Alabama Producers 88 (Revised 12-1-70) With Pooling Provision SP 6152 [illegible]

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OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this 31st day of March, 19 82, between EDDIE LEITMAN, JERRY LEITMAN and ALEX LEITMAN

Lessor (whether one or more), whose address is: 425 First Alabama Bank Building, Birmingham, AL 35203 and AMOCO PRODUCTION COMPANY, Box 50879, New Orleans, LA 70150 Lessee, WITNESSETH:

1. Lessor in consideration of One Hundred and No/100 Dollars ($ 100.00), 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:

A one-half (1/2) undivided interest as tenants in common in and to the following real estate:

The North one-half (N-1/2) of the Northeast quarter (NE-1/4) of Section Two (2), Township Twenty (20), Range Two (2) West.

Notwithstanding anything to the contrary hereinafter provided in the printed portion of this Lease, it is agreed and understood between the parties as follows:

A. This Lease does not include or cover coal, iron ore or other hard rock minerals mined by the open pit or shaft method but is limited to oil, gas and related products.

B. Lessor agrees that no testing shall occur and no well be drilled (i) in or within 50 feet of the boundaries of the lake located on said property at its fullest level during the year; (ii) within 200 feet of any residence now on said property; and (iii) that no access roads, building roads, power stations or other roads or structures shall be erected on said property without the prior approval of Lessor as to their location.

C. Whenever the fraction 1/8 appears in printed Paragraph 3, it shall be deemed to be the fraction of "1/6".

D. This Lease shall be for a primary term of five (5) years from this date rather than the ten (10) years recited in printed Paragraph 2.

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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, [illegible] the lands herein shall be treated as comprising eighty-one (81) acres [illegible]

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, [illegible]

4. [illegible]

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 Lessor in The First National Bank at Birmingham, Alabama (which bank 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 rentals) the sum of Eighty-One and No/100 Dollars ($ 81.00) (herein called rental), which shall cover the privilege of deferring commencement of drilling operations for a period of twelve (12) months. [illegible]

6. [illegible]

7. [illegible]

8. [illegible]

[illegible]

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 Lessee 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 Lessor 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 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 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 Lessor 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 Lessor(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 approval of title according to the terms thereof. Upon receipt thereof, Lessor(s) shall promptly execute said lease and return same along with the endorsed draft to Lessee's representative or through Lessor(s) bank of record for payment.

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

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 data 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 ratable 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 and extended 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.

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STATE OF ALA. SHELBY CO.
I CERTIFY THIS
INSTRUMENT WAS FILED
1982 JUN 15 AM 11: 04
Thomas A. Snowden, Jr.
JUDGE OF PROBATE

Deed tax 1.00
Min. 2.03
Rec. 12.00
Ind. 1.00
16.03

Eddie Leitman
EDDIE LEITMAN S.S. NO. [redacted]

Gayle Leitman
GAYLE LEITMAN

Jerry Leitman
JERRY LEITMAN

Marcia Leitman
MARCIA LEITMAN

Alex Leitman
ALEX LEITMAN

Freida Leitman
FREIDA LEITMAN

STATE OF ALABAMA

COUNTY OF JEFFERSON

I, the undersigned authority, A Notary Public in and for said County, in said State, hereby certify that EDDIE LEITMAN and wife, GAYLE LEITMAN; JERRY LEITMAN and wife, MARCIA LEITMAN; and ALEX LEITMAN and wife, FREIDA LEITMAN Whose names are signed to the foregoing 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 8th day of June A.D. 19 82 .

Linda L. Hand
Notary Public in and for
Jeffer[redacted]County

MY COMMISS[redacted]EXPIRES 8/27/85 .