

OIL, GAS AND MINERAL LEASE

THIS AGREEMENT made this

24th

day of February

83

between

ETHEL HARRIS, a widow; OLLIE C. HARRIS and wife, RUBY HARRIS; HENRY C. HARRIS, a single man; JOY H. SMITH, and husband, JOHN D. SMITH

Lessor (whether one or more) whose address is Rt. 1, Box 951; Leeds, Alabama 35094

and Amoco Production Company, P.O. Box 50879; New Orleans, LA 70150, Lessee, WITNESSETH.

1. Lessor in consideration of TEN DOLLARS AND OTHER VALUABLE CONSIDERATIONS

10.00 & OVC

(a) in hand paid, of the royalties herein provided, and of the agreement of Lessor 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:

TOWNSHIP 18 SOUTH - RANGE 1 EASTSection 17: The NW $\frac{1}{4}$ of the NW $\frac{1}{4}$.346 PAGE 128
VOLUME

This lease does not cover coal, iron ore or any other mineral that is mined by the open pit, shaft or strip mining methods.

Wherever in paragraph #3 below royalties are stated as one-eighth (1/8); said royalties are hereby changed to one-sixth (1/6).

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 Lessor 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 owned by this lease (whether or not owned by lessor) shall be paid out of the royalty herein provided.

11. Should Lessor 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. 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 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 Lessor 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.

WITNESS:

Ethel Harris (seal)
ETHEL HARRIS

Ollie C. Harris (SEAL)
OLLIE C. HARRIS
SS# [REDACTED] (SEAL)

Joy H. Smith (seal)
JOY H. SMITH

Ruby Harris (SEAL)
RUBY HARRIS

John D. Smith (seal)
JOHN D. SMITH

Henry C. Harris (SEAL)
HENRY C. HARRIS
Lessor.

STATE OF ALABAMA
COUNTY OF SHELBY }

a Notary Public in and for said County, in said State, hereby certify that

ETHEL HARRIS, a widow; OLLIE C. HARRIS and wife, RUBY HARRIS; HENRY C. HARRIS, a single man; JOY H. SMITH and husband, JOHN D. SMITH

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 28th day of February 1983

P. Belmont, Notary
Notary Public in and for
State-at-large
Alabama

My Commission expires: 5/10/86

WIFE'S SEPARATE ACKNOWLEDGEMENT

STATE OF STATE OF ALA. SHELBY CO.
COUNTY OF I CERTIFY THIS
INSTRUMENT WAS FILED

Speed Tax 2.00
Mun 4.00
Rec 1d.00
Jnd 1.00
19.00

a Notary Public in and for said County, in said State, do hereby certify that

on the 19 day of 19 came before me the within named

Theresa A. Johnson known to me to be the wife of the within named

JUDGE OF PROBATE

who being examined separate and apart from the husband, touching her signature to the within instrument, acknowledged that she signed the same of her own free will and accord, and without fear, constraints or threats on the part of her husband.

Given under my hand and Official Seal, this 19 day of APR - 5 1983

A. D. 19

Notary Public in and for

County

No. **Oil, Gas and Mineral Lease**

FROM

TO

19

County, Alabama

This instrument was filed for record on the

19

at

M. and duly recorded in

Pub

records of this office

(Official Title)

Where recorded return to