

JOEL R. BARR, CLERK

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BY L. Large 189 PAID 562

BY K. Baker 28870

Producers 88 (7-69) With 640 Acres Pooling Provision ASSIGNMENT 6/3/13 INST# 000250152 FOUND PRINTING & STATIONERY COMPANY 2125 FANNIN, HOUSTON, TEXAS 77002, (713) 659-3158
ASSIGNMENT 3/24/17 INST# 000281117
OIL, GAS AND MINERAL LEASE R-468 1-80

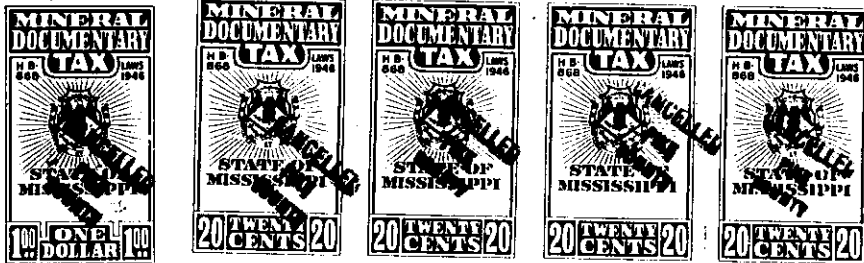
THIS AGREEMENT made this 13th day of April 19 88, between Newmont Oil Company, a Delaware corporation

lessor (whether one or more), whose address is: 600 Jefferson, Ninth Floor, Houston, Texas 77002-7387 and Ted R. Scurlock, P. O. Box 1392, Shreveport, Louisiana 71164, Lessee, WITNESSETH:

1. Lessor, in consideration of Ten Dollars and other valuable considerations, does hereby grant, lease and let unto lessee of which is hereby acknowledged, and of the covenants and agreements of lessee hereinafter contained, does hereby grant, lease and let unto lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, telephone lines, employee houses and other structures on said land, necessary or useful in lessee's operations in exploring, drilling for, producing, treating, storing and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land", is located in the County of Pike State of Mississippi, and is described as follows:

PARTIAL RELEASE 4/27/15 INST# 000266227

Northwest Quarter of Southwest Quarter, Section 7, Township 3 North, Range 9 East, Pike County, Mississippi; and the South Half of Southeast Quarter of Northeast Quarter, Section 12, Township 3 North, Range 8 East, Pike County, Mississippi.



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 lessee by limitation, prescription, possession, reversion or unrecorded instrument or (b) as to which lessor has a preferred right of acquisition. Lessee agrees to execute any supplemental instrument requested by lessor for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus, delay rental or other payment hereunder, said land shall be deemed to contain 60 acres, 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 and agrees to accept the delay rental as lump sum considerations 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 one (1) year 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.

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at Lessor's election.
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 and separate 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 market price of such oil at the time it is run to the pipe line or storage tanks, lessor's interest, reduced from said land (1) when sold by lessee, or (2) when used by lessee for other purposes, computed at the mouth of the well, or (b) To pay lessor on gas and casinghead gas produced from said land or in the manufacture of gas or other products, the market value, at the mouth of the well, of such gas and casinghead gas; (c) To pay lessor on all other minerals mined and marketed or utilized by lessee from said land, lessor's interest in kind or value at the well or mine, lessor's election, except that on sulphur, 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 oil or gas, 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 the amount of annual delay rental provided for in this lease. 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 paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in a depository bank provided for below. Nothing herein shall impair lessee's right to release as provided in paragraph 5 hereof. In 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 hereby granted the right, at its option, to pool or unitize any land covered by this lease with any other land covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals or horizons, so as to establish units containing not more than 80 surface acres, plus 10% acreage tolerance; provided, however, units may be established as to any one or more horizons, or existing units may be enlarged as to any one or more horizons, so as to contain not more than 840 surface acres plus 10% acreage tolerance, if limited to one or more of the following: (1) gas, other than casinghead gas, (2) liquid hydrocarbons (condensate) which are not liquids in the subsurface reservoir, (3) minerals produced from wells classified as gas wells by the conservation agency having jurisdiction. If larger units than any of those herein permitted, either at the time established, or after enlargement, 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 at any time and from time to time while this lease is in force, 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. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit which are not effectively 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 upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated; 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 any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any delay rental and shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease, 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. At any time while this lease is in force lessee may dissolve any unit established hereunder by filing 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. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but lessee shall nevertheless have the right to pool or unitize as provided in this paragraph 4 with consequent allocation of production as herein provided. As used in this paragraph 4, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

5. If operations are not conducted on said land on or before the first anniversary date hereof, this lease shall terminate as to both parties, unless lessee on or before said date shall, subject to the further provisions hereof, pay or tender to lessor or to lessor's credit in the

Texas Commerce Bank Bank at Houston, Texas Acct. No. 0010-137-6136, or its successors, which shall continue as the depository, regardless of changes in ownership of delay rental, royalties, or other moneys, the sum of \$ 60.00

which shall operate as delay rental and cover the privilege of deferring operations for one year from said date. In like manner and upon like payments or tenders, operations may be further deferred for like periods of one year each during the primary term. If at any time that lessee pays or tenders delay rental, royalties, or other moneys, 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 rental, royalties, or other moneys, in the manner herein 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 lessor or to a depository bank on or before the last date for payment. Said delay rental shall be apportionable as to said land on an acreage basis, and a failure to make proper payment or tender of delay rental as to any portion of said land or as to any interest therein shall not affect this lease as to any portion of said land or as to any interest therein as to which proper payment or tender is made. Any payment or tender which is made in an attempt to make proper payment, but which is erroneous in whole or in part as to parties, amounts, or depository shall nevertheless be sufficient to prevent termination of this lease and to extend the time within which operations may be conducted in the same manner as though a proper payment had been made; provided, however, lessee shall correct such error within thirty (30) days after lessee has received written notice thereof from lessor. 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. If this lease is so released as to all minerals and horizons under a portion of said land, the delay rental and other payments computed in accordance therewith shall thereupon be reduced in the proportion that the acreage released bears to the acreage which was covered by this lease immediately prior to such release.

6. If at any time or times during the primary term operations are conducted on said land and if all operations are discontinued, this lease shall thereafter terminate on its anniversary date next following the ninetieth day after such discontinuance unless on or before such anniversary date lessee either (1) conducts operations or (2) commences or resumes the payment or tender of delay rental; provided, however, if such anniversary date is at the end of the primary term, or if there is no further anniversary date of the primary term, this lease shall terminate at the end of such term or on the ninetieth day after discontinuance of all operations, whichever is the later date, unless on such later date either (1) lessee is conducting operations or (2) the shut-in well provisions of paragraph 3 or the provisions of paragraph 4 are applicable. Whenever used in this lease the word "operations" shall mean operations for and any of the following: drilling, testing, completing, reworking, recompleting, despending, 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 wells, 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.

8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, delay rental, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to lessee, its successors or assigns, no change or division in the ownership of said land or of the royalties, delay rental, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until thirty (30) days after there has been furnished to such record owner at his or its principal place of business by lessor or lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such court records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, lessee may, nevertheless pay or tender such royalties, delay rental, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above. In the event of assignment of this lease as to any part (whether divided or undivided) of said land, the delay rental payable hereunder shall be apportionable as between the several leasehold owners, ratably according to the surface area or undivided interests of each, and default in delay rental payment by one shall not affect the right of other leasehold owners hereunder.

9. In the event lessor considers that lessee has not complied with all its obligations hereunder, both express and implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by lessor. The service of said notice shall be precedent to the bringing of any action by lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on lessee. Neither the service of said notice nor the doing of any acts by lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that lessee has failed to perform all its obligations hereunder. If this lease is cancelled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty acres), such acreage to be designated by lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons ~~whomsoever~~. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but lessor agrees that lessee shall have the right at any time to pay or reduce same for lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to lessor and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether lessor's interest is herein specified or not), or no interest therein, then the royalties, delay rental, and other moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as lessor.

lawfully claiming by, through and under lessor, but not otherwise.

11. Any provisions of this lease to the contrary notwithstanding, it is expressly understood and agreed that this lease shall only cover oil, gas, casinghead gas, other gaseous substances and associated hydrocarbons and such minerals as may be produced in association with the production of oil, gas, casinghead gas, other gaseous substances and associated hydrocarbons.

12. If this lease should be maintained in force and effect beyond its primary term under other provisions hereof, then lessee agrees to commence on or before ninety (90) days the actual drilling of an additional well on lands covered hereby and conduct a continuous drilling program on such lands allowing not more than ninety (90) days to elapse between the completion of one well as a commercial producer, or its being plugged and abandoned as a dry hole, and the commencement of actual drilling of the next well. The continuous drilling program shall be diligently prosecuted until said lands have been drilled to a density of one productive well to each proration unit as determined for the field by the governmental authority having jurisdiction. Upon the expiration of the primary term and the continuous drilling program, the provisions hereof regarding maintenance of this lease beyond the primary term shall apply separately to each such productive proration unit.

13. If lessee fails to timely drill any well as herein provided, lessee shall not be liable in damages to lessor, but all of lessee's rights hereunder as to all non-productive acreage, being the acreage within each well proration unit where lessee has not drilled a productive well, shall cease and terminate and lessee shall immediately execute and deliver to lessor a good and sufficient release of all acreage covered hereby as to all such non-productive acreage, together with all non-productive deep rights underlying the productive proration units which for the purposes hereof shall be deemed to be those rights relating to depths situated greater than one hundred (100) feet below the total depth of the deepest well drilled by lessee on such productive proration unit. This lease shall thereafter remain in full force and effect under and subject to the remaining provisions hereof as to each separate productive proration unit from the surface down to the stratigraphic equivalent of a point situated one hundred (100) feet below the total depth of the deepest well drilled thereon by lessee.

14. Any provisions hereof to the contrary notwithstanding, the provisions hereinabove concerning the payment of annual delay rentals shall be effective only as they apply to the payment of shut-in gas royalty as set forth in Paragraph 3 hereof. This is a "PAID-UP" LEASE.

15. Annual payments for shut-in gas royalty as may be made by lessee in accordance with the provisions of paragraph 3 above shall maintain this lease in force and effect for a period not to exceed 2 years from the date first payment is made.

FOR Assign OF THIS OK SEE BOOK L199 PAGE 641
THIS THE 23 DAY OF April A.D. 1997
BY Joel R. Barr CLERK
Ronella

FOR Assign OF THIS Assign SEE BOOK L190 PAGE 582
THIS THE 15 DAY OF Sept A.D. 1988
BY Joel R. Barr CLERK
L. Lang

FOR Assign OF THIS DT SEE BOOK 207 PAGE 71
This the 21 day of Nov A.D. 2003
DOUG TOUCHSTONE, CHANCELY CLERK
BY D. Gardner

FOR Assign OF THIS OK SEE BOOK L190 PAGE 551
THIS THE 27 DAY OF Nov A.D. 1988
BY Joel R. Barr CLERK
Luth Lang
FOR Assign OF THIS OK SEE BOOK L195 PAGE 553
THIS THE 9 DAY OF Apr A.D. 1993
BY Joel R. Barr CLERK
L. Lang

202X 189 m. 504

16. Any assignment of this lease without the prior written consent of lessor, unreasonably withheld, shall be void. As an express condition to such approval as may be granted by lessor, lessee shall furnish to lessor a true or certified copy of all such assignments and fully inform lessor of the identity and address of any such assignee. The provisions of this paragraph shall be applicable to any type of assignment, sublease conveyance or transfer of all or a portion of this lease or rights or interest thereunder.

17. Notwithstanding any provisions contained herein to the contrary, and pursuant to the provisions of Paragraph 4 hereof, any lands or portions thereof of this lease, or horizons thereunder that may be pooled or unitized at option of the lessee, shall only be done with the consent of lessor, which consent shall not be unreasonably withheld.

18. As a further condition for this lease and not a covenant only, lessee agrees to furnish to lessor information regarding well operations as set forth in Exhibit "A" attached hereto and made a part hereof as though copied in full herein.

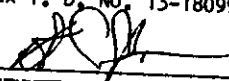
IN WITNESS WHEREOF, this instrument is executed on the date first above written.

ATTEST:


RICHARD S. FREEMAN, ASSISTANT SECRETARY

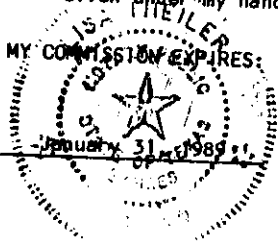
STATE OF TEXAS
COUNTY OF HARRIS


NEWMONT OIL COMPANY
(Tax I. D. No. 13-1809983)

BY 
KENNETH C. GLAZIER, VICE PRESIDENT

RSF

BEFORE ME, the undersigned authority, on this day personally appeared KENNETH C. GLAZIER, VICE PRESIDENT of NEWMONT OIL COMPANY, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity stated, and as the act and deed of said corporation.

Given under my hand and seal of office this 19th day of April, 19 88.

MY COMMISSION EXPIRES: JANUARY 31, 1989


Notary Public in and for The State of Texas.
Lisa Theiler

565

189 MS 803
Book 189 page 565

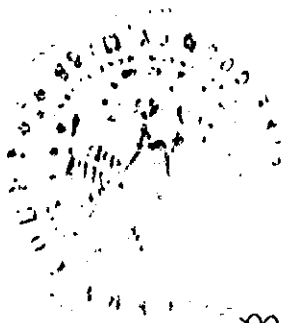
EXHIBIT "A"

ATTACHED TO AND FORMING PART OF OIL AND GAS LEASE DATED
April 13, 1988 BETWEEN NEWMONT OIL COMPANY, AS
LESSOR, AND Ted R. Scurlock, AS LESSEE,
COVERING 60.00 ACRES OF LAND IN Pike
COUNTY, Mississippi.

The well information requirements to be furnished immediately to Lessor, as soon as same is available, under Paragraph 18 of the Oil and Gas Lease to which this Exhibit is attached, are as follows:

- (a) Official survey plat showing the location of any well proposed to be drilled on the lands covered hereby or on acreage pooled therewith if authorized by the lease;
- (b) Application to drill duly approved by the appropriate State authority;
- (c) Written notification of commencement of operations;
- (d) Daily drilling report for each well;
- (e) All logging surveys, drillstem test charts, core analyses or other third party information as may be run or prepared in the drilling of such well, unless from time to time amended or waived in writing by Lessor;
- (f) Potential test or completion report filed with the appropriate State authority;
- (g) Plugging record, if completed as a dry hole or if subsequently abandoned.

NEWMONT OIL COMPANY



By: [Signature]
KENNETH C. GLAZIER, RSP
VICE PRESIDENT

May 6, 1988 10:50 A.M.
PIKE COUNTY MS IN B 2189 P 562
THIS INSTRUMENT JOEL R. BARR, CHY. CLK.
WAS FILED FOR
RECORD BY R. Small D.C.