PAGE

Donus 1,248.23

OIL, GAS AND MINERAL LEASE

THIS ACREEMENT made this 18th Robert C. Wesson	dey ofMay	19_82 , between
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lessor (whether one or more), whose address is: P.O. BOX	57072 Birmingham, Alabama, 3	15259
SOHIO Petroleum Company, 1 Lincolu	n Center, Dallas, Texas	, Iessee, WITNESSETH:
I. Lessor, in consideration of <u>Ten Dollars and (</u> of which is bereby arknowledged, and of the covenants and agree covered hereby for the purposes and with the exclusive right of exp minerals (whether or not similar to those mentioned), together with surface or subsurface disposal of salt water, construct roads and briefly other structures on said land, necessary or useful in lessee's produced from the land covered hereby or any other land as	ments of lessee hereinafter contained, does hereby loring, drilling, mining and operating for, producing th the right to make surveys on said land, lay pipe dges, dig canals, build tanks, power stations, power operations in exploring, drilling for, producing, tre	grapt, lease and let unto lessee the land and owning oil, gas, sulphur and all other e lines, establish and utilize facilities for a lines, telephone lines, employee bouses eating, storing and transporting minerals
County ofShelby		
SEE EXHIBIT "A" ATTACHED HERETO AND A	MADE A PART HEREOF, FOR ALL I	NTENT AND PURPOSES.

SEE EXHIBIT "B" ATTACHED HERETO AND MADE A PART HEREOF, FOR ALL INTENT AND PURPOSES.

THIS LEASE DOES NOT COVER COAL, IRON ORE, OR ANY OTHER HARD ROCK MENERALS.

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 for a more complete or accurate description of said land. For the pur-

pose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain 51,41 whether actually containing more or less, and the above veries of account and shall be deemed to contain. 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 accepts the bonus as lump sum consideration for this 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 as 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, lessee covenants and agrees: (a) To deliver to the credit of lessor, in the pipe line to which lessee may connect its wells, the equal oneeighth part of all oil produced and saved by lessee from said land, or from time to time, at the option of lessee, to pay lessor the average posted market price of such one-eighth part of such oil at 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 casinghead gas produced from said land (1) when sold by lessee, one-eighth of the amount realized by lessee, computed at the mouth of the well, or (2) when used by lessee 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 casinghead gas; (c) To pay lessor on all other minerals mined and marketed or utilized by lessee from said land, one-tenth either in kind or value at the well or mine at lessee'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 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 as if no shut-in had occurred. Lessee 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, lessee shall not be obligated to install or furnish facilities other than 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 lessee. If, at any time or times 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 said ninety day period, lessee shall pay or tender, by check or draft of lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered bereby. Lessee 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 en-

titled 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....

Birmingham Trust

at Birmingham Alabama or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that lessee pays or tenders abut-in royalty, two or more parties are, or claim to be, entitled to receive same, lessee 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 lessee may elect. Any payment hereunder may be made by check or draft of lessee 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 data for payment. Nothing herein shall impair lessee'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 bereby 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 80 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 or only as to gas and liquid bydrocarbons (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. Lessee 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 lessee 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 becausier 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 any 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 included in any such unit that proportion of the total production of unitized minerals from wells in the unit, after deducting any used in lease or unit 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 revalty, overriding royalty, and any other payments out of production, to be the entire production of unitized minerals from the portion of said land covered hereby and included in such unit in the same manner as though produced from said land under the terms of this lease. The owner of the reversionary estate of any term. royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of such unit shall not have the effect of changing the ownership of any shut-in production regulty which may become payable under this lease. Neither shall it impair the right of lessee to release from this lease all or any portion of said land, except that lessee may not so release as to lands within a unit while there are operations thereon for unitized minerals unless all pooled leases are released as to lands within the unit. Lessee may dissolve any unit established bereunder by filling for record in the public office where this lease is recorded a declaration to that effect, if at that time no operations are being conducted thereon for unitized minerals. Subject to the provisions of this paragraph 4, a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force. A unit may be so established, modified or dissolved doring the life of this lease.

5. Lessee 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 be relieved of all obligations 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. Lessee shall have the use, free from royalty, of water, other than from lessor's water walls, and of oil and gas produced from said land in all operations hereunder. Lessee 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.

obligations, and considerations of this lease shall extend to and be binding up change or division in the ownership of said land, royalties, or other moneys, of the rights of lessee, including, but not limited to, the location and drilling of we constructive knowledge or notice thereof of or to lessee, its successors or assign:	time in whole or in part and as to any mineral or horizon. All of the covenants, on the parties hereto, their heirs, successors, assigns, and successive assigns. No r any part thereof, howsoever effected, shall increase the obligations or diminish ells and the measurement of production. Notwithstanding any other actual or s, no change or division in the ownership of said land or of the royalties, or ding upon the then record owner of this lesse until thirty (30) days after there
has been furnished to such record owner at his or its principal place of business division, supported by either originals or duly certified copies of the instrument or division, and of such court records and proceedings, transcripts, or other do the validity of such change or division. If any such change in ownership occ	s by lessor or lessor's heirs, successors, or assigns, notice of such change of its which have been properly filed for record and which evidence such change cuments as shall be necessary in the opinion of such record owner to establish ours by reason of the death of the owner, lessee may, nevertheless, pay or
ing, setting out specifically in what respects lessee has breached this contract. Let meet or commence to meet all or any part of the breaches alleged by less by lessor on said lease for any cause, and no such action shall be brought un the service of said notice nor the doing of any acts by lessee aimed to meet all that lessee has failed to perform all its obligations hereunder. Should it be as	digations bereunder, both express and implied, lessor shall notify lessee in writessee shall then have sixty (60) days after receipt of said notice within which sor. The service of said notice shall be precedent to the bringing of any action til the lapse of sixty (60) days after service of such notice on lessee. Neither or any of the alleged breaches shall be deemed an admission or presumption serted in any notice given to the lessee under the provisions of this paragraph this lease shall not be subject to cancellation for any such cause except after final
indicial ascertainment that such failure exists and lessee has then been afficharging its obligations as to which lessee has been judicially determined to be in force and effect as to (1) sufficient acreage around each well as to which tapplicable governmental regulations, (but in no event less than forty acres), say a square centered at the well, or in such shape as then existing spacing rule	forded a reasonable time to prevent cancellation by complying with and dis- in default. If this lease is cancelled for any cause, it shall nevertheless remain there are operations to constitute a drilling or maximum allowable unit under such acreage to be designated by lessee as nearly as practicable in the form of its require; and (2) any part of said land included in a pooled unit on which
shall be charged primarily with any mortgages, taxes or other liens, or intere- right at any time to pay or reduce same for lessor, either before or after mat	t the claims of all persons whomsoever. Lessor's rights and interests hereunder est and other charges on said land, but lessor agrees that lessee shall have the turity, and be subrogated to the rights of the holder thereof and to deduct
right to acquire for its own benefit, deeds, leases, or assignments covering an standing and not covered hereby and even though such outstanding interest or c gas, sulphur, or other minerals in all or any part of said land than the entire a not), or no interest therein, then the royalties, and other moneys accruing from paid only in the proportion which the interest therein, if any, covered by this	the payable to lessor and/or assigns under this lesse. Lessee is hereby given the sy interest or claim in said land which lessee or any other party contends is outlaim be invalid or adverse to lessor. If this lesse covers a less interest in the oil, and undivided fee simple estate (whether lessor's interest is herein specified or any part as to which this lesse covers less than such full interest, shall be lesse, bears to the whole and undivided fee simple estate therein. All royalty out of the royalty herein provided. This lesse shall be binding upon each party
who executes it without regard to whether it is executed by all those named here. 11. If, while this lease is in force, at, or after the expiration of the prim well provisions of paragraph 3 hereof, and lesses is not conducting operation.	rem as lessor. Lary term hereof, it is not being continued in force by reason of the shut-in as on said land by reason of (1) any law, order, rule or regulation, (whether or imilar or dissimilar, (except financial) beyond the reasonable control of lessee, see of occurring ninety (90) or more days following the removal of such delay-
IN WITNESS WHEREOF, this instrument is executed on the date first about	. //
	Robert C. Wesson SS#
	(SEAL)
)	(SEAL)
	ACKNOWLEDGMENT ABAMA-FLORIDA)
COUNTY OFJEFFERSON	- IC
duly authorized in the state and county aforesald to take acknowledgments, p	Robert C Wesson
	executed the foregoing instrument and he
acknowledged before me that, being informed of the contents of the same, — the within and foregoing instrument on the day and year therein mentioned	be voluntarily signed and delivered
(Affix Scal)	Mary M. Dear A.D. 19 86
	(Title of Official)
	in and for STATE AT LARGE County,
STATE OF	
I, ain and for	the aforesaid jurisdiction, bereby certify that
a subscribing witness to the foregoing instrument, known to me, appeared b	efore me on this day, and being sworn, stated that
the grantor(s), having been informed of the contents thereof, voluntarily execu	uted and delivered the same in his presence, and in the presence of the other in the presence of the grantor(s), and of the other witness, and that such other
witness subscribed his name as a witness in his presence.	(Subscribing Witness)
Given under my hand and official seal, this	_day of 19
(Affix Seal)	(Title of Official)
My commission expires	in and forCounty,
Term This instrument Book Book Hederman	Oil, Gas and Dated No. Acres
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the 19 County Ci County Ci	to the state of th
Clerk Signature	

EXHIBIT "A"

Attached hereto and made a part of that certain Oil, Gas and Mineral lease between Robert C. Wesson, Enterprises, as Lessor and Sohio Petroleum Company, as Lessee, dated February 26, 1982.

TOWNSHIP 18 SOUTH RANGE 1 EAST

Section 23:

BOOK

Begin at the NE corner of Section 23, Township 18 South, Range 1 East, thence run West along the North line of said Section 23, a distance of 1328.32 feet: thence turn an angle of 89 deg. 10' 46" to the left and run a distance of 1187.60 feet; thence turn an angle of 90 deg. 43' 45" to the left and run a distance of 300.00 feet; thence turn an angle of 90 deg. 59' 31" to the right and run a distance of 490.06 feet; to a point on the North right of way line of Shelby County Highway No. 45; thence turn an angle of 80 deg. 52' 10" to the left and run along said highway right of way a distance of 215.96 feet; thence turn an angle of 5 deg. 16' 15" to the right and continue along said highway right of way a distance of 271.53 feet; thence turn an angle of 5 deg. 05' 59" to the right and continue along said highway right of way a distance of 237.06 feet; thence turn an angle of 5 deg. 23' 43" to the right and continue along said highway right of way a distance of 375.28 feet to a point on the East line of Section 23; thence turn an angle of 115 deg. 23' 01" to the left and run along the East line of said Section 23 a distance of 2036.57 feet to the point of beginning. Situated in the NE1/4 of Section 23, twp. 18 South, Range 1 East, Shelby County, Alabama and containing 51.41 acres.

SIGNED FOR IDENTIFICATION

Robert C. Wesson, owner.

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Paragraph 12 attached hereto and made a part hereof: OIL, GAS, and MINERAL LEASE by and between Robert C. Wesson, Enterprises, as Lessor and SOHIO PETROLEUM COMPANY, as Lessee, Dated Feb. 26, 1982.

OPTION

12. Within thirty (30) days prior to expiration of the primary term of this lease, or if operations are being conducted on said lease or land pooled therewith at the expiration of the primary term in such manner as to maintain this lease in force, within thirty (30) days after the completion of a dry hole resulting from such operations, Lessee may extend the primary term of this lease as to all or any part of acreage then covered hereby, for an additional five (5) years beyond the initial primary term, by written notification of action taken and by making payment to Lessor or Lessors successor in interest as reflected by notice to Lessee persuant to paragraph 8 hereof, or to the credit of Lessor or such successor in interest in any depository bank named herein or in any amendatory instrument on the \$24.00 sum of Dollars for each net acre as to which the lease is so extended. If this option is exercised by Lessee the payment of option bonus shall be in lieu of 2 any delayed rental, and the lease extended will thereafter be treated as if the original primary term had been five (5) years longer.

SIGNED FOR IDENTIFICATION

Robert C. Wesson, owner

1982 AUG 30 AM 9: 35

1982 AUG 30 AM 9: 35

Pend TAX 2.57

Rec 20.00

25.57