

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 25th day of January, 1982, between

Joseph William Strange and wife, Julia D. Strange

Lessor (whether one or more), whose address is 133 15th Terrace NW, Birmingham, Alabama 35215 and Amoco Production Company, P. O. Box 50379, New Orleans, La. 70150 lessee, W.D.N.S.E.T.H.

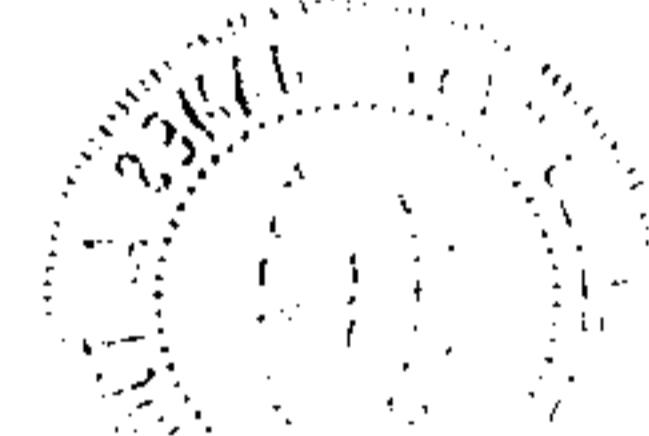
1. Lessor, in consideration of Two Hundred Twenty Eight and No/100 Dollars, except of which is hereby acknowledged, and of the covenants and agreements of lessee hereinafter contained, does hereby grant, lease and let unto lessee the land covered hereby for the purpose and with the exclusive right of 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 towns, 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:

TOWNSHIP 20 SOUTH, RANGE 2 WEST

Section 32: Begin at the Southeast corner of the NE $\frac{1}{4}$ of SW $\frac{1}{4}$ of said section, thence run Westerly along the south line of said $\frac{1}{4} \times \frac{1}{4}$ section 200 feet, thence turn right 88 degrees 13' and run northerly 296.5 feet, thence turn left 61 degrees 21' and run northwesterly 623.03 feet to the intersection of the Northeast-Southwest diagonal line of said $\frac{1}{4} \times \frac{1}{4}$ section, thence turn right 107 degrees 29' 30" and run northeasterly along said diagonal line to the Northeast corner of said $\frac{1}{4} \times \frac{1}{4}$ section, thence turn right and run southerly along the east line of said $\frac{1}{4} \times \frac{1}{4}$ section 1318.96 feet to the point of beginning, EXCEPT that part of the following described tract that lies Southeast of said Northeast-Southwest diagonal line; The North 600 feet of the East 330 feet of said NE $\frac{1}{4}$ of the SW $\frac{1}{4}$, 8 acres, more or less.

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BOOK

This lease does not cover coal, iron ore or any other minerals.



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 to a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 9.5 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 keeps the bonus as lump sum consideration for the 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 so 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, lessor covenants and agrees: (a) To deliver to the credit of lessor, in the pipe line to which lessor may connect its wells, the equal one-eighth part of all oil produced and saved by lessor from said land, or from time to time, at the option of lessor, to pay lessor, the average posted market price of such one-eighth part of such oil, (i) 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 and condensate gas produced from said land (1) when sold by lessor, the greater of the amount realized by lessor, computed at the mouth of the well, or (2) when used by lessor off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of one-eighth of such gas and condensate gas, (c) To pay lessor on all other minerals mined and marketed or utilized by lessor from said land, one-tenth 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 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 the 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 so long as no shut-in had occurred. Lessor 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, lessor shall not be obligated to install or furnish facilities, or to run 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 lessor. If, at any time or time 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 such ninety day period, lessor shall pay or tender, by check or draft of lessor, as royalty, a sum equal to one dollar (\$1.00) for each acre of land thus covered hereby. Lessor 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 sub-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, or may be deposited to such parties credit in

the BTNB Birmingham Trust National Bank bank

at Centerpoint Branch or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that lessor pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessor may, in lieu of any other method of payment herein provided, pay or tender such shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as lessor may elect. Any payment hereunder may be made by check or draft of lessor deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair lessor's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease 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.

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 60 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 and liquid hydrocarbons (condensate) which are not a liquid in the subsurface reservoir. If larger units are required, under any governmental rule or order, for the drilling or operation of a well at a regular location, or for obtaining 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 required by such governmental order or rule. Lessor 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 lessor 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 the 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, in so far as such land produces, a unitary proportion of surface minerals from wells in the unit after deducting any available acreage 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, overburden royalty, and any other payment out of production, to the owner of production of unitized mineral from the particular unit of land covered hereby and included in such unit in the same manner as though produced from such land under the terms of this lease. The owner of the non-unitized estate shall pay to lessor a unitary proportion of the acreal proportion of royalties paid to the party entitled to receive payment, unless lessor, with the consent of the unit, shall satisfy any obligation of lessor to pay a unitary proportion of the cost of characterizing ownership of any shut-in production, or to pay a unitary proportion of the cost of production, or to pay a unitary proportion of the cost of completion, or to pay a unitary proportion of the cost of abandonment, or to pay a unitary proportion of the cost of reworking, or to pay a unitary proportion of the cost of plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.

5. Lessor 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 any mineral or horizon thereunder, and thereby released of all obligation as to the released acreage or interest.

6. This is a PAID UP LEASE. In consideration of the down cash payment, Lessor agrees that Lessee shall not be obligated except as otherwise provided herein, to commence or continue any operations during the primary term. 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, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities.

7. Lessor shall have the use, free from royalty, of water, other than from lessor's water wells, and of oil and gas produced from said land in all operations hereunder. Lessor shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. No well shall be drilled nearer than 200 feet to the house or barn now on said land without the consent of the lessor. Lessee shall pay for damages caused by its operations to growing crops and timber on said 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, or other moneys, or any part thereof, however effected, shall increase the obligations or diminish the rights of lessee, including, but not limited to, the location and drilling of well and the measurement of production. Notwithstanding the actual or constructive knowledge of notice thereof of or to lessor, its successors or assigns, no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, however effected, shall be binding upon the then record owner of the 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 record receipt 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 change in ownership occurs by reason of the death of the owner, lessee may, nevertheless, pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank or trust fund above.

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 respect or to what extent lessee has breached the 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 such notice shall preclude the bringing of any action by lessor against lessee 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 such notice nor the filing 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 its obligations hereunder. Such notice shall be given to the lessee under the provisions of the paragraph that lessee has failed to comply with any proposed obligation or covenant herein, this lease shall not be subject to cancellation by any notice given to the lessee under the provisions of this paragraph that such failure exists and lessee has then been afforded a reasonable time to prevent cancellation by complying with and discharging its obligation(s) in full, except after final judicial determination that such failure exists and lessee has then been afforded a reasonable time to prevent cancellation by complying with and discharging its obligation(s) in full, and in such case, cancellation of this lease shall be determined to be in default if this lease is cancelled for any cause, it shall nevertheless remain in force and effect as to (i) sufficient acreage around each well at which lease is being operated, determined to be in default if this lease is cancelled for any cause, it shall nevertheless remain in force and effect as to (ii) sufficient acreage around each well at which lease is being operated, determined to be in default if this lease is cancelled for any cause, it shall nevertheless remain in force and effect as to (iii) acreage retained by lessee, including or may otherwise, lawfully and orderly, be able to serve notice of cancellation, but in no event less than forty (40) days prior to the date to be designated to lessor as to notice of cancellation, the term of lease so centered at the well, or in such shape as then existing spacing rules require, and (iv) any part of said land included in a pool or unit on which there are operations. Lessee shall not make assignments 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 hereinabove shall be charged proportionately with any production taxes or other taxes 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 assignee under this lease. Lessee is hereby given the right to assign to it or its own benefit, deeds, leases, or assignments covering any interest or claim in said land which lessor 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 it be a full interest or better or specified or not), or no interest therein, then the royalties, 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 results 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.

(1) (1), while this lease is in force at or after the expiration of the primary term hereof, it is not being continued in force by reason of the short or well provisions of paragraph 8 hereof, and lessor 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 the usual beyond the reasonable control of lessee; the primary term 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.

12. 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 all or part of the substance covered by this lease and covering all or a portion of the land described herein with the lease becoming effective upon expiration of the 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. Lessor, 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 others 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 of this section, Lessor is requested 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 at the eight draft payable to Lessor in payment of the specified amount as consideration for the new lesser, such draft being subject only to approval of title according to the terms thereof. Upon receipt of the new lease, Lessor shall have the right to accept or reject the same.

WITNESS WHEREON, this instrument is executed on the date first above written.
MAY 15.

Joseph William Strange (SEAL)
Joseph William Strange
Soc. Sec. # [REDACTED] (REDACTED)

Julia D. Strange (SEAL)

STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED
1982 FEB 22 AM 9:55
Thomas A. Sanders, Jr.
JUDGE OF PROBATE

Deed Tax .50	
Mineral .48	
Rec 10.00	
Ind. 1.00	
<hr/>	
11.98	

JOINT OR SINGLE ACKNOWLEDGEMENT
(MISSISSIPPI-ALABAMA-FLORIDA)

STATE OF Alabama
COUNTY OF Shelby

I hereby certify that on this day, before me, a Notary Public,
duly authorized in the state and county aforesaid to take acknowledgments personally appeared Joseph William Strange and wife, Julia D. Strange,
to me known to be the person(s) described in and who executed the foregoing instrument and the y
acknowledged before me that, being informed of the contents of the same,
the within and foregoing instrument on the day and year therein mentioned
(Affix Seal)

Given under my hand and official seal this 26th day of January A.D. 1982

James A. Justice
Notary Public
(Title of Official)

My commission expires 6/18/85 in and for Shelby County, Alabama

Oil, Gas and Mineral Lease	
From	To
Deputy County Clerk	County Clerk
When received return to	
By _____	Depot
of the _____ records of this office	of the _____ records of this office
Book _____ Page _____	Book _____ Page _____
dated _____ 19____	dated _____ 19____
No. Acres _____	No. Acres _____
Term _____	Term _____
This instrument was filed for record on the _____ day of _____ by _____ and duly recorded in the office of the _____ County Clerk.	
Produced No. 4706 Paul Gipps, Building Inspector, Missouri Department of Roads	