



**Instrument # 278147**  
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Becky Buie, Chancery Clerk  
Pike County Mississippi

PREPARED BY: Paloma Partners IV, LLC

INDEX IN: Sections 21 and 28, Township 1 North, Range 7 East, Pike County, Mississippi

**RETURN TO:**

Paloma Partners IV, LLC  
305 E. Mulberry Street  
Amite, Louisiana 70422  
(985) 247-7035

**LESSOR:**

Jane Street Mills  
107 Boxwood Drive  
Franklin, Tennessee 37069  
615-500-6693

**LESSEE:**

Paloma Partners IV, LLC  
1100 Louisiana Street, Suite 5100  
Houston, Texas 77002

Producers 88 (9/70)—Paid Up (SP 4-75) With Pooling Provision

Mississippi-Alabama-Florida

**OIL, GAS AND MINERAL LEASE**

THIS AGREEMENT made this the 2 day of ~~October~~ <sup>November</sup>, 2016, between Jane Street Mills, a single woman, as lessor (whether one or more), whose address 107 Boxwood Drive, Franklin, Tennessee 37069 and Paloma Partners IV, LLC, a Delaware limited liability company, lessee, whose address is 1100 Louisiana Street, Suite 5100, Houston, Texas 77002 WITNESSETH:

1. Lessor, in consideration of **Ten Dollars and Other Valuable Considerations**, receipt 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 (including carbon dioxide), 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, power lines, 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:

SEE EXHIBIT "A" ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE FOR A LEGAL DESCRIPTION OF THE LEASED PREMISES.

It is the intention of the Lessor to lease to the Lessee, and the Lessor does hereby lease to Lessee all minerals owned by them in the Section(s) described herein whether correctly described herein or not. 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 purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **68.00** 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 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 **five (5) 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 one hundred twenty (120) 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 one-eighth 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 hereby. 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 entitled 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 **Pay Directly to Lessor at Address shown above**, 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 shut-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 date 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 hereby 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 hydrocarbons (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 hereunder 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 royalty, 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 royalty 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 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. A unit may be so established, modified or dissolved during 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 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, 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, 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, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided forth above.


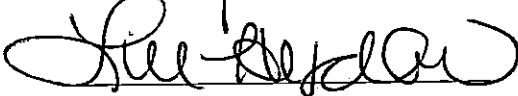
9. In the event lessor considers that lessee has not complied with all its obligations hereunder, both express and implied, lessor shall notify lessee in writing, setting out specifically in what respects lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said 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. Should it be asserted in any notice given to the lessee under the provisions of this paragraph that lessee has failed to comply with any implied obligation or covenant hereof, this lease shall not be subject to cancellation for any such cause except after final judicial ascertainment that such failure exists and lessee has then been afforded a reasonable time to prevent cancellation by complying with and discharging its obligations as to which lessee has been judicially determined to be in default. 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 permit; 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.

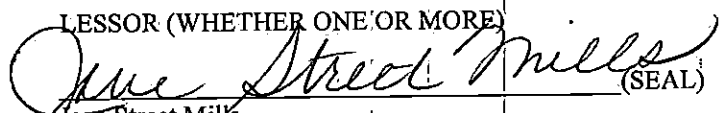
10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but lessor agrees that lessee shall 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. Lessee is hereby given the right to acquire for its own benefit, deeds, leases, or assignments covering any interest or claim in said land which lessee or any other party contends is outstanding and not covered hereby and even though such outstanding interest or claim be invalid or adverse to lessor. 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, 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.

11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid) or (2) any other cause, whether similar or dissimilar, (except financial) beyond the reasonable control of lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

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

WITNESSES:

LESSOR (WHETHER ONE OR MORE)  
  
Jane Street Mills (SEAL)

ACKNOWLEDGMENT

STATE OF TENNESSEE  
COUNTY OF Davidson

On this 2 day of November, 2016, before me personally appeared Jane Mills, to me known to be the person (or persons) described in and who executed the foregoing instrument, and acknowledged that such person (or persons) executed the same as such person (or person's) free act and deed.

Suzanna Todd  
Notary Public

Printed Name: Suzanna Todd

Commission Expires:  
01/08/2019



## ADDITIONAL TERMS AND CONDITIONS

**(To the extent of any conflict between the terms and provisions of the printed lease form above and these attached additional terms and conditions, these attached additional terms and conditions shall supersede and apply.)**

12. Wherever the figure "one-eighth (1/8)" appears in this lease regarding royalty, it shall be hereby deleted and the figure "three-sixteenths (3/16ths)" shall be substituted therefor.

13. Lessor does hereby lease, let and demise to Lessee all right, title and interest that they have in and to any and all canals, ditches, bayous or other bodies of water, water bottoms, well bores, servitudes, road ways, alleys, streets, strips of land, easements and/or rights of way located in, on, under or adjacent to the above described lands, whether or not specifically described herein.

14. For purposes of this lease, "operations" shall include but not be limited to grading or preparation of a drill site, placement or preparations for placement of a drilling rig on a drill site, the drilling, testing, fracing, fracturing, stimulating, completing, (including by horizontal and slant hole well completion techniques), reworking, recompletion, deepening, plugging back, repair or operating of a well in search of or in an endeavor to obtain, restore, maintain or increase production of oil or gas or other substances covered hereby, and all work preparatory, incident or related to any such operation, including, without limitation, making application for any necessary permits required for any of the forgoing, and production of oil or gas or other substances covered hereby, whether or not ultimately produced in paying quantities. Operations shall be deemed to be continuously conducted or maintained as long as there is no cessation of same for more than 180 consecutive days.

15. Lessor grants to the Lessee the right of ingress and egress over, under and through said leased premises with the exclusive right to conduct such operations on the leased premises as may be necessary, useful or convenient for the exploration and/or production of oil, gas or other related substances from the lands covered hereby or other lands, including but not limited to geophysical and seismic operations, the drilling of wells, and the construction, installation, repair, operating, maintenance and use of pad sites, roads, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, and other facilities or equipment necessary, useful or convenient to explore for, produce, save, take care of, treat, process, store and transport oil, gas and other products together with the right to transport by pipelines or otherwise, oil, gas, water and their constituents produced from the leased premises or from other lands regardless of the source of such substances and the exclusive right of injecting water, air, brine, gas and other fluids into subsurface strata. Lessee shall also have the right to place and use temporary buildings and living quarters on the leased premises as is necessary or convenient for Lessee's operations; provided, however, the right to place temporary living quarters on the leased premises shall be limited to the area comprising the pad site and limited in duration to the drilling or completion operations conducted under this Lease. In addition, Lessee shall have the right to drill one or more water wells on the leased premises and the right to use free from royalty sufficient oil, gas and water produced from the leased premises for all operations thereon or on lands pooled therewith (provided Lessee finds water at its own expense); the right to dispose of drilling mud, fluids, oil and gas wastes and other materials produced by or used in connection with its operations on or around the perimeter of any well location on the leased premises or lands pooled therewith, to the extent permitted and/or allowed by rules and regulations of governmental authority having jurisdiction; and the right at any time to remove all machinery, property, equipment and fixtures placed on the premises or lands pooled therewith, including the right to draw and remove casing.

16. Should Lessee be interfered with, delayed, postponed or prevented from complying with any express or implied covenant of this lease, from conducting operations thereon or from producing oil or gas therefrom by reason of force majeure, any federal or state law or any order, rule or regulation of governmental authority, storm, flood, fire, or other acts of God, war, rebellion, insurrection, riot, strikes, a lawsuit or litigation, or as a result of any cause whatsoever beyond the control of the Lessee, then while so interfered with, delayed, postponed or 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 the term of this lease shall be extended and remain in full force and effect while and for so long as Lessee is interfered with, delayed, postponed or prevented by any such cause from conducting operations on or from producing oil

or gas from the leased premises and for a period of one hundred twenty (120) days after termination of any force majeure; and the time while lessee is so prevented shall not be counted against Lessee, anything in this lease to the contrary notwithstanding. If this Lease is the subject matter of any lawsuit, arbitration proceeding or action challenging the validity or effectiveness of this lease or Lessee's rights hereunder, then this Lease shall not expire and shall be stayed and tolled during the pendency of such lawsuit, proceeding or action, or any appeal thereof, and the time period of the lawsuit, arbitration proceeding or action, or any appeal thereof, shall not affect the remaining term of this Lease.

17. Lessor specifically grants unto Lessee the right of way and servitude of use through and under the subsurface of the lands subject hereto for the purpose of drilling a directional well(s) with the bottom hole location of such well(s) being situated either on the Lessor's lands as covered hereby or on other lands in the general vicinity thereof and not owned by Lessor, including the right to install pipe, casing or other equipment necessary to produce oil, gas and associated hydrocarbons from any zone, horizon or interval in which such well(s) may be completed, with Lessee further having the right to drill, rework, plug back, sidetrack or alter such directionally drilled well(s) and the right to re-enter such well(s) and/or re-penetrate any stratum or strata found in such well(s), and to generally conduct all other such operations as may be necessary or incidental to the directional drilling contemplated herein. The rights herein granted with respect to Lessee's use of the subsurface of the lands covered hereby will remain in full force and effect during the Primary Term of this lease and for so long thereafter as oil and/or gas is produced in paying quantities from any such well(s) with no cessation of actual production or reworking operations associated therewith for more than one hundred eighty (180) consecutive days or for so long thereafter as this lease or any portion of this lease is being otherwise maintained.

18. It is understood and agreed that sand, clay and gravel are excepted and not included in this lease.

19. It is expressly understood and agreed that Lessee agrees to hold Lessor harmless from any and all losses, claims and demands of any kind, resulting from operations conducted by Lessee including, but not limited to, claims of personal injury, death, or damage to property or environmental cleanup, remediation or compliance or for any other relief under the terms of this lease.

20. Lessee is to be responsible for all damages to the leased premises, as a result of its operations on the leased premises under the terms of this lease. In the event any operations are conducted on the leased premises, Lessee agrees, after completion of all operations, to restore the premises to as near as reasonably practicable its condition prior to the initiation of said operations. Notwithstanding anything in this lease to the contrary, in no event shall any damages to the lands covered by this lease, regardless of the basis therefore, including, without limitation damages for environmental cleanup, remediation or compliance, exceed the lesser of the cost of restoration or the fair market value of the subject lands or the involved portions thereof.

21. For any unit for which Lessee exercises its right pursuant to Paragraph 7 of this lease, to pool or unitize the acreage covered by this lease or any portion thereof with other lands or leases, and where a well or wells (either oil or gas) drilled or permitted to be drilled on such unit is classified as a horizontal well (which, for purposes of this lease, means any well drilled or permitted to be drilled to any geologic formation where the well will contain a horizontal component of the bore hole in the target formation of at least 4,000 feet), then notwithstanding the limitation on the size of units in Paragraph 7 of this lease, such unit (whether for oil or gas) may contain and embrace up to, but not exceed, 1,280 acres plus 10% tolerance; provided, however, that if the length of the horizontal component of the wellbore for all wells drilled or permitted to be drilled in a pooled unit is less than 4,000 feet, such unit (whether for oil or gas) may contain and embrace up to, but not to exceed, 640 acres plus 10% tolerance; and provided further, however, that if any spacing or other rules and regulations of the State or Federal Commission, Agency or regulatory body having or claiming jurisdiction has heretofore or shall at any time hereafter permit or prescribe a drilling or operating unit or spacing rule in the case of oil or gas, including condensate, greater than 1,280 acres plus 10% tolerance, then the unit or units herein contemplated may have or may be redesigned so as to have, as the case may be, the same surface content as, but not more than, the unit or the acreage in the spacing rule so prescribed or permitted. Pooling in one or more instances shall not exhaust the rights of Lessee

to pool or unitize this lease or portions thereof into other units as to any and all horizons. Lessee shall have the recurring right to revise, amend, re-form, increase or decrease in size, or change in configuration or as to depth or pooled substances, any unit formed hereunder either before or after commencement of operations or production. In the event of a revision, Lessee shall execute a written instrument describing the revised unit and stating the effective date of the revision and file same in the Parish/County records where the lands covered by such unit are located, and the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. A unit once formed shall be valid and effective for all purposes until revised, amended or dissolved by Lessee. Lessee may, at any time, at its election, dissolve, terminate or vacate any unit formed by filing of record in the Parish/County records where the lands covered by such unit are located, a written declaration describing the unit and stating the date of termination.

22. In the event Lessor considers that Lessee has breached this Lease, Lessor shall notify Lessee in writing setting out specifically in what respects Lessee has breached this Lease and stating Lessor's demand for performance. Lessee shall 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 or to dispute Lessor's demand by stating in writing why Lessee reasonably believes it is not in breach. The service of said notice shall be a condition precedent to the bringing of any action by Lessor on said Lease for any cause, and no such action shall be commenced 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 part of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all of its obligations hereunder.

23. Notwithstanding any termination or release of this lease in whole or in part, the right of Lessee to use any pipelines, roadways, easements, power lines or other equipment or facilities then existing on the leased premises shall continue and terminate only when production from the leased premises or lands pooled therewith or other lands in the vicinity thereof and any operations being conducted thereon permanently ceases and all wells associated therewith are plugged or abandoned.

24. Lessor agrees that Lessee may file a memorandum of oil and gas lease in the Parish/County records where the lands covered by this lease are located, which will in such event serve as constructive notice of the existence of this lease.

25. This lease may be executed in counterpart or in multiple originals, either one of which is as valid as the other and when taken together shall constitute one agreement.

26. This lease contains all of the agreements and understanding of the Lessor and Lessee respecting the subject matter hereof and no implied covenants or obligations, or verbal representations or promises have been made or relied upon by Lessor or Lessee supplementing or modifying this lease or as an inducement thereto.

27. If, two (2) years after the end of the primary term or the extended term of this lease or the expiration of any extension or renewal thereof, whichever occurs last, a part but not all of the land covered by this lease, on a surface acreage basis, is not included within a pooled unit or units in accordance with the terms and provisions hereof, this lease shall terminate as to such part, or parts, of the land lying outside the geographic boundaries of such unit or units, unless this lease is perpetuated as to such land outside such unit or units by operations conducted thereon or by the production of oil, gas or other minerals, or as otherwise provided in accordance with the terms and provisions of this lease.

28. Within thirty (30) days prior to the 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, then 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 to Lessor's successor in interest in the amount of one-hundred seventy five dollars (\$175.00) for each net acre as to which the lease is so extended. If this option is exercised by Lessee, the lease as extended will thereafter be treated as if the original primary term had been five (5) years longer.

SIGNED FOR IDENTIFICATION BY LESSOR:

Jane Street Mills  
Jane Street Mills



**Exhibit "A"**

**DESCRIPTION** - That certain tract or parcel of land containing **68.00** acres, more or less, situated in Sections **21 and 28**, Township 1 North, Range 7 East, County of **Pike**, State of **Mississippi**, bounded now or formerly as follows:

On the North by:	Gail Owens
On the East by:	Kenneth Roberts; Interstate 55
On the South by:	Old Mill Road; Eugene G. McMichael
On the West by:	Eugene G. Michael; Brandon Fortenberry

Being the same lands described in that certain Warranty Deed from Richard G. Brown, a/k/a Richard Gene Brown, a single person to James E. Kleinpeter and his wife, Lena W. Kleinpeter, dated March 9, 1979 and recorded at Book 217, Page 718, of the Conveyance of Records, Pike County, Mississippi, and stipulated to contain, for the purpose of calculating payments, **68.00 acres**, more or less.