

And being all of the remainder of the land conveyed to the Grantors herein by deed of Edward T. Britton, et ux, dated January 27, 1988, of record in the aforesaid Clerk's Office in Deed Book 302 at Page 582.


There is expressly excepted from this conveyance and not conveyed hereby, all minerals, oil and gas rights which have heretofore been severed from the real estate hereby conveyed, D. T. Carlyle, et als, prior owners in the chain of title, having conveyed a one-half undivided interest in the same unto M. E. Anderson and Florence M. Anderson by deed dated January 22, 1954, of record in the aforesaid Clerk's Office in Deed Book 129 at Page 143; and L. F. Kinley, prior owner in the chain of title, having reserved all minerals, oil and gas and related rights in his deed of David S. Hutter dated October 30, 1956, of record in the aforesaid Clerk's Office in Deed Book 135 at Page 233. However, the grantee herein does acquire, subject to the rights outstanding as set forth above, all of said real estate and all rights appertaining to the same, including surface, timber, waters, easements and any other appurtenances thereunto belonging, together with the rights to any surface damage which may accrue.

The real estate herein conveyed is subject to any rights, ways, easements, restrictions or reservations which may affect the same and which are of record in the aforesaid Clerk's Office.

TO HAVE AND TO HOLD the aforesaid real estate unto the said grantee, together with all rights, ways, buildings, houses, improvements, easements, timbers, waters, minerals and mineral rights, and all other appurtenances thereunto belonging, in fee simple forever.

We hereby certify, under penalties as prescribed by law, that the actual consideration paid for the real estate conveyed by the foregoing and attached deed is \$10.00, as this is in the nature of a property settlement agreement in the parties' divorce action, with no further consideration being necessary, and the grantors affirm that they are residents of the State of West Virginia, and are therefore exempt from the tax withholding requirements of WV Code § 11-21-71b.

WITNESS the following signatures and seals:

 (SEAL)  
MICHAEL L. CARLIN

 (SEAL)  
KATHLEEN A. CARLIN

Re: mineral rights

From: frankie heishman

Sent: Tue, Sep 25, 2012 at 11:20 am

To: keenanshanholtz@mrisc.com

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KMBT35020120925104347.pdf (259.7 KB)

OK - Here's what it looks like to me --

Mineral rights appear to be owned by Lynda Gray Todd (50%) and her brother, Mel C. Gray (50%). Copy of the most recent conveyance (Deed Book 335 Page 510) attached. Don't know who Robert Pollet is, couldn't find a conveyance to him, but maybe Lynda can clarify.

Lynda and her husband Raymond signed an Oil and Gas Lease in 2006 (Deed Book 466 at Page 350), which has been assigned and extended -- looks like a drilling thing, copy attached also.

Don't see a Lease on Mel's 1/2 interest...

Hope this helps!  
frankie :)

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Frankie Heishman  
Carl, Keaton, Frazer & Milleson, PLLC  
56 E Main St  
Romney WV 26757  
304-813-4459 cell phone  
304-822-4187 office phone  
304-822-5607 office fax

>  
> From: "keenanshanholtz@mrisc.com" <keenanshanholtz@mrisc.com>  
> To: frankie heishman <frankieheishman@yahoo.com>  
> Sent: Monday, September 24, 2012 8:39 PM  
> Subject: Re: mineral rights  
>  
>  
> thanks so much, looking foward to hearing the results  
>  
>  
> -----Original Message-----  
> From: "frankie heishman" <frankieheishman@yahoo.com>  
> Sent: Monday, September 24, 2012 4:37pm  
> To: "keenanshanholtz@mrisc.com" <keenanshanholtz@mrisc.com>  
> Subject: Re: mineral rights  
>  
>  
> Keenan - started working on this but hadn't finished when the Clerk's Office closed -  
should hope to have an answer for you tomorrow. (Of course, the answer may be, I don't

know.)  
>Type to ya then.  
>frankie :)  
>  
>  
>\_\_\_\_\_  
>Frankie Heishman  
>Carl, Keaton, Frazer & Milleson, PLLC  
>56 E Main St  
>Romney WV 26757  
>304-813-4459 cell phone  
>304-822-4187 office phone  
>304-822-5607 office fax  
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>>\_\_\_\_\_  
>> From: "keenanshanholtz@mris.com" <keenanshanholtz@mris.com>  
>>To: frankie heishman <frankieheishman@yahoo.com>  
>>Sent: Monday, September 24, 2012 12:06 PM  
>>Subject: mineral rights  
>>  
>>  
>>  
>>frankie,  
>>  
>>i have attached all the info i have on this. if you could please figure out who  
currently owns the mineral rights(im assuming it is the people on gregs spreadsheet) and  
#2, have they done anything other than the storage lase with hampshire gas?  
thanks, keenan  
>>  
>>  
>>  
>>  
>>Keenan Shanholtz  
>>Broker: West Virginia Land & Home Realty  
>>25045 Northwestern Pike  
>>Romney, WV 26757  
>>The Real Estate Authority in Almost Heaven West Virginia  
>>304-813-4858  
>>Check out my website [www.4wvland.com](http://www.4wvland.com)  
>>  
>>  
>  
>

Mailed: David Ewers 7-13-92  
PO Box 5959  
Mc Allen, TX

52161

PREPARED BY EWERS & PEISEN LAW FIRM  
DAVID A EWERS  
801 NOLANA SUITE 100  
MCALLEN, TEXAS 78502

335  
510

STATE OF WEST VIRGINA ) (

COUNTY OF HAMPSHIRE ) (

QUIT CLAIM DEED

KNOW ALL MEN BY THESE PRESENT THAT:

This deed made the 27 day of February, 1992 between Melinda Investment Corporation, a Texas Corporation whose principal offices are located at 1 PARK PLACE, STE. 610, Mc Allen, Hidalgo County Texas and Mel C Gray who resides at 4305 N. 22ND ST., Mc Allen, Hidalgo County, Texas and Linda Gray Todd aka Lynda Todd Gray who resides at 729 west 8th St. Weslaco, Hidalgo County, Texas;

Witnesseth, that in consideration of and in accordance with the terms of the resolution approved at a meeting of the shareholders of Melinda Investment Corporation, the named GRANTOR, authorizing the distribution of the corporate assets of GRANTOR, in equal one half undivided interest to each GRANTEE, as the sole shareholders of GRANTOR, and pursuant thereto:

GRANTOR does hereby release and quitclaim all it's right title and interest, in equal undivided one half interest, unto each GRANTEE ( a 50% undivided interest unto Mel C Gray and a 50% undivided interest unto Linda Gray Todd, aka Lynda Gray Todd) in and to the following:

A all of GRANTORS right title and interest in and to any portion of the (1) surface of the real property, together with any timber, natural resources or raw material and any improvements situated thereon comprising the surface estate, as such may encompass according to the laws of the jurisdiction in which the property is situated, and (2) any oil, gas, and other minerals comprising the mineral estate in or under the following property and (3) any and all rights to a share in the production of the oil gas or other minerals or, proceeds from the sale of timber and other natural resources, under the terms of any oil and gas or other mineral leases, timber agreements, production

335

511

agreements or other agreements pertaining to or covering any of GRANTOR's interest in the minerals, timber or other natural resources in the following described property or any portion thereof:

1 All of GRANTOR's right title and interest, if any, in the property or any portion thereof as described in exhibit a attached hereto

2 Any property in which GRANTOR has a claim of right or ownership under common law or the laws of this state in and to any

a) Any gores or strips between the property or portion thereof described in exhibit a or between any portion of the property in exhibit a and any abutting property and or

b) Any property lying in the bed of any streams or creeks, or any right of ways, existing or proposed roads, or easements, whether crossing, adjoining or situated within or outside the boundaries, of any property in which GRANTOR has an interest

3 Any and all right title and interest of GRANTOR in and to any other property situated in the county in which this instrument is filed of record and

4 Any after acquired interest or present unrecorded interest of GRANTOR in and to any property situated in this county which may subsequently filed of record

b The conveyance of GRANTORS interest in and to the above property shall include any and all rights privileges heriditaments incident, appertaining or derived from the ownership of such an interest including but not limited to any share of proceeds under any existing oil, gas or other mineral leases or natural resource sales contracts of amounts now due and owing, presently accrued but undistributed, amounts held in suspense or hereafter owing.

For the consideration GRANTOR releases and quitclaims to GRANTEE all of GRANTOR's right title and interest in and to the above property, to have and to hold the undivided interest in same unto each GRANTEE, their respective heirs successors and assigns, forever. Neither GRANTOR nor GRANTOR's successors or assigns shall have claim, or demand any right or title to the property or any part of it.

This instrument is executed in multiple counterparts, each being identical to the others except as to the description of the properties in the attachment to each and identified as exhibit a, for the purpose of facilitating the recordation of the conveyance of GRANTORS interest in and to the property situated in the counties in which each counterpart is filed of record, and together the counterparts shall constitute a single conveyance.

mailed: 7-20-07

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71327

OIL AND GAS LEASEAssignment See Book 470  
Page 316+  
Bk 474 Pg 7603 Bk 455 Pg 234

This Lease made this 9<sup>th</sup> day of November, 2006, by and between Lynda Gray Todd and Raymond Todd, her husband, having an address at 722 West 8<sup>th</sup> St., Wyandaco, TX 78686, hereinafter collectively called "Lessor" and The Keeton Group, LLC, 1021 Majestic Drive, Suite 330, Lexington, Kentucky, 40513 hereinafter called "Lessee".

WITNESSETH, That for and in consideration of the premises, and all of the mutual covenants and agreements hereinafter set forth, the Lessor and Lessee agree as follows:

**LEASING CLAUSE:** Lessor hereby leases exclusively to Lessee all the oil, gas and their constituents, whether hydrocarbon or non-hydrocarbon, underlying the land herein leased, together with such exclusive rights as may be necessary or convenient for Lessee, at its election, to explore for, develop, produce, measure, and market production from the Leasehold, and from adjoining lands, using methods and techniques which are not restricted to current technology, including the right to conduct geophysical and other exploration tests; to drill, maintain, operate, cease to operate, plug, abandon, and remove wells; to use or install roads, electric power and telephone facilities, and to construct pipelines with appurtenant facilities, including data acquisition, compression and collection facilities for use in the production and transportation of products from the Leasehold and from neighboring lands across the Leasehold, and such right shall survive the term of this agreement for so long thereafter as operations are continued, to use oil, gas, and non-domestic water sources, free of cost, to store gas of any kind underground, regardless of the source thereof, including the injection of gas therein and removing same therefrom, to protect stored gas, to operate, maintain, repair, and remove material and equipment.

**DESCRIPTION:** The Leasehold is located, all or part, in the County of Hampshire, in the State of West Virginia, in the District/Township of Gore & Sherman and described as follows:  
and is bounded formerly or currently as follows:

On the North by Lands of: SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

On the East by Lands of:

On the South by Lands of:

On the West by Lands of:

Including lands acquired by: Deed from \_\_\_\_\_, dated \_\_\_\_\_, recorded in Deed Book \_\_\_\_\_, Page \_\_\_\_\_, and described for the purposes of this agreement as containing 1.989 acres, whether actually more or less, and including all contiguous or appurtenant lands owned by Lessor.

**LEASE TERM:** This Lease shall remain in force for a primary term of five (5) years from November 8, 2006, and for as long thereafter as prescribed payments are made, or for as long thereafter as operations are conducted on the Leasehold in search of production of oil, gas, or their constituents, or for as long as a well capable of production is located on the Leasehold, or for as long as extended by other provisions herein, or for as long as the Leasehold is used for the underground storage of gas or for the protection of stored gas. If after the primary term the last producing well on the Leasehold is plugged and abandoned, the Leasehold will remain under lease for an additional period of one year from the date of plugging and abandonment, subject to the payment of Delay Rental.

**EXTENSION OF TERM:** Lessee may extend the primary term for one additional period equal to the primary term by paying to Lessor, at any time within the primary term, proportionate to Lessor's percentage of ownership an Extension Payment equal in amount to the annual Delay Rental as herein described, or by drilling a well on the Leasehold which is not capable of commercial production.

**PAYMENT TO LESSOR:** Lessee covenants to pay Lessor, proportionate to Lessor's percentage of ownership as follows:

(A.) **DELAY RENTAL:** To pay Lessor as Delay Rental at the rate of Two (\$2.00) dollars per net mineral acre per year payable annually in advance, beginning on November 8, 2007, and continuing thereafter until the commencement of Royalty payments. Delay Rental paid for time beyond the commencement date of Royalty payment shall be credited upon the Royalty payment. Upon conversion to Storage, Delay Rental payment shall be reestablished.

(B.) **ROYALTY:** It is agreed that the total Royalty that will be paid by Lessee shall be one-eighth (1/8th) and that any Royalty conveyance or reservation in Lessor's chain of title shall be subtracted from the one-eighth (1/8th) royalty proved herein. To pay Lessor as Royalty, less all taxes, assessments, and adjustments on production from the Leasehold as follows:

1. **OIL:** To deliver to the credit of Lessor, free of cost, a Royalty of the equal one-eighth (1/8th) part of all oil and constituents thereof produced and marketed from the Leasehold.

2. **GAS:** To pay Lessor an amount equal to one-eighth (1/8th) of the revenue realized by the Lessee for all gas and the constituents thereof produced and marketed from the Leasehold during the preceding month. Lessee may withhold Royalty payment until such time as the total withheld exceeds fifty dollars (\$50.00).

(C.) **DELAY IN MARKETING:** In the event that Lessee does not market producible gas, oil, or their constituents from the Leasehold, Lessee shall continue to pay Delay Rental until such time as marketing is established, and such payment shall maintain this Lease in full force and effect to the same extent as payment of Royalty.

(D.) **SHUT-IN:** In the event that production of oil, gas, or their constituents is interrupted and not marketed for a period of six (6) months, and there is no producing well on the Leasehold, Lessee shall thereafter, as Royalty for constructive production, pay a Shut-In Royalty equal in frequency and amount to the Delay Rental until such time as production is re-established and said payment shall maintain the Lease in full force and effect to the same extent as payment of Royalty. During Shut-In, Lessee shall have the right to re-work, stimulate, or deepen any well on the Leasehold or drill a new well on the Leasehold in an effort to re-establish production, whether from an original producing formation or from a different formation. In the event that the production from the only producing well on the Leasehold is interrupted for a period of less than six (6) months, this Lease shall remain in full force and effect without payment of Royalty or Shut-In Royalty.

(E.) **DAMAGES:** Lessee shall remove unnecessary equipment and materials and grade, reseed and mulch the drill site area at the completion of activities, and Lessee agrees to repair any damaged improvements to the land and pay for the loss of crops or marketable timber.

(F.) **MANNER OF PAYMENT:** Lessee shall make or tender all payments due hereunder by check, payable to Lessor, at Lessor's last known address, and Lessee may withhold any payment (without interest) pending notification by Lessor of a change in address.

(G.) **CHANGES IN LAND OWNERSHIP:** Lessee shall not be bound by any change in the ownership of the Leasehold until furnished with such documentation as Lessee may reasonably require. Pending the receipt of documentation, Lessee may elect either to continue to make or withhold payments (without interest) as if such a change had not occurred.

(H.) **TITLE:** If Lessee received evidence that Lessor does not have title to all or any part of the rights herein leased, Lessee may immediately withhold payments (without interest) that would be otherwise due and payable hereunder to Lessor until the adverse claim is fully resolved.

(I.) **LIENS:** Lessee may at its option pay and discharge any past due taxes, mortgages, judgments, or other liens and encumbrances on or against any land or interest included in the Leasehold; and Lessee shall be entitled to recover from the debtor, with legal interest and cost, by deduction from any future payments to Lessor or by any other lawful means.

(J.) **LIMITATION OF FORFEITURE:** This Lease shall never be subject to civil action or other proceeding to enforce a claim of forfeiture due to Lessee's alleged failure to perform as specified herein, unless, Lessee has received written notice of Lessor's demand and thereafter fails or refuses to satisfy Lessor's demand within sixty (60) days from receipt of the notice.

**UNITIZATION:** Lessor grants Lessee the right to pool, unitize, or combine all or part of the Leasehold with other lands, whether contiguous or not contiguous, leased, or un-leased, whether owned by Lessee or by others, at a time before or after drilling to create drilling or production units either by contract right or pursuant to governmental authorization. Lessee is granted the right to change the size, shape and conditions of operations or payment of any unit created. Lessor agrees to accept and receive out of the production or the revenue realized from production of such unit, such proportional share of the Royalty from each unit well as the number of Leasehold acres included in the unit bears to the total number of acres in the unit. Otherwise, except for Free Gas, the drilling, operations in preparation for drilling, production from, or payment for Royalty, Shut-In Royalty, or Delay in Marketing for a well on such a unit shall have the same effect upon the terms of this Lease as if the well were located on the Leasehold.

**FREE GAS:** Upon approval of Lessor's written request for free gas and his execution of an Agreement for Delivery of Free Gas and Overburn Gas, one Lessor may lay a line to any producing gas well on the leased premises and take two hundred thousand (200,000) cubic feet of gas per year free of cost for domestic use in one dwelling on said lands at Lessor's own risk and subject to the use and right of abandonment of the well by the Lessee. All overburn gas shall be paid for by said Lessor at the current established retail rate in the area.

**FACILITIES:** Lessee shall not drill a well within 200 feet of any structure located on the Leasehold without Lessor's written consent. Lessor shall not erect any building or structure, or plant any trees within 200 feet of a well or within 25 feet of a pipeline without Lessee's written consent. Lessor shall not improve, modify, degrade or restrict roads and facilities built by Lessee without Lessee's written consent.

**CONVERSION TO STORAGE:** Lessee is hereby granted the right to convert the Leasehold to gas storage. At the time of conversion, Lessee shall pay Lessor's proportionate part for the estimated recoverable gas remaining in the well using methods of calculating gas reserves as are generally accepted by the natural gas industry, and Lessor shall be paid Delay Rental for as long thereafter as the Leasehold is used for gas storage or for protection of gas storage.

**TITLE AND INTEREST:** Lessor hereby warrants generally and agrees to defend title to the Leasehold and covenants that Lessee shall have quiet enjoyment hereunder and shall have benefit of the doctrine of after acquired title. Should any person having title to the Leasehold fail to execute this Lease, the Lessee shall nevertheless be binding upon all persons who do execute it as Lessor.

**LEASE DEVELOPMENT:** There is no covenant to develop the Leasehold within a certain time frame, and there shall be no Leasehold forfeiture for implied covenants to produce. Provisions herein constitute full compensation for privileges herein granted.

**ARBITRATION:** In the event of a disagreement between Lessor and Lessee concerning this Lease, performance thereunder, or damages caused by Lessee's operations, settlement shall be determined by a panel of three disinterested arbitrators. Lessor and Lessee shall appoint and pay the fee of one each, and the two so appointed shall appoint the third, whose fee shall be borne equally by Lessor and Lessee. The award shall be by unanimous decision of the arbitrators and shall be final.

**SURRENDER:** Lessee may surrender and cancel this Lease as to all or any part of the Leasehold by recording a Surrender of Lease and if partially surrendered, the Delay Rental provided in the PAYMENTS clause shall be reduced in proportion to the acreage surrendered.

**SUCCESSORS:** All rights, duties, and liabilities herein benefit and bind Lessor and Lessee and their heirs, successors, and assigns.

**ENTIRE CONTRACT:** The entire agreement between Lessor and Lessee is embodied herein. No oral warranties, representations, or promises have been made or relied upon by either party as an inducement to or modification of this Lease.

IN WITNESS WHEREOF, this Lease is entered into this the day and year first above written.

LESSOR

*Lynnda Gray Todd*  
Lynnda Gray Todd

LESSOR

*Raymond Todd*  
Raymond Todd

STATE OF Texas

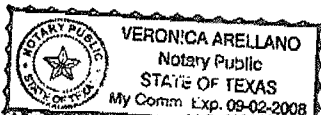
ACKNOWLEDGMENT

COUNTY OF Hidalgo

On this 10th day of November, 2006, before me, Veronica C. Arellano, a Notary Public, came Lynnda Gray Todd and Raymond Todd, her husband, to me known (or satisfactorily proven) to be the individual(s) described in, and who executed the foregoing instrument, and acknowledged that he/she/they executed the same for the purposes therein contained. In witness thereof, I hereunto set my hand and official seal.

My Commission Expires on: 09/02/2008

*Veronica C. Arellano*  
Notary Public



Prepared by: The Keshin Group, LLC, 4041 Lexington Drive, Suite 330, Lexington, KY 40513

*Richard Shea*  
RICHARD SHEA



EXHIBIT "A"

Attached thereto and made a part of an agreement between Lynda Gray Todd and Raymond Todd, her husband, having an address at 729 West 8<sup>th</sup> Street, Weslaco, TX. 78596 and The Keeton Group, LLC, of 1021 Majestic Dr., Suite 330, Lexington, KY. 40513, covering lands containing 1989 acres and dated November 9, 2006.

Including lands described and acquired as follows:

Gore and Sherman Districts, Hampshire County, West Virginia.

Being the property conveyed to Lynda Gray Todd, et al, by Deed dated 2-27-1992 from Melinda Investment Corporation and recorded in Deed Book 335, Page 510.

A description of the oil & gas being leased can be found in deed from M. E. Anderson, et ux, to Richard Gray, et ux, dated 9-29-1960 and recorded in Deed Book 147, Page 302.

Tract 2. All the oil, gas, minerals and royalties in and to that certain tract of 158 acres, more or less, acquired by deed of Ruth Shanholtzer Edmondson and Ernest Edmondson, dated 17 August, 1953, duly recorded in Clerk's Office in Deed book 126, Page 266.

Tract 3. All the oil, gas, minerals and royalties in and to all those certain tracts aggregating 1051 acres, (less 72 acres) more or less, acquired by deed of James W. Shanholtz and Frances B. Shanholtz, dated 1 September, 1953, duly recorded in Clerk's Office in Deed Book 126, Page 319.

Tract 19. All the oil, gas, minerals and royalties in and to that certain tract containing 200 acres, more or less, acquired by deed of Aubrey B. Cummins and Virginia Cummins, dated 23 June, 1955, duly recorded in Clerk's Office in Deed Book 130, Page 421.

Tract 23. All the oil, gas, minerals and royalties in and to that certain tract containing 233 acres, more or less, acquired by deed of Jesse C. Hott and Gracie Hott, dated 24 June, 1955, duly recorded in Clerk's Office in Deed Book 130, Page 431.

Tract 25. All the oil, gas, minerals and royalties in and to that certain tract containing 97 acres and 112 poles, more or less, acquired by deed of Edna Pyles, dated 24 June, 1955, duly recorded in Clerk's Office in Deed Book 130, Page 436.

Tract 26. All the oil, gas, minerals and royalties in and to that certain tract containing 120 acres, more or less, acquired by deed of Mona V. Hott, Ralph V. Hott and Vieve P. Hott, dated 22 September, 1955, duly recorded in Clerk's Office in Deed Book 131, Page 403.

Tract 27. All the oil, gas, minerals and royalties in and to that certain tract containing 201 acres, more or less, acquired by deed of Annie Haines, et al, dated 22 September, 1955, duly recorded in Clerk's Office in Deed Book 131, Page 405.

Signed:

Lynda Gray Todd  
Lynda Gray Todd

Raymond Todd  
Raymond Todd

SHARON H. LINK  
Hampshire County 02:36:47 PM  
Instrument No 98129  
Date Recorded 07/12/2007  
Document Type OIL  
Book-Page 466-350  
Rec/Preserve \$5.00 \$1.00

STATE OF WEST VIRGINIA, Hampshire County Commission Clerk's Office

7/12/07 2:36pm

The foregoing Instrument, together with the certificate of its acknowledgment, was this day presented in said office and admitted to record.

Teste

Sharon H. Link

Clerk.

53 is  
part of  
this tract