][illegible][illegible]

1. This lease shall be in full force and effect from the date of its execution and shall continue in full force and effect until the expiration of the term hereinafter provided. If the obligation should require the drilling of a well or wells, the Lessee shall have ninety (90) days after the receipt of written notice by Lessor from Lessor specifically stating the breach alleged by Lessor within which to begin operations for the drilling of a well or wells, and the only penalty for failure so to do shall be the termination of this lease as to forty (40) acres for each well being worked on or producing oil or gas to be drilled by Lessee within each forty (40) acre tract within one year. After the recovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall reasonably develop the other and/or in paying quantities. But in exchanging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained to Lessor and capable of producing oil, gas or other mineral in paying quantities.

2. Lessor hereby warrants and agrees to defend the title to and land and agrees that Lessor at its option may discharge any tax, mortgage or other lien upon the land, either in whole or in part, and in event Lessor does so, it shall be subject to such lien with reference to said land and shall not be liable for the same. Lessor hereby agrees to defend the title to and land and agrees that Lessor at its option may discharge any tax, mortgage or other lien upon the land, either in whole or in part, and in event Lessor does so, it shall be subject to such lien with reference to said land and shall not be liable for the same. Lessor hereby agrees to defend the title to and land and agrees that Lessor at its option may discharge any tax, mortgage or other lien upon the land, either in whole or in part, and in event Lessor does so, it shall be subject to such lien with reference to said land and shall not be liable for the same.

3. Should Lessor be prevented from conducting operations on the premises by any express or implied covenant or by any law, regulation or ordinance, Lessor shall not be liable for the same. Lessor hereby agrees to defend the title to and land and agrees that Lessor at its option may discharge any tax, mortgage or other lien upon the land, either in whole or in part, and in event Lessor does so, it shall be subject to such lien with reference to said land and shall not be liable for the same. Lessor hereby agrees to defend the title to and land and agrees that Lessor at its option may discharge any tax, mortgage or other lien upon the land, either in whole or in part, and in event Lessor does so, it shall be subject to such lien with reference to said land and shall not be liable for the same.

4. Lessor hereby agrees to defend the title to and land and agrees that Lessor at its option may discharge any tax, mortgage or other lien upon the land, either in whole or in part, and in event Lessor does so, it shall be subject to such lien with reference to said land and shall not be liable for the same. Lessor hereby agrees to defend the title to and land and agrees that Lessor at its option may discharge any tax, mortgage or other lien upon the land, either in whole or in part, and in event Lessor does so, it shall be subject to such lien with reference to said land and shall not be liable for the same.

5. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer. All offers made up to and including the last day of the primary term of this lease shall be subject to the terms and conditions of this Section. Should Lessee elect to purchase the lease pursuant to the offer, it shall so notify Lessor in writing by mail or telegram prior to expiration of said 15-day period. Lessee shall promptly thereafter furnish to Lessor the new lease for execution on behalf of Lessor, along with Lessee's signed draft payable to Lessor in payment of the specified amount as consideration for the new lease, such draft being subject only to approval of title according to the terms thereof. Upon receipt thereof, Lessor(s) shall promptly execute said lease and return same along with the endorsed draft to Lessee's representative or through Lessor's bank of record for payment.

IN WITNESS WHEREOF, this instrument is signed, sealed and delivered on the date first above written.

WITNESS

Francis M. Randall (SEAL)
Francis M. Randall (SEAL)
S. S. if (SEAL)
(SEAL)
(SEAL)
(SEAL)
(SEAL)
Lessor.

STATE OF ALABAMA
COUNTY OF SHELBY

Nolan H. Robertson

Francis M. Randall, a single man

a Notary Public in and for said County, in said State, hereby certify that

Whose name is signed to the foregoing instrument, and

who is known to me, acknowledged before me on this day, that, being informed of the contents of the instrument, he executed the same voluntarily on the day the same bears date.

Given under my hand and Official Seal, this 12 day of November

A. D. 1980

Nolan H. Robertson (SEAL)
Notary Public in and for

State at Large

ALABAMA

My commission expires: 12-3-83

WIFE'S SEPARATE ACKNOWLEDGEMENT

STATE OF
COUNTY OF

a Notary Public in and for said County, in said State, do hereby certify that

on the day of 19 came before me the within named

known to me to be the wife of the within named

who being examined separate and apart from the husband, touching her signature to the within instrument, acknowledged that she signed the same of her own free will and accord, and without fear, constraints or threats on the part of her husband.

Given under my hand and Official Seal, this day of A. D. 19

Notary Public in and for

County,

Oil, Gas and Mineral Lease

FROM

TO

19

County, Alabama

instrument was filed for record on the

at

and duly recorded in

Page

records of this office.

(Official Title)

When recorded return to

EXHIBIT A

Township 18 South, Range 2 East

Section 13: NE¼ of SW¼; SW¼ of SW¼; S½ of NW¼ of SW¼.

Section 14: E½ of SE¼ lying East of Kellys Creek.

Section 23: E½ lying East of Kellys Creek.

Section 24: Begin at a point where section line between Sections 23 & 24 crosses Kellys Creek and run North along Section line to a bluff; SEly along said bluff to a stake; thence in a line to a marked birch tree on the bank of Kellys Creek near the old cow ford; thence up the Creek to POB.

Township 19 South, Range 2 East

Section 2: Begin at the SE corner of NW¼ of NE¼; North along Section line to North line of said Section 2; West along said North line 500 feet, more or less, to the center line of PPL's 50 ft. R.O.M.; turn 30° left and follow said center line to the point of intersection line of the S¼ of NE¼ of NW¼; 90° to right and follow said North line to a point 100 feet, more or less, East of the West line of said NE¼ of NW¼; South 600 feet, more or less, to the South line of said ¼-¼; 90° to left and run East to the POB. Less and except: Begin at NE corner of NW¼ of NE¼; West 404 feet; SW 250 feet; South 640 feet; NE 517 feet; East 410 feet; North 675 feet to POB. Also less: Begin at SE corner of NW¼ of NE¼; East along South line of NE¼ of NE¼ 321.80 feet; 71° 12' to left 143.20 feet; 77° 40' left 593.30 feet; 34° 40' left 249.54 feet to POB; 90° right 50 feet; 90° left 100 feet; 90° left 100 feet; 90° left 100 feet; 90 degrees left 50 feet to POB.

Township 21 South, Range 3 West

Section 28: Begin at NE corner NE¼ of NE¼; 11 acres in NE corner of said ¼-¼. Described as follows: ¼ of NE¼ of NE¼ of NE¼ and W¼ of SE¼ of NE¼ of NE¼; also one acre in SW corner of NE¼ of SE¼ of NE¼ of NE¼.

2
Beer Tax 3.50
Min Tax 12.70
Rec 15.00
Fuel 1.00
32.20
page 330 Book 330

STATE OF ALA. SHELBY CO. SIGNED FOR IDENTIFICATION:
I CERTIFY THIS DOCUMENT WAS FILED
1980 DEC -8 AL Francis M. Randall
Francis M. Randall
JUDGE OF PROBATE