

465

Oil and Gas Mining Lease

LE FUTURE CORPORATION CEDAR RAPIDS, IOWA PDSW 887142

FROM
Sophia Lunzmann Gdn.

6807

STATE OF NEBRASKA }
County of Nemaha } ss.

This instrument was filed for record on the 24 day of April, 1956
Book 83 Page 465 of the
lease records of this office.

TO
The New Drilling Company Inc.

Clark L. Bort Register of Deeds,
at 4:56 o'clock P.M., and duly recorded in
By Margaret Damme Deputy.
Fee \$4.75

THIS AGREEMENT, Entered into this the 24 day of April, A. D. 1956
between Sophia Lunzmann, Guardian of John H. Lunzmann, Jr., a Minor
of Auburn, Nebraska, hereinafter called lessor,
and THE NEW DRILLING COMPANY INC., hereinafter called lessee, does witness:

1. That lessor, for and in consideration of the sum of One and No/100 Dollars (\$ 1.00)
in hand paid, and of the covenants and agreements hereinafter contained to be performed by the lessee, has this day granted and leased and hereby grants,
leases and lets unto the lessee for the purpose of mining and operating for and producing oil and gas, casinghead gas and casinghead gasoline, laying pipe
lines, building tanks, storing oil, building power stations, telephone lines, and other structures thereon to produce, save, take care of and manufacture all of
such substances, and for housing and boarding employees, the following described tract of land in Nemaha County, Nebraska
the Undivided one-sixth (1/6) of:
to-wit: The Northeast Quarter (NE 1/4), and the West Half of the Southeast Quarter (W 1/2 SE 1/4)
all in Section Thirty-five (35), Township Five (5), Range Thirteen (13), East
of the 6th P.M. in Nemaha County, Nebraska.

in Section _____, Township _____, Range _____, and containing 240 acres, more or less.

2. This lease shall remain in force for a term of Five years and as long thereafter as oil, gas, casinghead gas, casinghead
gasoline or any of them is produced from said land by lessee.

3. The lessee shall deliver to the credit of the lessor as royalty, free of cost, in the pipe line to which lessee may connect its wells the equal one-eighth
part of all oil produced and saved from the leased premises, or at lessee's option, may pay to the lessor for such one-eighth royalty the market price for oil
of like grade and gravity prevailing on the day such oil is run into the pipe line, or into storage tanks.

4. The lessee shall pay lessor, as royalty, one-eighth of the proceeds from the sale of the gas, as such, for gas from wells where gas only is found, and
where not sold shall pay Fifty (\$50.00) Dollars per annum as royalty from each such well, and while such royalty is so paid such well shall be held to be a
producing well under paragraph numbered two hereof. The lessor to have gas free of charge from any gas well on the leased premises for stoves and inside
lights in the principal dwelling house on said land by making his own connections with the well, the use of said gas to be at the lessor's sole risk and expense.
The lessee shall pay to lessor for gas produced from any oil well and used by the lessee for the manufacture of gasoline, or any other product, as royalty, one-
eighth of the market value of such gas. If said gas is sold by the lessee, then as royalty one-eighth of the proceeds of the sale thereof.

5. If operations for the drilling of a well for oil or gas are not commenced on said land on or before the _____ day of
April, 1957, this lease shall terminate as to both parties, unless the lessee shall, on or before that date, pay or tender
to the lessor or for the lessor's credit in the Auburn State Bank at Auburn, Nebraska, or its successors, which
bank and its successors are the lessor's agent and shall continue as the depository of any and all sums payable under this lease, regardless of changes of
ownership in said land or in the oil and gas, or in the rentals to accrue thereunder, the sum of Twenty and No/100 Dollars
(\$ 20.00) which shall operate as rental and cover the privilege of deferring the commencement of drilling operations for a period of twelve (12)
months. In like manner and upon like payments or tenders, the commencement of drilling operations may be further deferred for like periods successively.
All payments or tenders may be made by check or draft of lessee or any assignee thereof, mailed or delivered on or before the rental paying date. Notwith-
standing the death of the lessor, or his successor in interest, the payment or tender of rentals in the manner provided above shall be binding on the heirs,
devisees, executors and administrators of such person.

6. If at any time prior to the discovery of oil or gas on this land and during the term of this lease, the lessee shall drill a dry hole, or holes on this
land, this lease shall not terminate, provided operations for the drilling of a well shall be commenced by the next ensuing rental paying date, or provided the
lessee begins or resumes the payment of rentals in the manner and amount hereinabove provided; (and in this event the preceding paragraphs hereof governing
the payment of rentals and the manner and effect thereof shall continue in force).

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

8. The lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations thereon, except water from the wells of the
lessor. When required by lessor, the lessee shall bury pipe lines below plow depth and shall pay for damage caused by its operations to growing crops on said
land. No well shall be drilled nearer than 200 feet to the house or barn now on said premises without written consent of the lessor. Lessee shall have the
right at any time during or after the expiration of this lease to remove all machinery, fixtures, houses, buildings and other structures placed on said premises,
including the right to draw and remove all casing.

9. 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 the heirs, executors, administrators, successors and assigns, but no change of ownership in the land or in the rentals or royalties shall be binding
on the lessee until after notice to the lessee and it has been furnished with the written transfer or assignment or a certified copy thereof.

10. If the leased premises shall hereafter be owned in severalty or in separate tracts, the premises, nevertheless, shall be developed and operated
as one lease and all royalties accruing hereunder shall be treated as an entirety and shall be divided among and paid to such separate owners in the proportion
that the acreage owned by each such separate owner bears to the entire leased acreage. There shall be no obligation on the part of the lessee to offset wells
on separate tracts into which the land covered by this lease may be hereafter divided by sale, devise, or otherwise, or to furnish separate measuring or receiving
tanks. It is hereby agreed that, in the event this lease shall be assigned as to a part or as to parts of the above described lands, and the holder or owner of any
such part or parts shall fail or make default in the payment of the proportionate part of the rent due from him or them, such default shall not operate to defeat
if at any time there be as many as four parties entitled to rentals or royalties, lessee may withhold payments thereof unless and until all parties designate,
writing, in a recordable instrument to be filed with the lessee, a common agent to receive all payments due hereunder, and to execute division and transfer
orders on behalf of said parties, and their respective successors in title.

11. Lessor hereby warrants and agrees to defend the title to the land herein described and agrees that the lessee, at its option, may pay and dis-
charge any taxes, mortgages, or other liens existing, levied, or assessed on or against the above described lands and in event it exercises such option, it shall
be subrogated to the rights of any holder or holders thereof and may reimburse itself by applying to the discharge of any such mortgage, tax or other lien,
any royalty or rentals accruing hereunder.

12. Notwithstanding anything in this lease contained to the contrary, it is expressly agreed that if lessee shall commence drilling operations at any
time while this lease is in force, this lease shall remain in force and its term shall continue so long as such operations are prosecuted and, if production results
therefrom, then as long as production continues.

13. If within the primary term of this lease production on the leased premises shall cease from any cause, this lease shall not terminate provided
operations for the drilling of a well shall be commenced before or on the next ensuing rental paying date; or, provided lessee begins or resumes the payment of
rentals in the manner and amount hereinabove provided. If, after the expiration of the primary term of this lease, production on the leased premises shall cease
from any cause, this lease shall not terminate provided lessee resumes operations for drilling a well within sixty (60) days from such cessation, and this lease
shall remain in force during the prosecution of such operations and, if production results therefrom, then as long as production continues.

14. This lease and all its terms, conditions, and stipulations shall extend to and be binding on all successors of said lessor or lessee.
If no well be commenced on one of the following sections within one year from this date, this lease shall
terminate as to both parties.

Sections 25, 26, 35, 36, all in Twp 5, Range 13, in Nemaha County, Nebraska.

IN WITNESS WHEREOF, we sign the day and year first above written.
WITNESS:

Sophia Lunzmann
Guardian of John H. Lunzmann, Jr.
a Minor

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STATE OF Nebraska
County of Nemaha } ss.

INDIVIDUAL ACKNOWLEDGEMENT

BE IT REMEMBERED, That on this 24 day of April, A. D. 1956, before me, a Notary Public in and for said County and State, personally appeared Sophia Lunzmann, Guardian of John H. Lunzmann, Jr., a Minor to me known to be the identical person described in and who executed the within and foregoing instrument and acknowledged to me that she executed the same as her free and voluntary act and deed for the uses and purposes therein set forth.

In Witness Whereof, I have hereunto set my official signature and affixed my notarial seal, the day and year first above written.

My commission expires March 7, 1959 Fred C. Kiechel Notary Public

(Notarial Seal)

STATE OF _____
County of _____ } ss.

INDIVIDUAL ACKNOWLEDGEMENT

BE IT REMEMBERED, That on this _____ day of _____, A. D. 19____, before me, a Notary Public in and for said County and State, personally appeared _____ to me known to be the identical person described in and who executed the within and foregoing instrument and acknowledged to me that _____ executed the same as _____ free and voluntary act and deed for the uses and purposes therein set forth.

In Witness Whereof, I have hereunto set my official signature and affixed my notarial seal, the day and year first above written.

My commission expires _____ Notary Public

STATE OF _____
County of _____ } ss.

CORPORATION ACKNOWLEDGEMENT

Before me, the undersigned a Notary Public in and for said County and State, on this _____ day of _____, 19____, personally appeared _____ to me known to be the identical person who subscribed the name of the maker thereof to the foregoing instrument as its _____ and acknowledged to me that he executed the same as his free and voluntary act and deed and as the free and voluntary act and deed of such corporation, for the uses and purposes therein set forth.

Given under my hand and seal of office the day and year last above written.

My commission expires _____ Notary Public

P. O. _____