

570

OIL, GAS AND MINERAL LEASE

dated at [redacted] the 3rd day of February 1982.

Between Earl R. Burkette and wife Martha H. Burkette

and AMOCO PRODUCTION COMPANY, P.O. BOX 50879, New Orleans, La.

consideration of Ten and more

\$10 & MORE for a land pool of the qualities herein provided, and of the assignment of Lease herein contained hereto or sub-lease and let exclusively unto Lessee by [redacted] for a period of one year, commencing for and producing oil, gas and all other mineral, having pipelines, building roads, tools, power plant, telephone lines and storage tanks, for the purpose of the transportation and removal products, and housing its employees, the following described land in [redacted] County, Alabama:

SEE EXHIBIT A

EXHIBIT A

TOWNSHIP 18 SOUTH RANGE 2 EAST

Section 19: A part of the SE $\frac{1}{4}$ of SW $\frac{1}{4}$ described as beginning at a point on the NE line of the right of way of the Central of Georgia Railroad and 612 feet SE of the west line of said 40 acres and run SE along said right of way 550 feet to cemetery lot; thence NE 270 feet along cemetery fence; thence E 158 feet along cemetery fence; SW along said fence 241 feet to the So. line of said 40 acres; E 250 feet to SE corner of said 40 acres; N along east line of said 40 acres 550 feet to telephone line; NW along telephone line 275 feet; SW 450 feet to the East corner of R. J. Bruner lot, now owned by Bert Stevens; West along south line of said last mentioned lot 420 feet to POB, containing 10 acres more or less, EXCEPTING lot sold to Curtis Howard as described in Deed Book 175 Page 378.

Also a part of NE $\frac{1}{4}$ of SW $\frac{1}{4}$ and part of SE $\frac{1}{4}$ of SW $\frac{1}{4}$ described as begin at SW corner of Denver Overton lot on south side of a public road and run SE along a ditch to the NE corner of lot formerly known as Helms lot; South along east side of Helms lot 420 feet to the NE corner of Jackson lot; Southeast direction along Jackson lot 210 feet to NE corner of Riddle lot; Southeast 370 feet, more or less to SE corner; NE along NW line of property formerly belonging to Snow property 527 feet, more or less to telephone line; NW along telephone line 908 feet more or less to south side of a public road; SW along south side of said public road to POB.

Also a part of the SW $\frac{1}{4}$ of SE $\frac{1}{4}$ beginning at the SW corner of said 40 acres and running thence east along the south line of said forty acres 9 feet and 2 inches to a point; thence run northwesterly to a point where the telephone line crosses the west line of said SW $\frac{1}{4}$ of SE $\frac{1}{4}$; thence run south along the west line of said forty acres a distance of 625 feet and 9 inches to the POB.

Section 30: The E $\frac{1}{2}$ of SW $\frac{1}{4}$. Also all that part of SE $\frac{1}{4}$ of NW $\frac{1}{4}$ lying south of the Vincent-Leeds Highway, EXCEPT for that portion of the following described lot situated within said area, Viz: Commencing at the SE corner of section run N 2 deg. 30 min. W along the east line of said forty acres 353 feet to POB, thence turn an angle of 102 deg 15 min. to the left and run 420 feet; thence turn an angle of 102 deg. 15 min. to the right and run 561 feet to an old road; thence turn an angle of 77 deg. 45 min. to the right and run along said old road 420 feet; thence turn an angle to the right 102 deg. 15 min. and run 562 feet, more or less, to POB of said exception which contains 5 acres, more or less, in said exception.

W. D. Burkette

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

It is agreed and understood between lessor and lessee that wherever the fraction 1/8 appears in paragraph 3 it is decreed to read 1/6.

It is the intent 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 lying in the several lots or parcels 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 land herein described.

of the Fund particularly described above. For the purpose of determining the amount of any money payment hereunder, the funds herein shall be treated as comprising 116, whether or otherwise, and in the event of a partial assignment of surrender hereunder, the assigned or surrendered portion or portions shall be deemed to contain the number of units stated in such assignment or surrender.

Subject to the other provisions herein contained, this lease shall be for a term of **Sixty** years from this date (called "primary term") and as long thereafter as oil, gas or other mineral is produced from said land or the part thereof which said land is pooled herewith.

The rentals to be paid by Lessor 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, Lessor 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; (b) on crude oil, one-tenth (1/10) of the proportion of any royalty of treating unmarketable 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 Lessor in (a) 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 produced after deduction of one-half 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 (i) gas consumed in lease or unit operations, and (ii) in 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 if so elected, and provided the royalty shall be fifty cents (\$50c) per long ton, to 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 in the aggregate quantity, but such materials are not being produced, then Lessee's rights may be maintained, in the absence of production or drilling operations, by continuing to make annual payments, also in quantities referred to as due as 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 continuation of such payments at the rate and in the manner herein provided for, and payment 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 reckoned as the first day of the year in which 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 access to all wells and areas on said land, except water from Lessor's wells. In all operations herunder, and royalty on oil, gas and coal shall be computed after deducting ten percent.

1. The right is hereby given to 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 thereto which may be 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 by the State or other机关 having authority to do so, and that such action shall be done in a duly authorized authority, or when so done, in the judgment of Lessor, promote the conservation of the oil and gas in and under and that may be produced from said premises. It is further agreed in writing an instrument of identifying and describing the pooled acreage. The entire acreage so pooled into a tract or unit shall be treated, for all purposes except the payment of royalties, as if it were one tract or unit, and the pooled unit as 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 entirely covered by this lease or not. In view of the royalties herein to be run specified, Lessor shall receive on production from a unit so pooled only such portion of the royalty stipulated herein as the interest of him or her placed in the unit or his royalty interest therein on an acreage basis bears to the total acreage so pooled in the particular unit involved.

2. Right to drill. No drilling or井通氣is permitted on any part of the acreage covered by this lease until after the date of the first payment of the first annual royalty.

10. Payment of drilling service commences on the date or on average 10 days thereafter provided for in or before one year from this date the lease shall then terminate as to both parts in due course
11. To be given at date basic full pay or tender to Lessor or to the agent of Lessor in ETNR, Bank at Birmingham
Address of Lessor and its 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 Lessor, the sum of
One Hundred Sixteen and No/100
116.00

6. If, prior to the entry of oil, gas or other mineral on such land or on acreage pooled therewith, Lessee should drill a dry hole or holes thereon or if after discovery of oil, gas or other mineral, the production thereof continues for any period of time, shall not terminate if Lessee commences additional drilling or reworking operations within 30 days thereafter or if it be within the primary term, or commence additional drilling or reworking operations for drilling or reworking on or before the rental paying date next ensuing after the expiration of 60 days from date of completion of such last well or wells drilled. That any time subsequent to sixty (60) days prior to the beginning of the last year of the primary term and prior to the discovery of oil, gas or other mineral on said land or acreage, or prior to the entry of oil, gas or other mineral on such land or acreage, or prior to the entry of oil, gas or other mineral on acreage pooled therewith, no rental payment or operations are necessary in order to keep the lease in force during the remainder of the primary term, if at the expiration of the primary term oil, gas or other mineral is not being produced from said land or acreage pooled therewith, but Lessee is then engaged in drilling or reworking operations thereon or shall have completed a dry 1 1/2" diameter well or more than one-half the term of the primary term, the lease shall remain in force so long as operations are prosecuted with no cessation of more than sixty (60) consecutive days, and if there is no oil, gas or other mineral produced therefrom, or if oil, gas or other mineral is produced from such land or acreage pooled therewith, in the event a well or wells producing oil, gas or other mineral is brought in on adjacent land and within one hundred fifty (150) feet of and sharing the leased premises, or acreage pooled therewith, Lessee agrees to drill such offset well(s) at no extra expense to itself under the same or similar circumstances.

13. The Lessor shall have the right at any time during or after the expiration of this lease to remove all property and fixtures placed by Lessee on said land, including the right to clean and remove all oil, water, gas, or mineral products from the same with tools, all equipment, labor, machinery, plow, depth, and no well shall be drilled within two hundred (200) feet of any residence or barn now on said land without the consent of the Lessor in writing. All damages caused by Tenant's operation hereunder other than damages necessarily caused by the exercise of the rights herein granted.

14. The rental 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 or interest in the same, however occurring, shall affect or change the obligations or diminish the rights of Lessor, and no change or division in such ownership shall be binding on Lessor and if the same occurs, Lessor shall furnish to Lessee at Lessor's principal place of business with a certified copy of recorded instrument or instruments evidencing same. In the event of a transfer of all or any part of land by the lessee for breach of any obligation hereunder, shall rest exclusively upon the owner of this lease or of a portion thereof who commits such breach. In the event of the death of a person entitled to receive payment under this lease, may pay or tender such rentals to the credit of the deceased or the estate of the deceased until such time as Lessee is furnished with proper evidence of the appointment of a personal representative or action taken of the estate, or that they be none, then until Lessee is furnished with evidence satisfactory to it as to the heirs or devisees of the deceased, and that they be entitled to receive payment. If any heir or devisee or joint participant 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, or in proportion to the interest of Lessor which they respectively hold and tend to which each participant entitled may be paid or tendered to him separately or to his separate credit in said amount, or he may pay a part of his portion of the rental. He neither shall maintain this lease as to such participant. In event of assignment of this lease as to a segregated portion of said land, the rental payable hereunder shall be apportioned among between the several household owners ratably according to the surface area of each and default in rental payment by one shall not affect the rights of other householders but such householders are entitled to jointly to recover. Lessor may withhold payment of any rental and until furnished with a recordable instrument executed

