This instrument prepared by: James A. Zucker
15 Valley View
Tuscaloosa, Al. 35[redacted]

S09

Form 4
Paid-Up Pooling Provision Rev. 12-1-79 With Pooling Provision NF 6172

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 30th day of January, 19 82, between

Thomas D. Pate and wife, Patricia Pate

Route 3, Box 93, Pell City, Alabama 35125

whose address is

AMOCO PRODUCTION COMPANY, P. O. Box 50879, New Orleans, La.

Lessee, WITNESSETH:

1. Lessor, for and in consideration of Ten and more

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:

TOWNSHIP 18 SOUTH, RANGE 2 EAST

Section 5: All that part of the N½ of NE¼ lying South of a County gravel road and West of County Road #55.

A part of the S½ of NE¼ more particularly described as follows, to-wit: Begin at the NW corner of S½ of NE¼ and run East along the North line of S½ of NE¼ a distance of 994.54 feet to the point of beginning of the parcel herein described; thence turn at an angle of 91 degrees, 06 minutes to the right and run a distance of 36.95 feet; thence turn at an angle of 73 degrees, 26 minutes to the left and run a distance of 208.16 feet; thence turn at an angle of 14 degrees, 58 minutes to the left and run a distance of 55.50 feet; thence turn at an angle of 6 degrees, 57 minutes to the right and run a distance of 574.57 feet; thence turn at an angle of 102 degrees, 47 minutes to the left and run a distance of 200.48 feet to the North line of said S½ of NE¼; thence run West along said North line of S½ of NE¼ to the point of beginning.

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Notwithstanding any provisions herein contained to the contrary, this lease shall cover only oil, gas, gas derivations, helium, liquid hydrocarbons and sulphur and does not cover coal, iron ore, or any other minerals in, on, or under said lands.

Lessee hereby agrees that if it commences drilling operations on said lands, it will furnish Lessor copies of drillers log.

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 within 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 67 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 set forth opposite its signature of or surrender.

2. Subject to the other provisions herein contained, this lease shall be for a term of Five (5) years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or land 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; either Lessee or Lessor shall have the right to bear the proportion of any expense of treating 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 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) on all products manufactured from gas, 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 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 Lessor's election, except that on sulphur the royalty shall be fifty cents (50¢) per long ton. In the event that any well on the land or on properties pooled therewith (or with any part thereof) is capable of producing oil or gas or other minerals 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 continuing drilling or reworking operations within sixty days from such cessation or within sixty days from such time as

14. Lessee shall have the option to renew this lease, in whole or in part, and extend the primary term for an additional period equal to the initial primary term commencing on the expiration date of the initial primary term by paying or tendering to Lessor, as a bonus, the sum of FIFTEEN AND NO/100------ Dollars ($ 15.00) per acre for each acre renewed, on or before the expiration date of the initial primary term or, if drilling or reworking operations are being conducted on the leased premises or land pooled therewith on the expiration date of the initial primary term and such operations do not result in a commercial well and the well is plugged or abandoned, payment or tender may be made within thirty (30) days from the date on which the well is plugged or abandoned. Payment or tender of the renewal bonus may be made in the same manner and into the same depository provided for the payment of delay rental. If Lessor owns an interest in the land less than the entire fee simple estate, the renewal bonus shall be reduced proportionately to accord with the interest actually owned by the Lessor. In the event of the assignment of this lease as to a segregated portion of the land, the renewal bonus payable hereunder shall be apportionable as between the several leasehold owners ratably and according to the surface area of each and the renewal option shall be exercisable severally and separately as to each assigned portion. In the event the lease is renewed andextended in part only, Lessee shall promptly file for record an instrument in the county in which the land is situated, designating the acreage renewed and extended and the acreage released. The renewal bonus shall be in lieu of delay rental for the first year of the extended term.

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

[redacted]

SO.SEC.NO.

1982 MAR 12 AM 10:49

Thomas A. Scott, Jr.
JUDGE OF PROBATE

Thomas D. Pate
(Thomas D. Pate)

Patricia Pate
(Patricia Pate)

Deed 1.50
Mtg 3.35
Rec 10.00
Ind 1.00
15.85

STATE OF Alabama

COUNTY OF Shelby

I, the under signed, , A Notary Public in and for said County, in said State, hereby certify that Thomas D. Pate and wife, Patricia Pate

Whose names are signed to the forgoing instrument, and who are known to me, acknowledged before me on this day, that being informed of the contents of the instrument they executed the same voluntarily on the day the same bears date.

Given under my hand and Official Seal, this 30th day of January, A.D.1982.

James A. Fuller
Notary Public in and for
State of Alabama at Large County

MY COMMISSION EXPIRES 6/18/85.