

971364

OIL AND GAS LEASE (Paid-up Lease—No Delay Rentals)

THIS AGREEMENT, made and entered into this 4th day of March, 19 97, by and between
William F. Chwalinski and Vera V. Chwalinski, Husband and Wife

of Route 1, Box 62, Cleveland, Arkansas 72030 hereinafter called lessor (whether one or more),
and SEECO, Inc., Fayetteville, Arkansas 72702-1408, hereinafter called Lessee.

WITNESSETH: that lessor, for and in consideration of Ten & OVC Dollars (\$ 10.00) and other good and valuable considerations in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods, drilling, mining, operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas-condensate (distillate) and any substance, whether similar or dissimilar, produced in a gaseous state, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, powers, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or conjointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine, and other fluids into the subsurface strata, said lands being situated in the County of Van Buren, State of Arkansas, and being described as follows, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

THIS OIL AND GAS LEASE COVERS OIL AND GAS ONLY AND DOES NOT INCLUDE COAL
AND OTHER MINERALS.

of Section 29 & 30, Township 10 North, Range 15 West, It being the purpose and intent of lessor
and lessor does hereby lease, all of the lands or interests in lands owned by lessor which adjoin the lands above described or which lie in the section or sections herein
specified whether or not herein completely and accurately described, together with and including any accretions thereto which may have formed, may now be forming or may
hereafter form. For all purposes of this lease, said lands shall be deemed to contain 227.98 acres.

Subject to the other provisions herein contained, this lease shall remain in force for a term of Five (5) years from this date (herein called "primary term") and
as long thereafter as oil and gas, or either of them, is produced from the above described land or drilling operations are continuously prosecuted as hereinafter provided.
"Drilling operations" includes operations for the drilling of a new well, the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to
obtain or re-establish production of oil or gas; and drilling operations shall be considered to be "continuously prosecuted" if not more than 90 days shall elapse between the
completion or abandonment of one well or hole and the commencement of drilling operations on another well or hole. If, at the expiration of the primary term of this lease, oil or
gas is not being produced from the above described land but lessee is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are
continuously prosecuted; and if production of oil or gas results from any such drilling operations, this lease shall continue in force so long as oil or gas shall be produced. If,
after the expiration of the primary term of this lease, production from the above described land should cease, this lease shall not terminate if lessee is then prosecuting drilling
operations, or within 90 days after such cessation of production commences drilling operations, and this lease shall remain in force so long as such operations are
continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the above described land.

In consideration of the premises, lessee covenants and agrees:

1st. To deliver, free of cost, to lessor at the wells, or to the credit of lessor in the pipeline to which the wells may be connected, the equal one-eighth (1/8) part of all oil and
other liquid hydrocarbons produced and saved from the leased premises, or, at lessee's option, to pay to lessor for such one-eighth (1/8) royalty the market price at the well for
such oil and other liquid hydrocarbons of like grade and gravity prevailing on the day such oil and other liquid hydrocarbons are run from the lease.
2nd. Lessee shall pay Lessor one-eighth of the proceeds derived from the sale of all gas (including substances contained in such gas) produced, saved, and sold
by Lessee. Proceeds are defined as the actual amount received by the Lessee for the sale of said gas.

The consideration paid to lessor for this lease includes consideration in lieu of delay rental provisions and the rights and obligations of the parties hereunder shall be the
same as if this lease contained provisions for the payment of periodic delay rentals throughout the primary term hereof and each such delay rental had been timely paid and
accepted by lessor.

If a well capable of producing gas or gas and gas-condensate in paying quantities located on the leased premises (or on acreage pooled or consolidated with all or a portion
of the leased premises into a unit for the drilling or operation of such well) is at any time shut in and no gas or gas-condensate therefrom is sold or used off the premises or for
the manufacture of gasoline or other products, nevertheless such shut-in well shall be deemed to be a well on the leased premises producing gas in paying quantities and this
lease will continue in force during all of the time or times while such well is so shut in, whether before or after the expiration of the primary term hereof. Lessee shall use
reasonable diligence to market gas or gas and gas-condensate capable of being produced from such shut-in well but shall be under no obligation to market such products under
terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. Lessee shall be obligated to pay or tender to lessor within 45 days
after the expiration of each period of one year in length (annual period) during which such well is so shut in, as royalty, an amount equal to \$1.00 per acre for the acreage
covered by this lease as to which the leasehold rights are, at the end of such annual period, owned by the lessee making such payment; provided that, if lessor owns less than the
full and entire royalty interest in such acreage, such payments shall be such part (calculated on a royalty-acre basis) of said amount as lessor's royalty interest bears to the
full and entire royalty interest in such acreage; and provided further that, if gas or gas-condensate from such well is sold or used as aforesaid before the end of any such annual
period, or if, at the end of any such annual period, this lease is being maintained in force and effect otherwise than by reason of such shut-in well, lessee shall not be obligated
to pay or tender, for that particular annual period, said sum of money. Such payment shall be deemed a royalty under all provisions of this lease. Such payment may be made or
tendered to lessor ~~at the above address~~ at the above address ~~SEECO~~.

~~SEECO~~ successors shall continue as the depository regardless of changes in the ownership of said land or the right to receive royalty hereunder. Royalty ownership
as of the last day of each such annual period as shown by lessee's records shall govern the determination of the party or parties entitled to receive such payment.

If lessor owns a less interest in the land covered by this lease than the entire and undivided fee simple mineral estate therein, then whether or not such less interest is
referred to or described herein, all royalties herein provided shall be paid lessor only in the proportion (calculated on a royalty-acre basis) which the royalty interest owned by
him in said land bears to the full and entire royalty interest in said land.

If the estate of either party hereto is assigned or sublet, and the privilege of assigning or subletting in whole or in part is expressly allowed, the express and implied
covenants hereof shall extend to the sublessees, successors and assigns of the parties; and in the event of an assignment or subletting by lessee, lessee shall be relieved and
discharged as to the leasehold rights so assigned or sublet from any liability to lessor thereafter accruing upon any of the covenants or conditions of this lease, either express or
implied. No change in the ownership of the land or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessor or require separate
measuring or installation of separate tanks by lessee. Notwithstanding any actual or constructive knowledge of or notice to lessee, no change in the ownership of said land or of
the right to receive royalties hereunder, or of any interest therein, whether by reason of death, conveyance or any other matter, shall be binding on lessor (except at lessee's
option in any particular case) until 90 days after lessee has been furnished written notice thereof, and the supporting information hereinafter referred to, by the party claiming
as a result of such change in ownership or interest. Such notice shall be supported by original or certified copies of all documents and other instruments or proceedings
necessary in lessee's opinion to establish the ownership of the claiming party.

Lessee may, at any time, execute and deliver to lessor or place of record a release covering all or any part of the acreage embraced in this leased premises or covering any
one or more zones, formations or depths underlying all or any part of such acreage, and thereupon shall be relieved of all obligations thereafter to accrue with respect to the
acreage, zones, formations or depths covered by such release.

Lessee is granted the right, from time to time while this lease is in force, to pool into a separate operating unit or units all or any part of the land covered by this lease with
other land, lease or leases, or interests therein (whether such other interests are pooled by a voluntary agreement on the part of the owners hereof or by the exercise of a right to
pool by the lessee(s) thereof), when in lessee's judgment it is necessary or advisable in order to promote conservation, to properly develop or operate the land and interests to be
pooled, or to obtain a multiple production allowable from any governmental agency having control over such matters. Any unit formed by such pooling shall be of abutting or
cornering tracts and shall not exceed 80 acres (plus a tolerance of 10%) for gas or gas-condensate and shall not exceed 80 acres (plus a tolerance of 10%) for any other
substance covered by this lease; provided that if any governmental regulation or order shall prescribe a spacing pattern for the development of a field wherein the above
described land, or a portion thereof, is located, 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 permitted in such allocation of allowable. Each unit shall be created by Lessee's recording a declaration of Pooling containing a description of the
pooling specified, except shut-in gas well royalties, lessor shall receive on production from an area so pooled only such portion of the royalties which, in the absence of such
herein specified, would be payable hereunder to lessor on production from the land covered by this lease which is placed in the pooled area as the amount of the surface acreage in the
land covered by this lease which is placed in the pooled area bears to the amount of the surface acreage of the entire pooled area. Nothing herein contained shall authorize or
effect any transfer of any title to any leasehold, royalty or other interest pooled pursuant hereto. The commencement of a well, the conduct of other drilling operations, the

completion of a well or of a dry hole, or the operation of a producing well on the pooled area, shall be considered for all purposes (except for royalty purposes) the same as if said well were located upon, or such drilling operations were conducted upon, the lands covered by this lease whether or not such well is located upon, or such drilling operations are conducted upon, said lands. Lessee may terminate any pooling effected pursuant hereto at any time the pooled unit is not producing and no drilling operations are being conducted thereon by executing and filing of record in the county or counties in which the pooled area is located a written declaration of the termination of such pooling, provided that the pooling of all interests not covered by this lease which comprise a part of such pooled unit be also terminated in some effective manner.

Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations, except water from the wells of the Lessor. When required by the Lessor, the Lessee shall bury its pipelines below plow depth and shall pay reasonable damages for injury by reason of its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to any house or barn or other structure on said premises as of the date of this Lease without the written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of this Lease to enter upon the property and to remove all machinery, fixtures, and other structures placed on said premises, including the right to draw and remove all casing, but the Lessee shall be under no obligation to do so.

Lessor hereby warrants and agrees to defend the title to the lands herein described, but if the interest of lessor covered by this lease is expressly stated to be less than the entire fee or mineral estate, lessor's warranty shall be limited to the interest so stated. Lessee may purchase or lease the rights of any party claiming any interest in said land and exercise such rights as may be obtained thereby but lessee shall not suffer any forfeiture nor incur any liability to lessor by reason thereof. Lessee shall have the right at any time to pay for lessor, any mortgage, taxes or other lien on said lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and any such payments made by lessee for lessor may be deducted from any amounts of money which may become due lessor under this lease.

All express provisions and implied covenants of this lease shall be subject to all applicable laws, governmental orders, rules and regulations. This lease shall not be terminated in whole or in part, nor lessee held liable in damages, because of a temporary cessation of production or of drilling operations due to breakdown of equipment or due to the repairing of a well or wells, or because of failure to comply with any of the express provisions or implied covenants of this lease if such failure is the result of the exercise of governmental authority, war, armed hostilities, lack of market, act of God, strike, civil disturbance, fire, explosion, flood or any other cause reasonably beyond the control of lessee.

This lease and all provisions thereof shall be applicable to and binding upon the parties and their respective successors and assigns. Reference herein to lessor and lessee shall include reference to their respective successors and assigns. Should any one or more of the parties named above as lessors not execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

Each wife/husband above named hereby joins in the execution and delivery of this lease for the purpose of conveying, releasing and ratifying unto lessee, for the purpose and consideration aforesaid, all of his/her right, title, interest and estate in said land, including any rights of dower/courtesy and homestead which he/she may have therein.

IN WITNESS WHEREOF, this lease is executed as of the day and year first above written.

William F. Chwalinski
William F. Chwalinski
Vera V. Chwalinski
Vera V. Chwalinski

429-54-2271
432-56-7028

STATE OF Arkansas } ss. (Individual or Joint Acknowledgement—Arkansas)
COUNTY OF Van Buren

On this 4th day of March, 1997, before me the undersigned Notary Public in and for said County and State, personally appeared William F. Chwalinski and Vera V. Chwalinski

known to me to be the person S whose name S are subscribed to the foregoing instrument and acknowledged that they executed the same as their free and voluntary act and deed for the purposes and consideration therein mentioned and set forth. IN WITNESS WHEREOF I have hereunto set my hand and official seal.

My commission expires:
November 12, 2001

Jaura Miksa Harrell
Notary Public

STATE OF _____ } ss. (Individual or Joint Acknowledgement—Arkansas)
COUNTY OF _____

On this _____ day of _____, 19____, before me the undersigned Notary Public in and for said County and State, personally appeared _____

known to me to be the person _____ whose name _____ subscribed to the foregoing instrument and acknowledged that _____ executed the same as _____ free and voluntary act and deed for the purposes and consideration therein mentioned and set forth. IN WITNESS WHEREOF I have hereunto set my hand and official seal.

My commission expires: _____

Notary Public

STATE OF _____ } ss. (Individual or Joint Acknowledgement—Arkansas)
COUNTY OF _____

On this _____ day of _____, 19____, before me the undersigned Notary Public in and for said County and State, personally appeared _____

known to me to be the person _____ whose name _____ subscribed to the foregoing instrument and acknowledged that _____ executed the same as _____ free and voluntary act and deed for the purposes and consideration therein mentioned and set forth. IN WITNESS WHEREOF I have hereunto set my hand and official seal.

My commission expires: _____

Notary Public

STATE OF ARKANSAS } ss.
COUNTY OF VAN BUREN

(Certificate of Recording)

This instrument was filed for record on the 17th day of March, 1997 at 1:30 o'clock P. M.
and recorded in Book XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX as document #97-1364.

MAURICE BONDS WHILLOCK
Clerk of the Circuit Court and Ex Officio Recorder

Jaura Miksa Harrell
Deputy

AFTER RECORDING RETURN TO: _____

This instrument Prepared By _____ of _____

EXHIBIT "A"

Tract 1:SECTION 29, TOWNSHIP 10 NORTH, RANGE 15 WEST

NW $\frac{1}{4}$ NW $\frac{1}{4}$, containing 40 acres, more or less.

SW $\frac{1}{4}$ NW $\frac{1}{4}$, LESS AND EXCEPT a tract described as beginning at the SE/corner of said SW $\frac{1}{4}$ NW $\frac{1}{4}$; thence along the East line of said forty N 0°00'45" W 262.0 feet to a county road; thence along said county road to a point S 67°41'25" W 498.34 feet; thence S 0°00'45" W 71.0 feet to the South line of said forty; thence along said South line S 89°46'23" E 461.0 feet to the point of beginning, leaving 38.29 acres, more or less.

Tract 2:SECTION 30, TOWNSHIP 10 NORTH, RANGE 15 WEST

SE $\frac{1}{4}$ NE $\frac{1}{4}$, containing 40 acres, more or less.

N/2 NE $\frac{1}{4}$, containing 80 acres, more or less.

SW $\frac{1}{4}$ NE $\frac{1}{4}$, LESS AND EXCEPT 4 acres described as beginning at the SW/corner of said SW $\frac{1}{4}$ NE $\frac{1}{4}$; thence East 156 yards; thence North 105 yards; thence West 51 yards; thence North 35 yards; thence West 105 yards; thence South 140 yards to the place of beginning, and LESS AND EXCEPT 6.31 acres described as beginning at the SW/corner of said SW $\frac{1}{4}$ NE $\frac{1}{4}$; thence East 468 feet for the point of beginning; thence East 852 feet; thence North 314 feet; thence West 852 feet; thence South 314 feet to the point of beginning; leaving 29.69 acres, more or less.

SIGNED FOR IDENTIFICATION

William F. Chwalinski
William F. Chwalinski

Vera V. Chwalinski
Vera V. Chwalinski

CERTIFICATE OF RECORD
Doc# 20043131
Page #1
Date 05/06/2004
12:33:46 PM
Filed & Recorded in
Official Records of
STATE OF ARKANSAS
VAN BUREN COUNTY
ESTER BASS
CIRCUIT/COUNTY CLERK
Fees \$17.00
BY: *[Signature]*

FORM NO. 1101

OIL AND GAS LEASE (Paid-up Lease--No Delay Rentals)

THIS AGREEMENT, made and entered into this 6th day of March 2004 by and between

William Chwalinski and Vera Chwalinski, Husband and Wife

of 240 Evans Lane, Cleveland, AR. 72030 hereinafter called lessor (whether one or more),
and New Century Production Company, LLC, P.O. Box 22754, Oklahoma City, OK 73123 hereinafter called Lessee.

WITNESSETH Lessor, for and in consideration of TEN AND MORE Dollars (\$10.00) and other good and valuable consideration in hand paid, receipt of which is hereby acknowledged, and of the agreements of lessee hereinafter set forth, hereby grants, demises, leases and lets exclusively unto said lessee the lands hereinafter described for the purpose of prospecting, exploring by geophysical and other methods, drilling, mining, operating for and producing oil or gas, or both, including, but not as a limitation, casinghead gas, casinghead gasoline, gas condensate (distillate) and any substance, whether similar or dissimilar, produced in a gaseous state, together with the right to construct and maintain pipe lines, telephone and electric lines, tanks, power stations, ponds, roadways, plants, equipment, and structures thereon to produce, save and take care of said oil and gas, and the exclusive right to inject air, gas, water, brine and other fluids from any source into the subsurface strata and any and all other rights and privileges necessary, incident to, or convenient for the economical operation of said land, alone or jointly with neighboring land, for the production, saving and taking care of oil and gas and the injection of air, gas, water, brine and other fluids into the subsurface strata, said lands being situated in the County of Van Buren State of Arkansas, and being described as follows, to-wit:

See Exhibit "A" attached hereto and made a part hereof

of Section _____ Township _____, Range _____, it being the purpose and intent of lessor to lease, and lessor does hereby lease, all of the lands or interests in lands owned by lessor which adjoin the lands above described or which lie in the section or sections herein specified whether or not herein completely and accurately described together with and including any accretions thereto which may have formed, may now be forming or may hereafter form. For all purposes of this lease, said lands shall be deemed to contain 227.98 acres.

Subject to the other provisions herein contained, this lease shall remain in force for a term of 5 years from this date (herein called "primary term") and as long thereafter as oil and gas, or either of them, is produced from the above described land or drilling operations are continuously prosecuted as hereafter provided. "Drilling operations" includes operations for the drilling of a new well, the reworking, deepening or plugging back of a well or hole or other operations conducted in an effort to obtain or re-establish production of oil or gas, and drilling operations shall be considered to be "continuously prosecuted" if not more than 180 days shall elapse between the completion or abandonment of one well or hole and the commencement of drilling operations on another well or hole. If, at the expiration of the primary term of this lease, oil or gas is not being produced from the above described land but lessee is then engaged in drilling operations, this lease shall continue in force so long as drilling operations are continuously prosecuted, and if production of oil or gas results from any such drilling operations, this lease shall continue in force so long as oil or gas shall be produced. If, after the expiration of the primary term of this lease, production from the above described land should cease, this lease shall not terminate if lessee is then prosecuting drilling operations, or within 180 days after each such cessation of production commences drilling operations, and this lease shall remain in force so long as such operations are continuously prosecuted, and if production results therefrom, then as long thereafter as oil or gas is produced from the above described land.

In consideration of the premises, lessee covenants and agrees:

1. To deliver, free of cost, to lessor at the wells, or to the credit of lessor in the pipeline to which the wells may be connected, the equal one-eighth (1/8) part of all oil and other liquid hydrocarbons produced and saved from the leased premises, or, at lessee's option, to pay to lessor for such one-eighth (1/8) royalty the market price at the well for such oil and other liquid hydrocarbons of like grade and gravity prevailing on the day such oil and other liquid hydrocarbons are run from the lease.
2. Lessee shall pay Lessor one-eighth of the proceeds derived from the sale of all gas (including substances contained in such gas) produced, saved, and sold by Lessee. Proceeds are defined as the actual amount received by the Lessee for the sale of said gas. In calculating the proceeds derived from the sale of gas produced, saved and sold by Lessee, Lessee shall be entitled to deduct all reasonable gathering, transportation, treatment, compression, processing and marketing costs that are incurred by Lessee in connection with the sale of such gas.
3. The consideration paid to lessor for this lease includes consideration in lieu of delay rental provisions and the rights and obligations of the parties hereunder shall be the same as if this lease contained provisions for the payment of periodic delay rentals throughout the primary term hereof and each such delay rental had been timely paid and accepted by lessor.

04-10114

4. If a well capable of producing gas or gas and gas-condensate in paying quantities located on the leased premises (or on acreage pooled or consolidated with all or a portion of the leased premises into a unit for the drilling or operation of such well) is at any time shut in and no gas or gas-condensate therefrom is sold or used off the premises or for the manufacture of gasoline or other products, nevertheless such shut-in well shall be deemed to be a well on the leased premises producing gas in paying quantities and this lease will continue in force during all of the time or times while such well is so shut in, whether before or after the expiration of the primary term hereof. Lessee shall use reasonable diligence to market gas or gas-condensate capable of being produced from such shut-in well but shall be under no obligation to market such products under terms, conditions or circumstances which, in lessee's judgment exercised in good faith, are unsatisfactory. Lessee shall be obligated to pay or tender to lessor within 45 days after the expiration of each period of one year in length (annual period) during which such well is so shut in, as royalty, an amount equal to \$1.00 per acre for the acreage covered by this lease as to which the leasehold rights are, at the end of such annual period, owned by the lessee making such payment, provided that, if lessor owns less than the full and entire royalty interest in such acreage, such payments shall be such part (calculated on a royalty-acre basis) of said amount as lessor's royalty interest bears to the full and entire royalty interest in such acreage, and provided further that, if gas or gas-condensate from such well is sold or used as aforesaid before the end of any such annual period, or if, at the end of any such annual period, this lease is being maintained in force and effect otherwise than by reason of such shut-in well, lessee shall not be obligated to pay or tender, for that particular annual period, said sum of money. Such payment shall be deemed a royalty under all provisions of this lease. Such payment may be made or tendered to lessor or to lessor's credit in the _____ Bank at _____

CLINTON ARK SIMMONS MC NATE which bank and its successors shall continue as the depository regardless of changes in the ownership of said land or the right to receive royalty hereunder. Royalty ownership as of the last day of each such annual period as shown by lessee's records shall govern the determination of the party or parties entitled to receive such payment.

5. If lessor owns a less interest in the land covered by this lease than the entire and undivided fee simple mineral estate therein, then whether or not such less interest is referred to or described herein, all royalties herein provided shall be paid lessor only in the proportion (calculated on a royalty-acre basis) which the royalty interest owned by him in said land bears to the full and entire royalty interest in said land.

6. If the estate of either party hereto is assigned or sublet, and the privilege of assigning or subletting in whole or in part is expressly allowed, the express and implied covenants hereof shall extend to the sublessee's successors and assigns of the parties, and in the event of an assignment or subletting by lessee, lessee shall be relieved and discharged as to the leasehold rights so assigned or sublet from any liability to lessor thereafter accruing upon any of the covenants or conditions of this lease, either express or implied. No change in the ownership of the land or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of lessee or require separate measuring or installation of separate tanks by lessee. Notwithstanding any actual or constructive knowledge of or notice to lessee, no change in the ownership of said land or of the right to receive royalties hereunder, or of any interest therein, whether by reason of death, conveyance or any other matter, shall be binding on lessee (except at lessee's option in any particular case) until 90 days after lessee has been furnished written notice thereof, and the supporting information hereinafter referred to, by the party claiming as a result of such change in ownership or interest. Such notice shall be supported by original or certified copies of all documents and other instruments or proceedings necessary in lessee's opinion to establish the ownership of the claiming party.

7. Lessee may, at any time, execute and deliver to lessor or place of record a release covering all or any part of the acreage embraced in the leased premises or covering any one or more zones, formations or depths underlying all or any part of such acreage, and thereupon shall be relieved of all obligations thereafter to accrue with respect to the acreage, zones, formations or depths covered by such release.

8. Lessee is granted the right, from time to time while this lease is in force, to pool into a separate drilling or operating unit or units all or any part of the land covered by this lease with other land, lease or leases, or interests therein (whether such other interests are pooled by a voluntary agreement on the part of the owners thereof by the exercise of a right to pool by the lessee(s) thereof), when in lessee's judgment it is necessary or advisable in order to promote conservation, to properly develop or operate the land and interests to be pooled, or to obtain a multiple production allowable from any governmental agency having control over such matters. Moreover, if any governmental regulation or order shall permit or prescribe a spacing pattern for the development of a field wherein the above described land, or a portion thereof, is located, or allocate a producing allowable based on acreage per well, then any such unit may embrace such additional or lesser amount of acreage as may be so permitted or prescribed or as may be permitted in such allocation of allowable. In lieu of the royalties elsewhere herein specified, except shut-in gas well royalties, lessor shall receive on production from an area so pooled only such portion of the royalties which, in the absence of such pooling, would be payable hereunder to lessor on production from the land covered by this lease which is placed in the pooled area as the amount of the surface acreage in the land covered by this lease which is placed in the pooled area bears to the amount of the surface acreage of the entire pooled area. Nothing herein contained shall authorize or effect any transfer of any title to any leasehold, royalty or other interest pooled pursuant hereto. The commencement of a well, the conduct of other drilling operations, the completion of a well or of a dry hole, or the operation of a producing well on the pooled area, shall be considered for all purposes (except for royalty purposes) the same as if said well were located upon, or such drilling operations were conducted upon the lands covered by this lease whether or not such well is located upon, or such drilling operations are conducted upon, said lands. Lessee may terminate any pooling effected pursuant hereto at any time the pooled unit is not producing and no drilling operations are being conducted thereupon by executing and filing of record in the county or counties in which the pooled area is located a written declaration of the termination of such pooling, provided that the pooling of all interests not covered by this lease which comprise a part of such pooled unit be also terminated in some effective manner.

9. Lessee shall have the right to use, free of cost, gas, oil and water found on said land for its operations, except water from the wells of the Lessor. When required by the Lessor, the Lessee shall bury its pipelines below plow depth and shall pay reasonable damages for injury by reason of its operations to growing crops on said land. No well shall be drilled nearer than 200 feet to any house or barn or other structure on said premises as of the date of this Lease without the written consent of the Lessor. Lessee shall have the right at any time during, or after the expiration of this Lease to enter upon the property and to remove all machinery, fixtures, and other structures placed on said premises, including the right to draw and remove all casing, but the Lessee shall be under no obligation to do so.

10. Lessor hereby warrants and agrees to defend the title to the lands herein described, but if the interest of lessor covered by this lease is expressly stated to be less than the entire fee or mineral estate, lessor's warranty shall be limited to the interest so stated. Lessee may purchase or lease the rights of any party claiming any interest in said land and exercise such rights as may be obtained thereby but lessee shall not suffer any forfeiture nor incur any liability to lessor by reason thereof. Lessee shall have the right at any time to pay for lessor, any mortgage, taxes or other lien on said lands, in the event of default of payment by lessor, and be subrogated to the rights of the holder thereof, and any such payments made by lessee for lessor may be deducted from any amounts of money which may become due lessor under this lease.

11. In the event lessor considers that lessee is in breach of any of its obligations hereunder, lessor shall notify lessee in writing of the facts relied upon as constituting a breach hereof, and lessee, if in breach hereof, shall have sixty days after receipt of such notice in which to commence the compliance with the obligations imposed by virtue of this lease. Until such time as lessee has been given the above-described written notice and opportunity to cure the asserted breach, lessee shall not be considered in default under the terms of this lease.

12. Should lessee be prevented from complying with any express or implied covenant of this lease, from conducting drilling or reworking operations thereon or from producing oil or gas therefrom by reason of scarcity of or inability to obtain or to use equipment or material, by operation of force majeure, by any Federal or state law or any order, rule or regulation of governmental authority, or by any other cause beyond the reasonable control of lessee, then while so 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 this lease shall be extended while and so long as lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the leased premises; and the time while lessee is so prevented shall not be counted against lessee, anything in this lease to the contrary notwithstanding.

13. This lease and all provisions thereof shall be applicable to, binding upon and enforceable by the parties thereto and their respective successors and assigns. Reference herein to lessor and lessee shall include reference to their respective successors and assigns, it being expressly agreed that lessor and lessee shall have the right to assign. Should any one or more of the parties named above as lessors not execute this lease, it shall nevertheless be binding upon the party or parties executing the same.

14. Each wife/husband above named hereby joins in the execution and delivery of this lease for the purpose of conveying, releasing and relinquishing unto lessee, for the purpose and consideration aforesaid, all of his/her right, title, interest and estate in said land, including any rights of dower/courtesy and homestead which he/she may have therein.

IN WITNESS WHEREOF, this lease is executed as of the day and year first above written.

William Chwalinski
William Chwalinski

Vera Chwalinski
Vera Chwalinski

(Individual or Joint Acknowledgement - Arkansas)

STATE OF Arkansas §
§
COUNTY OF Van Buren §

On this 23rd day of March, 2004, before me the undersigned Notary Public in and for said County and State personally appeared William Chwalinski and Vera Chwalinski, Husband and Wife

known to me to be the person's _____ whose name's are _____ subscribed to the foregoing instrument and acknowledged that they executed the same as their free and voluntary act and deed for the purpose and consideration therein mentioned and set forth. IN WITNESS WHEREOF I have hereunto set my hand and official seal.

Jackie Morrow
Notary Public
My Commission Expires: 4-10-13

"NOTARY SEAL"
Jackie Morrow, Notary Public
Van Buren County, State of Arkansas
My Commission Expires April 10, 2013.

EXHIBIT "A"

THIS EXHIBIT "A" IS ATTACHED TO AND MADE A PART OF THAT CERTAIN OIL AND GAS LEASE DATED THE 6TH DAY OF MARCH, 2004 BY AND BETWEEN WILLIAM CHWALINSKI AND VERA CHWALINSKI, HUSBAND AND WIFE AS LESSOR AND NEW CENTURY PRODUCTION COMPANY, LLC. AS LESSEE.

SECTION 30-10N-15W

SE/4 NE/4

AND

N/2 NE/4 & SW/4 NE/4 LESS AND EXCEPT 10.31 ACRES MORE OR LESS DESCRIBED IN THE FOLLOWING TWO(2) TRACTS: (1) BEGINNING AT THE SW/C OF THE SW/4 NE/4, THENCE EAST 156 YARDS, THENCE NORTH 105 YARDS, THENCE WEST 51 YARDS, THENCE NORTH 35 YARD, THENCE WEST 105 YARDS, THENCE SOUTH 140 YARDS TO THE POINT OF BEGINNING (4.0 ACRES, MOL) AND (2) BEGINNING AT THE SW/C OF THE SW/4 NE/4, THENCE EAST 486 FEET TO THE POINT OF BEGINNING, THENCE EAST 852 FEET, THENCE NORTH 314 FEET, THENCE WEST 852 FEET, THENCE SOUTH 314 FEET TO THE POINT OF BEGINNING, (6.31 ACRES, MOL)

SECTION 29-10N-15W

NW/4 NW/4 AND SW/4 NW/4 LESS AND EXCEPT A TRACT DESCRIBED AS BEGINNING AT THE SE/C OF SAID SW/4 NW/4, THENCE ALONG THE EAST LINE OF SAID SW/4 NW/4, N 0 DEG 00 MIN 45 SEC W 262 FEET TO A COUNTY ROAD, THENCE ALONG SAID COUNTY ROAD TO A POINT S 67 DEG 41 MIN 23 SEC W 489.34 FEET (DEEDED 477 FEET), THENCE S 0 DEG 00 MIN 45 SEC W 71 FEET TO THE SOUTH LINE OF SAID SW/4 NW/4, THENCE ALONG SAID SOUTH LINE S 89 DEG 46 MIN 23 SEC E 461 FEET TO THE POINT OF BEGINNING.

Initialed for identification: W.C.

71
CERTIFICATE OF RECORD
Doc# 200711560
Page #1
Date 11/13/2007
03:43:21 PM
Filed & Recorded in
Records of
STATE OF ARKANSAS
VAN BUREN COUNTY
ESTER BASS
CIRCUIT/COUNTY CLERK
Fees \$30.00
BY: *James P. Pham, D.O.*

RIGHT OF WAY GRANT AND EASEMENT

STATE OF ARKANSAS

COUNTY OF VAN BUREN

KNOW ALL MEN BY THESE PRESENT

That for and in consideration of Ten Dollars (\$10.00) and other valuable considerations paid to the undersigned William F. Chwalinski and Vera Chwalinski, whose address is 240 Evans Lane, Cleveland, AR 72030 (herein styled "Grantor," whether one or more), the receipt and sufficiency of which is hereby acknowledged, the Grantor, on behalf of itself, its successors, heirs, and assigns, does hereby GRANT and CONVEY unto Alta Resources, L.L.C. whose address is 500 Dallas, Suite 2920, Houston, Texas, 77002 (herein styled "Grantee"), its successors and assigns, a right-of-way and easement to construct, entrench, maintain, inspect, repair, replace, remove or add one or more pipelines, meter station(s), other equipment and appurtenances thereto as may be, in the sole opinion of Grantee, necessary or convenient for the transportation of oil, natural gas, liquids, liquefiables, or other substances transported on, across and through the lands owned by Grantor, situated in Van Buren County, Arkansas and hereinafter described to-wit:

W ½ NW, Section 29, Township 10 North, Range 15 West

GRANTOR and GRANTEE agree herein that an "as built" survey may be performed and filed of record after construction of the initial pipeline to describe the permanent right of way and easement. The "as built" centerline survey may be attached hereto and made a part hereof as a new corrected Exhibit "A", or may be recorded in a supplemental filing. Without limiting the foregoing grant and conveyance, GRANTEE may use such portion of the property along and adjacent to said right of way not to exceed 30 feet in width as may be necessary in connection with the construction, maintenance, improvement, repair or replacement of said pipeline(s), other equipment, or appurtenances; provided Grantee shall be obligated to pay for all crop and land surface damages arising from Grantor's use that is not otherwise the result of Grantor's actions or inaction.

TO HAVE AND TO HOLD unto Grantee, its successors and assigns, for the longer of the period Grantee, its successors or assigns continues its use of the right of way and easement for the transportation of oil, natural gas, liquids, liquefiables, or other substances transported on, across and through the lands owned by Grantor, or for so long as any oil, gas and mineral leases currently held by Grantee, its successors or assigns remain in full force and in effect (including any amendments, revisions, or extensions thereto) in Section 29, T-10-N, R15W, with right of ingress and egress from Grantor's entire premises for the purposes of constructing, inspecting, repairing and maintaining said pipeline(s), other equipment, or appurtenances.

Grantee agrees to clean up all trash on the surface of the right of way and easement and to smooth and level any mounds of dirt resulting from the construction, maintenance, operation, repair, alteration, replacement and removal of the pipeline(s).

Grantee agrees to keep the right of way and easement clean and free of all debris arising solely out of Grantee's acts or operations thereon. Grantee agrees to bury all pipelines below ordinary plow depth, which shall be 36 inches.

It is further understood and herein provided that in the event Grantee crosses any fence lines owned by Grantor, or any boundary fences surrounding Grantor's land, said fences shall be properly braced at all times.

After two years from the date of last production, pipeline right-of-way shall revert back to Grantor. The pipeline shall only be used to transport natural gas.

The consideration first above receipted as being paid to Grantor by Grantee is in full satisfaction of every right hereby granted. All covenants and agreements herein contained shall extend to and be binding upon the respective heirs, legal representatives, successors and assigns of the parties hereto.

Witness the execution hereof on this the 16th day of May, 2007.

Grantor:


William F. Chwalinski

Grantor:


Vera Chwalinski

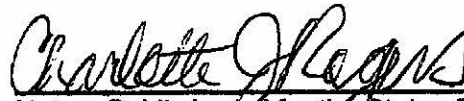
ACKNOWLEDGEMENT

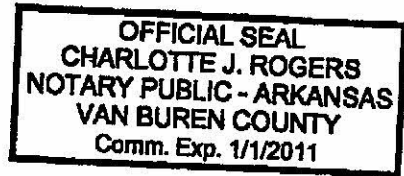
Joint Acknowledgment

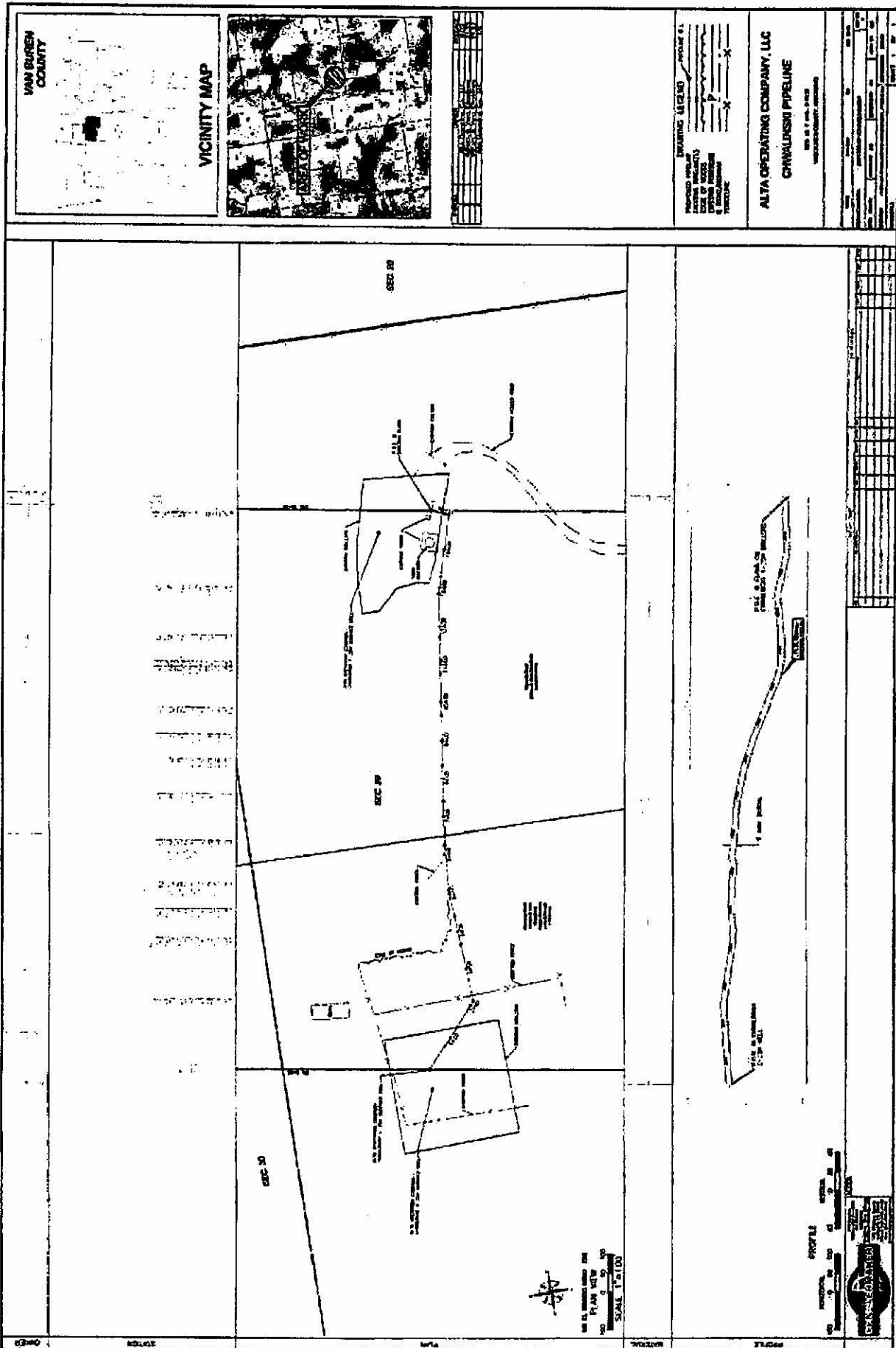
**STATE OF ARKANSAS
COUNTY OF VAN BUREN**

Be it remembered, that on this day came before me, the undersigned, a Notary Public within and for the county and state aforesaid, duly commissioned and acting, William B. and Vera Chwalinski, to me well known as Grantors in the foregoing instrument, and acknowledged that they had executed the same for the consideration and purposes therein mentioned and set forth.

Witness my hand and seal as such Notary Public on this 16th day of May, 2007.


Notary Public in and for the State of AR
Printed Name: Charlotte J. Rogers
Commission Expires: 1-1-2011





P4 T2

CERTIFICATE OF RECORD

Doc# 200704969

Page #1

Date 05/23/2007

11:31:35 AM

**PIPELINE RIGHT OF WAY GRANTED & Recorded in
Official Records of
STATE OF ARKANSAS
VAN BUREN COUNTY**

STATE OF ARKANSAS
COUNTY OF Van Buren

KNOW ALL MEN BY THESE PRESENTS:

PROPERTY OWNER: William F. Chwalinski and Vera V. Chwalinski
ADDRESS: 240 Evans Lane, Cleveland, AR. 72030

ESTER BASS
CIRCUIT/COUNTY CLERK

Fees \$17.00

BY: Gracie Pharis D.C.

The Property Owner (herein referred to as Grantor), for and in the consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby GRANT, SELL and CONVEY unto DeSoto Gathering Company LLC. (herein referred to as Grantee), whose address is 23 Nabco Avenue, Conway, Arkansas 72033, its successors and assigns, the right of way and easement thirty (30) feet in width, for the purposes of constructing, altering, operating, maintaining, inspecting, repairing, changing the size of, abandoning in place, removing and relaying pipelines and conduits together with such valves (both above or below ground), fittings, meters, meter stations, corrosion control devices, cathodic protection, wires, cables and other equipment and appurtenances as may be necessary or convenient for the transportation by pipelines of oil, gas, petroleum or any of their products, water or other fluids and/or any other products or by products thereof, and the transmission of communication signals (including markers, poles, wires, lines and fiber optics) related to the aforementioned pipelines uses, with the right of ingress and egress to and from the same, on, over and through certain land situated in Van Buren County, State of Arkansas, to wit:

Part of Section 29 & 30, T10N, R15W described in deed from Vera Virginia Harrison to William F. Chwalinski and Vera V. Chwalinski recorded in Volume 139 Page 529 of the Deed Records of said County, to which reference is here made for further description. Such Right of Way being more particularly described as (Exhibit "A")

Grantor further grants to Grantee the right to use temporary workspace as needed and/or required in exercising those rights as provided herein, including restoration and clean-up activities. Temporary workspace shall be a total of forty (40) feet in width, adjacent to and adjoining either side of the thirty (30) foot Permanent easement as described herein. It is agreed that the Grantee may utilize Temporary workspace on either or both sides of said thirty (30) foot permanent easement, provided the total width of the Temporary workspace does not exceed forty (40) feet. Upon completion of construction said Temporary workspace shall revert back to Grantor.

Grantor shall have the right to fully use and enjoy the Right of Way except for the purposes hereinabove granted to Grantee. Grantor shall not build, create or construct, nor allow to be built, created or constructed, any obstruction including, but not limited to, impounded water, buildings, barns, work shops, improvements or other structure within the Right of Way nor shall Grantor change the grade of the surface of the ground within the Right of Way. Grantee shall have the right to clear and keep the Right of Way cleared of trees, shrubs, brush and any other obstructions that may interfere with the rights herein granted. Grantee will have the right to assign this grant in whole or in part.

Grantee agrees to bury the pipelines below normal plow depth, minimum three (3) feet, and to pay for any physical damages to growing crops, timber, fences or other structural improvements located outside the Right of Way, which are caused by construction, maintenance, operation, repairing, alteration, replacement, abandoning in place, or removal of said pipelines and appurtenant facilities.

No failure to comply with any covenant on the part of Grantee shall be construed as a breach of this agreement unless and until written notice has first been given to Grantee, via certified mail, return receipt requested, at the address set forth above, that Grantor believes Grantee has failed to comply with such covenant, setting out the grounds therefore and Grantee then fails to correct such failure within thirty (30) days after receipt of such notice or has failed to correct such failure within thirty (30) days after final determination, by agreement or litigation in a court of competent jurisdiction, that a breach, in fact, exists.

Grantor does hereby bind itself to warrant and forever defend all and singular the premises unto Grantee, its successors and assigns, against every person whomsoever, lawfully claiming or to claim the same, or any part thereof and specifically covenants to indemnify Grantee against claims of tenants on the above described lands. All covenants, warranties and agreements herein contained shall be deemed to be running with the land and shall extend to and be binding on the respective heirs, legal representatives, successors and assigns of the parties hereto. Grantee will have the right to assign this grant in whole or in part.

This instrument may be executed as one document signed by all parties or in counterparts and, if so executed shall have the same effect as if all the parties hereto actually joined in and executed one and the same document. This instrument shall be binding on those parties executing same, regardless of whether same is signed by all parties hereto.

It is hereby understood that the party securing this grant on behalf of Grantee is without authority to make any covenant or agreement not herein expressed; specifically, for emphasis only and not by way of limitation, it is understood that no representation, agreement, guarantee or inducement has been made to Grantor with respect to consideration paid or to be paid to any other person, corporation or entity.

This instrument covers the entire agreement between the parties and no representation or statements, verbal or written, have been made modifying, adding to, or changing the terms of this agreement

WITNESS the execution hereof this 14 day of March, 2007.

GRANTOR:

William F. Chwalinski
William F. Chwalinski

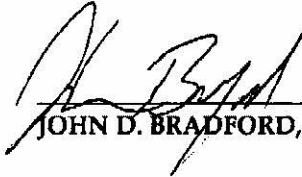
Vera V. Chwalinski
Vera V. Chwalinski

DOCUMENT PREPARED BY:
DESOTO GATHERING CO. LLC
23 NABCO AVE.
CONWAY, AR 72032

DOC: 2009-10028

And we, the **GRANTORS**, for and in consideration of the said sum of money, do hereby release and relinquish unto the said **GRANTEES** all our rights of dower, curtesy and homestead in and to said lands.

WITNESS our hands and seals on this 20th day of November, 2009.


JOHN D. BRADFORD, III


KARI G. BRADFORD

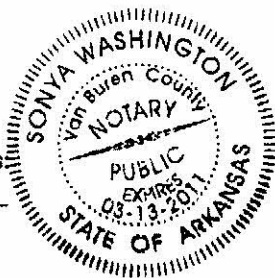
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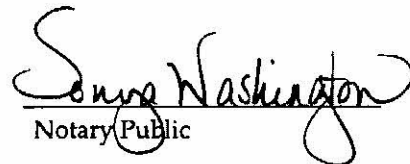
STATE OF ARKANSAS)
)SS
COUNTY OF VAN BUREN)

On this 20th day of November, 2009, before me the undersigned, a Notary Public within and for the County and State aforesaid, duly commissioned and acting appeared in person the within named **JOHN D. BRADFORD, III** and **KARI G. BRADFORD**, husband and wife, to me known to be the persons whose names are subscribed to the foregoing document and stated that they had executed the same for the consideration and purposes therein mentioned and set forth.

(Seal)

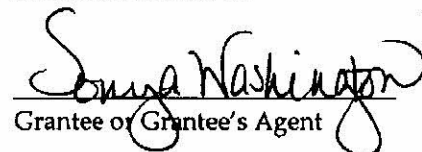
My Commission Expires
03/13/2011




Notary Public

ARKANSAS REAL PROPERTY TRANSFER TAX AFFIDAVIT

I CERTIFY UNDER THE PENALTY OF FALSE SWEARING THAT AT LEAST THE LEGALLY CORRECT AMOUNT OF DOCUMENTARY STAMPS HAVE BEEN PLACED ON THIS INSTRUMENT.


Grantee or Grantee's Agent