

THIS AGREEMENT made this 29 day of April, 1980, between

Ellie Jean Whitlock, widow

Lessor (whether one or more) whose address is: Route One, Box 113, Vincent, Ala. 35178
 and Amoco Production Company, P. O. Box 50379 New Orleans, La. 70150

Lessor, WITNESSETH:

1. Lessor in consideration of Ten & No/100 Dollars & Other Valuable Considerations

Dollars

(\$ 10.00 +), 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:

Township 19 South, Range 2 East

Section 13: All that part of the West $\frac{1}{2}$ lying south & east of the Atlantic Coast Line Railroad.

Section 24: All that part of the North $\frac{1}{2}$ of the NW $\frac{1}{4}$ which lies north of Hwy. #62.



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 Shelby Cnty Judge of Probate, AL
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It is agreed between the parties hereto that this lease does not cover nor include coal, iron ore, or other minerals mined by the shaft or open pit method.

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 considerations 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 sections or portions, grant or grants, or in adjacent sections or grants, although not included within the boundaries of the land particularly described above. For the purpose of determining the amount of any money payment hereunder, the lands herein described shall be treated as comprising 160.00 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 same 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 well 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 marketing unmerchantable 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 manufacturing, generating, 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 market value 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, generating, 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 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 various minerals marketed, the royalty shall be fifty cents (50c) 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 terminated in the absence of production or drilling operations, by commencing or resuming rental payments (herein sometimes referred to as shut in gas payments) as 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 of, 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, water, and water flowing land, except water from Lessor's wells, for all operations hereunder, and royalty on oil, gas and coal shall be computed after deducting any such cost.

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 other land, lease or leases in the immediate vicinity thereof, when 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 any governmental 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 describing the pooled acreage. The entire acreage so pooled 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 obtained 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, Lessor shall receive on production from a unit so pooled only such portion of the royalties as herein as the amount of his acreage placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the 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 such anniversary date Lessee shall pay or tender to Lessor or to the credit of First Bank of Childersburg Bank at Childersburg (which bank and its successors are Lessor's agent and shall continue as the depository for all rentals payable hereunder regardless of changes to ownership

of said land or the rentals) the sum of One Hundred, Sixty & No/100

(\$ 160.00), (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 or tenders annually the commencement of drilling operations may be further postponed for successive periods of twelve (12) months each during the primary term. The payment or tender of rental may be made by the check or draft of Lessee payable or delivered to Lessor or to said bank on or before such date of payment. If such bank (or any successor bank) should fail, liquidate or become insolvent, or for any reason fail or refuse to accept rental, Lessee shall not be held in default for failure to make such payment or tender of rental. Within thirty (30) days after Lessor shall deliver to Lessee a proper recordable instrument, naming another bank as agent to receive such payments as may be made down cash payment is consideration for this lease according to its terms and shall not be allocated as mere rental for a period. Lessee may at any time or times execute and deliver to Lessor or to the depository above named or place of record a release or releases covering any portion or portions of the above described premises and thereby surrender this lease as to such portion or portions and be relieved of all obligations as to the acreage surrendered, and after the rentals payable hereunder shall be reduced in the proportion that the acreage covered hereby is reduced by said release or releases.

6. If prior to discovery of oil, gas or other mineral on said land or on acreage pooled therewith Lessee should drill a dry hole or holes, or after discovery of oil, gas or other mineral, the production thereof should cease from any cause, this lease shall not terminate if Lessee commences drilling or reworking operations within 60 days thereafter or if it be within the primary term, commences or resumes the payment or tender of rental, or commences operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of 60 days from date of commencement of drilling or cessation of production. If at any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and in the event of discovery of oil, gas or other mineral on said land, or on acreage pooled therewith, Lessee should drill a dry hole thereon, no rental payment or tender of rental is necessary in order to keep the lease in force during the remainder of the primary term. If at the expiration of the primary term, or at any time thereafter, a dry hole is not being produced on said land, or on acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon, or if Lessee has completed a dry hole thereon within sixty (60) days prior to the end of the primary term, the lease shall remain in force as long as operations are conducted with no cessation of more than sixty (60) consecutive days, and if they result in the production of oil, gas or other mineral, or if oil, gas or other mineral is produced from said land or acreage pooled therewith. In the event a well or wells producing oil or gas are drilled or brought in on adjacent land and within one hundred fifty (150) feet of and draining the leased premises, or acreage pooled therewith, Lessee shall drill such offset wells as a reasonably prudent operator would drill under the same or similar circumstances.

7. Lessee shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed on the land, including the right to draw and remove all casing. When required by Lessor, Lessee will bury all pipe lines below ordinary ground level, and the same shall be drilled within two hundred (200) feet of any residence or barn now on said land without Lessor's consent. Lessee shall be responsible for all damages caused by Lessee's operations hereunder other than damages necessarily caused by the exercise of the rights herein granted.

8. The rights of either party hereunder may be assigned in whole or in part, and the provisions hereof shall extend to their heirs, successors and assigns; but no change or division in ownership of the land, rentals or royalties, however accomplished, shall operate to enforce the assignment or division of the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U. S. mail at Lessee's principal place of business with a certified copy of recorded instrument or instruments evidencing such assignment or division hereof in whole or in part. Liability for breach of any obligation hereunder shall rest exclusively upon the owner of this lease or of a portion thereof of who commits such breach. In the event of the death of any person entitled to rentals hereunder, Lessee may pay or tender such rentals to the estate of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment and qualification of an executor and administrator of the estate, or if there be none, then until Lessee 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 rental payable hereunder, Lessee may pay or tender said rental jointly to such persons or to their joint credit in the depository named herein; or, at Lessee's election, that proportionate part of said rental to which each participant is entitled may be paid or tendered to him separately or to his separate credit in said depository; and payment on tender to any participant of his portion of the rentals hereunder shall maintain this lease as to such participant. In event of assignment of this lease as to a registered participant of said land, the rentals payable hereunder shall be apportionable as between the several leasehold owners ratably according to the surface area of each, and default in rental payment by one shall not affect the rights of other leasehold owners hereunder. If six or more parties become entitled to rentals hereunder, Lessee may withhold payment thereof unless and until furnished with a recordable instrument executed by all such parties designating an agent to receive payment for all.

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