


OIL AND GAS LEASE

Orion Miss Project

Lease #: 10156

(PAID UP)

AGREEMENT, Made and entered into this 26th day of August, 2015, by and between The Catholic Archdiocese of Oklahoma City, for the benefit of Christ the King Church in Oklahoma City; P O Box 32180, Oklahoma City, OK 73123-0680, Party of the first part, hereinafter called lessor (whether one or more), and Comanche Resources Company; 6520 North Western Avenue # 300, Oklahoma City, OK 73116-7334, party of the second part, hereinafter called lessee.



Recording Data

I-2015-003104 Book 1908 Pg: 0640
 09/08/2015 03:50 PM Pg 0640-0642
 Fee: \$17.00 Doc: \$0.00
 Kathy McClure - Major County Clerk
 State of Oklahoma

WITNESSETH, That the said lessor, for and in consideration of Ten and More (\$10.00) DOLLARS, cash in hand paid, receipt of which is hereby acknowledged and of the covenants and agreements hereinafter contained on the part of lessee to be paid, kept and performed, has granted, demised, leased and let and by these presents does grant, demise, lease and let exclusively unto the said lessee, for the sole and only purpose of exploring by geophysical and other methods, mining and operating for oil (including but not limited to distillate and condensate), gas (including casinghead gas and helium and all other constituents), and for laying pipe lines, and building tanks, power stations and structures thereon, to produce, save and take care of said products, all that certain tract of land, together with any reversionary rights therein, situated in the County of Major, State of OK, described as follows, to-wit:

Township 20N, Range 16W, Section 10

E/2 NE/4, NW/4 NE/4, SW/4 NE/4 [a/d/a NE/4]

and containing 160.00 acres more or less.

It is agreed that this lease shall remain in force for a term of Two (2) years from August 26, 2015 (herein called primary term) and so long thereafter as oil or gas, or either of them, is produced from said land by the lessee.

In consideration of the premises the said lessee covenants and agrees:

- 1st. To deliver to the credit of lessor free of cost, in the pipe line to which it may connect its wells, the 3/16ths part of all oil (including but not limited to condensate and distillate) produced and saved from the leased premises.
- 2nd. To pay lessor for gas of whatsoever nature or kind (with all of its constituents) produced and sold or used off the leased premises, or used in the manufacture of products therefrom, 3/16ths of the gross proceeds received for the gas sold, used off the premises, or in the manufacture of products therefrom, but in no event more than 3/16ths of the actual amount received by the lessee, said payments to be made monthly. During any period (whether before or after expiration of the primary term hereof) when gas is not being so sold or used and the well or wells are shut in and there is no current production of oil or operations on said leased premises sufficient to keep this lease in force, lessee shall pay or tender a royalty of One Dollar (\$1.00) per year per net royalty acre retained here-under, such payment or tender to be made, on or before the anniversary date of this lease next ensuing after the expiration of ninety (90) days from the date such well is shut in and thereafter on the anniversary date of this lease during the period such well is shut in, to the royalty owners. When such payment or tender is made it will be considered that gas is being produced within the meaning of the entire lease.
- 3rd. To pay lessor for gas produced from any oil well and used off the premises, or for the manufacture of casing-head gasoline or dry commercial gas, 3/16ths of the gross proceeds, at the mouth of the well, received by lessee for the gas during the time such gas shall be used, said payments to be made monthly. If the lessee shall commence to drill a well or commence reworking operations on an existing well within the term of this lease or any extension thereof, or on acreage pooled therewith, the lessee shall have the right to drill such well to completion or complete reworking operations with reasonable diligence and dispatch, and if oil or gas, or either of them, be found in paying quantities, this lease shall continue and be in force with like effect as if such well had been completed within the term of years first mentioned.

Lessee is hereby granted the right at any time and from time to time to unitize the leased premises or any portion or portions thereof, as to all strata or any stratum or strata, with any other lands as to all strata or any stratum or strata, for the production primarily of oil or primarily of gas with or without distillate. However, no unit for the production primarily of oil shall embrace more than 40 acres, or for the production primarily of gas with or without distillate more than 640 acres; provided that if any governmental regulation shall prescribe a spacing pattern for the development of the field or allocate a producing allowable based on acreage per well, then any such unit may embrace as much additional acreage as may be so prescribed or as may be used in such allocation of allowable. Lessee shall file written unit designations in the county in which the leased premises are located.

Operations upon and production from the unit shall be treated as if such operations were upon or such production were from the leased premises whether or not the well or wells are located thereon. The entire acreage within a unit shall be treated for all purposes as if it were covered by and included in this lease except that the royalty on production from the unit shall be as below provided, and except that in calculating the amount of any shut in gas royalties, only the part of the acreage originally leased and then actually embraced by this lease shall be counted. In respect to production from the unit, Lessee shall pay Lessor, in lieu of other royalties thereon, only such proportion of the royalties stipulated herein as the amount of his acreage placed in the unit, or his royalty interest therein on an acreage basis bears to the total acreage in the unit.

If said lessor owns a less interest in the above described land than the entire and undivided fee simple estate therein, then the royalties herein provided shall be paid to the lessor only in the proportion which his interest bears to the whole and undivided fee.

Lessee shall have the right to use, free of cost, gas, oil and water produced on said land for its operations thereon, except water from wells of lessor.

When requested by the lessor, lessee shall bury his pipe lines below plow depth.

No well shall be drilled nearer than 200 feet to the house or barn now on said premises, without the written consent of the lessor.

Lessee shall pay for all damages caused by its operations to growing crops on said land.

Lessee shall have the right at any time to remove all machinery and fixtures placed on said premises, including the right to draw and remove casing.

If the estate of either party hereto is assigned, and the privilege of assigning in whole or in part is expressly allowed, the covenants hereof shall extend to their heirs, executors, administrators, successors or assigns. However, no change or division in ownership of

the land or royalties shall enlarge the obligations or diminish the rights of Lessee. No change in the ownership of the land or royalties shall be binding on the lessee until after the lessee has been furnished with a written transfer or assignment or a true copy thereof. In case lessee assigns this lease, in whole or in part, lessee shall be relieved of all obligations with respect to the assigned portion or portions arising subsequent to the date of assignment.

All express or implied covenants of this lease shall be subject to all Federal and State Laws, Executive Orders, Rules and Regulations, and this lease shall not be terminated, in whole or in part, nor lessee held liable in damages, for failure to comply therewith, if compliance is prevented by, or such failure is the result of any such Law, Order, Rule or Regulation.

This lease shall be effective as to each lessor on execution hereof as to his or her interest and shall be binding on those signing, notwithstanding some of the lessors above named may not join in the execution hereof. The word "Lessor" as used in this lease means the party or parties who execute this lease as Lessor, although not named above.

Lessee may at any time and from time to time surrender this lease as to any part or parts of the leased premises by delivering or mailing a release thereof to lessor, or by placing a release of record in the proper County.

Lessor specifically grants lessee the right to conduct geophysical operations on the lands covered by this lease and acknowledges lessee will own the seismic data resulting from said geophysical operations and is free to utilize the seismic data for its sole and exclusive benefit. Lessor hereby grants and conveys to Lessee any and all rights in and to existing wellbores located on the lands described above, including the right to re-enter said wellbore(s) and utilize same for Lessee's benefit. PSC

~~If at any time within the primary term of this lease and while the same remains in force and effect, lessor receives any bona fide offer, acceptable to lessor, to grant an additional lease (top lease) covering all or part of the aforementioned lands, lessee shall have the continuing option by meeting any such offer to acquire such top lease. Any offer must be in writing, and must set forth the proposed lessee's name, bonus consideration and royalty consideration to be paid for such lease and include a copy of the lease form to be utilized which form should reflect all pertinent and relevant terms and conditions of the top lease. Lessee shall have fifteen (15) days after receipt, from lessor, of a complete copy of any such offer to advise lessor in writing of its election to enter into an oil and gas lease with lessor on equivalent terms and conditions. If lessee fails to notify lessor with the aforesaid fifteen (15) day period of its election to meet any such bona fide offer, lessor shall have the right to accept said offer. Any top lease granted by Lessor in violation of this provision shall be null and void.~~ PSC

Lessor hereby warrants and agrees to defend the title to the lands herein described, and agrees that the lessee shall have the right at any time to redeem for lessor by payment any mortgages, taxes or other liens on the above described lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof. PSC

It is the intent of the Lessor to lease, and Lessor does hereby grant, demise, lease and let unto Lessee, all oil, gas and other minerals owned by Lessor in Section 10, Township 20N, Range 16W, Major County, OK whether or not properly and completely described herein. In the event it is determined that Lessor actually owns more net mineral acres than that assumed by the parties in the calculation of lease bonus and paid by Lessee, Lessor and Lessee agree that Lessee shall pay Lessor for such additional net acreage at the same bonus price per acre agreed upon for the execution of this oil and gas lease. Likewise, in the event it is determined that Lessor owns less net acres, or it is determined that Lessor's acreage is currently leased under a prior oil and gas lease, then the Lessor agrees to reimburse Lessee for the bonus per acre paid for the acreage not owned by Lessor or under the prior oil and gas lease.

Additional Provisions

- 1) Lessor hereby grants unto Lessee, its successors and assigns, an option to extend the primary term of this Oil and Gas Lease for an additional period of one (1) year upon the same terms and conditions as hereinabove set out and agreed upon. Such option may be exercised by Lessee by paying or tendering to Lessor, prior to the expiration of the primary term, an amount equal to 100% of the original amount tendered in consideration of this Oil and Gas Lease, which said amount shall cover and include all paid-up rentals as extended hereunder.
- 2) At the expiration of the primary term of this lease or any extension thereof which may occur in accordance with any provisions of this lease, rights under this lease shall terminate as to all depths below 100 feet below the base of the stratigraphic equivalent of the base of the deepest producing formation in any well commenced on or before the expiration of the primary term or extension thereof, on the leased premises or any land pooled therewith.
- 3) It is agreed between the Lessor and Lessee that, notwithstanding any language herein to the contrary, all oil, gas or other proceeds accruing to the Lessor under this lease or by state law shall be without deduction, directly or indirectly, for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and marketing the oil, gas and other products produced hereunder to transform the product into marketable form; however, any such costs which result in enhancing the value of the marketable oil, gas or other products to receive higher net proceeds may be deducted from Lessor's share of production so long as they are based on Lessee's actual cost of such enhancements.
- 4) Notwithstanding anything herein to the contrary, it is agreed that the right to maintain this lease in force by paying shut-in royalty as set out herein is a recurring right, which may be exercised by Lessee from time to time but in no event shall any shut-in period exceed more than (2) two consecutive years. In the event any shut-in period exceeds more than (2) consecutive years, Lessee shall not be required to relinquish its rights in and to the wellbore(s) of the well(s) drilled theretofore.
- 5) This lease is not a top lease of that certain expired (cessation of production since 03/2011) Oil and Gas Lease recorded in Book 545 at Page 16 in the county clerk's records of Major County, OK, covering the leased premises and dated October 15, 1980, from Claire E. Stevens, Executrix of the Estate of Anna E. Loeser, Deceased, as lessor, to Noble Operating, Inc., as lessee. This lease is granted on Lessor's present interest outside of any abandoned wellbore(s), if any, on the leased premises.

IN TESTIMONY WHEREOF, we sign this the 3rd day of Sept., 20 15

Paul S. Coakley
Paul S. Coakley, Archbishop

1-2015-003104 Book 1908 Pg: 0641
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Fee: \$17.00 Doc: \$0.00
Kathy McClure - Major County Clerk
State of Oklahoma

STATE OF Oklahoma
COUNTY OF Oklahoma

(ACKNOWLEDGEMENT FOR CORPORATION)

SS.

The foregoing instrument was acknowledged before me this 3rd day of September, 2015, by Paul S. Coakley as Archbishop of The Catholic Archdiocese of Oklahoma City, for the benefit of Christ the King Church in Oklahoma City



Rosemary G. Lewis
Notary Public

Print Name Rosemary G. Lewis

My Commission expires: Jan. 12, 2018

Commission Number: 02000003

Orion Miss Project Lease #: 10156

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COPY

I-2015-003104 Book 1908 Pg: 0642
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Kathy McClure - Major County Clerk
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VIEW ADDITIONAL LAND RECORDS AT

OKCOUNTYRECORDS.COM