

EXHIBIT A

Attached to and made a part of that certain Oil and Gas Lease dated the _____ day of _____, 2011, by and between _____, as Lessor(s), and _____, as 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 utilizing all or a part of the subject premises.

USE OF PROPERTY

Restriction of Surface Activity

Lessee shall not have the right to place any well pad within Five Hundred (500) Feet nor conduct any surface activity within Five Hundred (500) Feet of any residential structure or Three Hundred (300) Feet of any non-habitable structure without the express written consent of the Lessor.

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 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, 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. It is agreed by the parties that an objection to proposed surface activity within Five Hundred (500) Feet of residential or commercial activity of the Lessor or surface activity that would be likely to substantially disrupt the traditional use of the property shall be deemed to be a reasonable objection.

Surface Damage Clause

Provided that Lessor is the current surface owner of the affected lands at the time of Lessee's surface operations, Lessee agrees to pay Lessor Twenty Thousand Dollars and 00/100 (\$20,000.00) as a supplemental surface damage payment for each pad site built on the herein described leased premises up to a maximum disturbed net acre of ten (10) acres, and Lessee shall pay an additional Three Thousand and 00/100 (\$3,000) for each additional disturbed net acre in excess of ten (10) acres. Additionally, Lessee shall pay Three Thousand and 00/100 (\$3,000) for each net acre used by Lessee for other surface installations, easements, or right-of-ways.

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 done at the sole expense of the Lessee.

Pipeline - No Foreign Gas

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.

Pipeline - Plow Depth

When requested in writing by Lessor prior to the laying of pipeline, Lessee shall bury the pipeline a minimum depth of 36 inches below ground level, where possible.

No Compression on Leasehold

Other than those necessary for the production and transportation of products produced from the Leased Premises or land pooled or unitized therewith, it is agreed and understood that compression facilities will not be placed on the leasehold, unless written consent is provided by the Lessor, which consent shall not be unreasonably withheld, delayed or conditioned. Lessee agrees that the Leased Premises described herein will not be used as a central processing facility. Where compression facilities, temporary or permanent, are used upon the premises, Lessee shall take all reasonable efforts to minimize the noise associated with the same.

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), facility (ies) or any other equipment installed on the leased premises by Lessee provided that Lessor is the current surface owner of the affected lands at the time of Lessee's surface operations.

Gate Clause

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.

Timber Clause

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. Lessor shall be given at least seven (7) days prior written notice of commencement of timber harvesting activity on the leased premises.

No Disposal Clause

Lessee acknowledges and agrees that the right to dispose of any waste products, including, but not limited to, waste water and/or brine upon the leased premises is specifically prohibited.

WATER

Water Quality

Lessee shall have Lessor's current water supply sampled and tested prior to spudding of any well drilled on the leased premises, or drilled on acreage unitized with the leasehold. Should Lessor experience a material adverse change in the quality or quantity of Lessor's water supply, during or immediately after the completion of Lessee's drilling operations, Lessee shall, within 48 hours of Lessor's written request, sample and test Lessor's water supply at Lessee's expense. If such test reflects a material adverse change in Lessor's water quality or quantity, then it shall be presumed that the same was caused by the Lessee's operations and, in that instance, Lessee agrees to provide Lessor with potable water within 48 hours and until such a time as Lessor's water source has been repaired or replaced to as close to pre-drilling status quo as reasonably possible, with all reasonably related costs to be paid by Lessee.

No Water Usage

Lessee is not granted any right whatsoever to use any surface, subsurface, or any water within the leasehold for its operations, including, but not limited to wells, ponds, streams, and creeks, unless Lessor should give written consent to do so.

Fresh Water Damage Protection

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 these leased premises, Lessee shall at its sole cost and expense take all necessary steps to correct any such damage, disturbance or injury and to remediate the same, including quality and quantity, to as close to pre-damage status quo as reasonably possible.

PRODUCTION

Commencement of Operations

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 or commencing other activities necessary for the spudding of a well to be drilled. Once commenced, and upon expiration of the primary term of this lease or any extension thereof, said operations shall not lapse for a period of greater than ninety (90) consecutive days prior to the completion of the well, else this Lease shall be deemed to be expired.

Shut-In

It is understood and agreed that this lease may not be maintained in force for an continuous period of time longer than thirty-six (36) consecutive months, or sixty (60) cumulative months after the expirations of the primary term hereof solely by the provision of the shut-in royalty clause. The shut-in status of any well shall persist only so long as it is necessary to correct, through the exercise of good faith and due diligence, the condition giving the rise to the shut-in of the well.

Shut-In Royalty

If a well capable of producing oil or gas within a drilling unit containing any portion of the Leasehold premises is shut-in for a period greater than sixty (60) days in any calendar year, then Lessee shall pay to Lessor a shut-in royalty equal to Twenty Five (\$25) Dollars for each net acre of the Lessor contained within said drilling unit. Shut-in royalty shall be due to Lessor thirty (30) days after the sixtieth (60th) shut-in day in any calendar year and quarterly thereafter.

Limitation on Pooled Unit

If a well drilled is classified as a horizontal oil or gas well drilled to any geologic formation whether oil or gas, then the maximum size of the pooled production unit shall not exceed 640 contiguous acres, except said production unit may exceed 640 contiguous acres, but in no event larger than 1,280 contiguous acres, if the lateral extent of horizontal wellbores in said formation extend beyond the boundary of a 640 contiguous acre unit, and/or in the event that a reasonably prudent operator would expect that the entire acreage within such larger unit will be effectively and efficiently developed and drained from a central pad site location. The pooled production unit shall to the extent practicable be parallel and centered on the lateral wellbores to be drilled within the unit. Lessor and Lessee agree to abide by any State pooling or unitization orders.

Pugh Clause

If the Leasehold covered by this Oil and Gas Lease covers more than sixty (60) net acres and more than sixty percent (60%) of the Leasehold covered by this Oil and Gas Lease is not included in the production unit established by Lessee, this Lease shall automatically terminate two (2) years ("Extended Term") after the expiration of the primary term or any extension provided herein, insofar and only insofar as to all Leasehold outside a production unit established by Lessee for a well, provided if the Lessee, its successors or assigns shall be engaged in operations for the drilling, completing or testing of a new well or wells or the drilling, completing, testing, or deepening of an existing well or wells on the leased premises or on lands with which said Leasehold or a portion hereof have been included in a production unit, then this Oil and Gas Lease shall continue in full force and effect until such drilling, completing, testing or deepening operations have been completed.

ROYALTY

Market Enhancement Clause

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 a better price may be deducted from Lessor's share of production so long as they are based on Lessee's actual cost of such enhancements. However, in no event shall Lessor receive a price that is less than, or more than, the price received by Lessee.

Fair Market Value Royalty

The parties agree that Lessee is free to sell oil or gas to any entity, including a related entity; however, Lessee agrees that any oil or gas sold pursuant to this Lease shall be sold at a fair market price defined as the price reasonably attainable on the open market between a willing third party buyer and willing third party seller. In the event that Lessee sells oil or gas in kind, said gas or oil shall be valued at a fair market price.

MISCELLANEOUS

Compliance Clause

Lessee's operations on said land shall be in compliance with all applicable federal and state laws and regulations.

No Storage Rights Clause

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 receipt of notice from Lessor.

No Disposal or Injection Wells

Lessee agrees that no disposal or injection wells shall be placed upon the leased premises, absent express written approval from Lessor.

Oil & Gas Only

This lease shall be deemed to cover only oil and gas and associated hydrocarbons produced through the wellbore.

Hold Harmless Clause

Lessee agrees it will protect and save and keep Lessor harmless and indemnified against and from any penalty or damage or charges imposed for any violation of any laws or ordinances, whether occasioned by the neglect of Lessee or those holding under Lessee, and Lessee will at all times protect, indemnify and save and keep harmless the Lessor against and from any and all loss, damage or expense, including any injury to any person or property whomsoever or whatsoever arising out of or caused by any negligence of the Lessee or those holding under Lessee. Lessor shall be named as an additional insured on Lessee's liability insurance policy. Prior to the commencement of drilling operations, Lessee shall provide to Lessor, a certificate of evidence for liability, workman's compensation and disability insurance.

Venue and Choice of Law

The venue for all actions and proceedings arising from this Lease shall be in the county in which the real property is located. The law of the state in which the real property is located shall apply.

<u>Ad</u>	<u>Valorem</u>	<u>Taxes</u>	<u>Clause</u>
Lessee and Lessor agree to pay their proportionate share of any increase in ad valorem taxes attributable to, or resulting from, the assessment of oil and gas due to production from the leased premises.			

Special Warranty Title

It is understood that Lessor warrants title to said property only with respect that the title is good to the best of Lessor's knowledge and Lessee agrees that no claims will be made against Lessor pertaining to warranty of title.

Audit Clause

Lessee further grants to 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.

Clean and Green Clause

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.

Release of Lease

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.

Memorandum to be Filed

Lessor agrees that a Memorandum may be filed by Lessee, at Lessee's expense, in place of this Oil and Gas Lease, and attached exhibits. Lessee shall provide Lessor with a photocopy of the fully executed Lease, all Exhibits, and Memorandum as soon as possible after such time as this Lease has been accepted by Lessee and Memorandum recorded.

Force Majeure Notice

Lessee shall notify Lessor in writing within seven (7) days of an occurrence of any event of force majeure. Lessee shall pay delay rentals, provide for free gas through compensation, and minimum royalties during any period of force majeure.

Arbitration

In the event of a disagreement between Lessor and Lessee concerning this Lease, performance hereunder, or damages caused by Lessee's operations, settlement shall be determined by a panel of three disinterested arbitrators. The arbitration process shall be initiated by one party sending written notice of arbitration to the other party. Within thirty (30) days after receipt of an arbitration notice, Lessor and Lessee shall appoint and be responsible to pay the fee of one arbitrator each and the two so appointed shall appoint the third, whose fee shall be borne equally by Lessor and Lessee. The arbitrators shall determine the procedure to be used for arbitration and shall render their decision within thirty (30) days after appointment of the third arbitrator. The award shall be by unanimous decision of the arbitrators and shall be final. If either party fails to timely appoint its arbitrator or if the two arbitrators appointed fail to appoint a third arbitrator within ten (10) days after their appointment, then either party may make application to any court having jurisdiction over the Leasehold for the appointment of the last arbitrator. Arbitration proceedings hereunder shall be conducted the county in which the leased premises are located.