Lessee ("Lease"), to wit:

In the event of a conflict between the terms of this Exhibit "A" and the terms of the printed form to which it is attached, the terms of this Exhibit "A" shall control.

Lessor hereby warrants that Lessor is not currently receiving any bonus, rental, production royalty as the result of any prior oil and gas lease covering any or all of the subject premises, and that there are no commercially producing wells currently existing on the subject premises, or upon other lands within the boundaries of a drilling or production unit

1. Conflict of Terms: Notwithstanding anything to the contrary considered in the Oil and Gas Lease to which this Addendum is attached and made a part of, the provisions of this Addendum shall prevail whenever in conflict with the provisions of the Oil and Gas Lease.

2. Restore Premises to Pre-Drilling Conditions:

Within a reasonable time after completion of all wells to be drilled on any well pad, Lessee shall restore the Leased Premises as nearly as practicable to pre-drilling conditions, remove all debris, equipment, and personal property which Lessee placed on the Leased Premises not needed for the operation of producing wells. In no event, absent extraordinary circumstances, shall such restoration be delayed beyond eighteen (18) months from completion of any well drilled on any well pad. All wellhead equipment shall be removed with six (6) months after a well permanently ceases to produce or when this Lease terminates. When the well site is restored, the subsoil shall be replaced first and the topsoil shall be

- 3. Surface Restoration Clause: It is agreed and understood that the Lessee shall repair and restore the surface of said premises as nearly as practicable, as a result of the Lessee's operations, to the condition in which said land existed at the time of the commencement of drilling operations upon above described land. This work shall be completed within a reasonable amount of time after all cessation of the drilling operations upon the said lands. This work shall be
- 4. <u>Timber Clause:</u> Lessee and Lessor agree that prior to the removal of any and all marketable timber resulting from Lessee's operations under the terms of this lease, an appraisal shall be constructed by a qualified third party forester and Lessee shall pay Lessor the said appraisal value prior to harvesting. In the event agreement is not reached as to value each party shall select an appraiser and the two appraisers shall select a third- party neutral appraiser who shall determine the value of the timber which will be paid by Lessee to prior to harvesting.
- 5. Fresh Water Damage: In the event any activity carried on by the Lessee pursuant to the terms of this lease damages, disturbs, or injures Lessor's fresh water well or source located on the leased premises, Lessee shall, at its sole cost and expense, take all necessary steps to correct any such damage, disturbance, or injury. Any damage to or reduction of any water supply will be presumed to be the result of Lessee's operations unless Lessee can affirmatively prove otherwise. Compliance with the Ohio Department of Natural Resources rules and other pertinent State statutes regarding water testing, shall be sufficient to act as said affirmative proof.
- 6. Pipeline Plow Depth: Lessee shall bury all pipelines permitted pursuant to a minimum depth of 48 inches below ground level where possible. However, in no event shall any pipe be laid less than thirty six (36) inches in depth.
- 7. No Storage Rights: Notwithstanding anything herein contained to the contrary, Lessee agrees the herein described leased premises shall not be used for the purpose of gas storage as defined by the Federal Energy Regulatory Commission. Any reference to gas storage contained in this lease is hereby deleted. If Lessor wishes to enter into an agreement regarding gas storage using the leased premises with a third party, Lessor shall first give Lessee written notice of the identity of the third party, the price or the consideration for which the third party is prepared to offer, the effective date and closing date of the transaction and any other information respecting the transaction which Lessee believes would be material to the exercise of the offering. Lessor does hereby grant Lessee the first option and right to purchase the gas storage rights by matching and tendering to the Lessor any third party's offering within 30 days of
- No Disposal: Lessee is not granted any right whatsoever to use the Leasehold, or any portion thereof, for construction and/or operation of any disposal well, injection well, or the construction and/or operation of water disposal
- 9. Fence Clause: Upon Lessor's written request, Lessee shall at its sole cost, expense, and design install fencing for the protection of livestock around any well site(s), tank battery (ies) or facility(ies) installed on the leased premises by

- 10. <u>Gate Clause:</u> Upon the written request of Lessor, Lessee shall install at its sole cost and expense a gate at the entrance of any road constructed by Lessee on the leased premises provided that Lessor is the current surface owner of the affected lands at the time of Lessee's surface operations.
- 11. Fence and Gates: Lessee shall promptly replace any barrier, including but not limited to, fences and stone walls, removed by Lessee during its operations on said land. Lessee shall construct gates on all access roads on said land upon written request by Lessor. The type of gates constructed shall be solely at Lessee's option. An access key will be provided or a double lock system installed by Lessor and Lessee. Gates are to be closed and locked when employees are not on the premises.
- 12. Fence Producing Well: Lessee shall promptly: (a) replace any fences removed by Lessee during its operations on the Leased Premises; (b) upon written request of Lessor, construct gates on all access roads on the Leased Premises, or in lieu of gates, install cattle guards; (c) upon written request of Lessor, fence all producing wells, tank batteries, pits, separators, drip stations, pump engines, and other equipment placed on the Leased Premises, with a fence capable of turning sheep, goats, and cattle; (d) keep fences constructed by Lessee on the Leased Premises in good repair; and (e) keep all gates and fences constructed by Lessee closed at all times.
- 13. Location approval: Location of any well, access roads, pipelines routes, tank batteries, compressor, or other facilities shall be approved by Lessor or one of their representatives in writing prior to location thereof. Such approval shall not be unreasonably withheld, conditioned, or delayed. Upon receipt of Lessee's written site-location approval request, Lessor shall have fourteen (14) days from the date of said correspondence to approve in writing or to advise Lessee in writing of Lessor's disapproval of a specific location(s) associated with Lessee's site plan and to provide Lessee with an alternate location(s) that is deemed to be reasonable, approvable by the State, economically feasible and at a legal location pursuant to all applicable rules and regulations. Lessor's failure to notify Lessee of written approval of said site plan or to provide Lessee with written objection and an alternate location(s) within fourteen (14) days shall constitute Lessor's approval of the proposed site location.
- 14. <u>Double Ditch Method:</u> If Lessee wishes to use farm or grazing lands to lay pipelines, Lessee agrees to use a double ditch method for laying pipelines, which is topsoil to one side and subsoil to the other; when filling the ditch, the subsoil is replaced first and topsoil is placed on the top.
- 15. No Construction Within 500 feet: No well shall be drilled nearer than five hundred (500) feet of any building, water well, spring, pond, or septic system on the Leased Premises without the written consent of Lessor. No pipeline shall be constructed nearer than two hundred fifty (250) feet of any building, water well, spring, pond, or septic system on the Leased Premises without the written consent of Lessor.
- 16. No Use of Ponds and Lakes: Lessee shall not use water from Lessor's wells, ponds, lakes, springs, creeks or reservoirs ("Water") located on the Leased Premises. Lessee shall be fully responsible for any material damage caused to Lessor's Water by any operations conducted pursuant to this Lease. In drilling oil and/or gas wells, Lessee shall advise Lessor of the depth of any fresh water bearing formations encountered by Lessee during drilling operations in order to assist Lessor in identifying the location of potable water.
- 17. Shut-In Limitation: Lessee agrees that the shut-in royalty payment provided for in the Lease will be increased to Twenty-Five Dollars (\$25.00). Said shut-in royalty shall be paid or tendered to the Lessor within thirty (30) days after the end of each continuous one hundred eighty (180) day period in addition to any royalty owed on the gas once it is marketed. Upon payment of the shut-in royalty as provided herein, the Lease will continue in full force and effect while production is shut-in. It is understood and agreed that, in the sole discretion of the Lessor, this Lease may not be maintained in force for any continuous period of time longer than three (3) consecutive years or a cumulative total of four (4) years after the expiration of the primary term hereof solely by the provision of the shut-in royalty clause.
- 18. Ad Valorem Taxes: Lessee agrees to pay a proportionate share of any increase in ad valorem taxes or any similar tax or assessment of oil and gas production or reserves made by any local, state, or federal entity or governmental unit attributable to, or resulting from, the assessment of oil and gas production or reserves from the Leased Premises regardless of the percentage of royalty paid to Lessor. Lessee also agrees to pay all severance taxes and other excise taxes resulting from this Lease.
- 19. <u>Paid-Up Lease:</u> Notwithstanding any provisions contained herein to the contrary, all rentals due during the primary term of the Lease are paid in full and no further rental payments are due.
- **20.** <u>No Compressor:</u> This Lease does not grant Lessee the right to construct compression facilities on the Leased Premises. Lessee agrees that the Leased Premises described herein will not be used as a central processing facility or storage area for equipment and materials.
- 21. <u>Declaration of Production Unit:</u> Lessee shall furnish to Lessor, a declaration of a production unit of which the Leased

- 22. <u>Bonus Consideration:</u> Lessee shall pay to the Lessor the sum of \$6,800.00 per net acre for which title is confirmed satisfactorily to Lessee in accordance with Order of Payment. Lessee shall pay to Lessor the Bonus Consideration on all confirmed net acres within one hundred and twenty (120) days after receipt of this executed lease. Lessee shall not conduct any operations pursuant to this lease until the Bonus Consideration is paid to Lessor. Any Bonus Consideration paid shall not be refundable for any reason, except in instances of fraud.
- 23. Royalty and Gas Measurement: Lessee agrees to pay to the Lessor, as royalty for the oil, gas, hydrocarbons and byproducts marketed and produced from each well drilled thereon, the sum of **Twenty Percent (20%)** of the price paid to Lessee for such gas, oil, and other hydrocarbons so produced and marketed from the leased premises. The price upon which royalty is calculated shall not be less than the fair market value received for gas, oil, and other hydrocarbons so produced based on arms-length transactions for similarly situated wells in the area, producing the same quantity, quality and being sold at the same point of sale. Payments of royalty for gas, oil, and other hydrocarbons marketed during any calendar month to be on or about the 30th day after receipt of such funds by the Lessee. There shall be no deductions from said royalty payment for any reason, directly or indirectly, including, but not limited to, costs Lessee incurs for producing, gathering, storing, separating, treating, transporting, dehydrating, compressing, processing, marketing such oil and/or gas, nor shall there by any deductions for taxes, assessment, or any other pre or post production costs. Production from the leased premises shall be measured in accordance with Boyle's Law for the measurement of gas at varying pressures, on the basis of 10 ounces above 14.73 pounds of atmospheric pressure, at a standard base temperature of 60 degrees Fahrenheit and stipulated flowing temperature of 60 degrees Fahrenheit, without allowance for temperature and barometric variations. This measurement shall be at the wellhead. Reports, in reasonable and customary format, pertaining to the calculation of Lessor's royalty for any and all wells drilled on the Leased Premises or lands unitized or pooled with the Leased Premises shall be made reasonably available to Lessor.
- 24. Force Majeure: In the event Lessee claims that any duties or obligations of Lessee as contained in the Lease may not be fulfilled as a result of Force Majeure as defined in the Lease, Lessee shall provide notice to Lessor of the nature of the Force Majeure, indicate the expected length of delay, and work diligently to remove or resolve the force majeure event. The lease shall never be extended longer than a total of three (3) consecutive years or a cumulative total of four (4) years due to the terms contained in the Force Majeure Clause of the Lease.
- 25. <u>Conduct of Operations</u>: Lessee shall cooperate with Lessor conducting its operations to minimize any interference with the agricultural or residential use of the premises. If Lessee in the course of its operations hereunder interferes with Lessor's personal ingress and egress routes, Lessee will provide reasonable alternate temporary access to help minimize the disruption. In addition:
- a. Lessee shall not use Lessor's existing roadways without Lessor's written consent. All ditching and grading shall be to the standards as established by the township in which the Leased Premises are located for road construction and maintenance.
- b. Lessee shall be responsible for any damages caused by Lessee's operations to above ground and underground utilities, sanitary sewers, storm drains, catch basins, and drainage ditches.
- c. All pipelines shall be conspicuously marked by Lessee. If Lessee chooses to lay plastic lines, such lines shall be marked by a tracer wire for purposes for electronically locating such lines.
- d. Lessee shall, during the operation of the drilling and afterward, clean the site and all appropriate areas, including areas of ingress and egress, spread the appropriate gravel, road fabric, plastic culverts, properly maintain all approaches and driveways, maintain all areas in a clean and orderly manner, maintain all tanks and equipment in a clean, painted condition, mow all grass and weeds (as needed) and grade all areas to reasonable and prudent satisfaction of

Lessor. All roads shall be appropriately crowned to foster drainage.

- e. All motors used in the operation of any wells shall be electrical, where practical and economical.
- f. All access roads used by Lessee pursuant to its drilling and production operations on the Leased Premises shall be kept in passable condition, free of significant ruts.
- g. Lessee shall maintain the quality and quantity of Lessor's domestic water supply by testing, with a certified lab, Lessor's domestic water supply prior to commencement of and, to the extent so requested by Lessor, following drilling operations on said land or wells drilled within 1,500 feet of Lessor's water supply in order to ensure that said water supply is not adversely affected by said operations. Lessor shall be provided with copies of the lab documentation. In the event it is reasonably determined by Lessor and Lessee that said operations have adversely and materially affected said water supply, then Lessee, at its own expense, shall take steps necessary to return said water supply to pre-drilling conditions. Lessee, at Lessee's expense, agrees to provide Lessor with a reasonable supply of potable water until such time as Lessor's water supply has been returned to pre-drilling conditions. It is further

- h. Prior to use of Lessee's means of ingress or egress, lessee shall receive all proper permits and post all bonds required by any governmental authority relative to the use of said roadways.
- i. Any electric lines installed by Lessee shall meet the electrical code of the Ohio Department of Commerce and all electrical installation shall remain in force after termination of this Lease or abandonment of any wells drilled by Lessee. All above ground electric lines shall be installed at least fourteen (14) feet high.
- **26.** <u>Coal:</u> Lessee acknowledges that certain rights to mine or extract coal may be applicable to or affect the Leased Premises subject to this Lease. Lessor makes no representation or warranty and provides no assurance that Lessee's ability to extract oil and gas will be unaffected by such coal rights. Lessee shall rely solely on its evaluation of the exploration and extraction rights granted hereby and shall not rely on Lessor regarding such rights. In the event the right to extract coal and/or other mineral is granted or conveyed by Lessor subsequent to the date hereof, Lessee agrees to cooperate with such Lessee or grantee in the mining or extraction of such coal or mineral in order to permit Lessor to obtaining the economic benefit of all coal and minerals located on the Leased Premises. In any event, this provision shall always adhere and be under and subject to the Force Majeure provisions in this Lease.
- 27. <u>Pooled Production Unit Limit:</u> In the event Lessee desires to pool or unitize the Leased Premises with other lands and there is no spacing order previously established by a governmental or regulatory body, Lessee shall not have the right to form a production unit larger than 640 acres plus a 10% acreage tolerance.. If the well is classified as a vertical oil or gas well, the maximum size of the pooled production unit shall be 60 contiguous acres, without the written consent of the Lessor. The well shall be located in the center of the production unit to be the extent practical.
- 28. Supplemental Surface Damage Payment: Provided that Lessor is the current surface owner of the affected lands at the time of Lessee's surface operations, Lessee agrees to pay to Lessor the sum of Thirty Thousand Dollars (\$30,000.00) as supplemental surface damage payment for each drill site pad located on the surface of the leased premises. Multiple wells may be drilled from a single drill site pad. Lessee agrees that each drill site pad built on the Leased Premises shall not exceed fifteen (15) acres of surface area unless granted written permission by Lessor. In the event Lessee physically and materially disturbs more than fifteen (15) acres for any drill site pad, Lessor shall be compensated at the rate of Five Thousand Dollars (\$5,000.00) per acre so disturbed in excess of fifteen (15) acres. If Lessee should locate more than one drill site pad on the Leased Premises, a separate supplemental surface damage payment shall be paid for each drill site pad. Lessee shall not be required to pay any separate supplemental surface damage payment for additional wells drilled in sequence after the completion of drilling the initial well or group of wells as the case may be; however, if Lessee fully reclaims any well pad, and then returns at a later date to a fully reclaimed drill site pad for the purpose of drilling an additional well or wells on that drill site pad, Lessee shall pay to Lessor an additional supplemental surface damage payment.

Provided that Lessor is the current surface owner of the affected lands at the time of Lessee's surface operations, and Lessor's property is utilized for the placement of an access road to access a well drilled by Lessee, Lessee agrees to pay to Lessor the sum of Three Thousand Dollars (\$3,000.00) per acre as a supplemental surface damage payment for each acre of land used for any access road located on the surface of the Leased Premises. This payment shall be in addition to any payment for crops, timber, well pad, or damage payments provided for herein.

- 29. Hold Harmless Clause: Lessee shall indemnify and hold Lessor harmless from any and all liability, liens, damages, actions, or causes of actions, demands, judgments, suits, and claims of any kind or character arising out of, in connection with, or relating to Lessee's operations under the terms of this Lease, including, but not limited to, regulatory or environmental issues, claims for injury to or death of any persons, or damage, loss or destruction of any property, real or personal, under any theory of tort, contract, or strict liability. Lessee further covenants and agrees to defend any suits brought against Lessor on any claims, and to pay any judgment against Lessor resulting from any suit or suits, together with all costs and expenses relating to any claims, including attorney's fees, arising from Lessees operations under the terms of this lease. Lessor, if it so elects, shall have the right to participate, at its sole expense, in its defense in any suit or suits in which it may be a party, without relieving Lessee of the obligation to defend Lessor. The terms hereof do survive the expiration or surrender of this lease and/or the completion of operations.
- **30.** <u>Audit Clause:</u> Lessee further grants to the Lessor the right annually to examine, audit, or inspect books, records, and accounts of Lessee pertinent to the purpose of verifying the accuracy of the reports and statements furnished to Lessor, and for checking the amount of payments lawfully due the Lessor under the terms of this agreement. In exercising this right, Lessor shall give reasonable notice to Lessee of its intended audit and such audit shall be conducted during normal business hours at the office of Lessee. Such examination and audit shall be at the sole cost and expense of Lessor unless the audit reveals a deficiency by Lessee in payment of royalties which will result in Lessee being responsible for the cost and expense of such audit.
- **31.** <u>Compliance Clause:</u> Lessee's operations on said Leased Premises shall comply with all applicable federal and state regulations.
- 32. <u>Prudent Operator:</u> Subject to economic reasonableness, Lessee will protect the property from drainage, will develop the property after drilling an initial well with an established producer, will conduct all operations as a reasonably prudent

33. Oil and Gas Only: This Lease shall cover only oil and gas and associated hydrocarbons produced through the wellbore.

34. Minimize Intrusion Into Crops:

Subject to economic reasonableness, Lessee agrees to plan surface operations in a manner that will reduced or minimize the intrusion to crop fields. Lessee shall compensate Lessor or Lessor's tenant (but not both) for the damage to or loss of growing crops caused by Lessee's operations at a current market value. Lessee shall bury Lessee's pipeline to a minimum depth of four (4) feet below the surface of the ground where practical.

- **35.** <u>Commencement of Operations</u>: Commencement of operations shall be defined as Lessee having secured a drilling permit from the State and further entering upon the herein described premises with equipment necessary to build any access road(s) for drilling of a well subsequently followed by a drilling rig for the spudding of the well to be drilled.
- **36.** <u>Arbitration:</u> Any controversy or claim arising out of or relating to this Lease or performance hereunder shall be ascertained and determined by three (3) disinterested arbitrators, one thereof to be appointed by Lessor, one by the Lessee and third by the two (2) so appointed as aforesaid, and the award of such collective group shall be final and conclusive. Arbitration proceedings hereunder shall be conducted at the county seat or the county where the Lease is filed or the action occurred which is cause for the arbitration, or such other place as the parties to such arbitration shall all be mutually agreed upon. Each party will pay its own arbitrator and the costs of the third arbitrator shall be borne equally. Either party may, without waiving any remedy under this agreement seek from any court having jurisdiction any interim or provisional relief that is necessary to protect the rights or property of that party, pending the establishment of the arbitral tribunal (or Pending the arbitral tribunal's determination of the merits of the controversy or claim).
- 37. <u>Property Description:</u> Notwithstanding any other provision in the lease, including what is commonly known in lease terminology as a "Mother Hubbard Clause", it is understood and agreed that the lease is valid only as to the specific parcels described and identified in the lease and not other property of Lessor is to be affected by this Lease. This lease does not include parcels adjacent or contiguous to the land described in the Lease that is also owned or claimed by Lessor, which is not specifically described in the lease. The Lease shall be deemed to cover the lands intended to be covered by and described in this Lease without regard for the correctness of the legal description herein, and without regard for any acreage discrepancies in the parcels listed.
- 38. Right of First Refusal: The paragraph in the Lease entitled Right of First Refusal is deleted in its entirety.
- 39. <u>Pipeline No Foreign Gas:</u> Any pipelines constructed pursuant to the terms of this lease shall be for transporting oil and/or gas from a well(s) drilled on the leased premises or lands pooled therewith unless the prior written consent of Lessor is obtained.
- 40. <u>Pugh Clause</u>: This lease shall automatically terminate as to any acreage subject to this lease which is not included within a production unit at the expiration of the primary term or extension thereof. Further, at the end of the primary term or any extension thereof, this lease shall terminate as to all depths, horizons and/or formations under each production unit two hundred (200) feet below the strata graphic equivalent of the base of the deepest formation from which production of oil and gas in paying quantities is being maintained (or in case of a shut-in well, can be maintained) in the well on such production unit. Lessee shall file a Release of the Lease as to any acreage and formations no longer subject to this lease within thirty (30) days from the expiration of the primary term or any extension thereof with the Belmont County Recorder.
- 41. <u>Title:</u> Lessee acknowledges that portions of the premises may have been previously leased for oil and gas purposes and that Lessor makes no representation of warranty regarding title. Lessee shall be solely responsible, at its cost, for determining clear title and for taking any steps to clear title before drilling. Lessor shall cooperate with Lessee in this regard.
- **42.** <u>Clean and Green Clause:</u> Lessee agrees that if and when any penalty, rollback or recapture of tax abatements created or imposed under any governmental program such as, but not limited to CREP, CRP and Clean and Green that is levied on Lessor solely as a result of Lessee's operations on leased premises, Lessee will reimburse Lessor upon written request and copy of the penalty notice.
- 43. <u>Release of Lease:</u> Upon written request by Lessor and after termination, expiration, or surrender of this lease in whole or in part, Lessee shall provide Lessor with a copy of an appropriate release of lease.