



9. The breach by Lessee of any obligation hereunder shall not work a forfeiture or termination of this lease nor be cause for cancellation hereof in whole or in part save as herein expressly provided. If the obligation should require the drilling of a well or wells, Lessee shall have ninety (90) days after the receipt of written notices by Lessor from Lessor specifically stating the breach alleged by Lessor within which to begin operations for the drilling of any such well or wells; and the only penalty for failure so to do shall be the termination of this lease save as to forty (40) acres for each well being worked on or producing oil or gas, to be selected by Lessee so that each forty (40) acre tract will embrace one such well. After the discovery of oil, gas or other mineral in paying quantities on said premises, Lessee shall reasonably develop the acreage retained hereunder, but in discharging this obligation it shall in no event be required to drill more than one well per forty (40) acres of the area retained hereunder and capable of producing oil, gas or other mineral in paying quantities.

10. Lessor hereby warrants and agrees to defend the title to said land and agrees that Lessee at its option may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in event Lessee does so, it shall be subrogated to such lien with right to enforce same and apply rentals and royalties accruing hereunder toward satisfying same. Without impairment of Lessee's rights under the warranty in event of failure of title, it is agreed that if Lessee owns an interest in said land less than the entire fee simple estate, then the royalties and rentals to be paid Lessor shall be reduced proportionately. Failure of Lessee to reduce rental paid hereunder shall not impair the right of Lessee to reduce royalties. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided.

11. Should Lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, or by operation of force majeure, or any Federal or state law or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith, and this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while Lessee is so prevented shall not be counted against Lessee; anything in this lease to the contrary notwithstanding.

12. The undersigned Lessor, for himself and his heirs, successors and assigns, hereby surrenders and releases all rights of homestead in the premises herein described, in so far as said rights of homestead may in any way affect the purpose for which this lease is made as recited herein, and agrees that the annual drilling deferment rental payments made to Lessor as herein provided will fully protect this lease as to the full interests of the undersigned.

13. 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 offer, 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 terms hereof, it shall so notify Lessee 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 Lessee(s) along with Lessee's sight draft payable to Lessor in payment of the specified amount as consideration for the new lease, such draft being subject only to appraisal of title according to the terms thereof. Upon receipt thereof, Lessee(s) shall promptly execute said lease and return same along with the enclosed draft to Lessee's representative or (through Lessee's) bank of record for payment.

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

WITNESS:

Rhenfro McGraw (SEAL)

Rhenfro McGraw (SEAL)

S. S. # 416-18-8886 (SEAL)

(SEAL)

(SEAL)

(SEAL)

Deed .50  
Mineral 1.00  
Rec. 10.00  
Dnd. 1.00  
12.50  
Lessor.

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

1980 DEC 19 AM 9:59

Thomas A. Snowden, Jr.  
JUDGE OF PROBATE

STATE OF ALABAMA

COUNTY OF SHELBY

I, NOLAN H. ROBERTSON

Rhenfro McGraw, 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

has 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 6 day of December

A. D. 1980

Nolan H. Robertson  
Notary Public in and for  
State at Large County,  
ALABAMA

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My commission expires: 12-3-83

WIFE'S SEPARATE ACKNOWLEDGEMENT

19801218000143960 Pg 2/2 .00  
Shelby Cnty Judge of Probate, AL  
12/18/1980 00:00:00 FILED/CERTIFIED

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_ 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, \_\_\_\_\_

Producers SS Rev	Oil, Gas and Mineral Lease	FROM	TO	county, Alabama	at _____	and duly recorded in _____	Page _____	records of this office	Official Paper	When recorded return to _____
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