

ASSIGNED TO: William Periman

SEE ASSIGNMENT BK 6 P. 327

12-7-89  
Lease No. 495766 L

## OIL AND GAS LEASE

THIS AGREEMENT, made this 15th. day of August of 19 89, by and between Heirs of Reginald H. Stullenbarger (deceased); Ronald W. Stullenbarger and Linda Stullenbarger, H/W; Lincoln H. Stullenbarger and Debra K. Stullenbarger, H/W; Barbara K. Vandevander, divorced; Rita L. Stieringer and Matthew B. Stieringer, Jr., W/H

Lessors and parties of the first part, hereinafter called "LESSOR" and EQUITABLE RESOURCES EXPLORATION, a division of EQUITABLE RESOURCES ENERGY COMPANY, a corporation. P.O. Drawer 40, Buckhannon, West Virginia, party of the second part, hereinafter call "LESSEE",

WITNESSETH: For and in consideration of the sum of One Dollar (\$1.00), paid by the Lessee to the Lessor, the receipt of which is hereby acknowledged and of the covenants and agreements herein contained. Lessor does hereby grant, lease, demise and let unto the Lessee, for its exclusive possession and use, for the purpose of exploring, operating for, producing, removing and marketing oil and gas, or either of them, and/or their constituents and related byproducts, by methods now known or hereafter discovered, all of the certain tract or parcel of land and/or oil and gas situate in Elk District West Virginia County, West Virginia Mineral, bounded substantially as follows:

On the North by E. S. Jones; other land of lessor

On the East by E. S. Jones et al.; Map E. 15 Parcel 27

On the South by Richard Hanlin; Vitto Atoggero;

On the West by Richard Hanlin; other land of lessor

containing ( 81 ) Eighty One acres, more or less, and being the same land and/or gas acquired by the Lessor by Deed Book 82 Page 433 June 21, 1947

This lease is made upon the following terms, rents, covenants and conditions, all of which are agreed to by the parties hereto:

1. RIGHTS OF LESSEE: Lessee shall have all rights, privileges and rights of way possessed by the Lessor which are necessary or convenient for the purpose of this lease, including, but not being limited to, the right to inject gas, air, water and other fluids into the sands and formations in said land for recovering and producing the minerals referred to; drilling, reconditioning, redrilling, completing and operating wells; and grading, constructing, maintaining and using access roads, pipelines, power lines, drips, tanks, stations, cathodic protection devices, houses for gates, meters, and regulators, for use in connection with operations upon the demised premises or upon other lands owned or leased by the Lessee or its assigns.

2. TERM: This lease shall remain in force for a term of ( 5 ) Five years from April 25, 1990 and as long thereafter as the leased premises or any portion thereof, or any land pooled or unitized with the whole or any part thereof, is operated in the search for or production of oil or gas or oil or gas is found in paying quantities thereon. After termination of this lease, Lessee or its assigns may continue to use roads, pipelines, and other facilities, being used in connection with operations on other premises, for as long as the other operations are being conducted. Lessee shall have right to remove its equipment and property after termination of lease.

### 3. RENTALS AND ROYALTIES:

The Lessee covenants and agrees as follows:

#### (a) Production Royalty:

##### (i) Oil:

To pay the Lessor, as royalty for all oil and the constituents thereof, produced and saved from any well or wells drilled on the leased premises, an amount equal to one-eighth (1/8) of the price received by the Lessee from the sale of such oil in the tanks, pipelines or other facilities, to which the Lessee may connect its wells.

##### (ii) Gas:

To pay Lessor as royalty for all gas and the constituents thereof, including all liquid, solid or gaseous substances produced and saved from any sand or sands and/or formation or formations on the leased premises, an amount equal to one-eighth (1/8) of the price received by the Lessee from the sale of such gas and the constituents thereof at the well-head.

#### (b) Delay Rental Payment:

(i) To pay or tender to Lessor as delay rental at the rate of \$5.00 Five dollars per net acre, ( \$405.00 ) annually, in advance, beginning on the date of this lease, and continue thereafter until a well capable of yielding production royalty to Lessor as provided above is drilled on the leased premises or on any unit or pool involving the leased premises. Any delay rental paid for time beyond the date that a well capable of yielding production royalty to Lessor is drilled on the leased premises shall be credited on production royalty due from the well. If any producing well subsequently ceases to produce or is determined by the Lessee unprofitable to operate for the production of oil or gas, the Lessee may continue to hold said land under the terms hereof for the remainder of the primary term of the lease by resuming payment of delay rental, with said rental to commence ninety (90) days

after completion of the plugging of the well or ninety (90) days after termination of production from the same, whichever first occurs. In no event shall this lease terminate or become void for non-payment of delay rentals, unless the Lessee shall refuse or neglect to pay or perform the same for sixty (60) days after having received written notice by certified mail return requested from the Lessor of his intention to declare such default.

(c) Shut-in Royalty:

If the Lessee drills a productive well upon the demised premises and, for any reason, does not turn the same into pipelines within six (6) months after the completion of the well, or if the Lessee, for any reason, including but not being limited to, unavailability of markets, coal operations in the area of the well, or production problems, temporarily suspends production from a producing well and such suspension continues for a period of more than ninety (90) days, then the Lessee shall pay a shut-in royalty to the Lessor. The shut-in royalty, in such events, shall be equal to the delay rental herein provided for each acre of the lease held by the well and shall continue until such time as production is resumed. In no event shall this lease terminate or become void for nonpayment of shut-in royalty.

(d) Free Gas:

If lessor owns the surface overlaying the gas herein leased, then Lessor hereby excepts and reserves from one well on said land producing gas an amount of gas not to exceed two hundred thousand (200,000) cubic feet per year for his own use for heat and light in one (1) dwelling house on said land at Lessor's own risk. Lessor shall be entitled to receive the free gas when and as long as Lessee may elect to produce or operate a well on the aforesaid leased premises. Lessor shall lay the necessary lines and make connections at Lessor's expense at such point on the demised premises as may be designated by the Lessee, provided said gas is used with economical appliances and is measured by meter furnished by Lessee. The regulation of such gas will be by regulator furnished by Lessor and approved by Lessee, place at the top on the well or other designated point of connection. Gas shall be used at Lessor's own risk. Lessee shall not be liable for any interruption or insufficient supply of such gas caused by mechanical problems, breakage of lines, shut-in of wells for any purpose or for any reason whatsoever. If more than two hundred thousand (200,000) cubic feet per year is used, the excess shall be paid for by the Lessor at the same rate at which Lessee sells other gas produced from well. In case of default in payment of gas used in excess of said two hundred thousand (200,000) cubic feet, Lessee is hereby authorized to deduct the amount thereof from any royalty or other payments that are then due or may later become due under the terms of this lease. If lessor does not own the surface, then Lessee may furnish the free gas to the surface owner at its election, but, in such event, Lessor shall not be liable for gas usage over the free gas limit.

(e) Manner of Payment:

All payments hereunder may be made directly to the Lessor or by check payable and mailed to Lincoln H. Stullenbarger, as agent of the Lessor, who is hereby appointed agent to receive the receipt for the same and to receive notices given by the Lessee as provided herein. All checks shall be mailed to the following address:

Route 1 Box 20, Elk Garden, S.S. # 233-76-4919  
West Virginia 26717 S.S. # \_\_\_\_\_  
Telephone No. (304) 446-5517

4. **DAMAGES AND RECLAMATION:** Lessee shall pay to Lessor a reasonable amount for damages to fences or gates, or, in the alternative, Lessee may repair or replace the same at its expense. Lessee shall reclaim disturbed areas in a manner as required by its drilling permit and state law.

5. **DRILLING NEAR DWELLING:** No well shall be drilled, without the consent of the Lessor, within a radius of two hundred (200) feet around any dwelling house existing at the time of drilling.

6. **UNITIZATION:** Lessee shall have the right to pool or unitize the leased acreage, or any part or parts thereof, with other tracts so as to form a drilling unit or pool not to exceed 180 acres for formations shallower than 4,000 feet and 640 acres for formations deeper than 4,000 feet. Operations upon the pooled acreage, for all purposes except royalty and free gas shall be deemed to have occurred upon the demised premises. Lessor shall receive as royalties for minerals produced and marketed from the pooled area an amount equal to the proportion that Lessor's acreage placed in the pooled area bears to the total acreage in the pooled area.

7. **SURRENDER:** Lessee may at any time, upon the payment or tender of \$1.00 and all royalties and rentals then due hereunder, surrender this lease as to all or any party of the land demised.

8. **OUTSTANDING INTERESTS:** The rentals, royalties and payments herein specified are intended to be paid for a 100% ownership of the oil and gas. If Lessor owns less than 100% interest on the oil and gas, the rental, royalty and payments shall be reduced to equal the interest of Lessor (i.e., if Lessor owns only a 50% interest in the oil and gas, then the rental, royalty and payments shall automatically be reduced to 50% of the amounts herein specified).

9. **ASSIGNMENT:** The entire or part of the interest or estate of either party hereto may be assigned. Upon such assignment by the Lessee, the assignee shall be solely liable for all obligations of the Lessee hereunder.

10. **PARTIAL EXECUTION:** Should any of the parties named herein as Lessor fail to execute this lease, it shall, nevertheless, be binding upon all such parties who do execute it as Lessor.

11. **BREACH:** The breach by Lessee of any obligation arising hereunder shall not work a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part. In the event Lessor considers that operations are not at any time being conducted in compliance with this lease, Lessor shall notify Lessee in writing of the facts relied upon as constituting a breach hereof, and Lessee, if in default, shall have sixty (60) days after receipt of such notice in which to commence the compliance with the obligation imposed by virtue of this instrument.

12. **FORCE MAJEURE:** 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, or by operation of force majeure, and Federal or state law or any order, rule or regulation of governmental authority, 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 an 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. **OTHER PROVISIONS:** Each Well shall be at a mutually agreeable location but Lessor shall not unreasonably withhold consent to a location proposed by Lessee.

Lessee shall bury all pipelines below plow depth upon request of Lessor.

14. BINDING EFFECT: This lease shall be binding upon the parties hereto, their heirs, successors and assigns:

WITNESS the following signatures:

[Signature]  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

LESSORS

Ronald W. Stullenbarger  
Kinda Stullenbarger  
Lincoln H. Stullenbarger  
Debra K. Stullenbarger  
Barbara K. Vandevander  
Rita L. Stieringer  
Matthew B. Stieringer, Jr.

EQUITABLE RESOURCES EXPLORATION, a division of EQUITABLE RESOURCES ENERGY COMPANY, a corporation.

BY: [Signature]

Reviewed By: [Signature]

This agreement prepared by Robert J. Wallace, Attorney at Law, Buckhannon, West Virginia, and completed by R. Miller of EQUITABLE RESOURCES ENERGY COMPANY, P.O. Drawer 40, Buckhannon, WV 26201. To be returned after recording to last named party.

STATE OF West Virginia  
COUNTY OF Mineral

The foregoing instrument was acknowledged before me this 17 day of Aug, 1989, by heirs of Reginald H. Stullenbarger, Ronald W. Stullenbarger, Lincoln H. Stullenbarger, Barbara K. Vandevander and Rita L. Stieringer  
Kinda Stullenbarger, Debra K. Stullenbarger, Matthew B. Stieringer, Jr.



[Signature]  
Notary Public

My commission expires the December 10th

STATE OF WEST VIRGINIA, MINERAL COUNTY, TO-WIT:

Be it remembered that on, this 20th day of November, 1989  
at 11:52 o'clock 4 M., the foregoing [Signature]  
with the certificate thereto annexed, was presented in the Office of the Clerk of the County Commission and admitted to record.

RUEY L. STAGGS

Clerk County Commission

CASTO & HARRIS INC., SPENCER, W. VA. RE-ORDER NO 92246-89

BOOK 258 PAGE 245

Notary Public

My commission expires: the \_\_\_\_\_

day of \_\_\_\_\_, 19\_\_\_\_.

Mineral County Clerk  
DEED Clerk 04 /  
Date/Time: 11/27/2002 15:43  
Inst #: 25461  
Book/Page: 310- / 15-  
Recd/Tax: 979.00 968.00

THIS DEED, made this 26<sup>th</sup> day of November, 2002, by and between **ROBERT L. GUNNARSSON, SR.** and **HELEN M. GUNNARSSON**, his wife, parties of the first part, hereinafter called the GRANTORS,

a  
n  
d

**RENE F. LARRIVA** and **DIANE L. LARRIVA**, his wife, whose address is 9403 Eagle Trce Fairfax Station Va. 22039, parties of the second part, hereinafter called the GRANTEES.

WITNESSETH: That for and in consideration of the sum of Ten Dollars (\$10.00), cash in hand paid, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the said Grantors do hereby grant, bargain, sell and convey, with covenants of general warranty, unto the said Rene F. Larriva and Diane L. Larriva, his wife, as joint tenants with right of survivorship, and not as tenants in common, all those tracts or parcels of real estate situate, lying and being in Elk District, Mineral County, West Virginia, located and described by metes and bounds as follows:

**TRACT ONE:** BEGINNING at a stonepile located in a line of Harvey Stullenbarger's land and in the first original line of the whole tract of which this is a part at a point 596 feet from the beginning thereof, second corner to a tract of 232.76 acres sold to T. H. Brock, and running thence with the remainder of said line (calls copied from 1036.9 acre tract) N. 74 deg. 00' W. 1429 feet to a planted stone; thence N. 77 deg. 30' W. 365 feet to another planted stone; thence S. 65 deg. 30' W. 1262 feet to a stake near a stonepile; thence N. 30 deg. 30' W. 185 feet to a planted stone; thence N. 71 deg. 00' W. 120 feet to a stonepile; thence leaving the land of said Stullenbarger and running with the land of John F. Kitzmiller N. 22 deg. 00' E. 1940 feet to a planted stone with a hickory tree marked for a pointer in a line of the original Vandiver tract; thence with the lines thereof S. 42 deg. 40' E. 710 feet to a stake; thence N. 40 deg. 00' E. 600 feet to a 4" service stump; thence across the said Vandiver tract N. 75 deg. 00' E. 120 feet to a stake in the edge of the Elk Garden Road, with oak and maple trees marked for pointers; thence S. 37 deg. 00' E. 1100.8 feet to a stake in said road; thence N. 79 deg. 23' E. 498 feet to another stake in said road with a sugar tree marked for pointer; thence leaving the original 1036.9 acre tract's original lines and making new division line by protraction S. 85 deg. 00' E. 100 feet to a point in said road at the end of a line drawn N. 14 deg. 15' E. 87 feet from a large sugar tree; thence leaving the said road with the lines of T. H. Brock reversed S. 14 deg. 15' W. (W.B. 1935) passing said sugar tree on center line at 87 feet, same course continued 770 feet more, making 857 feet to the place of the BEGINNING, containing 75 acres, more or less.

EXCEPTING AND RESERVING THEREFROM, HOWEVER: from the operation of this conveyance all of the following described portion or part of the above described real estate, said EXCEPTED and RESERVED portion or part being more fully and particularly described as follows, to wit:

BARR SITES & CISSEL

AS 11/10/66  
BEGINNING at a 1" iron pin in a stone pile ("C" marked on one of the stones), from which a double 12" and 17" red maple pointer is 6 feet 9 1/2 inches being N. 23 deg. 46' E. 433.6 feet from a stone pile, original corner to said Feathers' 75 acre tract; then leaving said Feathers and Kitzmiller original line, and running a division line, S. 78 deg. 55' E., at 57.5 feet crossing Stullenbarger Road in all 158.8 feet to a 1" iron pin in a stone pile, from which a 8" birch is S. 88 deg. 30' W. 6 feet 3 inches, thence making another division line, N. 21 deg. 22' E. 972.9 feet to a point in the south right-of-way limit of Route No. 42, set a 1" iron pin, from which an 8" chestnut oak pointer is 8 feet 3 inches, thence with and right-of-way limit, S. 84 deg. 37' W. 92.0 feet to a 1" iron pin witness corner, continuing the same course 36.9 feet, 128.9 feet in all to a 1" iron pin on the west side of Stullenbarger Road, and in said Kitzmiller line, from which a 13" black locust is N. 56 deg. W. 9 feet 11 inches, said pin being S. 23 deg. 46' W. 556.7 feet from planted stone with hickory pointer, corner of Kitzmiller and Feathers, thence with said Kitzmiller line, S. 23 deg. 46' W., crossing said Stullenbarger Road twice, 945.8 feet to the BEGINNING.

**TRACT TWO:** On the South by the lands of the late Jessie Dixon Norman E. Bray and County Road leading from Blaine to Nethkinsville being the division line established in laying of the widows dower in said land on the north and east by the lands of the West Virginia Central and Pittsburg railway company on the west by the county road being the entire tract of land conveyed to William H. Kitzmiller by the heirs of Richard A. Dixon deceased, and containing Eighty two (82) acres more or less.

Subject to that certain boundary line agreement recorded in the aforesaid Clerk's Office in Deed Book No. 289, at page 588.

LESS HOWEVER, the following out-conveyance from Reginald Stullenbarger and Rosalee Stullenbarger, his wife, to Lincoln H. Stullenbarger and Tamela M. Stullenbarger, his wife, by a Deed dated the 23rd day of April, 1979, and recorded in Deed Book No. 214, at page 822, in the Office of the Clerk of the County Commission of Mineral County, West Virginia.

The said real estate is more particularly described as follows:

BEGINNING at a 3/4" x 30" rebar set in East limit of Stullenbarger Road and 15 feet from the center thereof, said rebar being South 70 deg. East 59.2 feet from found stone pile on West side of said Road, Northwest corner of Stullenbarger 82 Acre tract; thence, leaving road with wire fence line, but not necessarily with north boundary of said 82 Acre tract; North 71 deg. 56' East 511.7 feet setting a 3/4" x 30" rebar, from which a 12" black oak is North 83 deg. 2 feet 10"; thence, leaving fence, South 4 deg. 24' West 726.1 feet setting a 3/4" x 30" rebar in East limit of said road and 15 feet from the center thereof, from which a 3" maple is 4 feet 10" and a 20" white oak is 13 feet 6"; thence, with East limit of said road, North 55 deg. 10' West 293.3 feet; North 51 deg. 45' West 144.5 feet; North 13 deg. 50' West 317.6 feet to the BEGINNING, containing 5.00 acre, more or less, excluding 0.2 Acre of utility right of way gives 4.98 acres, net area, more or less, (all bearings are 1979 magnetic and distance horizontal).

LESS HOWEVER, the following out-conveyance from Reginald Stullenbarger and Rosalee Stullenbarger, his wife, to Richard F. Mullenax and Jo Ann Mullenax, his wife, by a Deed dated the 11th day of February, 1966, and recorded in Deed Book No. 158, at Page 423, in the Office of the Clerk of the County Commission of Mineral County, West Virginia.

The said real estate is more particularly described as follows:

BEGINNING at a large shellbark hickory tree standing on the North side of the Stullenbarger Road; thence leaving said road and with the division line between the herein described parcel and a 0.75 of an acre Pennington Tract, N. 28 deg. 30' East 125 ft. to a concrete marker; thence N. 59 deg. 00' West 181.5 feet to a concrete marker; thence S. 28 deg. 30' W. 125 feet to a red oak on the

North side of the aforesaid road; thence with said road S. 59 deg. 00' E. 181.5 feet to the BEGINNING, containing 0.50 of an acre, more or less.

LESS HOWEVER, the following out-conveyance from Reginald Stullenbarger and Rosalee Stullenbarger, his wife, to Doyle D. Pennington and Hester G. Pennington, his wife, by a Deed dated the 11th day of February, 1966, and recorded in Deed Book No. 154, at Page 693, in the Office of the Clerk of the County Commission of Mineral County, West Virginia.

The said real estate is more particularly described as follows:

BEGINNING at a large shell bark hickory tree standing on the North side of the Stullenbarger Road; thence leaving said road with the division line between this tract herein described and an 0.50 of a acre Mullenax tract, N. 28 deg. 30' E. 125 feet to a concrete marker; thence S. 74 deg. 30' E 250 ft. to a concrete marker; thence S. 28 deg. 30' W. 125 ft to a concrete marker on the North side of the aforesaid road; thence with said road direct bearing and distance being N. 74 deg. 30' W. 250 ft. to the BEGINNING, containing 0.75 of an acre, more or less.

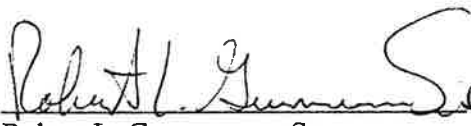
The above described real estate is the same as was conveyed unto Robert L. Gunnarsson, Sr., and Helen M. Gunnarsson, his wife, by deed dated October 10, 1997, from Lincoln H. Stullenbarger and Debra K. Stullenbarger, his wife, Rita L. Stieringer and Matthew B. Stieringer, her husband, and Ronald W. Stullenbarger and Linda L. Stullenbarger, his wife, and Barbara K. Vandevander, single, which deed is recorded in the Office of the Clerk of the County Commission of Mineral County, West Virginia, in Deed Book No. 289, at page 592.

The above described real estate is also subject to that certain reservation of coal and mining rights reserved in Deed Book No. 35, at page 375.

The Grantors hereby declare that the total consideration paid for the property conveyed hereby is \$219,900.00.

TO HAVE AND TO HOLD the above described real estate, together with any and all improvements thereon, and the rights, privileges and appurtenances thereunto belonging, or in anywise appertaining, unto the said Rene F. Larriva and Diane L. Larriva, his wife, as joint tenants with the right of survivorship, and not as tenants in common, his, or her, heirs and assigns, in fee simple forever.

WITNESS the following signatures and seals:

 (SEAL)  
Robert L. Gunnarsson, Sr.

Helen M. Gunnarsson (SEAL)  
Helen M. Gunnarsson

STATE OF WEST VIRGINIA,

COUNTY OF MINERAL, to-wit:

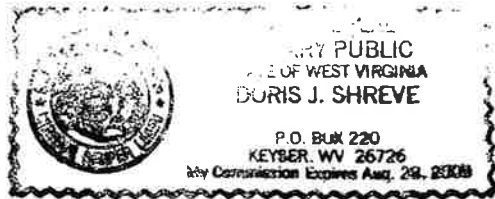
The foregoing instrument was acknowledged before me this 27th day of November, 2002,  
by Robert L. Gunnarsson, Sr. and Helen M. Gunnarsson, his wife.

My Commission expires:

August 28, 2005  
(Affix Notarial Seal)

S. Shreve  
Notary Public

Prepared by: Jack C. Barr  
Barr Sites & Cissel  
P. O. Box 220  
Keyser, West Virginia 26726



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